



ETERNITY INVESTMENT LIMITED

永恒策略投資有限公司*

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號 : 764)



*僅供識別

2020
ANNUAL REPORT 年報

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Corporate Information 公司資料

BOARD OF DIRECTORS

Executive directors

Mr. Lei Hong Wai
(Chairman and Chief Executive Officer)
Mr. Cheung Kwok Wai Elton
Mr. Chan Kin Wah Billy
Mr. Cheung Kwok Fan

Independent non-executive directors

Mr. Wan Shing Chi
Mr. Ng Heung Yan
Mr. Wong Tak Chuen

COMPANY SECRETARY

Mr. Chan Kin Wah Billy

MEMBERS OF AUDIT COMMITTEE

Mr. Wong Tak Chuen (Chairman)
Mr. Wan Shing Chi
Mr. Ng Heung Yan

MEMBERS OF REMUNERATION COMMITTEE

Mr. Ng Heung Yan (Chairman)
Mr. Lei Hong Wai
Mr. Wan Shing Chi

MEMBERS OF NOMINATION COMMITTEE

Mr. Lei Hong Wai (Chairman)
Mr. Wan Shing Chi
Mr. Ng Heung Yan

MEMBERS OF FINANCE COMMITTEE

Mr. Chan Kin Wah Billy (Chairman)
Mr. Wong Tak Chuen

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

董事會

執行董事

李雄偉先生
(主席兼行政總裁)
張國偉先生
陳健華先生
張國勳先生

獨立非執行董事

尹成志先生
吳向仁先生
黃德銓先生

公司秘書

陳健華先生

審核委員會成員

黃德銓先生(主席)
尹成志先生
吳向仁先生

薪酬委員會成員

吳向仁先生(主席)
李雄偉先生
尹成志先生

提名委員會成員

李雄偉先生(主席)
尹成志先生
吳向仁先生

財務委員會成員

陳健華先生(主席)
黃德銓先生

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Unit 1211
Shun Tak Centre, West Tower
168-200 Connaught Road Central
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Standard Limited
Share Registration Public Office
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

AUDITORS

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

PRINCIPAL BANKERS

DBS Bank (Hong Kong) Limited
Hang Seng Bank Limited

STOCK CODE

764

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股份過戶登記總處

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

香港股份過戶登記分處

卓佳標準有限公司
證券登記服務處
香港
皇后大道東 183 號
合和中心 54 樓

核數師

國衛會計師事務所有限公司
執業會計師

主要往來銀行

星展銀行(香港)有限公司
恒生銀行有限公司

股份代號

764

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Chairman's Statement

主席報告

To our shareholders

In 2020, we reported a loss attributable to owners of the Company of HK\$140.86 million, a 33% improvement as compared to last year. This improvement was mainly attributable to (i) a HK\$50.47 million increase in gain on sale of financial assets, (ii) a gain of HK\$140.51 million arising on change in fair value of financial assets, whereas we recorded a loss of HK\$80.49 million in last year, and (iii) the absence of the previous year's one-off written-off of property, plant and equipment of HK\$49.78 million, which were partially offset by (i) a HK\$192.96 million increase in the allowance for credit losses on loan receivables, and (ii) a HK\$65.18 million increase in the share of losses of associates.

We reported a segment profit (before taxation) of HK\$191.81 million for our sale of financial assets business in 2020, whereas we recorded a loss of HK\$79.27 million last year. The turnaround was mainly due to a trading gain of HK\$50.47 million from disposing of certain Hong Kong-listed securities and a significant gain on change in fair value of two Hong Kong listed equities held by us. We will closely monitor and adjust our listed securities portfolio from time to time and realise our Hong Kong-listed securities into cash as and when appropriate in 2021.

Our money lending business recorded a segment loss (before tax) of HK\$148.77 million in 2020. In 2019, we recorded a segment profit (before taxation) of HK\$72.50 million. The deterioration in segment results was due to (i) the derecognition of certain interest income on loans due to the deterioration of certain customers' ability to pay the interest, (ii) a significant increase in the allowance for credit losses on loan receivables, and (iii) the recognition of a written-off of loan receivables. The significant increase in the allowance for credit losses on loan receivables was due to (i) the increase in the probability of default in calculating expected credit losses caused by the COVID-19 pandemic, and (ii) the reclassification of certain loans from stage 1 to stage 2 (underperforming) and stage 3 (non-performing). In 2021, we will slow down our pace and closely monitor our loan portfolio's performance, especially the repayment status of each customer.

致本公司股東

於二零二零年，我們呈報本公司擁有人應佔虧損140,860,000港元，較去年改善33%。表現改善乃主要由於(i)銷售金融資產之收益增加50,470,000港元；(ii)金融資產公平值變動產生之收益140,510,000港元，而我們去年則錄得虧損80,490,000港元；及(iii)並無去年之物業、廠房及設備之一次性撇銷49,780,000港元，其已獲(i)應收貸款之信貸虧損撥備增加192,960,000港元；及(ii)應佔聯營公司虧損增加65,180,000港元部分抵銷。

於二零二零年，我們呈報銷售金融資產業務之分部溢利(除稅前)191,810,000港元，去年則錄得虧損79,270,000港元。轉虧為盈乃主要由於來自出售若干香港上市證券之買賣收益50,470,000港元及我們所持有之兩隻香港上市股票之公平值變動之重大收益。我們將密切監察及不時調整我們之上市證券組合，並於二零二一年適時將我們之香港上市證券變現。

我們之借貸業務於二零二零年錄得分部虧損(除稅前)148,770,000港元。於二零一九年，我們錄得分部溢利(除稅前)72,500,000港元。分部業績轉遜乃由於(i)若干客戶之還息能力惡化導致取消確認若干貸款利息收入；(ii)應收貸款之信貸虧損撥備顯著增加；及(iii)確認撇銷應收貸款。應收貸款之信貸虧損撥備顯著增加乃因(i)計算新型冠狀病毒疫情導致之預期信貸虧損之違約概率增加；及(ii)將若干貸款由第1階段重新分類至第2階段(不良)及第3階段(不履約)。於二零二一年，我們將放慢發展步伐，並密切監察我們之貸款組合表現，尤其是各客戶之還款狀況。

Our sale of jewelry products business was severely hurt by the COVID-19 pandemic and reported a segment loss (before taxation) of HK\$13.10 million in 2021. In contrast, we posted a segment profit (before taxation) of HK\$74,000 last year. Because of the severe travel restrictions and lockdowns recently imposed by countries worldwide for stemming the spread of COVID-19 in the first half of 2020, we are developing our own business-to-business sales portal for business development and placing sales orders. Although the initial costs to develop the business-to-business sales portal are considerable, we believe that it will help to grow our business worldwide cost-effectively in the long-run. In the second half of 2020, the sale of jewelry products was picked up by the firm sales orders from local companies that carry out jewelry products trading in Mainland China, a new sales channel to our sale of jewelry products business. We will make more effort to develop other sales channels for the Mainland China market in 2021.

The segment loss (before taxation) of our property investment business decreased from HK\$119.01 million in 2019 to HK\$49.98 million. This improvement in segment results was mainly due to the absence of a HK\$49.78 million written-off relating to the two hotel villas erected on the first phase of the Subject Land (as defined below) last year. As the impact of COVID-19 on the hotel industry is unprecedented and unpredictable, we have modified our business strategy for the second and third phases of our 580 Chinese acre land in Beijing, Mainland China (the “**Subject Land**”), in which the units of the building complex erected will lease out as high-end serviced apartments on a long-term or short-term lease basis. According to the development plan, the development of the second and third phases of the Subject Land completes in the first quarter of 2022. Marketing activities in leasing the serviced apartments launched in August 2020. Since the launch of the marketing activities, we have received a lot of leasing inquiries. We will put more effort and resources into our property investment business in the coming years to ensure the building works completes as planned.

於新型冠狀病毒疫情下，我們之銷售珠寶產品業務於二零二一年飽受重創，並錄得分部虧損（除稅前）13,100,000 港元。相反，我們去年錄得分部溢利（除稅前）74,000 港元。由於全球各國二零二零年上半年已為抑制新型冠狀病毒疫情擴散而實施嚴格旅遊限制及封鎖，我們正發展自家企業對企業銷售渠道，以發展業務及接受銷售訂單。儘管發展企業對企業銷售渠道之初始成本高昂，但我們相信長遠而言將有助以符合成本效益之方式將業務擴展全球。踏入二零二零年下半年，鑑於中國內地進行珠寶產品貿易之本地公司（我們銷售珠寶產品業務之新銷售渠道）帶來之銷售訂單穩健，因此銷售珠寶產品業務表現回升。我們將於二零二一年更努力為中國內地市場發展其他銷售渠道。

我們之物業投資業務之分部虧損（除稅前）由二零一九年之119,010,000 港元減少至49,980,000 港元。分部業績改善乃主要由於缺少與去年建於主體地塊（定義見下文）第一階段上之兩棟別墅酒店有關之撇銷49,780,000 港元。鑑於新型冠狀病毒疫情對酒店業造成前所未見且無法預計之影響，我們已修訂有關我們於中國內地北京佔地580畝之地塊（「主體地塊」）第二及第三階段之業務策略，而已搭建之建築綜合體單位將按長期或短期租賃基準出租作高端服務式公寓。根據開發計劃，主體地塊第二及第三階段將於二零二二年第一季度完成開發。出租服務式公寓之市場推廣活動已於二零二零年八月展開。自推出市場推廣活動以來，我們已接獲大量租賃查詢。我們將投放更多心力及資源發展本集團之物業投資業務，以確保建築工程能按計劃完成。

Chairman's Statement 主席報告

For investments in associates, we shared a loss of HK\$98.18 million from our associates in 2020, a 198% increase as compared to last year. The deterioration mainly resulted from a substantial increase in our share of loss from Global Mastermind Holdings Limited (“**Global Mastermind**”). Global Mastermind reported a substantial loss for 2020 mainly due to (i) a dramatic slump in its travel business segment resulted from the COVID-19 pandemic, (ii) a significant increase in impairment loss on its trade and loan receivables, (iii) a substantial increase in loss on fair value changes of its investment properties, and (iv) a total impairment on the carrying amount of its investment in a wholly-owned subsidiary, namely Solution Apex Investments Limited, and the related inter-company account as announced by Global Mastermind on 29 December 2020.

As the rollout of vaccination allows lockdown measures to be gradually reversed, there is a positive consensus on the 2021 global economic outlook. However, we remain cautious and watchful about the development of the COVID-19 pandemic and its impacts. We will continue to monitor the business environment with caution and strengthen our business foundation by focusing on our existing businesses. Meanwhile, we will continue to maintain a proactive and prudent approach in its cost control and financial strategy to strengthen our financial position.

Finally, I would like to take this opportunity to extend our appreciation to all fellow directors and employees for their invaluable efforts, dedication, and commitment to the Group and to thank all shareholders and business associates for their continuous support.

Lei Hong Wai
Chairman

Hong Kong, 30 March 2021

就於聯營公司之投資而言，我們於二零二零年之應佔聯營公司虧損為98,180,000港元，較去年增加198%。業績轉差乃主要由於我們應佔環球大通集團有限公司(「環球大通」)之虧損大幅增加。環球大通於二零二零年錄得大幅虧損乃主要由於(i)新型冠狀病毒疫情導致其旅遊業務分部業績急劇下滑；(ii)貿易應收款項及應收貸款之減值虧損大幅增加；(iii)其投資物業公平值變動產生之虧損顯著增加；及(iv)誠如環球大通於二零二零年十二月二十九日所公佈，其於全資附屬公司Solution Apex Investments Limited及有關公司間往來賬之賬面值全面減值。

隨著疫苗推出令封鎖措施得以逐漸解除，普遍對二零二一年環球經濟前景抱持樂觀態度。然而，我們對於新型冠狀病毒疫情之發展及其影響仍然保持謹慎警惕態度。我們將繼續審慎監察營商環境，並透過專注於我們之現有業務鞏固本集團之業務基礎。與此同時，我們將繼續於成本控制及財政策略方面採取積極且審慎之部署方法，以加強我們之財務狀況。

最後，本人藉此機會向全體董事及僱員對本集團作出之寶貴努力、熱誠及承擔致以衷心謝意，亦感謝所有股東及業務夥伴長久以來之支持。

主席
李雄偉

香港，二零二一年三月三十日

FINANCIAL REVIEW

Results of operations

During the year ended 31 December 2020, the Group recorded the revenue of HK\$221,757,000, a 12% increase from HK\$198,796,000 for the previous year. The increase in revenue was mainly attributable to a HK\$50,468,000 increase in gain on sale of financial assets. Of the total revenue, HK\$74,361,000 was generated from money lending, HK\$26,868,000 was generated from property investment, HK\$69,269,000 was generated from sale of jewelry products, and a gain of HK\$51,259,000 was generated from sale of financial assets.

Loss for the year ended 31 December 2020 attributable to owners of the Company amounted to HK\$140,858,000, a 33% improvement from HK\$209,148,000 for the year ended 31 December 2019. This improvement was mainly attributable to (i) a HK\$50,468,000 increase in gain on sale of financial assets, (ii) a gain of HK\$140,509,000 arising on change in fair value of financial assets at fair value through profit or loss (“FVTPL”), whereas the Group recorded a loss of HK\$80,487,000 in the previous year, and (iii) the absence of the previous year’s one-off written-off of property, plant and equipment of HK\$49,782,000, which were partially offset by (i) a HK\$192,958,000 increase in the allowance for credit losses on loan receivables, and (ii) a HK\$65,184,000 increase in the share of losses of associates.

The Group’s sale of jewelry products business reported a gross loss of HK\$287,000 in the year ended 31 December 2020, whereas a gross profit of HK\$12,274,000 was recorded in the year ended 31 December 2019. The gross profit margin for the sale of jewelry products decreased from 18% in the year ended 31 December 2019 to -0.41% in the year ended 31 December 2020. These deteriorations in gross profit and gross profit margin are discussed in the section headed “Sale of jewelry products business” under “Operations Review” below.

Gross profit for property investment increased by 12% from HK\$10,553,000 in the year ended 31 December 2019 to HK\$11,785,000 in the year ended 31 December 2020. Gross profit margin for property investment increased from 41% in the year ended 31 December 2019 to 44% in the year ended 31 December 2020. These increases were mainly attributable to a 30% increase in rental from leasing the assets of the Club (as defined below) for the second rental period commencing in October 2020 under the signed club lease agreement.

財務回顧

經營業務之業績

截至二零二零年十二月三十一日止年度內，本集團錄得收益221,757,000港元，較去年之198,796,000港元增加12%。收益增加乃主要由於銷售金融資產收益增加50,468,000港元。總收益當中，74,361,000港元來自借貸，26,868,000港元來自物業投資，69,269,000港元來自銷售珠寶產品，以及收益51,259,000港元來自銷售金融資產。

本公司擁有人應佔截至二零二零年十二月三十一日止年度虧損為140,858,000港元，較截至二零一九年十二月三十一日止年度之209,148,000港元改善33%。該改善乃主要由於(i)銷售金融資產之收益增加50,468,000港元；(ii)按公平值計入損益表(「按公平值計入損益表」)之金融資產公平值變動產生之收益140,509,000港元，而本集團於去年則錄得虧損80,487,000港元；及(iii)並無去年之物業、廠房及設備之一次性撇銷49,782,000港元所致，其部分被(i)應收貸款之信貸虧損撥備增加192,958,000港元；及(ii)應佔聯營公司虧損增加65,184,000港元所抵銷。

截至二零二零年十二月三十一日止年度，本集團之銷售珠寶產品業務呈報毛損287,000港元，而截至二零一九年十二月三十一日止年度，則錄得毛利12,274,000港元。銷售珠寶產品之毛利率則由截至二零一九年十二月三十一日止年度之18%減少至截至二零二零年十二月三十一日止年度之-0.41%。毛利及毛利率轉遜之詳情於下文「業務回顧」中「銷售珠寶產品業務」一節討論。

物業投資之毛利由截至二零一九年十二月三十一日止年度之10,553,000港元增加12%至截至二零二零年十二月三十一日止年度之11,785,000港元。物業投資之毛利率由截至二零一九年十二月三十一日止年度之41%增加至截至二零二零年十二月三十一日止年度之44%。該等增幅乃主要由於根據已簽訂之會所租賃協議，來自會所(定義見下文)資產租賃就於二零二零年十月開始之第二個租期收取之租金增加30%所致。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW (Continued)

Results of operations (Continued)

Significant items of other gains and losses recorded by the Group are as follows:

- (a) At the end of the reporting period, the Group measured the investment property portion of the Shun Tak Property (as defined below) at fair value based on a valuation prepared by an independent qualified valuer and recognised a loss of HK\$19,200,000 arising on change in the fair value of investment properties.
- (b) At the end of the reporting period, the Group measured its listed securities at fair value based on the closing prices as quoted on The Stock Exchange of Hong Kong Limited (the “Exchange”) and recognised the gain of HK\$140,509,000 arising on change in the fair value of financial assets at FVTPL.

Selling and distribution expenses mainly represent staff costs and commission of sales team, overseas travelling expenses, freight charges, and exhibition expenses incurred by the Group’s sale of jewelry products business. Selling and distribution expenses decreased by 42% from HK\$5,876,000 in the year ended 31 December 2019 to HK\$3,410,000 in the year ended 31 December 2020. This decrease was mainly attributable to the decline in overseas travelling expenses and exhibition expenses for business development resulted from the travel restrictions imposed by nations across the world to curb the spread of COVID-19.

Allowance for credit losses on financial assets increased from HK\$8,372,000 in the year ended 31 December 2019 to HK\$198,470,000 in the year ended 31 December 2020. This increase was due to a HK\$192,958,000 increase in the allowance for credit losses on the Group’s loan receivables, which is discussed in the section headed “Money lending business” under “Operations Review” below.

Administrative expenses decreased by 3% from HK\$98,888,000 in the year ended 31 December 2019 to HK\$95,519,000 in the year ended 31 December 2020. This decrease was mainly attributable to an HK\$8,591,000 decrease in salaries and allowances, and discretionary bonuses, which was partially offset by a HK\$4,466,000 increase in general administration expenses, and legal and professional fees.

財務回顧(續)

經營業務之業績(續)

本集團錄得其他收益及虧損之重大項目如下：

- (a) 於報告期末，本集團根據一名獨立合資格估值師編製之估值按公平值計量信德物業(定義見下文)之投資物業部分，並確認投資物業公平值變動產生虧損19,200,000港元。
- (b) 於報告期末，本集團根據香港聯合交易所有限公司(「聯交所」)所報收市價按公平值計量其上市證券，並確認按公平值計入損益表之金融資產公平值變動產生收益140,509,000港元。

銷售及分銷開支主要指本集團銷售珠寶產品業務產生之員工成本及銷售團隊之佣金、海外差旅費用、運費及展覽開支。銷售及分銷開支由截至二零一九年十二月三十一日止年度之5,876,000港元減少42%至截至二零二零年十二月三十一日止年度之3,410,000港元。該減幅乃主要由於世界各國實施旅行限制以遏制新型冠狀病毒蔓延，導致業務開發的海外差旅費用及展覽開支減少。

金融資產之信貸虧損撥備由截至二零一九年十二月三十一日止年度之8,372,000港元增加至截至二零二零年十二月三十一日止年度之198,470,000港元。該增加乃由於本集團應收貸款之信貸虧損撥備增加192,958,000港元(於下文「業務回顧」之「借貸業務」一節討論)。

行政開支由截至二零一九年十二月三十一日止年度之98,888,000港元減少3%至截至二零二零年十二月三十一日止年度之95,519,000港元。該減少主要由於薪金及津貼以及酌情花紅減少8,591,000港元，部分被一般行政開支以及法律及專業費用增加4,466,000港元所抵銷。

FINANCIAL REVIEW (Continued)

Results of operations (Continued)

Share of losses of associates amounted to HK\$98,176,000 for the year ended 31 December 2020, representing (i) the share of loss of HK\$18,196,000 from Elite Prosperous Investment Limited (“**Elite Prosperous**”), a 49% owned associate of the Company, (ii) the share of loss of HK\$76,484,000 from Global Mastermind Holdings Limited (“**Global Mastermind**”), a 29.77% owned associate of the Company, and (iii) the share of loss of HK\$3,496,000 from China Healthwise Holdings Limited (“**China Healthwise**”), a 20.27% owned associate of the Company.

Finance costs increased by 11% from HK\$48,891,000 in the year ended 31 December 2019 to HK\$54,278,000 in the year ended 31 December 2020. This increase was due to the rise in the interest rate from 8% per annum to 13% per annum in extending the Notes (as defined below) in September 2020.

The Group recorded a tax credit of HK\$35,547,000 for the year ended 31 December 2020. The tax credit derived from the recognition of (i) deferred tax credit of HK\$32,224,000 arising from the allowance for credit losses made on the Group’s loan and other receivables, and (ii) deferred tax credit of HK\$6,055,000 resulting from the movements in the deferred tax liabilities recognised for the fair value adjustments on acquisition of Smart Title Limited in 2015 and the rights-of-use assets. Such tax credit was partially offset by the current period tax expense of HK\$2,732,000.

Liquidity and financial resources

During the year, the Group funded its operations through a combination of cash generated from operations, equity attributable to owners of the Company, and borrowings. Equity attributable to owners of the Company decreased from HK\$2,423,931,000 at 31 December 2019 to HK\$2,368,661,000 at 31 December 2020. This decrease was attributable to the loss incurred by the Group for the year ended 31 December 2020.

At 31 December 2020, the cash and cash equivalents of the Group amounted to HK\$54,125,000 (2019: HK\$140,550,000).

財務回顧(續)

經營業務之業績(續)

截至二零二零年十二月三十一日止年度之應佔聯營公司虧損為98,176,000港元，指(i)應佔Elite Prosperous Investment Limited (“**Elite Prosperous**”，一間本公司擁有49%權益之聯營公司)之虧損18,196,000港元、(ii)應佔環球大通集團有限公司(「環球大通」，一間本公司擁有29.77%權益之聯營公司)之虧損76,484,000港元，及(iii)應佔中國智能健康控股有限公司(「中國智能健康」，一間本公司擁有20.27%權益之聯營公司)之虧損3,496,000港元。

融資費用由截至二零一九年十二月三十一日止年度之48,891,000港元增加11%至截至二零二零年十二月三十一日止年度之54,278,000港元。該增加乃由於二零二零年九月延長該等票據(定義見下文)之年利率由8%增加至13%。

截至二零二零年十二月三十一日止年度，本集團錄得稅項抵免35,547,000港元。稅項抵免來自確認(i)本集團應收貸款及其他應收款項之信貸虧損撥備所產生之遞延稅項抵免32,224,000港元；及(ii)就於二零一五年收購Smart Title Limited之公平值調整及使用權資產確認之遞延稅項負債變動所致之遞延稅項抵免6,055,000港元。該稅項抵免部分被即期稅項開支2,732,000港元所抵銷。

流動資金及財務資源

年內，本集團透過經營所得現金、本公司擁有人應佔權益及借款為其經營提供資金。本公司擁有人應佔權益由二零一九年十二月三十一日之2,423,931,000港元減少至二零二零年十二月三十一日之2,368,661,000港元。此減幅乃由於本集團截至二零二零年十二月三十一日止年度產生虧損所致。

於二零二零年十二月三十一日，本集團之現金及現金等價物為54,125,000港元(二零一九年：140,550,000港元)。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW (Continued)

Liquidity and financial resources (Continued)

At 31 December 2020, the Group had outstanding borrowings of HK\$668,080,000 (2019: HK\$655,561,000) representing:

- (a) the outstanding principal amount of the HK\$270,000,000 13% guaranteed secured notes due 2021 issued by the Company on 29 September 2020 (the “Notes”) of HK\$250,000,000, which is interest-bearing at 13% per annum, secured by (i) a share charge over 100% issued shares in China Jiu hao Health Industry Group Limited, a wholly-owned subsidiary of the Company and the principal assets of which are (1) the rights to construct and operate the club facilities of a membership golf club and resort (the “Club”) in Beijing, Mainland China, and (2) the rights to develop and operate a piece of 580 Chinese acre land adjacent to the Club (the “Subject Land”) and the rights to manage the properties erected on the Subject Land, and (ii) the personal guarantees given by Mr. Lei Hong Wai, the Chairman of the Board and an executive director, and Mr. Cheung Kwok Wai, an executive director, and maturing on 25 September 2021;
- (b) the banking facilities in the aggregate principal amount of HK\$162,465,000, comprising (i) an instalment loan of HK\$114,080,000, which is interest-bearing at 1% per annum over one-month HIBOR or 3% per annum below the prime rate quoted by the bank, whichever is lower, secured by a first legal charge over the Group’s properties located at Unit Nos. 1201, 1202, 1203, 1209, 1210, 1211 & 1212 and the corridor on 12th Floor, Shun Tak Centre, West Tower, 168-200 Connaught Road Central, Hong Kong (the “Shun Tak Property”), guaranteed by the Company and two wholly-owned subsidiaries of the Company, and maturing on 18 March 2038, (ii) two advances of HK\$5,000,000 and HK\$20,000,000 under a revolving term loan, which are interest-bearing at HIBOR plus 2% per annum, secured by the first legal charge over the Shun Tak Property, guaranteed by the Company and a wholly-owned subsidiary of the Company, and maturing on 8 March 2021 and 27 April 2021 respectively, and (iii) various advances in the aggregate principal amount of HK\$23,385,000 under the account payable financing facilities, which are interest-bearing at 2% per annum over HIBOR, secured by the first legal charge over the Shun Tak Property, guaranteed by the Company and a wholly-owned subsidiary of the Company, and maturing within five months commencing from January 2021;

財務回顧(續)

流動資金及財務資源(續)

於二零二零年十二月三十一日，本集團之未償還借款為668,080,000港元(二零一九年：655,561,000港元)，指：

- (a) 本公司於二零二零年九月二十九日發行之未償還本金額為270,000,000港元之二零二一年到期250,000,000港元13%擔保票據(「該等票據」)，以年利率13%計息，並以(i)本公司一間全資附屬公司中國9號健康產業集團有限公司(其主要資產為(1)建設及經營位於中國內地北京一間會員制高爾夫俱樂部及酒店(「會所」)之會所設施之權利；及(2)開發及經營毗鄰會所之一幅佔地580畝之地塊(「主體地塊」)之權利以及管理主體地塊上已建物業之權利)之100%已發行股份之股份抵押；及(ii)以董事會主席兼執行董事李雄偉先生以及執行董事張國偉先生提供之個人擔保作抵押，及於二零二一年九月二十五日到期；
- (b) 本金總額為162,465,000港元之銀行融資，包括(i)分期貸款114,080,000港元，按一個月香港銀行同業拆息加年利率1%或該銀行所報最優惠利率減年利率3%計息(以較低者為準)，以本集團位於香港干諾道中168-200號信德中心西翼12樓1201、1202、1203、1209、1210、1211及1212號單位及走廊之物業(「信德物業」)之第一法定押記作抵押，由本公司及本公司兩間全資附屬公司擔保及於二零三八年三月十八日到期；(ii)定期循環貸款項下兩筆墊款5,000,000港元及20,000,000港元，按香港銀行同業拆息加年利率2%計息，以信德物業之第一法定押記作抵押，由本公司及本公司一間全資附屬公司擔保，並分別於二零二一年三月八日及二零二一年四月二十七日到期；及(iii)應付款項財務融資項下本金總額為23,385,000港元之多項貸款，按香港銀行同業拆息加年利率2%計息，以信德物業之第一法定押記作抵押，由本公司及本公司一間全資附屬公司擔保及於二零二一年一月起計五個月內到期；

FINANCIAL REVIEW (Continued)

Liquidity and financial resources (Continued)

- (c) a loan of HK\$200,000,000 granted by a finance company, which is interest-bearing at 8% per annum, secured by (i) the post-dated cheques drawn in favour of the finance company for payment of the principal and the interests stipulated under the loan agreement, and (ii) a personal guarantee given by Mr. Lei Hong Wai, and maturing on 28 May 2021;
- (d) the securities margin financing facility of HK\$40,250,000 granted by a securities company, which are interest-bearing at prime rate plus 3% per annum and secured by the Group's listed securities in Hong Kong held in the margin securities trading account and a personal guarantee given by Mr. Lei Hong Wai;
- (e) the securities margin financing facility of HK\$14,065,000 granted by a securities company, which are interest-bearing at a fixed rate of 6% per annum and secured by the Group's listed securities in Hong Kong held in the margin securities trading account and a personal guarantee given by Mr. Lei Hong Wai; and
- (f) a cash advance of HK\$1,300,000 made by Mr. Lei Hong Wai to the Group for financing its short-term funding needs. The cash advance is non-interest bearing, unsecured, and repayable on demand.

Gearing ratio

At 31 December 2020, the gearing ratio calculated as a percentage of total borrowings over equity attributable to owners of the Company was 28% (2019: 27%).

Net current assets and current ratio

At 31 December 2020, the Group's net current assets and current ratio were HK\$331,887,000 (2019: HK\$210,194,000) and 1.37 (2019: 1.24) respectively.

Capital structure

During the year ended 31 December 2020, there was no change in the Company's capital structure.

財務回顧(續)

流動資金及財務資源(續)

- (c) 由一間財務公司授出一筆200,000,000港元之貸款，按年利率8%計息，以(i)為支付貸款協議項下本金及利息而以該財務公司為抬頭人之期票，及(ii)以李雄偉先生之個人擔保作抵押，及於二零二一年五月二十八日到期；
- (d) 由一間證券公司授出一筆證券保證金財務融資40,250,000港元，按最優惠利率加年利率3%計息，並以本集團於保證金證券買賣賬戶所持有之香港上市證券及李雄偉先生之個人擔保作抵押；
- (e) 由一間證券公司授出一筆證券保證金財務融資14,065,000港元，按固定年利率6%計息，並以本集團於保證金證券買賣賬戶所持有之香港上市證券及李雄偉先生之個人擔保作抵押；及
- (f) 由李雄偉先生就本集團之短期資金需要而作出之1,300,000港元現金墊款。該筆現金墊款為免息、無抵押並須按要求償還。

資本負債比率

於二零二零年十二月三十一日，按借款總額除以本公司擁有人應佔權益所得百分比計算之資本負債比率為28% (二零一九年：27%)。

流動資產淨值及流動比率

於二零二零年十二月三十一日，本集團之流動資產淨值及流動比率分別為331,887,000港元 (二零一九年：210,194,000港元) 及1.37 (二零一九年：1.24)。

資本結構

於截至二零二零年十二月三十一日止年度內，本公司之資本結構概無變動。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW (Continued)

Material acquisitions of subsidiaries, associates and joint ventures

During the year ended 31 December 2020, the Group did not have any material acquisitions of subsidiaries, associates and joint ventures.

Material disposals of subsidiaries, associates and joint ventures

During the year ended 31 December 2020, the Group did not have any material disposals of subsidiaries, associates and joint ventures.

Pledge of assets

At 31 December 2020, the following Group's assets were pledged:

- (a) the Shun Tak Property with a carrying amount of HK\$350,758,000 (2019: HK\$377,867,000), of which HK\$210,758,000 (2019: HK\$218,667,000) is classified under "property, plant and equipment" and HK\$140,000,000 (2019: HK\$159,200,000) is classified under "investment properties", for securing the banking facilities granted to the Group;
- (b) the 100% issued shares in China Jiu hao Health Industry Group Limited with an unaudited combined net assets of HK\$1,212,786,000 (2019: HK\$1,041,436,000) after adjusting for purchase price allocation for securing the Notes; and
- (c) the Group's listed securities in Hong Kong with a fair value of HK\$231,228,000 (2019: Nil), of which HK\$131,101,000 (2019: Nil) is related to the Group's financial assets at FVTPL and HK\$100,127,000 (2019: Nil) is related to part of the Group's listed investments in associates, for securing the securities margin financing facilities granted to the Group.

財務回顧(續)

重大收購附屬公司、聯營公司及合營公司事項

於截至二零二零年十二月三十一日止年度內，本集團並無任何重大收購附屬公司、聯營公司及合營公司事項。

重大出售附屬公司、聯營公司及合營公司事項

於截至二零二零年十二月三十一日止年度內，本集團並無任何重大出售附屬公司、聯營公司及合營公司事項。

資產抵押

於二零二零年十二月三十一日，本集團已抵押下列資產：

- (a) 信德物業之賬面值為350,758,000港元(二零一九年：377,867,000港元)，當中210,758,000港元(二零一九年：218,667,000港元)分類為「物業、廠房及設備」及140,000,000港元(二零一九年：159,200,000港元)分類為「投資物業」，以獲得銀行融資授出予本集團；
- (b) 中國9號健康產業集團有限公司之100%已發行股份，經調整購買價分配後之未經審核合併資產淨值為1,212,786,000港元(二零一九年：1,041,436,000港元)，以獲得該等票據；及
- (c) 本集團香港上市證券之公平值為231,228,000港元(二零一九年：無)，其中131,101,000港元(二零一九年：無)與本集團按公平值計入損益表之金融資產相關，而100,127,000港元(二零一九年：無)與本集團於聯營公司之部分上市投資相關，以獲得授出予本集團之證券保證金財務融資。

FINANCIAL REVIEW (Continued)

Material commitments

At 31 December 2020, the Group had a total commitment of HK\$238,288,000 (2019: HK\$26,854,000), which were contracted but not provided for, relating to:

- (a) the development costs of HK\$237,998,000 for the Subject Land; and
- (b) the renovation costs of HK\$290,000 for the Shun Tak Property.

Exchange risk and hedging

The majority of the Group's transactions, assets and liabilities are denominated in Hong Kong dollars and Renminbi. The Group is exposed to exchange risk with respect mainly to Renminbi which may affect its performance. The directors closely monitor statement of financial position and cash flow exchange risk exposures and where considered appropriate use financial instruments, such as forward exchange contracts, foreign currency options and forward rate agreements, to hedge this exchange risk. During the year ended 31 December 2020, no financial instruments for hedging purposes were used by the Group.

Contingent liabilities

At 31 December 2020, the Group had no material contingent liabilities.

Employees and remuneration policy

At 31 December 2020, the headcount of the Group was 65 (2019: 71). Staff costs (including directors' emoluments) for the year ended 31 December 2020 amounted to HK\$45,294,000 (2019: HK\$53,885,000). The decrease in staff costs was mainly attributable to an HK\$8,591,000 decrease in salaries and allowances, and discretionary bonuses. In addition to basic salaries, contributions to retirement benefits scheme and discretionary bonus, staff benefits include medical scheme and share options.

財務回顧(續)

重大承擔

於二零二零年十二月三十一日，本集團已訂約但並未撥備之總承擔為238,288,000港元(二零一九年：26,854,000港元)，乃關於：

- (a) 主體地塊之開發成本237,998,000港元；及
- (b) 信德物業之裝修成本290,000港元。

匯兌風險及對沖

本集團大部分交易、資產及負債以港元及人民幣計值。本集團面臨之匯兌風險主要與人民幣有關，可能影響其表現。董事密切監察財務狀況表及現金流匯兌風險，並在其認為適當的情況下使用金融工具(如遠期外匯合約、外匯期權及遠期利率協議)對沖該匯兌風險。於截至二零二零年十二月三十一日止年度內，本集團並無使用金融工具作對沖用途。

或然負債

於二零二零年十二月三十一日，本集團並無重大或然負債。

僱員及酬金政策

於二零二零年十二月三十一日，本集團之僱員人數為65人(二零一九年：71人)。截至二零二零年十二月三十一日止年度之員工成本(包括董事酬金)為45,294,000港元(二零一九年：53,885,000港元)。員工成本減少主要由於薪金及津貼以及酌情花紅減少8,591,000港元。除基本薪金、退休福利計劃供款及酌情花紅外，員工福利包括醫療計劃及購股權。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW (Continued)

Key performance indicators

The Company has defined the following key performance indicators (“KPIs”) which are closely aligned with the performance of the Group.

財務回顧(續)

主要表現指標

本公司已識別以下與本集團表現緊密一致之主要表現指標(「主要表現指標」)。

		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
		Notes 附註	
Revenue	收益		HK\$221,757,000 港元
Loss for the year attributable to owners of the Company	本公司擁有人應佔本年度虧損		HK\$198,796,000 港元
Equity attributable to owners of the Company	本公司擁有人應佔權益		HK\$140,858,000 港元
Return on financial assets at FVTPL	按公平值計入損益表之金融資產之回報		HK\$2,368,661,000 港元
Return on loan receivables	應收貸款之回報	1	56%
Return on capital employed in sale of jewelry products	銷售珠寶產品所用資本之回報	2	-18%
Return on property investment	物業投資之回報	3	6%
		4	9%
			-43%
			0%
			-3%

Notes:

- Return on financial assets at FVTPL includes trading gain and losses, gains and losses arising on change in fair value, and dividend income. It is measured as a percentage against opening fair value of financial assets at FVTPL.
- Return on loan receivables includes interest income and written-off. It is measured as a percentage against average loan receivables (before accumulated allowance for credit losses, and accrued interest receivables).
- Return on capital employed in sale of jewelry products represents segment profit or loss from sale of jewelry products business divided by average capital employed and is measured as a percentage.
- Return on property investment includes gains and losses arising on change in fair value, rental income, gains and losses on disposal less amortisation of intangible assets in respect of the Club, depreciation expenses of the property, plant and equipment of the Club, depreciation of right-of-use assets in respect of the Club, and interest on lease liabilities in respect of the Club. It is measured as a percentage against opening fair value of investment properties, opening carrying amounts of intangible assets in respect of the Club and opening carrying amounts of property, plant and equipment of the Club.

附註：

- 按公平值計入損益表之金融資產之回報包括買賣收益及虧損、公平值變動產生之收益及虧損，以及股息收入。除以按公平值計入損益表之金融資產之期初公平值計算為百分比。
- 應收貸款之回報包括利息收入及撇銷。除以平均應收貸款(累計信貸虧損撥備及應收應計利息前)計算為百分比。
- 銷售珠寶產品所用資本之回報指銷售珠寶產品業務之分部溢利或虧損除以平均所用資本，並計算為百分比。
- 物業投資之回報包括公平值變動產生之收益及虧損、租金收入、出售事項之收益及虧損減以有關會所之無形資產之攤銷、會所之物業、廠房及設備之折舊開支、有關會所之使用權資產之折舊以及有關會所之租賃負債利息。除以投資物業之期初公平值、有關會所之無形資產之期初賬面值及會所之物業、廠房及設備之期初賬面值計算為百分比。

FINANCIAL REVIEW (Continued)

Key performance indicators (Continued)

Commentary on the performance of the Group against each of the KPIs is set out above and “Operations Review” below.

These KPIs are reviewed regularly and amended occasionally to correspond with the changing mix of the Group’s principal activities.

OPERATIONS REVIEW

Sale of financial assets business

During the year, the Group’s sale of financial assets business reported a segment profit (before taxation) of HK\$191,807,000, whereas a loss of HK\$79,272,000 was recorded in the previous year. The turnaround was due to the recognition of (i) the HK\$50,468,000 increase in trading gain, and (ii) the gain of HK\$140,509,000 arising on change in the fair value of financial assets at FVTPL in the year ended 31 December 2020, where a loss of HK\$80,487,000 was recorded in the year ended 31 December 2019. Accordingly, return on financial assets at FVTPL improved from -18% for the year ended 31 December 2019 to 56% for the year ended 31 December 2020.

During the year ended 31 December 2020, the Group acquired nine Hong Kong listed equities with the aggregate acquisition costs of HK\$105,050,000 and made a trading gain of HK\$51,259,000 from selling three Hong Kong listed equities with the aggregate carrying amounts of HK\$75,979,000 at the aggregate net sale proceeds of HK\$127,238,000.

Movements in the carrying amount of Hong Kong listed and unlisted equities held by the Group during the years ended 31 December 2020 and 2019 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
Carrying amount at 1 January	於一月一日之賬面值	240,815	287,302
Add: acquisitions	加： 購入	105,050	155,910
loss arising on change in fair value upon transfer to interests in associates	轉移至於聯營公司之權益後公平值變動產生之虧損	—	(39,848)
Less: disposals	減： 出售	(75,979)	(68,496)
gain/(loss) arising on change in fair value recognised	確認公平值變動產生之收益／(虧損)	140,509	(40,639)
transfer to interests in associates	轉移至於聯營公司之權益	—	(53,414)
Carrying amount at 31 December	於十二月三十一日之賬面值	410,395	240,815

財務回顧(續)

主要表現指標(續)

就本集團表現之各主要表現指標之評論載於上述及下文「業務回顧」。

該等主要表現指標獲定期檢討並不時修訂，配合本集團不斷變動之主要業務組合。

業務回顧

銷售金融資產業務

年內，本集團之銷售金融資產業務呈報分部溢利(除稅前)為191,807,000港元，而去年則錄得虧損79,272,000港元。轉虧為盈乃由於確認(i)買賣收益增加50,468,000港元；及(ii)截至二零二零年十二月三十一日止年度按公平值計入損益表之金融資產公平值變動產生之收益140,509,000港元，而截至二零一九年十二月三十一日止年度則錄得虧損80,487,000港元所致。因此，按公平值計入損益表之金融資產之回報由截至二零一九年十二月三十一日止年度之-18%改善至截至二零二零年十二月三十一日止年度之56%。

於截至二零二零年十二月三十一日止年度內，本集團購入九隻香港上市股票，總收購成本為105,050,000港元，及由出售三隻香港上市股票賬面值總額為75,979,000港元，而總出售所得款項淨額為127,238,000港元，故產生買賣收益51,259,000港元。

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，由本集團持有之香港上市及非上市股票之賬面值變動如下：

Management Discussion and Analysis

管理層討論及分析

OPERATIONS REVIEW (Continued)

Sale of financial assets business (Continued)

Details of the Hong Kong listed and unlisted equities held by the Group at 31 December 2020 are as follows:

業務回顧(續)

銷售金融資產業務(續)

於二零二零年十二月三十一日由本集團持有之香港上市及非上市股票之詳情如下：

Name of Hong Kong listed equities	香港上市股票名稱	Notes	Number of shares held at 31 December 2020	Fair value at 31 December 2020	Fair value as compared to the consolidated total assets of the Group at 31 December 2020	Dividend received/receivable in the year ended 31 December 2020	Gain/(loss) arising on change in fair value recognised in the year ended 31 December 2020
			於二零二零年十二月三十一日持有之股份數目	於二零二零年十二月三十一日之公平值 HK\$'000 千港元	公平值與本集團於二零二零年十二月三十一日綜合資產總值之比較	截至二零二零年十二月三十一日止年度已收/應收之股息 HK\$'000 千港元	截至二零二零年十二月三十一日止年度已確認公平值變動所產生之收益/(虧損) HK\$'000 千港元
Affluent Partners Holdings Ltd. (stock code: 1466)	錢唐控股有限公司 (股份代號: 1466)	1	1,674,200	246	0.01%	—	(976)
BC Technology Group Ltd. (stock code: 863)	BC科技集團有限公司 (股份代號: 863)	2	12,000,000	215,760	5.62%	—	119,760
Boill Healthcare Holdings Ltd. (stock code: 1246)	保集健康控股有限公司 (股份代號: 1246)	3	29,000,000	6,380	0.17%	—	(16)
Brockman Mining Ltd. (stock code: 159)	布萊克萬礦業有限公司 (股份代號: 159)	4	40,220,000	4,384	0.11%	—	(925)
Frontier Services Group Ltd. (stock code: 500)	先豐服務集團有限公司 (股份代號: 500)	5	23,040,000	14,515	0.38%	—	(1,788)
Heng Tai Consumables Group Ltd. (stock code: 197)	亨泰消費品集團有限公司 (股份代號: 197)	6	55,575,000	4,224	0.11%	—	(4,542)
Huanxi Media Group Ltd. (stock code: 1003)	歡喜傳媒集團有限公司 (股份代號: 1003)	7	22,450,000	31,654	0.82%	—	583
Huayi Tencent Entertainment Company Ltd. (stock code: 419)	華誼騰訊娛樂有限公司 (股份代號: 419)	8	249,520,000	48,656	1.27%	—	37,025
Kingston Financial Group Ltd. (stock code: 1031)	金利豐金融集團有限公司 (股份代號: 1031)	9	33,028,000	22,459	0.58%	330	(3,963)
KuangChi Science Ltd. (stock code: 439)	光啟科學有限公司 (股份代號: 439)	10	15,455,000	8,346	0.22%	—	1,598
Lajin Entertainment Network Group Ltd. (stock code: 8172)	拉近網娛集團有限公司 (股份代號: 8172)	11	53,500,000	3,745	0.10%	—	(1,605)
Link-Asia International MedTech Group Ltd. (stock code: 1143)	環亞國際醫療科技集團有限公司 (股份代號: 1143)	12	1,500,000	563	0.01%	—	(368)

Management Discussion and Analysis

管理層討論及分析

OPERATIONS REVIEW (Continued)

業務回顧(續)

Sale of financial assets business (Continued)

銷售金融資產業務(續)

		Notes	Number of shares held at 31 December 2020	Fair value at 31 December 2020	Fair value as compared to the consolidated total assets of the Group at 31 December 2020	Dividend received/receivable in the year ended 31 December 2020	Gain/(loss) arising on change in fair value recognised in the year ended 31 December 2020
		附註	於二零二零年十二月三十一日持有之股份數目	於二零二零年十二月三十一日之公平值 HK\$'000 千港元	公平值與本集團於二零二零年十二月三十一日綜合資產總值之比較	截至二零二零年十二月三十一日止年度已收/應收之股息 HK\$'000 千港元	截至二零二零年十二月三十一日止年度已確認公平值變動所產生之收益/(虧損) HK\$'000 千港元
Ocean Line Port Development Ltd. (stock code: 8502)	遠航港口發展有限公司 (股份代號: 8502)	13	12,096,000	3,084	0.08%	—	(233)
Nimble Holdings Company Ltd. (stock code: 186)	敏捷控股有限公司 (股份代號: 186)	14	58,000,000	35,380	0.92%	—	534
SuperRobotics Holdings Ltd. (stock code: 8176)	超人智能控股有限公司 (股份代號: 8176)	15	5,495,000	4,946	0.13%	—	(1,940)
Town Health International Medical Group Ltd. (stock code: 3886)	康健國際醫療集團有限公司 (股份代號: 3886)	16	70,000,000	4,623	0.12%	—	(2,480)
Yunfeng Financial Group Ltd. (stock code: 376)	雲鋒金融集團有限公司 (股份代號: 376)	17	444,000	1,430	0.03%	—	(155)
				410,395		330	140,509
Name of Hong Kong unlisted equity	香港非上市股票名稱						
Hsin Chong Group Holdings Ltd.	新昌集團控股有限公司	18	90,000,000	—	0.00%	—	—
				—		—	—
				410,395		330	140,509

Management Discussion and Analysis

管理層討論及分析

OPERATIONS REVIEW (Continued)

Sale of financial assets business (Continued)

Notes:

1. Affluent Partners Holdings Ltd. (“**Affluent Partners**”) and its subsidiaries are principally engaged in (i) purchasing, processing, designing, production and wholesale distribution of pearls and jewellery products, and (ii) the operation of strategic investment and financial services segment, with the objective to include investments in real estate agency business, real estate investment funds, and other potential investment opportunities.

According to its 2020 interim report, Affluent Partners reported a loss attributable to owners of HK\$43,573,000 for the six months ended 30 September 2020 and equity attributable to owners of HK\$50,190,000 as at 30 September 2020. With the development of its existing strategic investment and financial services segment, Affluent Partners expected that the segment would be its growth driver and would actively make continuous efforts to find appropriate investment projects in the future. In addition, Affluent Partners would focus its investments and operations more in the real estate, co-working spaces and investment and asset management sectors especially in Europe and Asia.

2. BC Technology Group Ltd. (“**BC Technology**”) and its subsidiaries are principally engaged in digital assets trading, brokerage, technologies and services businesses in Hong Kong and advertising business and the provision of business park area management services in Mainland.

According to its final results announcement, BC Technology reported a loss attributable to owners of RMB247,842,311 for the year ended 31 December 2020 and equity attributable to owners of RMB142,654,575 as at 31 December 2020. Building upon geographic expansion in 2019, BC Technology’s digital asset arm, OSL, was strengthened by a growing and diverse customer base and buttressed by operational redundancies that mitigated potential business disruption during the pandemic. Strategic investments in regulatory compliant software, systems and processes by BC Technology paid dividends in 2020, and one of the subsidiaries of BC Technology became Hong Kong’s first licensed digital asset trading platform to conduct types 1 and 7 regulated activities related to digital assets. This milestone contributed to material business wins with several partners from traditional finance. Looking ahead, BC Technology would continue to invest in the OSL digital asset platform and the provision of trading, technology, SaaS solutions and related services, with a focus on enhancing security, compliance, and risk management systems. BC Technology intended to direct resources to its recently licensed exchange platform in Hong Kong to drive customer acquisition and revenue growth.

業務回顧(續)

銷售金融資產業務(續)

附註：

1. 錢唐控股有限公司(「錢唐」)及其附屬公司主要從事(i)珍珠及珠寶產品之採購、加工、設計、生產及批發分銷及(ii)策略投資及財務服務分部之營運，其目標為包括房地產代理業務、房地產投資基金及其他潛在投資機會。

根據其二零二零年中期報告，錢唐於截至二零二零年九月三十日止六個月之擁有人應佔虧損為43,573,000港元，而於二零二零年九月三十日之擁有人應佔權益則為50,190,000港元。憑藉現有策略投資及財務服務分部之發展，錢唐預期該分部將可成為其未來增長動力之一，且將繼續積極尋找適合的投資項目。此外，錢唐將更集中其投資及業務於房地產、共享工作空間以及投資及資產管理行業，尤其於歐洲及亞洲者。

2. BC科技集團有限公司(「BC科技」)及其附屬公司主要於香港從事數字資產交易、經紀、技術及服務業務以及於中國內地從事廣告業務及提供商業園區管理服務業務。

根據其全年業績公佈，BC科技於截至二零二零年十二月三十一日止年度之擁有人應佔虧損為人民幣247,842,311元，而於二零二零年十二月三十一日之擁有人應佔權益則為人民幣142,654,575元。基於二零一九年之業務地域性擴張，BC科技之數字資產分部OSL因不斷增長且多元化之客戶基礎以及運營冗餘之支持而有所提升，減輕了疫情期間之潛在業務中斷之影響。BC科技於監管合規軟件、系統及流程之戰略投資於二零二零年初見成效，而BC科技之其中一間附屬公司成為香港首個獲發牌之數字資產交易平台以進行有關數字資產之第1類及第7類受規管活動。這一里程碑使得該公司和若干傳統金融領域夥伴達成重大業務合作。展望未來，BC科技將繼續投資OSL數字資產平台，提供交易、技術、SaaS解決方案及相關服務，專注於增強安全、合規及風險管理系統。BC科技擬將資源投放於近期在香港獲發牌之交易平台，促進開發客戶群和提升收益。

OPERATIONS REVIEW (Continued)

Sale of financial assets business (Continued)

Notes: (Continued)

- Boill Healthcare Holdings Ltd. (“**Boill Healthcare**”) and its subsidiaries are principally engaged in the foundation piling, property development, healthcare holiday resort development and operation, and securities investment.

According to its 2020 interim report, Boill Healthcare reported a loss attributable to owners of HK\$71,197,000 for the six months ended 30 September 2020 and equity attributable to owners of HK\$377,998,000 as at 30 September 2020. Boill Healthcare expanded its property development business in October 2020. Given the uncertainty of the pandemic and economic development, Boill Healthcare would continue to assess the situation and accelerate construction, arrange pre-sales of properties based on sales targets and expedite the collection of sales proceeds. Boill Healthcare believed that the pandemic provided great opportunities for sustainable expansion of its healthcare holiday resort development and operation business. This business segment would continue to be its core business in the future.

- Brockman Mining Ltd. (“**Brockman Mining**”) and its subsidiaries are principally engaged in the acquisition, exploration and development of iron ore in Australia.

As disclosed in its 2020/21 interim report, Brockman Mining reported a loss attributable to owners of HK\$2,261,000 for the six months ended 31 December 2020 and equity attributable to owners of HK\$673,133,000 as at 31 December 2020. Brockman Mining and Polaris Metals Pty Ltd (“**Polaris**”), a wholly-owned subsidiary of Mineral Resources Limited (“**MRL**”), progressed activities towards satisfaction of their farm-in obligations with to the farm-in joint venture agreement over Brockman Mining’s Marillana Iron Ore Project. A drilling and metallurgical testing campaign by Polaris was completed satisfactorily. Polaris also completed its technical and cost report on the Marillana Iron Ore Project. The outcome of both these undertakings resulted in Polaris providing Brockman Mining with an indicative development proposal. Brockman Mining accepted the indicative development proposal in principle, pending the formal submission of a final investment decision proposal from MRL. Upon completing of the farm-in obligations, the joint venture on the Marillana Iron Ore Project shall be established, and the development and construction for the Marillana Iron Ore Project shall commence.

業務回顧(續)

銷售金融資產業務(續)

附註：(續)

- 保集健康控股有限公司(「保集健康」)及其附屬公司主要從事地基石打樁、物業發展、養生度假區發展及經營以及證券投資。

根據其二零二零年中期報告，保集健康於截至二零二零年九月三十日止六個月之擁有人應佔虧損為71,197,000港元，而於二零二零年九月三十日之擁有人應佔權益則為377,998,000港元。保集健康於二零二零年十月擴展其物業發展業務。鑑於疫情及經濟發展的不確定性，保集健康將繼續審時度勢，加緊工程建設，根據銷售目標安排物業預售並加快銷售回款。保集健康相信疫情為持續擴張養生度假區發展及經營業務帶來極大的機遇。此業務分部將繼續作為其未來之核心業務。

- 布萊克萬礦業有限公司(「布萊克萬礦業」)及其附屬公司主要從事於澳洲收購、勘探及開發鐵礦石。

誠如其二零二零／二一年中期報告所披露，布萊克萬礦業於截至二零二零年十二月三十一日止六個月之擁有人應佔虧損為2,261,000港元，而於二零二零年十二月三十一日之擁有人應佔權益則為673,133,000港元。布萊克萬礦業與Polaris Metals Pty Ltd.(「**Polaris**」)(礦之源開採有限公司(「礦之源開採」)之全資附屬公司)繼續進行布萊克萬礦業之Marillana鐵礦石項目之各類活動，以達成其有關轉讓及合營公司協議之轉讓責任。Polaris之鑽孔和冶金測試已經圓滿結束。Polaris亦已完成其對Marillana鐵礦石項目之技術及成本報告。此兩項工作之結果使Polaris向布萊克萬礦業提供指示性開發建議。布萊克萬礦業已原則上接受指示性開發建議，惟須待礦之源開採正式提交最終投資決定建議。於轉讓責任完成後，Marillana鐵礦石項目之合營公司將予成立，而Marillana鐵礦石項目將展開開發及建設工程。

Management Discussion and Analysis

管理層討論及分析

OPERATIONS REVIEW (Continued)

Sale of financial assets business (Continued)

Notes: (Continued)

5. Frontier Services Group Ltd. (“**Frontier Services**”) and its subsidiaries are principally engaged in the provision of logistics services in the Belt and Road region; the provision of online financial market information; and the provision of integrated security, logistics, insurance and infrastructure services for clients operating in frontier markets, with a focus on the Belt and Road region.

According to its 2020 interim report, Frontier Services reported a loss attributable to owners of HK\$130,221,000 for the six months ended 30 June 2020 and equity attributable to owners of HK\$584,317,000 as at 30 June 2020. Frontier Services had established its presence in the form of security, logistics, insurance and infrastructure in South East Asia and Africa. With Frontier Services’ unique business modelling and shareholding structure, its business development remained positive and active during the six months ended 30 June 2020. The management would continue to closely monitor Frontier Services’ development, implement any necessary measures and adopt to any required changes whenever necessary to tackle any difficulties and grasp any opportunities in front of Frontier Services.

6. Heng Tai Consumables Group Ltd. (“**Heng Tai**”) and its subsidiaries are principally engaged in (i) the trading of packaged foods, beverages, household consumable products and cold chain products; (ii) the trading of agri-products and the upstream farming business; (iii) the provision of cold chain logistics services and value-added post-harvest food processing and (iv) other businesses primarily arising from the securities brokerage business, the trademark sub-licensing in petrol business and the tourist retailing business.

According to its interim results announcement, Heng Tai reported a loss attributable to owners of HK\$40,835,000 for the six months ended 31 December 2020 and equity attributable to owners of HK\$1,502,693,000 as at 31 December 2020. Looking forward, the pandemic remained the greatest uncertainty for the global economy, there would be substantial consequences for Mainland China and global economy if the vaccines could not effectively reduce the number of infections. On top of that, there were many other uncertainties such as the rise on protectionism and the increasing competition from domestic brands. Heng Tai would take a more cautious stance for future development and continue to implement cost-saving initiatives, as well as ensure a strong and healthy financial position to weather any unforeseeable headwinds.

業務回顧(續)

銷售金融資產業務(續)

附註：(續)

5. 先豐服務集團有限公司(「先豐服務」)及其附屬公司主要於一帶一路地區從事提供物流服務；提供線上金融市場資訊；為於前沿市場營運之客戶提供綜合安保、物流、保險及基建服務，以一帶一路地區為重點。

根據其二零二零年中期報告，先豐服務於截至二零二零年六月三十日止六個月之擁有人應佔虧損為130,221,000港元，而於二零二零年六月三十日之擁有人應佔權益則為584,317,000港元。先豐服務之安保、物流、保險及基建業務遍佈東南亞及非洲。憑藉先豐服務獨特之業務模式及股權架構，其業務發展於截至二零二零年六月三十日止六個月仍然保持正面及活躍。管理層將繼續密切監察先豐服務之發展，實施任何必要措施及作出任何轉變，以解決目前困難及把握先豐服務遇到之任何機會。

6. 亨泰消費品集團有限公司(「亨泰」)及其附屬公司主要從事(i)包裝食品、飲料、家庭消費品及冷凍鏈產品貿易；(ii)農產品貿易及上游耕作業務；(iii)提供冷凍鏈物流服務及增值收割後食品加工及(iv)主要包括證券經紀業務、加油站商標轉授權業務及旅客零售業務的其他業務。

根據其中期業績公佈，亨泰於截至二零二零年十二月三十一日止六個月之擁有人應佔虧損為40,835,000港元，而於二零二零年十二月三十一日之擁有人應佔權益則為1,502,693,000港元。展望未來，大流行仍為全球經濟的最大不確定因素，倘若疫苗未能有效減少感染人數，將為中國內地及全球經濟帶來嚴重後果。此外，目前亦存在多項其他不確定因素，例如保護主義升溫以及本地品牌之間的競爭日熾。在進行未來發展時，亨泰會更趨審慎，不斷落實節省成本措施，同時確保財務狀況穩健，以應對任何意料之外的逆境。

OPERATIONS REVIEW (Continued)

Sale of financial assets business (Continued)

Notes: (Continued)

7. Huanxi Media Group Ltd. (“**Huanxi Media**”) and its subsidiaries are principally engaged in the media and entertainment related businesses which include development and investment in film and TV drama series, as well as operation of an online video platform.

According to its 2020 interim report, Huanxi Media reported a profit attributable to owners of HK\$20,331,000 for the six months ended 30 June 2020 and equity attributable to owners of HK\$1,127,516,000 as at 30 June 2020. Starting from mid-July 2020, the cinemas in Mainland China resumed opening and operation, provided that effective prevention and control measures were implemented against the COVID-19 pandemic. Huanxi Media would arrange the optimal schedule for the release of its films. Huanxi Media was confident that its films would generate considerable revenue. In addition, Huanxi Media seized the increasing paid viewing habit of video users and rising popularity of streaming media to develop “huanxi.com” into a selected film and TV content platform with a full membership system and paid viewing. Huanxi Media would advance in this direction so as to tap the benefits from the increased popularity of paid viewing and thereby further reinforce its presence in the film and TV industry of Mainland China.

8. Huayi Tencent Entertainment Company Ltd. (“**Huayi Tencent**”) and its subsidiaries are principally engaged in (i) entertainment and media business, and (ii) provision of offline healthcare and wellness services.

As disclosed in its final results announcement, Huayi Tencent reported a loss attributable to owners of HK\$56,574,000 for the year ended 31 December 2020 and equity attributable to owners of HK\$776,592,000 as at 31 December 2020. In 2021, it was expected that the film production in a number of countries or regions would return to normal steadily after the implementation of the guidelines on preventive measures for COVID-19. Coupled with the progress of the relevant research and vaccination across the world, the gradual subjugation of the pandemic might be on the cards with the result of a progressive recovery of the film industry. Besides, the pandemic derived the “stay-at-home” economy, the viewership and influence of many media streaming platforms had soared. Huayi Tencent would continue to explore the possibility of premiering online and strengthen its cooperation with different international media streaming platforms. Huayi Tencent would continue to closely monitor the latest development of the epidemic and coordinate with global distributors for setting appropriate strategic adjustment, including determining the theatrical release slots according to the time of reopening cinemas, as well as to explore chances of collaboration with online streaming media.

業務回顧(續)

銷售金融資產業務(續)

附註：(續)

7. 歡喜傳媒集團有限公司(「歡喜傳媒」)及其附屬公司主要從事媒體及娛樂相關業務，包括電影及電視劇系列之發展和投資以及營運線上視頻平台。

根據其二零二零年中期報告，歡喜傳媒於截至二零二零年六月三十日止六個月之擁有人應佔溢利為20,331,000港元，而於二零二零年六月三十日之擁有人應佔權益則為1,127,516,000港元。中國內地之電影院自二零二零年七月中起，在有效落實新冠病毒防控措施之前提下恢復開放營業。歡喜傳媒將為旗下多部電影安排在最佳之放映檔期上映。歡喜傳媒有信心旗下電影將帶來可觀收益。另一方面，歡喜傳媒抓緊視頻用戶習慣付費觀影和流媒體迅速普及之趨勢，繼續積極把「歡喜首映」發展為全會員制與收費點播結合之精選影視作品平台。歡喜傳媒將迎接付費在線觀影之紅利，進一步鞏固其在中國內地影視行業之地位。

8. 華誼騰訊娛樂有限公司(「華誼騰訊」)及其附屬公司主要從事(i)娛樂及媒體業務；及(ii)提供線下健康及養生服務。

誠如其全年業績公佈所披露，華誼騰訊於截至二零二零年十二月三十一日止年度之擁有人應佔虧損為56,574,000港元，而於二零二零年十二月三十一日之擁有人應佔權益則為776,592,000港元。展望二零二一年，全球不少國家或地區電影製作已陸續在防疫措施指引之落實下復工復產。加上疫苗之研究及接種在各國穩步推行，疫情可望在一段時間內陸續得到控制，逐步推動電影行業復甦。加上疫情期間衍生「宅經濟」，令很多影視串流平台瀏覽量及影響力大增。華誼騰訊將繼續探索線上首播之機會，加強與不同國際影視串流平台合作。華誼騰訊將繼續密切留意各地之疫情及與全球發行商協調，並作出適當之策略調整，包括因應影院重新開業之時間，釐定電影之上映排期，以及探索線上串流媒體之新合作機會等等。

Management Discussion and Analysis

管理層討論及分析

OPERATIONS REVIEW (Continued)

Sale of financial assets business (Continued)

Notes: (Continued)

- Kingston Financial Group Ltd. (“**Kingston Financial**”) and its subsidiaries are principally engaged in the provision of a wide range of financial services which include securities brokerage, underwriting and placements, margin and initial public offering financing, corporate finance advisory services and futures brokerage services. Kingston Financial also provides gaming and hospitality services in Macau.

As disclosed in its 2020 interim report, Kingston Financial reported a profit attributable to owners of HK\$169,015,000 for the six months ended 30 September 2020 and equity attributable to owners of HK\$21,811,628,000 as at 30 September 2020. Kingston Financial believed that the advancement of the “Guangdong-Hong Kong-Macao Greater Bay Area” (“**GBA**”) and the development of the “Belt and Road Initiative” would bring more opportunities for Hong Kong as an international financial hub. Kingston Financial would adhere to its prudent management strategy and rigorously deploy and implement development plans in line with market conditions, in order to grasp the opportunities arising from the Hong Kong capital market and the GBA market.

- KuangChi Science Ltd. (“**KuangChi Science**”) and its subsidiaries are principally engaged in the research and development of “AI” technology-related algorithms, a platform for big data analysis and professional AI-infused products for vertical industries based on these algorithms and platform, as well as the development of an integrated overall solution.

As disclosed in its 2020 interim report, KuangChi Science reported a loss attributable to owners of HK\$11,448,000 for six months ended 30 June 2020 and equity attributable to owners of HK\$899,490,000 as at 30 June 2020. KuangChi Science focused on future technology business. It was currently developing and integrating different future technologies, like “AI” technology and “future space” technology, and strived to build future intelligent cities and provided a comprehensive range of innovative products, services and solutions. The management of KuangChi Science believed that with the evolution of the 5G network, KuangChi Science’s “AI” technology would gradually be applied to more vertical industries in line with its own development goals and industrial needs, in particular the acceleration of the build-up of smart cities. AI would become a new impetus that boosted economic and social development, generated enormous demand for AI applications and held market prospects in the field of smart cities.

業務回顧(續)

銷售金融資產業務(續)

附註：(續)

- 金利豐金融集團有限公司(「金利豐金融」)及其附屬公司主要從事提供全面金融服務，包括證券經紀、包銷及配售、保證金及首次公開發售融資、企業財務顧問服務及期貨經紀服務。金利豐金融亦於澳門提供博彩及酒店服務。

誠如其二零二零年中期報告所披露，金利豐金融於截至二零二零年九月三十日止六個月之擁有人應佔溢利為169,015,000港元，而於二零二零年九月三十日之擁有人應佔權益則為21,811,628,000港元。金利豐金融相信「粵港澳大灣區」(「大灣區」)推進以及「一帶一路」發展，料為香港作為國際金融中心帶來更多機遇。金利豐金融將秉承一貫審時度勢管理策略，嚴謹部署並落實配合市況之發展計劃，務求把握香港資本市場和大灣區市場所帶來之機遇。

- 光啟科學有限公司(「光啟科學」)及其附屬公司主要從事「人工智能」技術相關之算法、大數據分析平台及基於此算法和平台之面向垂直行業之專業應用產品之研製與開發，以及開發一體化之整體解決方案。

誠如其二零二零年中期報告所披露，光啟科學於截至二零二零年六月三十日止六個月之擁有人應佔虧損為11,448,000港元，而於二零二零年六月三十日之擁有人應佔權益則為899,490,000港元。光啟科學主要從事未來技術業務。目前光啟科學研發並融合之不同未來技術包括「人工智能」技術和「未來空間」技術，致力於打造未來智慧城市，用於提供全方位之創新產品、服務以及解決方案。光啟科學管理層相信，隨著5G網絡之發展，光啟科學之「人工智能」技術將會結合自身之發展目標和產業需求逐步應用於更多垂直行業，尤其是加快智慧城市之建設。人工智能將成為經濟社會發展之新動能，在智慧城市領域有巨大應用需求及市場前景。

OPERATIONS REVIEW (Continued)

Sale of financial assets business (Continued)

Notes: (Continued)

11. Lajin Entertainment Network Group Ltd. (“**Lajin Entertainment**”) and its subsidiaries are principally engaged in the business of investment in movies, TV programmes and internet contents, and the provision of artists management services.

As disclosed in its 2020 interim report, Lajin Entertainment reported a loss attributable to owners of HK\$14,462,000 for the six months ended 30 June 2020 and equity attributable to owners of HK\$503,045,000 as at 30 June 2020. Lajin Entertainment continued to team up with talented creative teams as well as powerful and affluent media companies in the TV/movies industry for investing in quality TV/movies projects for the sake of effectively managing and mitigating the risks for its investments. Furthermore, Lajin Entertainment also established its strategic cooperation relationship with numerous established companies that had the capacity for producing theatrical films, and fully leveraged on its experience and advantages in the field of internet-based products to remake classic films and television drama IP to produce quality internet movies with partners. In order to maximize the value of Lajin Base, Lajin Entertainment developed two new business segments, namely performing arts training business and new media e-commerce business, which were believed to bring significant revenue and steady growth to Lajin Entertainment.

12. Link-Asia International MedTech Group Ltd. (“**Link-Asia**”, formerly known as Link-Asia International Co. Ltd.) and its subsidiaries are principally engaged in (i) electronic manufacturing services; (ii) marketing and distribution of communication products; (iii) real estate supply chain services; and (iv) the securities and other assets investment.

As disclosed in its 2020 interim report, Link-Asia reported a loss attributable to owners of HK\$69,918,000 for the six months ended 30 June 2020 and equity attributable to owners of HK\$365,413,000 as at 30 June 2020. In respect of its EMS and distribution of communication products businesses, Link-Asia would seek to bolster ties with its business partners in order to seize new opportunities. In terms of its EMS business, Link-Asia would direct greater effort towards the research and development of Internet of things (IoT), Wi-Fi and Bluetooth enabled products, and explore the market opportunity in Mainland China. Regarding to its real estate supply chain services business, Link-Asia would continue to proactively look for business opportunities in Southeast Asia and Pan-Asia.

業務回顧(續)

銷售金融資產業務(續)

附註：(續)

11. 拉近網娛集團有限公司(「拉近網娛」)及其附屬公司主要從事電影、電視節目及網絡內容之投資業務，及提供藝人管理服務。

誠如其二零二零年中期報告所披露，拉近網娛於截至二零二零年六月三十日止六個月之擁有人應佔虧損為14,462,000港元，而於二零二零年六月三十日之擁有人應佔權益則為503,045,000港元。拉近網娛繼續與影視行業內有實力和資源之影視公司、主創團隊合作，選擇優質影視項目進行投資，有效控制和降低投資風險。此外，拉近網娛亦與多家擁有院線電影製作能力之老牌電影公司建立戰略合作關係，充分利用自身在網生產品領域之經驗優勢，二度開發經典影視IP，與合作夥伴製作優質之網絡電影。為爭取拉近基地價值最大化，拉近網娛發展兩個新之業務板塊，即演藝培訓業務及新媒體電商業務，相信可以為拉近網娛帶來可觀收益及穩定增長。

12. 環亞國際醫療科技集團有限公司(「環亞」，前稱環亞國際實業有限公司)及其附屬公司主要從事(i)電子製造服務；(ii)行銷及分銷通訊產品；(iii)房地產供應鏈服務；及(iv)證券及其他資產投資。

誠如其二零二零年中期報告所披露，環亞於截至二零二零年六月三十日止六個月之擁有人應佔虧損為69,918,000港元，而於二零二零年六月三十日之擁有人應佔權益則為365,413,000港元。就其電子製造服務以及分銷通訊產品業務而言，環亞將致力鞏固與業務夥伴之關係，以把握新機遇。就其電子製造服務業務而言，環亞將投入更大精力於具有物聯網(IoT)、Wi-Fi及藍牙功能之產品之研發，並探索中國內地市場機遇。關於其房地產供應鏈服務業務，環亞將繼續積極尋找東南亞及泛亞之商機。儘管如此，環亞將積極

Management Discussion and Analysis

管理層討論及分析

OPERATIONS REVIEW (Continued)

Sale of financial assets business (Continued)

Notes: (Continued)

Nevertheless, Link-Asia would actively consolidate its resources and act with prudence in pursuing continuous development in its core businesses, and would seek new business or investment opportunities to diversify its income sources.

13. Ocean Line Port Development Ltd. (“**Ocean Line Port**”) and its subsidiaries are principally engaged in port operation in Chizhou City, Anhui Province, Mainland China.

As disclosed in its final results announcement, Ocean Line Port reported a profit attributable to owners of RMB44,579,000 for the year ended 31 December 2020 and equity attributable to owners of RMB351,926,000 as at 31 December 2020. It was too early to be fully optimistic about the business prospect of Ocean Line Port in 2021. However, Ocean Line Port was fully confident in its development in the future, with three major works and measures: (i) responding actively to risks posed by the COVID-19 pandemic, (ii) strengthening traditional stevedoring and raising the market share, and (iii) strengthening logistics (transportation) operation and promoting transformational development of the port. Ocean Line Port would make concerted efforts and make full use of its advantages to broaden sources of income and reduce expenditure, capture opportunities, expand and move forward with even greater enthusiasm.

14. Nimble Holdings Company Ltd. (“**Nimble Holdings**”) and its subsidiaries are principally engaged in holding and licensing of brands and trademarks on a worldwide basis, distribution of houseware products and audio products in the United States of America, and the trading of household appliances, provision of information technology services and property development in Mainland China.

According to its 2020 interim report, Nimble Holdings reported a loss attributable to owners of HK\$23,000,000 for the six months ended 30 September 2020 and equity attributable to owners of HK\$436,000,000 as at 30 September 2020. The operation teams of Nimble Holdings would endeavour to use their best efforts to overcome the difficulties brought about by the COVID-19 pandemic in order to manage the businesses and operation in the second half of the financial year ending 31 March 2021, as well as control its costs in all areas so as to minimise the total expenses to be incurred by it. The management of Nimble Holdings intended to continue bidding in land auctions conducted by the local government authorities in different cities of Mainland China in order to increase its land bank for future development. The management believed that the enlarged land reserve would bring income to Nimble Holdings with reasonable returns in the future.

業務回顧(續)

銷售金融資產業務(續)

附註：(續)

整合資源及謹慎追求其核心業務之持續發展，並尋求新的業務或投資機會，使其收入來源多元化。

13. 遠航港口發展有限公司(「遠航港口」)及其附屬公司主要於中國內地安徽省池州市從事港口營運。

誠如其全年業績公佈所披露，遠航港口於截至二零二零年十二月三十一日止年度之擁有人應佔溢利為人民幣44,579,000元，而於二零二零年十二月三十一日之擁有人應佔權益則為人民幣351,926,000元。遠航港口於二零二一年經營形勢不容過份樂觀，但遠航港口對其未來之發展仍充滿信心，主要工作措施有三項：(i)積極應對新型冠狀病毒疫情帶來之風險；(ii)加強傳統裝卸，提高市場佔有率；及(iii)加強物流(運輸)業務，促港口轉型發展。遠航港口會上下同心，充份發揮自身優勢，開源節流，搶抓機遇，開拓奮進。

14. 敏捷控股有限公司(「敏捷控股」)及其附屬公司主要從事於為世界各地持有及發給品牌及商標特許權、於美利堅合眾國分銷家庭用品及影音產品、於中國內地進行家用電器貿易、提供資訊科技服務及物業發展。

根據其二零二零年中期報告，敏捷控股於截至二零二零年九月三十日止六個月之擁有人應佔虧損為23,000,000港元，而於二零二零年九月三十日之擁有人應佔權益則為436,000,000港元。於截至二零二一年三月三十一日止財政年度之下半年，敏捷控股之運營團隊將盡最大努力克服新型冠狀病毒疫情帶來的困難，以管理業務及經營以及控制各方面之成本，以最大程度地減少所產生之總開支。敏捷控股之管理層擬繼續競投中國內地不同城市之地方政府機構進行之土地拍賣，以增加其土地儲備以供未來發展。管理層認為，該經擴大土地儲備將為敏捷控股未來帶來收入及合理回報。

OPERATIONS REVIEW (Continued)

Sale of financial assets business (Continued)

Notes: (Continued)

15. SuperRobotics Holdings Ltd. (“**SuperRobotics**”) and its subsidiaries are principally engaged in (i) high-tech robotics and light machinery engineering; (ii) in-flight WLAN and WIFI engineering and services provider; and (iii) developing, distributing and marketing of personal care treatments, products and services.

As disclosed in its interim report for the six months ended 30 June 2020, SuperRobotics reported a loss attributable to owners of HK\$51,179,000 for the six months ended 30 June 2020 and a negative equity attributable to owners of HK\$29,443,000 as at 30 June 2020. Despite there is a huge market potential for service robots in Mainland China, SuperRobotics’ business would be facing tremendous risks in a short period of time once external demand weakens for the reason that the COVID-19 epidemic had impacts on the service industry and manufacturing industry in its duration of time and intensity of influence. In view of the persistent social conflict in Hong Kong and the severe economic downturn that had seriously affected the industry’s living environment and the consumers, SuperRobotics expected that its beauty business might not be optimistic.

