



Green Leader Holdings Group Limited
綠領控股集團有限公司

(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 : 0061



2020 Annual Report
年 報

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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Tse Michael Nam (*Chairman and Chief Executive Officer*)

Mr. Zhang Sanhuo

Independent Non-executive Directors

Mr. Ho Kin Cheong, Kelvin

Mr. Shen Weidong

Mr. Tian Hong

AUDIT COMMITTEE

Mr. Ho Kin Cheong, Kelvin (*Chairman of the Committee*)

Mr. Shen Weidong

Mr. Tian Hong

REMUNERATION COMMITTEE

Mr. Tian Hong (*Chairman of the Committee*)

Mr. Ho Kin Cheong, Kelvin

Mr. Shen Weidong

NOMINATION COMMITTEE

Mr. Tse Michael Nam (*Chairman of the Committee*)

Mr. Ho Kin Cheong, Kelvin

Mr. Shen Weidong

Mr. Tian Hong

RISK MANAGEMENT COMMITTEE

Mr. Tse Michael Nam (*Chairman of the Committee*)

Mr. Ho Kin Cheong, Kelvin

Mr. Shen Weidong

Mr. Tian Hong

COMPANY SECRETARY

Ms. Chu Ka Ying

AUTHORIZED REPRESENTATIVES

Mr. Tse Michael Nam

Ms. Chu Ka Ying

REGISTERED OFFICE

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

董事會

執行董事

謝南洋先生(*主席及行政總裁*)

張三貨先生

獨立非執行董事

何建昌先生

沈偉東先生

田宏先生

審核委員會

何建昌先生(*委員會主席*)

沈偉東先生

田宏先生

薪酬委員會

田宏先生(*委員會主席*)

何建昌先生

沈偉東先生

提名委員會

謝南洋先生(*委員會主席*)

何建昌先生

沈偉東先生

田宏先生

風險管理委員會

謝南洋先生(*委員會主席*)

何建昌先生

沈偉東先生

田宏先生

公司秘書

朱嘉盈女士

授權代表

謝南洋先生

朱嘉盈女士

註冊辦事處

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

CORPORATE INFORMATION

公司資料

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Unit A, 12/F.
Central 88
88-98 Des Voeux Road Central
Hong Kong

PRINCIPAL BANKER

Bank of Communications (Hong Kong) Limited
Shop G1 & G2, G/F.
Phase I, Amoy Plaza
77 Ngau Tau Kok Road, Kowloon

LEGAL CONSULTANT

Michael Li & Co.
19/F., Prosperity Tower
39 Queen's Road Central
Hong Kong

AUDITOR

Elite Partners CPA Limited
10/F., 8 Observatory Road
Tsim Sha Tsui, Kowloon
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 Tengis Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

總辦事處及主要營業地點

香港
德輔道中88-98號
中環88
12樓A室

主要往來銀行

交通銀行(香港)有限公司
九龍牛頭角道77號
淘大商場一期
地下G1及G2號舖

法律顧問

李智聰律師事務所
香港
中環皇后大道中39號
豐盛創建大廈19樓

核數師

開元信德會計師事務所有限公司
香港
九龍尖沙咀
天文臺道8號10樓

主要股份登記及過戶處

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

香港股份過戶登記分處

卓佳登捷時有限公司
香港
皇后大道東183號
合和中心54樓

CORPORATE INFORMATION

公司資料

WEBSITE

<http://www.greenleader.hk>

Notes:

- Ms. Leung Yin Fai resigned as the independent non-executive director of the Company on 10 January 2020.
- Mr. Lam Chi Wai was appointed as the independent non-executive director of the Company on 10 January 2020 and retired on 5 August 2020.
- Ms. Zhu Zheyu resigned as the non-executive director of the Company on 12 June 2020.
- Mr. Chang Che-Fa retired as the non-executive director of the Company on 5 August 2020.
- Mr. Lyu Guoping retired as the independent non-executive director of the Company on 5 August 2020.
- Mr. Jin Xuliang retired as the independent non-executive director of the Company on 5 August 2020.
- Ms. Zhang Tingting retired as the executive director of the Company on 5 August 2020.
- Mr. Ho Kin Cheong, Kelvin has been appointed as the independent non-executive director of the Company on 5 August 2020.
- Ms. An Juan was appointed as the independent non-executive director of the Company on 5 August 2020 and resigned on 10 August 2020.
- Mr. Tian Hong has been appointed as the independent non-executive director of the Company on 10 August 2020.
- Mr. Shen Weidong has been appointed as the independent non-executive director of the Company on 2 November 2020.

網址

<http://www.greenleader.hk>

附註：

- 梁燕輝女士於二零二零年一月十日辭任本公司獨立非執行董事。
- 林志偉先生於二零二零年一月十日獲委任為本公司獨立非執行董事及於二零二零年八月五日退任。
- 朱喆煜女士於二零二零年六月十二日辭任本公司非執行董事。
- 張哲發先生於二零二零年八月五日退任本公司非執行董事。
- 呂國平先生於二零二零年八月五日退任本公司獨立非執行董事。
- 靳旭亮先生於二零二零年八月五日退任本公司獨立非執行董事。
- 張婷婷女士於二零二零年八月五日退任本公司執行董事。
- 何建昌先生於二零二零年八月五日獲委任為本公司獨立非執行董事。
- 安娟女士於二零二零年八月五日獲委任為本公司獨立非執行董事及於二零二零年八月十日辭任。
- 田宏先生於二零二零年八月十日獲委任為本公司獨立非執行董事。
- 沈偉東先生於二零二零年十一月二日獲委任為本公司獨立非執行董事。

CHAIRMAN'S STATEMENT

主席報告

Dear Shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of Green Leader Holdings Group Limited (the "Company", together with its subsidiaries, collectively known as the "Group"), I am pleased to present the audited annual results of the Group for the year ended 31 December 2020 as well as the prospect of our diverse portfolio featuring with coal mining business, Cambodia business and IT related business.

The Group has been focusing on coal mining business with the development of Fuchang Mine, Jinxin Mine and Liaoyuan Mine for full commencement of construction work during the year and is optimistic launching the remaining mines in full operation. It is expected that steady cash inflow will be generated once all mines are in full operation to improve the overall financial position of the Group.

The People's Republic of China ("PRC") is undergoing an environmental paradigm shift, transitioning to be a global leader in the fight against climate change over the years. The coal regulatory authorities in Shanxi Province ("Shanxi") has adopted stringent policies and regulation on safety, environmental protection and production control to implement the national safety protocol for coal mines as the PRC government pursues its goal of promoting ecological civilisation. The Group will closely speculate the existing mines such that major technical renovations are carried out and the environmental and safety procedures measures are in line with the relevant regulatory requirements and national standards.

In early 2020, the outbreak of Novel Coronavirus Disease ("COVID-19") in PRC have had the negative effect to the mining operation of the Group in Shanxi shortly. The Group has implemented certain controls to minimise the impact of COVID-19 to the operation and the mining operation have been gradually resumed and returned to normal operation in mid of the year.

Amid the global pandemic crisis and the associated economic turmoil, the Group will keep a close eye on both PRC and overseas markets. The Group intended to seize more business opportunities including but not limited to the coal mining and also looking forward to the potential stimulating effects on economy resulting the counter-cyclical policies imposed by the governments around the world subsequent to the crisis.

致各位股東：

本人謹代表綠領控股集團有限公司（「本公司」，連同其附屬公司，統稱「本集團」）董事（「董事」）會（「董事會」），欣然提呈本集團截至二零二零年十二月三十一日止年度之經審核年度業績以及不同業務組合（即煤礦業務、柬埔寨業務及資訊科技相關業務）之前景。

本集團於年內專注於煤礦業務，在福昌礦區、金鑫礦區及遼源礦區全面開展施工作业，對餘下兩個礦區全面運作持樂觀態度。預計所有礦區全面運作將產生穩定現金流入，改善本集團的整體財務狀況。

中華人民共和國（「中國」）正經歷環境模式之轉變，多年來已漸趨成為對抗氣候變化的全球領導者。由於中國政府推動發展生態文明建設，山西省（「山西」）煤炭監管部門已嚴格執行安全、環保及產量控制之政策和法規，藉以執行全國煤礦之安全規定。本集團將密切關注現有礦區，以進行重大技術改造，並確保環境及安全程序措施符合相關監管規定及國家標準。

於二零二零年初，新型冠狀病毒病（「COVID-19」）在中國爆發，短期內對本集團位於山西之採礦業務造成不利影響。本集團已實施若干控制措施以盡量減少COVID-19對業務的影響，採礦業務年中已逐漸復工並逐步恢復正常營運。

鑒於全球疫潮危機及相伴而來的經濟動盪，本集團將密切留意中國及海外市場。本集團擬抓住更多商機，包括但不限於煤礦開採，並期望危機過後世界各地政府實施的反週期政策對經濟帶來的潛在刺激作用。

CHAIRMAN'S STATEMENT

主席報告

Concerning Cambodia business, the Group is seeking business opportunities related to agro-related business.

As for IT related business, the competitions in the industry remain challenging. However, the considerable impact of the market pressure on the Group's overall financial position is minimal. After careful consideration, the Company's management has come to the view that we will streamline the existing IT related business and divert our effort towards other potential investments.

The Group is ready to build on its accomplishments in 2020 and to attain a better development for the diverse portfolio of the Company. On behalf of the Board and management, I wish to express my sincere gratitude to our clients, business partners, the shareholders (the "Shareholder(s)") and other stakeholders of the Company for their unwavering support and belief in the Group, and to our employees for their tireless dedication and professional competence that are the fuel to drive the Group's ongoing development.

Mr. Tse Michael Nam
Chairman

Hong Kong, 31 March 2021

就柬埔寨業務而言，本集團正在尋找與三農業務相關的機會。

就資訊科技相關業務而言，行業競爭仍然激烈。然而，市場壓力對本集團整體財務狀況的重大影響微乎其微。經審慎考慮後，本公司管理層決定，我們將簡化現有資訊科技相關業務並將精力轉移至其他具發展潛力之投資。

本集團於二零二零年取得的成就，將成為本集團進行多元化發展的基礎。本人謹代表董事會及管理層，對客戶、業務夥伴、本公司股東（「股東」）及其他持份者對本集團堅定的支持及信賴致以衷心感謝，亦衷心感謝員工的不懈努力及專業能力，本集團的持續發展有賴於此。

主席
謝南洋先生

香港，二零二一年三月三十一日

BIOGRAPHICAL DETAILS OF DIRECTORS

董事履歷詳情

EXECUTIVE DIRECTORS

Mr. Zhang Sanhuo (“Mr. Zhang”), aged 55, was appointed as an executive Director on 7 June 2013. He is also a director of various subsidiaries of the Company. He graduated from 山西財經大學 (Shanxi University of Finance & Economics*) (formerly known as 山西財經學院 (Shanxi Institute of Finance & Economics*)) with a Bachelor’s Degree in Accounting and obtained a Master’s Degree in Business Administration from 長江商學院 (Cheung Kong Graduate School of Business). Mr. Zhang has over 20 years of experience in corporate management in mining, investment, finance and other industries.

He was appointed as an executive director of PINE Technology Holdings Limited (“PINE”) (Stock Code: 1079), a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), on 8 June 2017. He was also designated as the chairman of the board of directors, the chief executive officer, the chairman of nomination committee and member of the remuneration committee of PINE.

Save as disclosed above, he did not hold any directorships in any other listed public companies in the last three years and does not hold any other position with the Company or other members of the Group.

Mr. Tse Michael Nam (“Mr. Tse”), aged 63, was reappointed as an executive Director on 1 September 2016, and now being the chairman of the Board, the chief executive officer and the chairman of each of the nomination committee and the risk management committee of the Company. He is also a director of various subsidiaries of the Company. He was an executive Director from 12 February 2007 to 30 November 2015. Mr. Tse holds a Bachelor of Science Degree in Biological Science from the University of California, Berkeley and a Master of Business Administration Degree from the University of San Francisco.

Mr. Tse has over 29 years of experience in corporate management in the agriculture, manufacturing, mining and merge and acquisitions sectors. Mr. Tse was a registered consultant to Asian Development Bank and held key positions in several companies listed on the Stock Exchange.

Save as disclosed above, he did not hold any directorships in any other listed public companies in the last three years and does not hold any other position with the Company or other members of the Group.

執行董事

張三貨先生(「張先生」)，55歲，於二零一三年六月七日獲委任為執行董事。彼亦為本公司多家附屬公司之董事。彼畢業於山西財經大學(前稱山西財經學院)，持有會計學學士學位，並於長江商學院取得工商管理碩士學位。張先生有逾20年之企業管理經驗，其中包括採礦、投資、金融及其他行業。

彼於二零一七年六月八日獲委任為PINE Technology Holdings Limited松景科技控股有限公司*(「松景」)(股份代號：1079)之執行董事，該公司為香港聯合交易所有限公司(「聯交所」)主板上市公司。彼亦被任命為松景之董事會主席、行政總裁、提名委員會之主席及薪酬委員會成員。

除上文所披露者外，彼於過往三年並無於任何其他上市公眾公司擔任任何董事職務，亦無於本公司或本集團其他成員公司擔任任何其他職位。

謝南洋先生(「謝先生」)，63歲，於二零一六年九月一日重新獲委任為執行董事，現為董事會主席、行政總裁及本公司之提名委員會及風險管理委員會各自之主席。彼亦為本公司多家附屬公司之董事。彼於二零零七年二月十二日至二零一五年十一月三十日曾擔任執行董事。謝先生持有加州大學伯克萊分校生物科學學士學位及舊金山大學工商管理碩士學位。

謝先生於農業、生產、採礦及併購等行業擁有超過29年企業管理經驗。謝先生曾任亞洲開發銀行之註冊顧問，亦曾於多間於聯交所上市之公司擔任要職。

除上文所披露者外，彼於過往三年並無於任何其他上市公眾公司擔任任何董事職務，亦無於本公司或本集團其他成員公司擔任任何其他職位。

* For identification purpose only

* 僅供識別

BIOGRAPHICAL DETAILS OF DIRECTORS

董事履歷詳情

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Ho Kin Cheong, Kelvin ("Mr. Ho"), aged 53, was appointed as the independent non-executive Director on 5 August 2020 and now being the chairman of the audit committee of the Company and the member of each of the remuneration committee, the nomination committee and the risk management committee of the Company. He holds a Bachelor Degree in Business Administration (Hons.), major in Accounting, from Hong Kong Baptist University. He has over 27 years of experience in finance and accounting, company secretary, initial public offering, takeover, deposition and debt restructuring. He is an associate member of the Hong Kong Institute of Certified Public Accountants, and a fellow member of the Association of Chartered Certified Accountants.

Mr. Ho is the company secretary, the chief financial officer and authorized representative of China Wood International Holding Co., Limited (formerly known as HongDa Financial Holding Limited), a company listed on the Main Board of the Stock Exchange (Stock code: 1822) since 31 August 2020.

Mr. Ho was appointed as an independent non-executive director of CECEP COSTIN New Materials Group Limited (in provisional liquidation) ("CECEP COSTIN") (Stock Code: 2228), a company listed on the Main Board of the Stock Exchange, since 6 August 2018. Based on published information, CECEP COSTIN received a winding up petition and a summons for the appointment of joint provisional liquidators dated 30 October 2017. Mr. Ho's appointment was subsequent to the winding up petition against CECEP COSTIN and he was appointed by the joint provisional liquidators to meet the relevant requirements under the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange.

He was also respectively appointed as an independent non-executive director of Rosan Resources Holdings Limited (Stock Code: 578) since 1 July 2020, an independent non-executive director of Yadong Group Holdings Limited (Stock Code: 1795) since 21 October 2020, and an independent non-executive director of JW (Cayman) Therapeutics Co. Ltd (Stock Code: 2126) since 22 October 2020. The securities of the above companies are listed on the Main Board of the Stock Exchange.

From 11 April 2016 to 19 April 2017, Mr. Ho was appointed as a non executive director of China Wood International Holdings Co., Limited (Stock Code: 1822), a company listed on the Main Board of the Stock Exchange.

Save as disclosed above, Mr. Ho did not hold any directorships in any other listed public companies in the last three years and does not hold any other position with the Company or other members of the Group.

獨立非執行董事

何建昌先生(「何先生」)，53歲，於二零二零年八月五日獲委任為獨立非執行董事，現為本公司之審核委員會主席以及本公司薪酬委員會、提名委員會和風險管理委員會各自之成員。彼於香港浸會大學獲得工商管理(榮譽)學士學位，主修會計。彼於財務及會計、公司秘書、首次公開招股、收購、週轉及債務重組方面擁有逾27年經驗。彼為香港會計師公會會員及英國特許公認會計師公會資深會員。

何先生自二零二零年八月三十一日起為聯交所主板上市公司中木國際控股有限公司(前稱弘達金融控股有限公司)(股份代號：1822)的公司秘書、首席財務官及授權代表。

何先生於二零一八年八月六日獲委任為中國節能海東青新材料集團有限公司(臨時清盤中)(「中國節能海東青」)(股份代號：2228)之獨立非執行董事，該公司於聯交所主板上市。根據所刊發資料，中國節能海東青接獲日期為二零一七年十月三十日的清盤呈請及有關委任共同臨時清盤人的傳訊。何先生於中國節能海東青接獲清盤呈請後獲委任，彼獲共同臨時清盤人委任以符合聯交所證券上市規則(「上市規則」)相關規定。

彼亦分別於二零二零年七月一日獲委任為融信資源控股有限公司(股份代號：578)之獨立非執行董事；於二零二零年十月二十一日獲委任為亞東集團控股有限公司(股份代號：1795)之獨立非執行董事；及於二零二零年十月二十二日獲委任為JW (Cayman) Therapeutics Co. Ltd藥明巨諾(開曼)有限公司*(股份代號：2126)之獨立非執行董事。上述該等公司證券均於聯交所主板上市。

於二零一六年四月十一日起至二零一七年四月十九日，何先生獲委任為中國木業國際控股有限公司(股份代號：1822)的非執行董事，該公司為聯交所主板上市公司。

除上文所披露者外，何先生於過往三年並無於任何其他上市公眾公司擔任任何董事職務，亦無於本公司或本集團其他成員公司擔任任何其他職位。

* 僅供識別

BIOGRAPHICAL DETAILS OF DIRECTORS

董事履歷詳情

INDEPENDENT NON-EXECUTIVE DIRECTORS (CONTINUED)

Mr. Tian Hong (“Mr. Tian”), aged 56, was appointed as the independent non-executive Director on 10 August 2020, and now being the chairman of the remuneration committee of the Company and the member of each of the audit committee, the nomination committee and the risk management committee of the Company. He holds a Master’s Degree in Business Administration from 山西財經大學 (Shanxi University of Finance & Economics*) in 2009 and qualified as a senior economist of The Bank of China in 1998. He has over 30 years of experience in banking and finance.

Mr. Tian was appointed as an independent non-executive director of PINE Technology Holdings Limited (stock code: 1079), a company listed on the Main Board of the Stock Exchange, on 4 July 2017 and designated as the member of each of the audit committee, the nomination committee and the remuneration committees of PINE.

Save as disclosed above, he did not hold any directorships in any other listed public companies in the last three years and does not hold any other position with the Company or other members of the Group.

Mr. Shen Weidong (“Mr. Shen”), aged 51, was appointed as the independent non-executive Director on 2 November 2020, and now being the member of each of the audit committee, the remuneration committee, the nomination committee and the risk management committee of the Company. He holds a Executive Master of Business Administration Degree from Southwest International University, the United States. He has over 24 years of managerial experience in hotel and real estate industries.

Mr. Shen held multiple managerial roles in a number of reputable corporations since 1996. Mr. Shen is currently the managing director of 山西經貿集團鼎軒房地產開發有限公司 (Shanxi Economic and Trade Group Dingxuan Real Estate Development Co., Ltd.*) and 太原恒鑫房地產開發有限公司 (Taiyuan Hengxin Real Estate Development Co., Ltd.*).

Save as disclosed above, he did not hold any directorships in any other listed public companies in the last three years and does not hold any other position with the Company or other members of the Group.

獨立非執行董事(續)

田宏先生(「田先生」)，56歲，於二零二零年八月十日獲委任為獨立非執行董事，現為本公司之薪酬委員會主席以及本公司之審核委員會、提名委員會和風險管理委員會各自之成員。彼於二零零九年取得山西財經大學工商管理碩士學位，並於一九九八年取得中國銀行高級經濟師資格。彼於銀行及金融領域擁有超過30年的經驗。

田先生於二零一七年七月四日獲委任為PINE Technology Holdings Limited松景科技控股有限公司*(股份代號：1079)之獨立非執行董事，該公司於聯交所主板上市，並獲指派為松景審核委員會、提名委員會及薪酬委員會各自之成員。

除上文所披露者外，彼於過往三年並無於任何其他上市公眾公司擔任任何董事職務，亦無於本公司或本集團其他成員公司擔任任何其他職位。

沈偉東先生(「沈先生」)，51歲，於二零二零年十一月二日獲委任為獨立非執行董事，現為本公司之審核委員會、薪酬委員會、提名委員會和風險管理委員會各自之成員。彼持有美國西南國際大學高級管理人員工商管理碩士學位。彼於酒店及房地產行業擁有逾24年的管理經驗。

沈先生自一九九六年以來於多家知名公司擔任多個管理職務。沈先生目前為山西經貿集團鼎軒房地產開發有限公司及太原恒鑫房地產開發有限公司董事總經理。

除上文所披露者外，彼於過往三年並無於任何其他上市公眾公司擔任任何董事職務，亦無於本公司或本集團其他成員公司擔任任何其他職位。

* For identification purpose only

* 僅供識別

MANAGEMENT DISCUSSION AND ANALYSIS

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BUSINESS REVIEW

Overview

The Group has been focusing on coal mining business in the financial year 2020. The Group is principally engaged in (i) coal exploration and development, sale of coking coal and other coal products and the provision of coal trading and logistics services; (ii) the development of cassava cultivation and deep processing business for the related ecological cycle industry chain; and (iii) the sale of information technology products, provision of system integration services, technology services, software development and solution services.

Coal mining business

Despite the continuing posing challenges for constructions delay uncertainty and the effect of the outbreak of COVID-19, the financial performance in the year 2020 of the coal mining business has been promising for the Group overall. The Group has five coking coal mines, Fuchang Mine, Jinxin Mine, Liaoyuan Mine, Bolong Mine and Xinfeng Mine, located in Gujiao, Taiyuan City, Shanxi, PRC, three of which had fully commenced in operation and the Bolong Mine was undergoing constructions in the year.

The coal mines in operation during the year were Fuchang Mine, Jinxin Mine and Liaoyuan Mine, which entered the joint trial operation in October 2016, August 2018 and September 2018 respectively, passed the inspection for completion in January 2017, December 2018 and December 2018 respectively and obtained《安全生產許可證》(the Permit for Safe Production*) in April 2017, April 2019 and March 2019 respectively. The expected production capacity of Fuchang Mine, Jinxin Mine and Liaoyuan Mine are 600,000 tonnes per year, 450,000 tonnes per year and 600,000 tonnes per year respectively.

To facilitate the structural reform by the state on the supply side of coal, coal enterprises are required to support the implementation of policies on dissolving excessive capacity. Moreover, as the state tightens requirements on and ramps up inspection efforts in the design, safety, and environmental protection aspects of coal mines under construction, relevant policies and regulations issued in recent years on safety and environmental protection applicable to the coal industry become increasingly stringent and refined.

業務回顧

概況

於二零二零年財政年度，本集團一直專注於煤炭開採業務發展。本集團主要從事(i)煤炭勘探及開發、銷售焦煤及其他煤炭產品以及提供煤炭貿易及物流服務；(ii)開發木薯種植及相關生態循環產業鏈之深加工業務；及(iii)資訊科技產品銷售、提供系統集成、技術服務、軟件開發及解決方案服務。

煤礦業務

儘管持續面對建設延誤不確定性的挑戰以及COVID-19疫情的影響，本集團煤礦業務於二零二零年的整體財務表現良好。本集團有五座焦煤礦(福昌礦區、金鑫礦區、遼源礦區、鉑龍礦區及鑫峰礦區)，位於中國山西太原市古交，其中三座已全面投入營運，而鉑龍礦區於年內正在建設中。

年內營運中之煤礦為福昌礦區、金鑫礦區及遼源礦區，分別於二零一六年十月、二零一八年八月及二零一八年九月分別進入聯合試運營，分別於二零一七年一月、二零一八年十二月及二零一八年十二月通過竣工驗收，並於二零一七年四月、二零一九年四月及二零一九年三月取得《安全生產許可證》。福昌礦區、金鑫礦區及遼源礦區之預期產能分別為每年600,000噸、每年450,000噸及每年600,000噸。

為推進國家對煤炭供給側結構性改革，煤炭企業須配合落實舒解過剩產能的政策。加上國家對在建煤礦的設計、安全及環保方面的要求和檢查力度不斷加大，適用於煤炭行業近年出台之相關安全環保政策及規定愈趨嚴格和細緻。

* For identification purpose only

MANAGEMENT DISCUSSION AND ANALYSIS

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BUSINESS REVIEW (CONTINUED)

Coal mining business (continued)

As affected by the policies and outbreak of COVID-19, the Group's coal mines under construction inevitably experienced construction delay or suspension, therefore reducing the effectiveness of construction period during the year, leading to further extension of the respective construction period. As such, the critical production stages of the remaining coal mines under construction faced significant uncertainties.

In February 2020, the mine reorganisation and consolidation proposal for Bolong Mine and Xinfeng Mine was approved by the Shanxi government. The expected production schedule for Safe Production Date of Xinfeng Mine is after finishing the production of Bolong Mine. Also, the Shanxi government approved the expected production capacity of Jinxin Mine can be increased from 450,000 tonnes per year to 600,000 tonnes per year. The above reorganisation and changes will be effective only certain conditions are fulfilled such as the statutory records are updated and the required work are done.

Cambodia business

The Group is seeking business opportunities related to cassava-based agricultural and deep processing business in Cambodia.

Environmental, social and corporate responsibility

As a responsible corporation, the Group is committed to maintaining a higher environmental and social standards to ensure sustainable development of its business. The Group has complied with all relevant laws and regulations in relation to its business including health and safety, workplace conditions, employment and the environment. The Group understands a better future depends on everyone's participation and contribution. It has encouraged employees, customers, suppliers and other stakeholders to participate in environmental and social activities which benefit the community as a whole. The Group maintains strong relationships with its employees, has enhanced cooperation with its suppliers and has provided high quality products and services to its customers so as to ensure sustainable development.

業務回顧(續)

煤礦業務(續)

受該等政策性因素及爆發COVID-19疫情的影響，本集團之在建煤礦無可避免地持續經歷緩建或停工，以致減少年內之有效施工期，導致彼等建設工期進一步順延。因此，其餘在建煤礦的關鍵生產節點存在重大的不確定性。

鉑龍礦區和鑫峰礦區的礦區重組及合併方案於二零二零年二月獲山西政府批准。鑫峰礦區安全生產日期的預期生產表乃於鉑龍礦區生產完成之後。另外，山西政府批准金鑫礦區之預計生產能力由每年450,000噸增加至每年600,000噸。上述重組及變動僅於若干條件(例如法定紀錄更新及所需工作完成)獲達成後生效。

柬埔寨業務

本集團正在柬埔寨探索與木薯相關農業及深加工業務相關的商機。

環境、社會及企業責任

作為一間具社會責任的企業，本集團致力維持較高要求之環境及社會標準，以確保其業務可持續發展。本集團已遵守所有與其業務有關的相關法例及法規，包括健康及安全、工作環境條件、就業及環境。本集團明白有賴所有人的參與及貢獻才能成就美好將來，亦因此鼓勵僱員、客戶、供應商及其他持份者參與環境及社會活動，惠及整個社區。本集團與其僱員維持緊密關係，加強與其供應商之間的合作，並為其客戶提供優質產品及服務，以確保可持續發展。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

Loss for the year

For the year ended 31 December 2020, the Group had recorded a loss for the year of approximately HK\$660,458,000 (2019: approximately HK\$1,204,859,000), representing a significant decrease of loss for the year of approximately HK\$544,401,000 or 45%.