16. Town Health International Medical Group Ltd. (“**Town Health**”) and its subsidiaries are principally engaged in (i) provision of medical and dental services in Hong Kong; (ii) managing healthcare networks and provision of third party medical network administrator services in Hong Kong; (iii) provision of medical and dental services, as well as hospital management and related services in Mainland China; (iv) trading of listed securities and leasing of properties; and (v) provision of miscellaneous healthcare related services.

As disclosed in its final results announcement, Town Health reported a loss attributable to owners of HK\$281,038,000 for the year ended 31 December 2020 and equity attributable to owners of HK\$3,810,481,000 as at 31 December 2020. The COVID-19 pandemic would last and continue to spread across the world, posing grave threat to the public health and making a heavy blow to the economy. However, the availability of vaccines and the activation of vaccination work were expected to contain the virus, which would boost the world’s confidence about economic recovery. As the economy gradually recovers in 2021, it was expected that businesses of Town Health would return to stable development. In the meantime, Town Health would consistently and actively fulfil its social responsibilities as a medical enterprise and serve the society with all its might.

業務回顧(續)

銷售金融資產業務(續)

附註：(續)

15. 超人智能控股有限公司(「超人智能」)及其附屬公司主要從事(i)高科技機器人及輕機械工程；(ii)機上無線區域網及WIFI工程及服務供應商；及(iii)開發、分銷及銷售個人護理療程、產品及服務。

誠如其截至二零二零年六月三十日止六個月之中期報告所披露，超人智能於截至二零二零年六月三十日止六個月之擁有人應佔虧損為51,179,000港元，而於二零二零年六月三十日之擁有人應佔負權益則為29,443,000港元。儘管中國內地服務機器人市場潛力巨大，考慮到新型冠狀病毒疫情對服務業和製造業之影響強度和持續時間，一旦外部需求走弱，超人智能之業務在短時間內將面臨巨大風險。鑑於香港本地持續社會衝突及下行經濟現狀嚴峻影響行業生存環境和消費群眾，超人智能預期其美容業務或將不容樂觀。

16. 康健國際醫療集團有限公司(「康健」)及其附屬公司主要從事(i)於香港提供醫療及牙科服務；(ii)於香港管理醫療網絡及提供第三方醫療網絡管理業務；(iii)於中國內地提供醫療及牙科服務，以及醫院管理及相關服務；(iv)上市證券交易及物業租賃；及(v)提供其他醫療相關服務。

誠如其全年業績公佈所披露，康健於截至二零二零年十二月三十一日止年度之擁有人應佔虧損為281,038,000港元，而於二零二零年十二月三十一日之擁有人應佔權益則為3,810,481,000港元。新型冠狀病毒疫情在全球蔓延和持續，對公眾健康造成重大威脅，亦對經濟帶來巨大衝擊。然而，疫苗的面世和疫苗接種工作的啟動有望使疫情得到控制，將有助提振全球經濟復甦的信心。伴隨二零二一年經濟的逐步復甦，預期康健業務亦將恢復穩定發展，同時，康健亦會一如既往積極承擔醫療企業的社會責任，竭力服務社會。

Management Discussion and Analysis

管理層討論及分析

OPERATIONS REVIEW (Continued)

Sale of financial assets business (Continued)

Notes: (Continued)

On 27 November 2017, the Securities and Futures Commission (the “SFC”) issued a direction under Section 8(1) of the Securities and Futures (Stock Market Listing) Rules to suspend the trading in the shares of Town Health with effect from 9:00 a.m. on that date.

The trading in the shares of Town Health remained suspended on 31 December 2020.

The fair value of the shares in Town Health held by the Group of HK\$4,623,000 at 31 December 2020 was based on the valuation report prepared by the independent professional valuer appointed by the Group.

On 1 March 2021, the SFC has permitted trading in Town Health’s shares to recommence from 9:00 a.m. on that date.

17. Yunfeng Financial Group Ltd. (“Yunfeng Financial”) and its subsidiaries are principally engaged in (i) the writing of long term insurance business; (ii) securities brokerage and provision of custodian and other services; (iii) provision of fund and asset management services as well as financing and investing solution for clients; and (iv) provision of corporate advisory, placing and underwriting advisory services to clients.

As disclosed in its final results announcement, Yunfeng Financial reported a profit attributable to owners of HK\$618,315,000 for the year ended 31 December 2020 and equity attributable to owners of HK\$13,380,576,000 as at 31 December 2020. Yunfeng Financial would prudently monitor the continuing impacts of such factors as the heightened tensions between the United States and Mainland China, the higher geopolitical risks and the uncertain macroeconomic environment on the execution of its business development plans. Yunfeng Financial would continue to focus on implementing its strategic plan to capture growth opportunities in the life and health insurance and wealth management markets in the Guangdong-Hong Kong-Macao Greater Bay Area with a view to successfully transforming itself into a comprehensive one-stop financial services provider offering high-quality online and offline insurance and wealth management solutions to its customers.

業務回顧(續)

銷售金融資產業務(續)

附註：(續)

於二零一七年十一月二十七日，證券及期貨事務監察委員會(「證監會」)根據證券及期貨(在證券市場上市)規則第8(1)條發出指令，自當日上午九時正起暫停買賣康健股份。

康健股份於二零二零年十二月三十一日仍暫停買賣。

根據本集團委聘之一名獨立專業估值師編製之估值報告，本集團所持有之康健股份於二零二零年十二月三十一日之公平值為4,623,000港元。

於二零二一年三月一日，證監會已批准康健股份於該日上午九時正起重新開始買賣。

17. 雲鋒金融集團有限公司(「雲鋒金融」)及其附屬公司主要從事(i)承保長期保險業務；(ii)證券經紀業務，及提供託管服務和其他服務；(iii)提供資金和資產管理服務，以及為客戶制定融資和投資解決方案；及(iv)為客戶提供企業諮詢，配售和承銷服務。

誠如其全年業績公佈所披露，雲鋒金融於截至二零二零年十二月三十一日止年度之擁有人應佔溢利為618,315,000港元，而於二零二零年十二月三十一日之擁有人應佔權益則為13,380,576,000港元。雲鋒金融將審慎監察中美關係緊張和地緣政治局勢及宏觀經濟環境不明朗等因素，對其業務發展計劃的持續影響。基於大灣區內人壽健康保險和財富管理市場的潛在機遇，雲鋒金融將繼續專注於實施其戰略部署，致力於成為全面的一站式金融服務提供者，為客戶提供高品質的線上線下保險和理財方案。

OPERATIONS REVIEW (Continued)

Sale of financial assets business (Continued)

Notes: (Continued)

18. Hsin Chong Group Holdings Ltd. (“Hsin Chong”) and its subsidiaries are principally engaged in building construction, civil engineering, electrical and mechanical installation, property development and investment.

Based on its latest published financial information, Hsin Chong reported a loss attributable to owners of HK\$704,973,000 for the six months ended 30 June 2018 and equity attributable to owners of HK\$9,990,782,000 as at 30 June 2018.

On 17 December 2019, the Exchange cancelled Hsin Chong’s listing and the shares in Hsin Chong have no longer listed and tradeable on the Exchange since then. The share certificates of the shares in Hsin Chong remain valid.

The directors believe that the future performance of the Hong Kong listed and unlisted equities held by the Group is largely affected by economic factors, investor sentiment, demand and supply balance of an investee company’s shares and fundamentals of an investee company, such as investee company’s news, business fundamentals and development, financial performance and future prospects. Accordingly, the directors closely monitor the above factors, particularly the fundamentals of each individual investee company in the Group’s equity portfolio, and proactively adjust the Group’s equity portfolio mix in order to improve its performance.

Money lending business

During the year, the Group’s money lending business generated interest income on loans amounting to HK\$74,361,000, a 29% decrease from HK\$104,034,000 for the previous year, and reported a segment loss (before taxation) of HK\$148,768,000, whereas a segment profit (before taxation) of HK\$72,496,000 was recorded in the previous year. The deterioration in segment results was mainly attributable to (i) the derecognition of certain interest income on loans due to the deterioration of certain customers’ ability to pay the interest, and (ii) the increase in the allowance for credit losses on loan receivables as discussed below.

業務回顧(續)

銷售金融資產業務(續)

附註：(續)

18. 新昌集團控股有限公司(「新昌」)及其附屬公司主要從事樓宇建造、土木工程、機電安裝工程、物業發展及投資。

根據其最新已刊發財務資料，新昌於截至二零一八年六月三十日止六個月之擁有人應佔虧損為704,973,000港元，而於二零一八年六月三十日之擁有人應佔權益則為9,990,782,000港元。

聯交所於二零一九年十二月十七日註銷新昌之上市地位，新昌之股份自當日起不再於聯交所上市及買賣。新昌股份之股票維持有效。

董事相信，本集團持有之香港上市及非上市股票之未來表現相當大程度上受經濟因素、投資者氣氛、被投資公司股份之供求情況及被投資公司之基本因素(如被投資公司之消息、業務基本因素及發展、財務表現及未來前景)所影響。故此，董事密切監察上述因素，尤其本集團股票組合之各間被投資公司之基本因素，並積極調整本集團之股票投資組合，以改善其表現。

借貸業務

年內，本集團之借貸業務產生之貸款利息收入為74,361,000港元，較去年之104,034,000港元減少29%，且錄得分部虧損(除稅前)148,768,000港元，而於去年則錄得分部溢利(除稅前)72,496,000港元。分部業績轉遜主要由於下述(i)若干客戶償還利息之能力轉差而取消確認若干貸款利息收入；及(ii)應收貸款之信貸虧損撥備增加所致。

Management Discussion and Analysis

管理層討論及分析

OPERATIONS REVIEW (Continued)

Money lending business (Continued)

During the year ended 31 December 2020, the Group granted a new loan in the principal amount of HK\$21,800,000 to a customer, and extended the final repayment dates of ten existing loans in the aggregate principal amount of HK\$655,000,000. The Group's customers made drawings in the aggregate principal amount of HK\$35,600,000 from the existing and new loans and repaid HK\$46,633,000 to the Group.

During the year, a customer failed to repay the loan's outstanding principal amount of HK\$25,000,000 together with the accrued and unpaid interest thereon according to the loan agreement. The Group has commenced legal proceedings against the customer to recover the loan's outstanding principal amount and the accrued and unpaid interest thereon. The first hearing will be held on 7 April 2021. The Group wrote off part of the loan and interest receivables from the customer amounting to HK\$15,775,000. Another customer failed to pay an interest payment on the loan to the Group in December 2020 under the loan agreement. In January 2021, the Group commenced legal proceedings against the customer for recovering the loan's outstanding principal amount of HK\$55,000,000 together with the accrued and unpaid interest thereon. In March 2021, the Group recovered the outstanding principal amount of the loan together with the accrued and unpaid interest thereon from the customer. After the reporting date, the Group has also commenced legal proceedings against a customer who failed to pay interest on the loan to the Group under the loan agreement during the year for recovering the loan's outstanding principal amount of HK\$100,000,000 together with the accrued and unpaid interest thereon.

業務回顧(續)

借貸業務(續)

於截至二零二零年十二月三十一日止年度內，本集團向一名客戶授出一筆本金額為21,800,000港元之新貸款，並延長十筆本金總額為655,000,000港元之現有貸款之最終還款日期。本集團之客戶從現有及新貸款中提取本金總額35,600,000港元，並向本集團償還46,633,000港元。

年內，一名客戶無法償還貸款之未償還本金額25,000,000港元以及其於貸款協議項下之應計及未付利息。本集團已針對該客戶提出法律訴訟，以收回該貸款之未償還本金額以及其應計及未付利息。首次聆訊將於二零二一年四月七日進行。本集團已撇銷部分貸款及應收客戶利息15,775,000港元。於二零二零年十二月，另一名客戶無法向本集團支付貸款協議項下之貸款利息。於二零二一年一月，本集團針對該客戶展開法律訴訟，以收回該筆貸款之未償還本金額55,000,000港元以及其應計及未付利息。於二零二一年三月，本集團自該客戶收回該筆貸款之未償還本金額連同其應計及未付利息。於報告日期後，本集團亦已針對一名於年內無法向本集團支付貸款協議項下之貸款利息之客戶展開法律訴訟，以收回該筆貸款之未償還本金額100,000,000港元以及其應計及未付利息。

OPERATIONS REVIEW (Continued)

Money lending business (Continued)

At the end of the reporting period, the directors performed an impairment assessment on the Group's loan receivables with reference to a valuation prepared by an independent professional valuer. Based on the valuation, a HK\$197,432,000 allowance for credit losses on loan receivables was made, a HK\$192,958,000 increase compared to that for the year ended 31 December 2019. This significant increase was due to (i) the increase in the probability of default in calculating the 12-month expected credit losses of loans caused by the COVID-19 pandemic classified under stage 1 (performing), (ii) the reclassification of a loan that had significant deterioration in credit risk from stage 1 to stage 2 (underperforming), and (iii) the reclassification of three loans that had objective evidence of impairment from stage 1 to stage 3 (non-performing). At 31 December 2020, the Group's loan receivables, together with accrued interest receivables (before accumulated allowance for credit losses), amounted to HK\$976,599,000 (2019: HK\$1,000,071,000). Return on loan receivables for the year ended 31 December 2020 is 6% (2019: 9%).

Sale of jewelry products business

During the year, the Group's sale of jewelry products business generated revenue of HK\$69,269,000, a 1% increase from HK\$68,422,000 for the previous year, and reported a segment loss (before taxation) of HK\$13,103,000, whereas a segment profit (before taxation) of HK\$74,000 was recorded in the previous year.

業務回顧(續)

借貸業務(續)

於報告期末，董事已參考一名獨立專業估值師編製之估值就本集團之應收貸款進行減值評估。根據該估值，已作出應收貸款之信貸虧損撥備197,432,000港元。與截至二零一九年十二月三十一日止年度相比增加192,958,000港元。該大幅增加乃由於(i)計算分類至階段1(履約)之因新型冠狀病毒疫情導致計算貸款之12個月預期信貸虧損之違約可能性增加；(ii)將一筆信貸風險重大惡化之貸款由階段1重新分類至階段2(不良)；及(iii)將三筆存在客觀減值證據之貸款由階段1重新分類至階段3(不履約)。於二零二零年十二月三十一日，本集團之應收貸款連同應收應計利息(除累計信貸虧損撥備前)為976,599,000港元(二零一九年：1,000,071,000港元)。截至二零二零年十二月三十一日止年度，應收貸款之回報為6%(二零一九年：9%)。

銷售珠寶產品業務

年內，本集團之銷售珠寶產品業務產生之收益為69,269,000港元，較去年之68,422,000港元增加1%，及呈報分部虧損(除稅前)13,103,000港元，而去年則錄得分部溢利(除稅前)74,000港元。

Management Discussion and Analysis

管理層討論及分析

OPERATIONS REVIEW (Continued)

Sale of jewelry products business (Continued)

During the first half of 2020, the Group's sale of jewelry business was severely affected by the outbreak of COVID-19 as the Group was not able to fulfill its sales orders due to the lockdown imposed in Mainland China, Europe, and the United States to curb the spread of COVID-19. In the second half of 2020, the sale of jewelry products picked up resulted from the firm sales orders from local companies that carry out jewelry products trading in Mainland China, a new sales channel developed by the Group. During the year, the Group recorded a significant decrease in sales orders from the United States as the United States has imposed an extra tariff on jewelry products from Mainland China since September 2019. In view of the severe travel restrictions and lockdowns recently imposed by countries around the world for stemming the spread of COVID-19 in the first half of 2020, the Group is developing its own business-to-business sales portal for business development and placing sales orders. Although the initial costs to develop the business-to-business sales portal are considerable, the directors believe that it will help the Group grows its business worldwide cost-effectively in the long-run.

The gross loss for the year ended 31 December 2020 was mainly due to the higher moulding and production costs incurred for producing samples for business development and the business-to-business sales portal, and lower profit margin for jewelry products sold to Mainland China through the local companies. Besides, the Group's sale of jewelry products business reported a loss of inventories of HK\$4,914,000 as certain jewelry products were stolen during a business trip to Europe, and such stolen jewelry products were derecognised from the Group's inventories and recognised as administrative expense during the year.

At the end of the reporting period, the directors performed an impairment assessment on the Group's trade receivables with reference to a valuation prepared by the independent professional valuer. Based on the valuation, an allowance for credit losses on trade receivables of HK\$315,000 was recognised, a HK\$259,000 increase compared to the year ended 31 December 2019. This increase was due to the increase in the probability of default in calculating the 12-month expected credit losses of trade receivables caused by the COVID-19 pandemic.

業務回顧(續)

銷售珠寶產品業務(續)

於二零二零年上半年，新型冠狀病毒爆發導致本集團之銷售珠寶產品業務受到嚴重影響，乃由於中國內地、歐洲及美國實施封鎖措施以遏止新型冠狀病毒蔓延，導致本集團未能完成其銷售訂單。於二零二零年下半年，於中國內地進行珠寶產品貿易之本地公司(本集團新拓展之銷售渠道)之確認銷售訂單令珠寶產品之銷售回升。年內，本集團來自美國之銷售訂單顯著減少，由於美國自二零一九年九月起向來自中國內地之珠寶產品徵收額外關稅。鑑於全球多國於二零二零年上半年實施嚴格旅遊限制及封城以阻止新型冠狀病毒之傳播，本集團發展其自家企業對企業銷售渠道，以發展業務及接受銷售訂單。儘管發展企業對企業銷售渠道之初始成本高昂，但董事相信長遠而言將有助本集團以符合成本效益之方式將業務擴展全球。

截至二零二零年十二月三十一日止年度，毛損產生乃主要就業務發展及企業對企業銷售渠道所產生之生產樣辦模具及生產成本較高，以及透過本地公司向中國內地出售之珠寶產品毛利率較低。此外，由於若干珠寶產品於一次前往歐洲出差時遭到盜竊，本集團之銷售珠寶產品業務錄得存貨虧損4,914,000港元，我們已於年內於本集團存貨終止確認該被竊珠寶產品，並將其確認為行政開支。

於報告期末，董事已參考一名獨立專業估值師編製之估值就本集團之貿易應收款項進行減值評估。根據該估值，已確認貿易應收款項之信貸虧損撥備315,000港元，較截至二零一九年十二月三十一日止年度增加259,000港元。該增加乃由於新型冠狀病毒疫情導致計算貿易應收款項之12個月預期信貸虧損之違約可能性增加所致。

OPERATIONS REVIEW (Continued)

Sale of jewelry products business (Continued)

At 31 December 2020, the Group's inventories of jewelry products, including raw materials, work-in-progress and finished goods, amounted to HK\$28,618,000 (2019: HK\$32,000,000) and the Group's sale of jewelry products business had undelivered sales orders amounting to HK\$2,200,000 (2019: HK\$800,000).

Return on capital employed in sale of jewelry products for the year ended 31 December 2020 is -43% (2019: 0%).

Property investment business

During the year, the Group's property investment business generated rental income of HK\$26,868,000, a 5% increase from HK\$25,549,000 for the previous year, and recorded a segment loss (before taxation) of HK\$49,979,000, a 58% improvement as compared to the previous year. The improvement of segment results was mainly attributable to the absence of a HK\$49,782,000 written-off relating to the two hotel villas erected on the first phase of the Subject Land in the previous year. Of the total rental income, HK\$21,773,000 was generated from the assets of the Club and HK\$5,095,000 was generated from the investment property portion of the Shun Tak Property.

As the impact of COVID-19 on the hotel industry is unprecedented and unpredictable, hotels face the prospect of a long recovery. As such, the Group has modified its business strategy for the second and third phases of the Subject Land, in which the units of the building complex erected will lease out as high-end serviced apartments on a long-term or short-term lease basis. In leasing the serviced apartments on a long-term lease basis, the tenants prepay the rental of the lease period in stages before the lease commencement date. On the other hand, the development costs will significantly reduce as the interior of the building complex is no longer decorated at a five-star hotel standard. Accordingly, the total development costs reduce significantly from RMB904,425,000 (equivalent to HK\$990,164,000) to RMB650,000,000 (equivalent to HK\$711,620,000), which is financed by the internal resources of the Group, income generated from the Group's property investment operations, prepaid rental for long-term leases, and external borrowings. The directors believe that the modified business strategy will not only improve the Group's cash flow, but also reduce the annual operating and maintenance expenses.

業務回顧(續)

銷售珠寶產品業務(續)

於二零二零年十二月三十一日，本集團之珠寶產品存貨(包括原材料、在製品及製成品)為28,618,000港元(二零一九年：32,000,000港元)及本集團之銷售珠寶產品業務有2,200,000港元(二零一九年：800,000港元)之未交貨銷售訂單。

截至二零二零年十二月三十一日止年度，銷售珠寶產品所用資本之回報為-43%(二零一九年：0%)。

物業投資業務

年內，本集團之物業投資業務產生之租金收入為26,868,000港元，較去年之25,549,000港元增加5%，並錄得分部虧損(除稅前)49,979,000港元，較去年改善58%。分部業績改善乃主要由於並無就去年建於主體地塊第一階段上之兩棟別墅酒店撇銷49,782,000港元所致。於總租金收入當中，21,773,000港元來自會所之資產及5,095,000港元來自信德物業之投資物業部分。

由於新型冠狀病毒對酒店行業造成前所未見且難以預料的影響，預計酒店面對復甦需較長時間。據此，本集團已修訂有關主體地塊第二及第三階段的業務策略，而已建成的建築綜合體單位將按長期或短期租賃基準出租作高端服務式公寓。長期租賃服務式公寓的租戶於租期開始日期前分階段預付租期的租金。另一方面，由於建築綜合體內部不再以五星級酒店標準裝修，故開發成本將大幅減少。因此，總開發成本將由人民幣904,425,000元(相等於990,164,000港元)大幅減少至人民幣650,000,000元(相等於711,620,000港元)，由本集團內部資源、本集團物業投資業務產生的收入、以長期租賃形式預付的租金及外部借款撥付。董事相信，經修訂業務策略不僅可改善本集團現金流量，更可減少每年經營及維修開支。

Management Discussion and Analysis

管理層討論及分析

OPERATIONS REVIEW (Continued)

Property investment business (Continued)

In May 2020, the Group invited tenders for the building works and awarded the tender to a Mainland Chinese construction company in June 2020. The building works have commenced in July 2020 and expect to complete in the third quarter of 2021. After the building works, the building complex erected on the second and third phases of the Subject Land is put under interior decoration and prepared for buildings inspection by the relevant governmental authorities. According to the development plan, the development of the second and third phases of the Subject Land completes in the first quarter of 2022. Marketing activities in leasing the serviced apartments launched in August 2020. Since the launch of the marketing activities, the Group has received a lot of leasing inquiries.

The Group has temporarily suspended the development of the cultural business as the Group is in discussion with a potential joint venture partner relating to the proposed setting up of a football training school under the brand of a football club of the Premier League or the Campeonato Nacional de Liga de Primera División on the first phase of the Subject Land. According to the memorandum of understanding dated 29 April 2020, the proposed setting up of the football training school shall include but not limit to (i) the leasing of the first phase of the Subject Land to the potential joint venture partner for setting up the football training school and organising sports events, (ii) the establishment of a jointly controlled operation, in which Smart Title Limited and the potential joint venture partner combine their operations, resources, and expertise to set up the football training school and share the profit generated from the football training school, and (iii) the formation of a jointly controlled entity to set up the football training school. The final arrangement for the proposed setting up of the football training school shall be subject to the official written approval from the football club of the Premier League or the Campeonato Nacional de Liga de Primera División. As at the date of the annual report, discussion with the potential joint venture partner is still underway and no terms of the proposed setting up of a football training school have reached.

業務回顧(續)

物業投資業務(續)

於二零二零年五月，本集團為其建築工程招標，並於二零二零年六月將該工程批予中國內地一間建築公司。該等建築工程已於二零二零年七月展開，預期於二零二一年第三季度完成。建築工程完成後，建於主體地塊第二及第三階段的建築綜合體將進行室內裝修及由有關政府機關進行樓宇檢查。根據開發計劃，主體地塊第二及第三階段將於二零二二年第一季度完成開發。出租服務式公寓的市場推廣活動已於二零二零年八月展開。自推出市場推廣活動以來，本集團已接獲大量租賃查詢。

由於本集團正與潛在合營企業夥伴商討於主體地塊第一階段以英格蘭超級足球聯賽或西班牙甲組足球聯賽某球會品牌建立一所足球訓練學校之建議，故本集團已暫停文化業務發展。根據日期為二零二零年四月二十九日之諒解備忘錄，建議建立足球訓練學校須包括但不限於(i)將主體地塊第一階段租予潛在合營企業夥伴以建立足球訓練學校及舉辦體育賽事；(ii)設立共同控制的業務，其中Smart Title Limited及潛在合營企業夥伴將合併彼等業務、資源及專業知識以建立該足球訓練學校，並分享足球訓練學校所產生的溢利；及(iii)成立共同控制實體以建立足球訓練學校。建議建立足球訓練學校的最終安排須待取得該英格蘭超級足球聯賽或西班牙甲組足球聯賽球會的正式書面批准方可落實。於年報日期，本集團與潛在合營企業夥伴的討論仍在進行中，彼等亦未就建立足球訓練學校之建議達成任何條款。

OPERATIONS REVIEW (Continued)

Property investment business (Continued)

Given the modification of the business strategy for the second and third phases of the Subject Land and the temporary suspension of the development of the cultural business, the relevant discounted cash flow projections used to measure value in use for determining the recoverable amount of the cash generating unit of Smart Title Limited have adjusted to reflect the impacts on the expected cash inflows and outflows resulted from the modification and the suspension.

At the end of the reporting period, the directors performed impairment tests for the goodwill arising from the acquisition of Smart Title Limited and the intangible assets relating to (i) the rights to construct and operate the club facilities of the Club, and (ii) the rights to develop and operate the Subject Land and the rights to manage the properties erected on the Subject Land with reference to two discounted cash flow projections to assess the value in use of the property investment business in Beijing, Mainland China. As the recoverable amount of the cash-generating unit of the Group's property investment operations under Smart Title Limited exceeded its carrying amount, no impairment of goodwill and intangible assets was required.

At the end of the reporting period, the directors tested the right-of-use assets for impairment with reference to the two discount cash flow projections to assess the value in use of the property investment business in Beijing, Mainland China and concluded that no impairment for the Group's right-of-use assets was required.

At the end of the reporting period, the directors measured the investment property portion of the Shun Tak Property at fair value. Based on the property valuation report prepared by the independent qualified valuer, the fair value of the investment property portion of the Shun Tak Property decreased from to HK\$159,200,000 at 31 December 2019 to HK\$140,000,000 at 31 December 2020. The decrease in the fair value was due to the current subdued office demand and rental correction cycle. Accordingly, the Group recognised the loss of HK\$19,200,000 arising on change in fair value of investment properties.

Return on property investment for the year ended 31 December 2020 is -3% (2019: -3%).

業務回顧(續)

物業投資業務(續)

鑑於主體地塊第二及第三階段的業務策略有所修訂及文化業務發展暫停，用以釐定 Smart Title Limited 現金產生單位可收回金額之使用價值的相關已貼現現金流量預測已予調整，以反映修訂及暫停對預期現金流入及流出之影響。

於報告期末，董事已參考兩項貼現現金流量預測，就收購 Smart Title Limited 產生之商譽及有關 (i) 建設及經營會所之會所設施之權利，及 (ii) 開發及經營主體地塊之權利以及管理主體地塊上已建物業之權利之無形資產進行減值測試，以評估中國內地北京之物業投資業務之使用價值。由於本集團於 Smart Title Limited 項下之物業投資業務之現金產生單位之可收回金額超過其賬面值，故毋須就商譽及無形資產進行減值。

於報告期末，董事經參考兩項貼現現金流量預測後對使用權資產進行減值測試，以評估中國內地北京之物業投資業務之使用價值，並決定毋須就本集團使用權資產進行減值。

於報告期末，董事已按公平值計量信德物業之投資物業部分。按獨立合資格估值師編製之物業估值報告，信德物業之投資物業部分之公平值自二零一九年十二月三十一日之 159,200,000 港元減少至二零二零年十二月三十一日之 140,000,000 港元。公平值減少主要由於目前辦公室需求疲弱及租金調整週期所致。因此，本集團已確認投資物業公平值變動產生之虧損 19,200,000 港元。

截至二零二零年十二月三十一日止年度，物業投資之回報為 -3% (二零一九年：-3%)。

OPERATIONS REVIEW (Continued)

Investments in associates

Elite Prosperous is an investment holding company and the principal asset of which is the term loan of US\$10,000,000 (equivalent to HK\$78,410,000) advanced to an unlisted investment holding company. The principal subsidiaries of the unlisted investment holding company are engaged in (i) agency payment services, (ii) currency exchange services, and (iii) provision of online, mobile and cross-border payment services. Pursuant to the loan instrument, Elite Prosperous is entitled to convert the term loan into (i) such number of preferred shares in the capital of the unlisted investment holding company, or (ii) such number of preferred shares in the capital of one of the wholly-owned subsidiary of the unlisted investment holding company, which is engaged in provision of online, mobile and cross-border payment services. In May 2019, a subsidiary of the unlisted investment holding company has been awarded a stored value facilities licence by Hong Kong Monetary Authority. During the year, no conversion of the term loan was taken place as the unlisted investment holding company has been doing a fund raising exercise. At the end of the reporting period, Elite Prosperous measured the term loan at fair value. Based on a valuation report prepared by the independent professional valuer, the fair value of the term loan decreased from HK\$62,861,000 at 31 December 2019 to HK\$25,726,000 at 31 December 2020 and Elite Prosperous recognised a loss of HK\$37,135,000 arising on change in the fair value of the term loan in profit or loss. During the year, Elite Prosperous reported a loss of HK\$37,135,000 and the Group shared a loss of HK\$18,196,000 from Elite Prosperous.

業務回顧(續)

於聯營公司之投資

Elite Prosperous 為一間投資控股公司，及其主要資產為向一間非上市投資控股公司墊付 10,000,000 美元(相等於 78,410,000 港元)之定期貸款。該非上市投資控股公司之主要附屬公司從事 (i) 代理支付服務；(ii) 貨幣匯兌服務；及 (iii) 提供線上、移動及跨境支付服務。根據貸款文據，Elite Prosperous 有權將有關定期貸款轉換為 (i) 該非上市投資控股公司股本中該等數目之優先股，或 (ii) 該非上市投資控股公司之其中一間全資附屬公司(從事提供線上、移動及跨境支付服務)的股本中該等數目之優先股。於二零一九年五月，該非上市投資控股公司之一間附屬公司已獲香港金融管理局發出儲值支付工具牌照。年內，由於該非上市投資控股公司正進行集資活動，故並無轉換有關定期貸款。於報告期末，Elite Prosperous 已按公平值計量該定期貸款。按一名獨立專業估值師所編製之估值報告，定期貸款之公平值自二零一九年十二月三十一日之 62,861,000 港元減少至二零二零年十二月三十一日之 25,726,000 港元，而 Elite Prosperous 已於損益表確認定期貸款公平值變動產生之虧損 37,135,000 港元。年內，Elite Prosperous 呈報虧損 37,135,000 港元，而本集團應佔 Elite Prosperous 虧損 18,196,000 港元。

OPERATIONS REVIEW (Continued)

Investments in associates (Continued)

Global Mastermind is an investment holding company and its subsidiaries are principally engaged in the provision and operation of travel business, treasury management business, money lending business and provision of securities, asset management and finance advisory services. During the year, the Group further acquired 31,500,000 shares in Global Mastermind at a consideration of HK\$1,477,000, and the Group's shareholding interests in Global Mastermind increased from 29.04% to 29.77% accordingly. The further acquisition resulted in a gain on bargaining purchase of an associate of HK\$1,849,000. During the year, Global Mastermind reported a loss of HK\$267,084,000, a 389% deterioration as compared to the previous year, and the Group shared a loss of HK\$78,333,000 from Global Mastermind, which was partially offset by the gain on bargaining purchase of an associate of HK\$1,849,000. The deterioration in Global Mastermind's results for the year was mainly due to (i) a dramatic slump in its travel business segment resulted from the COVID-19 pandemic, (ii) a significant increase in impairment loss on its trade and loan receivables, (iii) a significant increase in loss on fair value changes of its investment properties, and (iv) a substantial loss of assets resulting from the Incidents (as defined below), details of which are disclosed in the section headed "Additional Information on Audit Qualification" below.

China Healthwise is an investment holding company and its subsidiaries are principally engaged in sales of Chinese health products, money lending business, and investment in financial instruments. During the year, China Healthwise repurchased and cancelled 160,650,000 of its issued shares (before the share consolidation effective on 25 September 2020), and the Group's shareholding interests in China Healthwise increased from 18.86% to 19.26% correspondingly. The repurchase and cancellation resulted in a gain on deemed acquisition of an associate of HK\$290,000. In addition, the Group acquired 7,840,000 shares in China Healthwise (after the share consolidation effective on 25 September 2020) and the Group's shareholding increased from 19.26% to 20.27%. The Group recognised a gain on bargaining purchase of HK\$917,000. During the year, China Healthwise reported a loss of HK\$25,222,000, a 80% improvement as compared to its results for the previous period, and the Group shared a loss of HK\$4,703,000 from China Healthwise, which was partially offset by the gain on deemed acquisition of an associate of HK\$290,000 and the gain on bargaining purchase of HK\$917,000. The improvement in China Healthwise's results for the year was mainly due to (i) the recognition of a gain from disposal of its OBM toy business, and (ii) a significant decrease in fair value loss on its financial assets at FVTPL.

業務回顧(續)

於聯營公司之投資(續)

環球大通為一間投資控股公司，其附屬公司主要從事提供及經營旅遊業務、財資管理業務、放債業務以及提供證券、資產管理及融資顧問服務。年內，本集團以代價1,477,000港元進一步收購環球大通31,500,000股股份，因此本集團於環球大通之股權由29.04%增加至29.77%。故此，該進一步收購導致議價購買一間聯營公司之收益1,849,000港元。年內，環球大通呈報虧損267,084,000港元，較去年轉遜389%，而本集團應佔環球大通虧損78,333,000港元，該應佔虧損部分被議價購買一間聯營公司之收益1,849,000港元所抵銷。環球大通本年度之業績轉遜乃主要由於(i) 新型冠狀病毒疫情導致旅遊業務分部業績急劇下滑，(ii) 應收貿易款項及應收貸款減值虧損大幅增加，(iii) 其投資物業公平值變動產生之虧損大幅增加，及(iv) 該等事件(定義見下文)造成之重大資產虧損，有關詳情已於下文「有關審核保留意見之其他資料」一節披露。

中國智能健康為一間投資控股公司，其附屬公司主要從事銷售中藥保健品、放債業務及投資金融工具。年內，中國智能健康於二零二零年九月二十五日股份合併生效前購回及註銷其160,650,000股已發行股份，而本集團於中國智能健康之股權因此由18.86%增加至19.26%。有關回購及註銷導致視為購買一間聯營公司之收益290,000港元。此外，本集團於二零二零年九月二十五日股份合併生效後收購中國智能健康7,840,000股股份，令本集團之股權由19.26%增加至20.27%。本集團已確認議價購買收益917,000港元。年內，中國智能健康呈報虧損25,222,000港元，較上個期間之業績改善80%，而本集團應佔中國智能健康虧損4,703,000港元，該應佔虧損部分被視為購買一間聯營公司之收益290,000港元及議價購買收益917,000港元所抵銷。中國智能健康年內之業績改善主要由於(i) 確認出售其自有品牌製造玩具業務之收益，及(ii) 按公平值計入損益表之金融資產之公平值虧損顯著減少所致。

Management Discussion and Analysis

管理層討論及分析

OPERATIONS REVIEW (Continued)

Future Prospects

After a major downturn of the global economy in 2020 caused by the COVID-19 pandemic, the global economy is forecast to rebound as the rollout of vaccination allows lockdown measures to be gradually reversed. However, this rebound is contingent on successful and speedy deployment of vaccines and continued accommodative fiscal, monetary, and financial conditions in the world's larger economies and is unlikely to arrive before the second half of 2021. Overall, the directors believe an end to the COVID-19 pandemic and ongoing policy support will contribute to a brighter future.

As the financial market recovery is well advanced compared to the economic recovery, the directors will closely monitor and adjust the Group's listed securities portfolio from time to time and realise the Hong Kong-listed securities held by the Group into cash as and when appropriate in 2021.

As the development of the second and third phases of the Subject Land has commenced, internal cash resources of the Group are allocated to finance the building works. The directors slow down the pace of the Group's money lending business and closely monitor the performance of the loan portfolio, especially the repayment status of each customer in 2021. Besides, the Group has commenced legal proceedings against three existing customers to recover the outstanding principal amount of the loans together with the accrued and unpaid interest thereon. The directors expect that the interest income on loans generated from the Group's money lending business in 2021 will be less than that in 2020 by 10% to 20%.

Although COVID-19 severely impaired global demand in 2020, the Group obtained considerable sales orders from the local companies selling jewelry products to Mainland China in the second half of 2020. The Group will make an effort to develop other sales channels for the Mainland China market in 2021. The directors expect the Group's sales of jewelry products business in 2021 to improve slightly compared to 2020.

業務回顧(續)

未來前景

全球經濟於二零二零年遭受新型冠狀病毒疫情重創，但隨著疫苗推出，封鎖措施得以逐漸解除，預料環球經濟將會出現復甦。然而，復甦情況仍取決於疫苗接種之成功及迅速部署，以及世界較大經濟體系持續寬鬆之財政、貨幣及金融狀況，因此於二零二一年下半年前不大可能實現經濟復甦。整體而言，董事相信，新型冠狀病毒疫情消散及政策持續提供支援將帶來更美好之未來發展。

鑑於金融市場復甦較經濟復甦順利，董事將密切監察並不時調整本集團之上市證券投資組合，並會於二零二一年適時將本集團持有之香港上市證券變現。

隨著主體地塊第二及第三階段之發展工程已經展開，本集團將內部現金資源分配為建築工程之資金。董事放緩本集團借貸業務之步伐，並密切監察貸款組合於二零二一年之表現，特別是各客戶之還款狀況。此外，本集團已向三名現有客戶展開法律訴訟，以收回貸款之未償還本金額以及其應計及未付利息。董事預期二零二一年來自本集團借貸業務之貸款利息收入將較二零二零年減少10%至20%。

儘管新型冠狀病毒於二零二零年嚴重削弱全球需求，本集團於二零二零年下半年向中國內地出售珠寶產品之本地公司取得可觀銷售訂單數目。本集團將於二零二一年致力為中國內地市場發展其他銷售渠道。董事預期本集團之珠寶產品銷售業務於二零二一年將較二零二零年略有改善。

OPERATIONS REVIEW (Continued)

Future Prospects (Continued)

The business development on the first phase of the Subject Land is still underway, and the Group has just commenced the building works of the second and third phases of the Subject Land. The directors expect the performance of the Group's property investment business in 2021 will be mostly the same as in 2020. Given that the building works of the second and third phases of the Subject Land have just commenced, the directors will put more effort and resources into the Group's property investment business in the coming years to ensure the building works completes as planned.

Although there is a positive consensus on the 2021 global economic outlook with the vaccines being rolled out, the directors remain cautious and watchful over the development of the COVID-19 pandemic and its impacts. The directors commit to monitoring the business environment cautiously and strengthening the Group's business foundation by focusing on its existing businesses.

ADDITIONAL INFORMATION ON AUDIT QUALIFICATION

Audit qualification

As disclosed in the paragraph headed "Basis for Qualified Opinion" in the Independent Auditors' Report on the consolidated financial statements of the Group for the year ended 31 December 2020, the audit qualification relates to the scope limitation concerning the carrying amount of the Group's interests in associates in the consolidated statement of financial position includes an amount of HK\$104,083,000 as at 31 December 2020 in respect of the Group's share of net assets of the Global Mastermind Group as at 31 December 2020 and the Group's share of results of associates in the consolidated statement of profit or loss and other comprehensive income includes an amount of HK\$76,484,000 and an amount of HK\$56,000 in respect of the Group's share of loss and share of other comprehensive expense of the Global Mastermind Group respectively for the year ended 31 December 2020.

業務回顧(續)

未來前景(續)

主體地塊第一階段之業務發展仍在進行中，而本集團已展開主體地塊第二及第三階段之建築工程。董事預期本集團物業投資業務於二零二一年之表現將大致上與二零二零年相同。鑑於主體地塊第二及第三階段之建築工程已經展開，董事未來數年將投放更多心力及資源於本集團之物業投資業務，以確保建築工程能按計劃完成。

儘管隨著疫苗推出，大眾普遍對二零二一年環球經濟前景抱持樂觀態度，董事對於新型冠狀病毒疫情之發展及其影響仍然審慎警惕。董事致力審慎監察營商環境，並透過專注於其現有業務鞏固本集團之業務基礎。

有關審核保留意見之其他資料

審核保留意見

誠如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內獨立核數師報告項下「保留意見之基準」一段所披露，審核保留意見與有關綜合財務狀況表中本集團於聯營公司之權益之賬面值(包括有關本集團於二零二零年十二月三十一日分佔環球大通集團之資產淨值金額104,083,000港元)及綜合損益及其他全面收益表中本集團分佔聯營公司之業績(包括有關本集團截至二零二零年十二月三十一日止年度分佔環球大通集團之虧損及其他全面開支金額分別為76,484,000港元及56,000港元)之範圍限制有關。

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ADDITIONAL INFORMATION ON AUDIT QUALIFICATION (Continued)

Incidents on Global Mastermind

As disclosed in Global Mastermind's announcement dated 29 December 2020, during the second half of 2020, Solution Apex, a wholly-owned subsidiary of Global Mastermind, conducted three purported investments for HK\$47,534,000 (the "**Purported Investments**", which bears the same meaning as "Purported Payments to the Purported Three Parties" defined in the Independent Auditors' Report) and made unexplained cash withdrawals amounting to HK\$11,231,000 (the "**Unexplained Cash Withdrawals**", which bears the same meaning as "Purportedly Unauthorised Cash Withdrawals" defined in the Independent Auditors' Report). Based on the information available to Global Mastermind, the Purported Investments and the Unexplained Cash Withdrawals appeared to have been carried by the then sole director of Solution Apex, Mr. Allan Yap, without the board of directors (the "**Board of Global Mastermind**") of Global Mastermind's authority (the "**Incidents**").

Upon knowing the Incidents, the Board of Global Mastermind examined the information and documents gathered relating to the Purported Investments and the Unexplained Cash Withdrawals in detail and cast doubt on the values and purposes of the Purported Investments and the Unexplained Cash Withdrawals. Accordingly, the Board of Global Mastermind resolved to make impairment and recognise a loss of assets arising from the Incidents of HK\$58,765,000 on the Purported Investments and the Unexplained Cash Withdrawals (the "**Loss**") on 29 December 2020.

In response to the Incidents, the Board of Global Mastermind resolved to (i) remove all director(s) of Solution Apex and Durable Gold, the immediate holding company of Solution Apex, and replace them by Global Mastermind's designated persons, (ii) engage external legal advisers to commence legal proceedings to seek to recoup the cash utilised for the Purported Investments and the Unexplained Cash Withdrawals and/or to seek damages and other remedies from individuals and entities against whom the Group may have causes of action as a result of the Incidents (the "**Recovery Actions**"), and (iii) establish an internal investigation team (the "**Internal Investigation Working Team**") comprising directors and senior management of Global Mastermind unrelated to the Incidents to investigate on the Incidents and oversee the progress of the Recovery Actions.

有關審核保留意見之其他資料(續)

環球大通事件

誠如環球大通日期為二零二零年十二月二十九日之公佈所披露，於二零二零年下半年，環球大通之全資附屬公司 Solution Apex 進行三項聲稱投資，價值為47,534,000港元(「聲稱投資」，與獨立核數師報告所界定之「向聲稱三名人士作出聲稱付款」具有相同涵義)，並作出無法解釋之現金提取11,231,000港元(「無法解釋之現金提取」，與獨立核數師報告所界定之「聲稱未經授權現金提取」具有相同涵義)。根據環球大通可得之資料，聲稱投資及無法解釋之現金提取似乎由 Solution Apex 當時之唯一董事葉家海先生在未經環球大通董事會(「環球大通董事會」)授權之情況下進行(「該等事件」)。

於知悉該等事件後，環球大通董事會已詳細檢查就聲稱投資及無法解釋之現金提取所收集之資料及文件，並質疑聲稱投資及無法解釋之現金提取之價值及用途。因此，環球大通董事會議決於二零二零年十二月二十九日就聲稱投資及無法解釋之現金提取作出減值及確認該等事件造成之資產虧損58,765,000港元(「虧損」)。

為應對該等事件，環球大通董事會議決(i) 罷免 Solution Apex 及 Solution Apex 之直接控股公司 Durable Gold 之全體董事，並以環球大通指定人士取代；(ii) 委聘外部法律顧問展開法律訴訟，以尋求收回就聲稱投資及無法解釋之現金提取所動用之現金及／或因該等事件而導致本集團可能對他們存在訴訟因由之個人和實體尋求賠償及其他法律救濟措施(「追收行動」)，及(iii) 成立由與該等事件無關之環球大通董事及高級管理層組成之內部調查小組(「內部調查工作小組」)，以調查該等事件及監督追收行動之進度。

ADDITIONAL INFORMATION ON AUDIT QUALIFICATION (Continued)

Incidents on Global Mastermind (Continued)

To limit its exposure on and enable it to stay away from the uncertainty of litigations relating to the Incidents and the Recovery Actions, Global Mastermind disposed of the entire issued share capital of Solution Apex to an independent third party at a cash consideration of HK\$1 as adjusted by the outcome sharing adjustment mechanism, which enables Global Mastermind to retain the majority outcome and proceeds from the Recovery Actions.

The disposal of Solution Apex was completed on 29 December 2020.

Please refer to Global Mastermind's announcement dated 29 December 2020 for details of the Incidents, the Purported Investments, the Unexplained Cash Withdrawals, the disposal of Solution Apex, and the outcome sharing adjustment mechanism.

Disclaimer of opinion on the Global Mastermind Group's consolidated financial statements for the year ended 31 December 2020

As Moore Stephens CPA Limited ("Moore Stephens"), the auditor of Global Mastermind, was unable to obtain sufficient appropriate audit evidence to satisfy itself regarding the causes of the Incidents, and commercial substance and nature of the Purported Investments and the Unexplained Cash Withdrawals. Moore Stephens was also unable to determine whether any adjustments that might have been found necessary to the amount of the Loss of HK\$58,765,000 being recognised in the consolidated profit or loss and consequentially to the related elements making up the consolidated statement of changes in equity, the consolidated statement of cash flows and the related presentation and disclosures in the Global Mastermind Group's consolidated financial statements for the year ended 31 December 2020. As a result of the above, Moore Stephens did not express an opinion on the Global Mastermind Group's consolidated financial statements for the year ended 31 December 2020.

有關審核保留意見之其他資料(續)

環球大通事件(續)

為限制其面臨之風險及使其免受有關該等事件及追收行動之訴訟不確定性影響，環球大通按現金代價1港元(經收益共享調整機制調整)向一名獨立第三方出售Solution Apex之全部已發行股本，讓環球大通保留追收行動之大部分收益及所得款項。

Solution Apex之出售事項已於二零二零年十二月二十九日完成。

有關該等事件、聲稱投資、無法解釋之現金提取、出售Solution Apex及收益共享調整機制之詳情，請參閱環球大通日期為二零二零年十二月二十九日之公佈。

有關環球大通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之不發表意見聲明

由於環球大通之核數師大華馬施雲會計師事務所有限公司(「大華馬施雲」)未能取得充足合適之審核憑證，以信納該等事件之原因以及聲稱投資及無法解釋之現金提取之商業實質及性質，大華馬施雲亦未能釐定是否需要對已於綜合損益表確認之虧損金額58,765,000港元作出任何調整，以及相應地對構成環球大通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之綜合權益變動表、綜合現金流量表以及相關呈列及披露之相關元素作出任何調整。基於上文所述，大華馬施雲並無就環球大通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發表意見。

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ADDITIONAL INFORMATION ON AUDIT QUALIFICATION (Continued)

Executive directors' view on the audit qualification

The executive directors have given careful consideration to the audit qualification and the basis for the qualified opinion and have had an ongoing discussion with HLB Hodgson Impey Cheng Limited (“HLB”), the Company’s auditors, and the management of Global Mastermind when preparing the Group’s consolidated financial statement for the year ended 31 December 2020.

The executive directors have obtained the following understanding from the management of Global Mastermind:

- (a) Based on the preliminary findings of the Internal Investigation Working Team and the information currently available to it, the Board of Global Mastermind is of the view that:
- (i) the Incidents are standalone events solely caused by the personal conduct of certain then directors and/or officers of Solution Apex and/or Durable Gold, with no other personnel in the Global Mastermind Group appearing to have any involvement in or knowledge of the happening of the Incidents; and
 - (ii) with the resignation, removal, and/or suspension of duties of all then directors and officers of Solution Apex and Durable Gold by Global Mastermind and the implementation of the reinforced internal control policies and other measures, event similar to the Incidents are highly improbable to recur in future.

有關審核保留意見之其他資料(續)

執行董事對審核保留意見之意見

執行董事已審慎考慮審核保留意見及保留意見之基準，並於編製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時與本公司核數師國衛會計師事務所有限公司(「國衛」)及環球大通管理層進行持續討論。

執行董事已從環球大通管理層取得以下了解：

- (a) 根據內部調查工作小組之初步調查結果及其目前可得之資料，環球大通董事會認為：
- (i) 該等事件僅為 Solution Apex 及／或 Durable Gold 當時若干董事及／或高級職員之個人行為造成之獨立事件，概無其他環球大通集團人士參與或知悉該等事件；及
 - (ii) 隨著環球大通辭退、罷免及／或暫停 Solution Apex 及 Durable Gold 當時全體董事及高級職員之職務，以及實施經加強之內部監控政策及其他措施，與該等事件類似之事件於日後極不可能再次發生。

ADDITIONAL INFORMATION ON AUDIT QUALIFICATION (Continued)

Executive directors' view on the audit qualification (Continued)

- (b) The Board of Global Mastermind is of the view that the possibility of any adjustment in respect of the Incidents to be made is remote and the Incidents should not have any continuing effect on the Global Mastermind Group's consolidated financial statements going forward for the following reasons (the "Reasons"):
- (i) Prior to the Incidents, the only asset of Solution Apex was the bank balances and cash of HK\$58,765,000. Upon knowing the Incidents, the Loss of HK\$58,765,000, which is equivalent to the entire bank balances and cash of Solution Apex, was recognised in the year ended 31 December 2020, resulting in no other assets and/or liabilities in the statement of financial position of Solution Apex as of 29 December 2020. In other words, the Board of Global Mastermind has already written down the entire assets side of Solution Apex to zero to fully reflect the extent of loss suffered by the Global Mastermind Group.
- (ii) The disposal of Solution Apex was completed on 29 December 2020, and any continuing effect of the Incidents over Solution Apex shall have no negative impact on the Global Mastermind Group whatsoever. Therefore, the Board of Global Mastermind is of the view that the Incidents should not have any impact on the consolidated financial position of the Global Mastermind Group as at 31 December 2020.

Based on the above, the Board of Global Mastermind is of the view that the issues giving rise to the Incidents have no carried forward effect on the Global Mastermind Group consolidated financial statements for the year ending 31 December 2021, and that any modified opinion in the forthcoming year should only relate to the comparability of 2020 figures in the consolidated financial statements for the year ending 31 December 2021.

有關審核保留意見之其他資料(續)

執行董事對審核保留意見之意見(續)

- (b) 環球大通董事會認為，就該等事件作出任何調整之可能性甚微，且該等事件理應不會對環球大通集團日後之綜合財務報表造成任何持續影響，理由如下(「理由」)：
- (i) 於該等事件發生之前，Solution Apex之唯一資產為銀行結餘及現金58,765,000港元。知悉該等事件後，虧損58,765,000港元(相當於Solution Apex之全部銀行結餘及現金)已於截至二零二零年十二月三十一日止年度確認，導致Solution Apex於二零二零年十二月二十九日之財務狀況表中並無其他資產及／或負債。換言之，環球大通之董事會已將Solution Apex之全部資產撇減至零，以全面反映環球大通集團所蒙受之虧損程度。
- (ii) Solution Apex之出售事項已於二零二零年十二月二十九日完成，而該等事件對Solution Apex之任何持續影響無論如何將不會對環球大通集團造成任何負面影響。因此，環球大通董事會認為，該等事件理應不會對環球大通集團於二零二零年十二月三十一日之綜合財務狀況造成任何影響。

基於上文所述，環球大通董事會認為，導致該等事件之事宜對環球大通集團截至二零二一年十二月三十一日止年度之綜合財務報表並無結轉影響，而來年之任何修改意見應僅與截至二零二一年十二月三十一日止年度之綜合財務報表中二零二零年數字之可比較性有關。

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ADDITIONAL INFORMATION ON AUDIT QUALIFICATION (Continued)

Executive directors' view on the audit qualification (Continued)

- (c) The audit committee of Global Mastermind agreed with the preliminary findings of the Internal Investigation Working Team and the implementation of reinforcement measures on internal control to prevent the recurrence of similar events in future. After considering the Reasons stated above, the audit committee of Global Mastermind concurs with the views of the Board of Global Mastermind that the Incidents should not have any continuing effect on the Global Mastermind Group's consolidated financial statements in the coming financial year end and that any modified opinion in the forthcoming year should only relate to the comparability of 2020 figures in the consolidated financial statements for the year ending 31 December 2021.
- (d) The Board of Global Mastermind has obtained the understanding with Moore Stephens that Global Mastermind considers itself to have addressed the issues giving rise to the disclaimer of opinion on the Global Mastermind Group's consolidated financial statements for the year ended 31 December 2020 and in the light of the Reasons and barring unforeseen circumstances, a disclaimer of opinion in respect of the same issues should no longer be required to be included in the Global Mastermind Group's consolidated financial statements for the year ending 31 December 2021.

The executive directors have discussed the above understanding from the management of Global Mastermind with HLB. Having obtained the understanding from HLB, the executive directors expect, in the light of the Reasons and barring unforeseen circumstances, the audit qualification relates to the scope limitation concerning the carrying amount of the Group's interests in Global Mastermind and the Groups' share of loss of the Global Mastermind Group will be removed in the Group's consolidated financial statements for the year ending 31 December 2021, except for the effect on the comparability of 2020 figures.

有關審核保留意見之其他資料(續)

執行董事對審核保留意見之意見(續)

- (c) 環球大通審核委員會同意內部調查工作小組之初步調查結果及實施加強內部監控措施，以防止日後再次發生類似事件。經考慮上述理由後，環球大通審核委員會同意環球大通董事會之意見，認為該等事件理應不會對環球大通集團於下一個財政年度末之綜合財務報表造成任何持續影響，而任何於來年之修改意見應僅與截至二零二一年十二月三十一日止年度之綜合財務報表中二零二零年數字之可比性有關。
- (d) 環球大通董事會已從大華馬施雲取得了了解，環球大通認為其本身已解決導致環球大通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不發表意見之事宜，而鑑於有關理由及在排除不可預見之情況下，環球大通集團截至二零二一年十二月三十一日止年度之綜合財務報表不需就相同事宜載入不發表意見聲明。

執行董事已與國衛討論上述環球大通管理層之理解。從國衛取得了解後，執行董事預期，鑑於有關理由及在排除不可預見之情況下，有關涉及本集團於環球大通之權益之賬面值及本集團分佔環球大通集團之虧損之範圍限制之審核保留意見將於本集團截至二零二一年十二月三十一日止年度之綜合財務報表中移除，惟有關二零二零年數字可比性之影響除外。

ADDITIONAL INFORMATION ON AUDIT QUALIFICATION (Continued)

Audit committee's view on the audit qualification

The audit committee reviewed the information provided by the Company in respect of the circumstance leading to the audit qualification. The audit committee discussed the audit qualification with HLB at the meeting of the audit meeting held on 26 March 2021 and agreed with the audit qualification.

At the board meeting held on 30 March 2021, the audit committee reported to and discussed the audit qualification with the board of directors. The audit committee also discussed the understanding obtained from the Board of Global Mastermind with the executive directors, and the audit committee concurred with the executive directors' view.

PRINCIPAL RISKS AND UNCERTAINTIES

A summary of the principal risks and uncertainties which may impact the Group's financial conditions, results of operations or future performance and how the Group to mitigate these risks is set out below.

This summary should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties faced by the Group, but rather those risks which the Group currently believes may have a significant impact on the Group's performance and future prospects.

Principal risks 主要風險

Description 內容

Strategic risk 策略性風險

Strategic risk is the risk that medium and long-term profitability and/or reputation of the Group could be adversely impacted by the failure either to identify or implement the correct strategy, or to react appropriately to changes in the business environment.
策略性風險為因未能識別或實施正確策略或對營業環境變化作出適當反應而對本集團中期及長期盈利能力及／或聲譽造成不利影響之風險。

Economic risk 經濟風險

Economic risk is the risk of any downturn in economic conditions could impact the Group's performance through higher bad debts as a result of customers' inability to repay loans and lower asset values.
經濟風險為任何經濟環境之下行風險，或會因客戶無力償還貸款而導致壞賬增加及資產價值降低而影響本集團表現。

有關審核保留意見之其他資料(續)

審核委員會對審核保留意見之意見

審核委員會已審閱本公司就導致審核保留意見之情況所提供的資料。審核委員會已於二零二一年三月二十六日舉行之審核會議上與國衛討論審核保留意見，並同意審核保留意見。

於二零二一年三月三十日舉行之董事會會議上，審核委員會向董事會報告並與其討論審核保留意見。審核委員會亦與執行董事討論從環球大通董事會取得之了解，而審核委員會同意執行董事之意見。

主要風險及不明朗因素

可能影響本集團之財務狀況、營運業績或未來表現之主要風險及不明朗因素概要及本集團如何緩解該等風險載於下文。

此概要不應被視作對本集團面臨之所有潛在風險及不明朗因素之完整詳盡陳述，惟本集團現時相信該等風險可能對本集團之表現及未來前景構成重大影響。

Mitigating actions 舒緩措施

- Extensive investment management experience of the Board.
董事會於投資管理之豐富經驗。
- Regularly review on strategy and performance of each business unit.
定期檢討各業務單位之策略及表現。
- Perform comprehensive due diligence on all potential acquisitions.
就所有潛在收購事項進行全面盡職審查。
- Regularly review forward looking indicators to identify economic conditions.
定期檢討前瞻性指標以識別經濟環境。

Management Discussion and Analysis

管理層討論及分析

PRINCIPAL RISKS AND UNCERTAINTIES

(Continued)

主要風險及不明朗因素(續)

Principal risks 主要風險	Description 內容	Mitigating actions 舒緩措施
Credit risk 信貸風險	<p>Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.</p> <p>信貸風險為倘金融工具之客戶或交易對手於到期時未能履行其合約責任，本集團承受財務虧損之風險。</p>	<ul style="list-style-type: none"> Fully understand customers and carry out credit quality assessment on customers before granting loans. 於授出貸款前全面了解客戶並對客戶進行信貸質素評估。 Regularly monitor loan receivables and assess for their recoverability. 定期監察應收貸款及評核其可回收程度。 Limit credit risk exposure by granting loan to any single customer of not more than 8% of the consolidated total assets of the Group. 透過向任何單一客戶授出不多於本集團綜合資產總值8%之貸款以限制信貸風險。 Make rental contracts with tenants with an appropriate credit history. 與擁有適當信貸往績之承租人訂立租約。
Liquidity risk 流動資金風險	<p>Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.</p> <p>流動資金風險為本集團未能履行其到期之財務責任之風險。</p>	<ul style="list-style-type: none"> Regularly monitor liquidity and statement of financial position. 定期監察流動資金及財務狀況表。 Maintain appropriate liquidity to cover commitments. 保留適當流動資金兌現承諾。 Limit liquidity risk exposure by investing only in securities listed on stock exchanges. 透過僅投資於證券交易所上市證券限制流動資金風險。 Ensure acceptable and appropriate finance in place, or believed to be available before committing investment projects. 承擔投資項目前確保已有或將有可接受及適當資金。
Price risk 價格風險	<p>Price risk is the risk that changes in equity prices will affect the Group's income and the value of its holdings of equities.</p> <p>價格風險為將影響本集團收入及其所持股票價值之股價變動之風險。</p>	<ul style="list-style-type: none"> Regularly monitor equity portfolio to address any portfolio issues promptly. 定期監察股票投資組合以即時處理任何投資組合問題。 Spread price risk exposure by investing a number of equities. 投資多隻股票以分散價格風險。

PRINCIPAL RISKS AND UNCERTAINTIES

(Continued)

主要風險及不明朗因素(續)

Principal risks 主要風險	Description 內容	Mitigating actions 舒緩措施
Exchange risk 匯兌風險	Exchange risk is the risk that changes in foreign exchange rates will affect the Group's income and the value of its holdings of assets. 匯兌風險為將影響本集團收入及其所持資產價值之外匯匯率變動之風險。	<ul style="list-style-type: none"> Closely monitor statement of financial position and cashflow exchange risk exposures and where considered appropriate use financial instruments, such as forward exchange contracts, foreign currency options and forward rate agreements, to hedge this exchange risk. 密切監察財務狀況表及現金流匯兌風險，並在其認為適用的情況下使用金融工具(如遠期外匯合約、外匯期權及遠期利率協議)對沖該匯兌風險。
People risk 人事風險	People risk is the risk of loss of the services of any directors, senior management and other key personnel which could have a material adverse effect on the Group's businesses. 人事風險為任何董事、高級管理人員及其他主要人員終止服務可能對本集團業務造成重大不利影響之風險。	<ul style="list-style-type: none"> Provide competitive reward and benefit packages that ensure our ability to attract and retain the employees the Group needs. 提供有競爭力之獎勵及福利待遇以確保本集團有能力吸引及挽留所需之人才。 Ensure that the staff of the Group has the right working environment to enable them to do the best job possible and maximise their satisfaction at work. 確保本集團之員工有合適之工作環境以令員工盡最大可能做好工作及令工作滿意度最大化。
Legal and regulatory risk 法律及監管風險	Legal and regulatory risk is the risk that a breach of laws and regulations could lead to litigation, investigations or disputes, resulting in additional costs being incurred, civil and/or criminal proceedings and reputational damage. 法律及監管風險為違反法律及法規可能引致訴訟、調查或糾紛、產生額外成本、民事及/或刑事程序及名聲損害之風險。	<ul style="list-style-type: none"> Monitor changes and developments in the regulatory environment and ensure that sufficient resources being made available to implement any required changes. 監察規管環境之變動及發展並確保可用之資源足以實施任何規定之變動。 Seek legal or other specialist advice as appropriate. 適當時尋求法律或其他專業人士意見。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The board of directors of the Company (the “**Board**”) is committed to maintaining a high standard of corporate governance, in line with the principles of the code provisions of the Corporate Governance Code (the “**Code**”) as set out in Appendix 14 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Exchange**”).

In the opinion of the Board, the Company has complied with the Code throughout the year ended 31 December 2020, except for:

- (a) the roles of the Chairman and the Chief Executive Officer are not segregated and are exercised by the same individual; and
- (b) the non-executive directors of the Company are not appointed for a specific term but are subject to retirement by rotation and re-election pursuant to the Company’s bye-laws.

The Board as a whole is responsible for performing the corporate governance duties. The Board periodically reviews and improves the corporate governance practices and standards of the Company with a view to continuously improve the Company’s corporate governance practices by assessing their effectiveness with evolving standards to meet changing circumstances and needs.

The Board has reviewed and monitored the Company’s corporate governance practices and standards on compliance with legal and regulatory requirements, the code of business conduct and ethics applicable to the directors and employees, and the training and continuous professional development of directors. The Board has also reviewed the Company’s compliance with the Code and disclosure in the corporate governance report.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 of the Listing Rules for securities transactions by the directors of the Company. Having made specific enquiry, all directors confirmed that they had complied with the required standard as set out in the Model Code throughout the year ended 31 December 2020.

企業管治常規

本公司董事會(「**董事會**」)致力維持良好之企業管治水平，符合香港聯合交易所有限公司(「**聯交所**」)證券上市規則(「**上市規則**」)附錄十四所載企業管治守則(「**守則**」)之守則條文之原則。

董事會認為，本公司於截至二零二零年十二月三十一日止整個年度內一直遵守守則，惟下述者除外：

- (a) 主席與行政總裁之角色沒有分開，並由同一人擔任；及
- (b) 本公司非執行董事之委任並無指定任期，惟須根據本公司之公司細則輪值退任及膺選連任。

全體董事會負責履行企業管治職責。董事會定期檢討及改善本公司之企業管治常規及標準，通過不斷演變以迎合不斷改變之情況及需要之守則，來評估其有效性，從而不斷改善本公司之企業管治常規。

董事會已檢討及監督本公司的企業管治常規及符合法律與監管要求之標準、適用於董事及僱員之商業操守及道德守則以及董事的培訓與持續專業發展。董事會亦已檢討本公司就遵守守則方面及企業管治報告之披露。

董事證券交易

本公司已就本公司董事進行證券交易採納上市規則附錄十所載之上市發行人董事進行證券交易的標準守則(「**標準守則**」)。經作出具體查詢後，全體董事已確認，彼等於截至二零二零年十二月三十一日止年度內一直遵守標準守則所載之規定標準。

FINANCIAL REPORTING

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

The directors acknowledge that it is their responsibilities for preparation of the consolidated financial statements of the Group and ensure that the consolidated financial statements are in accordance with statutory requirements and applicable financial reporting standards. The directors also ensure that the timely publication of the consolidated financial statements of the Group.

The directors confirm that, to the best of their knowledge, information and belief, having made all reasonable enquires, they are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The Company engaged HLB Hodgson Impey Cheng Limited as its auditors for the year ended 31 December 2020. The statement by HLB Hodgson Impey Cheng Limited regarding their reporting responsibilities on the consolidated financial statements of the Group is set out in the Independent Auditors' Report on pages 93 to 106 of the annual report.

BOARD OF DIRECTORS

The Board is responsible for the leadership and control of the Company and oversees the Group's businesses, strategic direction and financial performance. The management, consisting of executive directors along with other executives, is delegated the authority and responsibility by the Board for the management of the Group. In addition, the Board has also delegated various responsibilities to four committees, namely the Audit Committee, the Remuneration Committee, the Nomination Committee and the Finance Committee, to assist the Board in discharging its duties and to oversee particular aspects of the Group's activities.

財務報告

董事會負責對本公司年度及中期報告、內幕消息公佈，以及上市規則及其他監管規定之其他披露事項作出持平、清晰及易明之評估。

董事確認編製本集團綜合財務報表乃彼等之責任，並確保綜合財務報表遵守法定規定及適用財務報告準則。董事亦確保適時刊發本集團之綜合財務報表。

董事確認，經作出一切合理查詢後所深知、盡悉及確信，彼等並不知悉任何有關可能對本公司持續經營能力構成重大疑問之事件或情況等重大不確定因素。

本公司已委聘國衛會計師事務所有限公司為其截至二零二零年十二月三十一日止年度之核數師。國衛會計師事務所有限公司就彼對本集團綜合財務報表之申報責任載於年報第93至106頁之獨立核數師報告內。

董事會

董事會負責領導及控制本公司，並監督本集團之業務、策略性方向及財務表現。董事會已授予管理層(包括執行董事及其他行政人員)權力及責任管理本集團。此外，董事會亦將不同權力授予四個委員會(即審核委員會、薪酬委員會、提名委員會及財務委員會)，以協助董事會履行其職責及監督本集團活動之特定範疇。

BOARD OF DIRECTORS (Continued)

Decisions on important matters are specifically reserved to the Board while decisions on the Group's general operations are delegated to the management. Important matters include those affecting the Group's strategic policies, major investment and funding decisions and major commitments relating to the Group's operations.

The day-to-day management of the Group is delegated to the management. This delegation of authority includes responsibility for developing and formulating business plans and budgets of the Group for the Board's approval, operating the Group's businesses within the parameters set by the Board, keeping the Board informed of material developments of the Group's businesses, identifying and managing operation and other risk and implementing the policies and processes approved by the Board.

The composition of the Board reflects the necessary balance skills and experience desirable for effective leadership of the Company and independence in decision-making.

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

Executive directors:

Mr. Lei Hong Wai
(Chairman and Chief Executive Officer)
Mr. Cheung Kwok Wai Elton
Mr. Chan Kin Wah Billy
Mr. Cheung Kwok Fan

Independent non-executive directors:

Mr. Wan Shing Chi
Mr. Ng Heung Yan
Mr. Wong Tak Chuen

Biographical information of the directors as at the date of this report are set out in the Biographical Details of Directors on pages 90 to 92 of the annual report.

董事會(續)

重要事宜之決策特別留待董事會作出，而本集團一般營運決策則由管理層作出。重要事宜包括對本集團之策略性政策、重大投資及融資決定，以及對其他有關本集團營運重大承擔構成影響之事宜。

管理層獲授權負責本集團之日常管理。該等授權包括負責發展及制定本集團之業務計劃及預算以供董事會批准、在董事會定下之範圍內經營本集團業務、向董事會提供本集團業務重大發展之最新資料、確定及管理營運及其他風險，並實行董事會批准之政策及程序。

董事會之組成反映其有效領導本公司及保持決策獨立性而具備適當所需均衡技巧及經驗。

年內及截至本報告日期，本公司董事如下：

執行董事：

李雄偉先生
(主席兼行政總裁)
張國偉先生
陳健華先生
張國勳先生

獨立非執行董事：

尹成志先生
吳向仁先生
黃德銓先生

於本報告日期之董事履歷資料載於年報第90至92頁之董事履歷詳情內。

BOARD OF DIRECTORS (Continued)

Save and except for (a) Mr. Cheung Kwok Wai Elton and Mr. Cheung Kwok Fan are brothers, and (b) each of Mr. Lei Hong Wai, Mr. Cheung Kwok Wai Elton and Mr. Cheung Kwok Fan beneficially owns 50%, 25%, and 25% respectively in the issued share capital of Twin Success International Limited, a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance, there is no relationship between the members of the Board.

The Company Secretary of the Company is responsible to keep minutes of all Board and committee meetings. Draft minutes are normally circulated to the directors for comment within a reasonable time after each meeting and the final version is open for directors' inspection.

The directors are able, upon reasonable request, to seek independent professional advice in appropriate circumstances, at the Company's expenses. The Board shall resolve to provide separate appropriate independent professional advice to the directors to assist the relevant directors to discharge their duties.

The Company prepares a monthly update on the Group's performance and position to all directors to enable the Board as a whole and each director to discharge their duties and responsibilities.

During the year ended 31 December 2020, the Board at all times met the requirements set out in Rules 3.10(1) and (2), and 3.10A of the Listing Rules relating to the appointment of at least three independent non-executive directors (representing not less than one-third of the Board) with at least one independent non-executive director possessing appropriate professional qualifications or accounting or related financial management expertise.

For a director to be considered independent, that director should not have any direct or indirect material interest in the Group. In determining the independence of directors, the Board follows the independence guidelines set out in the Listing Rules. The Company has received from each of the independent non-executive directors an annual written confirmation of his independence pursuant to Rule 3.13 of the Listing Rules in respect of the year ended 31 December 2020. The Company considers all of the independent non-executive directors are independent.

董事會(續)

除(a)張國偉先生及張國勳先生為兄弟，及(b)李雄偉先生、張國偉先生及張國勳先生分別於本公司之主要股東(定義見證券及期貨條例第XV部)Twin Success International Limited之已發行股本實益擁有50%、25%及25%權益外，各董事會成員概無關係。

本公司之公司秘書負責就所有董事會及委員會會議之會議記錄存檔。會議記錄草稿一般於各會議後一段合理時間內向董事傳閱以收集意見，最終版本將公開以供董事審閱。

董事可於提出合理要求後，在適當情況下尋求獨立專業意見，費用由本公司承擔。董事會將議決向董事提供個別適當之獨立專業意見，以協助相關董事履行其職務。

本公司就本集團之表現及狀況為全體董事編製每月最新資料，以讓董事會整體及各董事履行其職務及職責。

於截至二零二零年十二月三十一日止年度內，董事會一直遵守上市規則第3.10(1)及(2)條，以及第3.10A條所載有關委任最少三名獨立非執行董事(佔董事會人數不少於三分之一)而最少一名獨立非執行董事具備適當專業資格或會計或相關財務管理專長之規定。

董事不得於本集團擁有任何直接或間接重大權益，方被視為獨立。於釐定董事之獨立性時，董事會遵從上市規則載列之獨立性指引。本公司已收到各獨立非執行董事根據上市規則第3.13條所發出有關其於截至二零二零年十二月三十一日止年度之獨立性之年度確認書。本公司認為全體獨立非執行董事均具獨立性。

Corporate Governance Report

企業管治報告

BOARD OF DIRECTORS (Continued)

The directors are fully insured under the directors' and officers' liability insurance policy for indemnification against costs, charges, losses, expenses and liabilities that may be incurred by them in the execution and discharge of their duties.

The directors are committed to complying with code provision A.6.5 of the Code on directors' training. All directors have participated in continuous professional development and provided a record of training they received for the year ended 31 December 2020 to the Company.

A summary of training received by the directors during the year ended 31 December 2020 is as follows:

Executive directors:

Mr. Lei Hong Wai
Mr. Cheung Kwok Wai Elton
Mr. Chan Kin Wah Billy
Mr. Cheung Kwok Fan

執行董事：

李雄偉先生
張國偉先生
陳健華先生
張國勳先生

Independent non-executive directors:

Mr. Wan Shing Chi
Mr. Ng Heung Yan
Mr. Wong Tak Chuen

獨立非執行董事：

尹成志先生
吳向仁先生
黃德銓先生

Note 1:

- 1: Television programmes or webcasts
- 2: Courses, seminars or workshops
- 3: Reading

Note 2:

- A: Corporate governance and regulatory
B: Audit and assurance, and financial reporting

On 28 December 2020, the Chairman of the Board held a meeting with the independent non-executive directors, without the presence of the executive directors.

董事會(續)

董事乃受董事及高級人員之責任保險全面保障，以向董事們在執行及履行彼等之職務時而產生之成本、費用、損失、開支及責任作出賠償。

董事已承諾遵守守則之守則條文第A.6.5條之董事培訓守則。全體董事已參與持續專業發展，並向本公司提供彼等於截至二零二零年十二月三十一日止年度接受培訓之記錄。

於截至二零二零年十二月三十一日止年度內，董事接受培訓概要如下：

Type of training 培訓類型 (Note 1) (附註1)	Subject of training 培訓主題 (Note 2) (附註2)
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1	A
1	A
1, 2 & 3	A & B
1	A

1	A
1	A
1, 2 & 3	A & B

附註1：

- 1：電視節目或網絡廣播
- 2：課程、研討會或工作坊
- 3：閱讀

附註2：

- A：企業管治及監管
B：審計與鑒證及財務報告

於二零二零年十二月二十八日，董事會主席與獨立非執行董事舉行會議，而執行董事並無出席。

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code provision A.2.1 of the Code requires that the role of chairman and chief executive officer should be separate and should not be performed by the same individual. During the year, Mr. Lei Hong Wai has taken up the roles of the Chairman of the Board and the Chief Executive Officer of the Company. Mr. Lei possesses essential leadership skills and has extensive experience in corporate management and business development. The Board is of the view that currently vesting the roles of the Chairman and the Chief Executive Officer in the same person provides the Group with strong and consistent leadership and allows for more effective and efficient business planning and decisions as well as execution of long-term business strategies.

TERMS OF NON-EXECUTIVE DIRECTORS

Code provision A.4.1 of the Code requires that non-executive directors should be appointed for a specific term, subject to re-election. All non-executive directors of the Company are not appointed for a specific term, but are subject to retirement from office by rotation and re-election in accordance with the provisions of the Company's bye-laws. At each annual general meeting, one-third of the directors for the time being, (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation, provided that every director shall be subject to retirement by rotation at least once every three years. As such, the Company considers that such provision is sufficient to meet the underlying objective of this code provision.

BOARD DIVERSITY POLICY

The Company has adopted a board diversity policy setting out the approach to achieve diversity on the Board. The Company considers diversity of board members can be achieved through consideration of a number of aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. 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.