The decrease in the loss for the year was mainly attributable to the combined effects of the factors as stated below:

(i) Revenue

The increase in revenue from approximately HK\$944,258,000 for the year ended 31 December 2019 to approximately HK\$1,303,796,000 for the year ended 31 December 2020 due to the increase in the sales volume of the mining products in the year;

(ii) Gross profit

The increase in gross profit from approximately HK\$100,148,000 for the year ended 31 December 2019 to approximately HK\$127,867,000 for the year ended 31 December 2020 as the proportion on the increase in revenue is larger than the increase in cost of sales and services rendered;

(iii) Impairment loss recognised in respect of mining rights and property, plant and equipment

For the year ended 31 December 2020, impairment loss recognised in respect of mining rights and property, plant and equipment of approximately HK\$291,229,000 (2019: approximately HK\$496,351,000). The decrease in estimated value in use amount of the Group's coal mines located in Shanxi was the combined results of the change of production schedules of one of the coal mines, coal prices and recovery rates of cleaned coals adopted for an independent valuation report as at 31 December 2020. For more details regarding the valuation of coal mines, please refer to the section headed "Valuation of coal mines" stated later;

財務回顧

年度虧損

截至二零二零年十二月三十一日止年度，本集團錄得年度虧損大幅減少約544,401,000港元或約45%至約660,458,000港元(二零一九年：約1,204,859,000港元)。

年度虧損減少乃主要由於以下因素之綜合影響：

(i) 收入

收入由截至二零一九年十二月三十一日止年度約944,258,000港元增加至截至二零二零年十二月三十一日止年度約1,303,796,000港元，乃由於年內煤礦產品銷售數量增加；

(ii) 毛利

毛利由截至二零一九年十二月三十一日止年度約100,148,000港元增加至截至二零二零年十二月三十一日止年度約127,867,000港元，乃由於收入增加額多於銷售及提供服務成本之增加；

(iii) 就採礦權及物業、廠房及設備確認之減值虧損

截至二零二零年十二月三十一日止年度，就採礦權及物業、廠房及設備確認之減值虧損約291,229,000港元(二零一九年：約496,351,000港元)。本集團位於山西之煤礦之估計使用價值減少乃由於其中一座煤礦生產時間表、煤礦價格及精煤回收率變動之綜合影響所致，以上變動皆由於二零二零年十二月三十一日之獨立估值報告所採納。有關煤礦估值之更多詳情，請參閱下文「煤礦估值」一節；

MANAGEMENT DISCUSSION AND ANALYSIS

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FINANCIAL REVIEW (CONTINUED)

Loss for the year (continued)

(iv) Administrative and other operating expenses

The decrease in administrative and other operating expenses from approximately HK\$590,958,000 for the year ended 31 December 2019 to approximately HK\$283,442,000 for the year ended 31 December 2020 is mainly due to the significant decrease in relocation and removal expense; and

(v) Finance costs

Finance costs mainly consisted of interest expenses on borrowings from non-controlling interest, convertible loan notes and other borrowings and advances drawn on discounted bills. Interest expenses on borrowings relating to construction in progress for coal mines are capitalised to the extent that they are directly attributable and used to finance the projects. Finance costs were calculated from total borrowing costs less interest expenses capitalised.

For the year ended 31 December 2020, finance costs amounted to approximately HK\$361,665,000 (2019: approximately HK\$415,590,000), decreasing by approximately HK\$53,925,000 resulting from the decrease in total borrowing costs and the increase in interest expenses capitalised. Interest expenses capitalised over the years increased from approximately HK\$71,866,000 to approximately HK\$83,031,000 as one of the mines has sharply increased in construction in progress in the year.

財務回顧(續)

年度虧損(續)

(iv) 行政及其他經營費用

行政及其他經營費用由截至二零一九年十二月三十一日止年度約590,958,000港元減少至截至二零二零年十二月三十一日止年度約283,442,000港元，乃主要由搬遷和清拆費用大幅減少所致；及

(v) 融資成本

融資成本主要包括非控股權益之借貸、可換股貸款票據及其他借貸及貼現票據墊款之利息開支。有關煤礦在建工程之借貸利息開支已予以資本化，惟直接與項目有關及用於撥付項目。融資成本乃按總借貸成本減資本化利息開支計算。

截至二零二零年十二月三十一日止年度，融資成本約為361,665,000港元（二零一九年：約415,590,000港元），減少約53,925,000港元，乃由於總借貸成本減少及資本化利息開支增加所致。過往年度利息開支資本化由約71,866,000港元增加至約83,031,000港元，原因為其中一座礦場於年內大幅增加在建工程。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW (CONTINUED)

Loss attributable to owners of the Company

For the year ended 31 December 2020, the loss attributable to owners of the Company was approximately HK\$312,362,000 (2019: approximately HK\$695,650,000), mainly due to (i) the decrease in impairment loss recognised in respect of mining rights and property, plant and equipment to approximately HK\$291,229,000 for the year 2020 while an impairment loss of approximately HK\$496,351,000 for the year 2019 and (ii) decrease in administrative and other operating expenses of approximately HK\$307,516,000 for the year ended 31 December 2020.

Valuation of coal mines

The decrease in recoverable amounts of coal mines as at 31 December 2020 was mainly due to the change of production schedules of one of the coal mines, coal prices and recovery rates of cleaned coals. Greater China Appraisal Limited ("Greater China"), an independent qualified professional valuer, estimated the recoverable amounts of the coal mining business based on income approach using a discount rate (post-tax) of 12.56% (31 December 2019: 13.33%) and expected cleaned coal price of RMB877 per tonne (31 December 2019: expected cleaned coal price of RMB885 per tonne) based on information obtained from Shanxi.

The operation of the Bolong Mine was further delayed due to the effect of the outbreak of COVID-19 and reorganisation and consolidation of Bolong Mine and Xinfeng Mine which was approved by Shanxi government in February 2020. Please refer to "Business Review" section for details.

財務回顧(續)

本公司擁有人應佔虧損

截至二零二零年十二月三十一日止年度，本公司擁有人應佔虧損約為312,362,000港元(二零一九年：約695,650,000港元)，主要由(i)於二零二零年就採礦權及物業、廠房及設備確認之減值虧損減少至約291,229,000港元，而二零一九年為減值虧損約496,351,000港元及(ii)截至二零二零年十二月三十一日止年度行政及其他經營開支減少約307,516,000港元所致。

煤礦估值

煤礦於二零二零年十二月三十一日之可收回金額減少主要由於其中一座煤礦生產時間表、煤礦價格及精煤回收率變動所致。獨立合資格專業估值師漢華評值有限公司(「漢華」)根據收入法估計煤炭採礦業務之可收回金額，當中採用之貼現率(除稅後)為12.56%(二零一九年十二月三十一日：13.33%)，而預期精煤價格為每噸人民幣877元(二零一九年十二月三十一日：預期精煤價格每噸人民幣885元)，上述數據以從山西所得之資料為基礎。

由於爆發COVID-19疫情以及鉑龍礦區及鑫峰礦區的重組及合併(於二零二零年二月獲山西政府批准)的影響，鉑龍礦區之營運再度延遲。有關詳情請參閱「業務回顧」一節。

MANAGEMENT DISCUSSION AND ANALYSIS

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FINANCIAL REVIEW (CONTINUED)

Valuation of coal mines (continued)

Greater China has consistently applied the income approach for the valuation of coal mines as at 31 December 2020, 31 December 2019 and 31 December 2018 (the "Reporting Periods") respectively. The income approach is applied for this valuation as the economic benefit streams can be identified and ascertained based on the mining plans and planned capital expenditure to be incurred, as well as other cost estimates. This method is commonly used in, and widely accepted for, the valuation of mineral assets and resources project. The key assumptions and parameters in the valuation of coal mines as at the Reporting Periods are set out as below:

財務回顧(續)

煤礦估值(續)

漢華分別已對煤礦於二零二零年十二月三十一日、二零一九年十二月三十一日及二零一八年十二月三十一日(「報告期」)之估值貫徹應用收入法。是次估值乃應用收入法，因經濟利益流可根據採礦計劃及將產生之計劃資本支出以及其他成本估計確認及確定。該方法常用於礦物資產及資源項目之估值，並獲有關估值普遍採納。煤礦於報告期之估值所用之主要假設及參數載列如下：

Methodology	方法	Reporting Periods 報告期		
		31 December 2020 二零二零年十二月三十一日	31 December 2019 二零一九年十二月三十一日	31 December 2018 二零一八年十二月三十一日
		Income Approach 收入法	Income Approach 收入法	Income Approach 收入法
Key Assumptions	主要假設			
1. Production Schedule – Safe Production Date Bolong Mine	1. 生產時間表-安全生產日期 鉑龍礦區	Fourth quarter of 2021 二零二一年第四季	First quarter of 2021 二零二一年第一季	Third quarter of 2019 二零一九年第三季
Fuchang Mine	福昌礦區	Operating 營運中	Operating 營運中	Operating 營運中
Jinxin Mine	金鑫礦區	Operating 營運中	Operating 營運中	Third quarter of 2019 二零一九年第三季
Liaoyuan Mine	遼源礦區	Operating 營運中	Operating 營運中	Third quarter of 2019 二零一九年第三季
Xinfeng Mine	鑫峰礦區	Note II 附註二	Note II 附註二	Third quarter of 2020 二零二零年第三季
2. Raw Coal Price (per tonne)	2. 原煤價格(每噸)	–	–	RMB517 人民幣517元
Cleaned Coal Price (per tonne)	精煤價格(每噸)	RMB877 人民幣877元	RMB885 人民幣885元	–
3. Recovery rate (cleaned coal)	3. 回收率(精煤)	48%–53%	53%–62%	–
4. Discount Rate (post-tax)	4. 貼現率(稅後)	12.56%	13.33%	13.45%
5. Mine Operating Costs, Capital Expenditures and Production Schedule (annual production)	5. 礦區經營成本、資本支出及生產時間表(年產量)	Based on technical report issued by John T. Boyd ("JT Boyd") in 2017 根據約翰T.博德公司(「JT博德」)於二零一七年刊發之技術報告	Based on technical report issued by JT Boyd in 2017 根據JT博德於二零一七年刊發之技術報告	Based on technical report issued by JT Boyd in 2017 根據JT博德於二零一七年刊發之技術報告
6. Allowable annual working days	6. 獲准年度工作日	276 days 276日	276 days 276日	276 days 276日

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FINANCIAL REVIEW (CONTINUED)

Valuation of coal mines (continued)

Note I: As shown in the above table, the primary change in valuation assumption would be the adoption of different coal prices in between the raw coal price and cleaned coal price in the years and delay in mines' commercial operation schedule. The coal price is based on the existing and past quoted commodity prices in the mining industry. The production schedule is affected by the policies and regulations issued applicable to the coal industry. The coal mines under construction inevitably experienced construction delay or suspension, therefore reducing the effectiveness of construction period during the year, leading to further extension of the respective construction period. There was no change in valuation methodology in those valuations. For discount rate, calculation of weighted average cost of capital ("WACC") is based on market participant's data which are varied daily due to new information and changing market expectation every day.

Note II: Mine reorganisation and consolidation for Bolong Mine and Xinfeng Mine proposal was approved by the Shanxi government in February 2020. The expected production schedule for Safe Production Date of Xinfeng Mine is after finishing the production of Bolong Mine.

財務回顧(續)

煤礦估值(續)

附註一：誠如上表所示，估值假設之主要變動為各年度採納的原煤價格及精煤價格不同及礦區商業營運時間表延遲。煤價乃以現有及過往礦業商品報價為基準。生產時間表受所發佈適用於煤炭行業之政策及規定影響。在建煤礦無可避免持續經歷緩建或停工，以致減少年內之有效工期，導致彼等建設工期進一步順延。該等估值之估值方法並無變動。就貼現率而言，加權平均資本成本(「加權平均資本成本」)乃根據市場參與者數據計算，而該等數據因新資料及市場期望每日變動而每日變化。

附註二：鉑龍礦區和鑫峰礦區的礦區重組及合併方案於二零二零年二月獲山西政府批准。鑫峰礦區的安全生產日期的預期生產表乃於鉑龍礦區生產完成之後。

LIQUIDITY AND FINANCIAL RESOURCES

Total capital deficiencies

As at 31 December 2020, the Group recorded total assets of approximately HK\$7,078,231,000 (2019: approximately HK\$7,246,276,000), which were financed by total liabilities of approximately HK\$8,502,219,000 (2019: approximately HK\$8,148,311,000) and total capital deficiencies of approximately HK\$1,423,988,000 (2019: approximately HK\$902,035,000).

Gearing

As at 31 December 2020, the Group's gearing ratio as computed as the Group's other borrowings, lease liabilities, liabilities component of convertible loan notes over total equity. Gearing ratio is not meaningful as total equity of the Group was deficit as at 31 December 2020 and 31 December 2019.

流動資金及財務資源

資本虧絀總額

於二零二零年十二月三十一日，本集團錄得資產總值約7,078,231,000港元(二零一九年：約7,246,276,000港元)，乃通過負債總額約8,502,219,000港元(二零一九年：約8,148,311,000港元)及資本虧絀總額約1,423,988,000港元(二零一九年：約902,035,000港元)籌集所得。

資產負債水平

於二零二零年十二月三十一日，本集團之資產負債比率按本集團之其他借貸、租賃負債、可換股貸款票據之負債部分除以權益總額計算。由於本集團於二零二零年十二月三十一日及二零一九年十二月三十一日的權益總額為虧絀，故資產負債比率並無意義。

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Liquidity

The Group had total cash and cash equivalents of approximately HK\$48,097,000 as at 31 December 2020 (2019: approximately HK\$45,788,000). The Group did not have any bank borrowings for both years.

流動資金

於二零二零年十二月三十一日，本集團現金及現金等價物總額約48,097,000港元(二零一九年：約45,788,000港元)。本集團於兩個年度均無任何銀行借貸。

FINANCIAL KEY PERFORMANCE INDICATORS

The Board has set out the following key financial performance indicators to measure and monitor the Group's business performance for the year ended 31 December 2020 and the comparative figures for the corresponding year in 2019:

財務關鍵表現指標

董事會列載以下主要財務業績指標，以衡量及監察本集團於截至二零二零年十二月三十一日止年度的業務表現及二零一九年相應年度的比較數字：

Indicators 指標	2020 二零二零年	2019 二零一九年	Objectives: 目的:
Revenue growth rate (%) 收入增長率(%)	38.1	(6.0)	assess the growth of the Group's businesses and overall sales performance 評估本集團業務的增長及整體銷售業績
Gross profit margin (%) 毛利率(%)	9.8	10.6	review the pricing strategy of the Group's products and services and direct cost control 檢討本集團產品及服務的定價策略及直接成本控制
Loss before taxation (HK\$'000) 除稅前虧損(千港元)	(852,913)	(1,323,913)	measure the operating profitability of the Group's overall businesses 衡量本集團整體業務的盈利能力
Operating cash inflow (HK\$'000) 營運現金流入(千港元)	250,676	250,940	reflect the Group's ability to generate sufficient cash flow from its main business 反映本集團從主營業務產生足夠現金流的能力
Current ratio 流動比率	0.04	0.08	assess the Group's ability to meet its short-term debt obligations 評估本集團償還其短期債務的能力

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PRINCIPAL RISKS AND UNCERTAINTIES

主要風險及不明朗因素

Principal risks 主要風險	Description 描述	Mitigating actions 緩解措施
Business/Operation Risk 業務／營運風險	<p>With the enhancement of structural reform by the state on the supply side of coal, coal enterprises are required to support implementing policies on de-capacity and optimization. The state tightens requirements on and ramps up inspection efforts in design, safety, and environmental protection aspects of coal mines under construction. In recent years, relevant policies and regulations on safety and environmental protection applicable to the coal industry have become increasingly stringent and refined.</p> <p>隨著國家對煤炭供給側結構性改革，煤炭企業須配合落實去能及優化政策。國家加強對在建的煤礦設計、安全和環境保護方面的要求持續加強，並加大檢查力度。近年來，適用於煤炭行業的有關安全和環境保護的相關政策法規亦日趨嚴格和完善。</p>	<p>The Group will closely monitor and speculate the existing mines that major technical renovations are carried out and ensure the production, environmental, and safety procedures measures are in line with the relevant regulatory requirements and national standards.</p> <p>本集團將密切監察及關注現有礦區，以進行重大技術改造，並確保生產、環境及安全程序措施符合相關監管規定及國家標準。</p>
Economic risk 經濟風險	<p>Economic risk is the risk of macro-economy and policies in Mainland China, the business of mining operations where the Company operates in is facing various risks and uncertainties.</p> <p>經濟風險為中國內地宏觀經濟及政策之風險，本公司經營所在地之採礦業務面臨各種風險及不明朗因素。</p>	<p>The Company closely monitors the change of macro-economy policies in Mainland China and adjusts its business strategy.</p> <p>本公司密切監察中國內地宏觀經濟政策的變動，並調整其業務策略。</p>
Liquidity risk 流動資金風險	<p>Liquidity risk is the risk that the Group would not be able to meet its financial obligations as they fall due.</p> <p>流動資金風險指本集團未能履行其到期財務責任之風險。</p>	<p>In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.</p> <p>於管理流動資金風險時，本集團監察及維持管理層認為充足之現金及現金等價物水平，以為本集團之業務營運提供資金及減輕現金流量波動之影響。</p>

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PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

不確定因素之主要風險(續)

Principal risks 主要風險	Description 描述	Mitigating actions 緩解措施
Credit risk	Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group.	The Group sets different categories for customers settling with bills according to internal credit rating assessment. The Group does not accept bills from customers with low credit rating.
信貸風險	信貸風險指對手方違反其合約責任而導致本集團產生財務虧損之風險。	本集團根據內部信貸評級評估為以票據進行結算之客戶設定不同類別。本集團不接受信貸評級較低之客戶所提供之票據。
Price risk	Price risk is the risks of significant fluctuations in international coal prices from year to year, especially due to the unforeseeable development of the COVID-19 pandemic, will cast corresponding significant fluctuations in year end valuations of intangible assets as well as exploration and evaluation assets which may have material impacts on the Group's financial results due to the resultant impairment losses or reversal of impairment losses, and also on the Group's total non-current assets.	The Company intensifies prudent judgement on the market, fully brings about the effect of supervision and control over market price risk and alert thereof, continuously improves its risk control capability in market price and constantly strengthens production costs and expenses control.
價格風險	價格風險指國際煤炭價格按年大幅波動之風險，特別是由於爆發COVID-19疫情之不可預見發展，將導致無形資產以及勘探及評估資產之年末估值出現相應重大波動，從而可能因所產生之減值虧損或減值虧損撥回對本集團之財務業績產生重大影響，亦對本集團之非流動資產總值產生重大影響。	本公司加強對市場之審慎判斷，充分發揮對市場價格風險之監控和預警作用，持續提升市場價格風險管控能力，致力強化生產成本和開支控制。

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PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

不確定因素之主要風險(續)

Principal risks 主要風險	Description 描述	Mitigating actions 緩解措施
Exchange rate risk 匯率風險	Exchange risk is the risk that changes in foreign exchange rates would affect the Group's income and the value of its holdings of assets. 外匯風險指匯率變動將影響本集團收入及其所持資產價值之風險。	The management closely monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise. 管理層密切監察利率風險，並將於有需要時考慮對沖重大利率風險。
Environmental Risks 環境風險	Environmental Risks is the risk of stringent requirements in relation to environmental protection in the Environmental Protection Law of People's Republic of China. 環境風險是指中華人民共和國環境保護法中對環境保護提出嚴格要求之風險。	The Company keeps improving management rules, assigns responsibilities and further strengthens supervision and examination in terms of environmental protection. It also constantly promotes energy saving and reduction of emissions. 本公司不斷完善管理制度，落實責任，進一步加強環保監督檢查。本公司亦持續推動節能減排。
People risk 人才風險	People risk is the risk of loss the services of any Directors, senior management and other key personnel could have a material adverse effect on the Group's businesses. 人才風險指任何董事、高級管理層及其他主要人員離職而可能對本集團業務造成重大不利影響之風險。	The Group provides competitive reward and benefit packages to attract and retain the employees the Group need and ensure that the staff of the Group has the right working environment to enable them to do the best job and maximise their satisfaction at work. 本集團提供具競爭力之獎勵及福利待遇，以吸引及挽留本集團需要之僱員，並確保本集團之員工擁有合適之工作環境，使員工能夠發揮最佳之工作表現及最大限度地提高其工作滿意度。
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 on civil and/or criminal proceedings and reputational damage being incurred. 法律及監管風險指違反法律法規可能導致訴訟、調查或糾紛，而導致民事及／或刑事訴訟產生額外成本及聲譽受損之風險。	The management closely monitor changes and developments in the regulatory environment and ensure that sufficient resources being made available to implement for any compulsory changes and seek legal or other specialist advice as appropriate. 管理層密切監察監管環境之變動及發展，確保有足夠資源實行任何強制變更，並尋求法律或其他專業意見（如適用）。

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FUND RAISING ACTIVITIES

Subscription of Shares

Reference is made to the Company's announcements dated 22 April 2020, 27 April 2020, 4 May 2020 and 6 May 2020 in relation to (a) the proposed issue of 487,827,170 new Shares (equivalent to 24,381,358 Shares after Second Share Consolidation (as hereinafter defined) becoming effective) under General Mandate to three (3) independent subscribers; and (b) the proposed issue of 1,264,148,900 new Shares (equivalent to 63,207,445 Shares after share consolidation becoming effective) under General Mandate to eleven (11) independent subscribers for settlement of the Outstanding Indebtedness. Unless the context requires, capitalised terms used herein shall bear the same meanings as defined.

For Subscription A, the gross proceeds are approximately HK\$10,342,000 (the net proceeds are approximately HK\$10,294,000) and have been applied towards repayment of indebtedness and the general working capital of the Group. For Subscription B, the gross proceeds are approximately HK\$25,848,000 (the net proceed are approximately HK\$25,800,000) and have been used to set off against the Outstanding Indebtedness.

All the conditions set out in the subscription agreements for Subscription A and Subscription B have been fulfilled and the completion of took place on 13 May 2020, where an aggregate of 487,827,170 new Shares (equivalent to 24,381,358 Shares after Share Consolidation becoming effective) (Subscription A) and 1,264,148,900 new Shares (equivalent to 63,207,445 Shares after Second Share Consolidation becoming effective) (Subscription B) have been successfully issued and allotted to the Subscribers pursuant to the terms and conditions of the Subscription Agreements. For details, please refer to the relevant announcements of the Company.

集資活動

認購股份

茲提述本公司日期為二零二零年四月二十二日、二零二零年四月二十七日、二零二零年五月四日及二零二零年五月六日之公告，內容有關(a)建議根據一般授權向三(3)名獨立認購人發行487,827,170股新股份(於第二次股份合併(定義見下文)生效後相當於24,381,358股股份)；及(b)建議根據一般授權向十一(11)名獨立認購人發行1,264,148,900股新股份(於股份合併生效後相當於63,207,445股股份)以結清未償還債務。除文義另有所指外，於本報告中所用之詞彙與該等公告中所界定者具有相同涵義。

就認購事項A而言，所得款項總額約10,342,000港元(所得款項淨額約10,294,000港元)，已用於償還債務及撥作本集團的一般營運資金。就認購事項B而言，所得款項總額約25,848,000港元(所得款項淨額約25,800,000港元)，已用於抵銷未償還債務。

認購事項A及認購事項B之認購協議所載之所有條件已達成，並於二零二零年五月十三日完成，合共487,827,170股新股份(於股份合併生效後相當於24,381,358股股份)(認購事項A)及1,264,148,900股新股份(於第二次股份合併生效後相當於63,207,445股股份)(認購事項B)已根據認購協議之條款及條件成功發行及配發予認購人。詳情請參閱本公司之相關公告。

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FUND RAISING ACTIVITIES (CONTINUED)

集資活動(續)

Use of Proceeds

所得款項用途

The abovesaid subscriptions has been completed on 13 May 2020. As at 31 December 2020, an updated use of proceeds is as follows:

上述認購事項已於二零二零年五月十三日完成。於二零二零年十二月三十一日，所得款項的最新用途如下：

Event 事件	Net proceeds and intended use of proceeds 所得款項淨額及所得款項擬定用途	Actual use of proceeds 所得款項實際用途
The subscription of an aggregate of 487,827,170 new shares (equivalent to 24,381,358 shares after Second Share Consolidation becoming effective) by subscribers pursuant to three (3) conditional subscription agreements each dated 22 April 2020 entered into between the Company and each of the subscribers respectively 認購人根據本公司與認購人各自訂立三(3)份日期為二零二零年四月二十二日之有條件認購協議認購合共487,827,170股新股份（於第二次股份合併生效後相當於24,381,358股股份）	The net proceeds from the subscription of approximately HK\$10,294,000 will be applied towards repayment of indebtedness and the general working capital of the Group 認購事項所得款項淨額約10,294,000港元將用於償還債務及撥作本集團的一般營運資金	The proceeds have been used as intended 所得款項已按計劃使用
The subscription of an aggregate of 1,264,148,900 new shares (equivalent to 63,207,445 shares after Second Share Consolidation becoming effective) by subscribers pursuant to eleven (11) conditional subscription agreements each dated 22 April 2020 entered into between the Company and each of the subscribers respectively 認購人根據本公司與認購人各自訂立十一(11)份日期為二零二零年四月二十二日之有條件認購協議認購合共1,264,148,900股新股份（於第二次股份合併生效後相當於63,207,445股股份）	The net proceeds from the subscription of approximately HK\$25,800,000 will be used to set off the outstanding indebtedness owned by the Company to the subscribers under the Loan Agreements (as defined in the announcement of the Company dated 22 April 2020) 認購事項所得款項淨額約25,800,000港元將用於抵銷本公司根據貸款協議（定義見本公司日期為二零二零年四月二十二日之公告）結欠認購人的未償還債務	The proceeds have been used to set off the outstanding indebtedness owned by the Company under the Loan Agreements 所得款項已用於抵銷本公司根據貸款協議所結欠的未償還債務

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ACQUISITION OF MINORITY INTEREST IN A COAL MINING COMPANY INVOLVING ISSUE OF CONSIDERATION SHARES UNDER SPECIFIC MANDATE

Reference is made to the Company's announcements dated 25 May 2020, 26 May 2020, 15 June 2020, 29 June 2020, 29 July 2020, 31 August 2020, 29 September 2020, 29 October 2020, 27 November 2020 and 31 December 2020 in respect of the discloseable transaction relating to investment in a coal mining company involving issue of consideration shares under specific mandate. Unless the context requires otherwise, capitalised terms used herein shall bear the same meanings as defined.

The Agreement has been ceased on 31 December 2020 as the conditions precedent of the Agreement, including the passing of all necessary resolutions by the Shareholders to approve the allotment and issue of the Consideration Shares, have not been fulfilled and the Company has no intention to extend the Long Stop Date. The Company is of the view that the termination of the Agreement shall have no material adverse impacts on the business, operations and financial position of the Group. Details can be referred to the relevant announcements of the Company.

SHARE CONSOLIDATION

First Share Consolidation

Reference was made to the Company's circular dated 5 June 2020 and the Company's announcements dated 23 April 2020, 8 May 2020, 29 May 2020 and 26 June 2020 in relation to, among others, the proposed share consolidation (the "First Share Consolidation"). Unless the context requires otherwise, capitalised terms used herein shall bear the same meanings as defined.

The Board proposed that every twenty (20) Existing Shares in the share capital of the Company be consolidated into one (1) Consolidated Share.

The First Share Consolidation has been terminated as the resolution was not passed by the Shareholders at the SGM on 26 June 2020. Details can be referred to the Company's announcement dated 26 June 2020.