主席及行政總裁

守則之守則條文第A.2.1條規定，主席與行政總裁之角色應有區分，不應由同一人同時兼任。年內，李雄偉先生擔任本公司董事會主席及行政總裁。李先生具備重要領導技巧，並於企業管理及業務發展方面具有豐富經驗。董事會認為，目前由同一人擔任主席及行政總裁之角色可為本集團提供穩固及貫徹一致之領導，並使長遠業務策略之業務策劃、決策及執行更為有效。

非執行董事之任期

守則之守則條文第A.4.1條規定，非執行董事之委任應有指定任期，並須接受重選。本公司所有非執行董事並非按指定任期委任，惟須根據本公司之公司細則條文輪席告退及膺選連任。於每屆股東週年大會上，當時董事之三分之一（或倘人數並非三之倍數，則為最接近但不少於三分之一之數）須輪席告退，惟各董事須最少每三年輪席告退一次。因此，本公司認為該等條文足以符合此守則條文之相關目標。

董事會多元化政策

本公司已採納董事會多元化政策，當中載列達致董事會多元化之方法。本公司認為董事會成員多元化可透過考慮多方面後達致，包括但不限於性別、年齡、文化及教育背景、專業經驗、技巧及知識。所有董事會委任均以用人唯才為原則，以客觀準則考慮人選，並已充分考慮董事會多元化之裨益。

BOARD DIVERSITY POLICY (Continued)

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. The ultimate decision will be made upon the merits and contribution that the selected candidates will bring to the Board.

BOARD COMMITTEES

The Board has established four committees with clearly defined written terms of reference. The main roles and responsibilities of these committees, including all authorities delegated to them by the Board, as set out in the terms of reference, are published on websites of the Company and the Exchange. The independent views and recommendations of the four committees ensure proper control of the Group and the continual achievement of the high corporate governance standards expected of a listed company. The chairman of each committee reports the outcome of the committee's meetings to the Board for further discussions and approvals.

The majority of the members of each board committees are independent non-executive directors. The board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expenses.

Remuneration Committee

The Remuneration Committee comprises two independent non-executive directors, namely Mr. Ng Heung Yan and Mr. Wan Shing Chi, and one executive director, namely Mr. Lei Hong Wai. Mr. Ng Heung Yan is the chairman of the Remuneration Committee.

The Remuneration Committee is mainly responsible for making recommendations to the Board on the Company's policy and structure for all directors and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy and ensuring that no director or any of his associates will involve in deciding his own remuneration. The Remuneration Committee makes recommendations to the Board on the remuneration packages, including benefits in kind, pension rights and compensation payments, of individual executive directors and senior management.

董事會多元化政策(續)

候選人將根據一系列多元化之範疇，包括但不限於性別、年齡、文化及教育背景、專業經驗、技巧及知識甄選。最終決定將在考慮獲選候選人將為董事會帶來之好處及貢獻而作出。

董事委員會

董事會已成立四個委員會，並以書面具體列明其職權範圍。該等委員會之主要職責及責任(包括所有獲董事會授予之權力)載於職權範圍內，刊登於本公司及聯交所網站。四個委員會之獨立觀點及建議確保妥善控制本集團及持續達致預期上市公司應有之高企業管治水平。各委員會之主席向董事會報告委員會會議之結果，以供進一步討論及批准。

各董事委員會之大部分成員為獨立非執行董事。董事委員會提供充足資源以履行彼等之責任，並應合理要求，在適當情況下尋求獨立專業意見，費用由本公司承擔。

薪酬委員會

薪酬委員會由兩名獨立非執行董事吳向仁先生及尹成志先生，以及一名執行董事李雄偉先生組成。吳向仁先生為薪酬委員會主席。

薪酬委員會主要負責就本公司董事及高級管理人員之全體薪酬政策及架構及就設立正規而具透明度之程序制訂薪酬政策，向董事會提出建議，並確保任何董事或其任何聯繫人士不得參與決定其本身之薪酬。薪酬委員會就個別執行董事及高級管理人員之薪酬待遇，包括實物福利、退休金權利及賠償款項，向董事會提出建議。

BOARD COMMITTEES (Continued)

Remuneration Committee (Continued)

During the year ended 31 December 2020, the Remuneration Committee held one meeting to review and discuss the remuneration structure and packages of each executive directors and the discretionary bonuses of the executive directors for making recommendations to the Board for approval.

Nomination Committee

The Nomination Committee comprises one executive director, namely Mr. Lei Hong Wai, and two independent non-executive directors, namely Mr. Wan Shing Chi and Mr. Ng Heung Yan. Mr. Lei Hong Wai is the chairman of the Nomination Committee.

The Nomination Committee is mainly responsible for reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board, identifying potential directors and making recommendations to the Board on the appointment or re-appointment of directors.

The Nomination Committee leads the process and makes recommendations for appointments to the Board, whether as additional appointment or to fill up the casual vacancy of directorship as and when they arise, in light of challenges and opportunities facing by the Company, as well as business development and requirements of the Company.

The Company has adopted a nomination policy aiming to ensure the Board has a balance of skills, experience, knowledge and diversity of perspectives appropriate to the requirements of the Company's business. The Nomination Committee will evaluate, select and recommend candidate(s) for directorships to the Board by giving due consideration to selection criteria including but not limited to:

- (a) diversity in aspects including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge and length of service;
- (b) commitment for responsibilities of the Board in respect of available time and relevant interest;
- (c) qualifications, including accomplishment and experience in the relevant industries the Company's business is involved in;
- (d) independence;

董事委員會(續)

薪酬委員會(續)

於截至二零二零年十二月三十一日止年度內，薪酬委員會就檢討及討論每位執行董事之薪酬架構及待遇及執行董事之酌情花紅，已舉行一次會議，並向董事會提出建議以供審批。

提名委員會

提名委員會由一名執行董事李雄偉先生，以及兩名獨立非執行董事尹成志先生及吳向仁先生組成。李雄偉先生為提名委員會主席。

提名委員會主要負責檢討董事會之架構、規模及組成(包括技能、知識及經驗)，物色潛在董事及就委任或重新委任董事向董事會提出建議。

提名委員會於需要額外委任董事或填補董事空缺時，會因應本公司面對之挑戰及機遇，以及在配合本公司之業務發展及需要下，作出領導及就委任向董事會提出建議。

本公司已採納提名政策，旨在確保董事會根據本公司業務要求而具備適當所需技巧、經驗、知識及多樣的觀點。提名委員會審慎考慮(包括但不限於)下列甄選準則後，將評估、甄選及就董事候選人向董事會提出建議：

- (a) 各方面的多樣性，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能、知識及服務年期；
- (b) 履行董事會職責的可投入時間及相關的利益；
- (c) 資格，包括涉及本公司業務的相關行業的成就和經驗；
- (d) 獨立性；

BOARD COMMITTEES (Continued)

Nomination Committee (Continued)

- (e) reputation for integrity;
- (f) potential contributions that the individual(s) can bring to the Board; and
- (g) plan(s) in place for the orderly succession of the Board.

The Nomination Committee will evaluate and recommend retiring director(s) to the Board for re-appointment by giving due consideration to the selection criteria including but not limited to:

- (a) the overall contribution and service of the retiring director(s) to the Company, including but not limited to the attendance of the meetings of the Board and/or its committees and general meetings where applicable, in addition to the level of participation and performance on the Board and/or its committees; and
- (b) whether the retiring director(s) continue(s) to satisfy the selection criteria.

The Nomination Committee will evaluate and recommend candidate(s) for the position(s) of the independent non-executive directors of the Company by giving due consideration to the factors including but not limited to those set out in Rules 3.10(2) and 3.13 of the Listing Rules in addition to the selection criteria.

The Nomination Committee will recommend to the Board for the appointment of a director in accordance with the following procedures and process:

- (a) the Nomination Committee will, giving due consideration to the current composition and size of the Board, develop a list of desirable skills, perspectives and experience at the outset to focus the search effort;
- (b) the Nomination Committee may consult any source it deems appropriate in identifying or selecting suitable candidates, such as referrals from existing directors, advertising, recommendations from a third party agency firm and proposals from shareholders of the Company with due consideration given to the selection criteria;

董事委員會(續)

提名委員會(續)

- (e) 誠信聲譽；
- (f) 個人可以向董事會帶來的潛在貢獻；及
- (g) 為董事會有序繼任而制訂的計劃。

提名委員會經審慎考慮(包括但不限於)下列甄選準則後，將評估及就重新委任退任董事向董事會提出建議：

- (a) 退任董事對本公司之整體貢獻及服務(包括但不限於)出席董事會及／或其轄下委員會之會議及股東大會(倘適用)，以及在董事會及／或其轄下委員會之參與程度及表現；及
- (b) 退任董事是否繼續符合甄選準則。

提名委員會經審慎考慮各項因素(包括但不限於上市規則第3.10(2)及3.13條所述者)後，將評估及就本公司獨立非執行董事候選人提出建議。

提名委員會將根據以下程序及流程向董事會建議任命董事：

- (a) 提名委員會將適當考慮董事會目前的組成和規模，首先制定一份理想的技能、觀點及經驗清單，以集中物色重點；
- (b) 提名委員會於物色或甄選合適候選人時可諮詢其認為適當的任何來源，例如現有董事的推薦、廣告、第三方代理公司的推薦及本公司股東的建議，並適當考慮甄選準則；

BOARD COMMITTEES (Continued)

Nomination Committee (Continued)

- (c) the Nomination Committee may adopt any process it deems appropriate in evaluating the suitability of the candidates, such as interviews, background checks, presentations and third party reference checks;
- (d) upon considering a candidate suitable for the directorship, the Nomination Committee will hold a meeting and/or by way of written resolutions to, if thought fit, approve the recommendation to the Board for appointment;
- (e) the Nomination Committee will provide the relevant information of the selected candidate to the Remuneration Committee for consideration of remuneration package of such selected candidate;
- (f) the Nomination Committee will thereafter make the recommendation to the Board in relation to the proposed appointment, and where a non-executive director is considered, the Remuneration Committee will make the recommendation to the Board on the proposed remuneration package;
- (g) the Board may arrange for the selected candidate to be interviewed by the members of the Board who are not members of the Nomination Committee and the Board will thereafter deliberate and decide the appointment as the case may be; and
- (h) all appointment of directors will be confirmed by the filing of the consent to act as director of the relevant director (or any other similar filings requiring the relevant director to acknowledge or accept the appointment as director, as the case may be) to be filed with the relevant Companies Registry.

During the year ended 31 December 2020, the Nomination Committee held two meetings to review the structure, size and composition of the Board and evaluate and recommend the retiring directors to the Board for re-appointment at the annual general meeting in 2020.

董事委員會 (續)

提名委員會 (續)

- (c) 提名委員會可採用其認為適當的任何程序評估候選人的合適性，例如面試、背景調查、演講及第三方背景調查；
- (d) 在考慮適合擔任董事職位的候選人後，提名委員會將舉行會議及／或以書面決議案方式以酌情批准向董事會提交委任建議；
- (e) 提名委員會將向薪酬委員會提供所選候選人的相關資料，以供考慮該候選人的薪酬待遇；
- (f) 其後，提名委員會將就建議委任向董事會提出建議，而於考慮非執行董事時，薪酬委員會將就建議薪酬待遇向董事會提出建議；
- (g) 董事會可安排選定的候選人由不屬提名委員會成員的董事會成員進行面試，此後，董事會將根據具體情況審議並決定任命；及
- (h) 所有董事的任命，將通過提交相關董事表示同意擔任董事的文件(或要求相關董事確認或接受任命為董事的任何其他類似文件，視具體情況而定)予公司註冊處作存檔予以確認。

於截至二零二零年十二月三十一日止年度內，提名委員會已舉行兩次會議就檢討董事會之架構、規模及組成，及評估及向董事會建議於二零二零年之股東週年大會上重新委任退任董事。

BOARD COMMITTEES (Continued)

Finance Committee

The Finance Committee comprises one executive director, namely Mr. Chan Kin Wah Billy, and one independent non-executive director, namely Mr. Wong Tak Chuen. Mr. Chan Kin Wah Billy is the chairman of the Finance Committee.

The Finance Committee is mainly responsible for reviewing and approving banking facilities and financial instruments to be granted or issued by the Company for the Group's needs and the provision of corporate guarantees by the Company for its subsidiaries and associates.

During the year ended 31 December 2020, no Finance Committee meeting was held.

Audit Committee

The Audit Committee comprises three independent non-executive directors, namely Mr. Wong Tak Chuen, Mr. Wan Shing Chi and Mr. Ng Heung Yan. Mr. Wong Tak Chuen is the chairman of the Audit Committee.

The main responsibilities of the Audit Committee are to monitor the financial reporting process of the Company and to review the Company's financial control, and risk management and internal control systems. It also governs the engagement of external auditors and their performance. The Audit Committee meets regularly with at least two meetings annually. Prior to the commencement of an audit, the Audit Committee meets the Company's external auditors to review and discuss the audit plan and key audit matters of the Group. It also has separate meeting with the Company's external auditors at least once a year with the absence of the management to discuss any issues arising from the audit and any other matters the external auditors may wish to raise.

董事委員會(續)

財務委員會

財務委員會由一名執行董事陳健華先生，以及一名獨立非執行董事黃德銓先生組成。陳健華先生為財務委員會主席。

財務委員會主要負責檢討及審批本公司就本集團需要將授出或發行之銀行融資及金融工具，以及本公司為其附屬公司及聯營公司提供之公司擔保。

於截至二零二零年十二月三十一日止年度內，財務委員會並無舉行會議。

審核委員會

審核委員會由三名獨立非執行董事黃德銓先生、尹成志先生及吳向仁先生組成。黃德銓先生為審核委員會主席。

審核委員會之主要責任為監察本公司之財務報告程序，以及檢討本公司之財務監控、風險管理及內部監控系統。審核委員會亦管理外聘核數師之委聘及其表現。審核委員會每年定期會面最少兩次。於開始審核前，審核委員會與本公司之外聘核數師會面，以審閱及討論本集團之審核計劃及關鍵審核事項。審核委員會亦會在管理層缺席之情況下，每年與本公司之外聘核數師會面最少一次，以討論任何因審核工作產生的事宜及核數師想提出的其他事項。

BOARD COMMITTEES (Continued)

Audit Committee (Continued)

During the year ended 31 December 2020, the Audit Committee reviewed and discussed with the external auditors the audit plan and key audit matters of the Group for the year ended 31 December 2019. The Audit Committee reviewed with the external auditors the unaudited and audited consolidated financial statements of the Group for the year ended 31 December 2019, the annual report for 2019, the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2020, and the interim report for 2020 before their submission to the Board for approval. It also reviewed the review report on risk management and internal control systems of the Group and discussed the findings on the review report with Infinity Concept Ripple Limited, which is an independent firm of professional accountants appointed by the Board to carry out an annual independent review. The Audit Committee also discussed the Group's risk management and internal control systems with the executive directors to ensure the executive directors had performed their duties to have effective systems properly in place. The Audit Committee also discussed with the management and the external auditors the accounting policies and practices which might affect the Group and financial reporting matters.

At the meeting held on 26 March 2021, the Audit Committee concluded that it was satisfied with its review of the audit fee, process and effectiveness, independence and objectivity of HLB Hodgson Impey Cheng Limited. The Audit Committee has therefore recommended to the Board that HLB Hodgson Impey Cheng Limited be re-appointed as the Company's auditors at the annual general meeting in 2021.

During the year ended 31 December 2020, the Audit Committee held three meetings.

董事委員會(續)

審核委員會(續)

於截至二零二零年十二月三十一日止年度內，審核委員會已與外聘核數師審閱及討論本集團截至二零一九年十二月三十一日止年度之審核計劃及關鍵審核事項。審核委員會已於呈交董事會以取得批准前，與外聘核數師審閱本集團截至二零一九年十二月三十一日止年度之未經審核及經審核綜合財務報表、二零一九年年報、本集團截至二零二零年六月三十日止六個月之未經審核簡明綜合財務報表及二零二零年中期報告。審核委員會亦審閱本集團風險管理及內部監控系統之審查報告，並討論集思廣益有限公司(一間獲董事會委任以進行年度獨立審查之專業獨立會計師行)之審查報告之發現。審核委員會亦與本集團執行董事討論風險管理及內部控制系統，以確保執行董事履行職責以至有效之系統正常運作。審核委員會亦與管理層及外聘核數師討論可能影響本集團及財務報告事宜之會計政策及常規。

於二零二一年三月二十六日舉行之會議上，審核委員會確認信納對國衛會計師事務所有限公司之核數費用、程序及有效性、獨立性及客觀性進行之檢討。審核委員會因此向董事會建議於二零二一年股東週年大會上重新委任國衛會計師事務所有限公司為本公司之核數師。

於截至二零二零年十二月三十一日止年度內，審核委員會已舉行三次會議。

ATTENDANCE RECORDS AT MEETINGS

The attendance records of each director at the various meetings of the Company during the year ended 31 December 2020 are set out as below:

		Annual general meeting 股東週年大會	Board 董事會	Meetings Attended/Held 已出席/已舉行會議			
				Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Audit Committee 審核委員會	Finance Committee 財務委員會
Number of meetings	會議次數	1	30	1	2	3	0
Executive directors:	執行董事：						
Mr. Lei Hong Wai	李雄偉先生	1/1	29/30	1/1	2/2	N/A 不適用	N/A 不適用
Mr. Cheung Kwok Wai Elton	張國偉先生	1/1	29/30	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Chan Kin Wah Billy	陳健華先生	1/1	29/30	N/A 不適用	N/A 不適用	N/A 不適用	0/0
Mr. Cheung Kwok Fan	張國勳先生	1/1	28/30	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Independent non-executive directors:	獨立非執行董事：						
Mr. Wan Shing Chi	尹成志先生	1/1	28/30	1/1	2/2	3/3	N/A 不適用
Mr. Ng Heung Yan	吳向仁先生	1/1	28/30	1/1	2/2	3/3	N/A 不適用
Mr. Wong Tak Chuen	黃德銓先生	1/1	28/30	N/A 不適用	N/A 不適用	3/3	0/0

COMPANY SECRETARY

Mr. Chan Kin Wah Billy has been the Company Secretary of the Company since 31 January 2005. He is also an executive director of the Company. The biographical information of Mr. Chan are set out in the Biographical Details of Directors on page 91 of the annual report. During the year, Mr. Chan undertook not less than 15 hours of relevant professional training.

INDEPENDENT AUDITORS' REMUNERATION

During the year, the Company engaged HLB Hodgson Impey Cheng Limited to perform audit services and non-audit services and incurred audit services fees of HK\$819,000 and non-audit services fees of HK\$183,000. The non-audit services consist of taxation services and reviewing the Group's interim financial statements for the six months ended 30 June 2020. The Company also engaged two audit firms to perform audit services and non-audit services for certain subsidiaries established in Mainland China and incurred audit services fees of HK\$10,000 and non-audit services fees of HK\$6,000. The non-audit services consist of taxation and annual inspection services.

會議出席紀錄

於截至二零二零年十二月三十一日止年度內，各董事於本公司多個會議之出席紀錄載列如下：

公司秘書

陳健華先生自二零零五年一月三十一日起出任本公司之公司秘書，彼亦為本公司之執行董事。陳先生之履歷資料載於年報第91頁之董事履歷詳情內。年內，陳先生參加不少於15小時之相關專業培訓。

獨立核數師酬金

年內，本公司委聘國衛會計師事務所有限公司進行核數服務以及非核數服務，並產生核數服務費819,000港元及非核數服務費183,000港元。非核數服務包括稅務服務及審閱本集團截至二零二零年六月三十日止六個月之中期財務報表。本公司亦曾聘請兩間核數師行，為於中國內地成立之若干附屬公司進行核數服務及非核數服務，並產生核數服務費10,000港元及非核數服務費6,000港元。非核數服務費包括稅務及年度審閱服務。

RISK MANAGEMENT AND INTERNAL CONTROL

As with all businesses, the Group is exposed to risks and uncertainties in pursuit of its strategic and business objectives. The Board acknowledges that it has overall responsibility for the Group's risk management and internal control systems and for reviewing their effectiveness.

However, due to inherent limitations of any system of risk management and internal control, it should be noted that the risk management and internal control systems of the Group are designed to manage rather than eliminate the risk of failure to achieve its strategic and business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

In view of each business units being actively managed by the executive directors, all the executive directors are responsible for monitoring that appropriate process and controls are in place to effectively and efficiently manage risks, so that the strategic and business objectives of the Group can be met. Principal risks are identified by assessing the possible effects on the Group's reputation, stakeholders, earnings, capital and liquidity, and the future sustainability of the Group's businesses. They are closely monitored and overseen by the executive directors on a regular basis. Risk information is communicated to employees, who have a responsibility to co-operate with the executive directors' initiatives and to carry out their duties avoiding excessive risk.

The Group's risk management and internal control systems include the following:

- (a) A code of business conduct and ethics that requires all directors and employees of the Group to maintain the basic standards of ethical and legal behavior in conducting business.
- (b) A risk management process which enables identification and assessment of risks that could impact on the achievement of agreed strategic and business objectives, and ensures that appropriate mitigating measures and controls are put in place.
- (c) Clearly defined organisational structure, with defined authority limits and reporting mechanisms to the Board.

風險管理及內部監控

誠如所有業務般，本集團於實現其策略及業務目標時面臨風險及不確定因素。董事會確認，其對本集團之風險管理及內部監控系統以及檢討其有效性承擔全部責任。

然而，由於任何風險管理及內部監控系統均有固有限制，務須注意本集團之風險管理及內部監控系統旨在管理而並非消除導致未能實現其策略及業務目標之風險，並僅提供合理及並非絕對保證防止重大錯誤或損失。

鑑於各業務單位由執行董事積極地管理，所有執行董事負責監察適當流程及監控措施，以有效地及有效率地管理風險，從而達致本集團策略及業務目標。主要風險乃透過評估可能對本集團之聲譽、持份者、收益、資本及資金流動性，以及本集團業務未來可持續性之影響予以識別，並由執行董事定期密切監察及監督。風險資料應傳達予僱員，僱員有責任配合執行董事所提倡之建議，並執行其職責以避免過高風險。

本集團之風險管理及內部監控系統包括以下各項：

- (a) 商業操守及道德守則規定本集團所有董事及僱員於進行業務時維持基本標準道德及法律行為。
- (b) 風險管理程序能夠識別及評估可能影響實現已協定之策略及業務目標之風險，並確保採取合適緩和及監控措施。
- (c) 清楚定義組織架構，包括明確界定權限及向董事會報告之機制。

RISK MANAGEMENT AND INTERNAL CONTROL (Continued)

- (d) A comprehensive set of policies and procedures relating to operational and financial controls, including capital expenditure.
- (e) A comprehensive system of financial reporting.
- (f) An annual review of the adequacy and effectiveness of the Group's risk management and internal control systems.

As the Company does not have an internal audit function, the Audit Committee engaged Infinity Concept Ripple Limited to carry out the annual independent review on the adequacy and the effectiveness of the Group's risk management and internal control systems for the year ended 31 December 2020. The annual independent review covered all material controls, including financial, operational and compliance controls, and risk management functions of the Group. The review report from Infinity Concept Ripple Limited was presented to and reviewed by the Audit Committee and the Board. No material internal control defects were found. Accordingly, the Board, in conjunction with the Audit Committee, considers that the Group's risk management and internal control systems were adequate and effective.

The Board reviewed the need for internal audit function, but has decided that because of the size of the Group it cannot be justified at present. The Board will review this decision annually.

The Board also reviewed the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting and financial reporting functions.

The Company has adopted the Policy and Procedures on Disclosure of Inside Information which contains the guidelines to the directors and all the relevant employees of the Group to ensure that the inside information of the Company is to be disseminated to the public in an equal and timely manner in accordance with applicable laws and regulations.

風險管理及內部監控(續)

- (d) 一套有關營運與財務監控(包括資本開支)之完善政策及程序。
- (e) 一套完善財務報告系統。
- (f) 對本集團風險管理及內部監控系統之充足性及有效性作出之年度審查。

由於本公司並無內部審核職能，審核委員會委聘集思廣益有限公司對本集團截至二零二零年十二月三十一日止年度之風險管理及內部監控系統之充足性及有效性進行獨立年度審查。獨立年度審查涵蓋本集團所有重大監控，包括財務、營運及合規監控，以及風險管理職能。集思廣益有限公司之審查報告已提交予審核委員會及董事會審閱，並無發現重大內部監控缺陷。因此，董事會及審核委員會聯合認為本集團之風險管理及內部監控系統屬充分及有效。

董事會審查內部審核職能之必要性，但已決定由於本集團之規模，目前未能合理化。董事會將按年檢討該決定。

董事會亦審查本集團會計及財務報告職能之資源、員工資格及經驗、培訓計劃及預算之充分性。

本公司已採納內幕消息披露政策及程序，其中載有給予本集團董事及所有相關僱員之指引，以確保本公司之內幕消息能以公平與及時之方式向公眾傳播，並遵守適用之法律與法規。

COMMUNICATION WITH SHAREHOLDERS

The Company reports to its shareholders twice a year. Interim and annual results are announced to keep shareholders informed of the Group's performance and operations. The general meetings of the Company provide an opportunity for direct communication between the shareholders and the Board. Shareholders are welcomed to raise any query in relation to the Group's businesses at the general meetings. The Chairman of the Board as well as chairmen of the Audit Committee, the Remuneration Committee, the Nomination Committee and the Finance Committee, or in their absence, other members of the respective committees, and where applicable, the independent Board Committee, are available to answer questions at the general meetings. Our corporate website which contains corporate information, interim and annual reports, announcements and circulars issued by the Company, enables the Company's shareholders to access information on the Group on a timely basis.

SHAREHOLDERS' RIGHTS

Shareholders holding not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company shall have the right, by written requisition to the Board or the Company Secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition, and such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit the Board fails to proceed to convene such meeting the requisitionists themselves may do so in accordance with the provisions of Section 74(3) of the Companies Act 1981 of Bermuda (as amended).

Any number of shareholders representing not less than one-twentieth of the total voting rights of all the shareholders of the Company or not less than 100 shareholders can put forward any proposed resolution or the business to be dealt with at general meetings of the Company. The requisition in writing must be signed by the relevant shareholder(s) and deposited together with a sum reasonably sufficient to meet the Company's relevant expenses at the registered office of the Company not less than six weeks before the general meeting in case of a requisition requiring notice of a resolution, and not less than one week before the general meeting in case of any other requisition.

與股東之溝通

本公司每年向其股東報告兩次。公佈中期及年度業績以便股東得悉本集團表現及營運之資料。本公司股東大會提供一個股東與董事會直接溝通之機會。於股東大會上，歡迎股東就本集團之業務提出任何疑問。董事會主席，以及審核委員會、薪酬委員會、提名委員會及財務委員會之主席或(在彼等缺席之情況下)各委員會之其他成員及獨立董事委員會(如適用)將於股東大會上解答提問。本公司網站載有本公司刊發之公司資料、中期報告及年報、公佈及通函，使本公司股東可及時獲得本集團資料。

股東權利

持有附帶權利於本公司股東大會上投票之本公司已繳股本不少於十分之一之股東，有權向董事會或本公司之公司秘書提出書面呈請，要求董事會召開股東特別大會，以處理該呈請中訂明之任何事項，而該大會須於該呈請送達後兩個月內舉行。倘董事會於該呈請送達後21日內未能召開有關大會，呈請者可根據百慕達一九八一年公司法(經修訂)第74(3)條之條文自行召開會議。

代表不少於所有本公司股東總投票權二十分之一之股東，或不少於100名股東之任何數目之股東，可提呈任何將於本公司股東大會上處理之決議案或事項。該書面呈請須經相關股東簽署，並須在不少於股東大會舉行前六星期(如屬要求決議案通知之呈請)或少於股東大會舉行前一星期(如屬任何其他呈請)連同足以彌補本公司相關開支之合理款額遞交至本公司之註冊辦事處。

SHAREHOLDERS' RIGHTS (Continued)

Shareholders may at any time send their enquiries and concerns to the Board in writing through the Company Secretary whose contact details are as follows:

Unit 1211, Shun Tak Centre, West Tower
168-200 Connaught Road Central
Hong Kong
Telephone: (852) 2268 8236
Fax: (852) 2369 0981
Email: billy@eternityinv.com.hk

Shareholders may also make enquiries with the Board at the general meetings of the Company.

DIVIDEND POLICY

Under the dividend policy adopted on 31 December 2018, the Company does not have any pre-determined dividend payout ratio. The declaration, payment, and amount of dividends are subject to the Board's discretion having regard to the following factors:

- (a) the earnings, financial conditions, capital requirements and future plans of the Group;
- (b) the shareholders' interests of the Company;
- (c) the economic outlook;
- (d) the contractual restrictions on the payment of dividends by the Company to its shareholders;
- (e) the statutory and regulatory restrictions on the payment of dividends by the Company; and
- (f) any other factors the Board may consider relevant.

股東權利(續)

股東可隨時將其查詢及關注以書面形式送交公司秘書，以向董事會提出，公司秘書之通訊詳情如下：

香港
干諾道中 168-200 號
信德中心西座 1211 室
電話：(852) 2268 8236
傳真：(852) 2369 0981
電郵：billy@eternityinv.com.hk

股東亦可於本公司股東大會上向董事會作出查詢。

股息政策

根據於二零一八年十二月三十一日採納之股息政策，本公司並無任何預先釐定之派息比率。宣派、派付及股息之數額均由董事會酌情決定並考慮以下因素：

- (a) 本集團之盈利、財務狀況、資本要求及未來計劃；
- (b) 本公司股東之利益；
- (c) 經濟前景；
- (d) 本公司向其股東派付股息之合約規限；
- (e) 本公司派付股息之法定及監管規限；及
- (f) 董事會可能認為有關之任何其他因素。

CONSTITUTIONAL DOCUMENTS

There was no change to the Company's bye-laws during the year. The Company's bye-laws is available on the websites of the Company and the Exchange.

This report was approved by the Board on 30 March 2021 and signed on its behalf by:

Lei Hong Wai
Chairman

憲章文件

年內，本公司之公司細則概無變動。本公司之公司細則登載於本公司及聯交所之網站。

本報告於二零二一年三月三十日獲董事會批准，並由以下人士代表簽署：

主席
李雄偉

Environmental, Social And Governance Report

環境、社會及管治報告

SCOPE AND REPORTING PERIOD

This report contains information and data on the environmental, social and governance performance of the Group during the year ended 31 December 2020.

This report has been prepared with reference to the Environmental, Social and Governance Reporting Guide as set out in Appendix 27 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The Group is principally engaged in sale of financial assets, property investment, money lending, and design and sale of jewelry products. The design and sale of jewelry products business does not involve manufacturing of jewelry products. The manufacturing of the jewelry products is outsourced to subcontractors, who are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

ENVIRONMENTAL

Environmental Policy

The Group recognises that it has a responsibility to manage the impact of its business on the environment both now and in the future. The Group will use its best endeavours to conduct its operations in a manner that is environmentally responsible and sustainable.

The Group commits to:

- (a) meet or exceed all legal and regulatory requirements for environmental protection;
- (b) maintain awareness within the Group of the responsibility of the Group and its employees to ensure protection of the environment;
- (c) reuse, recycle and responsibly dispose of all electronic waste; and
- (d) purchase environmental preferable products and favoring products with reputable certifications or labels.

範圍及報告期

本報告載有本集團於截至二零二零年十二月三十一日止年度內之環境、社會及管治表現資料及數據。

本報告乃參考香港聯合交易所有限公司證券上市規則(「上市規則」)附錄二十七所載之環境、社會及管治報告指引而編製。

本集團主要從事銷售金融資產、物業投資、借貸，以及設計及銷售珠寶產品。設計及銷售珠寶產品業務不涉及製造珠寶產品。製造珠寶產品外判予獨立於本公司及其關連人士(定義見上市規則)之第三方分包商。

環境

環境政策

本集團意識到有責任管理其業務對環境目前及未來之影響。本集團將竭盡所能以環保及可持續之方式進行其業務。

本集團致力於：

- (a) 達致或高於環境保護之所有法律及監管要求；
- (b) 保持本集團及其僱員對其確保環境保護責任的意識；
- (c) 重複使用、循環再用及負責任地棄置所有電子廢料；及
- (d) 購買環保優選產品，並偏好具有良好認證或標籤之產品。

ENVIRONMENTAL (Continued)

Use of Resources, the Environment and Natural Resources

As the Group is principally engaged in sale of financial assets, property investment, money lending, and design and sale of jewelry products, the Group requires limited natural resources to operate and does not produce any hazardous or non-hazardous wastes. Therefore, the Group has a relatively low environmental impact.

Emissions

The Group's direct environmental impact comes from its office premises, air travel and fuel consumed by owned motor vehicles. The Group continuously seeks ways to minimise the Group's environmental footprint and improve its energy saving, as well as reducing emissions.

環境(續)

資源、環境及天然資源之使用

由於本集團主要從事銷售金融資產、物業投資、借貸，以及設計及銷售珠寶產品，本集團經營之業務所需之天然資源有限，且不產生任何有害或無害之廢料。因此，本集團對環境造成之影響較少。

排放物

本集團之直接環境影響來自其辦公室物業、航空差旅及擁有汽車所消耗之燃油。本集團不斷尋求方法減低本集團之生態足印及改善其節能，以及減少排放物。

For the year ended
31 December
 截至十二月三十一日止年度
2020 2019
 二零二零年 二零一九年
CO₂ emissions in kg
 以公斤計算之二氧化碳排放量

Source of greenhouse gas emissions	溫室氣體排放物來源		
– electricity (office premises)	– 電力(辦公室物業)	335,254	75,565
– air travel	– 航空差旅	14,946	74,813
– fuel consumed by owned motor vehicles	– 擁有汽車所消耗之燃油	22,081	111,383
Total	總計	372,281	261,761

The source of greenhouse gas emissions measured in CO₂ emission in kg increased from 75,565 in the year ended 31 December 2019 to 335,254 in the year ended 31 December 2020. This increase was attributable to the operations of a showing room for the marketing and leasing activities of the serviced apartments erected on the Subject Land since August 2020.

溫室氣體排放物來源按以公斤計算之二氧化碳排放量計量，排放量由截至二零一九年十二月三十一日止年度之75,565增加至截至二零二零年十二月三十一日止年度之335,254。該增加乃由於自二零二零年八月起經營建於主體地塊之服務式公寓之市場推廣及租賃活動展覽室所致。

The following measures are taken by the Group to reduce emissions:

本集團採取以下措施以減少排放物：

- | | |
|---|----------------------------------|
| (a) Communicating the importance of environmental issues to the Group's employees. | (a) 向本集團僱員傳達環境議題之重要性。 |
| (b) Purchasing environmental preferable products and favoring products with reputable certifications or labels. | (b) 購買環保優選產品，並偏好具有良好認證或標籤之產品。 |
| (c) Encouraging the use of public transportation to reduce the Group's employees' local travel impact. | (c) 鼓勵使用公共交通工具，以減少本集團僱員於當地差旅之影響。 |

SOCIAL

Employment and Labour Practices

Employment and Remuneration

The Group has a strong commitment to ensure that all its employees are treated fairly and that the Group provides equal opportunity both to existing employees and in its recruitment process. Merit is the primary basis for employment with the Group. All employees and applicants for employment should be treated and evaluated according to their job related skills, qualifications, abilities and aptitudes only.

The Group is committed to ensure that no employees or applicants are subjected to unlawful discrimination, either directly or indirectly, on grounds of a protected characteristic. This commitment applies to all aspects of employment, including recruitment and selection, training, promotion and career development opportunities, terms and conditions of employment, grievance handling and the application of disciplinary procedures, and selection for redundancy.

The Group seeks to consider employees from a wide range of backgrounds in its recruitment processes, and the Group does not tolerate any form of harassment or discrimination of employees with regards to race, gender, age, disability, sexual orientation or religion. Active harassment and discrimination in the workplace in any form is unacceptable. The Group regards any actions by an employee that constitute harassment or discrimination as serious misconduct.

The Group has developed and implemented a competitive remuneration structure which is key for the Group to attract, motivate and retain the best talent. In addition to basic salaries, the Mandatory Provident Fund and discretionary bonus, staff benefits include medical scheme and share options. The Group continually reviews its remuneration structure to ensure it remains attractive and competitive.

The Group has remained diverse, with 52% (2019: 44%) of its employees being women. The Group also employs a broad age range, with 20% (2019: 21%) of its employees under 30 years old and 23% (2019: 18%) above 50 years old.

社會

僱傭及勞工慣例

僱傭及薪酬

本集團堅決致力於確保其所有僱員獲公平待遇，而本集團向其現有僱員及於招聘過程中提供平等機會。僱用之主要基準為對本集團之好處。所有僱員及求職者應僅根據彼等之工作相關技能、資格、能力及才能而獲對待及評估。

本集團致力於確保概無僱員或求職者因受保障特徵而直接或間接遭受非法歧視。該承諾適用於僱傭之所有方面，包括招聘及甄選、培訓、晉升及職業發展機會、僱傭條款及條件、申訴處理及施行紀律程序及選擇裁員。

本集團務求於其招聘過程中考慮僱員多方面之背景，本集團不容忍對僱員有任何有關種族、性別、年齡、殘疾、性取向或宗教之騷擾或歧視行為。於工作場所之任何激烈騷擾或歧視行為均不能接受。本集團視對僱員作出之任何構成騷擾或歧視之行動為嚴重不當行為。

本集團已制定並實施有競爭力之薪酬架構，此乃本集團吸引、激勵及保留最佳人才之關鍵。除基本薪金、強制性公積金及酌情花紅外，僱員福利包括醫療計劃及購股權。本集團不斷審查其薪酬架構，以確保其維持吸引力與競爭力。

本集團保持多元化，其中52%（二零一九年：44%）之僱員為女性。本集團亦僱用廣泛之年齡層，其中20%（二零一九年：21%）之僱員為年齡30歲以下，而23%（二零一九年：18%）之僱員為年齡50歲以上。

SOCIAL (Continued)

Employment and Labour Practices (Continued)

Health and Safety

The Group is committed to the health and safety of all employees. The Group will work to eliminate hazardous practices and behaviour, which could cause accidents, injuries or illness to employees, visitors and the general public. The Group strives to have injury free workplaces. The primary goal is to assist in providing a safe and healthy workplace environment for the Group's employees and visitors.

The objectives of the Group in ensuring health and safety are to:

- (a) comply with all relevant statutory obligations;
- (b) provide adequate resources to establish and maintain safe systems of work;
- (c) maintain health and safety competency and integrate health and safety requirements in all aspects of business;
- (d) ensure all incidents are reported and thoroughly investigated with a view to preventing a similar injury occurring; and
- (e) promote a positive health and safety culture that is based on the principle that all incidents can be prevented.

All managers and contractors are accountable for health and safety performance in their areas. All employees are required to follow rules for safe and healthy operations, report hazards to their managers and must always report any injuries that occur to either themselves or others.

During the year, there was no reportable hazardous incident (2019: Nil).

社會(續)

僱傭及勞工慣例(續)

健康及安全

本集團致力於所有僱員之健康安全為己任。本集團將努力消除可能造成僱員、訪客及公眾事故、傷害或疾病之危險做法及行為。本集團力保無傷害工作場所。主要目標是協助為本集團僱員及訪客提供一個安全及健康之工作環境。

本集團確保健康及安全之目標為：

- (a) 遵守所有相關法定義務；
- (b) 提供充足資源，以建立及維持工作之安全系統；
- (c) 保持健康及安全能力，並在業務之所有方面納入健康及安全要求；
- (d) 確保所有事故得以報告並徹底調查以防止類似之傷害發生；及
- (e) 基於可防止所有事故之原則，促進積極之健康及安全文化。

所有經理及承包商均對彼等所在地區之健康及安全表現負責。所有僱員均須遵守安全及健康操作之規則，向其經理報告危險，並須經常報告自身或他人發生之任何傷害。

年內，概無可匯報之危險事件(二零一九年：無)。

SOCIAL (Continued)

Employment and Labour Practices (Continued)

Training and Development

The training and development of the Group's employees is key to employee retention, and ensuring that employees continue to have the skills and expertise that is core to the Group's sustainable business success and growth. Employees are encouraged to attend courses, seminars and workshops that are relevant to their jobs and the Group reimburses for related expenses in full.

During the year, the Group paid staff training expenses amounting to HK\$4,000 (2019: HK\$83,000).

Labour Standards

The Group is committed to be an employer of choice. The Group values its employees and recognises their contribution towards achieving sustainable business success and growth for the Group and creating value for its stakeholders.

The Group does not tolerate unethical labour standards and complies with local labour legislations and minimum wage laws in the countries where it operates.

The labour standards of the Group are:

(a) Child labour

The Group shall not engage in or support the use of child labour.

(b) Forced and compulsory labour

The Group shall not engage in or support the use of forced or compulsory labour, or bonded or involuntary prison labour. Employees are free to leave upon reasonable notice.

社會(續)

僱傭及勞工慣例(續)

培訓及發展

本集團僱員之培訓及發展為僱員留任之關鍵，確保僱員持續擁有本集團可持續業務成功及增長之核心技能及專長。鼓勵僱員參加與其工作有關之課程、研討會及工作坊，以及本集團對相關費用全額報銷。

年內，本集團支付僱員培訓費用為4,000港元（二零一九年：83,000港元）。

勞工標準

本集團致力成為首選僱主。本集團重視僱員，認可彼等為實現本集團可持續業務之成功及增長所作出之貢獻，並為持份者創造價值。

本集團不容忍不道德之勞工標準，並且遵守其經營所在國家之當地勞工法及最低工資法。

本集團之勞工標準如下：

(a) 童工

本集團不得委聘或支持使用童工。

(b) 強迫及強制勞工

本集團不得委聘或支持使用強迫或強制勞工，或債役或非自願之監獄勞工。僱員可在合理通知後自由離職。

SOCIAL (Continued)

Employment and Labour Practices (Continued)

Labour Standards (Continued)

(c) Health and safety

The Group shall provide a safe and healthy workplace environment and shall take effective steps to prevent potential accidents and injuries to employees' health by minimising, so far as is reasonably practicable, and in co-operation with its employees, the causes of hazards inherent in the workplace.

(d) Freedom of association

The freedom of association is respected and the Group will comply with the relevant labour relations legislation in the countries where it operates.

(e) Discrimination

The Group shall not engage in or support any discriminatory practices in hiring, remuneration, access to training, promotion, termination or retirement based on race, gender, age, disability, sexual orientation, religion or other conditions that could give rise to discrimination.

(f) Working hours

The Group shall comply with applicable laws and industry standards on working hours and holiday entitlements. Overtime shall be voluntary and shall not be demanded on a regular basis.

(g) Remuneration

The Group shall comply with the local labour legislations and minimum wage laws in the countries where it operates. All work related activities are carried out on the basis of a recognised employment relationship established according to the local labour legislations.

During the year, no non-compliance of Hong Kong labour legislations or Mainland China's labour laws was reported or noted (2019: Nil).

社會(續)

僱傭及勞工慣例(續)

勞工標準(續)

(c) 健康及安全

本集團應提供一個安全及健康之工作環境，並應採取有效措施防止潛在意外，及通過在盡可能合理可行範圍內與僱員合作減少工作場所固有危險之發生而防止對僱員健康之傷害。

(d) 結社自由

尊重結社自由，及本集團將遵守其經營所在國家之相關勞動關係法。

(e) 歧視

本集團不得於僱用、薪酬、接受培訓、晉升、終止或退休方面參與或支持基於種族、性別、年齡、殘疾、性取向、宗教或其他可能導致歧視之條件之任何歧視做法。

(f) 工作時間

本集團應遵守有關工作時間及假期權利之適用法律及行業標準。加班乃自願性質，不得恒常要求。

(g) 薪酬

本集團應遵守其經營所在國家之當地勞動法及最低工資法。所有與工作有關之活動均於根據當地勞動法確定之認可僱用關係之基礎上進行。

年內，概無已匯報或已知悉不遵守香港勞工法例或中國內地勞工法例之情況(二零一九年：無)。

SOCIAL (Continued)

Operating Practices

Supplier Relations

The Group views its suppliers as partners who make an important contribution to the Group's sustainable business success and growth. Employees of the Group are expected to be honest and fair in all business interactions with suppliers, which include contractors, consultants and other agents.

The choice of suppliers of goods and services must be made based on the best value received by the Group. In addition, the Group believes in doing business with those suppliers who demonstrate high standards of ethical behavior. The Group will not knowingly engage suppliers who operate in violation of applicable laws or regulations, including local environmental, employment and safety laws.

All agreements with suppliers that are important for the conduct of the Group's business should be in writing and must specify the goods and services to be provided and the fees to be paid. Such agreements must be in line with reasonable competitive and market practices, and the relevant Group's policies and procedures.

Customer Relations

The Group believes that customers are vitally important to its sustainable business success and growth. Employees of the Group have a paramount duty to act with integrity, respect, diligence and competence in their dealings with the Group's customers.

To preserve its customer relationships:

- (a) the Group does not misrepresent its services or products in any sales or promotional efforts;
- (b) the Group communicates clearly so that customers understand the terms of the business relationships, including contracts, performance criteria, schedules, prices and responsibilities; and
- (c) the Group protects its customers' confidential information pursuant to contracts with its customers and all applicable privacy laws in the countries in which the Group operates.

社會(續)

營運慣例

供應商關係

本集團將供應商視為對本集團可持續業務之成功及增長作出重要貢獻之合作夥伴。本集團僱員應在與供應商(包括承包商、顧問及其他代理)之所有業務往來中誠實及公正。

貨物及服務供應商之選擇須基於本集團獲取最佳價值而作出。此外，本集團認為業務是與該等表現出較高道德行為標準之供應商開展。本集團不會故意委聘違反適用法律或法規(包括當地環境、僱傭及安全法律)之供應商。

與對本集團業務重要之供應商間之所有協議應以書面形式作出，並且必須指明提供之商品及服務以及應支付之費用。有關協議須符合合理競爭及市場慣例，以及本集團之相關政策及程序。

客戶關係

本集團相信客戶對其可持續業務之成功及增長非常重要。本集團僱員有責任在與本集團客戶之交易中以誠信、尊重、勤勉及能力行事。

為保持與其客戶之關係：

- (a) 本集團不會在任何銷售或促銷活動中虛報其服務或產品；
- (b) 本集團清楚地溝通，使客戶了解業務關係之條款，包括合同、業績標準、時間表、價格及責任；及
- (c) 本集團根據與其客戶之合同及本集團經營所在國家之所有適用私隱法律保護其客戶之機密資料。

SOCIAL (Continued)

Operating Practices (Continued)

Product and Service Responsibility

(a) Design and sale of jewelry products

The Group shall not make any untruthful, misleading or deceptive representation or make any material omission in selling or marketing of any jewelry products.

All supplies of raw materials used in the Group's jewelry products shall be acquired from legitimate sources which, to the best knowledge of the Group, have no involvement in funding conflicts. The Group prohibits knowingly buying or selling conflict precious stones or assisting others to do so.

The Group will not knowingly engage subcontractors who operate in violation of applicable laws or regulations, including local environmental, employment and safety laws.

(b) Money lending

In addition to compliance with the Money Lenders Ordinance, the Money Lenders Regulations and the Anti-Money Laundering and Counter-Terrorist Financing Ordinance, the Group strictly prohibits abusive, misleading or fraudulent lending practices. In providing money lending services to its customers, the Group adopts the following responsible lending practices:

- (i) The Group provides its customers with the information they need to make fully informed decisions about its money lending services.
- (ii) The Group prices its money lending services based on appropriate factors, including the risk and cost of extending loans, competition and marketplace strategy and conditions, and soundness consideration.
- (iii) The Group only approves applications where it believes the customer has the ability to repay the loan according to its terms.
- (iv) The Group provides timely responses to customers' questions and complaints, and takes prompt corrective action if it has made an error.

社會(續)

營運慣例(續)

產品及服務責任

(a) 設計及銷售珠寶產品

本集團不得在銷售或營銷任何珠寶產品時作出任何失實、誤導或欺詐性陳述或作出任何重大遺漏。

本集團之珠寶產品使用之所有原材料供應，均須從合法來源獲得，據本集團所知並無涉及資金衝突。本集團禁止故意或協助他人買賣衝突寶石。

本集團不會故意委聘違反適用法律或法規(包括當地環境、僱傭及安全法律)之分包商。

(b) 借貸

除遵守放債人條例、放債人規例及打擊洗錢及恐怖分子資金籌集條例外，本集團亦嚴格禁止濫用、誤導或欺詐性貸款行為。在向客戶提供借貸服務時，本集團採取以下負責任貸款行為：

- (i) 本集團向客戶提供彼等所需之資料，以便就其借貸服務作出充分知情決定。
- (ii) 本集團根據包括延長貸款之風險及成本、競爭與市場策略和市況、以及合理性考慮等合適因素，就其借貸服務作出定價。
- (iii) 本集團根據其條款僅批准其認為有能力償還貸款之客戶之申請。
- (iv) 本集團及時回應客戶之問題及投訴，倘發生錯誤，應及時採取糾正措施。

SOCIAL (Continued)

Operating Practices (Continued)

Personal Data Privacy

The Group will only collect personal data from its employees and customers ethically and lawfully. It also seeks to collect personal data in a fair manner, and in a way that is not unreasonably intrusive. If an employee is collecting personal data on behalf of the Group, he or she must inform the person involved of (i) the purpose for which personal data is collected and, unless consented by the person involved, the personal data collected cannot be used for any new or additional purpose, (ii) the personal data collected cannot be transferred to any third party unless required by law or upon informed consent from the person involved, and (iii) subject to the requirements of the Personal Data (Privacy) Ordinance, the person involved has the right to request access to and correct the personal data collected by the Group. Steps must be taken to ensure that the use of personal data is complying with the Personal Data (Privacy) Ordinance.

Employees must ensure that the confidentiality of personal data contained in the Group's records is strictly maintained.

During the year, no non-compliance of the Personal Data (Privacy) Ordinance was reported or noted (2019: Nil).

Anti-corruption and Ethics

The Group commits to maintain confidence in the integrity of the Company. All directors and employees are responsible for the Company achieving the highest levels of business and accountable for acting in line with the policies and standards outlined in the Group's Code of Business Conduct and Ethics, which serves to (i) emphasise the Company's commitment to ethics and compliance with the letter and the spirit of all laws and regulations, and (ii) set forth the basic standards of ethical and legal behavior. The Group's Code of Business Conduct and Ethics clearly states that:

- (a) All directors and employees are prohibited from soliciting, accepting or offering any bribe in conducting the Group's business or affairs, whether in Hong Kong or elsewhere.

社會(續)

營運慣例(續)

個人資料私隱

本集團將僅以符合道德及合法之方式向其僱員及客戶收集個人資料。其亦致力以公平及並非不合理侵擾之方式收集個人資料。倘一名僱員代表本集團收集個人資料，彼必須知會涉及人士(i)收集個人資料之用途，且除非獲所涉及人士同意，所收集之個人資料不得用於任何新或其他用途，(ii)除非法律規定或獲得所涉及人士之知情同意，否則所收集之個人資料不得轉讓予任何第三方，及(iii)在個人資料(私隱)條例規限下，所涉及人士有權要求取得及更正本集團收集之個人資料。本集團必須採取步驟以確保使用個人資料符合個人資料(私隱)條例。

僱員必須確保嚴格保密本集團記錄所載之個人資料。

年內，概無已匯報或已知悉不遵守個人資料(私隱)條例之情況(二零一九年：無)。

反貪污和道德

本集團致力維持對本公司誠信之信心。全體董事及僱員均對本公司達致最高水平之業務負責，並負責以與本集團商業操守及道德守則所載之政策及標準一致之方式行事，該守則(i)強調本公司之道德承擔及遵守函件及所有法律及法規之精神，及(ii)載列道德及法律行為之基本標準。本集團之商業操守及道德守則清楚述明：

- (a) 全體董事及僱員於進行本集團業務或事務期間不得在香港或任何其他地方招攬、接納或提供任何賄賂。

SOCIAL (Continued)

Operating Practices (Continued)

Anti-corruption and Ethics (Continued)

- (b) All directors and employees should not engage in activities or hold or trade assets that involve, or could appear to involve, a conflict between their personal interests and the interests of the Group.
- (c) No gift or entertainment should ever be offered or accepted by a director, an employee or any family member of a director or an employee unless it (i) is consistent with customary business practices, (ii) is not excessive in value, (iii) cannot be construed as a bribe or payoff, and (iv) does not violate any laws or regulations.
- (d) Directors and employees are advised not to engage in frequent gambling activities, e.g. mahjong, with persons having business dealings with the Group.
- (e) Directors and employees should not accept any loan from, or through the assistance of, any individual or organisation having business dealings with the Group. There is however no restriction on borrowing from licensed banks or financial institutions.
- (f) Directors and employees are required to protect proprietary, commercial and other information that is confidential to the Group. These obligations of confidentiality continue after an individual's employment has ceased with the Group.

During the year, no instance of non-compliance relating to bribery, extortion or fraud was reported or noted (2019: Nil).

社會(續)

營運慣例(續)

反貪污和道德(續)

- (b) 全體董事及僱員不得參與或持有或買賣涉及或可被視為涉及彼等之個人利益與本集團利益有衝突之活動或資產。
- (c) 概無董事或僱員，或董事或僱員之任何家族成員應獲提供或接受饋贈或款待，除非饋贈或款待(i)與傳統業務慣例一致；(ii)並無巨額價值；(iii)不可詮釋為賄賂或報酬；及(iv)並無違反任何法例或法規。
- (d) 建議董事及僱員不應與本集團有業務交易之人士進行任何經常性賭博活動，例如麻將。
- (e) 董事及僱員不應接受來自或透過與本集團有業務交易之個人或組織之協助所得之任何貸款。然而，自持牌銀行或金融機構取得借貸概無限制。
- (f) 董事及僱員須保障對本集團而言屬機密資料之所有權、商業及其他資料。該等保密責任在個人與本集團之僱傭關係終止後持有。

年內，概無已匯報或已知悉有關賄賂、勒索或欺詐之不合規情況(二零一九年：無)。

SOCIAL (Continued)

Community, Business Conduct and Ethics

While the Group is accountable to its key stakeholders, the Group also takes into account of the communities in which it operates. The Group commits to make a positive impact on its neighbourhoods by being a good neighbour to the communities. In view of the current Hong Kong's political and economic landscape, the directors believe that compliance with laws, integrity and fair dealing are the prime interests of the communities. As such, the Group is committed to make the communities in which it operates, better places to do business by managing its business in compliance with all applicable laws and regulations of the countries in which it operates and in accordance with the highest level of business ethics and personal integrity in all types of transactions and interactions.

The Company Secretary has been designated by the board of directors to monitor changes and developments in the regulatory environment and ensure that sufficient resources being made available to implement any required changes. The Company Secretary is responsible for ensuring the Group complying with all applicable laws and regulations of the countries in which it operates.

All directors and employees are responsible for the Company achieving the highest levels of business and accountable for acting in line with the policies and standards outlined in the Group's Code of Business Conduct and Ethics. They are required to comply with the Code of Business Conduct and Ethics, which serves to (i) emphasise the Company's commitment to ethics and compliance with the letter and the spirit of all laws and regulations, (ii) set forth the basic standards of ethical and legal behavior, (iii) provide a mechanism for reporting instances non-compliance, and (iv) help prevent and detect wrongdoing.

During the year, no non-compliance of the laws and regulations in Hong Kong or the Code of Business Conduct and Ethics was reported or noted (2019: Nil).

社會(續)

社區、商業操守及道德

本集團對其主要持份者負責，同時，本集團亦慮及其營運所在之社區。本集團致力作為良好之社區鄰里，為毗鄰帶來正面影響。鑑於現時香港之政治及經濟狀況，董事相信遵守法律、誠信及公平交易符合社區的最佳利益。因此，本集團務求以遵守其營運所在國家之所有適用法律及法規，以及根據所有交易類別及互動之商業道德及個人誠信最高水平管理其業務，使其營運所在社區成為進行業務之更佳場所。

公司秘書已獲董事會委派以監察規管環境之變動及發展，並確保已提供充足資源以執行任何規定變動。公司秘書負責確保本集團遵守其營運所在國家之所有適用法律及法規。

全體董事及僱員均對本公司達致最高水平之業務負責，並負責以與本集團商業操守及道德守則所載之政策及標準一致方式行事。彼等須遵守商業操守與道德守則，該守則(i)強調本公司之道德承擔及遵守函件及所有法律及法規之精神；(ii)載列道德及法律行為之基本標準；(iii)提供匯報不遵守情況之機制；及(iv)有助防止及發現不正當行為。

年內，概無已匯報或已知悉不遵守香港法律及法規或商業操守與道德守則之情況(二零一九年：無)。

Environmental, Social And Governance Report

環境、社會及管治報告

COMPLIANCE WITH ENVIRONMENTAL LAWS AND REGULATIONS

During the year, the Board was not aware of any non-compliance of the environmental laws and regulations that have a significant impact on the Group.

This report was approved by the Board on 30 March 2021 and signed on its behalf by:

Lei Hong Wai
Chairman

遵守環保法律及法規

年內，董事會並不知悉任何對本集團有重大影響的違反環保法律及法規之情況。

本報告於二零二一年三月三十日獲董事會批准，並由以下人士代表簽署：

主席
李雄偉

Directors' Report

董事會報告

The directors present their report and the audited consolidated financial statements for the year ended 31 December 2020.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its subsidiaries and associates are set out in notes 48 and 25 respectively to the consolidated financial statements. There were no significant changes to the Group's principal activities during the year.

BUSINESS REVIEW

A fair review of the Group's business, comprising an analysis using financial key performance indicators, a description of the principal risks and uncertainties facing by the Group, particulars of important events affecting the Group that have occurred since the end of the financial year, if any, and an indication of likely future developments in the Group's business can be found in the Management Discussion and Analysis on pages 7 to 45 of the annual report.

A discussion on the Group's environmental policies and performance and the Group's compliance with the relevant laws and regulations that have a significant impact on the Group, and an account of the Group's relationships with its key stakeholders that have a significant impact on the Group and on which the Group's success depends can be found in the Environmental, Social and Governance Report on pages 64 to 75 of the annual report.

The Management Discussion and Analysis, and the Environmental, Social and Governance Report form part of this directors' report.

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 107 to 283 of the annual report.

The directors do not recommend the payment of a dividend for the year ended 31 December 2020.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on page 284 of the annual report.

董事謹此呈報截至二零二零年十二月三十一日止年度之報告及經審核綜合財務報表。

主要業務

本公司為投資控股公司。其附屬公司及聯營公司之主要業務分別載於綜合財務報表附註48及25。年內，本集團主要業務並無重大變動。

業務回顧

本集團業務之中肯審視，其中包括使用財務主要表現指標、本集團所面對主要風險及不明朗因素之說明、自財務年度末以來已發生影響本集團之重要事項(如有)之詳情及本集團業務之可能未來發展之指示，可參閱年報第7至45頁之管理層討論及分析。

有關本集團環境政策及表現及本集團遵守對本集團有重大影響之相關法律及法規合規情況以及對本集團及本集團之成功有重大影響之本集團與其重要持份者之關係之討論，可參閱年報第64至75頁之環境、社會及管治報告。

管理層討論及分析以及環境、社會及管治報告為本董事會報告之一部分。

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期之財務狀況載於年報第107至283頁之本集團之綜合財務報表。

董事不建議派發截至二零二零年十二月三十一日止年度之股息。

五年財務概要

本集團最近五個財政年度之業績與資產及負債概要載於年報第284頁。

SHARE CAPITAL

Details of the share capital of the Company during the year are set out in note 32 to the consolidated financial statements.

DEBENTURES ISSUED IN THE YEAR

On 29 September 2020, the Company issued HK\$270,000,000 13% guaranteed secured notes due 2021. The issuance proceeds of HK\$270,000,000 was utilised to set off against the outstanding principal amount of the 8% secured notes issued by the Company on 25 August 2017.

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

During the year, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

DISTRIBUTABLE RESERVES OF THE COMPANY

The Company's reserves available for distribution to shareholders as at 31 December 2020 amounted to HK\$448,892,000 (2019: HK\$453,123,000).

DIRECTORS

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

Executive directors:

Mr. Lei Hong Wai
(Chairman and Chief Executive Officer)
Mr. Cheung Kwok Wai Elton
Mr. Chan Kin Wah Billy
Mr. Cheung Kwok Fan

Independent non-executive directors:

Mr. Wan Shing Chi
Mr. Ng Heung Yan
Mr. Wong Tak Chuen

In accordance with the provisions of the Company's bye-laws, Mr. Lei Hong Wai, Mr. Ng Heung Yan, and Mr. Wong Tak Chuen will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

股本

本公司年內股本之詳情載於綜合財務報表附註32。

年內發行之債券

於二零二零年九月二十九日，本公司已發行270,000,000港元於二零二一年到期之13%擔保有抵押票據。發行所得款項270,000,000港元已用作抵銷本公司於二零一七年八月二十五日所發行之8%有抵押票據未償還本金額。

購買、贖回或出售本公司之上市證券

年內，本公司或其任何附屬公司概無購買、贖回或出售本公司任何上市證券。

本公司之可分派儲備

本公司於二零二零年十二月三十一日可供分派予股東之儲備為448,892,000港元(二零一九年：453,123,000港元)。

董事

年內及截至本董事會報告日期，本公司董事如下：

執行董事：

李雄偉先生
(主席兼行政總裁)
張國偉先生
陳健華先生
張國勳先生

獨立非執行董事：

尹成志先生
吳向仁先生
黃德銓先生

根據本公司之公司細則條文，李雄偉先生、吳向仁先生及黃德銓先生將於應屆股東週年大會上輪值告退，並符合資格且願意膺選連任。

Directors' Report

董事會報告

DIRECTORS (Continued)

As each of Mr. Ng Heung Yan and Mr. Wong Tak Cheun has served the Board for more than nine years, their further appointment shall be subject to a separate resolution to be approved by the shareholders of the Company at the forthcoming annual general meeting in accordance with code provision A.4.3 of the Corporate Governance Code as set out in Appendix 14 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Exchange**”).

The directors of the Company's subsidiaries included in the consolidated financial statements (other than those listed above) were:

Mr. Guan Jialin
Ms. Han Fang
Ms. Wong Siu Yan

Biographical information of the directors of the Company are set out on pages 90 to 92 of the annual report.

DIRECTORS' SERVICE CONTRACTS

No director proposed for re-election at the forthcoming annual general meeting has a service contract which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

PERMITTED INDEMNITY PROVISION

A permitted indemnity provision (as defined in Section 469 of the Hong Kong Companies Ordinance) for the benefit of the directors of the Company is currently in force and was in force throughout the year.

董事(續)

由於吳向仁先生及黃德銓先生各自己服務董事會超過九年，其進一步委任須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」)附錄十四所載企業管治守則之守則條文第 A.4.3 條以獨立決議案之方式待本公司股東批准後，方可作實。

計入綜合財務報表本公司之附屬公司之董事(上文所列示者除外)包括：

關家麟先生
韓芳女士
王少茵女士

本公司之董事履歷資料載於年報第 90 至 92 頁。

董事之服務合約

擬於應屆股東週年大會上膺選連任之董事概無訂有本集團於一年內不付賠償(法定賠償除外)則不可終止之服務合約。

允許賠償條文

有關本公司董事權益之允許彌償條文(定義見香港公司條例第 469 條)現為有效並於整年內有效。

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

As at 31 December 2020, the interests of the directors and the chief executive 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, or as otherwise notified to the Company and the Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, were as follows:

Long positions

a. Ordinary shares of HK\$0.01 each of the Company

Name of directors 董事姓名	Notes 附註	Number of ordinary shares held and capacity 持有之普通股數目及身份			Total 總計	Percentage of the issued share capital of the Company 佔本公司 已發行股本 百分比
		Beneficial owner 實益擁有人	Held by controlled corporations 受控制公司 持有之權益			
Mr. Lei Hong Wai 李雄偉先生	1 and 2 1及2	408,740,000	583,832,803	992,572,803	25.99%	
Mr. Cheung Kwok Wai Elton 張國偉先生	1 and 2 1及2	—	583,832,803	583,832,803	15.29%	
Mr. Cheung Kwok Fan 張國勳先生	1 and 2 1及2	—	583,832,803	583,832,803	15.29%	
Mr. Chan Kin Wah Billy 陳健華先生		6,319,500	—	6,319,500	0.17%	

Notes:

1. Twin Success International Limited ("Twin Success") beneficially owns 583,832,803 ordinary shares of the Company.

Twin Success is owned as to 50% by Silver Pacific International Limited and as to 50% by Silver Pacific Development Limited. Silver Pacific International Limited is wholly owned by Mr. Lei Hong Wai. Silver Pacific Development Limited is owned as to 50% by Mr. Cheung Kwok Wai Elton and as to 50% by Mr. Cheung Kwok Fan.

2. On 5 June 2018, Twin Success pledged its 583,832,803 ordinary shares of the Company in favour of Kingston Finance Limited as security for a loan facility.

董事及主要行政人員於股份、相關股份及債券之權益

於二零二零年十二月三十一日，按本公司根據證券及期貨條例第352條存置之登記冊所記錄，或按本公司及聯交所根據上市發行人董事進行證券交易的標準守則以其他方式所獲通知，本公司董事及主要行政人員及彼等之聯繫人士於本公司及其相聯法團之股份、相關股份及債券中擁有之權益如下：

好倉

a. 本公司每股面值0.01港元之普通股

附註：

1. Twin Success International Limited (「Twin Success」) 實益擁有 583,832,803 股本公司普通股股份。

Twin Success 分別由 Silver Pacific International Limited 擁有 50% 權益及 Silver Pacific Development Limited 擁有 50% 權益。Silver Pacific International Limited 由李雄偉先生全資擁有。Silver Pacific Development Limited 分別由張國偉先生擁有 50% 權益及張國勳先生擁有 50% 權益。

2. 於二零一八年六月五日，Twin Success 已以金利豐財務有限公司為受益人質押其 583,832,803 股本公司普通股，作為一項貸款融資之抵押。

Directors' Report

董事會報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES (Continued)

Long positions (Continued)

- b. **Ordinary shares of HK\$1.00 each of China Healthwise Holdings Limited, a 20.27% owned associate of the Company**

Name of director 董事姓名	Capacity 身份	Number of ordinary shares held 持有之 普通股數目	Percentage of the issued share capital of China Healthwise Holdings Limited 佔中國智能 健康控股 有限公司 已發行股本 百分比
Mr. Lei Hong Wai 李雄偉先生	Beneficial owner 實益擁有人	57,463,636	7.46%

Other than as disclosed above, none of the directors, chief executive nor their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations as at 31 December 2020.

SHARE OPTIONS

Particulars of the Company's share option scheme are set out in note 46 to the consolidated financial statements.

During the year, no share options were outstanding and granted under the Company's share option scheme.

ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

Other than as disclosed in the section headed "SHARE OPTIONS", 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 the acquisition of shares in or debentures of the Company or any other body corporate.

董事及主要行政人員於股份、相關股份及債券之權益(續)

好倉(續)

- b. **中國智能健康控股有限公司(本公司擁有20.27%權益之聯營公司)每股面值1.00港元之普通股**

除上文所披露者外，於二零二零年十二月三十一日，概無董事、主要行政人員及彼等之聯繫人士於本公司或其任何相聯法團之任何股份、相關股份或債券中擁有任何權益或淡倉。

購股權

本公司購股權計劃詳情載於綜合財務報表附註46。

年內，概無購股權根據本公司之購股權計劃尚未行使及授出。

收購股份或債券之安排

除「購股權」一節所披露者外，年內本公司或其任何附屬公司概無訂立任何安排，使董事可以收購本公司或任何其他法人團體的股份或債券的方式獲益。

EQUITY-LINKED AGREEMENTS

Other than the share option scheme of the Company as disclosed in the section headed "SHARE OPTIONS" above and in note 46 to the consolidated financial statements, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the year or subsisted at the end of the year.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

- (a) On 29 November 2018, Mr. Lei Hong Wai provided a personal guarantee to secure the Company's repayment obligations under a loan of HK\$200,000,000 granted by a finance company. No consideration was paid by the Company to Mr. Lei Hong Wai for providing the personal guarantee. No security over the assets of the Group was provided for the personal guarantee given by Mr. Lei Hong Wai.

As at 31 December 2020, the provision of personal guarantee by Mr. Lei Hong Wai remained full force and effect.

- (b) On 30 January 2020, 2 March 2020, and 8 April 2020, Mr. Cheung Kwok Fan made cash advances of HK\$600,000, HK\$400,000, and HK\$200,000 respectively to the Group for financing its short-term funding needs. The cash advances were non-interest bearing and unsecured. On 29 June 2020, the Group repaid the cash advances to Mr. Cheung Kwok Fan.
- (c) On 9 March 2020, Mr. Lei Hong Wai provided a personal guarantee to secure the Group's repayment obligations under a securities margin financing facility of HK\$40,000,000 granted by a securities company. No consideration was paid by the Company to Mr. Lei Hong Wai for providing the personal guarantee. No security over the assets of the Group was provided for the personal guarantee given by Mr. Lei Hong Wai.

As at 31 December 2020, the provision of personal guarantee by Mr. Lei Hong Wai remained full force and effect.

股票掛鈎協議

除上文「購股權」一節及綜合財務報表附註46所披露本公司之購股權計劃外，本公司概無於年內訂立或於年終存續任何股票掛鈎協議將會或可導致本公司發行股份，或規定本公司訂立任何協議將會或可導致本公司發行股份。

董事於重大交易、安排或合約之權益

- (a) 於二零一八年十一月二十九日，李雄偉先生提供個人擔保，以作為本公司於一間財務公司授予本公司200,000,000港元貸款下還款責任之抵押。本公司概無就李雄偉先生提供個人擔保支付代價，亦概無就李雄偉先生提供之個人擔保提供本集團資產作為抵押。

於二零二零年十二月三十一日，李雄偉先生提供之個人擔保維持十足效力及作用。

- (b) 於二零二零年一月三十日、二零二零年三月二日及二零二零年四月八日，張國勳先生就本集團之短期資金需要提供資金而分別向其作出600,000港元、400,000港元及200,000港元現金墊款。現金墊款為免息及無抵押。於二零二零年六月二十九日，本集團已向張國勳先生償還現金墊款。
- (c) 於二零二零年三月九日，李雄偉先生提供個人擔保，以作為本集團於一間證券公司授予本集團40,000,000港元證券保證金財務融資下還款責任之抵押。本公司概無就李雄偉先生提供個人擔保支付代價，亦概無就李雄偉先生提供之個人擔保提供本集團資產作為抵押。

於二零二零年十二月三十一日，李雄偉先生提供之個人擔保維持十足效力及作用。

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE (Continued)

- (d) On 28 August 2020, Mr. Lei Hong Wai made a cash advance of HK\$1,300,000 to the Group for financing its short-term funding needs. The cash advance is non-interest bearing and unsecured.

As at 31 December 2020, the cash advance of HK\$1,300,000 remained outstanding.

- (e) On 29 September 2020, each of Mr. Lei Hong Wai and Mr. Cheung Kwok Wai Elton provided a personal guarantee to guarantee the punctual performance by the Company's obligations under the HK\$270,000,000 13% guaranteed secured notes due 2021 issued by the Company on 29 September 2020 pursuant to the subscription and note instrument agreement dated 25 September 2020. No consideration was paid by the Company to Mr. Lei Hong Wai and/or Mr. Cheung Kwok Wai Elton for providing the personal guarantees. No security over the assets of the Group was provided for the personal guarantees given by Mr. Lei Hong Wai and/or Mr. Cheung Kwok Wai Elton.

As at 31 December 2020, the provision of personal guarantees by Mr. Lei Hong Wai and Mr. Cheung Kwok Wai Elton remained full force and effect.

- (f) On 22 October 2020, Mr. Lei Hong Wai provided a personal guarantee to secure the Group's repayment obligations under a securities margin financing facility of HK\$14,000,000 granted by a securities company. No consideration was paid by the Company to Mr. Lei Hong Wai for providing the personal guarantee. No security over the assets of the Group was provided for the personal guarantee given by Mr. Lei Hong Wai.

As at 31 December 2020, the provision of personal guarantee by Mr. Lei Hong Wai remained full force and effect.

Other than as disclosed above, no transaction, arrangement or contract of significance to which the Company or any of its subsidiaries was a party and in which a director or a connected entity of a director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

董事於重大交易、安排或合約之權益 (續)

- (d) 於二零二零年八月二十八日，李雄偉先生就本集團之短期資金需要提供資金而向其作出1,300,000港元現金墊款。現金墊款為免息及無抵押。

於二零二零年十二月三十一日，現金墊款1,300,000港元尚未償還。

- (e) 於二零二零年九月二十九日，李雄偉先生及張國偉先生分別提供個人擔保，以擔保本公司準時履行本公司於二零二零年九月二十九日根據日期為二零二零年九月二十五日之認購及票據工具協議發行之二零二一年到期之270,000,000港元13%擔保有抵押票據項下之責任。本公司概無就李雄偉先生及／或張國偉先生提供個人擔保支付代價，亦概無就李雄偉先生及／或張國偉先生提供之個人擔保提供本集團資產作為抵押。

於二零二零年十二月三十一日，李雄偉先生及張國偉先生提供之個人擔保維持十足效力及作用。

- (f) 於二零二零年十月二十二日，李雄偉先生提供個人擔保，以作為本集團於一間證券公司授予本集團14,000,000港元證券保證金財務融資下還款責任之抵押。本公司概無就李雄偉先生提供個人擔保支付代價，亦概無就李雄偉先生提供之個人擔保提供本集團資產作為抵押。

於二零二零年十二月三十一日，李雄偉先生提供之個人擔保維持十足效力及作用。

除上文所披露者外，於年終或年內任何時間，概無本公司或其任何附屬公司訂立而其董事或董事之關連實體直接或間接於其中擁有重大利益之重大交易、安排或合約仍然生效。

CONNECTED TRANSACTIONS

On 20 August 2018, 北京北湖九號商務酒店有限公司 (Beijing Bayhood No. 9 Business Hotel Company Limited, "**Bayhood No. 9 Co.**"), a wholly-owned subsidiary of the Company, as lender entered into the loan agreement between Mr. Guan Jialin, a director of certain subsidiaries of the Company, as borrower and Ms. Hao Yuhui, the spouse of Mr. Guan Jialin, as guarantor in relation to the granting of a loan in the principal amount of RMB25,000,000 (equivalent to HK\$28,532,000) for a term of 24 months commencing from 24 August 2018. The loan was interest bearing at 9% per annum, secured by a real estate mortgage over a residential property located in Beijing, Mainland China (the "**Property**") owned by Ms. Hao Yuhui, and maturing on 23 August 2020. The terms of the loan agreement were negotiated on an arm's length basis between Bayhood No. 9 Co. and Mr. Guan Jialin with reference to terms and conditions of the loan agreements entered into between the Group and its money lending customers.

On 20 September 2018, Bayhood No. 9 Co., Mr. Guan Jialin, and Ms. Hao Yuhui entered into a supplemental agreement relating to the amendment of the condition precedent of the loan agreement dated 20 August 2018. Pursuant to which, the loan agreement was conditional upon the real estate mortgage over the Property having been duly registered with 北京市順義區房屋管理局 (Real Estate Bureau of Beijing Shunyi District, the "**Real Estate Bureau**") by Mr. Yuan Huixia (as an agent of Bayhood No. 9 Co.) and Ms. Hao Yuhui. Mr. Yuan Huixia is a then director and legal representative of a wholly-owned subsidiary of the Company.