收購一間煤礦開採公司少數股東之股權涉及根據特別授權發行代價股份

茲提述本公司日期為二零二零年五月二十五日、二零二零年五月二十六日、二零二零年六月十五日、二零二零年六月二十九日、二零二零年七月二十九日、二零二零年八月三十一日、二零二零年九月二十九日、二零二零年十月二十九日、二零二零年十一月二十七日及二零二零年十二月三十一日之公告，內容關於一間煤礦開採公司之投資之須予披露交易，涉及根據特別授權發行代價股份。除文義另有所指外，本年報所用詞彙與所界定者具有相同涵義。

該協議已於二零二零年十二月三十一日終止，原因為該協議之先決條件(包括股東通過所有必要決議案以批准配發及發行代價股份)尚未達成，且本公司無意延長最後截止日期。本公司認為，終止該協議對本集團之業務、營運及財務狀況並無重大不利影響。詳情可參閱本公司相關公告。

股份合併

首次股份合併

茲提述本公司日期為二零二零年六月五日之通函及本公司日期為二零二零年四月二十三日、二零二零年五月八日、二零二零年五月二十九日及二零二零年六月二十六日之公告，內容有關(其中包括)建議股份合併(「首次股份合併」)。除文義另有所指外，本年報所用詞彙與所界定者具有相同涵義。

董事會建議將本公司股本中每二十(20)股現有股份合併為一(1)股合併股份。

由於決議案於二零二零年六月二十六日之股東特別大會上未獲股東通過，首次股份合併已告終止。詳情可參閱本公司日期為二零二零年六月二十六日之公告。

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SHARE CONSOLIDATION (CONTINUED)

Second Share Consolidation

Reference was made to the Company's circular dated 20 July 2020 and the Company's announcements dated 30 June 2020, 13 July 2020, 17 July 2020, 24 July 2020, 4 August 2020 and 5 August 2020 in relation to, among others, the proposed share consolidation and change of board lot size in order to comply with Rule 13.64 of the Listing Rules (the "Second Share Consolidation"). Unless the context requires, capitalised terms used herein shall bear the same meanings as defined.

The Board proposed that every twenty (20) Existing Shares in the share capital of the Company be consolidated into one (1) Consolidated Share. Upon the Second Share Consolidation becoming effective, the board lot size for trading on the Stock Exchange be changed from 10,000 Existing Shares to 20,000 Consolidated Shares.

The Second Share Consolidation and the transactions contemplated thereunder have been passed as the ordinary resolution by the Shareholders at the SGM on 5 August 2020. Details can be referred to the relevant announcements of the Company.

CONVERTIBLE LOAN NOTES

Reference was made to the Company's circular dated 30 September 2020 and the Company's announcements dated 22 July 2020, 24 July 2020, 29 July 2020, 13 August 2020, 11 September 2020 and 19 October 2020 in respect of the connected transaction relating to, among others, the proposed issue of convertible loan notes under specific mandate (the "2020 Convertible Loan Note"). Unless the context requires, capitalised terms used herein shall bear the same meanings as defined.

The Company entered into the Subscription Agreements with the Subscribers, pursuant to which each of the Subscribers has conditionally agreed to subscribe for and the Company has conditionally agreed to issue the 2020 Convertible Loan Notes, which would offset against the amount due by the Company under the convertible loan notes issued in 2018.

股份合併(續)

第二次股份合併

茲提述本公司日期為二零二零年七月二十日之通函及本公司日期為二零二零年六月三十日、二零二零年七月十三日、二零二零年七月十七日、二零二零年七月二十四日、二零二零年八月四日及二零二零年八月五日之公告，內容有關(其中包括)建議股份合併及更改每手買賣單位，以遵守上市規則第13.64條(「第二次股份合併」)。除文義另有所指外，於本年報中所用之詞彙與所界定者具有相同涵義。

董事會建議將本公司股本中每二十(20)股現有股份合併為一(1)股合併股份。於第二次股份合併生效後，於聯交所買賣之每手買賣單位由10,000股現有股份更改為20,000股合併股份。

第二次股份合併及其項下擬進行之交易已於二零二零年八月五日之股東特別大會上獲股東以普通決議案通過。詳情可參閱本公司相關公告。

可換股貸款票據

茲提述本公司日期為二零二零年九月三十日的通函以及本公司日期為二零二零年七月二十二日、二零二零年七月二十四日、二零二零年七月二十九日、二零二零年八月十三日、二零二零年九月十一日及二零二零年十月十九日之公告，內容有關(其中包括)建議根據特別授權發行可換股貸款票據(「二零二零年可換股貸款票據」)之關連交易。除文義另有所指外，本年報所用詞彙與所界定者具有相同涵義。

本公司與認購人訂立認購協議，據此，各認購人已有條件同意認購而本公司已有條件同意發行二零二零年可換股貸款票據，其將抵銷本公司根據於二零一八年發行之可換股貸款票據應付之款項。

MANAGEMENT DISCUSSION AND ANALYSIS

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CONVERTIBLE LOAN NOTES (CONTINUED)

The 2020 Convertible Loan Notes is a zero coupon loan notes and will be matured on the second anniversary of the issue date with an aggregate principal amount of HK\$395,000,000. The conversion price of the 2020 Convertible Loan Notes shall be initially at HK\$0.22 per share (equivalent to HK\$0.011 per share before the Second Share Consolidation becoming effective) and subject to adjustments.

The 2020 Convertible Loan Notes have been passed as the ordinary resolution by the Shareholders at the SGM on 19 October 2020. All condition set out in the Subscription Agreements with the respective subscribers have been fulfilled and the completion took place on 21 October 2020. Details can be referred to the relevant announcements of the Company.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

The Group did not have any material acquisition or disposal of subsidiaries during the year ended 31 December 2020.

CHARGE ON ASSETS

Share charges of entire issued share capital of several subsidiaries of the Company, charges over the Company's shares which is favour of China OEPC Limited ("China OEPC"), charge on accounts receivables to be owed to the Company and land charges over certain lands in Cambodia acquired or to be acquired by the Group have been created for securing the convertible bonds. For details, please refer to the Company's announcement dated 27 June 2017.

TREASURY POLICIES

The Group generally financed its operations with internally generated resources and funds from equity and/or debt financing activities. All financing methods will be considered as long as such methods are beneficial to the Company. Bank deposits are in HK\$, RMB, US\$ and Cambodian dollars ("KHR").

CONTINGENT LIABILITY AND CAPITAL COMMITMENTS

The Group had no material contingent liability as at 31 December 2020 and 2019.

The Group had capital commitments for the acquisition of property, plant and equipment which were contracted but not provided for as at 31 December 2020 of approximately HK\$917,233,000 (2019: HK\$670,277,000).

可換股貸款票據(續)

二零二零年可換股貸款票據為零票息貸款票據，將於發行日期起計第二週年到期，本金總額為395,000,000港元。二零二零年可換股貸款票據之換股價初步為每股0.22港元（相當於第二次股份合併生效前每股0.011港元），可予調整。

二零二零年可換股貸款票據已於二零二零年十月十九日舉行之股東特別大會上獲股東以普通決議案通過。與各認購人訂立之認購協議所載之所有條件已獲達成，而認購事項已於二零二零年十月二十一日完成。詳情可參閱本公司相關公告。

重大收購或出售附屬公司

截至二零二零年十二月三十一日止年度，本集團並無任何重大收購或出售附屬公司。

資產抵押

可換股債券由以下各項作擔保：本公司若干附屬公司全部已發行股本之股份押記、以中國能源(香港)控股有限公司(「中國能源」)為受益人之本公司股份押記、將結欠本公司應收賬款之押記及本集團已收購或將予收購位於柬埔寨之若干土地之土地押記。有關詳情請參閱本公司日期為二零一七年六月二十七日之公告。

庫務政策

本集團一般透過內部產生資源、股本及／或債務融資活動之所得款項撥付其業務運作所需資金。所有融資方法只要對本公司有利，均會被考慮採用。銀行存款以港元、人民幣、美元及柬埔寨瑞爾(「瑞爾」)為單位。

或然負債及資本承擔

於二零二零年及二零一九年十二月三十一日，本集團並無重大或然負債。

本集團於二零二零年十二月三十一日就收購物業、廠房及設備已訂約但未撥備之資本承擔約917,233,000港元(二零一九年：670,277,000港元)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FOREIGN EXCHANGE EXPOSURE

For the year ended 31 December 2020, the Group earned revenue in RMB and incurred costs in HK\$, RMB, US\$ and KHR. Although the Group currently does not have any foreign currency hedging policy, it does not foresee any significant currency exposure in the near future. However, any permanent or significant change in RMB against HK\$, may have possible impact on the Group's results and financial positions.

PROSPECTS

It is a breakthrough development to the Group in 2020 which three coking coal mines are in full operating in the year. Besides, the sales strategy is changed to mainly selling the clean coal rather than the raw coal during the year.

The outbreak of COVID-19 in PRC and the quarantine and transportation and travel restriction measures imposed by the government in early 2020 to prevent further spread of COVID-19 have had the negative effect to the mining operation of the Group, which the coal mines in Shanxi were suspended in February 2020. The Group has implemented certain controls to minimise the impact of COVID-19 to the operation and the mining operation have been gradually resumed and returned to normal operation in mid of the year.

In the future, the Group would keep monitoring the development of the COVID-19 outbreak and assesses the relevant impacts. Besides, the Group would implement contingency measures in case any other similar situations exist.

Amid the global epidemic crisis and the associated economic turmoil, the Group will keep a close eye on both PRC and overseas markets. The Group intended to seize more business opportunities including but not limited to the coal mining and also looking forward to the potential stimulating effects on economy resulting the counter-cyclical policies imposed by the governments around the world subsequent to the crisis.

外匯風險

截至二零二零年十二月三十一日止年度，本集團所賺取收入以人民幣結算，所產生費用則以港元、人民幣、美元及瑞爾結算。儘管本集團目前並無採納任何外幣對沖政策，惟本集團預見不久將來不會有任何重大貨幣風險。然而，人民幣兌港元之匯率如有任何長期或重大變動，則可能對本集團業績及財務狀況構成影響。

前景

二零二零年為本集團實現突破性發展的一年，年內有三座全面營運的焦煤礦。此外，年內銷售策略改為主要銷售精煤，而非原煤。

於二零二零年初，COVID-19在中國爆發，政府實施隔離、交通及出行限制措施以防止COVID-19進一步傳播，因而對採礦業務造成不利影響，而本集團位於山西的煤礦於二零二零年二月停工。本集團已實施若干控制措施以盡量減少COVID-19對業務的影響，採礦業務年中已逐漸復工並逐步恢復正常運作。

未來，本集團將繼續監察COVID-19疫情的發展並評估相關影響。此外，倘出現任何其他類似情況，本集團將實施應急措施。

鑒於全球疫潮危機及相伴而來的經濟動盪，本集團將密切留意中國及海外市場。本集團擬抓住更多商機，包括但不限於煤礦開採，並期望危機過後世界各地政府實施的反週期政策對經濟帶來的潛在刺激作用。

SUMMARY FINANCIAL INFORMATION

財務資料概要

The following is a summary of the published results and the assets, liabilities and non-controlling interests of the Group, prepared on the basis set out in the notes to the consolidated financial statements. This summary does not form part of the audited consolidated financial statements.

以下為本集團按照綜合財務報表附註所載基準編製之已公佈業績以及資產、負債及非控股權益之概要。此概要並不構成經審核綜合財務報表其中一部分。

RESULTS

業績

		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
Revenue	收入	1,303,796	944,258	1,004,636	514,409	197,765
(Loss)/profit before taxation	除稅前(虧損)/溢利	(852,913)	(1,323,913)	(3,153,345)	753,080	310,070
Income tax credit/(expense)	所得稅抵免/(開支)	192,455	119,054	670,242	(240,516)	(118,872)
(Loss)/profit for the year	年度(虧損)/溢利	(660,458)	(1,204,859)	(2,483,103)	512,564	191,198
Less: Attributable to non-controlling interests	減：非控股權益應佔	348,096	509,209	1,301,041	(418,456)	(83,593)
(Loss)/profit attributable to owners of the Company	本公司擁有人應佔(虧損)/溢利	(312,362)	(695,650)	(1,182,062)	94,108	107,605

ASSETS, LIABILITIES AND NON-CONTROLLING INTERESTS

資產、負債及非控股權益

		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
Non-current assets	非流動資產	6,803,141	7,049,630	7,901,132	11,413,381	9,403,806
Current assets	流動資產	275,090	196,646	358,763	336,454	237,449
Current liabilities	流動負債	(6,535,843)	(2,454,463)	(1,405,684)	(6,366,010)	(5,248,475)
Net current liabilities	流動負債淨值	(6,260,753)	(2,257,817)	(1,046,921)	(6,029,556)	(5,011,026)
Total assets less current liabilities	資產總值減流動負債	542,388	4,791,813	6,854,211	5,383,825	4,392,780
Non-current liabilities	非流動負債	(1,966,376)	(5,693,848)	(6,617,348)	(2,581,269)	(2,310,965)
Non-controlling interests	非控股權益	(1,196,916)	(1,552,400)	(2,065,414)	(3,483,554)	(2,935,887)
Capital deficit attributable to owners of the Company	本公司擁有人應佔資本虧絀	(2,620,904)	(2,454,435)	(1,828,551)	(680,998)	(854,072)

REPORT OF DIRECTORS

董事會報告

PRINCIPAL ACTIVITIES

The Group is principally engaged in (i) coal exploration and development, sale of coking coal and other coal products and the provision of coal trading and logistics services; (ii) the development of cassava cultivation and deep processing business for the related ecological cycle industry chain; and (iii) the sale of information technology products, provision of system integration services, technology services, software development and solution services.

PRINCIPAL SUBSIDIARIES

Details of the Group's principal subsidiaries are set out in Note 38 of the consolidated financial statements.

BUSINESS REVIEW

The Group's business review, discussion and analysis of the development, operating performance and financial position and particulars of important events affecting the Group that have occurred since the end of the year ended 31 December 2020 are set out in sections headed "Chairman's Statement", "Management Discussion and Analysis" and "Financial Summary" on page 5 to page 27 respectively. Such discussions constitute an integral part of this report.