Concurrently, on 20 September 2018, Mr. Yuan Huixia executed an irrevocable undertaking in favour of Bayhood No. 9 Co., pursuant to which:

- (a) Mr. Yuan Huixia shall, on behalf of Bayhood No. 9 Co. and together with Ms. Hao Yuhui, register the real estate mortgage over the Property with the Real Estate Bureau;
- (b) in the event that Mr. Guan Jialin does not repay the loan in accordance with the loan agreement, Mr. Yuan Huixia shall sell the Property on the instruction of Bayhood No. 9 Co. and transfer the proceeds in full to Bayhood No. 9 Co.;

關連交易

於二零一八年八月二十日，本公司之全資附屬公司北京北湖九號商務酒店有限公司(「北湖9號公司」)(作為貸款人)與本公司若干附屬公司之董事關家麟先生(作為借款人)及關家麟先生之配偶郝玉慧女士(作為擔保人)已訂立貸款協議，內容有關授出本金額為人民幣25,000,000元(相等於28,532,000港元)之貸款，自二零一八年八月二十四日起計為期二十四個月。貸款按年利率9%計息，以郝玉慧女士擁有之位於中國內地北京之住宅物業(「物業」)之房地產按揭作抵押及於二零二零年八月二十三日到期。貸款協議之條款乃經北湖9號公司與關家麟先生公平磋商後協定，並參考本集團與其借貸客戶訂立之該等貸款協議之條款及條件。

於二零一八年九月二十日，北湖9號公司、關家麟先生與郝玉慧女士訂立補充協議，內容有關修訂日期為二零一八年八月二十日之貸款協議之先決條件，據此，貸款協議須待袁輝霞先生(作為北湖9號公司代理人)及郝玉慧女士向北京市順義區房屋管理局(「房屋管理局」)正式註冊物業之房地產按揭後方可作實。袁輝霞先生當時為本公司一間全資附屬公司之董事及法律代表。

同時，於二零一八年九月二十日，袁輝霞先生以北湖9號公司為受益人簽立一份不可撤銷承諾書，據此：

- (a) 袁輝霞先生代表北湖9號公司連同郝玉慧女士向房屋管理局註冊物業之房地產按揭；
- (b) 倘關家麟先生未能按貸款協議償還貸款，袁輝霞先生須按北湖9號公司之指示出售物業，並將所得款項全數轉讓予北湖9號公司；

CONNECTED TRANSACTIONS (Continued)

- (c) in the event that Bayhood No. 9 Co. proposes to change the mortgagee of the mortgage over the Property or terminate the mortgage, Mr. Yuan Huixia shall execute all necessary documents on the instruction of Bayhood No. 9 Co. to effect such change or termination; and
- (d) unless on the instruction of Bayhood No. 9 Co., Mr. Yuan Huixia shall not change the mortgagee of the mortgage over the Property, terminate the mortgage, or sell the Property.

As each of Mr. Guan Jialin, Ms. Hao Yuhui and Mr. Yuan Huixia was a connected person at the subsidiary level of the Company under Chapter 14A of the Listing Rules as at the date of the loan agreement, the entering into of the loan agreement (as supplemented by the supplemental agreement with the undertaking) constituted a connected transaction for the Company under Chapter 14A of the Listing Rules.

The directors (including all the independent non-executive directors) confirmed that the terms of the loan agreement (as supplemented by the supplemental agreement with the undertaking) were fair and reasonable, the transactions contemplated thereunder were on normal commercial terms and in the interests of the Company and its shareholders as a whole.

Announcements in respect of the loan agreement and the supplemental agreement with the undertaking were published on 20 August 2018 and 20 September 2018 respectively in accordance with Chapter 14A of the Listing Rules.

The loan agreement (as supplemented by the supplemental agreement with the undertaking) became unconditional on 26 September 2018 and the drawdown of the loan was made on 29 September 2018.

On 2 June 2020, Mr. Guan Jialin repaid the loan of RMB25,000,000 (equivalent to HK\$27,178,000) together with the accrued interest thereon of RMB599,000 (equivalent to HK\$651,000).

Other than as disclosed above, the Group had no connected transactions during the year.

MANAGEMENT CONTRACT

No contracts concerning the management and administration of the whole or any substantial part of any business of the Company were entered into or existed during the year.

關連交易(續)

- (c) 倘北湖9號公司擬更改物業按揭之承按人或終止按揭，袁輝霞先生須按北湖9號公司之指示簽立所有必要文件，致使該更改或終止生效；及
- (d) 除非獲北湖9號公司之指示，否則袁輝霞先生不得更改物業按揭之承按人、終止按揭或出售物業。

根據上市規則第14A章，由於關家麟先生、郝玉慧女士與袁輝霞先生各自於貸款協議日期於附屬公司層面上為本公司之關連人士，故訂立貸款協議(經補充協議及承諾書補充)構成上市規則第14A章項下本公司之關連交易。

董事(包括全體獨立非執行董事)已確認，貸款協議(經補充協議及承諾書補充)之條款屬公平合理，其項下擬進行之交易乃按正常商業條款訂立，且符合本公司及其股東之整體利益。

根據上市規則第14A章有關貸款協議以及補充協議及承諾書之公佈已分別於二零一八年八月二十日及二零一八年九月二十日刊發。

貸款協議(經補充協議及承諾書補充)於二零一八年九月二十六日成為無條件，且貸款於二零一八年九月二十九日已提取。

於二零二零年六月二日，關家麟先生償還貸款人民幣25,000,000元(相等於27,178,000港元)連同其應計利息人民幣599,000元(相等於651,000港元)。

除上文所披露者外，年內，本集團並無關連交易。

管理合約

於年內並無訂立或存續有關本公司整體或任何重大部份業務之管理及行政合約。

SUBSTANTIAL SHAREHOLDERS

As at 31 December 2020, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the Securities and Futures Ordinance shows that the following shareholders had notified the Company of relevant interests in the issued share capital of the Company.

Long positions

Ordinary shares of HK\$0.01 each of the Company

主要股東

於二零二零年十二月三十一日，本公司根據證券及期貨條例第336條存置之主要股東登記冊顯示，下列股東已就擁有本公司已發行股本之有關權益知會本公司。

好倉

本公司每股面值0.01港元之普通股

Name of shareholder 股東名稱/姓名	Notes 附註	Number of ordinary shares held and capacity 持有之普通股數目及身份			Total 總計	Percentage of the issued share capital of the Company 佔本公司 已發行股本 百分比
		Beneficial owner 實益擁有人	Person having a security interest in shares 於股份擁有 證券權益之人士	Held by controlled corporation(s) 受控制公司 持有之權益		
Twin Success	1 and 4 1及4	583,832,803	—	—	583,832,803	15.29%
Silver Pacific International Limited	1, 2 and 4 1、2及4	—	—	583,832,803	583,832,803	15.29%
Silver Pacific Development Limited	1, 3 and 4 1、3及4	—	—	583,832,803	583,832,803	15.29%
Mr. Lei Hong Wai 李雄偉先生	1, 2 and 4 1、2及4	408,740,000	—	583,832,803	992,572,803	25.99%
Mr. Cheung Kwok Wai Elton 張國偉先生	1, 3 and 4 1、3及4	—	—	583,832,803	583,832,803	15.29%
Mr. Cheung Kwok Fan 張國勳先生	1, 3 and 4 1、3及4	—	—	583,832,803	583,832,803	15.29%
Kingston Finance Limited 金利豐財務有限公司	4 and 5 4及5	—	583,832,803	—	583,832,803	15.28%
Ample Cheer Limited	4 and 5 4及5	—	—	583,832,803	583,832,803	15.28%
Best Forth Limited	4 and 5 4及5	—	—	583,832,803	583,832,803	15.28%
Ms. Chu Yuet Wah 李月華女士	4, 5 and 6 4、5及6	—	—	583,832,815	583,832,815	15.28%

SUBSTANTIAL SHAREHOLDERS (Continued)

Long positions (Continued)

Ordinary shares of HK\$0.01 each of the Company (Continued)

Notes:

1. Twin Success is owned as to 50% by Silver Pacific International Limited and as to 50% by Silver Pacific Development Limited.
2. Silver Pacific International Limited is wholly owned by Mr. Lei Hong Wai.
3. Silver Pacific Development Limited is owned as to 50% by Mr. Cheung Kwok Wai Elton and as to 50% by Mr. Cheung Kwok Fan.
4. On 5 June 2018, Twin Success pledged its 583,832,803 ordinary shares of the Company in favour of Kingston Finance Limited as security for a loan facility.
5. Kingston Finance Limited is a wholly-owned subsidiary of Ample Cheer Limited, which is owned as to 80% by Best Forth Limited and as to 20% by Insight Glory Limited. Ms. Chu Yuet Wah owns 100% interest in Best Forth Limited and Insight Glory Limited.
6. Out of the 583,832,815 ordinary shares of the Company, 12 ordinary shares are interested by Kingston Securities Limited. Kingston Securities Limited is a wholly-owned subsidiary of Galaxy Sky Investments Limited, which is wholly owned by Kingston Capital Asia Limited. Kingston Capital Asia Limited is wholly owned by Kingston Financial Group Limited. Active Dynamic Limited owns 49.19% interest in Kingston Financial Group Limited. Ms. Chu Yuet Wah owns 100% interest in Active Dynamic Limited.

Other than as disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 31 December 2020.

主要股東(續)

好倉(續)

本公司每股面值0.01港元之普通股(續)

附註：

1. Twin Success分別由Silver Pacific International Limited擁有50%權益及Silver Pacific Development Limited擁有50%權益。
2. Silver Pacific International Limited由李雄偉先生全資擁有。
3. Silver Pacific Development Limited分別由張國偉先生擁有50%權益及張國勳先生擁有50%權益。
4. 於二零一八年六月五日，Twin Success已以金利豐財務有限公司為受益人質押其583,832,803股本公司普通股，作為一項貸款融資之抵押。
5. 金利豐財務有限公司為Ample Cheer Limited之全資附屬公司，而Ample Cheer Limited由Best Forth Limited擁有80%權益及由Insight Glory Limited擁有20%權益。李月華女士擁有Best Forth Limited及Insight Glory Limited 100%權益。
6. 583,832,815股本公司普通股當中，金利豐證券有限公司於12股普通股擁有權益。金利豐證券有限公司為Galaxy Sky Investments Limited之全資附屬公司，而Galaxy Sky Investments Limited由Kingston Capital Asia Limited全資擁有。Kingston Capital Asia Limited由金利豐金融集團有限公司全資擁有。Active Dynamic Limited擁有金利豐金融集團有限公司49.19%權益。李月華女士擁有Active Dynamic Limited 100%權益。

除上文所披露者外，本公司並無獲知會於二零二零年十二月三十一日擁有本公司已發行股本之任何其他有關權益或淡倉。

CONFIRMATION OF INDEPENDENCE

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

INTERESTS IN COMPETITORS

- (a) Mr. Cheung Kwok Wai Elton is the chairman of the board of directors and an executive director of Global Mastermind Holdings Limited, a company listed on GEM operated by the Exchange (stock code: 8063) and engaged in the provision and operation of travel business, treasury management business, money lending business, and provision of securities, asset management and finance advisory services. Therefore, Global Mastermind Holdings Limited competes or is likely to compete, either directly or indirectly, with the Group's sale of financial assets and money lending businesses.
- (b) Mr. Cheung Kwok Wai Elton is the vice chairman of the board of directors and an executive director of China Healthwise Holdings Limited, a company listed on the Main Board of the Exchange (stock code: 348) and engaged in sales of Chinese health products, money lending business, and investment in financial instruments. Therefore, China Healthwise Holdings Limited competes or is likely to compete, either directly or indirectly, with the Group's sale of financial assets and money lending businesses.
- (c) Mr. Lei Hong Wai is the chairman of the board of directors and an executive director of China Healthwise Holdings Limited. Therefore, China Healthwise Holdings Limited competes or is likely to compete, either directly or indirectly, with the Group's sale of financial assets and money lending businesses.

獨立性確認書

本公司已收到各獨立非執行董事根據上市規則第3.13條所發出有關其獨立性之年度確認書。本公司認為全體獨立非執行董事均具獨立性。

於競爭對手之權益

- (a) 張國偉先生為環球大通集團有限公司(一間於聯交所GEM上市之公司, 股份代號: 8063, 並從事提供及經營旅遊業務、財資管理業務、放債業務, 以及提供證券、資產管理及財務諮詢服務)之董事會主席兼執行董事。因此, 環球大通集團有限公司為或可能成為本集團之銷售金融資產及借貸業務之直接或間接競爭對手。
- (b) 張國偉先生為中國智能健康控股有限公司(一間於聯交所主板上市之公司, 股份代號: 348, 並從事銷售中藥保健品、放債業務, 及投資金融工具)之董事會副主席兼執行董事。因此, 中國智能健康控股有限公司為或可能成為本集團之銷售金融資產及借貸業務之直接或間接競爭對手。
- (c) 李雄偉先生為中國智能健康控股有限公司之董事會主席兼執行董事。因此, 中國智能健康控股有限公司為或可能成為本集團之銷售金融資產及借貸業務之直接或間接競爭對手。

Directors' Report

董事會報告

PRE-EMPTIVE RIGHTS

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

RETIREMENT BENEFITS SCHEME

Details of the Group's retirement benefits scheme are set out in note 47 to the consolidated financial statements.

EMOLUMENT POLICY

The emolument policy for the employees of the Group is set up by the directors of the Company on the basis of their individual performance, qualifications and competence.

The emoluments of the directors of the Company are approved by the Board on the recommendation of the Remuneration Committee with reference to their duties and responsibilities in the Company.

The Company has adopted a share option scheme as an incentive to directors and eligible persons, details of the share option scheme are set out in note 46 to the consolidated financial statements.

SUFFICIENCY OF PUBLIC FLOAT

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

MAJOR CUSTOMERS AND SUPPLIERS

In 2020, the Group's largest customer and five largest customers accounted for 15.53% (2019: 12.27%) and 53.03% (2019: 49.97%) of its revenue from sales of goods or rendering of services respectively.

In 2020, the Group's largest supplier and five largest suppliers accounted for 86.20% (2019: 64.22%) and 97.03% (2019: 93.00%) of its purchases respectively.

At no time during the year did a director, a close associate of a director or a shareholder of the Company (which to the knowledge of the directors of the Company owns more than 5% of the number of issued shares of Company) have an interest in any of the Group's five largest customers or suppliers.

優先認購權

本公司之公司細則或百慕達法例並無有關優先認購權之條文，規定本公司須按比例向現有股東發售新股份。

退休福利計劃

本集團退休福利計劃之詳情載於綜合財務報表附註47。

酬金政策

本集團僱員之酬金政策由本公司董事按其個人表現、資歷及能力而訂立。

本公司董事之酬金經董事會按照薪酬委員會參考彼等於本公司之職務及職責所提出之建議而批准。

本公司已採納購股權計劃，作為對董事及合資格人士之獎勵，購股權計劃之詳情載於綜合財務報表附註46。

足夠公眾持股量

根據本公司於年報刊發前之最後實際可行日期能夠公開取得之資料及本公司董事之知情範圍內，本公司一直維持上市規則所規定之公眾持股量。

主要客戶及供應商

於二零二零年，本集團之最大客戶及五大客戶分別佔其銷售商品或提供服務收益15.53%（二零一九年：12.27%）及53.03%（二零一九年：49.97%）。

於二零二零年，本集團之最大供應商及五大供應商分別佔其採購額86.20%（二零一九年：64.22%）及97.03%（二零一九年：93.00%）。

於年內任何時間，概無本公司董事、董事之緊密聯繫人士或股東（就本公司董事所知擁有本公司已發行股份數目5%以上）於本集團任何五大客戶或供應商中擁有權益。

CHARITABLE DONATIONS

During the year, the Group did not make any charitable donations (2019: Nil).

AUDITORS

A resolution will be submitted to the annual general meeting to re-appoint HLB Hodgson Impey Cheng Limited as auditors of the Company.

This report was approved by the Board on 30 March 2021 and signed on its behalf by:

Lei Hong Wai
Chairman

慈善捐款

年內，本集團並無作出任何慈善捐款(二零一九年：無)。

核數師

一項決議案將於股東週年大會上提交以續聘國衛會計師事務所有限公司為本公司之核數師。

本報告由董事會於二零二一年三月三十日批准並由以下人士代表簽署：

主席
李雄偉

Biographical Details of Directors 董事履歷詳情

EXECUTIVE DIRECTORS

Mr. Lei Hong Wai, aged 53, was appointed as an executive director of the Company and the Chairman of the Board on 18 January 2010 and 1 February 2010, respectively. He is also the Chief Executive Officer of the Company. Mr. Lei is responsible for the development of the overall strategic planning and management of the Group. He has over 19 years of extensive experience in corporate management, investment and business development. He was a director of The Chamber of Hong Kong Listed Companies Limited, which promotes interaction amongst its members which are listed companies in Hong Kong and the People's Republic of China, in 2002. Mr. Lei is the chairman of the Nomination Committee of the Board and a member of the Remuneration Committee of the Board. He also holds directorships in certain subsidiaries and associates of the Company. Mr. Lei is also a director of Twin Success International Limited and Silver Pacific International Limited, the substantial shareholders of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Lei is currently the chairman of the board of directors and an executive director of China Healthwise Holdings Limited, a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Exchange") (stock code: 348) and an associate of the Company. Mr. Lei was the chairman of board of directors and an executive director of Man Sang International Limited, a company listed on the Main Board of the Exchange (stock code: 938), during the period from 31 March 2016 to 3 April 2018 and 26 June 2015 to 3 April 2018 respectively.

Mr. Cheung Kwok Wai Elton, aged 55, was appointed as an executive director of the Company on 1 February 2011. Mr. Cheung is responsible for the business development of the Group. He has over 31 years of experience in the area of corporate finance and securities industries. He holds a Master Degree in Accounting and Finance from the University of Lancaster in the United Kingdom. He also holds directorships in certain subsidiaries and an associate of the Company. Mr. Cheung is also a director of Twin Success International Limited and Silver Pacific Development Limited, the substantial shareholders of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Cheung is the elder brother of Mr. Cheung Kwok Fan, an executive director of the Company. Mr. Cheung is currently the chairman of the board of directors and an executive director of Global Mastermind Holdings Limited, a company listed on GEM operated by the Exchange (stock code: 8063) and an associate of the Company. Mr. Cheung is also the vice-chairman of the board of directors and an executive director of China Healthwise Holdings Limited, a company listed on the Main Board of the Exchange (stock code: 348) and an associate of the Company. Mr. Cheung was an executive director of Man Sang International Limited, a company listed on the Main Board of the Exchange (stock code: 938), during the period from 26 June 2015 to 3 April 2018.

執行董事

李雄偉先生，現年53歲，分別於二零一零年一月十八日及二零一零年二月一日獲委任為本公司執行董事及董事會主席。彼亦同時擔任本公司行政總裁。李先生負責本集團整體策略計劃之發展及管理。彼擁有逾19年企業管理、投資及業務發展之豐富經驗。於二零零二年，彼擔任香港上市公司商會有限公司之董事，該商會之工作為促進其成員公司（乃香港及中華人民共和國之上市公司）間之互動合作。李先生為董事會提名委員會主席及董事會薪酬委員會成員。彼亦於本公司之若干附屬公司及聯營公司擔任董事職務。李先生亦為本公司之主要股東（定義見證券及期貨條例第XV部）Twin Success International Limited及Silver Pacific International Limited之董事。李先生現為中國智能健康控股有限公司（一間於香港聯合交易所有限公司（「聯交所」）主板上市之公司及本公司之聯營公司，股份代號：348）之董事會主席兼執行董事。李先生分別於二零一六年三月三十一日至二零一八年四月三日及二零一五年六月二十六日至二零一八年四月三日期間曾任民生國際有限公司（一間於聯交所主板上市之公司，股份代號：938）之董事會主席及執行董事。

張國偉先生，現年55歲，於二零一一年二月一日獲委任為本公司執行董事。張先生負責監督本集團之業務發展。彼於企業融資領域及證券業擁有逾31年經驗。彼持有英國蘭卡斯特大學會計及財務碩士學位。彼亦於本公司若干附屬公司及一間聯營公司擔任董事職務。張先生亦為本公司之主要股東（定義見證券及期貨條例第XV部）Twin Success International Limited及Silver Pacific Development Limited之董事。張先生為本公司執行董事張國勳先生之兄長。張先生現為環球大通集團有限公司（一間於聯交所GEM上市之公司及本公司之聯營公司，股份代號：8063）之董事會主席兼執行董事。張先生亦為中國智能健康控股有限公司（一間於聯交所主板上市之公司及本公司之聯營公司，股份代號：348）之董事會副主席兼執行董事。張先生於二零一五年六月二十六日至二零一八年四月三日期間曾任民生國際有限公司（一間於聯交所主板上市之公司，股份代號：938）之執行董事。

EXECUTIVE DIRECTORS (Continued)

Mr. Chan Kin Wah Billy, aged 58, was appointed as an executive director of the Company on 18 January 2010. He has over 32 years of experience in accounting and financial control. He is a member of the Hong Kong Institute of Certified Public Accountants, a CPA member of CPA Australia and a non-practicing member of the Chinese Institute of Certified Public Accountants. He holds a Bachelor of Administration Degree from the University of Ottawa in Canada and a Master of Commerce Degree in Professional Accounting from the University of New South Wales in Australia. Mr. Chan is the chairman of the Finance Committee of the Board. Mr. Chan also holds directorships in five subsidiaries of the Company. He is the Company Secretary of the Company and certain subsidiaries of the Company.

Mr. Cheung Kwok Fan, aged 53, was appointed as the non-executive director on 31 August 2011 and redesignated as an executive director of the Company on 18 September 2014. Mr. Cheung is responsible for the overall management of the Group's design and sale of jewelry business. He holds directorships in three subsidiaries of the Company. Mr. Cheung has over 29 years' working experience in the field of architecture. He is a member of The Hong Kong Institute of Architects, a member of The Royal Australian Institute of Architects, Registered Architect in Hong Kong and an Authorised Person in the List of Architects. He obtained his Bachelor Degree of Arts in Architectural Studies from The University of Hong Kong in 1989 and a Bachelor Degree in Architecture from The University of Hong Kong in 1991. He was selected as an awardee of the Ten Outstanding Young Persons Selection organised by Junior Chamber of International Hong Kong in 2005. He has been teaching as a part-time position in the Architecture Subject Group of HKU School of Professional and Continuing Education since September 2009 and has been appointed as an Adjunct Lecturer since 1 January 2014. Mr. Cheung has been the director of his own architectural practice, Oritecture Limited, since 10 December 2009. He is the younger brother of Mr. Cheung Kwok Wai Elton, an executive director of the Company.

執行董事(續)

陳健華先生，現年58歲，於二零一零年一月十八日獲委任為本公司執行董事。彼擁有逾32年會計及財務監控之經驗。彼為香港會計師公會之會員、澳洲會計師公會之高級會員及中國註冊會計師協會之非執業會員。彼持有加拿大渥太華大學之工商管理學士學位及澳洲新南威爾斯大學之專業會計商學碩士學位。陳先生為董事會財務委員會主席。陳先生亦於本公司五間附屬公司擔任董事職務。彼為本公司及本公司若干附屬公司之公司秘書。

張國勳先生，現年53歲，於二零一一年八月三十一日獲委任為非執行董事，並於二零一四年九月十八日獲調任為本公司執行董事。張先生負責本集團珠寶設計及銷售業務之整體管理。彼於本公司三間附屬公司擔任董事職務。張先生於建築界擁有逾29年工作經驗。彼為香港建築師學會會員、澳洲皇家建築師學會會員、香港註冊建築師及認可人士(建築師名單)。彼於一九八九年取得香港大學建築學文學士學位，並於一九九一年取得香港大學建築學學士學位。彼曾於二零零五年獲國際青年商會香港總會選為十大傑出青年。自二零零九年九月起，彼於香港大學專業進修學院建築學科小組進行兼職教學，並自二零一四年一月一日起獲委任為客席講師。自二零零九年十二月十日起，張先生為建築原創室有限公司(其個人之建築師事務所)之董事。彼為本公司執行董事張國偉先生之胞弟。

Biographical Details of Directors 董事履歷詳情

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Wan Shing Chi, aged 51, has been appointed as an independent non-executive director since 25 May 2010. Mr. Wan is a member of the Remuneration Committee, the Nomination Committee and the Audit Committee of the Board. He has over 27 years of experience in the field of construction engineering and is currently a site coordinator of a reputable construction company in Hong Kong. He holds a Bachelor Degree of Engineering with honours from University of Melbourne, Australia and is a member of the Asia Institute of Building.

Mr. Ng Heung Yan, aged 50, has been appointed as an independent non-executive director since 31 August 2011. Mr. Ng is the chairman of the Remuneration Committee of the Board and a member of the Nomination Committee and the Audit Committee of the Board. He has over 23 years of experience in metal work engineering design and currently works as a project director in a private engineering company in Hong Kong. He was graduated from Monash University in Australia with a Bachelor Degree of Engineering (Industrial and Computing) in 1993.

Mr. Wong Tak Chuen, aged 56, has been appointed as an independent non-executive director since 7 November 2011. Mr. Wong is the chairman of the Audit Committee of the Board and a member of the Finance Committee of the Board. He is a fellow member of Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants in the United Kingdom, and the Institute of Chartered Accountants in England and Wales. He has over 31 years of experience in auditing, financial management, mergers and acquisitions gained from certain senior finance related positions in an international accounting firm in Hong Kong, companies listed in Hong Kong and a company listed in the United States of America. He is currently the finance director of a private company in Hong Kong. Mr. Wong is currently an independent non-executive director of Huanxi Media Group Limited (stock code: 1003) and China Healthwise Holdings Limited (stock code: 348), both of the companies are listed on the Main Board of the Exchange. Mr. Wong was an independent non-executive director of Man Sang International Limited, a company listed on the Main Board of the Exchange (stock code: 938), during the period from 12 July 2016 to 5 November 2018.

獨立非執行董事

尹成志先生，現年51歲，自二零一零年五月二十五日獲委任為獨立非執行董事。尹先生為董事會薪酬委員會、提名委員會及審核委員會成員。彼於建造工程方面擁有逾27年經驗，現為一間信譽良好之香港建築公司之工程主任。彼持有澳洲墨爾本大學工程榮譽學士學位，並為亞洲建造師學會成員。

吳向仁先生，現年50歲，自二零一一年八月三十一日獲委任為獨立非執行董事。吳先生為董事會薪酬委員會主席以及董事會提名委員會及審核委員會成員。彼於金屬工程設計方面擁有逾23年經驗，現於一間香港私營工程公司擔任項目總監。彼於一九九三年畢業於澳洲蒙那許大學，並持有工程學(工業及計算)學士學位。

黃德銓先生，現年56歲，自二零一一年十一月七日獲委任為獨立非執行董事。黃先生為董事會審核委員會主席及董事會財務委員會成員。彼分別為香港會計師公會、英國特許公認會計師公會及英格蘭和威爾士特許會計師協會之資深會員。彼過去曾於香港一間國際會計事務所、香港數間上市公司及美國一間上市公司擔任與財務有關之高級職位，期間於核數、財務管理、合併及收購方面累積逾31年經驗。彼現為一間香港私營公司之財務總監。黃先生現為歡喜傳媒集團有限公司(股份代號：1003)及中國智能健康控股有限公司(股份代號：348)之獨立非執行董事。兩間公司均於聯交所主板上市。黃先生於二零一六年七月十二日至二零一八年十一月五日期間曾任民生國際有限公司(一間於聯交所主板上市之公司，股份代號：938)之獨立非執行董事。



國衛會計師事務所有限公司
HODGSON IMPEY CHENG LIMITED

31st Floor	香港
Gloucester Tower	中環
The Landmark	畢打街11號
11 Pedder Street	置地廣場
Central	告羅士打大廈
Hong Kong	31樓

**INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF
ETERNITY INVESTMENT LIMITED**
(Incorporated in Bermuda with limited liability)

QUALIFIED OPINION

We have audited the consolidated financial statements of Eternity Investment Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 107 to 283, 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, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group 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 disclosure requirements of the Hong Kong Companies Ordinance.

獨立核數師報告
致 **ETERNITY INVESTMENT LIMITED**
(永恒策略投資有限公司*)股東
(於百慕達註冊成立之有限公司)

保留意見

吾等已審核載列於第107至283頁 Eternity Investment Limited (永恒策略投資有限公司*) (以下簡稱「貴公司」) 及其附屬公司 (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益表、綜合權益變動表及綜合現金流量表以及綜合財務報表附註，包括主要會計政策概要。

吾等認為，除吾等報告保留意見之基準一節所述事宜之潛在影響外，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之綜合財務狀況，及其截至該日止年度之綜合財務表現及綜合現金流量，並已遵照香港公司條例之披露規定妥為編製。

* 僅供識別

BASIS FOR QUALIFIED OPINION

Interests in associates

As disclosed in note 25 to the consolidated financial statements, the Group held 29.77% equity interest in Global Mastermind Holdings Limited (“**Global Mastermind**”) as at 31 December 2020. Global Mastermind and its subsidiaries (the “**Global Mastermind Group**”) are accounted for by the Group as associates of the Group using the equity method of accounting. The carrying amount of the Group’s interests in associates in the consolidated statement of financial position includes an amount of HK\$104,083,000 as at 31 December 2020 in respect of the Group’s share of net assets of the Global Mastermind Group as at 31 December 2020 and the Group’s share of results of associates in the consolidated statement of profit or loss and other comprehensive income includes an amount of HK\$76,484,000 and an amount of HK\$56,000 in respect of the Group’s share of loss and share of other comprehensive expense of the Global Mastermind Group respectively for the year ended 31 December 2020. In applying the equity method of accounting to the Group’s interests in the Global Mastermind Group, the Group has recognised its share of net assets of the Global Mastermind Group as at 31 December 2020 and its share of loss and other comprehensive expense of the Global Mastermind Group for the year then ended based on the consolidated financial statements of the Global Mastermind Group for the financial year ended 31 December 2020.

保留意見之基準

於聯營公司之權益

誠如綜合財務報表附註25所披露，於二零二零年十二月三十一日，貴集團持有環球大通集團有限公司（「環球大通」）之29.77%股權。環球大通及其附屬公司（「環球大通集團」）由貴集團以權益會計法入賬為貴集團之聯營公司。綜合財務狀況表內貴集團於聯營公司之權益之賬面值包括於二零二零年十二月三十一日有關貴集團於二零二零年十二月三十一日分佔環球大通集團資產淨值之金額104,083,000港元，而綜合損益及其他全面收益表內貴集團分佔聯營公司之業績包括有關貴集團截至二零二零年十二月三十一日止年度分佔環球大通集團之虧損及其他全面開支之金額分別76,484,000港元及56,000港元。就貴集團於環球大通集團之權益應用權益會計法時，貴集團已根據環球大通集團截至二零二零年十二月三十一日止財政年度之綜合財務報表確認其於二零二零年十二月三十一日分佔環球大通集團之資產淨值及截至該日止年度分佔環球大通集團之虧損及其他全面開支。

BASIS FOR QUALIFIED OPINION (Continued)

Interests in associates (Continued)

As disclosed in note (ii) in note 25 to the consolidated financial statements, Global Mastermind received a letter (the “**Letter**”) in December 2020 from Mr. Ma Chunlong (“**Mr. Ma**”) which the directors of Global Mastermind represented that the Letter was purportedly written for and on behalf of Solution Apex Investments Limited (“**Solution Apex**”), a company incorporated in the British Virgin Islands (the “**BVI**”) with limited liability and a wholly-owned subsidiary of Global Mastermind, alleging, among other things, that (a) Mr. Ma was appointed as the sole director of Solution Apex on 1 December 2020; and (b) Solution Apex made three payments to three parties (the “**Purported Three Parties**”) with the aggregate amount of HK\$47,534,000 in July 2020 (the “**Purported Payments to the Purported Three Parties**”). As represented by the directors of Global Mastermind, neither the directors of Global Mastermind nor Global Mastermind had known or met Mr. Ma before Global Mastermind received the Letter. Also, as represented by the directors of Global Mastermind, the sole director of Solution Apex had been Mr. Allan Yap (“**Mr. Yap**”) since 19 December 2014, and, until 1 December 2020 as described below, Global Mastermind had not received any notice from Mr. Yap about his bankruptcy; Mr. Yap was adjudged bankrupt by the High Court of Hong Kong on 3 August 2020. In respect of the above matters, the directors of Global Mastermind, in December 2020, enquired the directors of Durable Gold Investments Limited (“**Durable Gold**”) which is the immediate holding company of Solution Apex. Durable Gold is a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of Global Mastermind. The directors of Global Mastermind were notified, among other things, that (a) Mr. Yap had ceased to be the sole director of Solution Apex with effect from 1 December 2020; (b) Mr. Ma was appointed as the sole director of Solution Apex and was also appointed as a director of Durable Gold with effect from 1 December 2020; (c) the bank balance held by Solution Apex with the aggregate amount of HK\$47,534,000 was utilised for the Purported Payments to the Purported Three Parties around July 2020; and (d) the remaining bank balance of Solution Apex of HK\$11,231,000 was withdrawn entirely in August 2020 (“**Purportedly Unauthorised Cash Withdrawals**”).

保留意見之基準(續)

於聯營公司之權益(續)

誠如綜合財務報表附註25內附註(ii)所披露，於二零二零年十二月，環球大通接獲馬春龍先生(「馬先生」)於二零二零年十二月發出之函件(「該函件」)，環球大通董事表示，該函件聲稱乃為及代表 Solution Apex Investments Limited (「**Solution Apex**」)，一間於英屬處女群島(「英屬處女群島」)註冊成立之有限公司，並為環球大通之全資附屬公司)發出，聲稱(其中包括)(a)馬先生於二零二零年十二月一日獲委任為 Solution Apex 之唯一董事；及 (b) Solution Apex 於二零二零年七月向三名人士(「聲稱三名人士」)作出三筆付款，總額為 47,534,000 港元(「向聲稱三名人士作出聲稱付款」)。誠如環球大通董事所聲明，環球大通之董事及環球大通於環球大通接獲該函件前均不認識馬先生或曾與馬先生會面。此外，誠如環球大通董事所聲明，Solution Apex 之唯一董事自二零一四年十二月十九日起為葉家海先生(「葉先生」)，而如下文所述直至二零二零年十二月一日之前，環球大通並無接獲葉先生有關其破產之任何通知；葉先生於二零二零年八月三日被香港高等法院宣判為破產。就上述事項而言，環球大通董事於二零二零年十二月向 Solution Apex 之直接控股公司 Durable Gold Investments Limited (「**Durable Gold**」) 之董事作出查詢。Durable Gold 為一間於英屬處女群島註冊成立之有限公司，並為環球大通之全資附屬公司。環球大通董事獲告知(其中包括)(a)葉先生自二零二零年十二月一日起不再為 Solution Apex 之唯一董事；(b)馬先生自二零二零年十二月一日起獲委任為 Solution Apex 之唯一董事，亦獲委任為 Durable Gold 之董事；(c) Solution Apex 持有之銀行結餘總額 47,534,000 港元已於二零二零年七月左右用作向聲稱三名人士作出聲稱付款；及 (d) Solution Apex 之餘下銀行結餘 11,231,000 港元已於二零二零年八月全數提取(「聲稱未經授權現金提取」)。

BASIS FOR QUALIFIED OPINION (Continued)

Interests in associates (Continued)

As represented by the directors of Global Mastermind, the Purported Payments to the Purported Three Parties and the Purportedly Unauthorised Cash Withdrawals (collectively referred to as the “**Incidents**”) were carried out without the authorisation from the directors Global Mastermind. On 29 December 2020, the directors of Global Mastermind had resolved to (a) remove Mr. Ma as the director of Solution Apex and Durable Gold with the immediate effect and replace them with Global Mastermind’s designated persons; (b) instruct external legal advisers to commence legal proceedings to seek to recoup the Purported Payments from the Purported Three Parties and the Purportedly Unauthorised Cash Withdrawals and/or to seek damages and other remedies from individuals and entities against whom Global Mastermind may have causes of action as a result of the Incidents; (c) establish an internal investigation working team to investigate the Incidents and to oversee the progress of the actions to be carried out by the external legal advisers; (d) recognise a loss in respect of the Incidents of HK\$58,765,000 in the consolidated profit or loss of the Global Mastermind Group for the year ended 31 December 2020; and (e) enter into an agreement with an independent third party (the “**Purchaser**”) to dispose of Global Mastermind’s entire shareholdings in Solution Apex at a cash consideration of HK\$1 with an outcome sharing mechanism enabling Global Mastermind to retain any amount, recovering from the actions to be taken by the Purchaser against Mr. Yap, the Purported Three Parties or other individual and entities involved in the Incidents, at a distribution ratio of 99% to Global Mastermind and 1% to the Purchaser, details of which are set out in Global Mastermind’s announcement dated 29 December 2020.

保留意見之基準(續)

於聯營公司之權益(續)

誠如環球大通董事所聲明，向聲稱三名人士作出聲稱付款及聲稱未經授權現金提取(統稱為「該等事件」)乃在未經環球大通董事授權之情況下進行。於二零二零年十二月二十九日，環球大通董事已議決(a)即時罷免馬先生於Solution Apex及Durable Gold之董事職務，並以環球大通指定人士取代；(b)指示外部法律顧問展開法律訴訟，以尋求收回向聲稱三名人士作出聲稱付款及聲稱未經授權現金提取及／或因該等事件而導致環球大通可能對他們存在訴訟因由之個人和實體尋求賠償及其他法律救濟措施；(c)成立內部調查工作小組，以調查該等事件及監督外部法律顧問將採取之行動之進度；(d)環球大通集團於截至二零二零年十二月三十一日止年度之綜合損益表中就該等事件確認虧損58,765,000港元；及(e)與一名獨立第三方(「買方」)訂立協議，以現金代價1港元出售環球大通於Solution Apex之全部股權，並設立收益共享機制，讓環球大通保留從買方對葉先生、聲稱三名人士或其他涉及該等事件之個人及實體將採取之行動中收回之任何金額，並按照99%及1%之比例在環球大通及買方之間進行分配，詳情載於環球大通日期為二零二零年十二月二十九日之公佈。

BASIS FOR QUALIFIED OPINION (Continued)

Interests in associates (Continued)

Given the circumstances described above, we were unable to obtain sufficient appropriate audit evidence to satisfy ourselves in respect of the causes of the Incidents, and commercial substance and nature of the Purported Payments to the Purported Three Parties and the Purportedly Unauthorised Cash Withdrawals. Any adjustments that might have been found necessary to the loss in respect of the Incidents of HK\$58,765,000 recognised in consolidated profit or loss of the Global Mastermind Group for the year ended 31 December 2020 and the related elements in the consolidated financial statements of the Global Mastermind Group might have material effects on the financial position and financial performance of the Global Mastermind Group as at and for the year ended 31 December 2020. Consequently, as the Group accounts for its interests in the Global Mastermind Group on an equity method of accounting basis, we were unable to obtain sufficient appropriate audit evidence to satisfy ourselves that the Group's share of net assets of the Global Mastermind Group as at 31 December 2020 included in the carrying amount of the Group's interests in associates and the Group's share of loss and other comprehensive expense of the Global Mastermind Group for the year ended 31 December 2020 included in the Group's share of results of associates in the consolidated financial statements were free from material misstatements.

Any adjustments found to be necessary to the Group's share of net assets of the Global Mastermind Group as at 31 December 2020 and share of loss and other comprehensive expense of the Global Mastermind Group for the year ended 31 December 2020 referred to above may have consequential significant impacts on the loss and other comprehensive expense of the Group for the year ended 31 December 2020, the net assets of the Group as at 31 December 2020 and the related elements and disclosures thereof in the consolidated financial statements.

保留意見之基準(續)

於聯營公司之權益(續)

鑑於上述情況，吾等未能取得充足合適之審核憑證，以讓吾等信納該等事件之原因以及向聲稱三名人士作出聲稱付款及聲稱未經授權現金提取之商業實質及性質。倘發現需對環球大通集團截至二零二零年十二月三十一日止年度之綜合損益表確認之該等事件之虧損58,765,000港元及環球大通集團綜合財務報表之相關元素作出任何必要調整，則可能對環球大通集團於二零二零年十二月三十一日及截至該日止年度之財務狀況及財務表現造成重大影響。因此，由於貴集團按權益會計法將其於環球大通集團之權益入賬，吾等未能取得充足合適之審核憑證以令吾等信納貴集團於二零二零年十二月三十一日分佔環球大通集團之資產淨值(計入貴集團於聯營公司之權益之賬面值)及貴集團於截至二零二零年十二月三十一日止年度分佔環球大通集團之虧損及其他全面開支(計入貴集團於綜合財務報表之分佔聯營公司業績)並無重大錯誤陳述。

上文所述對貴集團於二零二零年十二月三十一日分佔環球大通集團之資產淨值及截至二零二零年十二月三十一日止年度分佔環球大通集團之虧損及其他全面開支作出之任何必要調整可能對貴集團截至二零二零年十二月三十一日止年度之虧損及其他全面開支、貴集團於二零二零年十二月三十一日之資產淨值及其於綜合財務報表之相關元素及披露造成相應重大影響。

Independent Auditors' Report

獨立核數師報告

BASIS FOR QUALIFIED OPINION (Continued)

Interests in associates (Continued)

We conducted our audit in accordance with Hong Kong Standards on Auditing (“**HKSA**s”) 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 qualified opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Basis for Qualified Opinion* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

保留意見之基準(續)

於聯營公司之權益(續)

吾等已根據香港會計師公會頒佈之香港審計準則(「香港審計準則」)進行審核。吾等根據該等準則之責任於本報告「核數師就審核綜合財務報表承擔之責任」一節中進一步詳述。根據香港會計師公會頒佈之《專業會計師道德守則》(「守則」)，吾等獨立於貴集團，並已履行守則中之其他專業道德責任。吾等相信，吾等所獲得之審核憑證能充足及合適地為吾等之保留意見提供基礎。

關鍵審核事項

關鍵審核事項為根據吾等的專業判斷，對吾等審核本期間的綜合財務報表最為重要的事項。該等事項於吾等審核整體綜合財務報表及出具意見時進行處理。吾等不會對該等事項提供個別意見。除保留意見之基準一節所述事項外，吾等已確定下述事項為報告中將溝通之關鍵審核事項。

KEY AUDIT MATTERS (Continued)

Key audit matter

關鍵審核事項

Valuation of investment properties

投資物業之估值

Refer to note 20 to the consolidated financial statements.

請參閱綜合財務報表附註20。

At 31 December 2020, the Group has investment properties with carrying amounts of HK\$140,000,000 and loss arising on change in fair value with an amount of HK\$19,200,000 recognised in profit or loss. 於二零二零年十二月三十一日，貴集團之投資物業賬面值為140,000,000港元，並於損益表確認公平值變動產生之虧損19,200,000港元。

The fair value of the Group's investment properties is determined by adopting the valuation techniques with assumptions of market conditions and judgement. The Group also engaged an independent qualified professional firm of valuers to establish and determine the appropriate valuation techniques.

貴集團投資物業之公平值乃採納使用市況假設及判斷之估值技術釐定。貴集團亦委聘一家獨立合資格專業估值師，以制定及釐定適當之估值技術。

Due to the key source of estimation uncertainty and the significant assumptions and judgement involved in the valuation, valuation of investment properties is identified as a key audit matter.

由於估計不確定性之主要來源及估值涉及之重大假設及判斷，投資物業估值識別為關鍵審核事項。

關鍵審核事項(續)

How our audit addressed the key audit matter

吾等的審核對關鍵審核事項的處理

Our audit procedures in relation to management's determination of the valuation of investment properties included: 吾等就管理層釐定投資物業估值之審核程序包括：

- evaluating the competence, capabilities and objectivity of the independent external valuers;
評估獨立外聘估值師之資格、能力及客觀性；
- assessing the appropriateness of the valuation methodologies, key assumptions and estimates used, based on our knowledge of the relevant industry and using our valuation experts; 根據吾等對相關行業之認識及動用吾等之估值專家，評價所用估值方法、關鍵假設及估計是否合適；
- challenging the reasonableness of key assumptions based on our knowledge of the business and industry; and 根據吾等對業務及行業之認識，質疑關鍵假設是否合理；及
- checking, on a sampling basis, the accuracy and relevance of the input data used.
抽樣查核所採用輸入數據之準確性及相關性。

We found the management judgement and estimates used to assess the fair value of investment properties were supportable by available evidence.

吾等發現管理層判斷及估計用於評估投資物業之公平值乃由可得證據所支持。

Independent Auditors' Report

獨立核數師報告

KEY AUDIT MATTERS (Continued)

Key audit matter (Continued)

關鍵審核事項(續)

Impairment assessment on loan receivables, trade receivables and other receivables

貴集團無形資產及商譽之減值評估

Refer to notes 26, 28 and 29 to the consolidated financial statements respectively.

請分別參閱綜合財務報表附註26、28及29。

At 31 December 2020, the Group had loan receivables, trade receivables and other receivables, net of allowance for credit losses, of HK\$772,921,000, HK\$29,554,000 and HK\$69,351,000 respectively. Management judgement was required in assessing and determining the recoverability of loan receivables, trade receivables and other receivables, and adequacy of allowance made.

於二零二零年十二月三十一日，貴集團之應收貸款、貿易應收款項及其他應收款項(扣除已確認之信貸虧損撥備後)分別為772,921,000港元、29,554,000港元及69,351,000港元。於評估及釐定應收貸款、貿易應收款項及其他應收款項之可收回性以及所作出撥備之充足性時，管理層須作出判斷。

In determining whether there was objective evidence of impairment loss, the Group took into consideration the credit history of the customers and the current market condition which may require management judgement.

於釐定是否有減值虧損之客觀證據時，貴集團考慮客戶之信貸記錄及現時市況，當中可能須要管理層作出判斷。

We focused on this area due to the impairment assessment of loan receivables, trade receivables, and other receivables under the expected credit losses model involved the use of significant judgement and estimates.

吾等專注於該領域乃由於預期信貸虧損模型項下應收貸款、貿易應收款項及其他應收款項之減值評估涉及使用重大判斷及估計。

關鍵審核事項(續)

How our audit addressed the key audit matter (Continued)

吾等的審核對關鍵審核事項的處理(續)

Our audit procedures in relation to the management's impairment assessment of loan receivables, trade receivables and other receivables included:

吾等就管理層就應收貸款、貿易應收款項及其他應收款項之減值評估之審核程序包括：

- discussing the Group's procedures on credit period given to customers with the management;
與管理層討論 貴集團向客戶授出信貸期之程序；
- checking, on a sample basis, the aging profile of the loan receivables, trade receivables and other receivables at 31 December 2020 to the underlying financial records and post year-end settlements to bank receipts;
按抽樣基準檢查相關財務記錄中於二零二零年十二月三十一日應收貸款、貿易應收款項及其他應收款項之賬齡及年結日後之銀行收款結算；

KEY AUDIT MATTERS (Continued)

Key audit matter (Continued)

關鍵審核事項(續)

Impairment assessment on loan receivables, trade receivables and other receivables (Continued)
貴集團無形資產及商譽之減值評估(續)

Refer to notes 26, 28 and 29 to the consolidated financial statements respectively. (Continued)
請分別參閱綜合財務報表附註26、28及29。(續)

關鍵審核事項(續)

How our audit addressed the key audit matter (Continued)

吾等的審核對關鍵審核事項的處理(續)

- inquiring management for the status of each of the material trade receivables past due at 31 December 2020 and corroborating explanations from management with supporting evidence, such as understanding on-going business relationship with the customers based on trade records, checking historical and subsequent settlement records of and other correspondence with the customers; and
向管理層查詢於二零二零年十二月三十一日逾期之各項重大貿易應收款項之情況，以及有確實證據支持之闡釋，例如根據交易記錄了解與客戶之持續業務關係、檢查與客戶之過往及其後結算記錄及其他聯繫；及
- assessing the appropriateness of the expected credit loss provisioning methodology, examining the key data inputs on a sample basis to assess their accuracy and completeness, and challenging the assumptions, including both historical and forward-looking information, used to determine the expected credit losses.
評估作出預期信貸虧損撥備方法的適合性、按抽樣基準審查主要輸入數據，以評估該等數據之準確性及完整性，並對用作釐定預期信貸虧損之假設提出質疑，包括過往及前瞻性資料。

We found the management judgement and estimates used to assess the recoverability of the loan receivables, trade receivables and other receivables and determine the impairment provision were supportable by available evidence.

吾等發現管理層判斷及估計用於評估應收貸款、貿易應收款項及其他應收款項可回收性及釐定減值撥備乃由可得證據所支持。

Independent Auditors' Report

獨立核數師報告

KEY AUDIT MATTERS (Continued)

Key audit matter (Continued)

關鍵審核事項(續)

Impairment assessment on the Group's intangible assets and goodwill

貴集團無形資產及商譽之減值評估

Refer to notes 22, 23 and 24 to the consolidated financial statements respectively.

請分別參閱綜合財務報表附註22、23及24。

The Group has intangible assets and goodwill of HK\$862,058,000 and HK\$289,841,000 respectively relating to the property investment segment at 31 December 2020. Management performed impairment assessment on intangible assets and goodwill and concluded that no impairment loss on intangible assets and goodwill was recognised. This conclusion was based on value in use model that required significant management judgement with respect to the discount rate and the underlying cash flows, in particular future revenue growth and capital expenditure. Independent external valuations were obtained in respect of the impairment assessment on intangible assets and goodwill in order to support management's estimates.

貴集團於二零二零年十二月三十一日之無形資產及商譽分別為862,058,000港元及289,841,000港元，乃與物業投資分部有關。管理層就無形資產及商譽進行減值評估，並得出結論，無形資產及商譽並無減值虧損須予確認。該結論乃基於使用價值模式，該模式要求涉及貼現率及相關現金流量，尤其是未來收益增長及資本支出之重大管理層判斷。為支持管理層之估計，已就無形資產及商譽之減值評估取得獨立外部估值。

We focused on this area due to the impairment assessment of intangible assets and goodwill involved the use of significant judgement and estimates.

吾等專注於該領域乃由於無形資產及商譽之減值虧損涉及使用重大判斷及估計。

關鍵審核事項(續)

How our audit addressed the key audit matter (Continued)

吾等的審核對關鍵審核事項的處理(續)

Our audit procedures in relation to the management's impairment assessment of intangible assets and goodwill included: 吾等就管理層就無形資產及商譽之減值評估之審核程序包括：

- evaluating the competence, capabilities and objective of the independent external valuers; 評估獨立外聘估值師之資格、能力及客觀性；
- assessing the appropriateness of the valuation methodologies, key assumptions and estimates used based on our knowledge of the relevant industry and using our valuation experts; 根據吾等對相關行業之認識及動用吾等之估值專家，評價所用估值方法、關鍵假設及估計是否合適；
- challenging the reasonableness of key assumptions based on our knowledge of the business and industry; and 根據吾等對業務及行業之認識，質疑關鍵假設是否合理；及
- checking, on sampling basis, the accuracy and relevance of the input data used. 抽樣查核所採用輸入數據之準確性及相關性。

We found the management judgement and estimates used to assess the recoverability of cash-generating unit and determine the impairment provision were supportable by available evidence.

吾等發現管理層判斷及估計用於評估現金產生單位可回收性及釐定減值撥備乃由可得證據所支持。

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditors' report thereon (the "Other Information").

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. As described in the *Basis for Qualified Opinion* section above, we were unable to obtain sufficient appropriate evidence about the carrying amount of the Group's interests in associates as at 31 December 2020 and the Group's share of results of associates for the year ended 31 December 2020. Accordingly, we are unable to conclude whether or not the Other Information is materially misstated with respect to this matter.

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

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

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

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

其他資料

董事對其他資料負責。其他資料包括年報所載之資料，但不包括綜合財務報表及其核數師報告（「其他資料」）。

吾等對綜合財務報表之意見並不涵蓋其他資料，且吾等並不就其發表任何形式之核證結論。

就吾等對綜合財務報表之審核之言，吾等之責任為閱覽其他資料，從而考慮其他資料是否與綜合財務報表或吾等於審核得知之情況有重大不符之處，或是否看似重大錯誤陳述。

倘根據吾等已履行之工作，吾等作出之結論為此其他資料有重大失實陳述，吾等須報告有關事實。誠如上文保留意見之基準一節所述，吾等未能取得有關 貴集團於二零二零年十二月三十一日於聯營公司之權益之賬面值及 貴集團於截至二零二零年十二月三十一日止年度分佔聯營公司之業績之充足合適審核憑證。因此，吾等無法就該事項確定其他資料是否有重大錯誤陳述。

董事及審核委員會就綜合財務報表承擔的責任

董事負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定編製真實及公平之綜合財務報表，並對董事釐定為使編製綜合財務報表不會因欺詐或錯誤而存有重大錯誤陳述而言屬必要之內部控制負責。

於編製綜合財務報表時，董事負責評估 貴集團之持續經營能力，並披露有關持續經營之相關事宜（視適合情況而定）及使用持續經營為會計基準，除非董事計劃清盤 貴集團或終止經營，或並無其他實際可行方法而如此行事。

審核委員會負責監控 貴集團之財務報告程序。

Independent Auditors' Report

獨立核數師報告

AUDITORS' 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 auditors' report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the content of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

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

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

核數師就審核綜合財務報表承擔的責任

吾等的目標為合理確定整體綜合財務報表是否存在因欺詐或錯誤而導致的任何重大錯誤陳述，並出具載有吾等意見的核數師報告。吾等按照百慕達公司法第90條僅向閣下全體報告意見，除此之外並無其他目的。吾等不會就本報告之內容向任何其他人士負上或承擔任何責任。合理確定屬高層次核證，惟無法擔保根據香港審計準則進行的審核工作總能發現所有存在的重大錯誤陳述。錯誤陳述可源於欺詐或錯誤，倘個別或整體於合理預期情況下可影響使用者根據本綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

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

- 識別及評估綜合財務報表因欺詐或錯誤而導致的重大錯誤陳述風險，因應此等風險設計及執行審核程序，獲得充足及適當審核憑證為吾等的意見提供基礎。由於欺詐涉及合謀串通、偽造、故意遺漏、誤導性陳述或凌駕內部控制，因此未能發現由此造成的重大錯誤陳述風險較未能發現由於錯誤而導致的重大錯誤陳述風險更高。
- 了解與審核有關的內部控制，以設計恰當的審核程序，但並非旨在對貴集團內部控制的有效程度發表意見。

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

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

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

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

核數師就審核綜合財務報表承擔的責任 (續)

- 評估所用會計政策是否恰當，以及董事所作會計估算及相關披露是否合理。
- 總結董事採用以持續經營為會計基礎是否恰當，並根據已獲取的審核憑證，總結是否有對貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘吾等總結認為存在重大不確定因素，吾等需於核數師報告中提請使用者注意綜合財務報表內的相關資料披露，或如果相關資料披露不足，則修訂吾等的意見。吾等的結論以截至核數師報告日期所獲得的審核憑證為基礎，惟未來事件或情況可能導致貴集團不再具有持續經營的能力。
- 評估綜合財務報表(包括資料披露)的整體列報、架構及內容，以及綜合財務報表是否已公平列報相關交易及事項。
- 就貴集團內各實體或業務活動的財務資料獲得充足的審核憑證，以就綜合財務報表發表意見。吾等須負責指導、監督及執行集團的審核工作。吾等須為吾等的審核意見承擔全部責任。

吾等與審核委員會就(其中包括)審核工作的計劃範圍及時間安排及重大審核發現，包括吾等於審核期間識別出內部監控的任何重大缺陷溝通。

吾等亦向審核委員會提交聲明，說明吾等已遵守有關獨立性的道德要求，並就所有被合理認為可能影響吾等的獨立性的關係及其他事宜、消除威脅所採取行動或所用防範措施(如適用)與彼等溝通。

Independent Auditors' Report

獨立核數師報告

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

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 auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement director on the audit resulting in this independent auditors' report is Hon Koon Fai, Alex.

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

Hon Koon Fai, Alex
Practising Certificate Number: P05029

Hong Kong, 30 March 2021

核數師就審核綜合財務報表承擔的責任 (續)

吾等從與審核委員會溝通的事項中，決定哪些事項對本期間綜合財務報表的審核工作最為重要，因而構成關鍵審核事項。除非法律或法規不容許公開披露此等事項，或於極罕有的情況下，吾等認為披露此等事項可合理預期的不良後果將超越公眾知悉此等事項的利益而不應於報告中披露，否則吾等會於核數師報告中描述此等事項。

出具本獨立核數師報告的審核項目董事為韓冠輝。

國衛會計師事務所有限公司
執業會計師

韓冠輝
執業證書號碼：P05029

香港，二零二一年三月三十日

Consolidated Statement of Profit or Loss

綜合損益表

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	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Revenue	收益	6	221,757	198,796
Cost of sales	銷售成本		(84,639)	(71,145)
Gross profit	毛利		137,118	127,651
Investment and other income	投資及其他收入	7	14,092	3,583
Other gains and losses	其他收益及虧損	8	122,071	(146,597)
Selling and distribution expenses	銷售及分銷開支		(3,410)	(5,876)
Allowance for credit losses on financial assets	金融資產之信貸虧損撥備	9	(198,470)	(8,372)
Administrative expenses	行政開支		(95,519)	(98,888)
Share of results of associates	應佔聯營公司業績		(98,176)	(32,992)
Loss from operations	經營虧損		(122,294)	(161,491)
Finance costs	融資費用	10	(54,278)	(48,891)
Loss before taxation	除稅前虧損		(176,572)	(210,382)
Income tax credit/(expense)	所得稅抵免/(開支)	11	35,547	(1,724)
Loss for the year	本年度虧損	12	(141,025)	(212,106)
Loss for the year attributable to:	以下人士應佔本年度虧損：			
Owners of the Company	本公司擁有人		(140,858)	(209,148)
Non-controlling interests	非控股權益		(167)	(2,958)
			(141,025)	(212,106)
Loss per share	每股虧損	16		
Basic (Hong Kong cents)	基本(港仙)		(3.69)	(5.48)
Diluted (Hong Kong cents)	攤薄(港仙)		(3.69)	(5.48)

The accompanying notes form an integral part of the consolidated financial statements.

隨附之附註構成本綜合財務報表之一部分。

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the year ended 31 December 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
Loss for the year	本年度虧損	(141,025)	(212,106)
Other comprehensive income/(expense) for the year, net of income tax	本年度其他全面收益／(開支)，扣除所得稅後		
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益表之項目：</i>		
Exchange differences arising on translating foreign operations	換算海外業務產生之匯兌差額	85,822	(22,861)
Reclassification adjustments for a foreign operation disposed of	出售海外業務之重新分類調整	(508)	—
Share of other comprehensive (expense)/income of an associate	應佔一間聯營公司之其他全面(開支)／收益	(88)	345
		85,226	(22,516)
Other comprehensive income/(expense) for the year, net of income tax	本年度其他全面收益／(開支)，扣除所得稅後	85,226	(22,516)
Total comprehensive expense for the year	本年度全面總開支	(55,799)	(234,622)
Total comprehensive expense for the year attributable to:	以下人士應佔本年度全面總開支：		
Owners of the Company	本公司擁有人	(55,270)	(231,773)
Non-controlling interests	非控股權益	(529)	(2,849)
		(55,799)	(234,622)

The accompanying notes form an integral part of the consolidated financial statements.

隨附之附註構成本綜合財務報表之一部分。

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2020 於二零二零年十二月三十一日

		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
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	18	654,528	496,171
Right-of-use assets	使用權資產	19	244,716	226,164
Investment properties	投資物業	20	140,000	159,200
Intangible assets	無形資產	22	862,058	829,696
Goodwill	商譽	23	289,841	272,324
Interests in associates	於聯營公司之權益	25	177,341	272,151
Deferred tax assets	遞延稅項資產	41	50,642	15,974
Prepayments and other receivables	預付款項及其他應收款項	29	25,441	201
Loan receivables	應收貸款	26	161,430	480,534
			2,605,997	2,752,415
Current assets	流動資產			
Inventories	存貨	27	32,993	36,515
Loan receivables	應收貸款	26	611,491	497,516
Trade receivables	貿易應收款項	28	29,554	39,864
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	29	96,360	126,738
Financial assets at fair value through profit or loss	按公平值計入損益表之金融資產	30	410,395	240,815
Tax recoverable	可收回稅項		—	243
Cash and cash equivalents	現金及現金等價物	31	54,125	140,550
			1,234,918	1,082,241
Total assets	資產總值		3,840,915	3,834,656
EQUITY	權益			
Share capital	股本	32	38,196	38,196
Reserves	儲備		2,330,465	2,385,735
Equity attributable to owners of the Company	本公司擁有人應佔權益		2,368,661	2,423,931
Non-controlling interests	非控股權益		(6,004)	(5,475)
Total equity	權益總額		2,362,657	2,418,456

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2020 於二零二零年十二月三十一日

		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
LIABILITIES	負債			
Current liabilities	流動負債			
Trade payables	貿易應付款項	33	7,961	5,510
Deposits received, accruals and other payables	已收按金、應計費用及其他應付款項	34	101,536	98,548
Receipts in advance	預收款項		35,480	21,024
Tax payables	應付稅項		84,966	88,695
Bank borrowings	銀行借款	35	162,465	155,720
Other borrowings	其他借款	36	254,315	200,000
Lease liabilities	租賃負債	37	3,042	742
Secured notes	擔保票據	38	250,000	299,841
Amount due to an associate	應付一間聯營公司款項	39	1,966	1,967
Amount due to a director	應付一名董事款項	40	1,300	—
			903,031	872,047
Non-current liabilities	非流動負債			
Deposit received and other payables	已收按金及其他應付款項	34	62,583	53,561
Lease liabilities	租賃負債	37	282,123	258,509
Deferred tax liabilities	遞延稅項負債	41	230,521	232,083
			575,227	544,153
Total liabilities	負債總額		1,478,258	1,416,200
Total equity and liabilities	權益及負債總額		3,840,915	3,834,656
Net current assets	流動資產淨值		331,887	210,194
Total assets less current liabilities	資產總額減流動負債		2,937,884	2,962,609

The consolidated financial statements on pages 107 to 283 were approved and authorised for issue by the board of directors on 30 March 2021 and are signed on its behalf by:

綜合財務報表第107至283頁已於二零二一年三月三十日經董事會批准及授權刊發，並由下列人士代表簽署：

Lei Hong Wai
李雄偉
Director
董事

Chan Kin Wah Billy
陳健華
Director
董事

The accompanying notes form an integral part of the consolidated financial statements.

隨附之附註構成本綜合財務報表之一部分。

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 the owners of the Company 本公司擁有人應佔										
		Share capital	Share premium	Capital reserve	Contributed surplus	Other reserve	Equity-settled share-based payment reserve	Exchange reserve	Retained profits	Sub-total	Non-controlling interests	Total
		股本	股份溢價	資本儲備	實繳盈餘	其他儲備	以股權結算之股份支款儲備	匯兌儲備	保留溢利	小計	非控股權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元 (附註 a)	千港元 (附註 b)	千港元	千港元 (附註 c)	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	38,196	1,807,051	17,761	404,663	20,228	9,063	(78,602)	437,344	2,655,704	(2,626)	2,653,078
Loss for the year	本年度虧損	-	-	-	-	-	-	-	(209,148)	(209,148)	(2,958)	(212,106)
Other comprehensive expense for the year	本年度其他全面開支	-	-	-	-	-	-	-	-	-	-	-
Share of other comprehensive income of associates	應佔聯營公司之其他全面收益	-	-	-	-	-	-	345	-	345	-	345
Exchange differences arising on translating foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	-	-	(22,970)	-	(22,970)	109	(22,861)
Total comprehensive expense for the year	本年度全面開支總額	-	-	-	-	-	-	(22,625)	(209,148)	(231,773)	(2,849)	(234,622)
Release on lapse of equity-settled share-based payment	以股權結算之股份支款失效時撥回	-	-	-	-	-	(9,063)	-	9,063	-	-	-
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	38,196	1,807,051	17,761	404,663	20,228	-	(101,227)	237,259	2,423,931	(5,475)	2,418,456
Loss for the year	本年度虧損	-	-	-	-	-	-	-	(140,858)	(140,858)	(167)	(141,025)
Other comprehensive expense for the year	本年度其他全面開支	-	-	-	-	-	-	-	-	-	-	-
Share of other comprehensive expense of an associate	應佔一間聯營公司之其他全面開支	-	-	-	-	-	-	(88)	-	(88)	-	(88)
Reclassification adjustments for a foreign operation disposed of	已出售海外業務之重新分類調整	-	-	-	-	-	-	(508)	-	(508)	-	(508)
Exchange differences arising on translating foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	-	-	86,184	-	86,184	(362)	85,822
Total comprehensive expense for the year	本年度全面開支總額	-	-	-	-	-	-	85,588	(140,858)	(55,270)	(529)	(55,799)
Derecognition of equity component of convertible bonds of an associate	取消確認一間聯營公司所持有之可換股債券之權益部分	-	-	-	-	(1,193)	-	-	1,193	-	-	-
At 31 December 2020	於二零二零年十二月三十一日	38,196	1,807,051	17,761	404,663	19,035	-	(15,639)	97,594	2,368,661	(6,004)	2,362,657

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:

(a) Capital reserve represents the difference of share capital and share premium of the subsidiaries and the nominal value of the 880 shares issued by Riche (BVI) Limited (formerly known as Ocean Shores (BVI) Limited) prior to the allotment of 120 shares to Classical Statue Limited and the amount arising from issue of share by a subsidiary.

(b) Contributed surplus represents the net amount transferred from share capital and share premium to retained profits pursuant to the special resolutions passed at the special general meetings held on 22 August 2003, 30 April 2008 and 12 December 2011.

Under the Company Act 1981 of Bermuda (as amended), the contributed surplus is available for distribution. However, the Company cannot make a distribution out of the contributed surplus if: (i) it is, or would after the payment be, unable to pay its liabilities as they become due; or (ii) the realisable value of its assets would thereby be less than its liabilities.

(c) Equity-settled share-based payment reserve represents the fair value of services estimated to be received in exchange for the grant of the relevant share options over the relevant vesting periods, the total of which is based on the fair value of the share options at grant date. The amount for each reporting period is determined by spreading the fair value of the share options over the relevant vesting periods (if any) and is recognised as staff costs and related expenses with a corresponding increase in equity-settled share-based payment reserve.

附註：

(a) 資本儲備指附屬公司之股本及股份溢價與向 Classical Statue Limited 配發 120 股股份前 Riche (BVI) Limited (前稱 Ocean Shores (BVI) Limited) 所發行之 880 股股份之面值及附屬公司發行股份所得款項之差額。

(b) 實繳盈餘指根據於二零零三年八月二十二日、二零零八年四月三十日及二零一一年十二月十二日舉行之股東特別大會上通過之特別決議案自股本及股份溢價轉撥至保留溢利之淨額。

根據百慕達一九八一年公司法(經修訂)，繳入盈餘可供分派。然而，於以下情況，本公司不得自繳入盈餘中作出分派：(i) 本公司當時或將於派付後無力償還到期而應償還之債項；或(ii) 本公司資產之可變現值將因而低於其負債。

(c) 以股權結算之股份支款儲備指於相關歸屬期內授出相關購股權以換取估計將接獲服務之公平值，其總額乃根據購股權於授出日期之公平值計算。各報告期之金額乃透過將購股權公平值於相關歸屬期(如有)內攤分釐定，並確認為員工成本及相關開支，而以股權結算之股份支款儲備作相應增加。

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
	Notes 附註			
OPERATING ACTIVITIES				
Loss before taxation		經營活動 除稅前虧損	(176,572)	(210,382)
<i>Adjustments for:</i>		就以下項目作出調整：		
Amortisation of intangible assets	12, 22	無形資產攤銷	19,895	20,092
Allowance for credit losses on loan receivables	9	應收貸款之信貸虧損撥備	197,432	4,474
Allowance for credit losses on other receivables	9	其他應收款項之信貸虧損撥備	723	3,842
Allowance for credit losses on trade receivables	9	貿易應收款項之信貸虧損撥備	315	56
Depreciation of property, plant and equipment	12, 18	物業、廠房及設備之折舊	22,885	22,994
Depreciation of right-of-use assets	12	使用權資產之折舊	2,773	2,586
Dividend income	7	股息收入	(330)	(670)
(Gain)/loss arising on change in fair value of financial assets at fair value through profit or loss	8	按公平值計入損益表之金融資產公平值變動產生之(收益)/虧損	(140,509)	80,487
Gain on disposal of a subsidiary	8	出售一間附屬公司之收益	(947)	—
Interest expenses	10	利息開支	54,278	48,891
Interest income on bank deposits	7	銀行存款之利息收入	(66)	(43)
Interest income on other receivables	7	其他應收款項之利息收入	(1,691)	(2,554)
Loss arising on change in fair value of investment properties	8, 20	投資物業公平值變動產生之虧損	19,200	16,400
Loss/(gain) on disposal of property, plant and equipment	8	出售物業、廠房及設備之虧損/(收益)	8	(72)
Loss of inventories	12	存貨虧損	4,914	—
Share of results of associates		應佔聯營公司業績	98,176	32,992
Written-off of property, plant and equipment	8	撇銷物業、廠房及設備	177	49,782

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

		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
Operating cash inflows before movements in working capital	營運資金變動前之經營現金流入		100,661	68,875
(Increase)/decrease in inventories	存貨(增加)/減少		(1,124)	857
Decrease in loan receivables	應收貸款減少		7,697	186,215
Decrease/(increase) in trade receivables	貿易應收款項減少/(增加)		9,995	(6,946)
Decrease in deposits, prepayments and other receivables	按金、預付款項及其他應收款項減少		6,974	48,923
Increase in financial assets at fair value through profit or loss	按公平值計入損益表之金融資產增加		(29,071)	(87,415)
Increase in trade payables	貿易應付款項增加		2,035	1,992
Increase/(decrease) in deposits received, accruals and other payables	已收按金、應計費用及其他應付款項增加/(減少)		8,264	(41,735)
Increase/(decrease) in receipts in advance	預收款項增加/(減少)		12,409	(36,239)
Cash generated from operations	營運產生之現金		117,840	134,527
Tax paid	已付稅項		(3,002)	—
Net cash generated from operating activities	經營活動產生之現金淨額		114,838	134,527
INVESTING ACTIVITIES	投資活動			
Dividend received	已收股息	7	330	670
Bank interest received	已收銀行利息	7	66	43
Interest on other receivables received	已收其他應收款項之利息		2,472	2,026
Net cash outflow from disposal of a subsidiary	出售一間附屬公司產生之現金流出淨額	43	(116)	—
Payments for acquisition of interest in an associate	就收購於一間聯營公司之權益付款		(3,453)	—
Proceed from disposal from property, plant and equipment	出售物業、廠房及設備所得款項		—	97
Purchase of property, plant and equipment and investment properties	購買物業、廠房及設備及投資物業		(144,801)	(27,021)
Net cash used in investing activities	投資活動所用之現金淨額		(145,502)	(24,185)

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

		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
FINANCING ACTIVITIES	融資活動			
Proceeds from bank borrowings	銀行借款所得款項		82,214	81,766
Proceeds from other borrowings	其他借款所得款項		54,315	—
Advance from an associate	一間聯營公司墊款		—	1,967
Advances from directors	董事墊款		2,500	45,000
Repayment to a director	還款予一名董事		(1,200)	(95,000)
Advance from a shareholder	一名股東墊款		—	7,200
Repayment to a shareholder	還款予一名股東		—	(7,200)
Repayment of bank borrowings	銀行借款還款		(75,469)	(83,247)
Repayment of secured notes	擔保票據還款		(50,000)	—
Repayment to an associate	一間聯營公司還款		(1)	—
Repayment of lease liabilities	租賃負債還款		(1,991)	(510)
Interest paid	已付利息		(61,322)	(56,195)
Net cash used in financing activities	融資活動所用之現金淨額		(50,954)	(106,219)
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)/增加淨額		(81,618)	4,123
Cash and cash equivalents at the beginning of the reporting period	報告期初之現金及現金等價物		140,550	140,628
Effect of foreign exchange rate changes	匯率變動之影響		(4,807)	(4,201)
Cash and cash equivalents at the end of the reporting period	報告期末之現金及現金等價物		54,125	140,550
Analysis of the balances of cash and cash equivalents	現金及現金等價物結餘分析			
Cash at bank and on hand	銀行及手頭現金	31	54,125	140,550

The accompanying notes form an integral part of the consolidated financial statements.

隨附之附註構成本綜合財務報表之一部分。

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 incorporated in Bermuda as an exempted company with limited liability and its issued shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Exchange”). The addresses of the registered office, and head 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 is investment holding. The principal activities of the Company’s subsidiaries (together with the Company, referred to as the “Group”) are sale of financial assets, property investment, money lending, and design and sale of jewelry products.

Details of the substantial shareholders of the Company are disclosed in the section headed “Substantial Shareholders” in the Directors’ Report of the annual report.

The consolidated financial statements are presented in thousands of units of Hong Kong dollar (HK\$’000), which is same as the functional currency of the Company.

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

Amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the *Amendments to References to the Conceptual Framework in HKFRS Standards* and the following amendments to HKFRSs issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2020 for the preparation of the consolidated financial statements:

Amendments to HKAS 1 and HKAS 8	Definition of Material
Amendments to HKFRS 3	Definition of a Business
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform

The application of the *Amendments to References to the Conceptual Framework in HKFRS Standards* and the amendments to HKFRSs in the current year had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in the consolidated financial statements.

1. 一般資料

本公司為於百慕達註冊成立之獲豁免有限公司，其已發行股份在香港聯合交易所有限公司（「聯交所」）主板上市。本公司之註冊辦事處以及總辦事處及主要營業地點之地址於年度報告之公司資料一節披露。

本公司之主要業務為投資控股。本公司之附屬公司（連同本公司統稱「本集團」）之主要業務為銷售金融資產、物業投資、借貸、以及設計及銷售珠寶產品。

本公司主要股東之詳情於年報內董事會報告中「主要股東」一節披露。

綜合財務報表以千港元（千港元）為單位呈列，與本公司之功能貨幣相同。

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂本

於本年度強制生效之香港財務報告準則修訂本

於本年度，本集團就編製綜合財務報表已首次應用香港財務報告準則中提述概念框架之修訂本及香港會計師公會所頒佈以下香港財務報告準則修訂本，上述香港財務報告準則修訂本對於二零二零年一月一日或之後開始之年度期間強制生效：

香港會計準則第1號及香港會計準則第8號（修訂本）	重大之定義
香港財務報告準則第3號（修訂本）	業務之定義
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號（修訂本）	利率基準改革

於本年度應用香港財務報告準則中提述概念框架之修訂本及香港財務報告準則修訂本對本集團於本年度及先前年度之財務狀況及表現及／或該等綜合財務報表所載之披露並無產生重大影響。

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 in issue but not yet effective

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

HKFRS 17	Insurance Contracts and the related Amendments ¹
Amendment to HKFRS 16	COVID-19-Related Rent Concessions ⁴
Amendments to HKFRS 3	Reference to the Conceptual Framework ²
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform – Phase ⁵
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) ¹
Amendments to HKAS 16	Property, Plant and Equipment – Proceeds before Intended Use ²
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract ²
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018-2020 ²

¹ Effective for annual periods beginning on or after 1 January 2023.

² Effective for annual periods beginning on or after 1 January 2022.

³ Effective for annual periods beginning on or after a date to be determined.

⁴ Effective for annual periods beginning on or after 1 June 2020.

⁵ Effective for annual periods beginning on or after 1 January 2021.

The directors of the Company anticipate that the application of the above new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

2. 應用新訂香港財務報告準則(「香港財務報告準則」)及其修訂本(續)

已頒佈但尚未生效之新訂香港財務報告準則及其修訂本

本集團並無提早應用以下已頒佈但尚未生效之新訂香港財務報告準則及其修訂本：

香港財務報告準則第17號	保險合約及相關修訂本 ¹
香港財務報告準則第16號(修訂本)	新型冠狀病毒相關租金寬減 ⁴
香港財務報告準則第3號(修訂本)	提述概念框架 ²
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(修訂本)	利率基準改革 – 第2階段 ⁵
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者與其聯營公司或合營企業之間之資產出售或注資 ³
香港會計準則第1號(修訂本)	流動或非流動負債分類以及香港詮釋第5號(二零二零年)之相關修訂 ¹
香港會計準則第16號(修訂本)	物業、廠房及設備 – 擬定用途前之所得款項 ²
香港會計準則第37號(修訂本)	虧損合約 – 履約成本 ²
香港財務報告準則(修訂本)	香港財務報告準則二零一八年至二零二零年之年度改進 ²

¹ 於二零二三年一月一日或之後開始之年度期間生效。

² 於二零二二年一月一日或之後開始之年度期間生效。

³ 於待定期限或之後開始之年度期間生效。

⁴ 於二零二零年六月一日或之後開始之年度期間生效。

⁵ 於二零二一年一月一日或之後開始之年度期間生效。

本公司董事預計應用上述新訂香港財務報告準則及其修訂本將不會於可見未來對綜合財務報表造成重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The consolidated financial statements have been prepared in accordance with HKFRSs which is a collective term that includes all applicable individual HKFRSs, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Exchange (the “**Listing Rules**”) and by the disclosure requirements of the Hong Kong Companies Ordinance.

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

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are accounted for in accordance with HKFRS 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

3. 主要會計政策概要

編製基準

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而編製，其包括所有適用個別香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋之統稱。就編製綜合財務報表而言，倘資料於合理預期情況下可影響主要使用者作出的決定，則該資料被視為重大。此外，綜合財務報表包括聯交所證券上市規則（「上市規則」）規定之適用披露事項及香港公司條例之披露規定。

綜合財務報表乃根據歷史成本基準編製，惟於各報告期末按公平值計量之投資物業及若干金融工具除外（於下述會計政策中闡述）。

歷史成本一般按交換貨品及服務所支付代價之公平值計量。

公平值是於計量日期市場參與者於有秩序交易中出售資產可收取或轉讓負債須支付之價格，而不論該價格是否直接可觀察得出或可使用其他估值技術估計。倘市場參與者於計量日期對資產或負債定價時會考慮資產或負債之特徵，則本集團於估計資產或負債之公平值時會考慮該等特徵。本綜合財務報表中作計量及／或披露用途之公平值乃按此基準釐定，惟屬於香港財務報告準則第2號以股份支款範圍之以股份形式支付之交易、根據香港財務報告準則第16號租賃入賬之租賃交易，以及與公平值有部分相似之處但並非公平值之計量，如香港會計準則第2號存貨之可變現淨值或香港會計準則第36號資產減值之使用價值除外。

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of preparation (Continued)

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

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

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

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

3. 主要會計政策概要(續)

編製基準(續)

非金融資產的公平值計量計入市場參與者透過使用其資產的最高及最佳用途或透過將資產出售予將使用其最高及最佳用途的另一名市場參與者而能夠產生經濟利益的能力。

對於按公平值交易並且相關估值技術將使用不可觀察輸入數據計量其後期間公平值之金融工具及投資物業，估值技術會作調整，以令估值技術的結果等於交易價格。

此外，就財務報告而言，公平值計量根據公平值計量輸入數據之可觀察程度及輸入數據對公平值計量整體之重要性分類為第1、第2或第3級，載述如下：

- 第1級輸入數據乃實體於計量日期可取得之相同資產或負債於活躍市場中所報價格(未經調整)；
- 第2級輸入數據乃資產或負債之可直接或間接觀察獲得之輸入數據(第1級所載報價除外)；及
- 第3級輸入數據乃資產或負債之不可觀察獲得之輸入數據。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation

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

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

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

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

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

3. 主要會計政策概要(續)

綜合基準

綜合財務報表包括本公司以及本公司及其附屬公司所控制之實體之財務報表。當本公司符合以下要素時，則取得控制權：

- 可對投資對象行使權力；
- 因參與投資對象業務而承擔浮動回報之風險或享有權利；及
- 有能力使用其權力影響其回報。

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投資對象擁有控制權。

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表及其他全面收益表，直至本集團不再控制有關附屬公司之日期為止。

損益表及其他全面收益表之每個項目乃歸屬於本公司擁有人及非控股權益。附屬公司之全面收益總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益產生虧絀結餘。

於必要時，將對附屬公司之財務報表作出調整，以令彼等之會計政策與本集團之會計政策一致。

有關本集團成員公司之間交易之所有集團內公司間之資產及負債、權益、收益、支出及現金流於綜合時悉數對銷。

附屬公司的非控股權益與本集團的權益分開呈列，指目前擁有權益的持有人可於相關附屬公司清盤時按比例取得相關附屬公司資產淨值部分。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Changes in Group's ownership interests in existing subsidiaries with change of control

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs).

Business combinations

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

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

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

3. 主要會計政策概要(續)

本集團於現有附屬公司擁有權益之變動(導致控制權變動)

倘若本集團失去對附屬公司之控制權，該附屬公司之資產及負債及非控股權益(如有)終止確認。收益或虧損於損益表內確認且以下列兩者間之差額計算：(i) 所收代價之公平值與任何保留權益之公平值總和及(ii)資產(包括商譽)之賬面值與本公司擁有人應佔之附屬公司之負債。過往在有關附屬公司之其他全面收益確認之所有金額均入賬，猶如本集團已直接出售附屬公司之相關資產或負債(即按適用之香港財務報告準則具體規定/准許重新分類至損益表或轉移至其他權益類別)。

業務合併

收購業務以收購法入賬。業務合併所轉讓代價以公平值計量，而公平值按本集團所轉讓資產、本集團對被收購方前擁有人所產生負債以及本集團就交換被收購方控制權所發行股本權益於收購日期的公平值總和計算。收購有關成本一般於產生時於損益表內確認。

於收購日期，所購入可識別資產及所承擔負債，按其公平值確認，但以下各項除外：

- 遞延稅項資產或負債及有關僱員福利安排之資產或負債分別遵循香港會計準則第12號*所得稅*及香港會計準則第19號*僱員福利*確認和計量；

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations (Continued)

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

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

3. 主要會計政策概要(續)

業務合併(續)

- 與被收購方以股份支款安排或為替代被收購方以股份支款安排而訂立之本集團以股份支款安排有關之負債或權益工具，於收購日期根據香港財務報告準則第2號以股份支款計量；
- 根據香港財務報告準則第5號持作出售非流動資產及已終止經營業務分類為持作出售之資產(或出售組合)按該準則計量；及
- 租賃負債按餘下租賃付款(定義見香港財務報告準則第16號)之現值確認及計量，猶如已收購租賃於收購日期為新租賃，惟以下情況之租賃除外：(a)租期於收購日期後12個月內結束；或(b)相關資產屬低價值。使用權資產乃按與相關租賃負債相同之金額確認及計量，並經調整以反映較市場條款有利或不利之租賃條款。

商譽按所轉讓代價、於被收購方任何非控股權益之金額及收購方過往所持被收購方股本權益(如有)公平值總和超出於收購日期所收購可識別資產及所承擔負債之淨額計量。倘於重新評估後，所收購可識別資產及所承擔負債之淨額超出所轉讓代價、於被收購方任何非控股權益之金額及收購方過往所持被收購方權益(如有)公平值之總和，差額即時於損益表確認為按議價購買收益。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations (Continued)

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

Goodwill

Goodwill arising on an acquisition of business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGUs") (or groups of CGUs) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

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

On disposal of the relevant CGU, the attributable amount of goodwill is included in the determination of the amount of the gain or loss on disposal.

3. 主要會計政策概要(續)

業務合併(續)

現有所有權權益及授權持有人於清盤時按比例分佔相關附屬公司資產淨值之非控股權益，其可初步按非控股權益按比例分佔被收購方可識別資產淨值之已確認數額或公平值計量。計量基準可按個別交易選擇。

商譽

因收購業務產生之商譽乃按成本(於收購業務當日確定)減累計減值虧損(如有)列值。

為進行減值測試，商譽乃分配至預期將從合併所帶來的協同效益中受惠的各個本集團的現金產生單位(「現金產生單位」)(或現金產生單位組合)，即就內部管理而言監管商譽之最低層次及不大於一個經營分部。

獲得商譽分配的現金產生單位(或現金產生單位組合)每年進行減值測試及每當有跡象顯示該單位可能出現減值時更為頻繁地進行減值測試。就於某一報告期間收購產生的商譽而言，獲得商譽分配的現金產生單位(或現金產生單位組合)於該報告期間結束前進行減值測試。倘可收回金額低於該單位的賬面值，則首先分配減值虧損以減低任何商譽的賬面值，然後按該單位(或現金產生單位組合)內各項資產的賬面值所佔比例分配至其他資產。

出售相關現金產生單位時，商譽之應佔金額乃計入釐定出售事項損益之金額。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the interests in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

Investments 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 over those policies.

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

3. 主要會計政策概要(續)

於附屬公司之投資

於附屬公司之投資按成本值扣除減值入賬。成本包括投資直接應佔成本。附屬公司之業績由本公司按已收及應收股息入賬。

倘於宣派股息期間，有關股息超過附屬公司之全面收益總額，或倘該投資於獨立財務報表之賬面值超過被投資方資產淨值(包括商譽)於綜合財務報表之賬面值，則於收取投資股息時，須對於附屬公司之權益作減值測試。

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。重大影響力為參與被投資方之財務及營運政策決定之權力，惟對該等政策並無控制權或共同控制權。

聯營公司的業績以及資產及負債以權益會計法於本綜合財務報表入賬。作會計權益法用途的聯營公司的財務報表乃按與本集團就同類交易及同類情況下事項的統一會計政策編製。根據權益法，於聯營公司之投資初步按成本於綜合財務狀況表內確認，並於其後就確認本集團應佔該聯營公司的損益及其他全面收益予以調整。聯營公司除損益及其他全面收益外之資產淨值變動不會列賬，除非該等變動導致本集團持有之所有權權益變動。當本集團應佔聯營公司的虧損超出本集團於該聯營公司的權益(包括實質上成為本集團於該聯營公司投資淨額一部分的任何長期權益)時，本集團終止確認其應佔之進一步虧損。僅於本集團已產生法定或推定責任，或已代表該聯營公司支付款項的情況下，方會確認額外虧損。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in associates (Continued)

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

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

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

3. 主要會計政策概要(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按權益法入賬。收購於聯營公司之投資時，投資成本超出本集團應佔該被投資方之可識別資產及負債之公平值淨額之任何數額確認為商譽，並計入該投資之賬面值。本集團所佔之可識別資產及負債之公平值淨額超出投資成本部分，在重新評估後，即時於投資收購期間於損益表內確認。

本集團評估是否存在客觀證據證明於一間聯營公司的權益可能減值。如有客觀證據，投資之全部賬面值(包括商譽)將視作單一資產並按香港會計準則第36號資產減值透過將其可收回金額(即使用價值和公平值減出售成本之較高者)與賬面值作比較以進行減值測試。任何已確認之減值虧損並不會分配至成為投資賬面值之一部分之任何資產(包括商譽)。倘投資之可收回金額其後回升，減值虧損之任何撥回會按照香港會計準則第36號確認。

當本集團不再對聯營公司擁有重大影響力時，則按出售於該被投資公司的全部權益入帳，所產生的收益或虧損於損益表中確認。倘本集團保留於前聯營公司之權益且該保留權益為香港財務報告準則第9號金融工具範疇內之金融資產，則本集團會於該日按公平值計量保留權益，而該公平值被視為於初步確認時之公平值。聯營公司之賬面值與任何保留權益及出售聯營公司相關權益之任何所得款項公平值間之差額，會於釐定出售該聯營公司之收益或虧損時入賬。此外，本集團會將先前在其他全面收益就該聯營公司確認之所有金額入賬，基準與該聯營公司直接出售相關資產或負債所需基準相同。因此，倘該聯營公司先前已於其他全面收益確認之收益或虧損，會於出售相關資產或負債時重新分類至損益表。本集團會於出售／部分出售相關聯營公司時將收益或虧損由權益重新分類至損益表(作為重新分類調整)。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in associates (Continued)

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

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

Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods, the provision of services or the use by others of the Group's assets under leases in the ordinary course of the Group's business.

Revenue from contracts with customers

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

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

3. 主要會計政策概要(續)

於聯營公司之投資(續)

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

倘集團實體與本集團之聯營公司進行交易，僅在聯營公司之權益與本集團無關之情況下，方會於本集團綜合財務報表中確認與聯營公司進行交易所產生之溢利及虧損。

收益及其他收入

於本集團的日常業務過程中，收入由本集團按銷售貨品、提供服務或他人使用本集團的租賃資產產生的收入分類為收益。

來自客戶合約之收益

本集團於(或就)履約責任完成時確認收益，即當特定履約責任下相關貨品或服務「控制權」已轉移至客戶。

履約責任指一項貨品或服務(或一組貨品或服務)或一系列大致相同之個別貨品或服務。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue and other income (Continued)

Revenue from contracts with customers (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 Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

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

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

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

For contracts that contain more than one performance obligations, the Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis.

3. 主要會計政策概要(續)

收益及其他收入(續)

來自客戶合約之收益(續)

倘符合以下其中一項準則，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情況而隨時間確認：

- 於本集團履約時，客戶同時取得並消耗本集團履約所提供之利益；
- 本集團於履約時產生或提升一項資產，而該資產於本集團履約時由客戶控制；或
- 本集團於履約時並無產生令本集團具有替代用途之資產，及本集團就迄今已履約部分強制執行付款。

否則，收益於客戶取得個別貨品或服務控制權之時按單一時間點確認。

合約資產指本集團就本集團已轉讓貨品或服務予客戶而收取尚未成為無條件代價之權利。其根據香港財務報告準則第9號評估減值。相反，應收款項指本集團收取代價之無條件權利，即代價付款到期前僅需時間推移。

合約負債指本集團就自客戶收取代價(或代價金額已到期)而本集團須轉讓貨品或服務予客戶之責任。與同一合約相關之合約資產及合約負債按淨額基準呈列入賬。

就包括超過一項履約責任之合約而言，本集團按相對單獨售價基準分配交易價格至各項履約責任。

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綜合財務報表附註

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue and other income (Continued)

Revenue and other income recognition policies

Further details of the Group's revenue and other income recognition policies are as follows:

(i) *Sales of jewelry products*

Revenue is recognised at a point in time when the customer takes possession of and accepts the products. If the products are a partial fulfilment of a contract covering other goods and, then the amount of revenue recognised is an appropriate proportion of the total transaction price under the contract, allocated between all the goods and services promised under the contract on a relative stand-alone selling price basis.

(ii) *Rental income from operating leases*

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable.

(iii) *Dividend*

Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

(iv) *Interest income*

Interest income is recognised as it accrues using the effective interest method. For financial assets measured at amortised cost that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset.

(v) *Sale of financial assets at fair value through profit or loss ("FVTPL")*

Sale of financial assets at FVTPL is accounted for on a trade date basis.

3. 主要會計政策概要(續)

收益及其他收入(續)

收益及其他收入確認政策

本集團收益及其他收入確認政策的進一步詳情如下：

(i) *銷售珠寶產品*

收益於客戶管有並接納產品時按單一時間點確認。倘該等產品為部分履行涵蓋其他貨品的合約，則確認收益的金額為合約項下交易總額的合適比例，按照相對獨立售價基準根據合約協定的所有貨品及服務之間分配。

(ii) *經營租賃的租金收入*

經營租賃項下的應收租金收入在租期所涵蓋的會計期間內，以等額在損益表內確認；但如有其他基準能更清楚地反映使用租賃資產所產生的收益模式則除外。所授予的租賃優惠在損益表確認為應收租賃淨付款總額的組成部分。

(iii) *股息*

上市投資項目之股息收入將於該項目的股價除息日確認。

(iv) *利息收入*

利息收入於產生時按實際利率法確認。就按攤銷成本計量且並無出現信貸減值之金融資產而言，實際利率用於該資產之賬面總值。

(v) *銷售按公平值計入損益表(「按公平值計入損益表」)之金融資產*

銷售按公平值計入損益表之金融資產按買賣日期基準入賬。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue and other income (Continued)

Revenue and other income recognition policies (Continued)

(vi) Membership income

Membership entrance fees represent non-refundable upfront registration fee for lifetime entitlement by members for using the golf facilities and enjoying certain privileges in other facilities in the club and are recognised on a reducing balance method for which the membership is granted and the reducing rate is based on historical usage pattern of existing members.

Taxation

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

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

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

3. 主要會計政策概要(續)

收益及其他收入(續)

收益及其他收入確認政策(續)

(vi) 會籍收入

會員入會費指預先繳納且不可退還的註冊費，以此獲得作為會員使用高爾夫設施及在會所享有若干其他設施待遇的終身權利，其於獲授會籍後以餘額遞減法確認。遞減率乃基於現有會員之過往使用模式而定。

稅項

所得稅開支指本期應繳稅項及遞延稅項之總和。

本期應繳稅項根據年內應課稅溢利計算。應課稅溢利有別於綜合損益表內呈報之「除稅前虧損」，因其不包括其他年度之應課稅或可扣稅收入或開支，亦不包括毋須課稅或不可扣稅項目。本集團之本期稅項之負債採用於報告期末已實施或大致已實施之稅率計算。

遞延稅項乃按綜合財務報表內資產及負債之賬面值與用以計算應課稅溢利之相關稅基間之暫時差額確認。遞延稅項負債一般就所有應課稅暫時差額確認。遞延稅項資產一般在有可能獲得可動用可扣減暫時差額之應課稅溢利時，就所有可扣減暫時差額確認。倘暫時差額乃因初步確認一宗交易(業務合併除外)中的資產及負債產生，且不影響應課稅溢利及會計溢利，則相關遞延稅項資產及負債不予確認。此外，倘暫時差額產生自初步確認商譽，則不確認遞延稅項負債。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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

3. 主要會計政策概要(續)

稅項(續)

遞延稅項負債按附屬公司投資及於聯營公司權益之相關應課稅暫時差額確認，惟倘本集團能控制暫時差額之撥回及暫時差額不大可能於可見將來撥回則除外。因該等投資及權益相關之可扣減暫時差額而產生之遞延稅項資產，僅於有可能獲得可供動用暫時差額之利益的足夠應課稅溢利且其預計可於可見將來撥回時確認。

遞延稅項資產之賬面值於各報告期末檢討，並扣減至當不再可能有足夠應課稅溢利可供收回所有或部分資產為止。

遞延稅項資產及負債按預期於清償負債或變現資產之期間適用之稅率計量，該稅率乃根據於報告期末已實施或大致已實施之稅率(及稅法)釐定。

遞延稅項負債及資產之計量反映本集團於報告期末預期收回或結清其資產及負債賬面值之方式可能會帶來之稅務後果。

就計量使用公平值模型計量之投資物業之遞延稅項而言，乃假設有關物業之賬面值可透過出售全部收回，該假設被駁回則除外。倘投資物業可折舊，而其所處業務模型之目標為於一段時間內使用投資物業所含之絕大部分經濟利益(而非透過出售)，則推翻該假設。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 *Income Taxes* requirements to right-of-use assets and lease liabilities separately. Temporary differences on initial recognition of the relevant right-of-use assets and lease liabilities are not recognised due to application of the initial recognition exemption. Temporary differences arising from subsequent revision to the carrying amounts of right-of-use assets and lease liabilities, resulting from remeasurement of lease liabilities and lease modifications, that are not subject to initial recognition exemption are recognised on the date of remeasurement or modification.

Current and deferred tax are recognised in profit or loss.

Property, plant and equipment

Property, plant and equipment including buildings held for use in the production or supply of goods or services, or for administrative purpose are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

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

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition.

3. 主要會計政策概要(續)

稅項(續)

就稅項扣減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單獨應用香港會計準則第12號*所得稅*之規定。由於應用初步確認豁免，於初步確認時並無確認相關使用權資產及租賃負債之暫時差額。因重新計量租賃負債及租賃修訂而於其後修訂使用權資產及租賃負債之賬面值所產生且不獲初步確認豁免之暫時差額，於重新計量或修訂日期予以確認。

本期及遞延稅項於損益表內確認。

物業、廠房及設備

物業、廠房及設備包括持作生產或供應貨品或服務之用或作行政用途之樓宇，乃按成本值減其後累計折舊及其後累計減值虧損(如有)於綜合財務狀況表列賬。

在建以作生產、供應或行政用途之物業按成本減任何已確認減值虧損列賬。成本包括使資產達到以管理層擬定方式營運所需之位置及狀況之任何直接應佔成本及就合資格資產而言，根據本集團之會計政策資本化之借貸成本。該等資產按與其他物業資產相同之基準，於該等資產可投入作擬定用途時開始計提折舊。

於本集團就包括租賃土地及樓宇部分之物業擁有權權益付款時，全部代價於初步確認時按相對公平值比例在租賃土地及樓宇部分之間分配。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment (Continued)

To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land is presented as “right-of-use assets” in the consolidated statement of financial position except for those that are classified and accounted for as investment properties under the fair value model. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

Depreciation is recognised so as to write off the cost of assets other than construction in progress 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. The principal annual rates are as follows:

Golf courses	3.33%
Buildings	3.33%-5%
Leasehold improvements	20%-33.33%
Office equipment	10%-33.33%
Motor vehicles	10%-25%
Furniture and fixtures	15%-33.33%
Plant and machineries	10%-33.33%

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Investment properties

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

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

3. 主要會計政策概要(續)

物業、廠房及設備(續)

於能可靠分配相關付款時，租賃土地之權益於綜合財務狀況表呈列為「使用權資產」，惟根據公平值模型分類為投資物業並以此入賬之該等權益除外。當代價不能於非租賃樓宇部分及相關租賃土地之不可分割權益之間可靠分配時，全部物業均分類為物業、廠房及設備。

資產(在建工程除外)之折舊按其估計可使用年期以直線法撇銷其成本減剩餘價值確認。估計可使用年期、剩餘價值及折舊方法乃於各報告期末檢討，任何估計變動之影響按未來適用法入賬。折舊之主要年率如下：

高爾夫球場	3.33%
樓宇	3.33%-5%
租賃物業裝修	20%-33.33%
辦公室設備	10%-33.33%
汽車	10%-25%
傢俬及裝置	15%-33.33%
廠房及機器	10%-33.33%

物業、廠房及設備項目乃於出售後或當預期持續使用該資產不會產生未來經濟利益時終止確認。出售或報廢物業、廠房及設備項目產生之任何收益或虧損乃按出售所得款項與資產賬面值之差額釐定，並於損益表確認。

投資物業

投資物業指持作賺取租金及／或資本增值之物業。

投資物業初步按成本計量，包括任何直接應佔開支。於初步確認後，投資物業按公平值計量，作出扣除任何預付或應計經營租賃收入之調整。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment properties (Continued)

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

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the property is derecognised.

Leases

Definition of a lease

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

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 based on the definition under HKFRS 16 at inception or modification date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

3. 主要會計政策概要(續)

投資物業(續)

投資物業公平值變動產生之收益及虧損於產生期間計入損益表。

投資物業於出售後或在投資物業永久不再使用及預期出售該等物業不會產生未來經濟利益時終止確認。投資物業終止確認產生之收益及虧損(按出售所得款項淨額與資產賬面值之差額計算)於該物業終止確認期間計入損益表。

租賃

租賃之定義

倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則為租賃或包含租賃。

就於初始應用日期或之後訂立或修改的合約而言，本集團根據香港財務報告準則第16號之定義於初始或修改日期評估該合約是否為租賃或包含租賃。除非合約的條款及條件其後出現變動，否則有關合約將不予重新評估。

本集團作為承租人

將代價分配至合約成分

就含有租賃成分以及一項或多項額外租賃或非租賃成分的合約而言，本集團將合約代價分配至各租賃成分，基準是租賃成分的相對獨立價格及非租賃成分的總獨立價格。

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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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

The Group as a lessee (Continued)

Short-term leases and leases of low-value assets

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

Right-of-use assets

The cost of right-of-use asset includes:

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

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

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

3. 主要會計政策概要(續)

租賃(續)

本集團作為承租人(續)

短期租賃及低價資產租賃

對於租期開始日期起計12個月或以內且不包含購買權租賃，本集團應用短期租賃確認例外情況。其亦應用低價資產租賃確認例外情況。短期租賃及低價資產租賃的租賃付款以直線法於租期內確認為開支。

使用權資產

使用權資產的成本包括：

- 租賃負債的初步計量金額；
- 於開始日期或之前作出的任何租賃付款，減任何已收租賃優惠；
- 本集團產生的任何初始直接成本；及
- 本集團於拆解及搬遷相關資產、復原相關資產所在場地或復原相關資產至租賃的條款及條件所規定的狀況時產生的成本估計。

本集團於租期結束時合理確定獲取相關租賃資產所有權的使用權資產自開始日期起至使用年期結束期間計提折舊。在其他情況下，使用權資產以直線法於其估計使用年期及租期(以較短者為準)內計提折舊。

本集團於綜合財務狀況表內將使用權資產呈列為單獨項目。

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

The Group as a lessee (Continued)

Refundable rental deposits

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

Lease liabilities

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

The lease payments include:

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

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

3. 主要會計政策概要(續)

租賃(續)

本集團作為承租人(續)

可退回租賃按金

已付可退回租賃按金乃根據香港財務報告準則第9號入賬，並按公平值初始計量。於初次確認時對公平值之調整被視為額外租賃付款，並計入使用權資產之成本。

租賃負債

於租賃開始日期，本集團按該日未付的租賃付款現值確認及計量租賃負債。倘租賃隱含的利率難以釐定，則本集團會使用租賃開始日期的增量借款利率計算租賃付款的現值。

租賃付款包括：

- 固定付款(包括實質性的固定付款)減任何應收租賃優惠；
- 視乎指數或比率而定並於開始日期使用該指數或比率初步計量的可變租賃付款；
- 根據剩餘價值擔保預期將支付的金額；
- 倘本集團合理確定行使選擇權，則購買權的行使價；及
- 於租期反映本集團會行使選擇權終止租賃時，終止租賃的相關罰款。

於開始日期後，租賃負債根據利息增長及租賃付款作出調整。

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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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

The Group as a lessee (Continued)

Lease liabilities (Continued)

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

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

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability 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. 主要會計政策概要(續)

租賃(續)

本集團作為承租人(續)

租賃負債(續)

倘出現以下情況，本集團會重新計量租賃負債(並對相關使用權資產作出相應調整)：

- 租期有所變動或行使購買選擇權的評估發生變化，在此情況下，相關租賃負債透過使用重新評估日期的經修訂貼現率貼現經修訂租賃付款而重新計量。
- 租賃付款因進行市場租金審閱後所得的市場租金比率變動而出現變動，在此情況下，相關租賃負債透過使用初始貼現率貼現經修訂租賃付款而重新計量。

本集團於綜合財務狀況表內將租賃負債呈列為單獨項目。

租賃修改

倘出現以下情況，本集團會將租賃修改作為一項單獨租賃入賬：

- 該項修改通過增加使用一項或多項相關資產的權利擴大了租賃範圍；及
- 該租賃代價增加，增加的金額相當於範圍擴大對應的單獨價格，加上為反映特定合約的實際情況而對單獨價格進行的任何適當調整。

就未作為一項單獨租賃入賬的租賃修改而言，本集團基於透過使用修改生效日期的經修訂貼現率貼現經修訂租賃付款的經修改租賃的租期重新計量租賃負債。

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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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

The Group as a lessee (Continued)

Lease modifications (Continued)

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group as lessor

Classification and measurement of leases

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

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

Allocation of consideration to components of a contract

The Group applies HKFRS 15 *Revenue from Contracts with Customers* to allocate consideration in a contract to lease and non-lease components. Non-lease components are separated from lease components on the basis of their relative stand-alone selling prices.

3. 主要會計政策概要(續)

租賃(續)

本集團作為承租人(續)

租賃修改(續)

本集團通過對相關使用權資產進行相應調整，對租賃負債之重新計量入賬。當已修改合約包含租賃成分及一個或多個額外租賃或非租賃成分時，本集團會根據租賃成分之相對獨立價格及非租賃成分之總獨立價格將已修改合約中之代價分配至各租賃成分。

本集團作為出租人

租賃分類及計量

本集團作為出租人之租賃分類為融資或經營租賃。當租賃之條款將擁有權之絕大部分風險及回報轉移至承租人時，合約分類為融資租賃。所有其他租賃則分類為經營租賃。

經營租賃之租金收入以直線法於相關租期內確認於損益表。磋商及安排經營租賃產生之初步直接成本乃計入租賃資產之賬面值，並以直線法於租期內確認為開支，惟根據公平值模型計量之投資物業除外。

將代價分配至合約成分

本集團應用香港財務報告準則第15號來自客戶合約之收益將合約之代價分配至租賃及非租賃成分。非租賃成分按其相對獨立售價予以分開。

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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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (Continued)

The Group as lessor (Continued)

Refundable rental deposits

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

Lease modification

Changes in considerations of lease contracts that were not part of the original terms and conditions are accounted for as lease modifications, including lease incentives provided through forgiveness or reduction of rentals.

The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

3. 主要會計政策概要(續)

租賃(續)

本集團作為承租人(續)

可退回租賃按金

已收可退回租賃按金乃根據香港財務報告準則第9號入賬，並按公平值初始計量。於初次確認時對公平值之調整被視為承租人之額外租賃付款。

租賃修改

並非屬原有條款及條件的租賃合約代價變動入賬為租賃修改，包括透過租金寬免或減租提供的租賃優惠。

本集團自修改生效日期將租賃修改入賬作為新租賃，並視有關原有租賃之任何預付或應計租賃付款為新租賃的租賃付款其中部分。

無形資產

獨立收購之無形資產

獨立收購的具有限可使用年期之無形資產，按成本值減累計攤銷及任何累計減值虧損列賬。具有限可使用年期之無形資產之攤銷按估計可使用年期以直線法確認。估計可使用年期及攤銷方法於各報告期末檢討，而任何估計變動之影響按未來適用法入賬。

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intangible assets (Continued)

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at cost less any accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in profit or loss when the asset is derecognised.

Impairment of property, plant and equipment, right-of-use assets and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of property, plant and equipment, right-of-use assets and intangible assets are estimated individually, when it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the CGU to which the asset belongs.

3. 主要會計政策概要(續)

無形資產(續)

業務合併中購入之無形資產

業務合併中購入並與商譽分開確認之無形資產，初步按其於收購日期之公平值(視為其成本值)確認。

初步確認後，於業務合併中購入之具有有限可使用年期之無形資產以與獨立收購之無形資產相同之基準，按成本值減任何累計攤銷及任何累計減值虧損呈報。

終止確認無形資產

無形資產於出售或預計不會從資產的使用或出售中獲得未來經濟利益時終止確認。因終止確認無形資產而產生之收益及虧損(按出售所得款項淨額與該資產賬面值之差額計算)，於終止確認該資產時於損益表確認。

物業、廠房及設備、使用權資產以及無形資產(商譽除外)減值

於各報告期末，本集團檢討其具有有限可使用年期之物業、廠房及設備、使用權資產以及無形資產之賬面值，以釐定是否有任何跡象顯示該等資產已出現減值虧損。倘存在任何該等跡象，則估計相關資產之可收回金額，以釐定減值虧損(如有)之程度。

物業、廠房及設備、使用權資產以及無形資產的可收回金額乃分別估計。當無法個別估計資產之可收回金額，則本集團估計該資產所屬現金產生單位之可收回金額。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of property, plant and equipment, right-of-use assets and intangible assets other than goodwill (Continued)

In testing a CGU for impairment, corporate assets are allocated to the relevant CGU when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the CGU or group of CGUs to which the corporate asset belongs, and is compared with the carrying amount of the relevant CGU or group of CGUs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a CGU) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or a 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. An impairment loss is recognised immediately in profit or loss.

3. 主要會計政策概要(續)

物業、廠房及設備、使用權資產以及無形資產(商譽除外)減值(續)

對現金產生單位進行減值測試時，倘可訂立合理而一致之分配基準，公司資產將分配至相關現金產生單位，否則將分配至可訂立合理而一致之分配基準之最小現金產生單位組合。可收回金額將按公司資產所屬之現金產生單位或現金產生單位組合釐定，並與相關現金產生單位或現金產生單位組合之賬面值進行比較。

可收回金額乃公平值減出售成本與使用價值兩者中之較高者。評估使用價值時，採用除稅前貼現率將估計未來現金流量貼現至其現值，該貼現率應反映當前市場對貨幣時間值及資產(或現金產生單位)特定風險(未來現金流量之估計未就該等風險作出調整)之評估。

倘資產(或現金產生單位)之可收回金額估計低於賬面值，則資產(或現金產生單位)之賬面值減至可收回金額。就不能按合理而一致之基準分配至現金產生單位之企業資產或部分企業資產而言，本集團比較現金產生單位組合(包括分配至該現金產生單位組合之企業資產或部分企業資產)之賬面值及該現金產生單位組合之可收回金額。分配減值虧損時，減值虧損首先會分配以減低任何商譽(如適用)的賬面值，然後再基於單位或該現金產生單位組合中各項資產的賬面值按比例分配至其他資產。資產的賬面值不得減少至低於公平值減出售成本(如可計量)、使用價值(如可釐定)及零(以最高者為準)。分配至資產的減值虧損數額按該單位的其他資產比例分配。減值虧損即時於損益表確認。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of property, plant and equipment, right-of-use assets and intangible assets other than goodwill (Continued)

When an impairment loss subsequently reverses, the carrying amount of the asset (or CGU or a group of CGUs) 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 a CGU or a group of CGUs) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined using the first-in, first-out or weighted average method as appropriate. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as cost of sales in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as cost of sales in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is offset against the cost of sales in the period in which the reversal occurs.

Financial instruments

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

3. 主要會計政策概要(續)

物業、廠房及設備、使用權資產以及無形資產(商譽除外)減值(續)

倘減值虧損於其後撥回，則將該資產(或現金產生單位或現金產生單位組合)之賬面值增至其可收回金額的經修訂估計值，惟增加後的賬面值不得超過該資產(或現金產生單位或現金產生單位組合)過往年度未確認減值虧損情況下所應釐定之賬面值。減值虧損撥回即時於損益表確認。

存貨

存貨按成本與可變現淨值之較低者列賬。已售存貨之成本乃酌情採用先入先出或加權平均法釐定。可變現淨值指存貨估計售價減完成之所有估計成本及作出銷售所需之成本。

所出售存貨之賬面值在相關收入確認期間內確認為銷售成本。任何存貨撇減至可變現淨值之金額及存貨之所有虧損，均在出現撇減或虧損期間內確認為銷售成本。因可變現淨值增加引致存貨的任何撇減撥回之金額，均在出現撥回期間內抵銷銷售成本。

金融工具

當集團實體成為工具合約條文之訂約方時，於綜合財務狀況表確認金融資產及金融負債所有以常規方式購入或出售之金融資產均按買賣日期／結算日期基準確認及終止確認。以常規方式購入或出售指須於市場規定或慣例所訂時限內交付資產之金融資產購入或出售。

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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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets at 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 at FVTPL are recognised immediately in profit or loss.

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

Interest/dividend incomes which are derived from the Group's ordinary course of business are presented as revenue or investment and other income.

Financial assets

Classification and subsequent measurement of financial assets

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

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

3. 主要會計政策概要(續)

金融工具(續)

除來自客戶合約之貿易應收款項根據香港財務報告準則第15號初始確認外，金融資產及金融負債初始按公平值計量。收購或發行金融資產及金融負債(按公平值計入損益表之金融資產除外)直接應佔之交易成本於初始確認時加入金融資產或金融負債之公平值或從中扣除(視情況而定)。直接產生自收購按公平值計入損益表之金融資產之交易成本即時於損益表確認。

實際利率法乃計算金融資產或金融負債之攤銷成本及按有關期間攤分利息收入及利息支出之方法。實際利率乃於初步確認時將估計日後現金收入及支出(包括所支付及收取構成整體實際利率之所有費用、交易成本及其他溢價或折讓)按金融資產或金融負債之預期使用年期，或較短期間(倘合適)準確貼現至賬面淨值之利率。

本集團日常業務過程中產生之利息／股息收入呈列為儲備或投資及其他收入。

金融資產

金融資產之分類及其後計量

符合以下條件之金融資產其後按攤銷成本計量：

- 該金融資產為在以持有資產以收取合約現金流量為目標的業務模式下持有；及
- 合約條款在特定日期產生的現金流僅為支付本金及未償本金的利息。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (“FVTOCI”):

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

All other financial assets are subsequently measured at FVTPL.

A financial asset is classified as held for trading if:

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

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

3. 主要會計政策概要(續)

金融工具(續)

金融資產(續)

金融資產之分類及其後計量(續)

滿足以下條件的金融資產其後按公平值計入其他全面收益(「按公平值計入其他全面收益」)而計量：

- 該金融資產為在以出售及收取合約現金流量為目標的業務模式下持有；及
- 合約條款在特定日期產生的現金流僅為支付本金及未償本金的利息。

所有其他金融資產其後均以按公平值計入損益表計量。

倘出現下列情況，金融資產被歸類為持作買賣：

- 購入金融資產主要是為於短期內出售；或
- 於初步確認時，其構成本集團合併管理之金融工具之確定組合之一部份及具有最近實際短期獲利模式；或
- 為未被指定及可有效作為對沖工具之衍生工具。

此外，倘能消除或大幅減低會計錯配，則本集團可不可撤回地指定須按攤銷成本或按公平值計入其他全面收益計量之金融資產，以按公平值計入損益表計量。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

(i) Amortised cost and interest income

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

(ii) Financial assets at FVTPL

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

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

3. 主要會計政策概要(續)

金融工具(續)

金融資產(續)

金融資產之分類及其後計量(續)

(i) 攤銷成本及利息收入

對於隨後以攤銷成本計量的金融資產，利息收入乃使用實際利率法確認。利息收入乃根據對金融資產的總賬面值應用實際利率計算，惟隨後出現信貸減值的金融資產除外(見下文)。對於隨後出現信貸減值的金融資產，利息收入乃根據對下個報告期金融資產的攤銷成本應用實際利率確認。倘於隨後的報告期間，信貸減值金融工具的信貸風險有所好轉，使該金融資產不再信貸減值，利息收入自釐定資產不再出現信貸減值後的報告期初起，根據對金融資產的總賬面值應用實際利率確認。

(ii) 按公平值計入損益表之金融資產

並不符合按攤銷成本或按公平值計入其他全面收益計量或指定為按公平值計入其他全面收益計量的準則的金融資產乃按公平值計入損益表計量。

按公平值計入損益表之金融資產按於各報告期末的公平值計量，而任何公平值收益或虧損均於損益表內確認。於損益表內確認的收益或虧損淨額並不包括就金融資產賺取的任何股息或利息，並計入「投資及其他收入」項目內。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets

The Group recognises a loss allowance for expected credit loss (“ECL”) on financial assets which are subject to impairment under HKFRS 9 (including loan receivables, trade receivables, deposits and other receivables and bank balances). The amount of ECL is updated at the end of each reporting period to reflect changes in credit risk since initial recognition.

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

The Group always recognises lifetime ECL for trade receivables without significant financing component. The ECL on these assets are assessed on an individual basis.

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

3. 主要會計政策概要(續)

金融工具(續)

金融資產(續)

金融資產之減值

本集團就根據香港財務報告準則第9號可予減值的金融資產(包括應收貸款、貿易應收款項、按金及其他應收款項及銀行結餘)的預期信貸虧損(「預期信貸虧損」)確認虧損撥備。預期信貸虧損的金額於各報告期末更新，以反映自初始確認以來的信貸風險變動。

全期預期信貸虧損指於相關工具的預期年期內所有可能違約事件將產生的預期信貸虧損。反之，12個月預期信貸虧損指預期於報告日期後12個月內可能違約事件預期將產生的全期預期信貸虧損的一部分。評估乃按本集團過往信貸虧損的經驗進行，並就債務人、整體經濟情況及評估於報告期末的當前情況及對未來情況的預測的特定因素作出調整。

本集團經常就並無重大融資部分之貿易應收款項確認全期預期信貸虧損。該等資產的預期信貸虧損乃按個別基準評估。

就所有其他工具而言，本集團計量的虧損撥備相等於12個月預期信貸虧損，除非當信貸風險自初始確認起出現重大增加，則本集團會確認全期預期信貸虧損。對應否確認全期預期信貸虧損的評估乃按自初始確認起發生違約的可能性或風險大幅增加而進行。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting period with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

3. 主要會計政策概要(續)

金融工具(續)

金融資產(續)

金融資產之減值(續)

(i) 信貸風險大幅增加

於評估信貸風險自初始確認以來是否大幅增加時，本集團比較於報告期間就金融工具發生違約的風險與於初始確認日期就金融工具發生違約的風險。於作出此評估時，本集團考慮屬合理及可支持的定量及定質資料，包括過往經驗及在並無繁重成本或工作下可得的前瞻性資料。

尤其是，於評估信貸風險是否已大幅增加時已計入下列資料：

- 金融工具的外部(如有)或內部信貸評級的實際或預期嚴重轉差；
- 信貸風險的外部市場指標嚴重轉差(如債務人的信貸息差及信貸違約掉期價格大幅增加)；
- 預期導致債務人滿足其債務責任的能力大幅減少的業務、財務或經濟狀況的現有或預測不利變動；
- 債務人的經營業績實際或預期嚴重轉差；
- 債務人所在的監管、經濟或科技環境的實際或預期重大不利變動，導致債務人滿足其債務責任的能力大幅減少。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(i) Significant increase in credit risk (Continued)

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 180 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

3. 主要會計政策概要(續)

金融工具(續)

金融資產(續)

金融資產之減值(續)

(i) 信貸風險大幅增加(續)

不論上述評估的結果，當合約付款已逾期超過180日，本集團會假定信貸風險自初始確認起大幅增加，除非本集團具有合理及可支持資料展示相反情況。

就財務擔保合約而言，本集團成為不可撤回承擔一方之日期被視為就財務工具減值評估進行初始確認之日期。於評估信貸風險自財務擔保合約初步確認以來是否顯著上升時，本集團會考慮指定債務人違背合約之風險之變動。

本集團定期監察用以確定信貸風險曾否顯著增加的標準的成效，並於適當時候作出修訂，從而確保有關標準能夠於款項逾期前確定信貸風險顯著增加。

(ii) 違約之定義

就內部信貸風險管理目的而言，本集團於內部產生或獲取自外部來源的資料表明，債務人不太可能向債權人(包括本集團)全額還款(不考慮本集團持有的任何抵押品)時，視為發生違約事件。

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(ii) Definition of default (Continued)

Irrespective of the above, the Group considers that default has occurred when (i) a trade receivable is more than 240 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate, and (ii) the credit quality of a loan receivable is classified as underperforming or non-performing in accordance with the Group's credit rating system.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

3. 主要會計政策概要(續)

金融工具(續)

金融資產(續)

金融資產之減值(續)

(ii) 違約之定義(續)

儘管有上述分析，本集團認為發生違約，倘(i)貿易應收款項逾期超過240日時，除非本集團有合理且可支持的資料證明更滯後的違約標準屬更合適，及(ii)應收貸款之信貸質素根據本集團之信貸評級系統被分類為不良或不履行。

(iii) 信貸減值之金融資產

當發生對金融資產估計未來現金流量有不利影響之一個或多個違約事件時，金融資產產生信貸減值。金融資產信貸減值之證據包括以下事項之可觀察數據：

- 發行人或借款人出現嚴重財政困難；
- 違反合約，如拖欠或逾期事件；
- 借款人之貸款人出於與借款人財務困難有關的經濟或合同考慮，給予借款人在任何其他情況下都不會做出的讓步；
- 借款人有可能破產或進行其他財務重組；或
- 因財政困難而導致該金融資產失去活躍市場。

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of (i) trade receivables, when the amounts are over 270 days past due, (ii) loan receivables, when the credit quality are classified as non-performing in accordance with the Group's credit rating system, and (iii) other receivables, when the other receivables become credit-impaired financial assets, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. The Group uses a practical expedient in estimating ECL on trade receivables using a provision matrix taking into consideration historical credit loss experience, adjusted for forward looking information that is available without undue cost or effort.

3. 主要會計政策概要(續)

金融工具(續)

金融資產(續)

金融資產之減值(續)

(iv) 撇銷政策

當有資料顯示交易對手陷入嚴重財困，且並無實際收回的可能之時（例如交易對手已清算或進入破產程序時，或倘為(i)貿易應收款項，該等金額逾期超過270日，(ii)應收貸款，根據本集團信貸評級系統其信貸質素分類為不履行，及(iii)其他應收款項，而其他應收款項成為信貸減值金融資產，以較早發生者為準），本集團會撇銷金融資產。已撇銷的金融資產仍可根據本集團的收回程序實施強制執行，在適當情況下考慮法律意見。撇銷構成終止確認事件。任何其後收回款項會於損益表中確認。

(v) 預期信貸虧損的計量及確認

預期信貸虧損的計量為違約概率、違約損失率（即違約時的損失程度）及違約風險暴露的函數。評估違約概率及違約損失率的依據是過往數據，並按前瞻性資料調整。預期信貸虧損之估計反映無偏頗及概率加權之數額，其乃根據加權之相應違約風險而釐定。經考慮過往信貸虧損經驗（其已就無需付出過多成本或努力即可得的前瞻性資料作出調整），本集團使用一項可行權宜方法透過使用撥備矩陣估計貿易應收款項的預期信貸虧損。

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(v) Measurement and recognition of ECL (Continued)

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Lifetime ECL for trade receivables are considered on a collective basis taking into consideration past due information and relevant credit information such as forward looking macroeconomic information.

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

For financial guarantee contracts, the loss allowances are recognised at the higher of the amount of the loss allowance determined in accordance with HKFRS 9; and the amount initially recognised less, where appropriate, cumulative amount of income recognised over the guarantee period.

3. 主要會計政策概要(續)

金融工具(續)

金融資產(續)

金融資產之減值(續)

(v) 預期信貸虧損的計量及確認(續)

一般而言，預期信貸虧損估計為根據合約到期支付予本集團的所有合約現金流量與本集團預期收取的所有現金流量之間的差異，並按於初始確認時釐定的實際利率貼現。

貿易應收款項的全期預期信貸虧損經考慮逾期資料及前瞻性宏觀經濟資料等相關信貸資料按綜合基準考量。

就綜合評估而言，本集團於制定分組時考慮以下特點：

- 逾期狀況；
- 債務人的性質、規模及行業；及
- 可用的外部信貸評級。

管理層定期檢討分組方法，確保各組別的組成項目仍然具有相似的信貸風險特徵。

利息收入根據金融資產的賬面總值計算，惟金融資產為信貸減值的情況除外，於此情況下，利息收入根據金融資產的撇銷成本計算。

就財務擔保合約而言，虧損撥備按根據香港財務報告準則第9號釐定之虧損撥備或初步確認之金額減(如適用)於擔保期間確認之累計收入款項(以較高者為準)確認。

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(v) Measurement and recognition of ECL (Continued)

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of loan receivables, trade and other receivables where the corresponding adjustment is recognised through a loss allowance account.

Financial liabilities and equity instruments

Classification and measurement

Financial liabilities and equity instruments issued by a group entity are classified as either financial liabilities or equity instruments according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using effective interest method.

Financial liabilities at amortised cost

Financial liabilities including trade payables, accruals and other payables, amount due to an associate, bank borrowings, other borrowings, amount due to a director, lease liabilities, and secured notes are subsequently measured at amortised cost, using the effective interest method.

3. 主要會計政策概要(續)

金融工具(續)

金融資產(續)

金融資產之減值(續)

(v) 預期信貸虧損的計量及確認(續)

本集團藉調整所有金融工具的賬面值，於損益表確認減值收益或虧損，惟應收貸款、貿易及其他應收款項則透過虧損撥備賬確認相應調整。

金融負債及權益工具

分類及計量

集團實體發行之金融負債及權益工具乃根據合約安排之內容及金融負債與權益工具之定義分類為金融負債或權益工具。

權益工具

權益工具為可證明於實體之資產經扣除其所有負債後之剩餘權益之任何合約。本公司發行之權益工具按已收所得款項扣除直接發行成本入賬。

金融負債

所有金融負債其後以實際利息法按攤銷成本計量。

按攤銷成本列賬之金融負債

金融負債(包括貿易應付款項、應計費用及其他應付款項、應付一間聯營公司款項、銀行借款、其他借款、應付一名董事款項、租賃負債及擔保票據)其後以實際利息法按攤銷成本計量。

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial guarantee contract

A financial guarantee contract is a contract that requires the issuers to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. Financial guarantee contract liabilities are measured initially at their fair values. It is subsequently measured at the higher of:

- the amount of the loss allowance; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised over the guarantee period.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities are derecognised when the Group's obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3. 主要會計政策概要(續)

金融工具(續)

財務擔保合約

財務擔保合約為因指定債務人未能按債務工具之原有或經修改條款如期付款時，發行人需支付指定金額予持有人以補償其所遭受損失之合約。財務擔保合約負債初始按公平值計量，其後按以下之較高者計量：

- 虧損撥備之金額；及
- 初步確認之金額減去(如適用)於擔保期內確認之累計攤銷的金額。

終止確認

倘從資產收取現金流量之合約權利已到期，或金融資產已轉讓且本集團已將其於金融資產擁有權之絕大部份風險及回報轉移至另一實體，則金融資產將被取消確認。倘若本集團並無轉讓或保留擁有權之絕大部份風險及回報，並繼續控制已轉讓之資產，則本集團會確認其於資產的保留權益及可能需要支付的相關負債款項。倘若本集團保留已轉讓金融資產擁有權之絕大部份風險及回報，則本集團繼續確認金融資產並同時就所得收益確認抵押借款。

於終止確認按攤銷成本計量的金融資產時，資產賬面值與已收及應收代價間之差額於損益表確認。

本集團於有關合約之特定責任獲解除、取消或到期時取消確認金融負債。取消確認之金融負債賬面值與已付或應付代價之差額乃於損益表中確認。

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At the end of each 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 on settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

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

3. 主要會計政策概要(續)

現金及現金等價物

綜合現金流量表中的現金及現金等價物包括手頭現金、銀行通知存款、原到期日為三個月或以下之其他短期高流動性投資及銀行透支。

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確認。於各報告期末，以外幣計值之貨幣項目均按該日期之適用匯率重新換算。按公平值列賬且按外幣計值之非貨幣項目乃按釐定公平值當日之適用匯率重新換算。按外幣歷史成本計量之非貨幣項目毋須重新換算。

於結算及重新換算貨幣項目時產生之匯兌差額均於彼等產生期間於損益表中確認。

就呈列綜合財務報表而言，本集團海外業務之資產及負債均按各報告期末之適用匯率換算為本集團之呈列貨幣(即港元)，而有關之收入及開支項目乃按期內平均匯率換算，除非期內匯率出現重大波幅，則於此情況下，將採用交易日期之匯率。所產生匯兌差額(如有)均確認於其他全面收益表，及於「匯兌儲備」項下累計權益(歸屬於非控股權益(倘適用))。

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

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

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

Borrowing costs

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

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

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 related to income 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. Such grants are presented under "Investment and other income".

3. 主要會計政策概要(續)

外幣(續)

於出售海外業務(即出售本集團於海外業務的全部權益,或涉及失去對包括海外業務附屬公司控制權的出售,或出售包括海外業務的合營安排或聯營公司部分權益且當中的保留權益成為財務資產)時,就本公司擁有人應佔該業務而於權益內累計的所有匯兌差額乃重新分類至損益表。

因收購海外業務產生之商譽及可識別資產之公平值調整將被視作該海外業務之資產及負債,並按各報告期末適用之匯率換算。由此產生之匯兌差額乃於其他全面收益表內確認。

借貸成本

收購、建造或生產合資格資產(即需要一段長時間才可作擬定用途或出售)直接應佔之借貸成本,加入該等資產的成本,直至資產大致上可作擬定用途或出售之時為止。

所有借貸成本均在產生期內之損益表內確認。

政府資助

政府資助將不予確認直至有合理保證下本集團將遵守政府資助附帶之條件及將收到資助。

政府資助於本集團將有關資助擬補償相關成本確認為開支期間內按系統基準於損益表中確認。

政府資助與就已產生開支或虧損之補償或向本集團提供之即時財務支援而應收收入有關,有關資助成為應收賬款之期間並無日後相關成本於損益表中確認。有關資助於「投資及其他收入」項下呈列。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Employee benefits

Bonuses

The Group recognises a liability for bonuses when there is a contractual obligation and the amount can be estimated reliably.

Retirement benefit obligations

The Group operates the Mandatory Provident Fund Scheme (the “**MPF Scheme**”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for those employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution scheme, the assets of which are held in separate trustee-administered funds.

Under the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees’ relevant income, with the employees’ contributions subject to a cap of monthly relevant income of HK\$30,000. The Group’s contributions to the MPF Scheme are expensed as incurred. 5% of relevant income vests immediately upon the completion of service in the relevant service period, while the remaining portion vests in accordance with the MPF Scheme’s vesting scales. Where employees leave the MPF Scheme prior to the full vesting of the employer’s contributions, the amount of forfeited contributions is used to reduce the contributions payable by the Group.

The employees employed by the Group’s subsidiaries in the People’s Republic of China (the “**PRC**”) are members of state-managed retirement benefit schemes operated by the government of the PRC. The subsidiaries are required to contribute a specific percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits schemes operated by the government of the PRC is to make the specified contributions under the schemes.

3. 主要會計政策概要(續)

僱員福利

花紅

本集團於合約責任及責任金額能夠可靠地估計時就花紅確認負債。

退休福利責任

本集團根據香港強制性公積金計劃條例，為按香港僱傭條例聘用之僱員運作強制性公積金計劃(「強積金計劃」)。強積金計劃為界定供款計劃，其資產由獨立信託管理基金持有。

根據強積金計劃，僱主及其僱員各自須按僱員相關收入之5%向計劃作出供款，僱員供款以相關月收入30,000港元為限。本集團向強積金計劃作出之供款於產生時支銷。相關收入之5%在完成相關服務期之服務時即時歸屬，其餘部分則根據強積金計劃之歸屬比例歸屬。倘僱員於僱主供款全數歸屬前退出強積金計劃，則沒收之供款金額將用作扣減本集團應付之供款。

本集團位於中華人民共和國(「中國」)之附屬公司僱用之僱員為由中國政府設立之國家管理退休福利計劃之成員。該等附屬公司須向退休福利計劃作出佔薪金若干百分比之供款，作為提供福利之資金。根據中國政府運行之退休福利計劃作出規定供款為本集團對該等計劃之唯一責任。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equity-settled share-based payment transactions

Share options granted to employees

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.

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 (equity-settled share-based payment reserve). 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 conditions. 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 equity-settled share-based payment reserve. For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognised in equity-settled share-based payment reserve will be transferred to share capital and share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in equity-settled share-based payment reserve will be transferred to retained profits.

3. 主要會計政策概要(續)

以股權結算之股份支款交易

授予僱員之購股權

向僱員及提供類似服務之其他人士提供之以股權結算之股份支款按權益工具於授出日期之公平值計量。

以股權結算之股份支款之公平值乃於授出日期不考慮非市場歸屬條件而釐定，在歸屬期間以直線法列作開支，以本集團估計最終將歸屬的權益工具為基礎，並於權益(即以股權結算之股份支款儲備)作相應之增加。於各報告期末，本集團基於對所有相關非市場歸屬條件之評估，修訂關於逾期將歸屬的權益工具數目的估計。修訂原估計的影響(如有)於損益表確認，以令累計開支反映經修訂之估計，並於以股權結算之股份支款儲備作相應調整。對於在授出日期即時歸屬之購股權，所授出購股權之公平值即時於損益表列作開支。

當購股權獲行使時，之前於以股權結算之股份支款儲備確認之數額將轉撥至股本及股份溢價。若購股權在歸屬日期後被沒收或在屆滿日期仍未行使，之前於以股權結算之股份支款儲備確認之數額將轉撥至保留溢利。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. A contingent asset is not recognised but is disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

Related parties transactions

A party is considered to be related to the Group if:

- (i) A person or a close member of that person's family is related to the Group if that person:
 - (1) has control or joint control over the Group;
 - (2) has significant influence over the Group; or
 - (3) is a member of the key management personnel of the Group or the Group's parent.

3. 主要會計政策概要(續)

或然負債及或然資產

或然負債指因過往事件而可能產生之責任，且其是否存在僅可經不完全由本集團掌握之一項或多項無法確定之未來事件發生與否證實。或然負債亦可為源自過往事件之現時責任，因不大可能需要經濟資源流出或責任金額無法可靠計量而未確認。或然負債未經確認，惟於綜合財務報表附註披露。倘資源流出之可能性有變，以致有很可能發生流出時，則確認為撥備。

或然資產指因過往事件而可能產生之資產，且其存在與否僅可經不完全由本集團掌握之一項或多項無法確定之未來事件發生與否證實。或然資產未經確認，惟當很有可能發生經濟利益流入時，則於財務報表附註披露。倘流入幾乎可以確定，則確認資產。

關連人士交易

以下人士被視為與本集團有關，倘：

- (i) 倘某人士符合以下條件，則該人士或其直系親屬被視為與本集團有關聯：
 - (1) 對本集團擁有控制權或共同控制權；
 - (2) 對本集團擁有重大影響力；或
 - (3) 為本集團或本集團母公司之主要管理人員。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties transactions (Continued)

(ii) An entity is related to the Group if any of the following conditions applies:

- (1) the entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- (2) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
- (3) both entities are joint ventures of the same third party;
- (4) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (5) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (6) the entity is controlled or jointly controlled by a person identified in (i);
- (7) a person identified in (i)(1) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
- (8) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

A related party transaction is a transfer of resources, services or obligations between the Group and a related party, regardless of whether a price is charged.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

3. 主要會計政策概要(續)

關連人士交易(續)

(ii) 倘任何以下條件適用，則某實體與本集團有關聯：

- (1) 該實體及本集團為同一集團之成員公司(表示各母公司、附屬公司及同系附屬公司互相關聯)；
- (2) 一實體為另一實體之聯營公司或合營公司(或另一實體為成員公司之集團之成員公司之聯營公司或合營公司)；
- (3) 兩個實體均為同一第三方之合營公司；
- (4) 一實體為第三間實體之合營公司，而另一實體為該第三間實體之聯營公司；
- (5) 該實體乃為本集團或與本集團有關聯之實體之僱員利益而設之離職後福利計劃；
- (6) 該實體受(i)所識別人士控制或共同控制；
- (7) 於(i)(1)所識別之人士對該實體行使重大影響力，或為該實體(或該實體之母公司)之主要管理人員；或
- (8) 該實體、或一間集團之任何成員公司(為集團之一部分)向本集團或本集團之母公司提供主要管理人員服務。

關連人士交易指本集團與一名關連人士之間的資源、服務或責任轉移，不論是否收取價格。

該名人士之近親為可能被預期於與實體進行交易時影響該名人士或受該名人士影響之該等家族成員。

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

3. 主要會計政策概要(續)

撥備

倘本集團因過往事件而須承擔現時之法定或推定責任、本集團可能須履行該責任及責任金額能夠可靠估計，則確認撥備。

已確認為撥備之金額，為對報告期末履行現時責任所需代價之最佳估計，並考慮與責任有關之風險及不明朗因素。倘使用履行現時責任所需之估計現金流量計量撥備，其賬面值為相關現金流量之現值(倘貨幣時間值之影響重大)。

當清償撥備所需之部分或全部經濟利益預期可從第三方收回時，倘幾乎可以確定可收取彌償及應收款項金額能可靠計量，則應收款項確認為資產。

分部呈報

經營分部及綜合財務報表所呈報各分部項目之金額乃自定期提供予本集團最高層管理人員之財務資料中識別得出。最高層管理人員依據該等財務資料分配資源至本集團不同業務及地域以及評估該等業務及地域之表現。

就財務報告而言，個別重大經營分部不會合併計算，惟分部間有類似經濟特點及在產品及服務性質、生產過程性質、客戶種類或類別、用作分銷產品或提供服務之方法及監管環境性質方面相類似則除外。倘經營分部並非個別重大但符合大部份此等準則，則該等經營分部可能會被合併計算。

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Group's accounting policies, which are described in note 3, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and 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 on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

The followings are the critical judgements, apart from those involving estimations (see below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Deferred taxation on investment properties

For the purposes of measuring deferred tax arising from investment properties that are measured using the fair value model, the directors have reviewed the Group's investment property portfolios and concluded that the Group's investment properties are not held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time. Therefore, in determining the Group's deferred taxation on investment properties, the directors have determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is not rebutted. The Group has not recognised any deferred tax on changes in fair value of investment properties as the Group is not subject to any income taxes on the fair value changes of the investment properties on disposal.

4. 關鍵會計估計及判斷

在應用本集團之會計政策(如附註3所述)時,董事須就對未能從其他來源輕易獲得的資產及負債賬面值作出判斷、估計及假設。估計及相關假設乃根據過往經驗及認為相關之其他因素作出。實際結果可能與該等估計不盡相同。

該等估計及相關假設會作持續評估。倘對會計估計之修訂僅影響進行修訂之期間,則於該期間確認,或倘修訂會影響目前及未來期間,則會於修訂期間及未來期間確認。

於應用會計政策時之關鍵判斷

除董事於應用本集團會計政策之過程中涉及估計之關鍵判斷(見下文)以外,以下為對在綜合財務報表確認之金額有最重大影響之關鍵判斷。

投資物業的遞延稅項

就計量利用公平值模式計量的投資物業所產生的遞延稅項而言,董事已檢討本集團的投資物業組合並斷定本集團的投資物業並非以旨在隨著時間流逝消耗該等投資物業包含之絕大部分經濟利益之商業模式持有。因此,在計量本集團投資物業的遞延稅項時,董事認為,以公平值模式計量的投資物業之賬面值可因出售而收回的假設成立。本集團並無確認任何投資物業公平值變動的遞延稅項,本集團未因投資物業的公平值變動而需在出售時繳納所得稅。

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

Critical judgements in applying accounting policies (Continued)

Principal versus agent consideration (principal)

The Group engages in trading of jewelry products. Upon application of HKFRS 15, the Group reassessed whether the Group should continue to recognise revenue on gross basis based on the requirements in HKFRS 15. The Group concluded that the Group acts as the principal for such transactions as it controls the specified good before it is transferred to the customer after taking into consideration indicators such as the Group is primarily responsible for fulfilling the promise to provide the goods and the Group has inventory risk.

Key sources of estimation uncertainty

The followings are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Assessment of economic useful lives of property, plant and equipment, right-of-use asset and intangible assets other than goodwill

Property, plant and equipment, right-of-use assets and intangible assets with finite useful lives other than goodwill are depreciated or amortised over their economic useful lives. The assessment of estimated useful lives is a matter of judgement based on the experience of the Group, taking into account factors such as technological progress, changes in market demand, expected usage and physical wear and tear. Useful lives are periodically reviewed for continued appropriateness. Due to long lives of assets, changes to the estimates used can result in variations in their carrying amounts.

4. 關鍵會計估計及判斷(續)

於應用會計政策時之關鍵判斷(續)

委託人與代理人的考慮(委託人)

本集團從事珠寶產品貿易。於應用香港財務報告準則第15號後，本集團重新評估其是否應繼續根據香港財務報告準則第15號的要求按總額基準確認收益。經計及本集團主要負責履行提供貨品的承諾及本集團承擔存貨風險等考慮因素後，由於本集團在向客戶轉移規定貨品前控制相關貨品，因此本集團認為本集團為相關交易的委託人。

估計不確定因素之主要來源

以下為關於未來之主要假設，以及於報告期末極有可能導致須對下個財政年度的資產及負債賬面值作出重大調整之估計不確定因素之其他主要來源。

商譽以外之物業、廠房及設備、使用權資產以及無形資產之經濟可使用年期評估

除商譽以外，有限可使用年期之物業、廠房及設備、使用權資產以及無形資產須於其經濟可使用年期內折舊或攤銷。估計可使用年期評估乃根據本集團之經驗作出判斷，並考慮如技術進步、市場需求變動、預期用法及實物損耗等因素。定期對可使用年期進行持續適用性檢討。由於資產使用年期較長，估計變動會影響其賬面值。

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

Key sources of estimation uncertainty (Continued)

Impairment of goodwill

Goodwill is reviewed for impairment at the end of each reporting period or whenever events or changes in circumstances indicate that the carrying amount of the CGU exceeds its recoverable amount. The recoverable amount of the CGU is the greater of the fair value less costs of disposal and value in use. An estimation of the value in use of the CGU involves estimating the future cash flows expected to arise from its continuing use and applying the appropriate discount rate that reflects current market assessment of the time value of money and the risk specific to the CGU.

Fair value measurement of financial instruments under Level 3 of the fair value hierarchy

At 31 December 2020, one of the listed equity securities in Hong Kong held by the Group has been suspended from trading on the Exchange since 27 November 2017 and no unadjusted quoted prices in active markets are available. The fair value measurement of the suspended listed equity securities is classified under Level 3 of the fair value hierarchy and uses a valuation technique based on significant unobservable inputs. Judgement and estimation are required in establishing the relevant valuation techniques and the relevant inputs thereof. Changes in assumptions relating to these factors could affect the reported fair value of the suspended listed equity securities. See note 51 for further discussion.

Fair value of investment properties

Investment properties are stated at fair value based on the market values, being the estimated amount for which properties could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction or the valuation performed by an independent valuer. In determining the fair value, the valuer has based on method of valuation which involves certain estimates and assumptions. In relying on the valuation report, the management has exercised their judgements and is satisfied that the method of valuation is reflective of the current market conditions. Should there be any changes in assumptions due to change of market conditions, the fair value of the investment properties will be adjusted accordingly.

4. 關鍵會計估計及判斷(續)

估計不確定因素之主要來源(續)

商譽之減值

商譽於各報告期末或當有事件出現或情況改變顯示現金產生單位之賬面值超出其可收回金額時作減值檢討。現金產生單位之可收回金額為公平值減出售成本及使用價值之較高者。現金產生單位使用價值之估計包括預期自持續使用所產生之未來現金流量，及應用可反映現行市場對貨幣時間價值之評估和現金產生單位之特定風險之合適貼現率。

第3級公平值等級項下金融工具之公平值計量

於二零二零年十二月三十一日，本集團持有其中一隻香港上市股本證券自二零一七年十一月二十七日起於聯交所暫停買賣，於活躍市場上並無未經調整之報價。該已暫停上市股本證券之公平值計量獲分類為第3級公平值等級，使用根據重大不可觀察輸入數據估值技術計量。在確定相關估值技術及其所使用的相關輸入數據時須作出判斷及估計。與該等因素相關的假設變動可能影響停牌上市股本證券的呈報公平值。進一步討論請參閱附註51。

投資物業之公平值

投資物業根據市值以公平值入賬，市值乃物業於估值日在願意買方與願意賣方按正常交易條款交易的估計金額或一名獨立估值師進行的估值。估值師於釐定公平值時乃根據包含若干估計及假設之估值方法進行。管理層已作出判斷並信納估值方法反映現行市況，方信納估值報告。倘市況變動引致假設改變，則投資物業之公平值將相應調整。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

Key sources of estimation uncertainty (Continued)

ECL for financial assets

The Group makes loss allowance on receivables based on various factors including the aging of the receivables, historical write-off experience and forward looking information. The identification of impairment of receivables requires the use of judgement and estimates. Where the expectations are different from the original estimates, such differences will impact the carrying amounts of receivables and the allowance for credit losses on receivables is recognised in the years in which such estimates have been changed. See note 51 for further discussion.

Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and variable selling expenses. These estimates are based on the current market condition and the historical experience of selling products of similar nature. It could change significantly as a result of changes in customers' taste and competitors' actions in response to severe industry cycle. The directors reassess the estimations at the end of reporting period.

4. 關鍵會計估計及判斷(續)

估計不確定因素之主要來源(續)

金融資產之預期信貸虧損

本集團根據不同因素包括應收款項之賬齡、過往撇銷經驗及前瞻性資料對應收款項作出虧損撥備。識別應收款項減值須運用判斷及估計。倘預期有別於原先估計，則有關差異將會影響有關估計變動年內應收款項之賬面值及應收款項之信貸虧損撥備。進一步討論請參閱附註51。

所得稅

本集團須於多個司法權區繳納所得稅。釐定全球的所得稅撥備須作出重大判斷。於日常業務過程中，眾多交易及計算之最終稅務決定均不確定。本集團估計是否須繳納額外稅項，並據此就預計稅務審計問題確認負債。倘該等事項之最終稅務後果有別於初步記錄之金額，則相關差額將影響作出上述決定期間之所得稅及遞延稅項撥備。

存貨之可變現淨值

存貨之可變現淨值為於日常業務過程中估計之售價，扣除估計完成成本及可變銷售開支。該等估計乃基於當前市況及銷售類似性質產品之歷史經驗，並可能因應客戶喜好變化及競爭對手為應對嚴峻的行業週期而採取的行動發生重大變動。董事於報告期末重新評估該等估計。

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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

5. OPERATING SEGMENTS

The Group's operating segments have been determined based on the information reported to the Chairman of the board of directors, being the chief operating decision maker, that are used for performance assessment and to make strategic decisions. The Group's operating businesses are structured and managed separately according to the nature of their operations and the products and services they provide. Each of the Group's operating segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of other operating segments. The Group currently has four operating segments:

- | | |
|------------------------------|-------------------------------------|
| (a) Property investment | Leasing of rental properties |
| (b) Sale of financial assets | Sale of financial assets at FVTPL |
| (c) Money lending | Money lending |
| (d) Sale of jewelry products | Design and sale of jewelry products |

5. 經營分部

本集團之經營分部已根據向董事會主席（即主要經營決策人）報告之資料釐定，有關資料可用作評估表現及作出策略性決定。本集團之經營業務乃根據其業務性質及所提供之產品及服務構建及獨立管理。本集團各經營分部指提供產品及服務之策略性業務單位，其風險及回報有別於其他經營分部。本集團現時有四個經營分部：

- | | |
|------------|------------------|
| (a) 物業投資 | 租賃租用物業 |
| (b) 銷售金融資產 | 銷售按公平值計入損益表之金融資產 |
| (c) 借貸 | 借貸 |
| (d) 銷售珠寶產品 | 設計及銷售珠寶產品 |

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

5. OPERATING SEGMENTS (Continued)

An analysis of the Group's reportable segment revenue, results, assets, liabilities and other selected financial information for the years ended 31 December 2020 and 2019 by operating segments are as follows:

Segment revenue and results

For the year ended 31 December 2020

5. 經營分部(續)

截至二零二零年及二零一九年十二月三十一日止年度，本集團按經營分部劃分之可呈報分部收益、業績、資產、負債及其他選定財務資料之分析如下：

分部收益及業績

截至二零二零年十二月三十一日止年度

		Property investment	Sale of financial assets	Money lending	Sale of jewelry products	Consolidated
		物業投資	金融資產	借貸	珠寶產品	綜合
		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
Segment revenue	分部收益	26,868	51,259	74,361	69,269	221,757
Segment (loss)/profit	分部(虧損)/溢利	(49,979)	191,807	(148,768)	(13,103)	(20,043)
Interest income on bank deposits	銀行存款之利息收入					66
Unallocated corporate expenses	未分配企業開支					(4,141)
Finance costs	融資費用					(54,278)
Share of results of associates	應佔聯營公司業績					(98,176)
Loss before taxation	除稅前虧損					(176,572)
Income tax credit	所得稅抵免					35,547
Loss for the year	本年度虧損					(141,025)

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

5. OPERATING SEGMENTS (Continued)

Segment revenue and results (Continued)

For the year ended 31 December 2019

		Property investment	Sale of financial assets	Money lending	Sale of jewelry products	Consolidated
		物業投資	金融資產	借貸	珠寶產品	綜合
		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
Segment revenue	分部收益	25,549	791	104,034	68,422	198,796
Segment (loss)/profit	分部(虧損)/溢利	(119,006)	(79,272)	72,496	74	(125,708)
Interest income on bank deposits	銀行存款之利息收入					43
Unallocated corporate expenses	未分配企業開支					(2,834)
Finance costs	融資費用					(48,891)
Share of results of associates	應佔聯營公司業績					(32,992)
Loss before taxation	除稅前虧損					(210,382)
Income tax expense	所得稅開支					(1,724)
Loss for the year	本年度虧損					(212,106)

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in both years.

Segment results represent (loss incurred)/profit earned by each segment without allocation of central administrative expenses including directors' emoluments, share of results of associates, certain investment and other income, certain other gains and losses, finance costs and income tax credit/(expense). This is the measure reported to the Chairman of the Board for the purposes of resource allocation and assessment of segment performance.

5. 經營分部(續)

分部收益及業績(續)

截至二零一九年十二月三十一日止年度

上文呈報之分部收益指來自對外客戶產生之收益。兩個年度並無分部間銷售。

分部業績指各分部(產生之虧損)/賺取之溢利，惟並無分配中央行政開支，包括董事酬金、應佔聯營公司業績、若干投資及其他收入、若干其他收益及虧損、融資費用及所得稅抵免/(開支)。此乃就分配資源及評估分部表現而向董事會主席呈報之衡量基準。

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

5. OPERATING SEGMENTS (Continued)

Segment assets and liabilities

At 31 December 2020

5. 經營分部(續)

分部資產及負債

於二零二零年十二月三十一日

		Property investment	Sale of financial assets	Money lending	Sale of jewelry products	Consolidated
		物業投資	銷售金融資產	借貸	珠寶產品	綜合
		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
Segment assets	分部資產					
– Hong Kong	– 香港	371,039	423,033	815,560	60,533	1,670,165
– The PRC	– 中國	1,980,923	–	–	–	1,980,923
		2,351,962	423,033	815,560	60,533	3,651,088
Unallocated corporate assets	未分配企業資產					189,827
Consolidated total assets	綜合資產總值					3,840,915
Segment liabilities	分部負債					
– Hong Kong	– 香港	(116,039)	(66,427)	(4,372)	(49,921)	(236,759)
– The PRC	– 中國	(768,137)	–	–	–	(768,137)
		(884,176)	(66,427)	(4,372)	(49,921)	(1,004,896)
Unallocated corporate liabilities	未分配企業負債					(473,362)
Consolidated total liabilities	綜合負債總額					(1,478,258)

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

5. OPERATING SEGMENTS (Continued)

Segment assets and liabilities (Continued)

At 31 December 2019

		Property investment	Sale of financial assets	Money lending	Sale of jewelry products	Consolidated
		物業投資	金融資產	借貸	珠寶產品	綜合
		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
Segment assets	分部資產					
– Hong Kong	– 香港	389,477	255,696	1,098,870	73,927	1,817,970
– The PRC	– 中國	1,742,041	–	–	–	1,742,041
		<u>2,131,518</u>	<u>255,696</u>	<u>1,098,870</u>	<u>73,927</u>	<u>3,560,011</u>
Unallocated corporate assets	未分配企業資產					274,645
Consolidated total assets	綜合資產總值					<u>3,834,656</u>
Segment liabilities	分部負債					
– Hong Kong	– 香港	(119,300)	(12,111)	(9,766)	(43,734)	(184,911)
– The PRC	– 中國	(700,605)	–	–	–	(700,605)
		<u>(819,905)</u>	<u>(12,111)</u>	<u>(9,766)</u>	<u>(43,734)</u>	<u>(885,516)</u>
Unallocated corporate liabilities	未分配企業負債					(530,684)
Consolidated total liabilities	綜合負債總額					<u>(1,416,200)</u>

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than interests in associates, certain deposits, prepayments, other receivables and cash and cash equivalents that are not attributable to individual segments. Assets used jointly by individual segments are allocated on the basis of the revenues earned by individual segments; and
- all liabilities are allocated to operating segments other than other borrowings, secured notes, certain accruals and other payables, certain tax payables, amount due to an associate, and amount due to a director that are not attributable to individual segments. Liabilities for which segments are jointly liable are allocated in proportion to segment assets.