RESULTS AND APPROPRIATION

The results of the Group for the year ended 31 December 2020 are set out in the consolidated statement of profit or loss on page 88 of this report.

The Directors do not recommend the payment of any dividend for the year ended 31 December 2020 (2019: Nil).

DIVIDEND POLICY

The Board has approved and adopted a dividend policy with effect from 29 March 2019 (the "Dividend Policy"). The payment of dividend is subject to the compliance with related laws and regulations, including the laws of Bermuda, Company's bye-laws (the "Bye-laws"), the Listing Rules, and the financial reporting standards that the Group has adopted. The Board will continually review the Dividend Policy from time to time and reserves the right to amend or modify the Dividend Policy as and when the Board may deem necessary. There can be no assurance that dividends will be paid in any particular amount for any given period.

主要業務

本集團主要從事(i)煤炭勘探及開發、銷售焦煤及其他煤炭產品以及提供煤炭貿易及物流服務；(ii)開發木薯種植及相關生態循環產業鏈之深加工業務；及(iii)資訊科技產品銷售、提供系統集成服務、技術服務、軟件開發及解決方案服務。

主要附屬公司

本集團主要附屬公司之詳情載於綜合財務報表附註38。

業務回顧

本集團之業務回顧、對發展、經營表現及財務狀況之討論及分析以及自截至二零二零年十二月三十一日止年度結束以來所發生影響本集團之重要事件詳情分別載於第5頁至第27頁的「主席報告」、「管理層討論及分析」及「財務概要」各節。該等討論構成本報告的一部分。

業績及分配

本集團截至二零二零年十二月三十一日止年度之業績載於本報告第88頁之綜合損益表。

董事不建議派付任何截至二零二零年十二月三十一日止年度之股息(二零一九年：無)。

股息政策

董事會已批准及採納一項股息政策(「股息政策」)，並於二零一九年三月二十九日起生效。派付股息須遵守相關法律及規定，包括百慕達法律、本公司公司細則(「公司細則」)、上市規則及本集團已採納之財務申報準則。董事會將繼續不時檢討股息政策，並保留董事會或會認為必要時修訂或修改股息政策之權利。此無法保證股息將於任何特定期間以任何特定金額派付。

REPORT OF DIRECTORS

董事會報告

DIVIDEND POLICY (CONTINUED)

The Company intends to create long term value for the Shareholders through maintaining a balance between dividend distribution, preserving adequate liquidity and reserve to meet its working capital requirements and capturing future growth opportunities. When considering the declaration and payment of dividends, the Board shall take into account the following factors of the Group:

- the Group's overall results of operation, financial condition, expected working capital requirements and capital expenditure requirements, liquidity position and future expansions plans;
- the amount of retained profits and distributable reserves of the Company;
- general economic conditions, business cycle of the Group's business and other internal or external factors that may have an impact on the business or financial performance and position of the Group; and
- any other factors that the Board deems relevant.

Depending on the conditions and factors as set out above, dividends may be proposed and/or declared by the Board for a financial year or period as:

1. interim dividend;
2. final dividend;
3. special dividend; and
4. any distribution of net profits that the Board may deem appropriate.

Any final dividend for a financial year will be subject to the Shareholders' approval. The Company may declare and pay dividends by way of cash or scrip or by other means that the Board considers appropriate. Any dividend unclaimed shall be forfeited and shall revert to the Company in accordance with the Bye-laws.

The Company does not have any pre-determined dividend distribution ratio and the Company's dividend distribution record in the past, if any, may not be used as a reference or basis to determine the level of dividends that may be declared or paid by the Company in the future. The Dividend Policy shall in no way constitute a legally binding commitment by the Group in respect of its future dividend and/or in no way obligate the Group to declare a dividend at any time or from time to time.

股息政策(續)

本公司擬透過從股息分派及保留足夠流動資金和儲備以滿足其營運資金需求及把握未來增長機會之間取得平衡，為股東創造長遠價值。於考慮宣派及派付股息時，董事會將考慮本集團之下列因素：

- 本集團之整體經營業績、財務狀況、預期營運資金需求及資本開支需求、流動資金狀況及未來擴張計劃；
- 本公司之留存溢利及可分派儲備金額；
- 整體經濟狀況、本集團業務之業務週期及或會對本集團之業務或財務業績及狀況產生影響之其他內部或外部因素；及
- 董事會認為相關之任何其他因素。

根據上述所載之條件及因素，董事會可在財政年度或期間建議及／或宣派股息作為：

1. 中期股息；
2. 末期股息；
3. 特別股息；及
4. 董事會或會認為合適之任何純利分派。

財政年度之任何末期股息均須由股東批准。本公司可以現金或以股代息或以董事會認為合適之其他方式宣派及派付股息。任何未領取之股息將被沒收及應根據公司細則復歸本公司。

本公司並無任何預定派息率，且本公司過往之股息分派記錄(如有)不得用作確定本公司日後可能宣派或派付之股息水平之參考或依據。股息政策不會以任何方式構成本集團有關其未來股息之具法律約束力承諾及／或不會以任何方式令本集團有責任隨時或不時宣派股息。

REPORT OF DIRECTORS

董事會報告

FINAL DIVIDEND

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2020 (2019: Nil).

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year are set out in Note 16 of the consolidated financial statements.

SHARE CAPITAL AND CAPITAL STRUCTURE

As at 31 December 2020, the Company had 526,260,404 shares of HK\$0.2 each in issue (31 December 2019: 8,773,232,014 shares of HK\$0.01 each in issue).

Details of the movements in the Company's share capital during the year and share-based payment transactions together with the reasons for such movements, are set out in Notes 27 and 35, respectively, to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Company and of the Group during the year are set out in Note 36 to the consolidated financial statements and in the consolidated statement of changes in equity on pages 196 to 197, respectively.

DISTRIBUTABLE RESERVES OF THE COMPANY

Under the Companies Act 1981 (the "Act") of Bermuda (as amended), the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay dividend, or make a distribution out of contributed surplus if:

- (a) it is, or would after payment be, unable to pay its liabilities as they become due; or
- (b) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium.

末期股息

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末期股息(二零一九年：無)。

物業、廠房及設備

本集團之物業、廠房及設備於年內之變動詳情載於綜合財務報表附註16。

股本及資本架構

於二零二零年十二月三十一日，本公司有526,260,404股每股面值0.2港元的已發行股份(二零一九年十二月三十一日：8,773,232,014股每股面值0.01港元的已發行股份)。

本公司於年內之股本及股份支付交易變動詳情連同變動原因分別載於綜合財務報表附註27及35。

儲備

本公司及本集團於年內之儲備變動詳情分別載於綜合財務報表附註36及第196至197頁之綜合權益變動表。

本公司之可供分派儲備

根據百慕達一九八一年公司法(「公司法」)(經修訂)，本公司之實繳盈餘賬可供分派。然而，本公司於下列情況下不得自實繳盈餘中撥款宣派或支付股息或作出分派：

- (a) 本公司現時或於作出分派後無法償還到期負債；或
- (b) 本公司資產之可變現價值會因而低於其負債及已發行股本與股份溢價之總值。

REPORT OF DIRECTORS

董事會報告

DISTRIBUTABLE RESERVES OF THE COMPANY (CONTINUED)

At 31 December 2020, the Company had no retained profits available for cash distribution or distribution in species. Subject to the Act, the contributed surplus is distributable. The Company does not have any distributable contributed surplus at of 31 December 2020 (2019: approximately HK\$1,116,554,000). The Company's share premium account in the amount of approximately HK\$8,944,986,000 at of 31 December 2020 (2019: approximately HK\$8,926,412,000), following a reduction thereof in compliance with the Act and the Shareholders' approval, may be set off against the Company's accumulated losses. Thereafter, any balance in the Company's share premium account may be distributed in the form of fully paid bonus shares.

PERMITTED INDEMNITY PROVISION

The bye-laws of the Company (the "Bye-laws") provides that the Directors shall be indemnified out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts.

The Company has taken out and maintained directors' liability insurance which provides appropriate cover for the Directors and directors of the subsidiaries of the Group.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Bye-Laws or the laws of Bermuda, the jurisdiction in which the Company is incorporated, which would oblige the Company to offer new shares on a pro rata basis to its existing Shareholders.

本公司之可供分派儲備(續)

於二零二零年十二月三十一日，本公司並無留存溢利可作現金分派或實物分派。在符合公司法之情況下，繳入盈可予分派。於二零二零年十二月三十一日，本公司並無任何繳入盈餘可予分派(二零一九年：約1,116,554,000港元)。本公司之股份溢價賬於二零二零年十二月三十一日約8,944,986,000港元(二零一九年：約8,926,412,000港元)(根據公司法及股東批准於削減後)可用於抵銷本公司之累計虧損。其後，本公司股份溢價賬中之任何結餘可作為繳足紅股分派。

獲准許的彌償條文

本公司之公司細則(「公司細則」)規定，董事可就各自之職務或信託執行其職責或假定職責時因所作出、發生之作為或不作為而招致或蒙受之所有訴訟、費用、收費、損失、損害及開支從本公司之資產及溢利獲得彌償。

本公司已購買並維持董事責任保險，為董事及本集團附屬公司董事提供適當保障。

優先認股權

公司細則或本公司註冊成立之司法權區百慕達之法例均無載有本公司必須按比例向其現有股東發售新股份之優先認股權規定。

REPORT OF DIRECTORS

董事會報告

SHARES/DEBENTURES ISSUED

Shares

During the year 2020, there were 87,598,803 shares (equivalent to 1,751,976,070 shares before Second Share Consolidation becoming effective) be issued and allotted due to the completion of subscription of shares. Details can be referred to the section headed “Subscription of Shares” under Fund Raising Activities.

On 5 August 2020, a share consolidation in which every twenty (20) existing shares in the company's share capital be consolidated into one (1) consolidated share has been passed as the ordinary resolution by the Shareholders. Details can be referred to the section headed “Share Consolidation”.

As at 31 December 2020, there were 526,260,404 shares in issued.

Debentures

The convertible loan notes with an aggregate principle amount of HK\$395,000,000 issued on 30 July 2018 (the “2018 CN”) were due on 29 July 2020, and the convertible loan notes with the same amount has been issued to the holders on 21 October 2020 set off against the 2018 CN. Details can be referred to the section headed “Convertible Loan Notes” under Management Discussion and Analysis.

Save as disclosed above, no share or debentures had been issued during the year ended 31 December 2020. Details of the Company's share capital are set out in Note 27 to the consolidated financial statement.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained sufficient public float of not less than 25% of the Company's total issued share capital as required under the Listing Rules throughout the year ended 31 December 2020 and as at the date of this report.

PURCHASE, SALE AND REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 31 December 2020.

已發行股份／債券

股份

於二零二零年，因完成認購股份而發行及配發87,598,803股股份(於第二次股份合併生效前相當於1,751,976,070股股份)。詳情可參閱集資活動項下「認購股份」一節。

於二零二零年八月五日，股東通過一項普通決議案，將本公司股本中每二十(20)股現有股份合併為一(1)股合併股份。詳情可參閱「股份合併」一節。

於二零二零年十二月三十一日，已發行526,260,404股股份。

債券

於二零一八年七月三十日發行本金總額為395,000,000港元之可換股貸款票據(「二零一八年可換股票據」)於二零二零年七月二十九日到期，而同一金額之可換股貸款票據已於二零二零年十月二十一日發行予持有人，以抵銷二零一八年可換股票據。詳情可參閱管理層討論及分析「可換股貸款票據」一節。

除上文所披露者外，截至二零二零年十二月三十一日止年度，概無發行任何股份或債券。本公司股本之詳情載於綜合財務報表附註27。

足夠公眾持股量

根據本公司從公開途徑取得之資料及就董事所知，於截至二零二零年十二月三十一日止年度全年及本報告日期，本公司維持上市規則所規定之足夠公眾持股量不少於本公司全部已發行股本25%。

購買、出售及贖回股份

於截至二零二零年十二月三十一日止年度，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。

REPORT OF DIRECTORS

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

Sales to the Group's largest customer accounted to approximately 48% of the Group's total sales in 2020. Sales to the Group's five largest customers accounted for approximately 86% of the Group's total sales in 2020.

Purchases from the Group's five largest suppliers accounted for 100% of the total purchases in 2020.

None of the Directors, any of their associates, or any of the substantial Shareholders (which are disclosed to the Directors) had any beneficial interest in the Group's five largest customers and suppliers.

CONNECTED TRANSACTION

Convertible Loan Notes

On 22 July 2020, the Company entered into the subscription agreements with China OEPC Limited, a company incorporated in the British Virgin Islands with limited liability, and Ms. Hao Ting ("Ms. Hao") respectively (collectively, the "Subscribers"), pursuant to which each of the Subscribers has conditionally agreed to subscribe for and the Company has conditionally agreed to issue the 2020 Convertible Loan Notes, which would offset against the amount due by the Company under the convertible loan notes issued in 2018.

China OEPC Limited is a substantial Shareholder holding 94,292,961 shares, represents approximately 17.92% of the issued share capital of the Company, which in turn is indirectly wholly-owned by Mr. Zhang, an executive Director; and Ms. Hao is the spouse of Mr. Zhang and therefore an associate of Mr. Zhang. As such, each of China OEPC Limited and Ms. Hao is a connected person of the Company. Accordingly, the Subscriptions constitute connected transactions of the Company under the Listing Rules.

The 2020 Convertible Loan Notes is a zero coupon loan notes and will be matured on the second anniversary of the issue date with an aggregate principal amount of HK\$395,000,000. The conversion price of the 2020 Convertible Loan Notes is HK\$0.22 per share (equivalent to HK\$0.011 per share before the Second Share Consolidation becoming effective) and subject to adjustments.

On 19 October 2020, the 2020 Convertible Loan Notes have been passed as ordinary resolutions of the Company by the Shareholders by way of poll. All condition set out in the subscription agreement with the Subscriber have been fulfilled and the completion took place on 21 October 2020.

主要客戶及供應商

向本集團最大客戶作出之銷售佔本集團於二零二零年銷售總額約48%。向本集團五大客戶作出之銷售佔本集團於二零二零年銷售總額約86%。

本集團向五大供應商作出之採購佔二零二零年採購總額100%。

董事、彼等之任何聯繫人或已向董事披露之任何主要股東概無於本集團五大客戶或供應商擁有任何實益權益。

關連交易

可換股貸款票據

於二零二零年七月二十二日，本公司分別與中國能源(香港)控股有限公司(一所於英屬處女群島註冊成立之有限公司)及郝婷女士(「郝女士」)(統稱「認購人」)訂立認購協議，據此，各認購人已有條件同意認購而本公司已有條件同意發行二零二零年可換股貸款票據，其將抵銷本公司根據二零一八年發行之可換股貸款票據應付之款項。

中國能源(香港)控股有限公司為持有94,292,961股股份(相當於本公司已發行股本約17.92%)之主要股東，繼而由執行董事張先生間接全資擁有，而郝女士為張先生之配偶，故為張先生之聯繫人。因此，中國能源(香港)控股有限公司及郝女士各自為本公司之關連人士。故此，根據上市規則，認購事項構成本公司之關連交易。

二零二零年可換股貸款票據為零票息貸款票據，將於發行日期起計第二週年到期，本金總額為395,000,000港元。二零二零年可換股貸款票據之換股價為每股0.22港元(相當於第二次股份合併生效前每股0.011港元)，可予調整。

於二零二零年十月十九日，二零二零年可換股貸款票據已獲股東以投票表決方式通過為本公司普通決議案。與認購人訂立之認購協議所載之所有條件已獲達成，而認購事項已於二零二零年十月二十一日完成。

REPORT OF DIRECTORS

董事會報告

CONNECTED TRANSACTION (CONTINUED)

Convertible Loan Notes (continued)

Details of which can be referred to the Company's announcements dated 22 July 2020, 24 July 2020, 29 July 2020, 13 August 2020, 11 September 2020 and 19 October 2020 and the circular dated 30 September 2020. Unless the context requires, capitalised terms used herein shall bear the same meanings as defined.

MANAGEMENT CONTRACTS

During the year under review, no management and administrative contracts regarding the entire or any major businesses of the Company have been entered into or have existed.

EMPLOYEE AND REMUNERATION POLICIES

The Group ensured that its employees are remunerated according to the prevailing manpower market conditions and individual performance, qualification, experience and the remuneration policies are reviewed on a regular basis.

As at 31 December 2020, the Group employed approximately 661 full time employees in Hong Kong, Cambodia and PRC. The Group remunerates its employees based on individual and business performance. Other employee benefits include mandatory provident fund, insurance and medical coverage, training programs and share option.

The emoluments of the Directors were determined with reference to their duties and responsibilities with the Company, the Company's performance, prevailing market conditions and the market emoluments for directors of other listed companies and reviewed by the Remuneration Committee.

The Group's total staff costs (including Directors' emoluments) for the year ended 31 December 2020 under review amounted to approximately HK\$71,356,000 (as at 31 December 2019: approximately HK\$90,550,000).

關連交易(續)

可換股貸款票據(續)

有關詳情可參閱本公司日期為二零二零年七月二十二日、二零二零年七月二十四日、二零二零年七月二十九日、二零二零年八月十三日、二零二零年九月十一日及二零二零年十月十九日之公告以及日期為二零二零年九月三十日之通函。除文義另有所指外，於本報告中所用之詞彙與所界定者具有相同涵義。

管理合約

於回顧年度，概無訂立或存在有關本公司全部或任何主要業務之管理及行政合約。

僱員及薪酬政策

本集團確保其僱員薪酬乃根據現行人力市場狀況釐定，並定期檢討個人表現、資歷、經驗及薪酬政策。

於二零二零年十二月三十一日，本集團在香港、柬埔寨及中國僱用約661名全職僱員。本集團根據個人及業務表現釐定僱員之薪酬。其他僱員福利包括強制性公積金、保險及醫療津貼、培訓計劃及購股權。

董事酬金乃參考彼等於本公司之職務及職責、本公司之表現、現行市況及其他上市公司董事之市場酬金而釐定，並由薪酬委員會審閱。

本集團於截至二零二零年十二月三十一日止回顧年度內的員工成本總額(包括董事酬金)約71,356,000港元(於二零一九年十二月三十一日：約90,550,000港元)。

REPORT OF DIRECTORS

董事會報告

RETIREMENT BENEFITS SCHEME

The Group provides a defined contribution Mandatory Provident Fund retirement benefits scheme (the “MPF Scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance to all staff in Hong Kong. Under the MPF Scheme, employer and employees are each required to make mandatory contributions to the MPF Scheme and contributions to the MPF Scheme vested immediately.

The employees of the PRC subsidiaries are members of the state-managed retirement benefits scheme operated by the PRC government. The employees of the PRC subsidiaries are required to contribute a certain percentage of their payroll to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to this retirement benefits scheme is to make the required contributions under the scheme. Details of the retirement and employee benefits scheme of the Group are disclosed in the section headed “Employee benefits” set out in Note 14 to the consolidated financial statements in this annual report.

CHARITABLE DONATIONS

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

退休福利計劃

本集團根據《香港強制性公積金計劃條例》為香港全體員工提供定額供款強制性公積金退休福利計劃（「強積金計劃」）。根據強積金計劃，僱主及僱員各自須向強積金計劃作出強制性供款，而強積金計劃供款即時歸屬。

中國附屬公司的僱員均為中國政府運作的國家管理退休福利計劃成員。中國附屬公司的僱員須按其薪酬的若干百分比向退休福利計劃供款，以撥付福利。就此退休福利計劃而言，本集團的唯一責任乃根據該計劃作出規定的供款。本集團退休及僱員福利計劃詳情於本年報綜合財務報表附註14「僱員福利」一節內披露。

慈善捐款

於年內，本集團並無作出任何慈善捐款（二零一九年：無）。

REPORT OF DIRECTORS

董事會報告

DIRECTORS

As at the date of this report, the Board comprises five (5) Directors:

Executive Directors

Mr. Tse Michael Nam (*Chairman and Chief Executive Officer*)

Mr. Zhang Sanhuo

Ms. Zhang Tingting (retired on 5 August 2020)

Non-executive Directors

Ms. Zhu Zheyu (resigned on 12 June 2020)

Mr. Chang Che-Fa (retired on 5 August 2020)

Independent Non-executive Directors

Ms. Leung Yin Fai (resigned on 10 January 2020)

Mr. Lyu Guoping (retired on 5 August 2020)

Mr. Jin Xuliang (retired on 5 August 2020)

Mr. Lam Chi Wai

(appointed on 10 January 2020 and retired on 5 August 2020)

Mr. Ho Kin Cheong, Kelvin (appointed on 5 August 2020)

Ms. An Juan

(appointed on 5 August 2020 and resigned on 10 August 2020)

Mr. Tian Hong (appointed on 10 August 2020)

Mr. Shen Weidong

(appointed on 2 November 2020)

In accordance with Bye-laws 111 (A) and 115 and the code provisions set out in the Corporate Governance Code and Corporate Governance Report (the "CG Code") as set out in Appendix 14 of the Listing Rules, each of Mr. Tse Michael Nam, Mr. Ho Kin Cheong, Kelvin, Mr. Shen Weidong, Mr. Tian Hong shall retire from office at the forthcoming annual general meeting. Being eligible, each of Mr. Tse Michael Nam, Mr. Ho Kin Cheong, Kelvin, Mr. Shen Weidong and Mr. Tian Hong will offer themselves for re-election as executive Director or independent non-executive Director (as the case may be).

All other remaining Directors shall continue in office.

董事

於本報告日期，董事會由五(5)名董事組成：

執行董事

謝南洋先生(主席及行政總裁)

張三貨先生

張婷婷女士(於二零二零年八月五日退任)

非執行董事

朱喆煜女士(於二零二零年六月十二日辭任)

張哲發先生(於二零二零年八月五日退任)

獨立非執行董事

梁燕輝女士(於二零二零年一月十日辭任)

呂國平先生(於二零二零年八月五日退任)

靳旭亮先生(於二零二零年八月五日退任)

林志偉先生

(於二零二零年一月十日獲委任及

於二零二零年八月五日退任)

何建昌先生(於二零二零年八月五日獲委任)

安娟女士

(於二零二零年八月五日獲委任及

於二零二零年八月十日辭任)

田宏先生(於二零二零年八月十日獲委任)

沈偉東先生

(於二零二零年十一月二日獲委任)

根據公司細則第111(A)條及第115條以及載於上市規則附錄十四之企業管治守則及企業管治報告(「企業管治守則」)所載之守則條文，謝南洋先生、何建昌先生、沈偉東先生及田宏先生各自將於應屆股東週年大會上輪值告退。謝南洋先生、何建昌先生、沈偉東先生及田宏先生各自符合資格且願意重選連任為執行董事或獨立非執行董事(視情況而定)。

所有其他餘下董事將繼續留任。

REPORT OF DIRECTORS

董事會報告

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Since more time was needed to find a suitable candidate to act as the independent non-executive Directors (the “INED(s)”), the Board only comprises two (2) INEDs following the conclusion of the annual general meeting of the Company (the “AGM”) held on 5 August 2020 (the “2020 AGM”). As such, the Company fails to meet the requirements of having at least three (3) INEDs on the Board under Rule 3.10(1) of the Listing Rules for the period from 5 August 2020 to 1 November 2020. The Company has appointed an INED on 2 November 2020 to fill up this vacancy.

Save as disclosed above, the Company has complied with the requirements under Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules during the year ended 31 December 2020. The Company has received the confirmation of independence from all three (3) INEDs, namely Mr. Ho Kin Cheong, Kelvin, Mr. Shen Weidong and Mr. Tian Hong in accordance with Rules 3.13 of the Listing Rules.

The Board has reviewed the independence of all INEDs and concluded that all of them are independent within the definition of the Listing Rules. Furthermore, the Board is not aware of the occurrence of any events which would cause it to believe that the independence of any of the INED has been impaired up to the date of this report.

DIRECTORS' BIOGRAPHIES

Biographical details of the current Directors are set out in the section headed “Biographical Details of Directors”.

獨立非執行董事之獨立性

由於需要更多時間物色合適人選擔任獨立非執行董事(「獨立非執行董事」)，於本公司二零二零年八月五日舉行之股東週年大會(「股東週年大會」)(「二零二零年股東週年大會」)結束後，董事會僅由兩(2)名獨立非執行董事組成。因此，於二零二零年八月五日至二零二零年十一月一日期間，本公司未能符合上市規則第3.10(1)條有關董事會必須包括至少三(3)名獨立非執行董事之規定。本公司已於二零二零年十一月二日委任獨立非執行董事以填補該空缺。

除上文所披露者外，於截至二零二零年十二月三十一日止年度，本公司已遵守上市規則第3.10(1)、3.10(2)及3.10A條之規定。本公司已接獲全部三(3)名獨立非執行董事(即何健昌先生、沈偉東先生及田宏先生)根據上市規則第3.13條發出之獨立性確認書。

董事會已檢討全體獨立非執行董事之獨立性，並認為彼等均屬上市規則所界定之獨立人士。此外，截至本報告日期，董事會並不知悉已發生任何事件，致使其相信任何獨立非執行董事之獨立性受損。

董事之履歷

在任董事之履歷詳情載於「董事履歷詳情」一節。

REPORT OF DIRECTORS

董事會報告

DIRECTORS' SERVICE CONTRACTS

None of the Directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not terminable by the Company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in section headed "Connected Transaction" and Note 32 of the consolidated financial statements, no Director had a material beneficial interest, either directly or indirectly, in any contract of significance to the business of the Group to which, the Company or any of its subsidiaries was a party during the year.

COMPETING INTERESTS

None of the Directors, substantial Shareholders nor any of their respective associates (as defined in the Listing Rules) had any interest in a business which causes or may cause competes or may cause any significant competition with the business of the Group during the year.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Except as disclosed above and in Note 15 of the consolidated financial statements, at no time during the year were rights to acquire benefits by means of the acquisition of shares granted to any of the Directors or their respective spouses or children under 18 years of age, or were any such rights exercised by any of them; or was the Company, or any of its subsidiaries, or related companies a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

董事服務合約

擬於即將召開的股東週年大會上膺選連任之董事並無與本公司訂立本公司不得於一年內終止且不付賠償(法定賠償除外)之服務合約。

董事於合約之權益

除「關連交易」一節及綜合財務報表附註32所披露者外，年內概無董事在本公司或其任何附屬公司訂有且對本集團業務有重大影響之任何合約中，直接或間接擁有重大實益權益。

競爭權益

年內，董事、主要股東或任何彼等各自之聯繫人(定義見上市規則)概無於與本集團業務構成或可能構成競爭或可能構成任何重大競爭之業務中擁有任何權益。

董事購入股份或債券之權利

除上文及綜合財務報表附註15所披露者外，於年內任何時間，本公司概無向任何董事或彼等各自之配偶或未滿18歲之子女授出可藉購入股份而獲益之權利，彼等亦無行使任何該等權利；本公司或其任何附屬公司，或關連公司亦無參與任何安排，致使董事可於任何其他法人團體獲取該等權利。

REPORT OF DIRECTORS

董事會報告

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

As at 31 December 2020, the interests and short positions of the Directors and chief executive of the Company (the "Chief Executive") in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which had been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules and the Hong Kong Companies Ordinance (Cap. 622) (the "HKCO"), were as follows:

(i) Long/short position in the shares

Name of Directors	Nature of interest	No. of shares held	Note	Position	Approximate percentage of issued share capital as at 31 December 2020
董事姓名	權益性質	所持股份數目	附註	持倉	於二零二零年十二月三十一日佔已發行股本之概約百分比
Mr. Zhang Sanhuo 張三貨先生	Corporate Interest 法團權益	94,292,961	1	Long 好倉	17.9175%
		91,361,894		Short 淡倉	17.3606%
Mr. Tse Michael Nam 謝南洋先生	Beneficial owner 實益擁有人	7,658		Long 好倉	0.0015%

Notes:

- China OEPC is beneficially owned by Best Growth Enterprises Limited ("Best Growth") and is ultimate beneficially owned by Mr. Zhang. Therefore, by virtue of the SFO, Mr. Zhang is deemed to be interested in all the shares held by China OEPC. As at 31 December 2020, China OEPC held 94,292,961 shares in which 91,361,894 shares had been pledged.
- The percentage is calculated on the basis of 526,260,404 shares in issue as at 31 December 2020.