5. 經營分部(續)

分部資產及負債(續)

於二零一九年十二月三十一日

為監察分部表現及於分部間分配資源：

- 除於聯營公司之權益、若干按金、預付款項、其他應收款項以及現金及現金等價物不計入個別分部外，所有資產均分配至經營分部。個別分部共同使用之資產按個別分部賺取之收益分配；及
- 除其他借款、擔保票據、若干應計費用及其他應付款項、若干應付稅項、應付一間聯營公司款項及應付一名董事款項不計入個別分部外，所有負債均分配至經營分部。分部共同產生之負債按分部資產比例分配。

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

5. OPERATING SEGMENTS (Continued)

Other segment information

For the year ended 31 December 2020

5. 經營分部(續)

其他分部資料

截至二零二零年十二月三十一日止年度

		Property investment	Sale of financial assets	Money lending	Sale of jewelry products	Consolidated
		物業投資	銷售金融資產	借貸	珠寶產品銷售	綜合
		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
Amount included in the measure of segment (loss)/profit and segment assets	計量分部(虧損)/溢利及分部資產所計入之金額					
Additions to property, plant and equipment	添置物業、廠房及設備	156,894	—	—	7	156,901
Allowance for credit losses on loan receivables	應收貸款之信貸虧損撥備	—	—	(197,432)	—	(197,432)
Allowance for credit losses on other receivables	其他應收款項之信貸虧損撥備	(723)	—	—	—	(723)
Allowance for credit losses on trade receivables	貿易應收款項之信貸虧損撥備	—	—	—	(315)	(315)
Amortisation of intangible assets	無形資產攤銷	(19,895)	—	—	—	(19,895)
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	(22,862)	—	—	(23)	(22,885)
Depreciation of right-of-use assets	使用權資產之折舊	(2,477)	—	—	(296)	(2,773)
Dividend income	股息收入	—	330	—	—	330
Gain arising on change in fair value of financial assets at FVTPL	按公平值計入損益表之金融資產公平值變動產生之收益	—	140,509	—	—	140,509
Government grants	政府資助	537	—	216	988	1,741
Interest income on other receivables	其他應收款項之利息收入	1,691	—	—	—	1,691
Loss arising on change in fair value of investment properties	投資物業公平值變動產生之虧損	(19,200)	—	—	—	(19,200)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	(8)	—	—	—	(8)
Loss of inventories	存貨虧損	—	—	—	(4,914)	(4,914)
Membership Income	會籍收入	1,653	—	—	—	1,653
Written-off of property, plant and equipment	撇銷物業、廠房及設備	(177)	—	—	—	(177)

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

5. OPERATING SEGMENTS (Continued)

Other segment information (Continued)

For the year ended 31 December 2019

5. 經營分部(續)

其他分部資料(續)

截至二零一九年十二月三十一日止年度

		Property investment	Sale of financial assets	Money lending	Sale of jewelry products	Consolidated
		物業投資	金融資產銷售	借貸	珠寶產品銷售	綜合
		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
Amount included in the measure of segment (loss)/profit and segment assets	計量分部(虧損)/溢利及分部資產所計入之金額					
Additions to property, plant and equipment	添置物業、廠房及設備	39,168	—	—	17	39,185
Allowance for credit losses on loan receivables	應收貸款之信貸虧損撥備	—	—	(4,474)	—	(4,474)
Allowance for credit losses on other receivables	其他應收款項之信貸虧損撥備	(3,842)	—	—	—	(3,842)
Allowance for credit losses on trade receivables	貿易應收款項之信貸虧損撥備	—	—	—	(56)	(56)
Amortisation of intangible assets	無形資產攤銷	(20,092)	—	—	—	(20,092)
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	(22,936)	—	—	(58)	(22,994)
Depreciation of right-of-use assets	使用權資產之折舊	(2,502)	—	—	(84)	(2,586)
Dividend income	股息收入	—	670	—	—	670
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	2	70	—	—	72
Interest income on other receivables	其他應收款項之利息收入	2,554	—	—	—	2,554
Loss arising on change in fair value of financial assets at FVTPL	按公平值計入損益表之金融資產公平值變動產生之虧損	—	(80,487)	—	—	(80,487)
Loss arising on change in fair value of investment properties	投資物業公平值變動產生之虧損	(16,400)	—	—	—	(16,400)
Written-off of property, plant and equipment	撇銷物業、廠房及設備	(49,782)	—	—	—	(49,782)

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

5. OPERATING SEGMENTS (Continued)

Geographical information

The Group mainly operates in Hong Kong and the PRC. The Group's revenue from external customers and information about its non-current assets by geographical location are detailed below:

		Revenue from external customers		Non-current assets	
		來自對外客戶之收益	來自對外客戶之收益	非流動資產	非流動資產
		2020	2019	2020	2019
		二零二零年	二零一九年	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
Australia	澳洲	495	254	—	—
Europe	歐洲	11,747	14,940	—	—
Hong Kong	香港	187,742	158,978	537,512	661,311
The PRC	中國	21,773	20,454	1,833,599	1,594,596
The United States of America	美利堅合眾國	—	4,170	—	—
		221,757	198,796	2,371,111	2,255,907

Note:

Non-current assets excluded deferred tax assets, other receivables and loan receivables.

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

		For the year ended	
		31 December	31 December
		截至十二月三十一日止年度	截至十二月三十一日止年度
		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		千港元	千港元
Customer 1 ¹	客戶 1 ¹	N/A 不適用 ⁴	24,393
Customer 2 ¹	客戶 2 ¹	34,430	23,806
Customer 3 ²	客戶 3 ²	N/A 不適用 ⁴	20,454
Customer 4 ³	客戶 4 ³	29,916	—

- Revenue from sale of jewelry products.
- Revenue from property investment.
- Revenue from sale of financial assets.
- The corresponding revenue did not contribute over 10% of the total revenue of the Group.

5. 經營分部(續)

地區資料

本集團主要於香港及中國經營。本集團按地區位置劃分來自對外客戶之收益及有關其非流動資產之資料詳列如下：

附註：

非流動資產不包括遞延稅項資產、其他應收款項及應收貸款。

有關主要客戶之資料

來自客戶之收益於相關年度向本集團總收益貢獻10%以上如下：

- 來自銷售珠寶產品之收益。
- 來自物業投資之收益。
- 來自銷售金融資產之收益。
- 相關收益並無向本集團總收益貢獻10%以上。

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. REVENUE

6. 收益

		For the year ended 31 December 截至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
Disaggregation of revenue from contracts with customers within the scope of HKFRS 15	香港財務報告準則 第15號範圍內來自客戶 合約之收益明細		
Disaggregated by types of goods and services	按貨品及服務種類分拆		
— sale of jewelry products	— 銷售珠寶產品	69,269	68,422
Revenue from other sources	來自其他來源之收益		
— sale of financial assets at FVTPL, net	— 銷售按公平值計入損益表 之金融資產，淨額	51,259	791
— interest income on loans	— 貸款利息收入	74,361	104,034
— rental income	— 租金收入	26,868	25,549
Total revenue	總收益	221,757	198,796
Timing of revenue recognition	收益確認之時間		
— a point in time	— 按單一時間點	69,269	68,422
— over time	— 於一段時間內	—	—
Revenue from contracts with customers	來自客戶合約之收益	69,269	68,422

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information.

來自客戶合約之收益與於分部資料披露的金額的對賬載列如下。

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. REVENUE (Continued)

6. 收益(續)

		For the year ended 31 December 截至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
Sale of jewelry products	銷售珠寶產品	69,269	68,422
Revenue from contracts with customers	來自客戶合約之收益	69,269	68,422
Sale of financial assets at FVTPL, net	銷售按公平值計入損益表之 金融資產，淨額	51,259	791
Interest income on loans	貸款利息收入	74,361	104,034
Rental income	租金收入	26,868	25,549
Total revenue	總收益	221,757	198,796

Revenue from sale of financial assets at FVTPL is recorded on a net basis, details of which are as follows:

來自銷售按公平值計入損益表之金融資產之收益按淨額基準入賬，詳情如下：

		For the year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Proceeds from sale of financial assets at FVTPL	來自銷售按公平值計入損益表之金融資產之所得款項	127,460	69,451
Carrying amounts of financial assets at FVTPL sold plus transaction costs	已售按公平值計入損益表之金融資產之賬面值另加交易費用	(76,201)	(68,660)
		51,259	791

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

7. INVESTMENT AND OTHER INCOME

7. 投資及其他收入

		For the year ended 31 December 截至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
Dividend income	股息收入	330	670
Government grants	政府資助	1,741	—
Interest income on bank deposits	銀行存款之利息收入	66	43
Interest income on other receivables	其他應收款項之利息收入	1,691	2,554
Membership income	會籍收入	1,653	—
Sundry income	雜項收入	8,611	316
		14,092	3,583

During the current year, the Group recognised government grants of HK\$1,741,000 in respect of COVID-19 related subsidies, of which HK\$1,661,000 relates to Employment Support Scheme and HK\$80,000 relates to the Retail Sector Subsidy Scheme under the Anti-epidemic Fund provided by the Hong Kong government.

於本年度內，本集團確認有關新型冠狀病毒相關補貼之政府資助1,741,000港元，其中1,661,000港元及80,000港元分別與香港政府在「防疫抗疫基金」下推出之「保就業」計劃及「零售業資助計劃」有關。

8. OTHER GAINS AND LOSSES

8. 其他收益及虧損

		For the year ended 31 December 截至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
Gain/(loss) arising on change in fair value of financial assets at FVTPL	按公平值計入損益表之金融資產公平值變動產生之收益／(虧損)	140,509	(80,487)
Gain on disposal of a subsidiary	出售一間附屬公司之收益	947	—
Loss arising on change in fair value of investment properties	投資物業公平值變動產生之虧損	(19,200)	(16,400)
(Loss)/gain on disposal of property, plant and equipment	出售物業、廠房及設備之(虧損)／收益	(8)	72
Written-off of property, plant and equipment	撇銷物業、廠房及設備	(177)	(49,782)
		122,071	(146,597)

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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

9. ALLOWANCE FOR CREDIT LOSSES ON FINANCIAL ASSETS

9. 金融資產之信貸虧損撥備

		For the year ended 31 December 截至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
Allowance for credit losses on loan receivables:	應收貸款之信貸虧損撥備：		
— 12 months ECL	— 12個月預期信貸虧損	11,402	4,474
— lifetime ECL not credit-impaired	— 並無信貸減值之全期預期信貸虧損	62,303	—
— lifetime ECL credit-impaired	— 信貸減值之全期預期信貸虧損	123,727	—
		197,432	4,474
Allowance for credit losses on other receivables:	其他應收款項之信貸虧損撥備：		
— 12 months ECL	— 12個月預期信貸虧損	723	3,842
Allowance for credit losses on trade receivables	貿易應收款項之信貸虧損撥備	315	56
		198,470	8,372

10. FINANCE COSTS

10. 融資費用

		For the year ended 31 December 截至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
Interest on bank borrowings	銀行借款之利息	3,528	4,321
Interest on other borrowings	其他借款之利息	18,357	16,000
Interest on lease liabilities	租賃負債之利息	12,867	12,947
Imputed interest on secured notes	擔保票據之估算利息	28,105	24,231
		62,857	57,499
Less: interest on lease liabilities capitalised in the cost of qualifying assets	減：計入合資格資產成本之已資本化租賃負債利息	(8,579)	(8,608)
		54,278	48,891

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

11. INCOME TAX CREDIT/(EXPENSE)

11. 所得稅抵免／(開支)

		For the year ended 31 December 截至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
Hong Kong Profits Tax	香港利得稅		
— current tax	— 本期稅項	—	(5,721)
— over provision in prior years	— 過往年度超額撥備	36	20
		36	(5,701)
PRC Enterprise Income Tax	中國企業所得稅		
— current tax	— 本期稅項	(2,768)	(914)
Deferred tax credit (note 41)	遞延稅項抵免(附註41)	38,279	4,891
		35,547	(1,724)

Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Accordingly, the Hong Kong Profits Tax is calculated at 8.25% on the first HK\$2,000,000 of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2,000,000 for both years.

根據兩級制利得稅率制度，合資格集團實體的首2,000,000港元溢利將按8.25%的稅率徵稅，而超過2,000,000港元溢利將按16.5%的稅率徵稅。不符合兩級制利得稅率制度的集團實體之溢利將繼續按16.5%之劃一稅率徵稅。

因此，於兩個年度，香港利得稅之首2,000,000港元之估計應課稅溢利以8.25%計算，而超過2,000,000港元之估計應課稅溢利以16.5%計算。

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

11. INCOME TAX CREDIT/(EXPENSE)

(Continued)

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

The income tax (credit)/expense for the year can be reconciled to the loss before taxation per consolidated statement of profit or loss as follows:

11. 所得稅抵免／(開支)(續)

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規例，中國附屬公司於兩個年度之稅率為25%。

本年度所得稅(抵免)／開支與綜合損益表內之除稅前虧損對賬如下：

		For the year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Loss before taxation	除稅前虧損	(176,572)	(210,382)
Taxation at domestic income tax rate	以當地所得稅率計稅	(30,955)	(42,229)
Tax effect of income not taxable for tax purpose	稅務上毋須課稅收入之稅務影響	(33,028)	(769)
Tax effect of expenses not deductible for tax purpose	稅務上不可扣稅開支之稅務影響	23,943	33,305
Tax effect of estimated tax losses not recognised	未確認估計稅項虧損之稅務影響	4,529	11,602
Tax concession (Note)	稅務優惠(附註)	—	(165)
Over-provision in prior years	過往年度超額撥備	(36)	(20)
Income tax (credit)/expense	所得稅(抵免)／開支	(35,547)	1,724

Note:

It represents the tax concession from the enactment of the two-tiered Profits Tax rates by the Inland Revenue Department.

附註：

此乃香港稅務局實施兩級制利得稅率制度後產生之稅務優惠。

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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

12. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging/(crediting):

12. 本年度虧損

本年度虧損乃扣除/(計入)以下各項後得出：

		For the year ended 31 December 截至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
Amortisation of intangible assets (included in administrative expenses)	無形資產攤銷 (計入行政開支)	19,895	20,092
Auditors' remuneration:	核數師酬金：		
— audit services	— 核數服務	829	976
— non-audit services	— 非核數服務	189	207
		1,018	1,183
Cost of inventories sold	已售存貨之成本	69,556	56,149
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	22,885	22,994
Depreciation of right-of-use assets	使用權資產之折舊	2,773	2,586
Net foreign exchange loss	匯兌虧損淨額	67	77
Loss of inventories (included in administrative expenses)	存貨虧損(計入行政開支)	4,914	—
Rental expenses in respect of short- term leases	短期租賃之租賃開支	80	290
Staff costs (including directors' emoluments):	員工成本(包括董事酬金)：		
— salaries and allowances	— 薪金及津貼	41,887	46,621
— discretionary bonuses	— 酌情花紅	2,298	4,910
— contributions to retirement benefits scheme	— 退休福利計劃供款	1,109	2,354
		45,294	53,885
Gross rental income from investment properties and operating rights	來自投資物業及經營權之 租金總收入	(26,868)	(25,549)
Less: direct operating expenses incurred for investment properties and operating rights that generated rental income during the year	減：年內產生租金收入之 投資物業及經營權產 生之直接經營開支	15,083	14,996
direct operating expenses incurred for investment properties and operating rights that did not generate rental income during the year	年內並無產生租金收入 之投資物業及經營權 產生之直接經營開支	—	617
		(11,785)	(9,936)

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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

13. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS

The aggregate amounts of emoluments paid or payable to the directors and the chief executive officer of the Company during the year was HK\$24,792,000 (2019: HK\$26,692,000) and was included in "administrative expenses". The emoluments of each director and the chief executive officer for the years ended 31 December 2020 and 2019 disclosed pursuant to the applicable Listing Rules and the Hong Kong Company Ordinance are as follows:

13. 董事及行政總裁之酬金

年內已付或應付本公司董事及行政總裁之酬金總額為24,792,000港元(二零一九年：26,692,000港元)並計入「行政開支」。截至二零二零年及二零一九年十二月三十一日止年度，各董事及行政總裁之酬金根據適用上市規則及香港公司條例披露如下：

		Fees		Salaries and allowances		Discretionary bonuses		Contributions to retirement benefit schemes		Total	
		袍金		薪金及津貼		酌情花紅		退休福利計劃供款		總計	
		2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
		二零二零年	二零一九年	二零二零年	二零一九年	二零二零年	二零一九年	二零二零年	二零一九年	二零二零年	二零一九年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Executive directors	執行董事										
Mr. Lei Hong Wai, the chief executive officer	李雄偉先生 (行政總裁)	-	-	8,400	8,400	700	1,400	18	18	9,118	9,818
Mr. Cheung Kwok Wai Elton	張國偉先生	-	-	8,400	8,400	700	1,400	18	18	9,118	9,818
Mr. Chan Kin Wah Billy	陳健華先生	-	-	4,800	4,800	400	800	18	18	5,218	5,618
Mr. Cheung Kwok Fan	張國勳先生	120	120	840	840	-	100	18	18	978	1,078
Independent non-executive directors	獨立非執行董事										
Mr. Wan Shing Chi	尹成志先生	120	120	-	-	-	-	-	-	120	120
Mr. Ng Heung Yan	吳向仁先生	120	120	-	-	-	-	-	-	120	120
Mr. Wong Tak Chuen	黃德銓先生	120	120	-	-	-	-	-	-	120	120
Total emoluments	酬金總額	480	480	22,440	22,440	1,800	3,700	72	72	24,792	26,692

The executive directors' and the chief executive officer's 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.

There was no arrangement under which a director or the chief executive officer of the Company waived or agreed to waive any remuneration during the year ended 31 December 2020 (2019: Nil).

以上所示之執行董事及行政總裁之酬金為彼等就管理本公司及本集團事務提供服務之酬金。上述獨立非執行董事酬金為彼等作為董事提供服務之酬金。

於截至二零二零年十二月三十一日止年度內，並無本公司董事或行政總裁放棄或同意放棄任何酬金之安排(二零一九年：無)。

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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

13. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS (Continued)

During the year ended 31 December 2020, no emoluments have been paid by the Group to any of the directors and the chief executive officer as an inducement to join or upon joining the Group as compensation for loss of office (2019: Nil).

The executive directors and the chief executive officer of the Company are entitled to bonus payments which are determined based on their duties and responsibilities in the Group.

During the years ended 31 December 2020 and 2019, no executive directors were granted share options, in respect of their services to the Group under the share option scheme of the Company.

Details of the share option scheme are set out in note 46 to the consolidated financial statements.

14. TRANSACTIONS, ARRANGEMENTS OR CONTRACTS IN WHICH DIRECTORS OF THE COMPANY HAVE MATERIAL INTERESTS

Save as disclosed in note 49 to the consolidated financial statements, no transaction, arrangement and contract of significance in relation to the Group's business to which the Company or any subsidiaries of the Company was a party and in which a director had a material interest, whether directly or indirectly, subsisted at the end of the reporting period or at any time during the reporting period.

13. 董事及行政總裁之酬金(續)

於截至二零二零年十二月三十一日止年度內，本集團概無向任何董事及行政總裁支付酬金作為吸引彼等加盟本集團或加盟後之獎勵，或離職補償(二零一九年：無)。

本公司執行董事及行政總裁有權享有花紅，乃根據彼等於本集團之職務及責任釐定。

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，概無執行董事根據本公司購股權計劃就彼等對本集團之服務獲授購股權。

購股權計劃詳情載於綜合財務報表附註46。

14. 本公司董事擁有重大權益之交易、安排或合約

除綜合財務報表附註49披露者外，概無本公司董事直接或間接於本公司或本公司任何附屬公司所訂立與本集團業務有關並於報告期末或報告期內任何時間仍存續之重大交易、安排及合約中擁有重大權益。

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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

15. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees of the Group during the year included three directors (2019: three directors), details of whose remuneration are set out in note 13 to the consolidated financial statements. Details of the remuneration for the year of the remaining two (2019: two) highest paid employees who are neither a director nor the chief executive officer of the Company are as follows:

		For the year ended 31 December 截至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
Salaries and allowances	薪金及津貼	2,532	2,518
Discretionary bonuses	酌情花紅	211	422
Contributions to retirement benefits scheme	退休福利計劃供款	36	36
		2,779	2,976

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the following bands is as follows:

		Number of employees 僱員人數	
		2020 二零二零年	2019 二零一九年
HK\$0 – HK\$1,000,000	零港元至1,000,000港元	—	—
HK\$1,000,001 – HK\$1,500,000	1,000,001港元 至1,500,000港元	1	1
HK\$1,500,001 – HK\$2,000,000	1,500,001港元 至2,000,000港元	1	1

During the years ended 31 December 2020 and 2019, none of the non-director and the non-chief executive highest paid employee was granted share options, in respect of their services to the Group under the share options scheme of the Company.

Details of the share option scheme are set out in note 46 to the consolidated financial statements.

15. 五名最高薪僱員

本集團於年度內之五名最高薪僱員中包括三名董事(二零一九年: 三名董事), 彼等之酬金詳情於綜合財務報表附註13披露。餘下兩名(二零一九年: 兩名)並非本公司董事或行政總裁之最高薪僱員之酬金詳情如下:

酬金介乎以下範圍之最高薪非本公司董事僱員人數如下:

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, 概無非董事及非行政總裁最高薪僱員根據本公司購股權計劃就彼等對本集團之服務獲授購股權。

購股權計劃詳情載於綜合財務報表附註46。

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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

16. LOSS PER SHARE

The calculation of basic and diluted loss per share attributable to the owners of the Company is based on the following data:

		For the year ended 31 December 截至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
<u>Loss for the purpose of basic and diluted loss per share</u>	<u>於計算每股基本及攤薄虧損時所用之虧損</u>		
Loss for the year attributable to owners of the Company	本公司擁有人應佔本年度虧損	(140,858)	(209,148)

		For the year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 '000 千股	2019 二零一九年 '000 千股
<u>Number of ordinary shares</u>	<u>普通股數目</u>		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	於計算每股基本及攤薄虧損時所用之普通股加權平均數	3,819,606	3,819,606

No diluted earnings per share for the year ended 31 December 2020 was presented as there were no potential ordinary shares in issue.

The computation of diluted loss per share for the year ended 31 December 2019 does not assume the exercise of the Company's outstanding share options since their assumed exercise would result in a decrease in loss per share.

17. DIVIDENDS

The directors do not recommend the payment of any final dividend for the year ended 31 December 2020 (2019: Nil).

16. 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：

		For the year ended 31 December 截至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
<u>Loss for the purpose of basic and diluted loss per share</u>	<u>於計算每股基本及攤薄虧損時所用之虧損</u>		
Loss for the year attributable to owners of the Company	本公司擁有人應佔本年度虧損	(140,858)	(209,148)

		For the year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 '000 千股	2019 二零一九年 '000 千股
<u>Number of ordinary shares</u>	<u>普通股數目</u>		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	於計算每股基本及攤薄虧損時所用之普通股加權平均數	3,819,606	3,819,606

於截至二零二零年十二月三十一日止年度概無潛在已發行普通股，故並無呈列每股攤薄盈利。

計算截至二零一九年十二月三十一日止年度之每股攤薄虧損時並無假設行使本公司之尚未行使購股權，此乃由於假設有關於行使將會導致每股虧損減少。

17. 股息

董事不建議派付截至二零二零年十二月三十一日止年度之任何末期股息(二零一九年：無)。

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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

18. PROPERTY, PLANT AND EQUIPMENT

18. 物業、廠房及設備

		Building 樓宇 HK\$'000 千港元	Golf courses 高爾夫球場 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Office equipment 辦公室設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Furniture and fixtures 傢俬及裝置 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	397,366	63,651	77,051	1,796	44,277	2,632	3,905	5,518	596,196
Additions during the year	本年度內添置	–	–	35,513	674	2,687	305	–	6	39,185
Disposals	出售	–	–	–	(34)	–	–	(1,050)	(565)	(1,649)
Written-off	撇銷	–	–	(49,782)	–	(2,381)	–	–	–	(52,163)
Exchange alignment	匯兌調整	(3,553)	(1,412)	(1,348)	(39)	(734)	(35)	(62)	(32)	(7,215)
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	393,813	62,239	61,434	2,397	43,849	2,902	2,793	4,927	574,354
Additions during the year	本年度內添置	–	–	156,674	–	–	7	220	–	156,901
Derecognition upon disposal of a subsidiary (note 43)	於出售一間附屬公司時 終止確認(附註43)	–	–	–	–	–	(291)	(662)	(164)	(1,117)
Disposals	出售	–	–	–	(43)	–	–	–	(155)	(198)
Written-off	撇銷	–	–	–	–	–	–	–	(244)	(244)
Exchange alignment	匯兌調整	10,230	4,026	12,720	143	2,165	84	141	64	29,573
At 31 December 2020	於二零二零年 十二月三十一日	404,043	66,265	230,828	2,497	46,014	2,702	2,492	4,428	759,269
Accumulated depreciation and impairment	累計折舊及減值									
At 1 January 2019	於二零一九年一月一日	31,549	9,079	–	1,016	13,570	1,110	1,626	2,485	60,435
Charge for the year	本年度支出	15,066	2,808	–	243	3,279	675	526	397	22,994
Eliminated upon disposals	出售時對銷	–	–	–	(26)	–	–	(1,050)	(548)	(1,624)
Eliminated upon written-off	撇銷時對銷	–	–	–	–	(2,381)	–	–	–	(2,381)
Exchange alignment	匯兌調整	(636)	(248)	–	(33)	(263)	(20)	(22)	(19)	(1,241)
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	45,979	11,639	–	1,200	14,205	1,765	1,080	2,315	78,183
Charge for the year	本年度支出	14,898	2,781	–	276	3,640	513	481	296	22,885
Eliminated upon disposal of a subsidiary (note 43)	於出售一間附屬公司時 對銷(附註43)	–	–	–	–	–	(255)	(174)	(88)	(517)
Eliminated upon disposals	出售時對銷	–	–	–	(40)	–	–	–	(150)	(190)
Eliminated upon written-off	撇銷時對銷	–	–	–	–	–	–	–	(67)	(67)
Exchange alignment	匯兌調整	2,313	904	–	114	935	64	79	38	4,447
At 31 December 2020	於二零二零年 十二月三十一日	63,190	15,324	–	1,550	18,780	2,087	1,466	2,344	104,741
Carrying amounts	賬面值									
At 31 December 2020	於二零二零年 十二月三十一日	340,853	50,941	230,828	947	27,234	615	1,026	2,084	654,528
At 31 December 2019	於二零一九年 十二月三十一日	347,834	50,600	61,434	1,197	29,644	1,137	1,713	2,612	496,171

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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

18. PROPERTY, PLANT AND EQUIPMENT

(Continued)

During the year ended 31 December 2020, the Group capitalised depreciation of right-of-use assets and incurred interest expense on lease liabilities of HK\$3,521,000 (2019: HK\$3,556,000) and HK\$8,579,000 (2019: HK\$8,608,000) respectively.

All of the Group's buildings, golf courses and construction in progress located in the PRC are held on medium-term lease. The Group's buildings located in Hong Kong are also held on medium-term lease.

During the year ended 31 December 2020, the Group recognised a written-off furniture and fixtures of HK\$177,000 as result of the renovation work in the Group's buildings located in Hong Kong.

During the year ended 31 December 2019, the Group recognised a written-off of construction in progress of HK\$49,782,000 as a result of the demolition of two hotel villas erected on the a piece of 580 Chinese acre land (the "**Subject Land**") adjacent to a membership golf club and resort (the "**Club**") in Beijing, the PRC. Please refer to the Company's announcement dated 5 November 2019 for details.

The Group has pledged its buildings located in Hong Kong with an aggregate carrying amounts of HK\$210,758,000 (2019: HK\$218,667,000) to secure the Group's bank borrowings.

18. 物業、廠房及設備(續)

於截至二零二零年十二月三十一日止年度內，本集團已將分別為3,521,000港元(二零一九年：3,556,000港元)及8,579,000港元(二零一九年：8,608,000港元)之使用權資產折舊及租賃負債產生之利息開支資本化。

本集團位於中國之所有樓宇、高爾夫球場及在建工程以中期租約持有，本集團位於香港之樓宇亦以中期租約持有。

於截至二零二零年十二月三十一日止年度內，由於本集團位於香港之樓宇進行翻新工程，本集團確認撇銷傢俬及裝置177,000港元。

截至二零一九年十二月三十一日止年度，由於拆卸位於中國北京毗鄰一間會員制高爾夫俱樂部及酒店(「會所」)之一幅佔地580畝之地塊(「主體地塊」)上之兩棟別墅酒店，本集團確認撇銷在建工程49,782,000港元。詳情請參閱本公司日期為二零一九年十一月五日之公佈。

本集團已將其位於香港賬面總值為210,758,000港元(二零一九年：218,667,000港元)之樓宇抵押為本集團銀行借款之抵押品。

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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

19. RIGHT-OF-USE ASSETS

19. 使用權資產

		Staff dormitory 員工宿舍 HK\$'000 千港元	The Club 會所 HK\$'000 千港元	The Subject Land 主體地塊 HK\$'000 千港元	Office premises 辦公室 物業 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2019	於二零一九年 一月一日	—	82,912	153,869	—	236,781
Additions	添置	—	—	—	592	592
Depreciation charge	折舊開支	—	(2,502)	(3,556)	(84)	(6,142)
Exchange alignment	匯兌調整	—	(1,767)	(3,300)	—	(5,067)
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	—	78,643	147,013	508	226,164
Additions	添置	10,747	—	—	—	10,747
Depreciation charge	折舊開支	(645)	(2,477)	(3,521)	(296)	(6,939)
Exchange alignment	匯兌調整	565	4,920	9,259	—	14,744
At 31 December 2020	於二零二零年 十二月三十一日	10,667	81,086	152,751	212	244,716

		For the year ended 31 December 截至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
Depreciation charge	折舊開支	6,939	6,142
Less: depreciation capitalised in the cost of qualifying assets	減：計入合資格資產成本 之已資本化折舊	(3,521)	(3,556)
depreciation charged to the operator of the Club	計入會所營運商 之折舊	(645)	—
		2,773	2,586

		For the year ended 31 December 截至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
Expense relating to short-term leases and other leases with lease terms end within 12 months of the date of initial application of HKFRS 16	有關短期租賃及租期於香港財務 報告準則第16號初次應用日 期後12個月內結束之其他租 賃之開支	80	290
Total cash outflow for leases	租賃之現金流出總額	13,778	12,638

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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

19. RIGHT-OF-USE ASSETS (Continued)

For the years ended 31 December 2020 and 2019, the Group leases (i) an office, (ii) the rights to construct and operate the club facilities of the Club, and (iii) the rights to develop and operate the Subject Land and the rights to manage the properties erected on the Subject Land for its operations. Lease contracts are entered into for fixed term of 2 to 50 years.

During the year ended 31 December 2020, the Group entered into a new lease agreement for a staff dormitory. The new lease agreement is entered into for a fixed term of 4.17 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

Lease liabilities of HK\$285,165,000 (2019: HK\$259,251,000) are recognised with the related right-of-use assets of HK\$244,716,000 (2019: HK\$226,164,000) at 31 December 2020. 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.

20. INVESTMENT PROPERTIES

The Group leases out certain office units in Hong Kong under non-cancellable operating leases with rentals receivables monthly. The leases run for a period of three years and do not contain the unilateral rights to extend the lease at the end of the leases.

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in the respective functional currencies of group entities. The lease contracts do not contain residual value guarantee and lessee's option to purchase the leased properties at the end of lease term.

19. 使用權資產(續)

截至二零二零年及二零一九年十二月三十一日止年度，本集團租賃(i)辦公室；(ii)建設及經營會所之會所設施之權利；及(iii)開發及經營主體地塊之權利及就其業務管理主體地塊上已建物業之權利。租賃合約乃按固定年期二至五十年訂立。

於截至二零二零年十二月三十一日止年度內，本集團已為員工宿舍訂立一項新租賃協議。新租賃協議乃按固定年期4.17年訂立。租期乃按個別基準商討，並包含眾多不同條款及條件。於釐定租期及評估不可撤銷年期之期限時，本集團應用合約定義，並釐定可強制執行合約之年期。

租賃負債285,165,000港元(二零一九年：259,251,000港元)及相關使用權資產244,716,000港元(二零一九年：226,164,000港元)已於二零二零年十二月三十一日確認。租賃協議並無施加任何限制，惟出租人所持有之租賃資產之抵押權益除外。租賃資產可能不會用作借款之抵押。

20. 投資物業

本集團根據不可撤銷經營租賃出租若干香港辦公室單位，須每月收取租金。租賃為期三年，並不包含於租賃結束時單方面延長租賃的權利。

由於所有租賃均以集團實體之相應功能貨幣計值，故本集團並無因該等租賃安排而面對外幣風險。租賃合約並不包含剩餘價值擔保及承租人於租期結束時購買租賃物業之選擇權。

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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

20. INVESTMENT PROPERTIES (Continued)

20. 投資物業(續)

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Fair value	公平值		
At 1 January	於一月一日	159,200	175,600
Loss arising on change in fair value recognised in profit or loss	於損益表確認之公平值變動產生之虧損	(19,200)	(16,400)
At 31 December	於十二月三十一日	140,000	159,200
Unrealised loss on change in fair value of investment properties included in the "Other gains and losses" line item in the consolidated statement of profit or loss	計入綜合損益表內「其他收益及虧損」項目之投資物業公平值變動產生之未變現虧損	(19,200)	(16,400)

All of the Group's properties' interests held under operating leases to earn rentals or for capital appreciation purpose are measured using the fair value model and are classified and accounted for as investment properties.

本集團持有以經營租賃作賺取租金收入或資本增值之所有物業權益均採用公平值模式計算，並歸類及列賬為投資物業。

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Investment properties located in Hong Kong held on medium-term lease	位於香港以中期租約持有之投資物業	140,000	159,200

All of the Group's investment properties have been pledged to secure the Group's bank borrowings.

本集團之全部投資物業已抵押為本集團銀行借款之抵押品。

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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

20. INVESTMENT PROPERTIES (Continued)

Details of the Group's investment properties are as follows:

Location 地點	Existing use 現時用途	Tenure 年期	Attributable interest to the Group 本集團應佔權益
Portion of Unit No.1202 and the corridor and whole of Unit Nos.1201 and 1212 on 12th Floor, 168-200 Connaught Road Central, Hong Kong 香港干諾道中168-200號信德中心西翼12樓部份1202室及走廊及全部1201及1212室	Commercial 商業	Medium-term lease 中期租約	100%

21. FAIR VALUE MEASUREMENT OF INVESTMENT PROPERTIES

(a) Fair value hierarchy

The following table presents the fair value of the Group's investment properties measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13 *Fair Value Measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date;

20. 投資物業(續)

本集團投資物業之詳情載列如下：

21. 投資物業之公平值計量

(a) 公平值等級

下表按照香港財務報告準則第13號公平值計量所界定的三個公平值等級，呈列本集團於報告期末按經常性基準計量之投資物業公平值。公平值計量的級別分類乃參考估值技術使用之輸入數據之可觀察程度及重要性釐定，載述如下：

- 第1級估值：僅使用第1級輸入數據(即相同資產或負債在計量日期於活躍市場之未經調整報價)計量之公平值；

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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

21. FAIR VALUE MEASUREMENT OF INVESTMENT PROPERTIES (Continued)

(a) Fair value hierarchy (Continued)

- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available; and
- Level 3 valuations: Fair value measured using significant unobservable inputs.

21. 投資物業之公平值計量(續)

(a) 公平值等級(續)

- 第2級估值：使用第2級輸入數據(即不符合第1級定義之可觀察輸入數據)且並無使用重大不可觀察輸入數據計量之公平值。不可觀察輸入數據指市場數據不可用之輸入數據；及
- 第3級估值：使用重大不可觀察輸入數據計量之公平值。

		Fair value measurement categorised into 公平值計量分類為			
		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
At 31 December 2020	於二零二零年 十二月三十一日				
Recurring fair value measurement	經常性公平值計量				
Investment properties located in Hong Kong	位於香港之投資物業	—	140,000	—	140,000
At 31 December 2019	於二零一九年 十二月三十一日				
Recurring fair value measurement	經常性公平值計量				
Investment properties located in Hong Kong	位於香港之投資物業	—	159,200	—	159,200

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21. FAIR VALUE MEASUREMENT OF INVESTMENT PROPERTIES (Continued)

(a) Fair value hierarchy (Continued)

During the years ended 31 December 2020 and 2019, there were no transfers between Levels 1 and 2, or transfers into or out of Level 3.

The Group's investment properties were measured at fair value at 31 December 2020 and 2019. For the years ended 31 December 2020 and 2019, the valuations were carried out by APAC Appraisal and Consulting Limited ("APAC"). APAC has among its staff members with appropriate qualifications and recent experience in the locations and categories of properties being valued. The directors have discussion with APAC on the valuation assumptions and valuation results when the valuations were performed at the end of each reporting period.

In estimating the fair value of the investment properties, the highest and best use of the investment properties is their current use.

(b) Valuation techniques and inputs used in Level 2 fair value measurements

The fair value of investment properties located in Hong Kong is determined using market comparison approach by reference to recent sales price of comparable properties on a price per square foot basis using market data which is publicly available. The market price per square foot is positively correlated to the fair value measurement.

21. 投資物業之公平值計量(續)

(a) 公平值等級(續)

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，第1級及第2級之間概無轉撥，或第3級概無轉入或轉出。

本集團之投資物業於二零二零年及二零一九年十二月三十一日按公平值計量。截至二零二零年及二零一九年十二月三十一日止年度，估值由亞太資產評估及顧問有限公司(「亞太資產」)開展。亞太資產的職員擁有相關資格以及所估物業的地區及類別的最近期經驗。於各報告期末進行估值時，董事已就估值假設及估值結果與亞太資產進行討論。

於估計投資物業之公平值時，投資物業之最高及最佳用途即為其當前用途。

(b) 第2級公平值計量所用之估值技術及輸入數據

位於香港之投資物業之公平值乃使用市場比較法，使用可公開取閱之市場數據，按每平方呎價格基準參考可資比較物業之近期售價釐定。每平方呎市價與公平值計量成正比。

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22. INTANGIBLE ASSETS

22. 無形資產

		Operating rights in respect of the Subject Land 有關主體地塊之經營權 HK\$'000 千港元	Operating rights in respect of the Club 有關會所之經營權 HK\$'000 千港元	Software and licenses 軟件及牌照 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	879,433	54,326	38	933,797
Exchange alignment	匯兌調整	(19,179)	(1,185)	(1)	(20,365)
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	860,254	53,141	37	913,432
Exchange alignment	匯兌調整	55,295	3,416	2	58,713
At 31 December 2020	於二零二零年十二月三十一日	915,549	56,557	39	972,145
Accumulated amortisation and impairment losses	累計攤銷及減值虧損				
At 1 January 2019	於二零一九年一月一日	60,593	4,755	38	65,386
Charge for the year	本年度支出	18,630	1,462	—	20,092
Exchange alignment	匯兌調整	(1,614)	(127)	(1)	(1,742)
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	77,609	6,090	37	83,736
Charge for the year	本年度支出	18,447	1,448	—	19,895
Exchange alignment	匯兌調整	5,984	470	2	6,456
At 31 December 2020	於二零二零年十二月三十一日	102,040	8,008	39	110,087
Carrying amounts	賬面值				
At 31 December 2020	於二零二零年十二月三十一日	813,509	48,549	—	862,058
At 31 December 2019	於二零一九年十二月三十一日	782,645	47,051	—	829,696

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22. INTANGIBLE ASSETS (Continued)

The above intangible assets have finite useful lives. Such intangible assets are amortised on a straight-line basis over the following periods:

Operating rights in respect of the Subject Land	47 years
Operating rights in respect of the Club	37 years
Software and licenses	3 years

Operating rights in respect of the Subject Land

The operating rights in respect of the Subject Land were acquired through a business combination completed on 6 October 2015. The operating rights represent (i) the rights to develop and operate the Subject Land, and (ii) the rights to manage the properties erected on the Subject Land up to 30 January 2062. The operating rights in respect of the Subject Land were granted to 北京北湖九號商務酒店有限公司 (Beijing Bayhood No. 9 Business Hotel Company Limited, “**Bayhood No.9 Co.**”), a wholly-owned subsidiary of the Company, under the cooperation construction and operating agreements. The cost of the operating rights of HK\$938,061,000 represents the fair value of such assets valued by D&P China (HK) Limited (“**D&P**”), an independent firm of qualified professional valuers, as at 6 October 2015, being the completion date of the business combination.

The operating rights in respect of the Subject Land are stated at cost less accumulated amortisation and impairment losses, if any.

Amortisation charge for the year is included in the “Administrative expenses” line item in the consolidated statement of profit or loss.

Particulars of the impairment testing on the operating rights in respect of the Subject Land are disclosed in note 24 to the consolidated financial statements.

22. 無形資產(續)

上述無形資產具有有限可使用年期。該等無形資產以直線法按以下期間進行攤銷：

有關主體地塊之經營權	47年
有關會所之經營權 軟件及牌照	37年 3年

有關主體地塊之經營權

通過業務合併收購有關主體地塊之經營權於二零一五年十月六日完成。該經營權指截至二零一六年一月三十日之前(i)開發及經營主體地塊之權利；及(ii)管理主體地塊上已建物業之權利。主體地塊之經營權已根據合作建設及經營協議授予本公司全資附屬公司北京北湖九號商務酒店有限公司(「北湖9號公司」)。該經營權之成本938,061,000港元指有關資產之公平值由一間獨立合資格專業估值師行D&P China (HK) Limited (「D&P」)於二零一五年十月六日(即業務合併之完成日期)評估。

有關主體地塊之經營權乃按成本減累計攤銷及減值虧損(如有)呈列。

本年度之攤銷費用計入綜合損益表內「行政開支」項目。

有關主體地塊之經營權之減值測試詳情於綜合財務報表附註24披露。

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22. INTANGIBLE ASSETS (Continued)

Operating rights in respect of the Club

The operating rights in respect of the Club were acquired through a business combination as completed on 6 October 2015. The operating rights represent the rights to construct and operate the club facilities of the Club up to 31 December 2051. The operating rights in respect of the Club were granted to Bayhood No. 9 Co. under another cooperation construction and operating agreements. The cost of the operating rights of HK\$57,948,000 represents the fair value of such assets valued by D&P as at 6 October 2015, being the completion date of the business combination.

The operating rights in respect of the Club are stated at cost less accumulated amortisation and impairment losses, if any.

Amortisation charge for the year is included in the "Administrative expenses" line item in the consolidated statement of profit or loss.

Particulars of the impairment testing on the operating rights in respect of the Club are disclosed in note 24 to the consolidated financial statements.

Software and licenses

Software and licenses were acquired through a business combination as completed on 6 October 2015.

Software and licenses are stated at cost less accumulated amortisation and impairment losses, if any.

22. 無形資產(續)

有關會所之經營權

通過業務合併收購有關會所之經營權於二零一五年十月六日完成。該經營權指截至二零五一年十二月三十一日之前建設及經營會所之會所設施權利。該會所之經營權已根據另一份合作建設及經營協議授予北湖9號公司。該經營權之成本57,948,000港元指有關資產之公平值由D&P於二零一五年十月六日(即業務合併之完成日期)評估。

有關會所之經營權乃按成本減累計攤銷及減值虧損(如有)呈列。

本年度之攤銷費用計入綜合損益表內「行政開支」項目。

有關會所之經營權之減值測試詳情於綜合財務報表附註24披露。

軟件及牌照

軟件及牌照透過於二零一五年十月六日完成之業務合併取得。

軟件及牌照按成本減累計攤銷及減值虧損(如有)列賬。

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23. GOODWILL

23. 商譽

		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	325,845
Exchange alignment	匯兌調整	(7,121)
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	318,724
Exchange alignment	匯兌調整	20,502
At 31 December 2020	於二零二零年十二月三十一日	339,226
Accumulated impairment losses	累計減值虧損	
At 1 January 2019	於二零一九年一月一日	47,438
Exchange alignment	匯兌調整	(1,038)
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	46,400
Exchange alignment	匯兌調整	2,985
At 31 December 2020	於二零二零年十二月三十一日	49,385
Carrying amounts	賬面值	
At 31 December 2020	於二零二零年十二月三十一日	289,841
At 31 December 2019	於二零一九年十二月三十一日	272,324

Particulars regarding impairment testing on goodwill are disclosed in note 24 to the consolidated financial statements.

有關商譽減值測試之詳情於綜合財務報表附註24披露。

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24. IMPAIRMENT TESTING ON INTANGIBLE ASSETS AND GOODWILL

For the purpose of impairment testing, intangible assets and goodwill in respect of the operating rights set out in notes 22 and 23 to the consolidated financial statements have been allocated to an individual CGU, namely Smart Title Limited (“**Smart Title**”), engaged in property investment business in Beijing, the PRC. The carrying amounts of intangible assets and goodwill in respect of the operating rights (net of accumulated impairment losses) allocated to this CGU 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
Intangible assets	無形資產		
— operating rights in respect of the Subject Land	— 有關主體地塊之經營權	813,509	782,645
— operating rights in respect of the Club	— 有關會所之經營權	48,549	47,051
Goodwill	商譽	289,841	272,324
		1,151,899	1,102,020

The recoverable amount of the CGU engaged in property investment business in Beijing, the PRC has been determined based on the value in use calculations of the operating rights in respect of the Subject Land and the Club.

24. 無形資產及商譽減值測試

為進行減值測試，綜合財務報表附註 22 及 23 所載有關經營權之無形資產及商譽已分配至一個獨立現金產生單位即 Smart Title Limited (「**Smart Title**」，於中國北京從事物業投資業務)。有關經營權分配至該現金產生單位之無形資產及商譽之賬面值(扣除累計減值虧損)如下：

於中國北京從事物業投資業務之現金產生單位之可收回金額已根據有關主體地塊及會所經營權之使用價值計算而釐定。

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24. IMPAIRMENT TESTING ON INTANGIBLE ASSETS AND GOODWILL (Continued)

(a) Operating rights in respect of the Subject Land

The value in use calculation of the operating rights in respect of the Subject Land has been determined with reference to two valuations prepared by APAC for both years. These two valuations use cash flow projections based on the financial budgets approved by management covering a 41-year period (2019: 42-year period). The discount rates used for property investment business and cultural business were 13.00% (2019: 14.00%) and 17.00% (2019: 17.00%) respectively. The budget period represents the remaining period of the rights to develop and operate the Subject Land, pursuant to the signed cooperation construction and operating agreements. The discount rates used reflect estimated weighted average cost of capital, stage of development, and specific risks relating to the operations. Cash flow projections during the budget period for the operating rights in respect of the Subject Land are based on the budgeted revenue, gross margin, operating expenses, capital expenditures incurred and expected inflation during the budget period. Expected cash inflows and outflows, which include the budgeted revenue, gross margin, operating expenses, capital expenditures incurred and expected inflation, have been determined based on the signed agreements and management's expectations for the market development with reference to the industry and macro-economic data.

During the year ended 31 December 2020, the Group has modified its business strategy for property investment business on the second and third phases of the Subject Land. The units of the building complex erected will lease out as high-end serviced apartments on a long-term or short-term lease basis instead of hotel rooms.

24. 無形資產及商譽減值測試(續)

(a) 有關主體地塊之經營權

計算有關主體地塊之經營權之使用價值時乃經參考亞太資產就兩個年度所編製之兩項估值釐定。該兩項估值使用管理層批准之財務預算之現金流預測，覆蓋41年期間(二零一九年：42年期間)。物業投資業務及文化業務所用之貼現率分別為13.00%(二零一九年：14.00%)及17.00%(二零一九年：17.00%)。預算期為根據已訂立合作建設及經營協議，開發及經營主體地塊之餘下期間之權利。所使用之貼現率反映估計資本加權平均成本、開發階段及經營之特定風險。有關主體地塊之經營權之預算期內現金流預測乃根據預算期內之預算收入、毛利率、經營開支、所產生之資本承擔及預期通脹率。預期現金流入及流出(包括預算收入、毛利率、經營開支、所產生之資本承擔及預期通脹率)乃根據已訂立協議及管理層參考行業及宏觀經濟數據得出之市場發展期望而釐定。

於截至二零二零年十二月三十一日止年度內，本集團已修訂於主體地塊第二及第三階段進行物業投資業務之業務策略。已搭建之建築綜合體單位將按長期或短期租賃基準出租作高端服務式公寓，而非酒店房間。

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24. IMPAIRMENT TESTING ON INTANGIBLE ASSETS AND GOODWILL (Continued)

(a) Operating rights in respect of the Subject Land (Continued)

As such, the relevant discounted cash flow projection used to measure value in use for determining the recoverable amount of the cash generating unit of Smart Title Limited relating to the property investment business has adjusted. The key assumptions are as follows:

- (a) Rental income per square meter of serviced apartments is based on the current market rate for comparable properties nearby, where the rental of the entire lease period is paid before the lease commencement date.
- (b) Building management fee income per square meter of serviced apartments is based on the current market rate for similar service standards, with a 3% annual increment.
- (c) Rental income of restaurants area and car parks are based on rate the current market rate for comparable properties nearby, with a 3% annual increment.
- (d) Operating expenses are based on management's estimation, with a 3% annual increment.
- (e) Development costs are budgeted to be RMB653,770,000 (equivalent to HK\$735,615,000).

24. 無形資產及商譽減值測試(續)

(a) 有關主體地塊之經營權(續)

因此，用以計量釐定Smart Title Limited有關物業投資業務之現金產生單位可收回金額之使用價值之相關已貼現現金流量預測已予調整。有關主要假設如下：

- (a) 倘整個租期之租金於租賃開始日期前支付，則服務式公寓之每平方米租金收入乃根據鄰近可資比較物業之當前市場水平釐定。
- (b) 服務式公寓之每平方米樓宇管理費收入乃根據類似服務標準之當前市場水平加上每年3%之增幅釐定。
- (c) 餐廳區及停車場之租金收入乃根據鄰近可資比較物業之當前市場水平加上每年3%之增幅釐定。
- (d) 經營開支乃根據管理層之估計加上每年3%之增幅釐定。
- (e) 開發成本預算為人民幣653,770,000元(相等於735,615,000港元)。

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24. IMPAIRMENT TESTING ON INTANGIBLE ASSETS AND GOODWILL (Continued)

(b) Operating rights in respect of the Club

The value in use calculation of the operating rights in respect of the Club has been determined with reference to the valuations prepared by APAC for both years. Those valuations use cash flow projection based on the financial budget approved by management covering a 31-year period (2019: 32-year period), and discount rate of 11.50% (2019: 11.90%). The budget period represents the remaining period of the rights to construct and operate the club facilities of the Club, pursuant to the signed cooperation construction and operating agreements. The discount rate used is based on the terminal capitalisation rate of similar industry and the rental growth rate of the signed club lease agreement. Cash flow projection during the budget period for the operating rights in respect of the Club is based on the budgeted rental income and operating expenses during the budget period. Expected cash inflows and outflows, which include the budgeted rental income and operating expenses, have been determined based on the signed agreements and management's expectations for the lessee not to terminate the signed club lease agreement and the renewal of club lease agreement with the same terms and conditions upon its expiry.

During the year ended 31 December 2020, the directors determine that no impairment on the property investment business in Beijing, the PRC is required (2019: Nil). The directors believe that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount of the property investment business in Beijing, the PRC to exceed its aggregate recoverable amount.

24. 無形資產及商譽減值測試(續)

(b) 有關會所之經營權

計算有關會所之經營權之使用價值乃經參考亞太資產就兩個年度所編製之估值釐定。該等估值使用管理層批准之財務預算之現金流預測，覆蓋31年期間(二零一九年：32年期間)，貼現率為11.50%(二零一九年：11.90%)。預算期為根據已訂立合作建設及經營協議，建設及經營會所之會所設施之餘下期間之權利。所使用之貼現率乃基於相近行業之最終資本化率及已訂立會所租賃協議之租金增長率。有關會所之經營權之預算期內現金流預測乃根據預算期內之預算租金收入及經營開支。預期現金流入及流出(包括預算租金收入及經營開支)乃根據已訂立協議及管理層對承配人不終止已簽訂之會所租賃協議及租賃協議屆滿後以相同條款及條件重續租賃協議之預期而釐定。

於截至二零二零年十二月三十一日止年度內，董事釐定毋須對於中國北京之物業投資業務進行減值(二零一九年：無)。董事相信，任何該等假設之任何可能變動，將不會導致於中國北京之物業投資業務之賬面總值超過其可收回總金額。

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25. INTERESTS IN ASSOCIATES

25. 於聯營公司之權益

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Listed shares in Hong Kong	香港上市股份		
– China Healthwise Holdings Limited (“China Healthwise”)	– 中國智能健康控股有限公司 (「中國智能健康」)	60,059	61,610
– Global Mastermind Holdings Limited (“Global Mastermind”)	– 環球大通集團有限公司 (「環球大通」)	104,083	179,146
Unlisted shares in Hong Kong	香港非上市股份		
– China Hong Kong Money Limited (“China Hong Kong Money”)	– 中港資有限公司 (「中港資」)	593	593
– Elite Prosperous Investment Limited (“Elite Prosperous”)	– Elite Prosperous Investment Limited (「Elite Prosperous」)	12,606	30,802
		177,341	272,151
Cost of investments in associates	於聯營公司之投資成本	240,661	237,207
Amount due from an associate	應收一間聯營公司款項	38,437	38,437
Share of post-acquisition loss, other comprehensive expense, net dividends received and reserve	應佔收購後虧損、其他全面開支、已收股息淨額及儲備	(101,757)	(3,493)
		177,341	272,151
Market value of listed shares	上市股份市值		
– China Healthwise	– 中國智能健康	35,929	53,414
– Global Mastermind	– 環球大通	64,732	68,076

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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

25. INTERESTS IN ASSOCIATES (Continued)

At the end of the reporting period, the Group had interests in the following associates:

Name of entity 實體名稱	Country/place of incorporation 註冊成立 國家/地點	Principal place of business 主要營業地點	Proportion of ownership interest and voting power held by the Group 本集團所持擁有權權益及投票權比例		Principal activities 主要業務
			2020 二零二零年	2019 二零一九年	
China Healthwise (Note (i)) 中國智能健康(附註(i))	Cayman Islands 開曼群島	Hong Kong 香港	20.27%	18.86%	Sales of Chinese health products, money lending business and investment in financial instruments 銷售中藥保健產品、放債業務及投資金融工具
Global Mastermind (Note (ii)) 環球大通(附註(ii))	Cayman Islands 開曼群島	Hong Kong 香港	29.77%	29.04%	Provision and operation of travel business, treasury management business, money lending business, and provision of securities, assets management and financial advisory services 提供及經營旅遊業務、財資管理業務、放債業務，以及提供證券、資產管理及財務諮詢服務
China Hong Kong Money 中港資	Hong Kong 香港	Hong Kong 香港	30%	30%	Dormant 暫無營業
Elite Prosperous (Note (iii)) Elite Prosperous (附註(iii))	British Virgin Islands 英屬處女群島	Hong Kong 香港	49%	49%	Investment Holding 投資控股

25. 於聯營公司之權益(續)

於報告期末，本集團於以下聯營公司中擁有權益：

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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

25. INTERESTS IN ASSOCIATES (Continued)

Notes:

- (i) On 28 October 2019, the Group held 1,483,728,240 shares in China Healthwise, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Exchange (stock code: 348), representing approximately 18.86% of the issued share capital of China Healthwise. On 28 October 2019, Mr. Cheung Kwok Wai Elton, an executive director, has been appointed as an executive director of China Healthwise with immediate effect.

Following the appointment of Mr. Cheung Kwok Wai Elton as an executive director of China Healthwise, the Group has two executive board seats in the board of directors of China Healthwise and is regarded as having a significant influence over China Healthwise. As a result, the 1,483,728,240 shares in China Healthwise held by the Group are accounted for as an investment in associate in accordance with HKAS 28 *Investments in Associates and Joint Ventures* in the consolidated financial statements of the Group, instead of financial assets at FVTPL in accordance with HKFRS 9, with effect from 28 October 2019.

The 1,483,728,240 shares in China Healthwise with an aggregate fair value of HK\$53,414,000 was transferred to “interests in associates” in the consolidated statement of financial position in applying equity method to account for the Group’s investment in China Healthwise. On 28 October 2019, the fair value of net assets of China Healthwise exceeded the aggregate fair value of the shares in China Healthwise transferred by HK\$14,044,000. Accordingly, the Group recognised a gain on bargaining purchase of HK\$14,044,000 in the “Share of results of associates” line item in the consolidated statement of profit or loss.

25. 於聯營公司之權益(續)

附註：

- (i) 於二零一九年十月二十八日，本集團持有1,483,728,240股中國智能健康股份，佔中國智能健康之已發行股本約18.86%。該公司為一間於開曼群島註冊成立之有限公司，其已發行股份於聯交所主板上市(股份代號：348)。於二零一九年十月二十八日，執行董事張國偉先生已獲委任為中國智能健康之執行董事，即時生效。

隨著張國偉先生獲委任為中國智能健康之執行董事後，本集團於中國智能健康董事會中有兩個執行董事議席，並被視為對中國智能健康具有重大影響力。據此，本集團持有之1,483,728,240股中國智能健康股份乃根據香港會計準則第28號於聯營公司及合營企業之投資於本集團之綜合財務報表列賬為於聯營公司之投資，而非根據香港財務報告準則第9號金融工具於本集團之綜合財務報表中列賬為按公平值計入損益表之金融資產，自二零一九年十月二十八日起生效。

公平值總額53,414,000港元之1,483,728,240股中國智能健康股份於應用權益法將本集團於中國智能健康之投資入賬時轉移至綜合財務狀況表內「於聯營公司之權益」。於二零一九年十月二十八日，中國智能健康之資產淨值公平值超過已轉讓之中國智能健康股份公平值總額14,044,000港元。因此，本集團於綜合損益表內「應佔聯營公司業績」項目確認議價購買收益14,044,000元。

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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

25. INTERESTS IN ASSOCIATES (Continued)

Notes: (Continued)

(i) (Continued)

During the year ended 31 December 2020, China Healthwise repurchased and cancelled 160,650,000 of its shares (before the share consolidation of the shares of China Healthwise that became effective on 25 September 2020) from January 2020 to July 2020 and the Group's shareholdings in China Healthwise increased from 18.86% at 31 December 2019 to 19.26% at 21 July 2020. As a result of the shares repurchase and cancellation, the Group recognised a gain on deemed acquisition of HK\$290,000 in the "Share of results of associates" line item in the consolidated statement of profit or loss for the year ended 31 December 2020.

The Group further acquired 7,840,000 shares (after the share consolidation of the shares of China Healthwise that became effective on 25 September 2020) in China Healthwise from September 2020 to December 2020 at a consideration of HK\$1,976,000 and the Group's shareholdings in China Healthwise increased from 19.26% at 21 July 2020 to 20.27% at 31 December 2020 accordingly. The Group recognised a gain on bargaining purchase of HK\$917,000 in the "Share of results of associates" line item in the consolidated statement of profit or loss for the year ended 31 December 2020 resulted from the further acquisition.

The market value of the shares of China Healthwise held by the Group as at 31 December 2020 is HK\$35,929,000 (2019: HK\$53,414,000).

In view of the volume of the shares of China Healthwise traded in the Main Board of the Exchange in each of the previous 12 months immediately prior to the publication of this annual report, the directors considered that the transactions for the shares of China Healthwise taken place in the Main Board of the Exchange did not have sufficient frequency and volume to provide a pricing information on an ongoing basis and there was no deep and liquid market existed for the shares of China Healthwise.

25. 於聯營公司之權益(續)

附註：(續)

(i) (續)

於截至二零二零年十二月三十一日止年度內，中國智能健康已於二零二零年一月至二零二零年七月期間回購及註銷其160,650,000股股份(於二零二零年九月二十五日中國智能健康股份的合併生效前)，而本集團於中國智能健康之股權由二零一九年十二月三十一日的18.86%增至二零二零年七月二十一日的19.26%。由於股份回購及註銷，本集團於截至二零二零年十二月三十一日止年度之綜合損益表內「應佔聯營公司業績」項目中確認被視為收購之收益290,000港元。

本集團於二零二零年九月至二零二零年十二月期間進一步收購中國智能健康7,840,000股股份(於二零二零年九月二十五日中國智能健康股份的合併生效後)，代價為1,976,000港元，因此，本集團於中國智能健康之股權由二零二零年七月二十一日的19.26%增至二零二零年十二月三十一日的20.27%。本集團於截至二零二零年十二月三十一日止年度之綜合損益表內「應佔聯營公司業績」項目中確認進一步收購導致的議價購買收益917,000港元。

於二零二零年十二月三十一日，本集團所持有之中國智能健康股份市值為35,929,000港元(二零一九年：53,414,000港元)。

就緊接本年報刊發前12個月各月於聯交所主板交易的中國智能健康股份之數量而言，董事認為於聯交所主板發生有關中國智能健康股份交易之頻率及數量並不足以按持續基準提供定價資料，且就中國智能健康股份而言，並無具深度之市場流通量存在。

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25. INTERESTS IN ASSOCIATES (Continued)

Notes: (Continued)

(i) (Continued)

Given that there was no deep and liquid market existed for the shares of China Healthwise, the directors considered that the market value of the shares of China Healthwise was not relevant to the measurement of the fair value of the Group's interest in China Healthwise. Instead, the directors determined the fair value of the Group's interest in China Healthwise based on its consolidated statement of financial position as at 31 December 2020 as a majority of China Healthwise's assets and liabilities was measured at fair values in complying with HKFRSs for financial reporting purposes. As such, the directors considered the net assets value of China Healthwise as at 31 December 2020 was closely approximate to its fair value as at 31 December 2020.

At 31 December 2020, the Group held 156,212,824 shares in China Healthwise and 153,892,024 shares of which, with a fair value of HK\$35,395,000, have been pledged to secure the secured other borrowing – securities margin financing facility granted to the Group.

(ii) During the year ended 31 December 2020, the Group further acquired 31,500,000 shares in Global Mastermind at a consideration of HK\$1,477,000 and the Group's shareholdings in Global Mastermind increased from 29.04% at 31 December 2019 to 29.77% at 31 December 2020 accordingly. The Group recognised a gain on bargaining purchase of HK\$1,849,000 in the "Share of results of associates" line item in the consolidated statement of profit or loss for the year ended 31 December 2020 resulted from the further acquisition.

25. 於聯營公司之權益(續)

附註：(續)

(i) (續)

鑑於中國智能健康之股份並無具深度之市場流通量存在，董事認為中國智能健康股份之市場價值與本集團於中國智能健康中權益之公平值之計量並不相關。取而代之，董事已根據二零二零年十二月三十一日之綜合財務狀況表釐定本集團於中國智能健康之權益之公平值，此乃由於中國智能健康之大部分資產及負債乃遵守香港財務報告準則按公平值計量，作財務報告用途。據此，董事認為中國智能健康於二零二零年十二月三十一日之資產淨值與其於二零二零年十二月三十一日之公平值相若。

於二零二零年十二月三十一日，本集團持有中國智能健康156,212,824股股份，而其中公平值為35,395,000港元之153,892,024股股份已抵押為授予本集團之有抵押其他借款 – 證券保證金財務融資之抵押品。

(ii) 於截至二零二零年十二月三十一日止年度內，本集團以代價1,477,000港元進一步收購環球大通31,500,000股股份，因此，本集團於環球大通的股權由二零一九年十二月三十一日的29.04%增至二零二零年十二月三十一日的29.77%。本集團於截至二零二零年十二月三十一日止年度之綜合損益表內「應佔聯營公司業績」項目中確認進一步收購導致的議價購買收益1,849,000港元。

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25. INTERESTS IN ASSOCIATES (Continued)

Notes: (Continued)

(ii) (Continued)

As disclosed in its announcement dated 29 December 2020, Global Mastermind received a letter (the “**Letter**”) in December 2020 from Mr. Ma Chunlong (“**Mr. Ma**”) which the directors of Global Mastermind represented that the Letter was purportedly written for and on behalf of Solution Apex Investments Limited (“**Solution Apex**”), a company incorporated in the British Virgin Islands (the “**BVI**”) with limited liability and a wholly-owned subsidiary of Global Mastermind, alleging, among other things, that (a) Mr. Ma was appointed as the sole director of Solution Apex on 1 December 2020; and (b) Solution Apex made three payments to three parties (the “**Purported Three Parties**”) with the aggregate amount of HK\$47,534,000 in July 2020 (the “**Purported Payments to the Purported Three Parties**”). As represented by the directors of Global Mastermind, neither the directors of Global Mastermind nor Global Mastermind had known or met Mr. Ma before Global Mastermind received the Letter. Also, as represented by the directors of Global Mastermind, the sole director of Solution Apex had been Mr. Allan Yap (“**Mr. Yap**”) since 19 December 2014, and, until 1 December 2020 as described below, Global Mastermind had not received any notice from Mr. Yap about his bankruptcy; Mr. Yap was adjudged bankrupt by the High Court of Hong Kong on 3 August 2020. In respect of the above matters, the directors of Global Mastermind, in December 2020, enquired the directors of Durable Gold Investments Limited (“**Durable Gold**”) which is the immediate holding company of Solution Apex. Durable Gold is a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of Global Mastermind. The directors of Global Mastermind were notified, among other things, that (a) Mr. Yap had ceased to be the sole director of Solution Apex with effect from 1 December 2020; (b) Mr. Ma was appointed as the sole director of Solution Apex and was also appointed as a director of Durable Gold with effect from 1 December 2020; (c) the bank balance held by Solution Apex with the aggregate amount of HK\$47,534,000 was utilised for the Purported Payments to the Purported Three Parties around July 2020; and (d) the remaining bank balance of Solution Apex of HK\$11,231,000 was withdrawn entirely in August 2020 (the “**Purportedly Unauthorised Cash Withdrawals**”).

25. 於聯營公司之權益(續)

附註：(續)

(ii) (續)

誠如環球大通日期為二零二零年十二月二十九日之公佈所披露，於二零二零年十二月，環球大通接獲馬春龍先生(「馬先生」)發出之函件(「該函件」)，環球大通董事表示，該函件聲稱乃為及代表 Solution Apex Investments Limited (「**Solution Apex**」，一間於英屬處女群島(「英屬處女群島」)註冊成立之有限公司，並為環球大通之全資附屬公司)發出，聲稱(其中包括)(a)馬先生於二零二零年十二月一日獲委任為 Solution Apex 之唯一董事；及(b) Solution Apex 於二零二零年七月向三方(「聲稱三名人士」)作出三筆付款，總額為 47,534,000 港元(「向聲稱三名人士作出聲稱付款」)。誠如環球大通董事所聲明，環球大通之董事及環球大通於環球大通接獲該函件前均不認識馬先生或曾與馬先生會面。此外，誠如環球大通董事所聲明，Solution Apex 之唯一董事自二零一四年十二月十九日起為葉家海先生(「葉先生」)，而如下文所述直至二零二零年十二月一日之前，環球大通並無接獲葉先生有關其破產之任何通知；葉先生於二零二零年八月三日被香港高等法院宣判為破產。就上述事項而言，環球大通董事於二零二零年十二月向 Solution Apex 之直接控股公司 Durable Gold Investments Limited (「**Durable Gold**」)之董事作出查詢。Durable Gold 為一間於英屬處女群島註冊成立之有限公司，並為環球大通之全資附屬公司。環球大通董事獲告知(其中包括)(a)葉先生自二零二零年十二月一日起不再為 Solution Apex 之唯一董事；(b)馬先生自二零二零年十二月一日起獲委任為 Solution Apex 之唯一董事，亦獲委任為 Durable Gold 之董事；(c) Solution Apex 持有之銀行結餘總額 47,534,000 港元已於二零二零年七月左右用作向聲稱三名人士作出聲稱付款；及(d) Solution Apex 之餘下銀行結餘 11,231,000 港元已於二零二零年八月全數提取(「聲稱未經授權現金提取」)。

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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

25. INTERESTS IN ASSOCIATES (Continued)

Notes: (Continued)

(ii) (Continued)

As represented by the directors of Global Mastermind, the Purported Payments to the Purported Three Parties and the Purportedly Unauthorised Cash Withdrawals (collectively referred to as the “**Incidents**”) were carried out without the authorisation from the directors of Global Mastermind. On 29 December 2020, the directors of Global Mastermind had resolved to (a) remove Mr. Ma as the director of Solution Apex and Durable Gold with the immediate effect and replace them with Global Mastermind’s designated persons; (b) instruct external legal advisers to commence legal proceedings to seek to recoup the Purported Payments from the Purported Three Parties and the Purportedly Unauthorised Cash Withdrawals and/or to seek damages and other remedies from individuals and entities against whom Global Mastermind may have causes of action as a result of the Incidents; (c) establish an internal investigation working team (the “**Internal Investigation Working Team**”) to investigate the Incidents and to oversee the progress of the actions to be carried out by the external legal advisers; (d) recognise a loss in respect of the Incidents of HK\$58,765,000 in the consolidated profit or loss of Global Mastermind for the year ended 31 December 2020; and (e) enter into an agreement with an independent third party (the “**Purchaser**”) to dispose of Global Mastermind’s entire shareholdings in Solution Apex at a cash consideration of HK\$1 with an outcome sharing mechanism enabling Global Mastermind to retain any amount, recovering from the actions to be taken by the Purchaser against Mr. Yap, the Purported Three Parties or other individual and entities involved in the Incidents, at a distribution ratio of 99% to Global Mastermind and 1% to the Purchaser.

25. 於聯營公司之權益(續)

附註：(續)

(ii) (續)

誠如環球大通董事所聲明，向聲稱三名人士作出聲稱付款及聲稱未經授權現金提取(統稱為「該等事件」)乃在未經環球大通董事授權之情況下進行。於二零二零年十二月二十九日，環球大通董事已議決(a)即時罷免馬先生於Solution Apex及Durable Gold之董事職務，並以環球大通指定人士取代；(b)指示外部法律顧問展開法律訴訟，以尋求收回向聲稱三名人士作出聲稱付款及聲稱未經授權現金提取及／或因該等事件而導致環球大通可能對他們存在訴訟因由之個人和實體尋求賠償及其他法律救濟措施；(c)成立內部調查工作小組(「內部調查工作小組」)，以調查該等事件及監督外部法律顧問將採取之行動之進度；(d)於環球大通截至二零二零年十二月三十一日止年度之綜合損益表中就該等事件確認虧損58,765,000港元；及(e)與一名獨立第三方(「買方」)訂立協議，以現金代價1港元出售環球大通於Solution Apex之全部股權，並設立收益共享機制，讓環球大通保留從買方對葉先生、聲稱三名人士或其他涉及該等事件之個人及實體將採取之行動中收回之任何金額，並按照99%及1%之比例在環球大通及買方之間進行分配。

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25. INTERESTS IN ASSOCIATES (Continued)

Notes: (Continued)

(ii) (Continued)

After announcing the Incidents, the Internal Investigation Working Team recommended the audit committee of Global Mastermind to engage an independent professional firm (the “Investigator”) to investigate the Incidents (the “Investigation”), including circumstances and causes surrounding the Purported Payments to the Purported Three Parties and the Purportedly Unauthorised Cash Withdrawals and the management of Global Mastermind involved in the Incidents. Up to the date of Global Mastermind’s annual report for the year ended 31 December 2020, the Investigator has not been able to carry out all the necessary procedures and work for the Investigation because certain documents and the other procedures, in particular, in connection with the investigation work on the circumstances and causes surrounding the Purported Payments to the Purported Three Parties and the Purportedly Unauthorised Cash Withdrawals has not yet obtained. The external legal advisers are still proceeding with the actions, in seeking to recoup the Purported Payments from the Purported Three Parties and the Purportedly Unauthorised Cash Withdrawals and/or to seek damages and other remedies from individuals and entities against whom Global Mastermind may have causes of action, and, the outcome of these actions is still uncertain up to the date of Global Mastermind’s annual report for the year ended 31 December 2020.

25. 於聯營公司之權益(續)

附註：(續)

(ii) (續)

於公佈該等事件後，內部調查工作小組建議環球大通審核委員會聘請獨立專業公司(「調查人員」)對該等事件進行調查(「調查事件」)，包括圍繞向聲稱三名人士聲稱付款及聲稱未授權現金提取以及環球大通涉及該等事件管理層之情況及原因。直至環球大通截至二零二零年十二月三十一日止年度之年報日期，調查人員無法進行調查所需之所有必要程序及工作，因為尚未獲得部分文件及其他程序，特別是與圍繞向聲稱三名人士聲稱付款及聲稱未授權現金提取之情況及原因有關之調查工作。外部法律顧問仍在著手採取行動，以尋求收回向聲稱三名人士聲稱付款及聲稱未授權現金提取及／或向環球大通可能採取行動之個人及實體尋求賠償及其他補償，直至環球大通截至二零二零年十二月三十一日止年度之年報日期，該等行動之結果仍不確定。

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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

25. INTERESTS IN ASSOCIATES (Continued)

Notes: (Continued)

(ii) (Continued)

The views of the executive directors and the audit committee on the audit qualification relating to the causes of the Incidents, and commercial substance and nature of the Purported Payments to the Purported Three Parties and the Purportedly Unauthorised Cash Withdrawals are disclosed in the section headed “Additional Information on Audit Qualification” of the Management Discussion and Analysis on pages 37 to 43 of the annual report.

In view of the volume of the shares of Global Mastermind traded in GEM operated by the Exchange (“GEM”) in each of the previous 12 months immediately prior to the annual report, the directors considered that the transactions for the shares of Global Mastermind taken place in GEM did not have sufficient frequency and volume to provide a pricing information on an ongoing basis and there was no deep and liquid market existed for the shares of Global Mastermind.

Given that there was no deep and liquid market existed for the shares of Global Mastermind, the directors considered that the market value of the shares of Global Mastermind was not relevant to the measurement of the fair value of the Group’s interest in Global Mastermind. Instead, the directors determined the fair value of the Group’s interest in Global Mastermind based on its consolidated statement of financial position as at 31 December 2020 as a majority of Global Mastermind’s assets and liabilities was measured at fair values in complying with HKFRSs for financial reporting purposes. As such, the directors considered the net assets value of Global Mastermind as at 31 December 2020 was closely approximate to its fair value as at 31 December 2020.

At 31 December 2020, the Group held 1,269,250,000 shares in Global Mastermind with a fair value of HK\$64,732,000 determined based on quoted share price, have been pledged to secure the secured other borrowing – securities margin financing facility granted to the Group.

25. 於聯營公司之權益(續)

附註：(續)

(ii) (續)

執行董事及審核委員會對有關該等事件之原因以及向聲稱三名人士作出聲稱付款及聲稱未經授權現金提取之商業實質及性質之審核保留意見之意見於年報第37至43頁之管理層討論及分析內「有關審核保留意見之其他資料」一節中披露。

就緊接年報前12個月各月於由聯交所經營之GEM(「GEM」)交易的環球大通股份之數量而言，董事認為於GEM發生有關環球大通股份交易之頻率及數量並不足以按持續基準提供定價資料，且就環球大通股份而言，並無具深度之市場流通量存在。

鑑於環球大通之股份並無具深度之市場流通量存在，董事認為環球大通股份之市場價值與本集團於環球大通中權益之公平值之計量並不相關。取而代之，董事已根據二零二零年十二月三十一日之經審核綜合財務狀況表釐定本集團於環球大通之權益之公平值，此乃由於環球大通之資產及負債乃遵守香港財務報告準則按公平值計量，作財務報告用途。因此，董事認為環球大通於二零二零年十二月三十一日之資產淨值與其於二零二零年十二月三十一日之公平值相若。

於二零二零年十二月三十一日，本集團持有環球大通1,269,250,000股股份，其根據所報股價釐定之公平值為64,732,000港元，已抵押為授予本集團之有抵押其他借款 – 證券保證金財務融資之抵押品。

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

25. INTERESTS IN ASSOCIATES (Continued)

Notes: (Continued)

- (iii) On 31 August 2017, the Group subscribed for 49 ordinary shares which represent 49% equity interests in Elite Prosperous at a consideration of US\$49. Elite Prosperous is an investment holding company.

On 5 September 2017, the Group and the other shareholder of Elite Prosperous, an independent third party, as lenders entered into the shareholders' loan agreement with Elite Prosperous as borrower. Pursuant to the shareholders' loan agreement, the Group has agreed to provide a shareholder's loan in the amount of US\$4,900,000, equivalent to HK\$38,421,000, to Elite Prosperous, being the Group's pro rata share of the shareholders' loan in the principal amount of US\$10,000,000, equivalent to HK\$78,410,000, in aggregate to be provided by all of the shareholders of Elite Prosperous. The shareholders' loan of US\$10,000,000 is solely for the purpose of financing Elite Prosperous' operating and investment needs. The shareholders' loan of US\$10,000,000 is unsecured, non-interest bearing and repayable on demand. On the same date, the Group made the shareholder's loan of US\$4,900,000 to Elite Prosperous. The Group classified the shareholder's loan of US\$4,900,000 to Elite Prosperous as "interests in associates". The maximum amount of the shareholder's loan outstanding to the Group during the year ended 31 December 2020 was HK\$38,437,000 (2019: HK\$38,437,000).

25. 於聯營公司之權益(續)

附註：(續)

- (iii) 於二零一七年八月三十一日，本集團以代價49美元收購Elite Prosperous之49股普通股，相當於其49%股權。Elite Prosperous為一間投資控股公司。

於二零一七年九月五日，本集團及Elite Prosperous另一名股東(一名獨立第三方)(作為放債人)與Elite Prosperous(作為借款人)訂立股東貸款協議。根據股東貸款協議，本集團已同意向Elite Prosperous提供金額為4,900,000美元(相等於38,421,000港元)之股東貸款，即其於Elite Prosperous全體股東將提供之股東貸款本金總額為10,000,000美元(相等於78,410,000港元)之按比例應佔部分。此筆10,000,000美元之股東貸款僅可用於滿足Elite Prosperous之運營及投資需要。此筆10,000,000美元之股東貸款為無抵押、免息及須按要求償還。同日，本集團向Elite Prosperous提供4,900,000美元之股東貸款。本集團將向Elite Prosperous提供之股東貸款4,900,000美元劃分為「於聯營公司之權益」。於截至二零二零年十二月三十一日止年度內，未償付本集團的股東貸款之最大款項為38,437,000港元(二零一九年：38,437,000港元)。

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

25. INTERESTS IN ASSOCIATES (Continued)

All of the associates are accounted for using the equity method in the consolidated financial statements.

Summarised financial information of material associates

Summarised financial information in respect of the Group's material associates is set out below. The summarised financial information below represents amounts shown in the associates' financial statements prepared in accordance with HKFRSs.

China Healthwise

25. 於聯營公司之權益(續)

所有聯營公司計入綜合財務報表時均使用權益法。

重要聯營公司之財務資料概要

有關本集團重要聯營公司之財務資料概要載列於下文。以下財務資料概要代表根據香港財務報告準則編製之聯營公司財務報表所示金額。

中國智能健康

		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	145,692	53,852
Current assets	流動資產	288,586	544,575
Current liabilities	流動負債	(50,347)	(263,578)
Non-current liabilities	非流動負債	(87,640)	(8,176)

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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

25. INTERESTS IN ASSOCIATES (Continued)

Summarised financial information of material associates (Continued)

China Healthwise (Continued)

25. 於聯營公司之權益(續)

重要聯營公司之財務資料概要(續)

中國智能健康(續)

		For the year ended 31 December 2020	For the period from 28 October 2019 to 31 December 2019
		截至 二零二零年 十二月 三十一日 止年度 HK\$'000 千港元	於二零一九年 十月二十八日 至二零一九年 十二月 三十一日期間 HK\$'000 千港元
Revenue for the year/period	本年度／期間收益	137,853	37,156
Loss for the year/period	本年度／期間虧損	(25,222)	(31,017)
Other comprehensive (expense)/income for the year/period	本年度／期間其他全面 (開支)／收益	(168)	10
Total comprehensive expense for the year/period	本年度／期間全面開支總額	(25,390)	(31,007)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

上述財務資料概要與綜合財務報告內所確認於該聯營公司之權益賬面值之對賬：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Net assets of China Healthwise	中國智能健康之資產淨值	296,291	326,673
Proportion of the Group's ownership interest in China Healthwise	本集團於中國智能健康擁有之權益比例	20.27%	18.86%
The Group's share of net assets of China Healthwise	本集團應佔中國智能健康之資產淨值	60,059	61,610
Carrying amount of the Group's interest in China Healthwise	本集團於中國智能健康之權益之賬面值	60,059	61,610

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

25. INTERESTS IN ASSOCIATES (Continued)

Summarised financial information of material associates (Continued)

Global Mastermind

		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	318,076	233,914
Current assets	流動資產	282,897	684,626
Current liabilities	流動負債	(250,542)	(298,169)
Non-current liabilities	非流動負債	(811)	(3,477)

		For the year ended 31 December 截至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
Revenue for the year	本年度收益	37,150	75,640
Loss for the year	本年度虧損	(267,084)	(54,593)
Other comprehensive (expense)/income for the year	本年度其他全面(開支)/收益	(190)	1,182
Total comprehensive expense for the year	本年度全面開支總額	(267,274)	(53,411)

25. 於聯營公司之權益(續)

重要聯營公司之財務資料概要(續)

環球大通

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

25. INTERESTS IN ASSOCIATES (Continued)

Summarised financial information of material associates (Continued)

Global Mastermind (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

25. 於聯營公司之權益(續)

重要聯營公司之財務資料概要(續)

環球大通(續)

上述財務資料概要與綜合財務報告內所確認於該聯營公司之權益賬面值之對賬：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Net assets of Global Mastermind	環球大通之資產淨值	349,620	616,894
Proportion of the Group's ownership interest in Global Mastermind	本集團於環球大通擁有之權益比例	29.77%	29.04%
The Group's share of net assets of Global Mastermind	本集團應佔環球大通之資產淨值	104,083	179,146
Carrying amount of the Group's interest in Global Mastermind	本集團於環球大通之權益之賬面值	104,083	179,146

Aggregate information of associates that are not individually material

並非個別重大之聯營公司綜合資料

		For the year ended 31 December 截至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
The Group's share of loss and total comprehensive expense for the year	本集團應佔本年度虧損及全面開支總額	(18,196)	(25,332)
Aggregate carrying amounts of the Group's interests in these associates	本集團於此等聯營公司之權益之賬面總值	13,199	31,395

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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

26. LOAN RECEIVABLES

26. 應收貸款

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Loans to customers	向客戶提供之貸款	964,910	991,718
Accrued interest receivables	應收應計利息	11,689	8,353
		976,599	1,000,071
Less: accumulated allowance for credit losses	減：累計信貸虧損撥備	(203,678)	(22,021)
		772,921	978,050

All loans are denominated in Hong Kong dollar. The loan receivables carry effective interest ranging from 8% to 15% per annum (2019: 8% to 15% per annum). A maturity profile of the loan receivables (net of accumulated allowance for credit losses) at 31 December 2020 and 2019, based on the maturity date is as follows:

所有貸款均以港元計值。應收貸款之實際年利率介乎8%至15%（二零一九年：年利率8%至15%）。於二零二零年及二零一九年十二月三十一日，按到期日劃分之應收貸款（扣除累計信貸虧損撥備）到期情況如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Current assets	流動資產		
Within one year	一年內	611,491	497,516
Non-current assets	非流動資產		
More than one year but not exceeding two years	一年以上但不超過兩年	161,430	480,534
		772,921	978,050

During the year ended 31 December 2020, an allowance for credit losses on loan receivables of HK\$197,432,000 was recognised (2019: HK\$4,474,000).

於截至二零二零年十二月三十一日止年度內，已確認應收貸款之信貸虧損撥備為197,432,000港元（二零一九年：4,474,000港元）。

During the year ended 31 December 2020, loan receivables amounted to HK\$15,775,000 was written-off (2019: Nil).

於截至二零二零年十二月三十一日止年度內，已撇銷15,775,000港元之應收貸款（二零一九年：無）。

At 31 December 2020, three loans in the aggregate principal amounts of HK\$260,000,000 are secured by corporate guarantees. At 31 December 2019, two loans in the aggregate principal amounts of HK\$125,000,000 are secured by corporate guarantees.

於二零二零年十二月三十一日，三筆本金總額為260,000,000港元之貸款以公司擔保作抵押。於二零一九年十二月三十一日，兩筆本金總額為125,000,000港元之貸款以公司擔保作抵押。

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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. LOAN RECEIVABLES (Continued)

Included in the carrying amount of loan receivables at 31 December 2020 is an accumulated allowance for credit losses of HK\$203,678,000 (2019: HK\$22,021,000).

Details of impairment assessment of loan receivables for the years ended 31 December 2020 and 2019 are set out in note 51.

Movements in the accumulated allowance for credit losses during the year are as follows:

		12 months ECL 12個月 預期信貸 虧損 HK\$'000 千港元	Lifetime ECL not credit- impaired 並無信貸減值 之全期預期 信貸虧損 HK\$'000 千港元	Lifetime ECL credit- impaired 信貸減值之 全期預期 信貸虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	17,547	—	—	17,547
Allowance for credit losses recognised	已確認信貸虧損撥備	4,474	—	—	4,474
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	22,021	—	—	22,021
Transfer to lifetime ECL not credit-impaired	轉撥至並無信貸減值之全期預期信貸虧損	(2,881)	2,881	—	—
Transfer to credit impaired Allowance for credit losses recognised	轉撥至信貸減值已確認信貸虧損撥備	(1,162)	—	1,162	—
Written-off of loan receivables	撤銷應收貸款	11,402	62,303	123,727	197,432
		—	—	(15,775)	(15,775)
At 31 December 2020	於二零二零年十二月三十一日	29,380	65,184	109,114	203,678

26. 應收貸款(續)

應收貸款於二零二零年十二月三十一日之賬面值包括累計信貸虧損撥備203,678,000港元(二零一九年: 22,021,000港元)。

截至二零二零年及二零一九年十二月三十一日止年度，應收貸款之減值評估詳情載於附註51。

年內之累計信貸虧損撥備變動如下：

27. INVENTORIES

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Raw materials	原材料	10,430	10,139
Work-in-progress	在製品	431	547
Finished goods	製成品	22,132	25,829
		32,993	36,515

Inventories are expected to be recovered within one year.

存貨預期將於一年內收回。

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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

28. TRADE RECEIVABLES

28. 貿易應收款項

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Trade receivables	貿易應收款項	30,014	40,009
Less: accumulated allowance for credit losses	減：累計信貸虧損撥備	(460)	(145)
		29,554	39,864

The following is an aging analysis of trade receivables (net of accumulated allowance for credit losses) at the end of the reporting period presented based on the invoice dates:

按發票日期呈列於報告期末之貿易應收款項(扣除累計信貸虧損撥備)之賬齡分析如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
0-30 days	0至30日	6,974	7,510
31-60 days	31至60日	6,590	6,391
61-90 days	61至90日	5,924	6,852
91-120 days	91至120日	5,627	3,617
121-180 days	121至180日	3,490	9,084
Over 180 days	180日以上	949	6,410
		29,554	39,864

The Group allows credit period ranging from 0 to 270 days to its customers. The directors assess the credit status and impose credit limits for customers in accordance with the Group's credit policy. The credit limits are closely monitored and subject to periodic reviews.

本集團允許向其客戶提供之信貸期介乎0至270日。董事根據本集團之信貸政策評估客戶之信貸狀況並制訂信貸限額。信貸限額獲緊密監察並作定期檢討。

During the year ended 31 December 2020, an allowance for credit losses on trade receivables of HK\$315,000 was recognised (2019: HK\$56,000).

於截至二零二零年十二月三十一日止年度內，已確認貿易應收款項之信貸虧損撥備為315,000港元(二零一九年：56,000港元)。

Included in the carrying amount of trade receivables at 31 December 2020 is an accumulated allowance for credit losses of HK\$460,000 (2019: HK\$145,000).

貿易應收款項於二零二零年十二月三十一日之賬面值包括累計信貸虧損撥備460,000港元(二零一九年：145,000港元)。

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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

28. TRADE RECEIVABLES (Continued)

Details of impairment assessment of trade receivables for the years ended 31 December 2020 and 2019 are set out in note 51.

Movements in the accumulated allowance for credit losses during the year 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
At 1 January	於一月一日	145	89
Allowance for credit losses recognised during the year	年內確認信貸虧損撥備	315	56
At 31 December	於十二月三十一日	460	145

28. 貿易應收款項(續)

截至二零二零年及二零一九年十二月三十一日止年度，貿易應收款項之減值評估詳情載於附註51。

年內累計信貸虧損撥備之變動如下：

29. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Deposits	按金	10,894	348
Prepayments	預付款項	41,556	57,141
Other receivables	其他應收款項	95,540	93,340
		147,990	150,829
Less: accumulated allowance for credit losses on other receivables	減：其他應收款項之累計信貸虧損撥備	(26,189)	(23,890)
		121,801	126,939
Less: prepayments and other receivables classified as non-current assets	減：分類為非流動資產之預付款項及其他應收款項	(25,441)	(201)
		96,360	126,738

At 31 December 2020, included in the other receivables were the loan to a third party of RMB20,000,000 (equivalent to HK\$23,763,000), for a term of three years commencing on 22 May 2020 and the related interest receivable of RMB104,000 (equivalent to HK\$123,000).

The loan to a third party was interest bearing at 4.75% per annum, unsecured, and maturing on 21 May 2023.

於二零二零年十二月三十一日，其他應收款項包括向一名第三方提供人民幣20,000,000元(相等於23,763,000港元)之貸款(自二零二零年五月二十二日起計為期三年)及相關應收利息人民幣104,000元(相等於123,000港元)。

向一名第三方提供之貸款按年利率4.75%計息、無抵押，並於二零二三年五月二十一日到期。

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29. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES (Continued)

At 31 December 2019, included in the other receivables were the loan to a director of certain subsidiaries of the Company of RMB25,000,000 (equivalent to HK\$27,909,000), for a term of 24 months commencing on 24 August 2018 and the related interest receivable of RMB798,000 (equivalent to HK\$891,000). On 2 June 2020, the loan of RMB25,000,000 (equivalent to HK\$27,178,000) was repaid. The key terms of the loan to a director are disclosed in note 49.

At 31 December 2019, an aggregate amount of HK\$201,000 classified as non-current assets was prepayments relating to property, plant and equipment.

During the year ended 31 December 2020, an allowance for credit losses on other receivables of HK\$723,000 was recognised, which was related to the loan to a third party.

During the year ended 31 December 2019, an allowance for credit losses on other receivables of HK\$3,842,000 was recognised, of which HK\$3,818,000 was related to other receivables and HK\$24,000 was related to the loan to a director.

Details of impairment assessment of other receivables for the years ended 31 December 2020 and 2019 are set out in note 51.

Movements in the accumulated allowance for credit losses on other receivables during the year are as follows:

29. 按金、預付款項及其他應收款項 (續)

於二零一九年十二月三十一日，計入其他應收款項包括向本公司若干附屬公司之一名董事提供貸款人民幣25,000,000元(相等於27,909,000港元)，自二零一八年八月二十四日開始起計為期24個月及相關應收利息為人民幣798,000元(相等於891,000港元)。於二零二零年六月二日，已償還貸款人民幣25,000,000元(相等於27,178,000港元)。向該董事提供貸款之主要條款於附註49披露。

於二零一九年十二月三十一日，合共201,000港元分類為非流動資產，該金額為物業、廠房及設備之預付款項。

於截至二零二零年十二月三十一日止年度內，已就其他應收款項確認信貸虧損撥備723,000港元，乃與向一名第三方提供貸款相關。

於截至二零一九年十二月三十一日止年度內，已就其他應收款項確認信貸虧損撥備3,842,000港元，其中3,818,000港元與其他應收款項相關及24,000港元與向一名董事提供貸款相關。

截至二零二零年及二零一九年十二月三十一日止年度，其他應收款項之減值評估詳情載於附註51。

年內其他應收款項累計信貸虧損撥備之變動如下：

		For the year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
At 1 January	於一月一日	23,890	20,564
Allowance for credit losses recognised during the year	年內確認之信貸虧損撥備	723	3,842
Exchange alignment	匯兌調整	1,576	(516)
At 31 December	於十二月三十一日	26,189	23,890

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30. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

30. 按公平值計入損益表之金融資產

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Listed equity securities in Hong Kong 香港上市股本證券	410,395	240,815
Unlisted equity securities in Hong Kong 香港非上市股本證券	—	—
	410,395	240,815

Listed equity securities in Hong Kong were measured at fair value at the end of the reporting period. The fair value of the listed equity securities in Hong Kong were determined with reference to quoted market closing price, except for one of the listed equity securities, which have been suspended from trading on the Exchange since 27 November 2017, with a fair value of HK\$4,623,000 at 31 December 2020 (2019: HK\$7,103,000). The fair value measurement of the suspended listed equity securities was classified under Level 3 of the fair value hierarchy and was based on the valuation performed by Graval Consulting Limited (“Graval”) an independent firm of professional valuers, using market approach.

During the year ended 31 December 2020, a gain arising on change in fair value of financial assets at FVTPL of HK\$140,509,000 (2019: a loss of HK\$80,487,000) was recognised in the “Other gains and losses” line item in the consolidated statement of profit or loss.

於報告期末，香港上市股本證券以公平值計量。香港上市股本證券之公平值參考市場所報收市價確定，惟於二零二零年十二月三十一日公平值為4,623,000港元(二零一九年：7,103,000港元)之其中一隻上市股本證券(自二零一七年十一月二十七日於聯交所暫停買賣)除外。獲分類為第3級公平值等級之已暫停上市股本證券的公平值乃基於一間獨立專業估值師行博浩企業顧問有限公司(「博浩」)使用市場法進行的估值計量。

於截至二零二零年十二月三十一日止年度內，按公平值計入損益表之金融資產公平值變動產生之收益140,509,000港元(二零一九年：虧損80,487,000港元)於綜合損益表內「其他收益及虧損」項目確認。

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31. CASH AND CASH EQUIVALENTS

31. 現金及現金等價物

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Cash at bank and on hand	銀行及手頭現金	54,125	140,550

At the end of the reporting period, the cash and cash equivalents of the Group denominated in Renminbi (“RMB”) and United States dollar (“USD”) amounted to HK\$16,838,000 (2019: HK\$4,910,000) and HK\$872,000 (2019: HK\$520,000) respectively.

The RMB is not freely convertible into other currencies, however, under the PRC’s Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Bank balances earn interests at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

For the years ended 31 December 2020 and 2019, the Group performed impairment assessment on bank balances and concluded that the probability of defaults of the counterparty banks are insignificant and accordingly, no allowance for credit losses is provided. Details of impairment assessment of bank balances for the years ended 31 December 2020 and 2019 are set out in note 51.

於報告期末，本集團以人民幣(「人民幣」)及美元(「美元」)計值之現金及現金等價物分別為16,838,000港元(二零一九年：4,910,000港元)及872,000港元(二零一九年：520,000港元)。

人民幣不可自由兌換為其他貨幣。然而，根據中國的外匯管理條例及結匯及售匯及付匯管理規定，本集團獲准通過獲授權開展外匯業務之銀行將人民幣兌換為其他貨幣。

銀行結餘按根據銀行日存款利率計算之浮動利率計息。銀行結餘存放於信譽良好且近期並無違約記錄之銀行。

截至二零二零年及二零一九年十二月三十一日止年度，本集團對銀行結餘進行減值評估，並認為對手方銀行違約的可能性並不重大，因此並無作出信貸虧損撥備。截至二零二零年及二零一九年十二月三十一日止年度，銀行結餘之減值評估詳情載於附註51。

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32. SHARE CAPITAL

32. 股本

		Number of shares 股份數目		Share capital 股本	
		2020 二零二零年 '000 千股	2019 二零一九年 '000 千股	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Ordinary shares of HK\$0.01 each	每股面值0.01港元之 普通股				
Authorised:	法定：				
At 1 January and 31 December	於一月一日及 十二月三十一日	10,000,000	10,000,000	100,000	100,000
Issued and fully paid:	已發行及繳足：				
At 1 January and 31 December	於一月一日及 十二月三十一日	3,819,606	3,819,606	38,196	38,196

33. TRADE PAYABLES

33. 貿易應付款項

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Trade payables	貿易應付款項	7,961	5,510

The following is an aging analysis of trade payables at the end of the reporting period presented based on the invoice dates:

按發票日期呈列於報告期末之貿易應付款項之賬齡分析如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
0-30 days	0至30日	4,159	2,409
31-60 days	31至60日	970	336
61-90 days	61至90日	1,039	603
91-120 days	91至120日	815	750
Over 120 days	120日以上	978	1,412
		7,961	5,510

The average credit period on purchase of goods and services is 120 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit time frame.

購買貨品及服務之平均信貸期為120日。本集團已實施財務風險管理政策，以確保所有應付款項於信貸時間範圍內清償。

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34. DEPOSITS RECEIVED, ACCRUALS AND OTHER PAYABLES

34. 已收按金、應計費用及其他應付款項

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Deposits received	已收按金	1,437	1,438
Accruals	應計費用	24,335	29,884
Other payables	其他應付款項	138,347	120,787
		164,119	152,109
Less: deposits received and other payables classified as non-current liabilities	減：分類為非流動負債之已收按金及其他應付款項	(62,583)	(53,561)
		101,536	98,548

35. BANK BORROWINGS

35. 銀行借款

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Secured bank borrowings	已抵押銀行借款	162,465	155,720
Carrying amounts that contain a repayable on demand clause (shown under current liabilities) but repayable:	含有按要求償還條款但須償還之賬面值(計入流動負債)：		
Within one year	一年內	54,333	44,236
More than one year, but not exceeding two years	一年以上但不超過兩年	6,025	5,543
More than two years, but not exceeding five years	兩年以上但不超過五年	18,541	17,391
Over five years	五年以上	83,566	88,550
		162,465	155,720
Less: amounts shown under current liabilities	減：計入流動負債之款項	(162,465)	(155,720)
Amounts shown under non-current liabilities	計入非流動負債之款項	—	—

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35. BANK BORROWINGS (Continued)

At 31 December 2020, the Group had the following bank borrowings:

- (a) a secured mortgage loan of HK\$114,080,000 (2019: HK\$116,897,000), which is interest bearing at 1% per annum over one-month Hong Kong Interbank Offered Rate (“HIBOR”) or 3% per annum below prime rate quoted by the bank from time to time, whichever is lower, secured by a first legal charge over the Group’s buildings and investment properties located in Hong Kong with an aggregate carrying amount of HK\$350,758,000 (2019: HK\$377,867,000), guaranteed by the Company and two wholly-owned subsidiaries of the Company, namely K E Group Limited and Om Gem Limited, and maturing on 18 March 2038;
- (b) two secured revolving term loans of HK\$5,000,000 and HK\$20,000,000 (2019: HK\$20,000,000), which are interest bearing at HIBOR plus 2% per annum, secured by the first legal charge over the Group’s buildings and investment properties located in Hong Kong with an aggregate carrying amount of HK\$350,758,000 (2019: HK\$377,867,000), guaranteed by the Company and Om Gem Limited, and maturing on 8 March 2021 and 27 April 2021 respectively; and
- (c) a secured account payable financing facilities of HK\$23,385,000 (2019: HK\$18,823,000), which are interest bearing at 2% per annum over HIBOR, secured by the first legal charge over the Group’s buildings and investment properties located in Hong Kong with an aggregate carrying amount of HK\$350,758,000 (2019: HK\$377,867,000), guaranteed by the Company and Om Gem Limited, and maturing within five months commencing from January 2021 (2019: five months commencing from January 2020).

As the secured mortgage loan contains a repayable on demand clause, the entire outstanding balance of the secured mortgage loan was classified under current liabilities.

All bank borrowings are denominated in Hong Kong dollar.

35. 銀行借款(續)

於二零二零年十二月三十一日，本集團有以下銀行借款：

- (a) 一筆為114,080,000港元(二零一九年：116,897,000港元)之有抵押按揭貸款，乃按一個月期香港銀行同業拆息(「香港銀行同業拆息」)加年利率1%或銀行不時所報之最優惠利率減年利率3%(以較低者為準)計息，以本集團賬面總值為350,758,000港元(二零一九年：377,867,000港元)之位於香港之樓宇及投資物業之第一法定押記作抵押，由本公司及本公司兩間全資附屬公司(即鑽滙集團有限公司及Om Gem Limited)提供擔保，並於二零三八年三月十八日到期；
- (b) 兩筆分別為5,000,000港元及20,000,000港元(二零一九年：20,000,000港元)之有抵押循環定期貸款，乃按香港銀行同業拆息加年利率2%計息，以本集團賬面總值為350,758,000港元(二零一九年：377,867,000港元)之位於香港之樓宇及投資物業之第一法定押記作抵押，由本公司及Om Gem Limited提供擔保，並分別於二零二一年三月八日及二零二一年四月二十七日到期；及
- (c) 一筆為23,385,000港元(二零一九年：18,823,000港元)之有抵押應付款項財務融資，乃按香港銀行同業拆息加年利率2%計息，以本集團賬面總值為350,758,000港元(二零一九年：377,867,000港元)之位於香港之樓宇及投資物業之第一法定押記作抵押，由本公司及Om Gem Limited提供擔保，並於二零二一年一月起計五個月內(二零一九年：於二零二零年一月起計五個月)到期。

由於有抵押按揭貸款包含須按要求償還條文，因此有抵押按揭貸款全部未付金額被列作流動負債。

所有銀行借款均以港元計值。

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36. OTHER BORROWINGS

36. 其他借款

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Secured other borrowings – securities margin financing facilities	有抵押其他借款 – 證券保證金財務融資	54,315	—
Unsecured other borrowing	無抵押其他借款	200,000	200,000
		254,315	200,000

At 31 December 2020, the unsecured other borrowing of HK\$200,000,000 is interest bearing at 8% per annum, secured by (i) the post-dated cheques drawn in favour of a finance company for payment of the principal and the interests stipulated under the loan agreement, and (ii) a personal guarantee given by Mr. Lei Hong Wai, the Chairman of the Board and an executive director, and maturing on 28 May 2021. The unsecured other borrowing contains a repayable on demand clause and is denominated in Hong Kong dollar.

During the year ended 31 December 2020, the Company entered into a supplemental agreement with the finance company to extend the repayment date of the unsecured other borrowing from 29 May 2020 to 28 May 2021. Save and except for the extension of the repayment date, all terms and conditions of the loan agreement remain unchanged and continue in full force and effect.

At 31 December 2020, the securities margin financing facility of HK\$40,250,000 granted by a securities company, which are interest bearing at prime rate plus 3% per annum and secured by (i) the Group's listed equity securities in Hong Kong held in the margin securities trading account with a fair value of HK\$158,115,000, of which HK\$98,788,000 is related to the Group's financial assets at FVTPL and HK\$59,327,000 is related to part of the Group's listed investments in associates, and (ii) a personal guarantee given by Mr. Lei Hong Wai.

At 31 December 2020, the securities margin financing facility of HK\$14,065,000 granted by a securities company, which are interest bearing at a fixed rate of 6% per annum and secured by (i) the Group's listed equity securities in Hong Kong held in the margin securities trading account with a fair value of HK\$73,113,000, of which HK\$32,313,000 is related to the Group's financial assets at FVTPL and HK\$40,800,000 is related to part of the Group's listed investments in associates, and (ii) a personal guarantee given by Mr. Lei Hong Wai.

於二零二零年十二月三十一日，無抵押其他借款200,000,000港元以年利率8%計息，以(i)支付貸款協議項下本金及利息而以一間財務公司為抬頭人之期票，及(ii)由董事會主席兼執行董事李雄偉先生之個人擔保作抵押，並於二零二一年五月二十八日到期。無抵押其他借款含有按要求償還條款並以港元計值。

於截至二零二零年十二月三十一日止年度內，本公司與財務公司訂立一份補充協議，將無抵押其他借款之還款日期由二零二零年五月二十九日延長至二零二一年五月二十八日。除延長還款日期外，貸款協議之所有條款及條件維持不變，並繼續具有十足效力及作用。

於二零二零年十二月三十一日，由一間證券公司授出一筆證券保證金財務融資40,250,000港元，按最優惠利率加年利率3%計息，並以(i)本集團於保證金證券買賣賬戶所持有公平值為158,115,000港元之香港上市股本證券(其中98,788,000港元與本集團按公平值計入損益表之金融資產相關，而59,327,000港元與本集團於聯營公司之部份上市投資相關)；及(ii)李雄偉先生之個人擔保作抵押。

於二零二零年十二月三十一日，由一間證券公司授出的證券保證金財務融資14,065,000港元以固定年利率6%計息，並以(i)本集團於保證金證券買賣賬戶所持有公平值為73,113,000港元之香港上市股本證券(其中32,313,000港元與本集團按公平值計入損益表之金融資產相關，而40,800,000港元與本集團於聯營公司之部份上市投資相關)；及(ii)李雄偉先生之個人擔保作抵押。

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37. LEASE LIABILITIES

37. 租賃負債

		Minimum lease payments 最低租賃付款		Present value of minimum lease payments 最低租賃付款現值	
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Lease liabilities payable:	應付租賃負債：				
Within one year	一年內	15,917	12,365	3,042	742
More than one year, but not exceeding two years	一年以上但不超過兩年	15,932	12,512	3,450	932
More than two years, but not exceeding five years	兩年以上但不超過五年	46,815	38,040	7,975	2,369
Over five years	五年以上	605,185	582,797	270,698	255,208
		683,849	645,714	285,165	259,251
Less: future finance charge	減：未來融資費用	(398,684)	(386,463)	—	—
Present value of lease liabilities	租賃負債現值	285,165	259,251	285,165	259,251
Less: lease liabilities classified as non-current liabilities	減：租賃負債分類為非流動負債			(282,123)	(258,509)
Lease liabilities classified as current liabilities	租賃負債分類為流動負債			3,042	742

The incremental borrowing rates applied to lease liabilities range from 4.75% to 5.13% (2019: from 4.90% to 5.13%).

應用於租賃負債之增量借款利率介乎4.75%至5.13% (二零一九年：4.90%至5.13%)。

The lease liabilities are denominated in currencies set out below:

租賃負債以下列貨幣計值：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Hong Kong dollar	港元	216	506
RMB	人民幣	284,949	258,745
		285,165	259,251

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綜合財務報表附註

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38. SECURED NOTES

38. 擔保票據

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Secured notes	擔保票據	250,000	299,841
			HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日		299,611
Imputed interest on secured notes	擔保票據之估算利息		24,231
Interest paid and payable	已付及應付利息		(24,001)
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		299,841
Imputed interest on secured notes	擔保票據之估算利息		28,105
Interest paid and payable	已付及應付利息		(27,946)
Issue of secured notes	發行擔保票據		270,000
Set off of secured notes	抵銷擔保票據		(270,000)
Redemption	贖回		(50,000)
At 31 December 2020	於二零二零年十二月三十一日	250,000	

On 25 August 2017, the Company issued the secured notes in the aggregate principal amount of HK\$300,000,000 (the “2017 Notes”). The 2017 Notes are interest bearing at 8% per annum and payable semi-annually in arrears, secured by a share charge over 100% of the issued share capital in China Jiu hao Health Industry Group Limited (“China Jiu hao”), a wholly-owned subsidiary of the Company and the principal assets of which are the operating rights in respect of the Club and the Subject Land, and maturing on 25 August 2020.

The effective interest rate of the 2017 Notes is 8.09% per annum.

On 24 August 2020, the Company made a partial redemption of HK\$30,000,000 of the 2017 Notes and the outstanding principal amount of the 2017 Notes was HK\$270,000,000.

於二零一七年八月二十五日，本公司發行有本金總額為300,000,000港元之擔保票據（「二零一七年票據」）。二零一七年票據以年利率8%計息，每半年到期時支付一次，以本公司全資附屬公司中國9號健康產業集團有限公司（「中國9號」）（其主要資產為有關會所及主體地塊之經營權）的100%已發行股本之股份押記作抵押，並於二零二零年八月二十五日到期。

二零一七年票據之實際年利率為8.09%。

於二零二零年八月二十四日，本公司就二零一七年票據進行30,000,000港元部份贖回，而二零一七年票據之未償還本金額為270,000,000港元。

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38. SECURED NOTES (Continued)

On 25 September 2020, the Company as issuer, Mr. Lei Hong Wai and Mr. Cheung Kwok Wai Elton as guarantors entered into a subscription and note instrument agreement (the “**Subscription Agreement**”) with the subscriber, pursuant to which the Company will issue and the subscriber will subscribe for the guaranteed secured notes due 2021 in the aggregate principal amount of HK\$270,000,000 (the “**2020 Notes**”). Pursuant to the terms and conditions of the Subscription Agreement, the proceeds of the 2020 Notes will be fully set off against the outstanding principal amount of the 2017 Notes. On 29 September 2020, the Company issued the 2020 Notes in the aggregate principal amount of HK\$270,000,000 to the subscriber.

The 2020 Notes are interest bearing at 13% per annum and payable semi-annually in arrears, secured by a share charge over 100% of the issued share capital in China Jiu hao, guaranteed by Mr. Lei Hong Wai and Mr. Cheung Kwok Wai Elton, and maturing on 25 September 2021.

On 21 December 2020, the Company made a partial redemption of HK\$20,000,000 of the 2020 Notes together with unpaid interest accrued of the partial redemption of HK\$648,000. As at 31 December 2020, the outstanding principal amount of the 2020 Notes was HK\$250,000,000.

The effective interest rate of the 2020 Notes is 13.44% per annum.

The 2017 Notes and the 2020 Notes are denominated in Hong Kong dollar.

The Company had an option to repay the outstanding principal amount of the 2017 Notes at any time before the maturity date. The option was regarded as embedded derivatives in the host contract. The directors assessed the fair value of the option with reference to the valuation performed by Grant Sherman Appraisal Limited (“**Grant Sherman**”), an independent firm of professional valuers, which assessed the fair value of the option using the discounted cash flow method and determined that the fair value of the option was insignificant on initial recognition and at the end of the reporting period. Accordingly, the fair value of the option was not recognised in the consolidated financial statements.

38. 擔保票據(續)

於二零二零年九月二十五日，本公司(作為發行人)、李雄偉先生及張國偉先生(作為擔保人)與認購人訂立認購及票據工具協議(「認購協議」)，據此，本公司將發行而認購人將認購二零二一年到期本金總額為270,000,000港元之擔保有抵押票據(「二零二零年票據」)。根據認購協議之條款及條件，二零二零年票據之所得款項將悉數抵銷二零一七年票據之未償還本金額。於二零二零年九月二十九日，本公司已向認購人發行二零二零年票據，本金總額為270,000,000港元。

二零二零年票據按年利率13%計息，每半年支付前期利息，並以中國9號之100%已發行股本之股份質押作抵押，由李雄偉先生及張國偉先生提供擔保，並於二零二一年九月二十五日到期。

於二零二零年十二月三十一日，本公司就二零二零年票據連同部份贖回尚未支付之應計利息648,000港元進行20,000,000港元部份贖回。於二零二零年十二月三十一日，二零二零年票據之未償還本金額為250,000,000港元。

二零二零年票據之實際年利率為13.44%。

二零一七年票據及二零二零年票據均以港元計值。

本公司可選擇在到期日之前之任何時間償還二零一七年票據之未償還本金額。選擇權被視為主合約之嵌入衍生工具。董事參考一間獨立專業估值師行中證評估有限公司(「中證」)進行之估值評估選擇權之公平值，該估值師使用貼現現金流法評估選擇權之公平值，並釐定選擇權於初步確認及報告期末時之公平值微不足道。因此，並無於綜合財務報表中確認選擇權之公平值。

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38. SECURED NOTES (Continued)

Under the 2017 Notes, the Company covenanted with the noteholders that from the issue date and for so long as any 2017 Notes were outstanding, (i) the Group would not create any encumbrance upon the whole or any part of its present or future undertaking, assets or revenue of the Group to secure any present or future indebtedness incurred or to secure any guarantee or indemnity in respect of any guarantee or indemnity in respect of (subject to the exceptions as set out in the 2017 Notes), and (ii) the Company would ensure the consolidated tangible net worth of the Group (as defined in the terms and conditions of the 2017 Notes) would not be less than HK\$1,300,000,000.

Based on the condensed consolidated financial statements of the Company for the six months ended 30 June 2020, the consolidated tangible net worth (as defined in the terms and conditions of the 2017 Notes) as at 30 June 2020 was less than HK\$1,300,000,000, which constituted a breach of the relevant terms and conditions of the 2017 Notes (the “**Breach**”). The Breach constituted an event of default under the 2017 Notes and entitled the noteholders to declare the outstanding principal amount of the 2017 Notes, accrued interest and all other sums payable under the 2017 Notes immediately due and repayable. On 27 August 2020, the Company obtained a waiver from the noteholders in respect of the Breach.

Under the 2020 Notes, the Company covenants with the noteholders that from the issue date and for so long as any 2020 Notes are outstanding, (i) the Group will not create any encumbrance upon the whole or any part of its present or future undertaking, assets or revenue of the Group to secure any present or future indebtedness incurred or to secure any guarantee or indemnity in respect of any guarantee or indemnity in respect of (subject to the exceptions as set out in the 2020 Notes), and (ii) the Company will ensure the consolidated tangible net worth of the Group will not be less than HK\$1,000,000,000. The Company has complied with the covenant throughout the period from 29 September 2020 to 31 December 2020.

38. 擔保票據(續)

根據二零一七年票據，本公司與票據持有人訂約，自發行日期及於任何二零一七年票據仍未償還期間，(i)本集團將不會就其現時或將來的承擔、資產或收入的全部或任何部分置設產權負擔，以取得任何現時或將來債務或取得現時或將來債務之擔保或彌償保證(受二零一七年票據所載豁免者除外)；及(ii)本公司將確保本集團的綜合有形淨值(定義見二零一七年票據之條款及條件)將不少於1,300,000,000港元。

根據本公司截至二零二零年六月三十日止六個月之簡明綜合財務報表，於二零二零年六月三十日之綜合有形淨值(定義見二零一七年票據之條款及條件)少於1,300,000,000港元，構成違反二零一七年票據之相關條款及條件(「違反」)。違反構成二零一七年票據項下之違約事件，賦予票據持有人權利宣佈二零一七年票據之未償還本金金額、二零一七年票據項下之應計利息及所有其他應付款項立即到期應付。於二零二零年八月二十七日，本公司就違反取得票據持有人發出之豁免。

根據二零二零年票據，本公司與票據持有人訂約，自發行日期及於任何二零二零年票據仍未償還期間，(i)本集團將不會就本集團現時或將來的承擔、資產或收益的全部或任何部份置設任何產權負擔，以取得任何現時或將來債務或取得現時或將來債務之擔保或彌償保證(受二零二零年票據所載豁免者除外)，及(ii)本公司將確保本集團的綜合有形淨值將不少於1,000,000,000港元。本公司已於二零二零年九月二十九日至二零二零年十二月三十一日止整個期間遵守有關契諾。

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39. AMOUNT DUE TO AN ASSOCIATE

Amount due to an associate is unsecured, non-interest bearing and repayable on demand.

40. AMOUNT DUE TO A DIRECTOR

Mr. Cheung Kwok Fan 張國勳先生
Mr. Lei Hong Wai 李雄偉先生

Amount due to a director is unsecured, non-interest bearing and repayable on demand.

On 4 January 2019, the Group repaid the cash advance of HK\$50,000,000 to Mr. Lei Hong Wai.

On 28 August 2020, Mr. Lei Hong Wai made a cash advance of HK\$1,300,000 to the Group for financing its short-term funding needs.

On 30 January 2020, 2 March 2020 and 8 April 2020, Mr. Cheung Kwok Fan, an executive director of the Company, made cash advances of HK\$600,000, HK\$400,000, and HK\$200,000 respectively to the Group for financing its short-term funding needs. On 29 June 2020, the Group repaid the cash advances to Mr. Cheung Kwok Fan.

39. 應付一間聯營公司款項

應付一間聯營公司款項為無抵押、免息及須按要求償還。

40. 應付一名董事款項

應付一名董事款項為無抵押、免息及須按要求償還。

於二零一九年一月四日，本集團已向李雄偉先生償還50,000,000港元現金墊款。

於二零二零年八月二十八日，李雄偉先生就本集團之短期資金需要而向其作出1,300,000港元現金墊款。

於二零二零年一月三十日、二零二零年三月二日及二零二零年四月八日，本公司執行董事張國勳先生就本集團之短期資金需要而分別向其作出600,000港元、400,000港元及200,000港元現金墊款。於二零二零年六月二十九日，本集團已向張國勳先生償還現金墊款。

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Mr. Cheung Kwok Fan 張國勳先生	—	—
Mr. Lei Hong Wai 李雄偉先生	1,300	—

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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. DEFERRED TAX ASSETS/LIABILITIES

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	50,642	15,974
Deferred tax liabilities	遞延稅項負債	(230,521)	(232,083)
		(179,879)	(216,109)

The followings are the major deferred tax assets and liabilities recognised and movements thereon:

		Tax losses HK\$'000 千港元	Fair value adjustment on acquisition of subsidiaries 收購附屬公司之公平值調整 HK\$'000 千港元	Amortisation of lease contract 租賃合約攤銷 HK\$'000 千港元	Allowance for credit losses 信貸虧損撥備 HK\$'000 千港元	Total HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	—	(239,843)	7,047	8,036	(224,760)
Credited/(charged) to consolidated statement of profit or loss	於綜合損益表中計入/(扣除)	—	5,605	(1,458)	744	4,891
Exchange alignment	匯兌調整	—	2,155	1,717	(112)	3,760
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	—	(232,083)	7,306	8,668	(216,109)
Credited/(charged) to consolidated statement of profit or loss	於綜合損益表中計入/(扣除)	2,070	5,550	505	30,154	38,279
Exchange alignment	匯兌調整	—	(3,987)	1,604	334	(2,049)
At 31 December 2020	於二零二零年十二月三十一日	2,070	(230,520)	9,415	39,156	(179,879)

At 31 December 2020, the Group had unused estimated tax losses of HK\$213,307,000 (2019: HK\$173,314,000) available for offsetting against future taxable profits. A deferred tax asset has been recognised in respect of HK\$12,546,000 (2019: Nil) of such losses. No deferred tax asset has been recognised in respect of remaining HK\$200,761,000 (2019: 173,314,000) due to the unpredictability of future profit streams.

41. 遞延稅項資產／負債

為呈列於綜合財務狀況表，若干遞延稅項資產及負債已予以抵銷。就財務報告而言，以下為遞延稅項結餘之分析：

以下為主要已確認遞延稅項資產及負債及其變動：

於二零二零年十二月三十一日，本集團有未動用估計稅項虧損213,307,000港元(二零一九年：173,314,000港元)可供抵銷日後應課稅溢利。本集團已就該等虧損12,546,000港元(二零一九年：無)確認遞延稅項資產。由於無法估計日後之溢利，故概無就餘下200,761,000港元(二零一九年：173,314,000港元)確認遞延稅項資產。

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42. STATEMENT OF FINANCIAL POSITION AND MOVEMENT OF RESERVES OF THE COMPANY

42. 本公司之財務狀況表及儲備變動

(a) Statement of financial position of the Company

(a) 本公司之財務狀況表

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
ASSETS	資產		
Non-current assets	非流動資產		
Interests in subsidiaries	於附屬公司之權益	2,769,432	2,831,433
Current assets	流動資產		
Prepayments	預付款項	709	670
Cash and cash equivalents	現金及現金等價物	1,831	1,418
		2,540	2,088
Total assets	資產總值	2,771,972	2,833,521
EQUITY	權益		
Capital and reserves attributable to owners of the Company	本公司擁有人應佔股本及儲備		
Share capital	股本	38,196	38,196
Reserves	儲備	2,255,943	2,260,174
Total equity	權益總額	2,294,139	2,298,370
LIABILITIES	負債		
Current liabilities	流動負債		
Accruals and other payable	應計費用及其他應付款項	12,536	21,313
Amounts due to a director	應付一名董事款項	1,300	—
Amounts due to subsidiaries	應付附屬公司款項	13,997	13,997
Other borrowings	其他借款	200,000	200,000
Secured notes	擔保票據	250,000	299,841
		477,833	535,151
Total liabilities	負債總額	477,833	535,151
Total equity and liabilities	權益及負債總額	2,771,972	2,833,521
Net current liabilities	流動負債淨額	(475,293)	(533,063)
Total assets less current liabilities	資產總值減流動負債	2,294,139	2,298,370

Signed on behalf of the board of directors
by:

代表董事會簽署：

Lei Hong Wai
李雄偉
Director
董事

Chan Kin Wah Billy
陳健華
Director
董事

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42. STATEMENT OF FINANCIAL POSITION AND MOVEMENT OF RESERVES OF THE COMPANY (Continued)

42. 本公司之財務狀況表及儲備變動 (續)

(b) Reserve of the Company

(b) 本公司儲備

		Share premium	Contributed surplus	Equity-settled share-based payment reserve	Accumulated losses	Total
		股份溢價 HK\$'000 千港元	實繳盈餘 HK\$'000 千港元	以股權結算之股份 支款儲備 HK\$'000 千港元	累計虧損 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	1,807,051	488,016	9,063	(40,983)	2,263,147
Loss and total comprehensive expense for the year	本年度虧損及全面開支總額	—	—	—	(2,973)	(2,973)
Release on lapse of equity-settled share-based	以股權結算之股份支款失效時撥回	—	—	(9,063)	9,063	—
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	1,807,051	488,016	—	(34,893)	2,260,174
Loss and total comprehensive expense for the year	本年度虧損及全面開支總額	—	—	—	(4,231)	(4,231)
At 31 December 2020	於二零二零年十二月三十一日	1,807,051	488,016	—	(39,124)	2,255,943

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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

42. STATEMENT OF FINANCIAL POSITION AND MOVEMENT OF RESERVES OF THE COMPANY (Continued)

(b) Reserve of the Company (Continued)

Notes:

- (a) Contributed surplus represents the net amount transferred from share capital and share premium to retained profits pursuant to the special resolutions passed at the special general meetings held on 22 August 2003, 30 April 2008 and 12 December 2011.

Under the Company Act 1981 of Bermuda (as amended), the contributed surplus is available for distribution. However, the Company cannot make a distribution out of the contributed surplus if: (i) it is, or would after the payment be, unable to pay its liabilities as they become due; or (ii) the realisable value of its assets would thereby be less than its liabilities.

- (b) Equity-settled share-based payment reserve represents the fair value of services estimated to be received in exchange for the grant of the relevant share options over the relevant vesting periods, the total of which is based on the fair value of the share options at grant date. The amount for each reporting period is determined by spreading the fair value of the share options over the relevant vesting periods (if any) and is recognised as staff costs and related expenses with a corresponding increase in equity-settled share-based payment reserve.

42. 本公司之財務狀況表及儲備變動 (續)

(b) 本公司儲備(續)

附註：

- (a) 實繳盈餘指根據於二零零三年八月二十二日、二零零八年四月三十日及二零一一年十二月十二日舉行之股東特別大會上通過之特別決議案自股本及股份溢價轉撥至保留溢利之淨額。

根據百慕達一九八一年公司法(經修訂)，繳入盈餘可供分派。然而，於以下情況，本公司不得自繳入盈餘中作出分派：(i) 本公司當時或將於派付後無力償還到期而應償還之債項；或(ii) 本公司資產之可變現值將因而低於其負債。

- (b) 以股權結算之股份支款儲備指於相關歸屬期內授出相關購股權以換取估計將接獲服務之公平值，其總額乃根據購股權於授出日期之公平值計算。各報告期之金額乃透過將購股權公平值於相關歸屬期(如有)內攤分釐定，並確認為員工成本及相關開支，而以股權結算之股份支款儲備作相應增加。

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43. DISPOSAL OF A SUBSIDIARY

For the year ended 31 December 2020

北京北湖商業管理有限公司

On 14 July 2020, the Group entered into a conditional sale and purchase agreement relating to the disposal of the entire issued share capital of 北京北湖商業管理有限公司 to an independent third party, at a cash consideration of RMB1. The disposal was completed on 14 July 2020.

Analysis of assets and liabilities over which control was lost

43. 出售一間附屬公司

截至二零二零年十二月三十一日止年度

北京北湖商業管理有限公司

於二零二零年七月十四日，本集團就有關出售北京北湖商業管理有限公司之全部已發行股本予一名獨立第三方訂立有條件買賣協議，現金代價為人民幣1元。該出售事項已於二零二零年七月十四日完成。

失去控制權之資產及負債分析

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	600
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項	3,453
Cash and cash equivalents	現金及現金等價物	116
Deposits received, accruals and other payables	已收按金、應計費用及其他應付款項	(4,608)
Amounts due to group companies	應付集團公司款項	(6,858)
Net liabilities disposed of	已出售之負債淨額	(7,297)

Gain on disposal of a subsidiary 出售一間附屬公司之收益

		HK\$'000 千港元
Cash consideration received	已收現金代價	—
Net liabilities disposed of	已出售之負債淨額	7,297
Amounts due to group companies assigned to purchaser	轉讓予買方之應付集團公司款項	(6,858)
Release of exchange reserve upon disposal of a subsidiary	於出售一間附屬公司後匯兌儲備撥回	508
Gain on disposal of a subsidiary	出售一間附屬公司之收益	947

Net cash outflow arising on disposal 出售產生之現金流出淨額

		HK\$'000 千港元
Cash consideration received	已收現金代價	—
Less: cash and cash equivalents disposed of	減：已出售之現金及現金等價物	(116)
Net cash outflow	現金流出淨額	(116)

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44. OPERATING LEASING ARRANGEMENTS

The Group as lessor

Rental income from investment properties earned during the year amounted to HK\$5,095,000 (2019: HK\$5,095,000). All of the Group's investment properties are held for rental purposes. The investment properties are expected to generate rental yields of 3.60% (2019: 3.20%) on an ongoing basis. The investment properties have committed tenants for the next four months (2019: two years).

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments under non-cancellable operating leases which fall due as follows:

44. 經營租賃安排

本集團作為出租人

年內投資物業賺取之租金收入為5,095,000港元(二零一九年：5,095,000港元)。所有本集團之投資物業乃持作租賃用途。預期投資物業可持續產生3.60%(二零一九年：3.20%)之租金收益率。投資物業於未來四個月(二零一九年：兩年)均已有承諾租戶。

於報告期末，本集團於不可撤銷經營租賃下就下列日後最低租賃付款與承租人訂約，有關到期情況如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Within one year	一年內	1,600	5,095
In the second to fifth year inclusive	第二至第五年 (包括首尾兩年)	—	1,600
		1,600	6,695

45. CAPITAL COMMITMENTS

At the end of the reporting period, the Group had the following capital commitments which were contracted but not provided for.

45. 資本承擔

於報告期末，本集團有以下已訂約但並未撥備之資本承擔。

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Capital expenditures for the Subject Land	主體地塊之資本開支	237,998	26,854
Renovation costs for the properties located in Hong Kong	位於香港之物業之翻新成本	290	—
		238,288	26,854

46. EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTIONS

Pursuant to an ordinary resolution passed by the shareholders on 12 December 2011, the Company adopted a new share option scheme (the “**Option Scheme**”) to replace the share option scheme adopted on 21 January 2002. The Option Scheme will expire on 11 December 2021. The purpose of the Option Scheme is to enable the Company to grant share options to selected eligible participants as incentives or rewards for their contribution or potential contribution to the Group.

Under the Option Scheme, eligible participants are full time or part time employees of the Group (including any directors, whether executive or non-executive and whether independent or not, of the Company or any subsidiary); any holder of any securities issued by the Group; and any business or joint venture partners, contractors, agents or representatives, consultants, advisers, suppliers, producers or licensors, customers, licensees (including any sub-licensee) or distributors, landlords or tenants (including any sub-tenants) of the Group or any person who, in the sole discretion of the board of directors, has contributed or may contribute to the Group.

The overall limit on the number of shares which may be issued upon exercise of all share options granted and yet to be exercised under the Option Scheme and any other share option schemes of the Company must not exceed 30% of the shares in issue from time to time. Subject to the above overall limit, the total number of shares which may be issued upon exercise of all share options to be granted under the Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed 10% of the shares in issue as at the date of approval of the Option Scheme (the “**Scheme Mandate Limit**”). Share options lapsed in accordance with the terms of the Option Scheme will not be counted for the purpose of calculating the Scheme Mandate Limit. The Company may refresh the Scheme Mandate Limit subject to approval of the shareholders in general meeting, provided that the Scheme Mandate Limit as refreshed must not exceed 10% of the shares in issue as at the date of approval of the refreshed limit.

46. 以股權結算之股份支款之交易

根據股東於二零一一年十二月十二日通過之普通決議案，本公司採納一項新購股權計劃（「購股權計劃」）以取代於二零零二年一月二十一日採納之購股權計劃。購股權計劃將於二零二一年十二月十一日屆滿。購股權計劃旨在令本公司可向選定之合資格參與者授出購股權，作為彼等對本集團之貢獻或潛在貢獻之獎勵或報酬。

根據購股權計劃，合資格參與者為本集團之全職或兼職僱員（包括本公司或任何附屬公司之任何董事，不論執行或非執行，及不論是否獨立）；本集團所發行任何證券之任何持有人；及本集團之任何業務或合營企業夥伴、承包商、代理或代表、顧問、諮詢人、供應商、製片商或授權人、客戶、獲授權人（包括任何轉授獲授權人）或發行商、業主或租戶（包括任何分租租戶），或董事會全權酌情決定已經或可能對本集團作出貢獻之任何人士。

於行使根據購股權計劃及本公司任何其他購股權計劃授出而尚未行使其所有購股權後可予發行之股份數目整體上限，不得超過不時已發行股份之30%。在上述整體限額之規限下，於行使根據購股權計劃及本公司任何其他購股權計劃將予授出之所有購股權後可予發行之股份總數，合共不得超過購股權計劃獲批准當日已發行股份之10%（「計劃授權限額」）。於計算計劃授權限額時，已根據購股權計劃之條款失效之購股權將不計算在內。在股東大會上獲股東批准後，本公司可更新計劃授權限額，惟更新後之計劃授權限額不得超過更新限額獲批准當日已發行股份之10%。

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46. EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTIONS (Continued)

Unless approved by the shareholders in the manner set out below, the total number of shares issued and to be issued upon exercise of the share options granted to each eligible participant (including both exercised and outstanding share options) in any 12-month must not exceed 1% of the shares in issue. Where any further grant of share options to an eligible participant would result in the shares issued and to be issued upon exercise of all share options granted and to be granted to such eligible participant (including exercised, cancelled and outstanding share options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the shares in issue, such further grant must be separately approved by the shareholders in general meeting with such eligible participant and his associates abstaining from voting.

Any grant of share options to a substantial shareholder (as defined in the Listing Rules) or an independent non-executive director, or their respective associates, would result in the shares issued and to be issued upon exercise of all share options already granted and to be granted (including share options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant: (i) representing in aggregate over 0.1% of the shares in issue; and (ii) having an aggregate value, based on the closing price of the shares at the date of each grant, in excess of HK\$5,000,000, such further grant of share options must be approved by the shareholders at a general meeting, with voting to be taken by way of a poll.

An offer for the grant of share options shall remain open for acceptance for a period of 30 days from the date upon which it is made. A non-refundable nominal consideration of HK\$1.00 is payable by the grantee upon acceptance of an offer for the grant of share options. Share options may be exercised in whole or in part at any time during the period to be determined and identified by the board of directors, but in any event no later than 10 years from the date of grant but subject to the early termination of the Option Scheme.

46. 以股權結算之股份支款之交易(續)

除非以下述方式獲股東批准，否則任何12個月期間內，每名合資格參與者於行使獲授予之購股權(包括已行使及尚未行使之購股權)後已發行及將予發行之股份總數，不得超過已發行股份之1%。倘向合資格參與者進一步授出購股權將導致於截至進一步授出購股權當日(包括該日)止12個月期間內，於行使已授予及將授予該合資格參與者之所有購股權(包括已行使、註銷及尚未行使之購股權)後已發行及將予發行之股份合共超過已發行股份之1%，則進一步授出該等購股權須獲股東於股東大會上批准，該合資格參與者及其聯繫人須放棄投票。

倘向本公司主要股東(定義見上市規則)或獨立非執行董事或彼等各自之聯繫人士授出任何購股權將導致於截至授出購股權當日(包括該日)止12個月期間內，於行使已授出及將予授出之所有購股權(包括已行使、註銷及尚未行使之購股權)後已發行及將予發行之股份：(i)合共超過已發行股份之0.1%；及(ii)按股份於各授出日期之收市價計算，總值超過5,000,000港元，則進一步授出該等購股權須獲股東於股東大會上以投票表決方式批准。

出售購股權之要約須於作出要約日期起30日期間內維持有效可供接納。承授人於接納所授出購股權之要約時須支付1.00港元之不可退還名義代價。購股權可於董事會釐定及確定之期間內隨時全部或部分行使，但無論如何不得遲於授出日期起計十年，惟受購股權計劃提早終止所規限。

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46. EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTIONS (Continued)

The exercise price shall be determined by the board of directors at its sole discretion, provided that it shall be not less than the highest of: (i) the closing price of the shares as shown in the daily quotations sheet of the Exchange on the offer date; (ii) the average closing prices of the shares as shown in the daily quotations sheet of the Exchange for the five business days immediately preceding the offer date; and (iii) the nominal value of the shares on the offer date.

At 31 December 2020 and 2019, the Company did not adopted any share option scheme other than the Option Scheme.

Details of specific categories of share options during the year ended 31 December 2018 are as follows:

Share option type 購股權類別	Date of grant 授出日期	Exercise period 行使期	Exercise price 行使價
2018	27 April 2018 二零一八年四月二十七日	27 April 2018 to 26 April 2019 二零一八年四月二十七日至 二零一九年四月二十六日	HK\$0.185 0.185 港元

The following table discloses movements of the Company's share options held by directors, employees and consultants during the year ended 31 December 2019:

Share option type 購股權類別	Number of share options 購股權數目				Outstanding as at 31 December 2019 於二零一九年 十二月三十一日 尚未行使
	Outstanding as at 1 January 2019 於二零一九年 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	
2018	316,920,000	—	—	(316,920,000)	—
Exercisable at the end of the reporting period 於報告期末可予行使					—
Weighted average exercise price 加權平均行使價	HK\$0.185 0.185 港元	—	—	HK\$0.185 0.185 港元	—

46. 以股權結算之股份支款之交易(續)

行使價由董事會以其唯一酌情權釐定，但不得低於以下三者之最高者：(i) 股份於要約日期在聯交所每日報價表所示之收市價；(ii) 股份於緊接要約日期前五個營業日在聯交所每日報價表所示之平均收市價；及 (iii) 股份於要約日期之面值。

於二零二零年及二零一九年十二月三十一日，本公司並無採納除購股權計劃外的任何購股權計劃。

特定類別購股權於截至二零一八年十二月三十一日止年度內之詳情如下：

下表披露董事、僱員及顧問於截至二零一九年十二月三十一日止年度內所持本公司購股權之變動：

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46. EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTIONS (Continued)

During the years ended 31 December 2020 and 2019, no share options were granted.

During the year ended 31 December 2018, 316,920,000 share options were granted on 27 April 2018. The estimated fair value of the share options granted on the date of grant was HK\$9,063,000, which had been expensed as equity-settled share-based payment expenses.

The fair values of the share options for the year ended 31 December 2018 were calculated by Grant Sherman using a binomial option pricing model. The following table lists the inputs to the model used:

	Share option type 購股權類別
	2018 二零一八年
Share option life 購股權年期	1 year 1年
Grant date share price 授出日期股價	HK\$0.185 0.185 港元
Exercise price 行使價	HK\$0.185 0.185 港元
Expected volatility (%) 預期波幅(%)	40.65%
Expected life of share options 購股權之預期年期	1 year 1年
Dividend yield (%) 股息收益率(%)	0%
Risk-free interest rate (%) 無風險利率(%)	1.945%

Expected volatility was determined by using historical volatility of the Company's share prices over the previous one year.

46. 以股權結算之股份支款之交易(續)

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，概無授出購股權。

於截至二零一八年十二月三十一日止年度內，已於二零一八年四月二十七日授出316,920,000份購股權。於授出日期授出之購股權之估計公平值為9,063,000港元，已列作以股權結算之股份支款開支。

截至二零一八年十二月三十一日止年度，購股權之公平值乃由中證採用二項式期權定價模式計量。下表載列模式所用輸入數據：

預期波幅乃利用本公司過去一年之股價之歷史波幅釐定。

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46. EQUITY-SETTLED SHARE-BASED PAYMENT TRANSACTIONS (Continued)

The variables and assumptions used in computing the fair value of the share options were based on the directors' best estimate. The value of a share option varied with different variables of certain subjective assumptions.

For equity-settled share-based payments with parties other than employees, the Group rebutted the presumption that the fair values of the services received could be estimated reliably as in the opinion of the directors, the fair value of the services received could not be reliably measured. Accordingly, the Group measured the services received from these parties, with reference to the fair values of the share options granted using the binomial option pricing model, at the date of grant.

At 31 December 2020 and 2019, the Company had no share options outstanding.

47. RETIREMENT BENEFITS SCHEMES

With effect from 1 December 2000, the Group has set up a defined contribution retirement scheme, the MPF Scheme for all the eligible employees of the Group. The Group did not provide retirement benefits for its employees prior to set up of the MPF Scheme.

Under the MPF Scheme, the employees are required to contribute 5% of their monthly salaries up to a maximum of HK\$1,500 per employee and they can choose to make additional contributions. The employer's monthly contributions are calculated at 5% of each employee's monthly salaries up to a maximum of HK\$1,500 (the "Mandatory Contribution"). The employees are entitled to 100% of the Mandatory Contribution upon their retirement at the age of 65 years old, death or total incapacity.

The employees of the Group's subsidiaries in the PRC are members of state-managed retirement benefit schemes operated by the PRC government. The subsidiaries are required to contribute a specific percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits schemes operated by the PRC government is made the specified contributions under the schemes. The contributions are charged to profit or loss as incurred.

46. 以股權結算之股份支款之交易(續)

計算購股權之公平值所用之變數及假設乃以董事之最佳估計為基準。購股權之價值須視乎若干主觀假設之數據而計算出不同之估值。

就僱員以外之有關方之確認以股權結算之股份支款而言，由於董事認為所獲服務之公平值並未能可靠地計量，本集團已推翻所獲服務之公平值能可靠地估計之假設。因此，本集團於授出日期，參照使用二項式期權定價模式得出之已授出購股權之公平值，計量從該等有關方獲得之服務。

於二零二零年及二零一九年十二月三十一日，本公司並無購股權尚未行使。

47. 退休福利計劃

自二零零零年十二月一日起，本集團為所有合資格僱員設立一項界定供款退休計劃 — 強積金計劃。於設立強積金計劃前，本集團並無為僱員提供任何退休福利。

根據強積金計劃，僱員均須按其月薪之5% (以每名僱員最多1,500港元為限) 作出供款，並可選擇作出額外供款。僱主每月之供款按各僱員月薪之5% (以最多1,500港元為限) 計算(「強制性供款」)。僱員可於65歲退休、逝世或完全失去工作能力時全數獲取強制性供款。

本集團於中國附屬公司之僱員為由中國政府設立之國家管理退休福利計劃之成員。該等附屬公司須向退休福利計劃作出佔薪金若干百分比之供款，作為提供福利之資金。根據該等退休福利計劃作出規定供款為本集團對該等計劃之唯一責任。供款於產生時於損益表扣除。

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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

48. PARTICULAR OF SUBSIDIARIES

Details of the Company's subsidiaries at 31 December 2020 are set out as follows:

48. 附屬公司之詳情

本公司附屬公司於二零二零年十二月三十一日之詳情載列如下：

Name of subsidiary 附屬公司名稱	Country/place of incorporation or operation 註冊成立或經營之國家/地點	Class of shares held/ registered capital 持有股份/註冊股本類別	Proportion of ownership interest and voting power held by the Company 本公司持有之擁有權權益及投票權比例		Issued and fully paid share capital/ registered capital 已發行及繳足股本/註冊股本	Principal activities 主要業務
			2020 二零二零年 %	2019 二零一九年 %		
Adelio Holdings Limited	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1美元	Investment holding 投資控股
Angel Wish Group Limited	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1美元	Investment holding 投資控股
Bayhood No. 9 Co. ^u 北湖9號公司 ^u	The PRC 中國	Registered 註冊	100	100	RMB50,000,000 人民幣50,000,000元	Provision of recreational and wellness services through the management of a membership-based golf club and resort 透過管理會員制高爾夫俱樂部及酒店提供休閒度假及保健服務
Best Season Holdings Corp.	British Virgin Islands 英屬處女群島	Ordinary 普通	75	75	US\$100 100美元	Dormant 暫無營業
Bluelagoon Investment Holdings Limited	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1美元	Dormant 暫無營業
China Jiu hao 中國9號	Hong Kong 香港	Ordinary 普通	100	100	HK\$1 1港元	Investment holding 投資控股
Eternity Finance Group Limited 永恒財務集團有限公司	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	HK\$100,000,000 100,000,000港元	Investment holding 投資控股
Gainful Fortune Limited	British Virgin Islands 英屬處女群島	Ordinary 普通	99.99	99.99	HK\$160,000,100 160,000,100港元	Dormant 暫無營業
Golden Stone Management Limited	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1美元	Investment holding 投資控股
Hong Kong Builders Finance Limited 港建財務有限公司	Hong Kong 香港	Ordinary 普通	100	100	HK\$2 2港元	Money lending 借貸
K E G Limited 鑽滙有限公司	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1美元	Investment holding 投資控股

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48. PARTICULAR OF SUBSIDIARIES

(Continued)

48. 附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Country/place of incorporation or operation 註冊成立或 經營之國家/地點	Class of shares held/ registered capital 持有股份/ 註冊股本類別	Proportion of ownership interest and voting power held by the Company 本公司持有之擁有權權益 及投票權比例		Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊股本	Principal activities 主要業務
			2020 二零二零年 %	2019 二零一九年 %		
K E Group Limited 鑽滙集團有限公司	Hong Kong 香港	Ordinary 普通	100	100	HK\$10,000 10,000 港元	Design and sale of jewelry products 設計及銷售珠寶產品
Legend Rich Limited	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1 美元	Investment holding 投資控股
Max Winner Investments Limited 凱宏投資有限公司	Hong Kong 香港	Ordinary 普通	100	100	HK\$1 1 港元	Property holdings 持有物業
New Cove Limited	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1 美元	Investment holding 投資控股
Om Gem Limited	Hong Kong 香港	Ordinary 普通	100	100	HK\$10,000 10,000 港元	Design and sale of jewelry products 設計及銷售珠寶產品
One Synergy Limited	Hong Kong 香港	Ordinary 普通	100	100	HK\$1 1 港元	Investment holding 投資控股
Open Heart Investments Limited	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1 美元	Investment holding 投資控股
Rexdale Investment Limited	Hong Kong 香港	Ordinary 普通	100	100	HK\$10,000,000 10,000,000 港元	Property holdings 持有物業
Riche Advertising Limited	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1 美元	Sale of financial assets 銷售金融資產
Riche (BVI) Limited	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1,000 1,000 美元	Investment holding 投資控股
Riche Distribution Limited 豐采發行有限公司	Hong Kong 香港	Ordinary 普通	100	100	HK\$1,000,000 1,000,000 港元	Dormant 暫無營業
Riche Multi-Media Limited 豐采多媒體有限公司	Hong Kong 香港	Ordinary 普通	100	100	HK\$2 2 港元	Dormant 暫無營業
Riche Pictures Limited	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1 美元	Investment holding 投資控股
Simple View Investment Limited	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1 美元	Sale of financial assets 銷售金融資產

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48. PARTICULAR OF SUBSIDIARIES

(Continued)

48. 附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Country/place of incorporation or operation 註冊成立或 經營之國家/地點	Class of shares held/ registered capital 持有股份/ 註冊股本類別	Proportion of ownership interest and voting power held by the Company 本公司持有之擁有權權益 及投票權比例		Issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊股本	Principal activities 主要業務
			2020 二零二零年 %	2019 二零一九年 %		
Smart Field Management Limited 港駿管理有限公司	Hong Kong 香港	Ordinary 普通	100	100	HK\$1 1港元	Investment holding 投資控股
Smart Sphinx Limited	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1美元	Investment holding 投資控股
Smart Title	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1美元	Investment holding 投資控股
Stable Income Limited 堅益有限公司	Hong Kong 香港	Ordinary 普通	100	100	HK\$1,000,000 1,000,000港元	Dormant 暫無營業
Victory Peace Holdings Limited 捷寧控股有限公司	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1美元	Sale of financial assets 銷售金融資產
Yuan Shun Investments Limited 元順投資有限公司	British Virgin Islands 英屬處女群島	Ordinary 普通	100	100	US\$1 1美元	Investment holding 投資控股
四海能樂(北京)餐飲文化有限公司 [#]	The PRC 中國	Registered 註冊	100	100	RMB6,657,085 人民幣6,657,085元	Investment holding 投資控股
歡樂時代文化發展(北京)有限公司 [®]	The PRC 中國	Registered 註冊	100	100	RMB100,000 人民幣100,000元	Investment holding 投資控股
北京時代發展物業管理有限公司 [®]	The PRC 中國	Registered 註冊	100	100	RMB10,000,000 人民幣10,000,000元	Provision of property management services 提供物業管理服務
北京北湖商業管理有限公司 [®]	The PRC 中國	Registered 註冊	—	100	RMB10,000,000 人民幣10,000,000元	Leasing of properties 物業租賃
北京北湖時代文化有限公司 [®]	The PRC 中國	Registered 註冊	100	100	RMB10,000,000 人民幣10,000,000元	Investment holding 投資控股
北京棟馳文化發展有限公司 (「棟馳」) [®]	The PRC 中國	Registered 註冊	70	70	RMB10,000,000 人民幣10,000,000元	Managing and operating cultural forum and related cultural activities 管理及經營文化論壇及相關 文化活動

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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

48. PARTICULAR OF SUBSIDIARIES (Continued)

- # limited liability company (solely invested by Taiwan, Hong Kong or Macao legal person) established in the PRC.
- μ limited liability company (solely invested by legal person) established in the PRC.
- ♠ limited liability company (solely invested by foreign owned enterprise) established in the PRC.
- ⊕ other limited liability company established in the PRC.

The Company directly holds the interest in Riche (BVI) Limited. All other subsidiaries are indirectly held by the Company.

None of the subsidiaries had issued any debt securities at the end of the year or during the year.

The directors consider that Best Season Holdings Corp., Gainful Fortune Limited and 棣馳, the non-wholly owned subsidiaries that have non-controlling interests, are not material to the Group. Accordingly, the financial information of Best Season Holdings Corp., Gainful Fortune Limited and 棣馳 is not separately presented in the consolidated financial statements.

48. 附屬公司之詳情(續)

- # 於中國成立之有限責任公司(台港澳法人獨資)。
- μ 於中國成立之有限責任公司(法人獨資)。
- ♠ 於中國成立之有限責任公司(外商投資企業獨資)。
- ⊕ 於中國成立之其他有限責任公司。

本公司直接持有 Riche (BVI) Limited 之權益。所有其他附屬公司均由本公司間接持有。

概無附屬公司已於年末或年內發行任何債務證券。

董事認為 Best Season Holdings Corp.、Gainful Fortune Limited 及 棣馳(為擁有非控股權益之非全資附屬公司)對本集團而言並非重大。因此 Best Season Holdings Corp.、Gainful Fortune Limited 及 棣馳之財務資料並無於本綜合財務報表中分開呈列。

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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

49. MATERIAL RELATED PARTY TRANSACTIONS

During the years ended 31 December 2020 and 2019, the Group entered into the following transactions with related parties:

(a) Transactions with associates

Amounts due to/(from) associates

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Amount due from an associate (note 25)	應收一間聯營公司款項 (附註25)	38,437	38,437
Amount due to an associate (note 39)	應付一間聯營公司款項 (附註39)	(1,966)	(1,967)

The amounts to/(from) associates do not constitute connected transactions as defined in Chapter 14A of the Listing Rules.

Expenses paid/payable to and income received/receivable from associates

		For the year ended 31 December 截至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
Brokerage and related expenses paid/payable to an associate	已付/應付一間聯營公司 經紀及相關開支	113	149
Rental income received/receivable from associates	已收/應收聯營公司 租金收入	5,095	3,335

The above transactions do not constitute connected transactions as defined in Chapter 14A of the Listing Rules.

49. 重大關連人士交易

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，本集團與關連人士訂立以下交易：

(a) 與聯營公司之交易

應付/(應收)聯營公司款項

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Amount due from an associate (note 25)	應收一間聯營公司款項 (附註25)	38,437	38,437
Amount due to an associate (note 39)	應付一間聯營公司款項 (附註39)	(1,966)	(1,967)

應付/(應收)聯營公司款項並不構成上市規則第14A章所定義之關連交易。

已付/應付聯營公司支出及已收/應收聯營公司收入

		For the year ended 31 December 截至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
Brokerage and related expenses paid/payable to an associate	已付/應付一間聯營公司 經紀及相關開支	113	149
Rental income received/receivable from associates	已收/應收聯營公司 租金收入	5,095	3,335

上述交易並不構成上市規則第14A章所定義之關連交易。

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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

49. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(b) Compensation for key management personnel

The remuneration of executive directors and the chief executive officer, who are key management, during the year was as follows:

		For the year ended 31 December	
		截至十二月三十一日止年度	
		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		千港元	千港元
Short-term benefits	短期福利	24,360	26,260
Post-employment benefits	離職後福利	72	72
		24,432	26,332

Total remuneration is included in “staff costs” (see note 12 to the consolidated financial statements).

The remuneration of executive directors and the chief executive officer is approved by the board of directors on the recommendation of the Remuneration Committee having regard to the duties and responsibilities of individuals and market trends.

49. 重大關連人士交易(續)

(b) 主要管理人員薪酬

年內，執行董事及行政總裁(為主要管理人員)之酬金如下：

		For the year ended 31 December	
		截至十二月三十一日止年度	
		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		千港元	千港元
Short-term benefits	短期福利	24,360	26,260
Post-employment benefits	離職後福利	72	72
		24,432	26,332

總酬金乃計入「員工成本」(見綜合財務報表附註12)。

執行董事及行政總裁之酬金乃由董事會按薪酬委員會之推薦建議及參考各人之職務及職責及市場趨勢後批准。

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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

49. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(c) Transactions with the directors and substantial shareholders of the Company

- (i) On 29 November 2018, Mr. Lei Hong Wai, the Chairman of the Board and an executive director, provided a personal guarantee to secure the Company's repayment obligations under the loan of HK\$200,000,000 granted by the finance company to the Company. No consideration was paid by the Company to Mr. Lei Hong Wai for the provision of personal guarantee. No security over the assets of the Group was provided for the personal guarantee given by Mr. Lei Hong Wai.

As at 31 December 2020 and 2019, the provision of personal guarantee by Mr. Lei Hong Wai remains in full force and effect.

- (ii) On 24 December 2018, Mr. Lei Hong Wai made a cash advance of HK\$50,000,000 to the Group for financing its short-term funding needs. The cash advance was non-interest bearing and unsecured. On 4 January 2019, the Group repaid the cash advance to Mr. Lei Hong Wai.
- (iii) On 30 January 2019, Mr. Lei Hong Wai made a cash advance of HK\$25,000,000 to the Group for financing its short-term funding needs. The cash advance was non-interest bearing and unsecured. On 7 March 2019, the Group repaid the cash advance to Mr. Lei Hong Wai.
- (iv) On 15 February 2019, Twin Success International Limited ("Twin Success"), a substantial shareholder of the Company which is beneficially owned as to 50% by Mr. Lei Hong Wai, as to 25% by Mr. Cheung Kwok Wai Elton, an executive director, and as to 25% by Mr. Cheung Kwok Fan, an executive director, made a cash advance of HK\$7,200,000 to the Group for financing its short-term funding needs. The cash advance was non-interest bearing and unsecured. On 28 February 2019, the Group repaid the cash advance to Twin Success.

49. 重大關連人士交易(續)

(c) 與本公司之董事及主要股東之交易

- (i) 於二零一八年十一月二十九日，董事會主席兼執行董事李雄偉先生就財務公司向本公司提供200,000,000港元之貸款之還款責任提供個人擔保。本公司概無就提供個人擔保向李雄偉先生支付代價，亦概無就李雄偉先生提供之個人擔保提供本集團資產作為抵押。

於二零二零年及二零一九年十二月三十一日，李雄偉先生提供個人擔保維持十足效力及作用。

- (ii) 於二零一八年十二月二十四日，李雄偉先生就本集團之短期資金需要而向其作出50,000,000港元現金墊款。現金墊款為免息及無抵押。於二零一九年一月四日，本集團已向李雄偉先生償還現金墊款。
- (iii) 於二零一九年一月三十日，李雄偉先生就本集團之短期資金需要而向其作出25,000,000港元現金墊款。現金墊款為免息及無抵押。於二零一九年三月七日，本集團已向李雄偉先生償還現金墊款。
- (iv) 於二零一九年二月十五日，Twin Success International Limited (「Twin Success」，本公司主要股東，由李雄偉先生、執行董事張國偉先生及執行董事張國勳先生分別實益擁有50%、25%及25%權益)就本集團之短期資金需要而向其作出7,200,000港元現金墊款。現金墊款為免息及無抵押。於二零一九年二月二十八日，本集團已向Twin Success償還現金墊款。

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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

49. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(c) Transactions with the directors and substantial shareholders of the Company (Continued)

- (v) On 17 October 2019, Mr. Lei Hong Wai made a cash advance of HK\$20,000,000 to the Group for financing its short-term funding needs. The cash advance was non-interest bearing and unsecured. On 29 October 2019, the Group repaid the cash advance to Mr. Lei Hong Wai.
- (vi) On 30 January 2020, 2 March 2020 and 8 April 2020, Mr. Cheung Kwok Fan made cash advances of HK\$600,000, HK\$400,000, and HK\$200,000 respectively to the Group for financing its short-term funding needs. The cash advances were non-interest bearing and unsecured. On 29 June 2020, the Group repaid the cash advances to Mr. Cheung Kwok Fan.
- (vii) On 9 March 2020, Mr. Lei Hong Wai provided a personal guarantee to secure the Group's repayment obligations under the securities margin financing facility of HK\$40,000,000 granted by a securities company to the Group. No consideration was paid by the Group to Mr. Lei Hong Wai for the provision of the personal guarantee. No security over the assets of the Group was provided for the personal guarantee given by Mr. Lei Hong Wai.

At 31 December 2020, the provision of the personal guarantee by Mr. Lei Hong Wai remains in full force and effect.

- (viii) On 28 August 2020, Mr. Lei Hong Wai made a cash advance of HK\$1,300,000 to the Group for financing its short-term funding needs. The cash advance was non-interest bearing and unsecured.

At 31 December 2020, the outstanding balance of the cash advance is HK\$1,300,000, which is presented in the "Amount due to a director" line item in the consolidated statement of financial position.

49. 重大關連人士交易(續)

(c) 與本公司之董事及主要股東之交易(續)

- (v) 於二零一九年十月十七日，李雄偉先生就本集團之短期資金需要而向其作出20,000,000港元現金墊款。現金墊款為免息及無抵押。於二零一九年十月二十九日，本集團已向李雄偉先生償還現金墊款。
- (vi) 於二零二零年一月三十日、二零二零年三月二日及二零二零年四月八日，張國勳先生就本集團之短期資金需要而分別向其作出600,000港元、400,000港元及200,000港元現金墊款。現金墊款為免息及無抵押。於二零二零年六月二十九日，本集團已向張國勳先生償還現金墊款。
- (vii) 於二零二零年三月九日，李雄偉先生就證券公司向本集團提供40,000,000港元之證券保證金財務融資之還款責任提供個人擔保。本集團概無就提供個人擔保向李雄偉先生支付代價，亦概無就李雄偉先生提供之個人擔保提供本集團資產作為抵押。

於二零二零年十二月三十一日，李雄偉先生提供個人擔保維持十足效力及作用。

- (viii) 於二零二零年八月二十八日，李雄偉先生就本集團之短期資金需要而向其作出1,300,000港元現金墊款。現金墊款為免息及無抵押。

於二零二零年十二月三十一日，現金墊款之未償還結餘為1,300,000港元，其計入綜合財務狀況表內「應付一名董事款項」項目。

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49. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(c) Transactions with the directors and substantial shareholders of the Company (Continued)

- (ix) On 29 September 2020, each of Mr. Lei Hong Wai and Mr. Cheung Kwok Wai Elton provided a personal guarantee to guarantee the punctual performance by the Company's obligations under the HK\$270,000,000 13% guaranteed secured notes due 2021 issued by the Company on 29 September 2020 pursuant to the subscription and note instrument agreement dated 25 September 2020. No consideration was paid by the Company to Mr. Lei Hong Wai and/or Mr. Cheung Kwok Wai Elton for providing the personal guarantees. No security over the assets of the Group was provided for the personal guarantees given by Mr. Lei Hong Wai and/or Mr. Cheung Kwok Wai Elton.

At 31 December 2020, the provision of personal guarantees by Mr. Lei Hong Wai and Mr. Cheung Kwok Wai Elton remained in full force and effect.

- (x) On 22 October 2020, Mr. Lei Hong Wai provided a personal guarantee to secure the Group's repayment obligations under the securities margin financing facility of HK\$14,000,000 granted by a securities company to the Group. No consideration was paid by the Group to Mr. Lei Hong Wai for the provision of the personal guarantee. No security over the assets of the Group was provided for the personal guarantee given by Mr. Lei Hong Wai.

At 31 December 2020, the provision of the personal guarantee by Mr. Lei Hong Wai remains in full force and effect.

All of the above transactions also constitute connected transactions as defined in Chapter 14A of the Listing Rules. However, these transactions are fully exempt from the connected transaction requirements in Chapter 14A of the Listing Rules under Rule 14A.90.

49. 重大關連人士交易(續)

(c) 與本公司之董事及主要股東之交易(續)

- (ix) 於二零二零年九月二十九日，李雄偉先生及張國偉先生分別提供個人擔保，以擔保本公司準時履行本公司於二零二零年九月二十九日根據日期為二零二零年九月二十五日之認購及票據工具協議發行之二零二一年到期之270,000,000港元13%擔保有抵押票據項下之責任。本公司概無就李雄偉先生及／或張國偉先生提供個人擔保支付代價，亦概無就李雄偉先生及／或張國偉先生提供之個人擔保提供本集團資產作為抵押。

於二零二零年十二月三十一日，李雄偉先生及張國偉先生提供之個人擔保維持十足效力及作用。

- (x) 於二零二零年十月二十二日，李雄偉先生就一間證券公司向本集團授出14,000,000港元證券保證金財務融資之還款責任提供個人擔保。本集團概無就提供個人擔保向李雄偉先生支付代價，亦概無就李雄偉先生提供之個人擔保提供本集團資產作為抵押。

於二零二零年十二月三十一日，李雄偉先生提供個人擔保維持十足效力及作用。

所有上述之交易亦構成上市規則第14A章所定義之關連交易。然而，該等交易獲全面豁免遵守上市規則第14A章第14A.90條項下之關連交易之規定。

49. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(d) Transactions with the directors of the subsidiaries of the Company

On 20 August 2018, Bayhood No. 9 Co. as lender entered into a loan agreement with Mr. Guan Jialin, a director of certain subsidiaries of the Group, as borrower, and Ms. Hao Yuhui, the spouse of Mr. Guan Jialin, as guarantor relating to grant a loan in the principal amount of RMB25,000,000 (equivalent to HK\$28,532,000) to Mr. Guan Jialin for a term of 24 months commencing from 24 August 2018. The loan was interest bearing at 9.00% per annum, secured by a real estate mortgage over a residential property located in Beijing, the PRC owned by Ms. Hao Yuhui (the “**Property**”) and maturing on 23 August 2020. The terms of the loan agreement were negotiated on an arm’s length basis between Bayhood No. 9 Co. and Mr. Guan Jialin with reference to terms and conditions of the loan agreements entered into between the Group and its money lending customers.

On 20 September 2018, Bayhood No. 9 Co., Mr. Guan Jialin and Ms. Hao Yuhui entered into a supplemental agreement relating to the amendment of the condition precedent of the loan agreement dated 20 August 2018. Pursuant to which, the loan agreement was conditional upon the real estate mortgage over the Property having been duly registered with 北京市順義區房屋管理局 (Real Estate Bureau of Beijing Shunyi District) (the “**Real Estate Bureau**”) by Mr. Yuan Huixia (as agent of Bayhood No. 9 Co.), a then director and legal representative of a wholly-owned subsidiary of the Company, and Ms. Hao Yuhui.

49. 重大關連人士交易(續)

(d) 與本公司附屬公司之董事之交易

於二零一八年八月二十日，北湖9號公司(作為貸款人)與本集團若干附屬公司之董事關家麟先生(作為借款人)及關家麟先生之配偶郝玉慧女士(作為擔保人)已訂立貸款協議，內容有關向關家麟先生授出本金額為人民幣25,000,000元(相等於28,532,000港元)之貸款，自二零一八年八月二十四日起計為期二十四個月。貸款按年利率9%計息，以郝玉慧女士擁有之位於中國北京市之住宅物業(「物業」)之房地產按揭作抵押及於二零二零年八月二十三日到期。貸款協議之條款乃經北湖9號公司與關家麟先生公平磋商後協定，並參考本集團及其借貸客戶訂立之貸款協議之條款及條件。

於二零一八年九月二十日，北湖9號公司、關家麟先生及郝玉慧女士訂立補充協議，內容有關修訂日期為二零一八年八月二十日之貸款協議之先決條件，據此，貸款協議須待本公司一間全資附屬公司之董事及法律代表袁輝霞先生(作為北湖9號公司代理人)及郝玉慧女士向北京市順義區房屋管理局(「房屋管理局」)正式註冊物業之房地產按揭後方可作實。

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49. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(d) Transactions with the directors of the subsidiaries of the Company (Continued)

Concurrently, on 20 September 2018, Mr. Yuan Huixia executed an irrevocable undertaking in favour of Bayhood No. 9 Co., pursuant to which:

- (i) Mr. Yuan Huixia shall, on behalf of Bayhood No. 9 Co. and together with Ms. Hao Yuhui, register the real estate mortgage over the Property with the Real Estate Bureau;
- (ii) in the event that Mr. Guan Jialin does not repay the loan in accordance with the loan agreement, Mr. Yuan Huixia shall sell the Property on the instruction of Bayhood No. 9 Co. and transfer the proceeds in full to Bayhood No. 9 Co.;
- (iii) in the event that Bayhood No. 9 Co. proposes to change the mortgagee of the mortgage over the Property or terminate the mortgage, Mr. Yuan Huixia shall execute all necessary documents on the instruction of Bayhood No. 9 Co. to effect such change or termination; and
- (iv) unless on the instruction of Bayhood No. 9 Co., Mr. Yuan Huixia shall not change the mortgagee of the mortgage over the Property, terminate the mortgage, or sell the Property.

As each of Mr. Guan Jialin, Ms. Hao Yuhui and Mr. Yuan Huixia was a connected person at the subsidiary level of the Company under Chapter 14A of the Listing Rules as at the date of the loan agreement, the entering into of the loan agreement (as supplemented by the supplemental agreement with the undertaking) constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

49. 重大關連人士交易(續)

(d) 與本公司附屬公司之董事之交易(續)

同時，於二零一八年九月二十日，袁輝霞先生以北湖9號公司為受益人簽立一份不可撤銷承諾書，據此：

- (i) 袁輝霞先生代表北湖9號公司連同郝玉慧女士向房屋管理局註冊物業之房地產按揭；
- (ii) 倘關家麟先生未能按貸款協議償還貸款，袁輝霞先生須按北湖9號公司之指示出售物業，並將所得款項全數轉讓予北湖9號公司；
- (iii) 倘北湖9號公司建議更改物業按揭之承按人或終止按揭，袁輝霞先生須按北湖9號公司之指示執行所有必要文件，以產生該更改或終止；及
- (iv) 除非獲北湖9號公司之指示，否則袁輝霞先生不得更改物業按揭之承按人、終止按揭或出售物業。

根據上市規則第14A章，由於關家麟先生、郝玉慧女士與袁輝霞先生各自於貸款協議日期於附屬公司層面上為本公司之關連人士，故訂立貸款協議(經補充協議及承諾書補充)構成上市規則第14A章項下本公司之關連交易。

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49. MATERIAL RELATED PARTY TRANSACTIONS (Continued)

(d) Transactions with the directors of the subsidiaries of the Company (Continued)

The directors (including all the independent non-executive directors) confirmed that the terms of the loan agreement (as supplemented by the supplemental agreement with the undertaking) were fair and reasonable, the transactions contemplated thereunder were on normal commercial terms and in the interests of the Company and its shareholders as a whole.

Announcements in respect of the loan agreement and the supplemental agreement with the undertaking were published on 20 August 2018 and 20 September 2018 respectively in accordance with Chapter 14A of the Listing Rules.

The loan agreement (as supplemented by the supplemented agreement with the undertaking) became unconditional on 26 September 2018 and the drawdown of the loan was made on 29 September 2018.

As at 31 December 2019, the outstanding balance of the loan is RMB25,000,000 (equivalent to HK\$27,909,000), which was included in the "Other receivables" line item in the consolidated statement of financial position. The related interest income for the year ended 31 December 2019 amounted to RMB2,248,000 (equivalent to HK\$2,554,000), which was included in the "Investment and other income" line item in the consolidated statement of profit or loss.

On 2 June 2020, Mr. Guan Jialin repaid the loan of RMB25,000,000 (equivalent to HK\$27,178,000) together with the accrued interest thereon of RMB599,000 (equivalent to HK\$651,000).

The directors confirm that the above transactions have complied with the connected transaction requirements in Chapter 14A of the Listing Rules.

49. 重大關連人士交易(續)

(d) 與本公司附屬公司之董事之交易(續)

董事(包括全體獨立非執行董事)確認貸款協議(經補充協議及承諾書補充)之條款屬公平合理、其項下擬進行之交易乃按一般商業條款訂立，並符合本公司及其股東之整體利益。

根據上市規則第14A章有關貸款協議以及補充協議及承諾書之公佈已分別於二零一八年八月二十日及二零一八年九月二十日刊發。

貸款協議(經補充協議及承諾書補充)已於二零一八年九月二十六日成為無條件及貸款已於二零一八年九月二十九日提取。

於二零一九年十二月三十一日，貸款之未償還結餘為人民幣25,000,000元(相等於27,909,000港元)，已計入綜合財務狀況表內「其他應收款項」項目。截至二零一九年十二月三十一日止年度之相關利息收入為人民幣2,248,000元(相等於2,554,000港元)，已計入綜合損益表內「投資及其他收入」項目。

於二零二零年六月二日，關家麟先生已償還貸款人民幣25,000,000元(相等於27,178,000港元)連同其應計利息人民幣599,000元(相等於651,000港元)。

董事確認上述之交易已遵守上市規則第14A章之關連交易規定。

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50. CAPITAL RISK MANAGEMENT

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and maintain healthy ratios in order to support its business and enhance shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, issue of new shares or redemption of existing shares as well as raise or repay debts. The Group's overall strategy remains unchanged from prior years.

The Group monitors capital using a gearing ratio, which is total debt divided by equity attributable to owners of the Company. The Group's policy is to maintain the gearing ratio between 20% and 40%. Debt includes interest-bearing bank and other borrowings, amount due to a director and secured notes. Equity attributable to owners of the Company includes share capital, retained profits and other reserves. The gearing ratio as at the end of the reporting periods was as follows:

50. 資本風險管理

本集團管理資本之主要目標為保障本集團持續經營之能力並維持穩健比率，以支持其業務及提升股東價值。

本集團管理其資本結構並根據經濟情況變化作出調整。為維持或調整資本結構，本集團會調整向股東派發之股息、向股東發還資本、發行新股或贖回現有股份以及籌集或償還債務。自上年度，本集團之整體策略維持不變。

本集團使用資產負債比率監察資本，該比率按債務總額除以本公司擁有人應佔權益計算。本集團的政策是維持資產負債比率介乎20%至40%。債務包括計息銀行借款及其他借款、應付一名董事款項及擔保票據。本公司擁有人應佔權益包括股本、保留溢利及其他儲備。於報告期末之資產負債比率如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Total debt	債務總額	668,080	655,561
Equity attributable to owners of the Company	本公司擁有人應佔權益	2,368,661	2,423,931
Gearing ratio	資產負債比率	28.20%	27.05%

50. CAPITAL RISK MANAGEMENT (Continued)

On 25 August 2017, the Group issued 2017 Notes in the aggregate principal amount of HK\$300,000,000. Under the 2017 Notes, the Company covenants with the noteholders that from the issue date and for so long as any 2017 Notes are outstanding, the Group will ensure the consolidated tangible net worth of the Group will not be less than HK\$1,300,000,000. Consolidated tangible net worth of the Group means, by reference to an annual audited consolidated financial statement or a semiannual unaudited consolidated financial statements of the Group, the aggregate of the amounts paid up or credited as paid up on the issued ordinary share capital of the Company and the amount standing to the credit of the reserves of the Group, but deducting any amount shown in respect of goodwill or other intangible assets of the Group.

The Company complied with the covenant throughout the year ended 31 December 2019. At 31 December 2019, the consolidated tangible net worth of the Group was HK\$1,316,436,000. At 30 June 2019, the consolidated tangible net worth of the Group was HK\$1,406,104,000.

Based on the condensed consolidated financial statements of the Company for the six months ended 30 June 2020, the consolidated tangible net worth as at 30 June 2020 was less than HK\$1,300,000,000, which constituted the Breach. On 27 August 2020, the Company obtained a waiver from the noteholders in respect on the Breach.

On 25 September 2020, the Group issued 2020 Notes in the aggregate principal amount of HK\$270,000,000. Under the 2020 Notes, the Company covenants with the noteholders that from the issue date and for the so long as any 2020 Notes are outstanding, the Group will ensure the consolidated tangible net worth of the Group will not be less than HK\$1,000,000,000. Consolidated tangible net worth of the Group means, by reference to an annual audited or a semiannual unaudited consolidated financial statements of the Group, the aggregate of the amounts paid up or credited as paid up on the issued ordinary share capital of the Company and the amount standing to the credit of the reserves of the Group, but deducting any amount shown in respect of goodwill, other intangible assets or right-of-use assets of the Group, and adding any amount show in respect of lease liabilities or deferred tax liabilities relating to the other intangible assets of the Group.

50. 資本風險管理(續)

於二零一七年八月二十五日，本集團發行本金總額為300,000,000港元的票據。根據二零一七年票據，本公司向票據持有人作出契諾，自發行日期及直至有任何尚未償還二零一七年票據，本集團將確保本集團的綜合有形淨值將不少於1,300,000,000港元。本集團的綜合有形淨值指經參考本集團的年度經審核綜合財務報表或半年度未經審核綜合財務報表，本公司已發行普通股股本的繳足或入賬列作繳足總額，以及本集團儲備的進賬金額，惟扣減任何有關就本集團商譽或其他無形資產呈列的金額。

本公司於截至二零一九年十二月三十一日止整個年度內遵守有關契諾。於二零一九年十二月三十一日，本集團的綜合有形淨值為1,316,436,000港元。於二零一九年六月三十日，本集團之綜合有形淨值為1,406,104,000港元。

根據本公司截至二零二零年六月三十日止六個月之簡明綜合財務報表，於二零二零年六月三十日之綜合有形淨值少於1,300,000,000港元，構成違反。於二零二零年八月二十七日，本公司就違反取得票據持有人發出之豁免。

於二零二零年九月二十五日，本集團發行本金總額為270,000,000港元之二零二零年票據。根據二零二零年票據，本公司與票據持有人訂約，自發行日期及於任何二零二零年票據仍未償還期間，本集團將確保本集團之綜合有形淨值將不少於1,000,000,000港元。經參考本集團之年度經審核或半年度未經審核綜合財務報表後，本集團之綜合有形淨值指本公司已發行普通股股本之繳足或入賬列作繳足之總金額及本集團儲備所記之金額，惟扣除計入本集團商譽、其他無形資產或使用權資產之任何金額，並加上計入有關本集團租賃負債或其他無形資產之遞延稅項負債之任何金額。

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50. CAPITAL RISK MANAGEMENT (Continued)

The Company has complied with the covenant throughout the period from 29 September 2020 to 31 December 2020. At 31 December 2020, the consolidated tangible net worth of the Group was HK\$1,466,722,000.

51. FINANCIAL INSTRUMENTS

Categories of financial instruments

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Financial assets	金融資產		
Amortised cost	攤銷成本	925,951	1,227,914
Financial assets at FVTPL	按公平值計入損益表之 金融資產		
— listed equity securities in Hong Kong	— 香港上市股本證券	410,395	240,815
Financial liabilities	金融負債		
Amortised cost	攤銷成本	1,127,291	1,074,398

The Group's major financial instruments include loan receivables, trade receivables, other receivables, cash and cash equivalents, trade payables, deposits received, accruals and other payables, bank borrowings, other borrowings, amount due to an associate, amount due to a director, lease liabilities, and secured notes.

At the end of the reporting period:

- loan receivables, trade receivables, other receivables, and cash and cash equivalents are categorised as "amortised cost" under financial assets; and
- trade payables, deposits received, accruals and other payables, bank borrowings, other borrowings, amount due to an associate, amount due to a director, lease liabilities, and secured notes are categorised as "amortised cost" under financial liabilities.

50. 資本風險管理(續)

本公司已於二零二零年九月二十九日至二零二零年十二月三十一日止期間一直遵守有關契諾。於二零二零年十二月三十一日，本集團之綜合有形淨值為1,466,722,000港元。

51. 金融工具

金融工具之類別

本集團之主要金融工具包括應收貸款、貿易應收款項、其他應收款項、現金及現金等價物、貿易應付款項、已收按金、應計費用及其他應付款項、銀行借款、其他借款、應付一間聯營公司款項、應付一名董事款項、租賃負債及擔保票據。

於報告期末：

- 應收貸款、貿易應收款項及其他應收款項以及現金及現金等價物分類為金融資產項下的「攤銷成本」；及
- 貿易應付款項、已收按金、應計費用及其他應付款項、銀行借款、其他借款、應付一間聯營公司款項、應付一名董事款項、租賃負債、及擔保票據分類為金融負債下的「攤銷成本」。

51. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies

The Group's major financial instruments include listed equity securities in Hong Kong classified under financial assets at FVTPL, loan receivables, trade receivables, other receivables, cash and cash equivalents, trade payables, deposits received, accruals and other payables, bank borrowings, other borrowings, amount due to an associate, amount due to a director, lease liabilities, and secured notes. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (foreign currency risk, interest rate risk and equity price 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.

Market risk

(a) Foreign currency risk

The Group's operations are mainly in Hong Kong and the PRC. An entity within the Group is exposed to foreign currency risk from commercial transactions and monetary assets and liabilities that are denominated in a currency that is not the entity's functional currency.

The Group engages in property investment business in the PRC through its local subsidiaries with RMB as their functional currency. These PRC subsidiaries are not exposed to foreign currency risk as their commercial transactions and monetary assets and liabilities are denominated in RMB.

Several subsidiaries of the Group with Hong Kong dollar as their functional currency have commercial transactions and monetary assets and liabilities that are denominated in USD, Pound Sterling and Euro.

51. 金融工具(續)

財務風險管理目標及政策

本集團的主要金融工具包括分類為按公平值計入損益表之金融資產之香港上市股本證券、應收貸款、貿易應收款項、其他應收款項、現金及現金等價物、貿易應付款項、已收按金、應計費用及其他應付款項、銀行借款、其他借款、應付一間聯營公司款項、應付一名董事款項、租賃負債及擔保票據。金融工具的詳情於相關附註中披露。該等金融工具的相關風險包括市場風險(外幣風險、利率風險及股價風險)、信貸風險及流動資金風險。下文載列如何減低該等風險的政策。

管理層管理及監察該等風險承擔，以確保及時及有效採取適當措施。

市場風險

(a) 外幣風險

本集團之經營主要位於香港及中國。本集團一間實體面臨外幣風險，其由商業交易及以並非該實體功能貨幣之貨幣計值之貨幣資產及負債產生。

本集團通過國內附屬公司在中國從事物業投資業務以人民幣作為功能貨幣。該等中國附屬公司並無面臨外匯風險，原因為其商業交易以及貨幣資產及負債乃以人民幣計值。

本集團以港元為其功能貨幣之多間附屬公司擁有以美元、英鎊及歐元計值之商業交易以及貨幣資產及負債。

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51. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

(a) Foreign currency risk (Continued)

The Group currently does not have a foreign currency hedging policy. It manages its foreign currency risk by closely monitoring financial position and cash flow exchange risk exposures and where considered appropriate using financial instruments, such as forward exchange contracts, foreign currency options and forward rate agreements, to hedge the foreign currency risk.

As at 31 December 2020, the Group's entities with functional currency of Hong Kong dollar had the aggregate net monetary assets denominated in USD amounted to HK\$7,092,000 (2019: HK\$4,585,000). Given that Hong Kong dollar are pegged to USD, the directors consider that there is no significant foreign currency risk exposure with respect to USD.

As at 31 December 2020, the Group's entities with functional currency of Hong Kong dollar had the aggregate net monetary assets denominated in Pound Sterling and Euro amounted to HK\$261,000 (2019: HK\$700,000). Given that the aggregate net monetary assets denominated in these foreign currencies is less than 1.00% (2019: less than 1.00%) of the Group's net assets at 31 December 2020, the directors consider that the net monetary assets of these currencies are not significant to the Group at the end of the reporting period. Accordingly, no sensitivity analysis is prepared and disclosed.

51. 金融工具(續)

財務風險管理目標及政策(續)

市場風險(續)

(a) 外幣風險(續)

本集團現時並無外幣對沖政策。本集團管理其外幣風險，密切監測財務狀況及現金流匯兌風險，並在其認為適用的情況下使用金融工具(如遠期外匯合約、外匯期權及遠期利率協議)對沖該外幣風險。

於二零二零年十二月三十一日，本集團以港元為功能貨幣之實體擁有以美元計值之貨幣資產淨值總額為7,092,000港元(二零一九年：4,585,000港元)。鑑於港元與美元掛鈎，董事認為並無有關美元之重大外幣風險。

於二零二零年十二月三十一日，本集團以港元為功能貨幣之實體擁有以英磅及歐元計值之貨幣資產淨值總額為261,000港元(二零一九年：700,000港元)。由於以該等外幣計值之貨幣資產淨值總額佔本集團於二零二零年十二月三十一日之資產淨值少於1.00%(二零一九年：少於1.00%)，故董事認為該等貨幣於報告期末之貨幣資產淨值對本集團而言並不重大。因此，並無編製及披露敏感度分析。

51. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

(b) Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to its bank borrowings and one of the securities margin financing facilities classified under "other borrowings" respectively with variable rates. The Group's cash flow interest rate risk is concentrated on fluctuation of HIBOR and prime rate arising from its Hong Kong dollar denominated bank borrowings and securities margin financing facilities respectively. The Group's certain other borrowings and secured notes carry fixed interest rates, which are not exposed to interest rate risk.

The Group currently does not have an interest rate hedging policy. It manages its interest rate risk by closely monitoring the interest rate movements and where considered appropriate using financial instruments to hedge the interest rate risk.

As at 31 December 2020, if interest rates of the bank borrowings and securities margin financing facilities had been 50 (2019: 50 basis points) higher/lower, with all other variables remain constant, the Group's loss and total comprehensive expense for the year ended 31 December 2020 would have increased/decreased by HK\$846,000 (2019: HK\$650,000).

The sensitivity analysis above has been determined based on the exposure to a change in interest rates for the bank borrowings and securities margin financing facilities with variable rates at the end of the reporting period. The analysis is prepared assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to re-measure the Group's bank borrowings and securities margin financing facilities with variable rates which expose the Group to cash flow interest rate risk at the end of the reporting period. The impact on the Group's loss and total comprehensive expense for the year ended 31 December 2020 is estimated as an annualised impact on interest expense of such change in interest rates. The sensitivity analysis is performed on the same basis for 2019.

51. 金融工具(續)

財務風險管理目標及政策(續)

市場風險(續)

(b) 利率風險

本集團因其浮息銀行借款及其中一筆分類為「其他借款」的證券保證金財務融資而分別面臨現金流量利率風險。本集團的現金流量利率風險主要集中於其以港元計值的銀行借款及證券保證金財務融資分別產生的香港銀行同業拆息及最優惠利率的波動。本集團的若干其他借款及擔保票據均按固定利率計息，並無面臨利率風險。

本集團現時並無利率對沖政策。本集團透過密切監察利率變動及在適合時動用金融工具對沖利率風險以管理其利率風險。

於二零二零年十二月三十一日，倘銀行借款及證券保證金財務融資的利率上升／下降50個基點(二零一九年：50個基點)，而所有其他變數維持不變，則本集團截至二零二零年十二月三十一日止年度的虧損及全面開支總額將增加／減少846,000港元(二零一九年：650,000港元)。

上述敏感度分析乃基於浮息銀行借款及證券保證金財務融資於報告期末利率發生變動的風險而釐定。該分析乃假設於報告期末利率發生變動而編製，並應用於在報告期末重新計量令本集團面臨現金流量利率風險的本集團浮息銀行借款及證券保證金財務融資。其對本集團截至二零二零年十二月三十一日止年度的虧損及全面開支總額的影響，乃按有關利率變動對利息開支造成的年化影響作估計。該敏感度分析按與二零一九年相同的基準進行。

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51. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

(c) Equity price risk

The Group is exposed to equity price risk arising from listed equity securities in Hong Kong held by it classified as financial assets at FVTPL. The Group's listed equity securities in Hong Kong are listed on the Exchange.

The Group manages its equity price risk by regularly monitoring equity portfolio to address any portfolio issues promptly and spreading price risk exposure by investing a number of listed equity securities in Hong Kong.

The sensitivity analyses have been determined based on the exposure to equity price risk at the reporting date.

As at 31 December 2020, if the prices of the listed equity securities in Hong Kong with quoted market price held by the Group had been 15% (2019: 15%) higher/lower, with all other variables remain constant, the Group's loss for the year ended 31 December 2020 would have increased/decreased by HK\$51,402,000 (2019: HK\$30,162,000).

Credit risk and impairment assessment

The credit risk of the Group mainly arises from bank balances, trade receivables, loan receivables and other receivables. The exposures to these credit risks are regularly monitored on an ongoing basis by established credit policies in each of the Group's core businesses.

(a) Bank balances

The Group's exposure to credit risk arising from bank balances is limited because the counterparties are high-credit-quality banks and/or financial institutions, for which the Group considers to have low credit risk.

51. 金融工具(續)

財務風險管理目標及政策(續)

市場風險(續)

(c) 股價風險

本集團面臨由其持有的香港上市股本證券(分類為按公平值計入損益的金融資產)產生的股價風險。本集團的香港上市股本證券在聯交所上市。

本集團定期監察股本組合以即時處理任何組合事宜達致管理股價風險，並以投資多項香港上市股本證券分散價格風險。

敏感度分析乃基於於報告日期所面對的股本證券價格風險釐定。

於二零二零年十二月三十一日，倘本集團持有的具所報市價的香港上市股本證券價上升/下跌15%(二零一九年：15%)，而所有其他變數維持不變，則本集團截至二零二零年十二月三十一日止年度的虧損將增加/減少51,402,000港元(二零一九年：30,162,000港元)。

信貸風險及減值評估

本集團之信貸風險主要由銀行結餘、貿易應收款項、應收貸款及其他應收款項產生。該等信貸風險透過於本集團各核心業務建立之信貸政策按持續基準定期監察。

(a) 銀行結餘

本集團自銀行結餘產生之信貸風險承擔有限，原因是交易對手方為信貸評級高之銀行及/或金融機構，而本集團認為該等交易對手方之信貸風險偏低。

51. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

(b) Trade receivables

Trade receivables arise from the Group's sale of jewelry products business. The Group trades only with recognised and creditworthy third parties. The Group allows credit period ranging from 0 to 270 days to its customers. Before accepting any new customer, credit evaluation is performed by the responsible executive director to assess the potential customer's credit quality and define its credit limit. Credit evaluations are reviewed regularly. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In this regard, the directors of the Company consider the Group's credit risk is significantly reduced.

The Group performs impairment assessment by applying the HKFRS 9 simplified approach, which uses lifetime ECL allowance as basis for all trade receivables with reference to an ECL valuation prepared by Grant Sherman. The ECL of trade receivables is calculated as the product of the three factors: gross credit exposure, probability of default, and recovery rate in case of insolvency in Hong Kong. The probability of default is derived through the application of a linear multiple regression model, which estimates the statistical relationship between a dependent variable and multiple independent variables. To reflect any current or forward-looking information affecting the customers' abilities to settle the trade receivables, certain adjustments have been made in the process of deriving the appropriate probability of default. The calculation reflects the probability-weighted outcome, the time value of money, and reasonable and supportable information that is available at the end of the reporting period about past events, current conditions and forecasts of future economic conditions.

51. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險及減值評估(續)

(b) 貿易應收款項

本集團之銷售珠寶產品業務產生貿易應收款項。本集團僅與熟悉及信譽良好的第三方進行貿易。本集團向其客戶授出介乎0至270日之間之信貸期。在接納任何新客戶之前，負責之執行董事進行信貸評估，以評估潛在客戶的信貸質量及決定其信貸限額。本集團定期審查信貸評估。本集團已實際其他監控程序，以確保採取跟進行動收回逾期債務。就此而言，本公司董事認為本集團的信貸風險大幅減少。

本集團應用香港財務報告準則第9號簡易方法對所有貿易應收款項進行減值評估，該方法以全期預期信貸虧損撥備作基準，並已參考中證編製的預期信貸虧損估值。貿易應收款項的預期信貸虧損按三個系數的積數計算：信貸風險承擔總額、違約率及倘在香港無力償債的收回率。違約率透過應用線性複迴歸模型計算得出，該模型估計因變數及多個獨立變數之間之統計關係。為反映影響客戶結付貿易應收款項能力的任何現時或前瞻性資料，於計算得出適當違約率的過程中已作出若干調整。有關計算反映概率加權結果、金錢的時間價值及於報告期末可得有關過往事件、現時狀況及對未來經濟狀況預測的合理及可支持資料。

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51. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

(b) Trade receivables (Continued)

The following table provides information about the Group's exposure to credit risk and allowance for credit losses on trade receivables at 31 December 2020 and 2019:

2020

Past due status	逾期狀況	ECL rate 預期信貸 虧損率	Gross carrying amount 賬面總值 HK\$'000 千港元	Allowance for credit losses recognised 已確認信貸 虧損撥備 HK\$'000 千港元	Net carrying amounts 賬面淨值 HK\$'000 千港元
Current (not past due)	即期(並無逾期)	1.03%	28,865	(298)	28,567
1-30 days past due	逾期1至30日	4.61%	477	(22)	455
31-90 days past due	逾期31至90日	17.11%	228	(39)	189
More than 90 days past due	逾期超過90日	22.75%	444	(101)	343
			30,014	(460)	29,554

51. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險及減值評估(續)

(b) 貿易應收款項(續)

下表提供有關本集團於二零二零年及二零一九年十二月三十一日就貿易應收款項之信貸風險及信貸虧損撥備：

二零二零年

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51. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

(b) Trade receivables (Continued)

2019

Past due status	逾期狀況	ECL rate 預期信貸 虧損率	Gross carrying amount 賬面總值 HK\$'000 千港元	Allowance for credit losses recognised 已確認信貸 虧損撥備 HK\$'000 千港元	Net carrying amounts 賬面淨值 HK\$'000 千港元
Current (not past due)	即期(並無逾期)	0.29%	39,295	(114)	39,181
1-30 days past due	逾期1至30日	2.96%	540	(16)	524
31-90 days past due	逾期31至90日	6.67%	15	(1)	14
More than 90 days past due	逾期超過90日	8.80%	159	(14)	145
			40,009	(145)	39,864

Trade receivables are written off when there is information indicating that the customer is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the customer has been placed under liquidation or has entered into bankruptcy proceedings, or the trade receivables are over 270 days past due, whichever occurs earlier.

當有資料顯示客戶有嚴重財政困難及未來並無實際機會收回有關款項，例如客戶正在清盤中或已進行破產程序，或貿易應收款項逾期超過270日(以較早發生者為準)，則撇銷有關貿易應收款項。

51. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險及減值評估(續)

(b) 貿易應收款項(續)

二零一九年

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51. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

(c) Loan receivables

Loan receivables arise from the Group's money lending business. The Group has developed a credit policy and procedures manual for its money lending business. The credit policy and procedures manual specifies the Group's credit policy towards its money lending business, the risk management of the Group's money lending business, and the credit procedures for the Group's money lending business, which include, among others, the loan application, credit approval, loan closing, and monitoring ongoing credit risk procedures. All new customers of the Group are subject to loan application procedures, which include customer due diligence, reference check for credit and character, and financial background check. Granting of loan and extension of final repayment date of loan are approved by the two responsible executive directors based on customer's financial position, past experience, credit assessment and other factors. Monitoring the ongoing credit risk of each individual customer is carried out by the two responsible executive directors twice a year, which includes meeting with the customer and reviewing of its/his/her periodic financial position. In addition to monitoring on credit risk of each customer twice a year as mentioned above, review of patterns of repayment of principal and/or interest of each individual customer are/is carried out by the two responsible executive directors monthly in order to ensure potential problem loan is timely identified. In this regard, the directors of the Company consider the Group's credit risk is significantly reduced.

51. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險及減值評估(續)

(c) 應收貸款

本集團之借貸業務產生應收貸款。本集團已為其借貸業務制定信貸政策及程序手冊。信貸政策及程序手冊訂明本集團有關其借貸業務的信貸政策、本集團借貸業務的風險管理以及本集團借貸業務的信貸程序，包括(其中包括)申請貸款、信貸批核、貸款完結及監察持續信貸風險程序。本集團的所有新客戶須辦理貸款申請程序，包括客戶盡職審查、信貸及人格的背景調查及財務背景調查。貸款授出及貸款的最終還款日期延期由兩名負責執行董事根據客戶的財務狀況、過往經驗、信貸評估及其他因素作出審批。兩名負責執行董事每年兩次監察每一名個別客戶的持續信貸風險，當中包括與該客戶會面及審視其定期財務狀況。除如上述每年兩次監察每一名客戶的信貸風險外，該兩名負責執行董事每月審閱償還本金及／或利息的模式，以確保及時發現潛在問題貸款。就此而言，本公司董事認為本集團的信貸風險大幅減少。

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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

51. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

(c) Loan receivables (Continued)

The board of directors of the Company is responsible to ensure the credit policy and procedures manual is appropriate to the market need and the procedures as set out in the manual are strictly followed and carried out by the staff. The board of directors has appointed Infinity Concept Ripple Limited, an independent firm of professional accountants, to conduct independent review on adequacy and effectiveness of the risk management and internal control systems of the Group's money lending business.

For the purpose of internal credit risk management, the Group considers a loan receivable as underperforming if (i) the repayment of principal and/or interest has been overdue for more than three months, and (ii) the principal, accrued interest and/or future interest of the loan may not be fully secured by the fair value of collateral at its prevailing market price. The Group considers a loan receivable as non-performing if (i) the repayment of principal and/or interest has been overdue for more than six months, and (ii) the collection of principal and/or interest in full is improbable after taking into account the fair values of the collateral at prevailing market price.

51. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險及減值評估(續)

(c) 應收貸款(續)

本公司董事會負責確保信貸政策及程序手冊適合市場需要，以及員工嚴格遵守及執行手冊所載程序。董事會已委任一間獨立專業會計師行集思廣益有限公司獨立檢討本集團借貸業務的風險管理及內部監控系統的充足性及有效性。

就內部信貸風險管理而言，本集團在以下情況下認為應收貸款屬不良：(i) 本金及／或利息還款已逾期超過三個月，及(ii) 貸款本金、應計利息及／或未來利息未必由抵押品按其現行市價計算的公平值全數擔保。本集團在以下情況下認為應收貸款屬不履約：(i) 本金及／或利息還款已逾期超過六個月，及(ii) 經計及抵押品按其現行市價計算的公平值，不可能全數收回本金及／或利息。

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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

51. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

(c) Loan receivables (Continued)

The Group performs impairment assessment by applying the HKFRS 9 general approach for all loan receivables on the basis of allowance of 12-month ECL for items without a significant increase in credit risk (“SICR”) and lifetime ECL for items with a SICR with reference to another ECL valuation prepared by Grant Sherman. The ECL of loan receivables is calculated as the product of the three factors: gross credit exposure, probability of default over 12 months following the reporting date, and recovery rate in case of insolvency in Hong Kong and the PRC (as the case may be). The probability of default is derived through the application of a linear multiple regression model, which estimates the statistical relationship between a dependent variable and multiple independent variables. To reflect any current or forward-looking information affecting the customers’ ability to settle the loans, certain adjustments have been made in the process of deriving the appropriate probability of default. The calculation reflects the probability-weighted outcome, the time value of money, and reasonable and supportable information that is available at the end of the reporting period about past events, current conditions and forecasts of future economic conditions.

51. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險及減值評估(續)

(c) 應收貸款(續)

本集團應用香港財務報告準則第9號的一般方法對所有應收貸款進行減值評估，就並無信貸風險顯著增加(「信貸風險顯著增加」)的項目按12個月預期信貸虧損的基準進行評估，而就信貸風險顯著增加的項目則按全期預期信貸虧損的基準進行評估，並已參考中證編製的另一份預期信貸虧損估值。應收貸款的預期信貸虧損按三個系數的積數計算：風險承擔總額、報告日期後超過12個月的違約率及倘在香港及中國(視情況而定)無力償債的收回率。違約率透過應用線性複迴歸模型計算得出，該模型估計因變數及多個獨立變數之間之統計關係。為反映影響客戶結付貸款能力的任何現時或前瞻性資料，於計算得出適當違約率的過程中已作出若干調整。有關計算反映概率加權結果、金錢的時間價值及於報告期末可得有關過往事件、現時狀況及對未來經濟狀況預測的可支持資料。

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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

51. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

(c) Loan receivables (Continued)

The following table provides information about the Group's exposure to credit risk and allowance for credit losses on loan receivables at 31 December 2020 and 2019:

2020

Internal credit quality classification	內部信貸質素分類	ECL rate 預期信貸虧損率	Gross carrying amount 賬面總值 HK\$'000 千港元	Allowance for credit losses recognised 已確認信貸虧損撥備 HK\$'000 千港元	Net carrying amounts 賬面淨值 HK\$'000 千港元
Performing	履約	4.40%	668,200	(29,380)	638,820
Underperforming	不良	45.98%	141,779	(65,184)	76,595
Non-performing	不履約	65.49%	166,620	(109,114)	57,506
			976,599	(203,678)	772,921

2019

Internal credit quality classification	內部信貸質素分類	ECL rate 預期信貸虧損率	Gross carrying amount 賬面總值 HK\$'000 千港元	Allowance for credit losses recognised 已確認信貸虧損撥備 HK\$'000 千港元	Net carrying amounts 賬面淨值 HK\$'000 千港元
Performing	履約	2.20%	1,000,071	(22,021)	978,050
Underperforming	不良	0.00%	—	—	—
Non-performing	不履約	0.00%	—	—	—
			1,000,071	(22,021)	978,050

51. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險及減值評估(續)

(c) 應收貸款(續)

下表提供有關本集團於二零二零年及二零一九年十二月三十一日就應收貸款之信貸風險及信貸虧損撥備：

二零二零年

Internal credit quality classification	內部信貸質素分類	ECL rate 預期信貸虧損率	Gross carrying amount 賬面總值 HK\$'000 千港元	Allowance for credit losses recognised 已確認信貸虧損撥備 HK\$'000 千港元	Net carrying amounts 賬面淨值 HK\$'000 千港元
Performing	履約	4.40%	668,200	(29,380)	638,820
Underperforming	不良	45.98%	141,779	(65,184)	76,595
Non-performing	不履約	65.49%	166,620	(109,114)	57,506
			976,599	(203,678)	772,921

二零一九年

Internal credit quality classification	內部信貸質素分類	ECL rate 預期信貸虧損率	Gross carrying amount 賬面總值 HK\$'000 千港元	Allowance for credit losses recognised 已確認信貸虧損撥備 HK\$'000 千港元	Net carrying amounts 賬面淨值 HK\$'000 千港元
Performing	履約	2.20%	1,000,071	(22,021)	978,050
Underperforming	不良	0.00%	—	—	—
Non-performing	不履約	0.00%	—	—	—
			1,000,071	(22,021)	978,050

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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

51. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

(c) *Loan receivables (Continued)*

Movements in gross balance of loan receivables:

51. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險及減值評估(續)

(c) 應收貸款(續)

應收貸款之總結餘變動：

		Year ended 31 December 2020 截至二零二零年十二月三十一日止年度			
		Stage 1 第1階段 HK\$'000 千港元	Stage 2 第2階段 HK\$'000 千港元	Stage 3 第3階段 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2020	於二零二零年 一月一日	1,000,071	—	—	1,000,071
(Decrease)/increase in loan receivable	應收貸款(減少)/ 增加	(9,831)	2,775	(641)	(7,697)
Transfer from Stage 1 to Stage 2	由第1階段轉撥至 第2階段	(139,004)	139,004	—	—
Transfer from Stage 1 to Stage 3	由第1階段轉撥至 第3階段	(183,036)	—	183,036	—
Written-off of loan receivables	撤銷應收貸款	—	—	(15,775)	(15,775)
At 31 December 2020	於二零二零年 十二月三十一日	668,200	141,779	166,620	976,599

		Year ended 31 December 2019 截至二零一九年十二月三十一日止年度			
		Stage 1 第1階段 HK\$'000 千港元	Stage 2 第2階段 HK\$'000 千港元	Stage 3 第3階段 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2019	於二零一九年 一月一日	1,186,286	—	—	1,186,286
Decrease in loan receivables	應收貸款減少	(186,215)	—	—	(186,215)
At 31 December 2019	於二零一九年 十二月三十一日	1,000,071	—	—	1,000,071

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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

51. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

(c) Loan receivables (Continued)

Movements in allowance for credit losses on loan receivables:

51. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險及減值評估(續)

(c) 應收貸款(續)

應收貸款之信貸虧損撥備變動：

		Year ended 31 December 2020 截至二零二零年十二月三十一日止年度			
		Stage 1 第1階段 HK\$'000 千港元	Stage 2 第2階段 HK\$'000 千港元	Stage 3 第3階段 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2020	於二零二零年 一月一日	22,021	—	—	22,021
Transfer from Stage 1 to Stage 2	由第1階段轉撥至 第2階段	(2,881)	2,881	—	—
Transfer from Stage 1 to Stage 3	由第1階段轉撥至 第3階段	(1,162)	—	1,162	—
Allowance for credit losses recognised	已確認之信貸虧損 撥備	11,402	62,303	123,727	197,432
Written-off of loan receivables	撤銷應收貸款	—	—	(15,775)	(15,775)
At 31 December 2020	於二零二零年 十二月三十一日	29,380	65,184	109,114	203,678

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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

51. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

(c) Loan receivables (Continued)

Movements in allowance for credit losses on loan receivables: (Continued)

		Year ended 31 December 2019 截至二零一九年十二月三十一日止年度			
		Stage 1 第1階段 HK\$'000 千港元	Stage 2 第2階段 HK\$'000 千港元	Stage 3 第3階段 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2019	於二零一九年 一月一日	17,547	—	—	17,547
Allowance for credit losses recognised	已確認之信貸虧損撥備	4,474	—	—	4,474
At 31 December 2019	於二零一九年 十二月三十一日	22,021	—	—	22,021

The Group writes off a loan receivable in whole or in part when its credit quality is classified as non-performing. The amounts written-off during the year ended 31 December 2020 was HK\$15,775,000 (2019: Nil). The Group still seeks to recover amounts it is legally owned in full, but which have been written-off due to no reasonable expectation of full recovery.

Revenue from the top five money lending customers constituted 27.70% (2019: 35.60%) of the Group's total revenue for the year ended 31 December 2020. They accounted for 72.46% (2019: 60.65%) of the loan receivables (before accumulated allowance for credit losses) as at 31 December 2020.

51. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險及減值評估(續)

(c) 應收貸款(續)

應收貸款之信貸虧損撥備變動：
(續)

當應收貸款之信貸質素分類為不履約時，本集團全部或部分撇銷該應收貸款。於截至二零二零年十二月三十一日止年度撇銷之金額為15,775,000港元(二零一九年：無)。本集團仍然力圖全額收回其合法享有之債權，但由於無法合理預期全額收回，因此進行撇銷。

來自五大借貸客戶之收益佔本集團截至二零二零年十二月三十一日止年度之總收益27.70%(二零一九年：35.60%)。其於二零二零年十二月三十一日佔應收貸款(經扣除累計信貸虧損撥備前)72.46%(二零一九年：60.65%)。

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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

51. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

(d) Other receivables

Other receivables arise from transactions outside the principal activities of the Group and mainly represent cash advances to various construction contractors and services providers in relation to the development of the Subject Land prior to the acquisition of the operating rights in respect of the Subject Land. Other receivables also include the loan to a third party of HK\$23,763,000 for a term of 3 years commencing on 22 May 2020 and the related interest receivable of HK\$123,000 for the year ended 31 December 2020. (2019: loan to a director of certain subsidiaries of the Company of HK\$27,909,000 for a term of 24 months commencing from 24 August 2018 and the related interest receivable of HK\$891,000). The key terms of the loan to a director are disclosed in note 49.

The Group performs impairment assessment on other receivables of HK\$71,654,000, excluding the loan to a third party of HK\$23,763,000 and the related interest receivable of HK\$123,000 (2019: HK\$64,540,000, excluding the loan to a director of HK\$27,909,000 and the related interest receivable of HK\$891,000) at the end of the reporting period by assessing whether a receivable becomes a credit-impaired financial asset. In assessing whether a receivable becomes a credit-impaired financial asset, the Group has taken observable data into account, such as the current financial conditions of a debtor, the probability of default of a debtor, and the aging of a cash advance. The impairment assessment was performed by the directors of the Company. No independent valuer was engaged for preparing an ECL valuation. Having performed the impairment assessment, no allowance for credit losses on other receivables was recognised in the year ended 31 December 2020 (2019: HK\$3,818,000).

51. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險及減值評估(續)

(d) 其他應收款項

本集團主要業務以外的交易產生其他應收款項，及主要為於收購有關主體地塊之經營權前主體地塊之開發而向多名建築承建商及服務供應商作出之現金墊款。其他應收款項亦包括向一名第三方提供23,763,000港元之貸款，自二零二零年五月二十二日起為期3年，及截至二零二零年十二月三十一日止年度之相關應收利息123,000港元(二零一九年：向本公司若干附屬公司之一名董事提供27,909,000港元之貸款，自二零一八年八月二十四日開始起計為期24個月及相關應收利息為891,000港元)。向該董事提供貸款之主要條款於附註49披露。

本集團於報告期末透過評估應收款項是否成為信貸減值金融資產，對其他應收款項71,654,000港元(不包括向一名第三方提供23,763,000港元之貸款及相關應收利息123,000港元)(二零一九年：64,540,000港元，不包括向該名董事提供27,909,000港元之貸款及相關應收利息891,000港元)進行減值評估。於評估應收款項是否成為信貸減值金融資產時，本集團考慮可觀察數據，例如債務人的現時財務狀況、債務人的違約率以及現金墊款的賬齡。本公司董事進行減值評估。概無獨立估值師獲委聘以編製預期信貸虧損估值。進行減值評估後，其他應收款項並無於截至二零二零年十二月三十一日止年度確認信貸虧損撥備(二零一九年：3,818,000港元)。

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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

51. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

(d) Other receivables (Continued)

For impairment assessment on the loan to a third party of HK\$23,763,000 and the related interest receivable of HK\$123,000 for the year ended 31 December 2020 (2019: the loan to a director of HK\$27,909,000 and the related interest receivable of HK\$891,000), the Group performs impairment assessment by applying the HKFRS 9 general approach on the basis of allowance of 12-month ECL for item without SICR and lifetime ECL for item with SICR with reference to the ECL valuation prepared by Grant Sherman. The loan to a third party was not classified to have a SICR at 31 December 2020. The loan to a director was not classified to have a SICR at 31 December 2019. The ECL of the loan to a director and the loan to a third party are calculated as the product of the three factors: gross credit exposure, probability of default over 12 months following the reporting date, and recovery rate in case of insolvency in Hong Kong. The probability of default is derived through the application of a linear multiple regression model, which estimates the statistical relationship between a dependent variable and multiple independent variables. To reflect any current or forward-looking information affecting the director's ability to settle the receivable, certain adjustments have been made in the process of deriving the appropriate probability of default. The calculation reflects the probability-weighted outcome, the time value of money, and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Having performed the impairment assessment, an allowance for credit losses on the loan to a third party of HK\$723,000 was recognised in the year ended 31 December 2020 (2019: the loan to a director of HK\$24,000 was recognised).

51. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險及減值評估(續)

(d) 其他應收款項(續)

就截至二零二零年十二月三十一日止年度向一名第三方提供23,763,000港元之貸款及相關應收利息123,000港元(二零一九年：向一名董事提供27,909,000港元之貸款及相關應收利息891,000港元)的減值評估而言，本集團應用香港財務報告準則第9號的一般方法進行減值評估，就並無信貸風險顯著增加的項目按12個月預期信貸虧損的基準進行評估，而就有信貸風險顯著增加的項目則按全期預期信貸虧損的基準進行評估，並已參考中證編製的預期信貸虧損估值。於二零二零年十二月三十一日向一名第三方提供之貸款並無分類為信貸風險有顯著增加。於二零一九年十二月三十一日向一名董事提供之貸款並無分類為信貸風險有顯著增加。向一名董事提供之貸款及向一名第三方提供之貸款之預期信貸虧損按三個系數的積數計算：信貸風險承擔總額、報告日期後12個月的違約率及倘在香港無力償債的收回率。違約率透過應用線性複迴歸模型計算得出，該模型估計因變數及多個獨立變數之間之統計關係。為反映影響該董事結付應收款項能力的任何現時或前瞻性資料，於計算得出適當違約率的過程中已作出若干調整。有關計算反映概率加權結果、金錢的時間價值及於報告日期可得有關過往事件、現時狀況及對未來經濟狀況預測的合理及可支持資料。進行減值評估後，於截至二零二零年十二月三十一日止年度已就向一名第三方提供貸款確認信貸虧損撥備723,000港元(二零一九年：已確認向一名董事提供貸款之信貸虧損撥備24,000港元)。

51. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Liquidity risk

Ultimate responsibility for liquidity risk rests with the board of directors, which has built an appropriate liquidity risk management framework to meet the Group's short, medium and long-term funding and liquidity management requirements. The Group manages its liquidity risk by regularly monitoring liquidity and financial position, maintaining appropriate liquidity to cover commitments, limiting liquidity risk exposure by investing only in securities listed on major stock exchanges, and ensuring acceptable and appropriate finance in place, or believed to be available before committing investment projects.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The tables have been drawn up based on the undiscounted cash flows of the financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

51. 金融工具(續)

財務風險管理目標及政策(續)

流動資金風險

流動資金風險之最終責任由董事會承擔。董事會已設立妥善之流動資金風險管理架構，符合本集團短期、中期及長期融資及流動資金管理規定。本集團管理其流動資金風險之方式為定期監測流動資金及財務狀況、保留適當流動資金兌現承諾、透過僅投資於主要交易所上市證券限制流動資金風險以及承擔投資項目之前確保已有或將有可接受及適當資金。

下表基於協定之還款期詳列本集團的非衍生金融負債之餘下合約到期情況。該表根據本集團須付款的最早日期之金融負債未貼現現金流量而編製。該表包括利息及本金現金流量。

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51. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

51. 金融工具(續)

財務風險管理目標及政策(續)

流動資金風險(續)

		Weighted average effective rate 加權平均 實際利率	Within	1 to 5	Over 5	Total	Total
			1 year or on demand 1年內 或按要求 HK\$'000 千港元	years 1至5年 HK\$'000 千港元	years 5年以上 HK\$'000 千港元	undiscounted cash flows 未貼現 總現金流量 HK\$'000 千港元	carrying amounts 賬面總值 HK\$'000 千港元
2020	二零二零年						
Non-derivative financial liabilities	非衍生金融負債						
Trade payables	貿易應付款項	—	7,961	—	—	7,961	7,961
Deposits received, accruals and other payables	已收按金、應計費用及其他應付款項	—	101,536	62,583	—	164,119	164,119
Secured notes	擔保票據	13.44%	273,863	—	—	273,863	250,000
Other borrowings	其他借款	7.93%	254,315	—	—	254,315	254,315
Bank borrowings	銀行借款	1.69%	162,465	—	—	162,465	162,465
Amount due to an associate	應付一間聯營公司款項	—	1,966	—	—	1,966	1,966
Amount due to a director	應付一名董事款項	—	1,300	—	—	1,300	1,300
Lease liabilities	租賃負債	4.89%	15,917	62,747	605,185	683,849	285,165
Total	總計		819,323	125,330	605,185	1,549,838	1,127,291
2019	二零一九年						
Non-derivative financial liabilities	非衍生金融負債						
Trade payables	貿易應付款項	—	5,510	—	—	5,510	5,510
Deposits received, accruals and other payables	已收按金、應計費用及其他應付款項	—	98,548	53,561	—	152,109	152,109
Secured notes	擔保票據	8.09%	315,715	—	—	315,715	299,841
Other borrowings	其他借款	8.00%	200,000	—	—	200,000	200,000
Bank borrowings	銀行借款	2.72%	155,720	—	—	155,720	155,720
Amount due to an associate	應付一間聯營公司款項	—	1,967	—	—	1,967	1,967
Lease liabilities	租賃負債	4.90%	12,365	50,552	582,797	645,714	259,251
Total	總計		789,825	104,113	582,797	1,476,735	1,074,398

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51. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

Bank borrowings and the unsecured other borrowing classified under "Other borrowings" with a repayable on demand clause are included in the "within 1 year or on demand" time band in the above maturity analysis. At 31 December 2020, the aggregate undiscounted cash flows of the bank borrowings and unsecured other borrowing amounted to HK\$175,930,000 and HK\$206,488,000 (2019: HK\$181,168,000 and HK\$207,847,000) respectively, which contained a repayable on demand clause. Taking into account the Group's financial position, the directors do not believe that it is probable that the counterparties will exercise their discretionary rights to demand immediate repayment. The directors believe that such bank borrowings and unsecured other borrowing will be repaid after the end of the reporting period in accordance with the scheduled repayment dates set out in the loan agreements, details of which are set out in the table below:

Maturity Analysis – Borrowings with a repayable on demand clause based on scheduled repayments

		Within 1 year or on demand 1年內 或按 要求 HK\$'000 千港元	1 to 5 years 1至5年 HK\$'000 千港元	Over 5 years 5年以上 HK\$'000 千港元	Total undiscounted cash flows 未貼現 總現金流量 HK\$'000 千港元	Total carrying amounts 賬面總值 HK\$'000 千港元
2020	二零二零年					
Non-derivative financial liabilities	非衍生金融負債					
Bank borrowings	銀行借款	56,146	30,514	89,270	175,930	162,465
Other borrowings	其他借款	206,488	–	–	206,488	200,000
		262,634	30,514	89,270	382,418	362,465
2019	二零一九年					
Non-derivative financial liabilities	非衍生金融負債					
Bank borrowings	銀行借款	47,329	33,885	99,954	181,168	155,720
Other borrowings	其他借款	207,847	–	–	207,847	200,000
		255,176	33,885	99,954	389,015	355,720

51. 金融工具(續)

財務風險管理目標及政策(續)

流動資金風險(續)

具有按要求償還條款之銀行借款及分類為「其他借款」的無抵押其他借款在以上到期分析中列入「一年內或按要求」時間段。於二零二零年十二月三十一日，銀行借款及無抵押其他借款之未貼現現金流分別為175,930,000港元及206,488,000港元(二零一九年：181,168,000港元及207,847,000港元)，其中包括按要求償還條款。經考慮本集團之財務狀況，董事認為該等交易對手方不大可能行使酌情權要求立即還款。董事認為，該等銀行借款及無抵押其他借款將根據貸款協議之預定還款日期於報告期末後償還，詳情於下表載列：

基於預定還款安排之到期分析 – 具有按要求償還條款之貸款

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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

51. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments

Fair value of the Group's financial assets and liabilities that are measured at fair value on a recurring basis

(a) Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13 *Fair Value Measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date;
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. Observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available; and
- Level 3 valuations: Fair value measured using significant unobservable inputs.

The Board has appointed the Finance and Accounting Department, which is headed up by an executive director, to determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Group uses market observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages independent third party qualified valuers to perform valuation. The Finance and Accounting Department works closely with the independent third party qualified valuers to establish the appropriate valuation techniques and inputs to the model. The executive director who is responsible for the Group's finance and accounting function reports the Finance and Accounting Department's findings to the Board twice a year to explain the cause of fluctuations in the fair value of the assets and liabilities.

51. 金融工具(續)

金融工具之公平值計量

按經常性基準以公平值計量之本集團金融資產及負債之公平值

(a) 公平值等級

下表按照香港財務報告準則第13號公平值計量所界定的三個公平值等級，呈列本集團於報告期末按經常性基準計量之金融工具公平值。公平值計量的級別分類乃參考估值技術使用之輸入數據之可觀察程度及重要性釐定，載述如下：

- 第1級估值：僅使用第1級輸入數據(即相同資產或負債在計量日期於活躍市場之未經調整報價)計量之公平值；
- 第2級估值：使用第2級輸入數據(即不符合第1級定義之可觀察輸入數據)且並無使用重大不可觀察輸入數據計量之公平值。不可觀察輸入數據指市場數據不可用之輸入數據；及
- 第3級估值：使用重大不可觀察輸入數據計量之公平值。

董事會已委任由一名執行董事主管之財務及會計部門，就公平值計量釐定合適之估值技術及輸入數據。

估計公平值時，本集團盡可能採用市場可觀察數據。倘並無第1級輸入數據，本集團將委聘獨立第三方合資格估值師進行估值。財務及會計部門與獨立第三方合資格估值師緊密合作，制訂合適之估值技術及輸入數據模式。負責本集團之財務及會計職能之執行董事每年兩次向董事會呈報財務及會計部門之調查結果以解釋資產及負債公平值波動之原因。

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51. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

Fair value of the Group's financial assets and liabilities that are measured at fair value on a recurring basis (Continued)

(a) Fair value hierarchy (Continued)

51. 金融工具(續)

金融工具之公平值計量(續)

按經常性基準以公平值計量之本集團金融資產及負債之公平值(續)

(a) 公平值等級(續)

		Fair value measurements categorised into 公平值計量分類為							
		Level 1 第1級		Level 2 第2級		Level 3 第3級		Total 總計	
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Financial assets	金融資產								
Financial assets at FVTPL	按公平值計入損益表之金融資產								
– listed equity securities in Hong Kong	– 香港上市股本證券	405,772	233,712	–	–	4,623	7,103	410,395	240,815

		Fair value at 31 December 2020 於二零二零年 十二月 三十一日 之公平值 HK\$'000 千港元	Fair value at 31 December 2019 於二零一九年 十二月 三十一日 之公平值 HK\$'000 千港元	Fair value hierarchy 公平值等級	Valuation techniques and key inputs 估值技術及 主要輸入數據
Financial assets	金融資產				
Financial assets at FVTPL	按公平值計入損益表之金融資產				
– listed equity securities in Hong Kong	– 香港上市股本證券	405,772	233,712	Level 1 第1級	Quoted closing prices in active markets 於活躍市場所報之收市價
– listed equity securities in Hong Kong	– 香港上市股本證券	4,623	7,103	Level 3 第3級	Significant unobservable inputs 重大不可觀察輸入數據

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51. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

Fair value of the Group's financial assets and liabilities that are measured at fair value on a recurring basis (Continued)

(a) Fair value hierarchy (Continued)

During the years ended 31 December 2020 and 2019, there were no transfers between Levels 1 and 2, or transfers into or out of Level 3.

On 28 October 2019, the Group transferred 1,483,728,240 shares of China Healthwise with an aggregate fair value of HK\$53,414,000 out of Level 1 as the Group has applied equity method to account for its investment in China Healthwise.

The Group's policy is to recognise transfers between levels of fair value hierarchy as of the date of the events or change in circumstances that cause the transfer.

51. 金融工具(續)

金融工具之公平值計量(續)

按經常性基準以公平值計量之本集團金融資產及負債之公平值(續)

(a) 公平值等級(續)

於截至二零二零年及二零一九年十二月三十一日止年度，第1級及第2級之間並無轉撥，或並無轉入或轉出第3級。

於二零一九年十月二十八日，由於本集團已應用權益法將其於中國智能健康之投資入賬，本集團將公平值總額53,414,000港元之1,483,728,240股中國智能健康股份自第1級轉出。

本集團之政策為於轉撥事件或導致轉撥之情況出現變動當日，確認公平值等級之間之轉撥。

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51. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

Fair value of the Group's financial assets and liabilities that are measured at fair value on a recurring basis (Continued)

(b) Information about Level 3 fair value measurements

51. 金融工具(續)

金融工具之公平值計量(續)

按經常性基準以公平值計量之本集團金融資產及負債之公平值(續)

(b) 關於第3級公平值計量之資料

		Valuation technique	Significant unobservable input	Relation of significant unobservable inputs to fair value
		估值技術	重大不可觀察輸入數據	重大不可觀察輸入數據與公平值之關係
At 31 December 2020	於二零二零年十二月三十一日			
Financial assets at FVTPL	按公平值計入損益表之金融資產	Market approach 市場法	Holding return basis of negative 56.29% 持股回報基準負56.29%	The holding return basis is positively correlated to the fair value measurement 持股回報基準與公平值計量成正比
— listed equity securities in Hong Kong	— 香港上市股本證券		Price-to-earning basis of 13.09 市盈基準13.09	The price-to-earning basis is positively correlated to the fair value measurement 市盈基準與公平值計量成正比
			Discount rate of 72.36% 貼現率72.36%	The discount rate is negatively correlated to the fair value measurement 貼現率與公平值計量成反比

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51. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

Fair value of the Group's financial assets and liabilities that are measured at fair value on a recurring basis (Continued)

(b) Information about Level 3 fair value measurements (Continued)

51. 金融工具(續)

金融工具之公平值計量(續)

按經常性基準以公平值計量之本集團金融資產及負債之公平值(續)

(b) 關於第3級公平值計量之資料(續)

		Valuation technique	Significant unobservable input	Relation of significant unobservable inputs to fair value
		估值技術	重大不可觀察輸入數據	重大不可觀察輸入數據與公平值之關係
At 31 December 2019	於二零一九年十二月三十一日			
Financial assets at FVTPL	按公平值計入損益表之金融資產	Market approach 市場法	Holding return basis of negative 42.44% 持股回報基準負42.44%	The holding return basis is positively correlated to the fair value measurement 持股回報基準與公平值計量成正比
– listed equity securities in Hong Kong	– 香港上市股本證券		Price-to-earning basis of 48.12 市盈基準48.12	The price-to-earning basis is positively correlated to the fair value measurement 市盈基準與公平值計量成正比
			Discount rate of 74.29% 貼現率74.29%	The discount rate is negatively correlated to the fair value measurement 貼現率與公平值計量成反比

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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

51. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

Fair value of the Group's financial assets and liabilities that are measured at fair value on a recurring basis (Continued)

(b) Information about Level 3 fair value measurements (Continued)

One of the Group's listed equity securities in Hong Kong classified as financial assets at FVTPL has been suspended from trading since 27 November 2017 and no unadjusted quoted prices in active markets are available. The fair value of the suspended listed equity securities in Hong Kong at 31 December 2020 and 2019 was measured by Graval using a valuation technique with significant unobservable inputs and hence was classified under Level 3 of the fair value hierarchy.

The movements during the year in the balance of this Level 3 fair value measurement are as follows:

51. 金融工具(續)

金融工具之公平值計量(續)

按經常性基準以公平值計量之本集團金融資產及負債之公平值(續)

(b) 關於第3級公平值計量之資料(續)

本集團其中一隻分類為按公平值計入損益表之金融資產之香港上市股本證券自二零一七年十一月二十七日起暫停買賣，並於活躍市場並無可用未經調整報價。於二零二零年及二零一九年十二月三十一日，該暫停買賣香港上市股本證券公平值乃博浩使用重大不可觀察輸入數據之估值技術計量，因此被分類為第3級公平值等級。

本年度第3級公平值計量結餘之變動如下：

		HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	6,211
Gain arising on change in fair value of financial assets at FVTPL	按公平值計入損益表之金融資產之公平值變動產生之收益	892
At 31 December 2019 and at 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	7,103
Loss arising on change in fair value of financial assets at FVTPL	按公平值計入損益表之金融資產之公平值變動產生之虧損	(2,480)
At 31 December 2020	於二零二零年十二月三十一日	4,623

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

51. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

Fair value of the Group's financial assets and liabilities that are not measured at fair value on a recurring basis

The carrying amounts of the Group's financial instruments carried at amortised cost were not materially different from their fair values at 31 December 2020 and 2019, except for the secured notes, which had a carrying amount and fair value of HK\$250,000,000 (31 December 2019: HK\$299,841,000) and HK\$258,868,000 (31 December 2019: HK\$309,473,000) at 31 December 2020 respectively.

The fair value measurement of the secured notes was classified under Level 3 of the fair value hierarchy. The fair value of the secured notes was determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant input being the discount rate that reflects the return required by the noteholders for investing in similar financial instruments.

51. 金融工具(續)

金融工具之公平值計量(續)

並非按經常性基準以公平值計量之本集團金融資產及負債之公平值

按攤銷成本計量之本集團金融工具之賬面值與其於二零二零年及二零一九年十二月三十一日之公平值並無重大差異，惟於二零二零年十二月三十一日擔保票據之賬面值及公平值分別為250,000,000港元(二零一九年十二月三十一日：299,841,000港元)及258,868,000港元(二零一九年十二月三十一日：309,473,000港元)。

擔保票據之公平值計量獲分類為第3級公平值等級。擔保票據之公平值根據普遍接受之基於貼現現金流量分析所作之定價模式釐定，最重大之輸入數據為貼現率，可反映投資類似金融工具之票據持有人所要求之回報。

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

52. 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.

52. 融資活動產生之負債對賬

下表詳述本集團融資活動所產生之負債變動(包括現金及非現金變動)。融資活動所產生負債之現金流量或未來現金流量已經或將會於本集團綜合現金流量表內分類為融資活動現金流量。

		Interest payable	Bank borrowings	Other borrowings	Lease liabilities	Secured notes	Amount due to an associate	Amount due to a shareholder	Amount due to a director	Total
		應付利息	銀行借款	其他借款	租賃負債	擔保票據	聯營公司款項	應付一名股東款項	應付一名董事款項	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
At 1 January 2019	於二零一九年一月一日	9,873	157,201	200,000	264,967	299,611	-	-	50,000	981,652
Non-cash changes	非現金變動									
Interest expenses on bank borrowings	銀行借款的利息開支	4,321	-	-	-	-	-	-	-	4,321
Interest expenses on other borrowings	其他借款的利息開支	16,000	-	-	-	-	-	-	-	16,000
Interest expenses on secured notes	擔保票據的利息開支	24,001	-	-	-	230	-	-	-	24,231
Interest expenses on lease liabilities	租賃負債的利息開支	12,947	-	-	-	-	-	-	-	12,947
Foreign exchange translation	外匯換算	(19)	-	-	(5,783)	-	-	-	-	(5,802)
New leases entered	已訂立之新租賃	-	-	-	577	-	-	-	-	577
Cash flows	現金流量									
Inflow from financing activities	自融資活動流入	-	81,766	-	-	-	1,967	7,200	45,000	135,933
Outflow from financing activities	自融資活動流出	(56,195)	(83,247)	-	(510)	-	-	(7,200)	(95,000)	(242,152)
At 31 December 2019	於二零一九年十二月三十一日	10,928	155,720	200,000	259,251	299,841	1,967	-	-	927,707

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

52. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

(Continued)

52. 融資活動產生之負債對賬(續)

		Interest payable	Bank borrowings	Other borrowings	Lease liabilities	Secured notes	Amount due to an associate	Amount due to a shareholder	Amount due to a director	Total
		應付利息	銀行借款	其他借款	租賃負債	擔保票據	應付一間聯營公司款項	應付一名股東款項	應付一名董事款項	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
At 1 January 2020	於二零二零年一月一日	10,928	155,720	200,000	259,251	299,841	1,967	-	-	927,707
Non-cash changes	非現金變動									
Interest expenses on bank borrowings	銀行借款的利息開支	3,528	-	-	-	-	-	-	-	3,528
Interest expenses on other borrowings	其他借款的利息開支	18,357	-	-	-	-	-	-	-	18,357
Interest expenses on secured notes	擔保票據的利息開支	27,946	-	-	-	159	-	-	-	28,105
Interest expenses on lease liabilities	租賃負債的利息開支	12,867	-	-	-	-	-	-	-	12,867
Foreign exchange translation	外匯換算	141	-	-	17,158	-	-	-	-	17,299
Interest expense on lease liabilities charged to operator of the Club	計入會所營運商之租賃負債的利息開支	113	-	-	-	-	-	-	-	113
Issue of secured notes	發行擔保票據	-	-	-	-	270,000	-	-	-	270,000
Set off of secured notes	抵銷擔保票據	-	-	-	-	(270,000)	-	-	-	(270,000)
New leases entered	已訂立之新租賃	-	-	-	10,747	-	-	-	-	10,747
Cash flows	現金流量									
Inflow from financing activities	自融資活動流入	-	82,214	54,315	-	-	-	-	2,500	139,029
Outflow from financing activities	自融資活動流出	(61,322)	(75,469)	-	(1,991)	(50,000)	(1)	-	(1,200)	(189,983)
At 31 December 2020	於二零二零年十二月三十一日	12,558	162,465	254,315	285,165	250,000	1,966	-	1,300	967,769

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

53. MAJOR NON-CASH TRANSACTIONS

Save as disclosed in notes 19 and 38 in the consolidated financial statements, the Group entered the following major non-cash transactions during the year ended 31 December 2020:

- (a) The Group entered into a new lease agreement for a staff dormitory. The new lease agreement is entered into for a fixed term of 4.17 years. On the lease commencement, the Group recognised HK\$10,747,000 of right-of-use asset and HK\$10,747,000 of lease liability.
- (b) On 29 September 2020, the Company issued the 13% guaranteed secured notes due 2021 in the aggregate principal amount of HK\$270,000,000 and the proceeds was fully set off against the outstanding principal amount of the 2017 Notes.

54. CONTINGENT LIABILITIES

As at 31 December 2020, the Group had no material contingent liabilities.

55. IMPACT OF THE NOVEL CORONAVIRUS ON THE GROUP'S BUSINESS OPERATIONS

The outbreak of COVID-19 and the subsequent quarantine measures as well as the travel restrictions imposed by many countries have had negative impacts to the global economy, business environment and directly and indirectly affect the Group's operations. The financial positions and performance of the Group were affected in different aspects, including a significant increase in allowance for credit losses on the Group's trade and loan receivables and an increase in loss arising on change in the fair value of the Group's investment properties as disclosed in the Management Discussion and Analysis on pages 7 to 45 of the annual report.

56. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the board of directors on 30 March 2021.

53. 主要非現金交易

除綜合財務報表附註19及38所披露者外，本集團於截至二零二零年十二月三十一日止年度內訂立以下主要非現金交易：

- (a) 本集團已為員工宿舍訂立一項新租賃協議。新租賃協議乃按固定年期4.17年訂立。於租賃開始時，本集團確認使用權資產10,747,000港元及租賃負債10,747,000港元。
- (b) 於二零二零年九月二十九日，本公司發行二零二一年到期本金總額為270,000,000港元之13%擔保有抵押押票據，而所得款項已悉數抵銷二零一七年票據之未償還本金額。

54. 或然負債

於二零二零年十二月三十一日，本集團並無重大或然負債。

55. 新型冠狀病毒對本集團業務營運之影響

新型冠狀病毒爆發及其後隔離措施以及各國實施之旅遊限制已對全球經濟及營商環境造成負面影響，並直接及間接影響本集團之業務。本集團之財務狀況及表現於各方面均受影響，包括本集團貿易應收款項及應收貸款之信貸虧損撥備大幅增加以及本集團投資物業之公平值變動產生之虧損增加，於年報第7至45頁之管理層討論及分析中披露。

56. 批准綜合財務報表

綜合財務報表已於二零二一年三月三十日經董事會批准及授權刊發。

Five-Year Financial Summary

五年財務概要

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

		For the year ended 31 December 截至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	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Results	業績					
Revenue	收益	221,757	198,796	188,037	53,989	161,042
Loss from operations	經營虧損	(122,294)	(161,491)	(556,540)	(181,042)	(201,278)
Finance costs	融資費用	(54,278)	(48,891)	(43,276)	(23,627)	(9,529)
Loss before taxation	除稅前虧損	(176,572)	(210,382)	(599,816)	(204,669)	(210,807)
Income tax credit/ (expense)	所得稅抵免/(開支)	35,547	(1,724)	11,091	9,052	2,903
Loss for the year from continuing operations	來自持續經營業務之 本年度虧損	(141,025)	(212,106)	(588,725)	(195,617)	(207,904)
Loss for the year from discontinued operation	來自已終止經營業務 之本年度虧損	—	—	—	(3)	—
Loss for the year	本年度虧損	(141,025)	(212,106)	(588,725)	(195,620)	(207,904)
Dividends	股息	—	—	—	—	—
		As at 31 December 於十二月三十一日				
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Assets and liabilities	資產及負債					
Total assets	資產總值	3,840,915	3,834,656	3,971,193	5,223,905	4,241,538
Total liabilities	負債總額	(1,478,258)	(1,416,200)	(1,318,115)	(1,957,600)	(992,399)
Net assets	資產淨值	2,362,657	2,418,456	2,653,078	3,266,305	3,249,139
Capital and reserves	股本及儲備					
Equity attributable to owners of the Company	本公司擁有人 應佔權益	2,368,661	2,423,931	2,655,704	3,266,389	3,249,145
Non-controlling interest	非控股權益	(6,004)	(5,475)	(2,626)	(84)	(6)
		2,362,657	2,418,456	2,653,078	3,266,305	3,249,139



ETERNITY INVESTMENT LIMITED
永恒策略投資有限公司*
(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)
(Stock Code 股份代號 : 764)