董事及主要行政人員於股份、相關股份及債券之權益及淡倉

於二零二零年十二月三十一日，本公司董事及主要行政人員（「主要行政人員」）於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及第8分部已知會本公司及聯交所之權益及淡倉（包括根據證券及期貨條例之該等條文視為或當作由彼等擁有之權益及淡倉），或已登記於本公司根據證券及期貨條例第352條規定備存之登記冊，或根據上市規則附錄10所載上市發行人董事進行證券交易的標準守則（「標準守則」）及香港法例第622章香港公司條例（「公司條例」）已知會本公司及聯交所之權益及淡倉如下：

(i) 於股份之好倉／淡倉

Name of Directors	Nature of interest	No. of shares held	Note	Position	Approximate percentage of issued share capital as at 31 December 2020
董事姓名	權益性質	所持股份數目	附註	持倉	於二零二零年十二月三十一日佔已發行股本之概約百分比

Mr. Zhang Sanhuo 張三貨先生	Corporate Interest 法團權益	94,292,961	1	Long 好倉	17.9175%
		91,361,894		Short 淡倉	17.3606%
Mr. Tse Michael Nam 謝南洋先生	Beneficial owner 實益擁有人	7,658		Long 好倉	0.0015%

附註：

- 中國能源由Best Growth Enterprises Limited（「Best Growth」）實益擁有，而張先生為最終實益擁有人。因此，根據證券及期貨條例，張先生被視為於中國能源持有之所有股份中擁有權益。於二零二零年十二月三十一日，中國能源持有94,292,961股股份，其中91,361,894股股份已被抵押。
- 該百分比乃根據二零二零年十二月三十一日已發行的526,260,404股股份計算。

REPORT OF DIRECTORS

董事會報告

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

董事及主要行政人員於股份、
相關股份及債券之權益及淡倉(續)

(ii) Long/short position in the underlying shares

(ii) 於相關股份之好倉／淡倉

Name of Director 董事姓名	Capacity 身份	Number of shares held 所持股份數目			Number of share options held 所持購股權數目	Note 附註	Position 持倉	Approximate percentage of issued share capital as at 31 December 2020 於二零二零年十二月三十一日佔已發行股本之概約百分比
		Personal Interests 個人權益	Family Interests 家族權益	Corporate interests 法團權益				
Mr. Zhang Sanhuo 張三貨先生	Beneficial owner 實益擁有人	-	68,181,818	-	-	1	Long 好倉	12.9559%
	Interest in controlled corporation 於受控制法團之權益	-	-	1,727,272,727	-	2	Long 好倉	328.2164%

Notes:

- These underlying shares are held by Ms. Hao Ting, spouse of Mr. Zhang, for the amount of HK\$15,000,000 convertible loan notes ("CN"), which are convertible into 68,181,818 shares. By virtue of the SFO, these underlying shares are deemed as a family interest to Mr. Zhang.
- These underlying shares are held by China OEPC which is beneficially owned by Best Growth and is ultimate beneficially owned by Mr. Zhang for the amount of HK\$380,000,000 CN, which are convertible into 1,727,272,727 shares. By virtue of the SFO, these underlying shares are deemed as a corporate interest to Mr. Zhang.
- The percentage is calculated on the basis of 526,260,404 shares in issue as at 31 December 2020.

附註：

- 該等相關股份由張先生之配偶郝婷女士以金額為15,000,000港元之可換股貸款票據(「可換股票據」，可轉換為68,181,818股股份)持有。根據證券及期貨條例，該等相關股份被視為張先生之家族權益。
- 該等相關股份由中國能源以金額為380,000,000港元之可換股票據(可兌換為1,727,272,727股股份)持有，而該公司則由Best Growth實益擁有及由張先生最終實益擁有。根據證券及期貨條例，該等相關股份被視為張先生之法團權益。
- 該百分比乃根據二零二零年十二月三十一日已發行的526,260,404股股份計算。

REPORT OF DIRECTORS

董事會報告

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

董事及主要行政人員於股份、
相關股份及債券之權益及淡倉(續)

(ii) Long/short position in the underlying shares (continued)

In addition to the above, as at 31 December 2020, certain Directors have non-beneficial personal equity interests in certain subsidiaries held for the benefit of the Company solely for the purpose of complying with the minimum company membership requirements.

Save as disclosed above, as at 31 December 2020, none of the Directors or the Chief Executive and their respective associates had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which had to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to the Model Code and the HKCO, to be notified to the Company and the Stock Exchange.

(ii) 於相關股份之好倉／淡倉(續)

除上文所述者外，於二零二零年十二月三十一日，僅為符合公司最少股東人數規定，若干董事代本公司持有若干附屬公司之非實益個人股本權益。

除上文所披露者外，於二零二零年十二月三十日，董事或主要行政人員與彼等各自之聯繫人概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之任何權益或淡倉(包括根據證券及期貨條例之該等條文視為或當作由彼等擁有之權益及淡倉)，或已登記於本公司根據證券及期貨條例第352條規定備存之登記冊，或根據標準守則及公司條例須知會本公司及聯交所之任何權益及淡倉。

REPORT OF DIRECTORS

董事會報告

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

Persons who have an interest or short position which is disclosable under Divisions 2 and 3 of part XV of the SFO and substantial Shareholders

So far as the Directors and the Chief Executive are aware, as at 31 December 2020, other than the interests and short positions of the Directors and the Chief Executive as disclosed, the following persons had, or were deemed to have, interests or short positions in the shares or underlying shares of the Company which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or who were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

(i) Interests in the shares and underlying shares

主要股東及其他人士於股份及相關股份之權益及淡倉

擁有須根據證券及期貨條例第XV部第2及3分部披露之權益或淡倉之人士及主要股東

就董事及主要行政人員所知悉，於二零二零年十二月三十一日，除所披露之董事及主要行政人員之權益及淡倉外，下列人士於本公司股份或相關股份中，擁有或被視為擁有根據證券及期貨條例第XV部第2及3分部規定須向本公司及聯交所披露之權益或淡倉，或已登記於本公司根據證券及期貨條例第336條規定備存之登記冊，或直接或間接擁有附有權利可於任何情況下在本集團任何成員公司之股東大會表決之任何類別股本面值10%或以上之權益：

(i) 於股份及相關股份之權益

Name of substantial Shareholders	Nature of interest	No. of shares and/or underlying shares held	Note	Position	Approximate percentage of issued share capital as at 31 December 2020
主要股東名稱	權益性質	所持股份及／或相關股份數目	附註	持倉	於二零二零年十二月三十一日佔已發行股本之概約百分比
Ms. Hao Ting 郝婷女士	Beneficial owner 實益擁有人	68,181,818	1	Long 好倉	12.9559%
Best Growth Enterprises Limited	Interest of controlled corporation 受控法團權益	1,821,565,688	2	Long 好倉	346.1339%
		91,361,894		Short 淡倉	17.3606%

REPORT OF DIRECTORS

董事會報告

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (CONTINUED)

主要股東及其他人士於股份及相關股份之權益及淡倉(續)

Persons who have an interest or short position which is disclosable under Divisions 2 and 3 of part XV of the SFO and substantial Shareholders (continued)

擁有須根據證券及期貨條例第XV部第2及3分部披露之權益或淡倉之人士及主要股東(續)

(i) Interests in the shares and underlying shares (continued)

(i) 於股份及相關股份之權益(續)

Name of substantial Shareholders	Nature of interest	No. of shares and/or underlying shares held	Note	Position	Approximate percentage of issued share capital as at 31 December 2020 於二零二零年十二月三十一日佔已發行股本之概約百分比
主要股東名稱	權益性質	所持股份及／或相關股份數目	附註	持倉	
China OEPC Limited 中國能源(香港)控股有限公司	Beneficial owner 實益擁有人	1,821,565,688	2	Long 好倉	346.1339%
		91,361,894		Short 淡倉	17.3606%
China Huarong (Macau) International Company Limited 中國華融(澳門)國際股份有限公司	Interest of controlled corporation 受控法團權益	208,937,651	3-6	Long 好倉	39.7023%
China Huarong Asset Management Co., Ltd. 中國華融資產管理股份有限公司	Interest of controlled corporation 受控法團權益	208,937,651	3-6	Long 好倉	39.7023%

Notes:

附註：

- 1 Ms. Hao Ting, spouse of Mr. Zhang, beneficially owns the amount of HK\$15,000,000 CN which are convertible into 68,181,818 shares. By virtue of the SFO, Ms. Hao is also deemed to be interested in the 94,292,961 shares and derivative interest held by China OEPC.

- 1 郝婷女士(張先生之配偶)實益擁有15,000,000港元之可換股票據，該等可換股票據可兌換為68,181,818股股份。根據證券及期貨條例，郝女士亦被視為於中國能源持有之94,292,961股股份及衍生權益中擁有權益。

REPORT OF DIRECTORS

董事會報告

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (CONTINUED)

Persons who have an interest or short position which is disclosable under Divisions 2 and 3 of part XV of the SFO and substantial Shareholders (continued)

(i) Interests in the shares and underlying shares (continued)

Notes: (continued)

- 2 China OEPC beneficially owns 94,292,961 shares in which 91,361,894 shares had been pledged and the amount of HK\$380,000,000 CN which are convertible into 1,727,272,727 shares. China OEPC is beneficially owned by Best Growth and ultimate beneficially owned by Mr. Zhang. By virtue of the SFO, Mr. Zhang and Best Growth are deemed to be interested in those shares and derivative interests held by China OEPC.
- 3 China Huarong Macau (HK) Investment Holdings Limited ("Huarong (HK)") beneficially owns shares and convertible loan note. Huarong (HK) is wholly and beneficially owned by China Huarong (Macau) International Company Limited. ("Huarong (Macau)"). By virtue of the SFO, Huarong (Macau) was deemed to be interested in those Shares and derivative interests held by Huarong (HK). Such convertible bond have been fallen due on 9 July 2020 and the Group is in the negotiation with Huarong (HK) to restructure the repayment timetable of the Company's financial obligation.
- 4 Huarong (Macau) is held 51% of shares by Huarong (HK) Industrial Financial Investment Limited ("Huarong IFI"). By virtue of the SFO, Huarong IFI was deemed to be interested in those shares and derivative which Huarong (Macau) was interested.
- 5 Huarong IFI is wholly and beneficially owned by Huarong Real Estate Co., Ltd. ("Huarong REC"). By virtue of the SFO, Huarong REC was deemed to be interested in those shares and derivative which Huarong IFI was interested.
- 6 Huarong REC is wholly and beneficially owned by China Huarong Asset Management Co., Ltd. ("Huarong AM"). By virtue of the SFO, Huarong AM was deemed to be interested in those shares and derivative which Huarong REC was interested.
- 7 The percentage is calculated on the basis of 526,260,404 shares in issue as at 31 December 2020.

主要股東及其他人士於股份及相關股份之權益及淡倉(續)

擁有須根據證券及期貨條例第XV部第2及3分部披露之權益或淡倉之人士及主要股東(續)

(i) 於股份及相關股份之權益(續)

附註：(續)

- 2 中國能源實益擁有94,292,961股股份(其中91,361,894股股份已作抵押)及為數380,000,000港元之可換股票據(可兌換為1,727,272,727股股份)。中國能源由Best Growth實益擁有及由張先生最終實益擁有。根據證券及期貨條例，張先生及Best Growth被視為於中國能源持有之該等股份及衍生工具權益中擁有權益。
- 3 中國華融澳門(香港)投資控股有限公司(「華融香港」)實益擁有股份及可換股貸款票據。華融香港由中國華融(澳門)國際股份有限公司(「華融澳門」)全資實益擁有。根據證券及期貨條例，華融澳門被視為於華融香港持有之該等股份及衍生工具權益中擁有權益。該可換股債券已於二零二零年七月九日到期，本集團正與華融香港磋商重組本公司財務責任的還款時間表。
- 4 華融澳門由華融(香港)產融投資有限公司(「華融產融投資」)持有51%股份。根據證券及期貨條例，華融產融投資被視為於華融澳門擁有權益之該等股份及衍生工具中擁有權益。
- 5 華融產融投資由華融置業有限責任公司(「華融置業」)全資實益擁有。根據證券及期貨條例，華融置業被視為於華融產融投資擁有權益之該等股份及衍生工具中擁有權益。
- 6 華融置業由中國華融資產管理股份有限公司(「華融資產管理」)全資實益擁有。根據證券及期貨條例，華融資產管理被視為於華融置業擁有權益之該等股份及衍生工具中擁有權益。
- 7 該百分比乃根據二零二零年十二月三十一日已發行的526,260,404股股份計算。

REPORT OF DIRECTORS

董事會報告

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (CONTINUED)

Persons who have an interest or short position which is disclosable under Divisions 2 and 3 of part XV of the SFO and substantial Shareholders (continued)

(i) Interests in the shares and underlying shares (continued)

Except as disclosed above and so far as the Directors were aware, as at 31 December 2020, there was no other party who had an interest or short position in the shares, the underlying shares or debentures of the Company which would be required to be disclosed to the Company under provisions of Division 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to herein.

SHARE OPTIONS SCHEME

The Company's share option scheme (the "Share Option Scheme") approved and adopted by the Company based on the Shareholders' resolution passed on 28 May 2015.

The purpose of the Share Option Scheme is to enable the Company to grant share option (the "Share Option(s)") to certain employees of the Group and any suppliers, consultants, agents and advisers or any person who, in the sole discretion of the Board, has contributed or may contribute to the Group in recognition of their contribution to the Group.

The total number of shares issued and to be issued upon exercise of the Options granted to each eligible participant or grantee (including exercised and outstanding Options) in any 12-month period up to the date of grant shall not exceed 1% of the shares in issue at the date of grant. Any further grant will be conditional upon Shareholders' approval in general meeting.

主要股東及其他人士於股份及相關股份之權益及淡倉(續)

擁有須根據證券及期貨條例第XV部第2及3分部披露之權益或淡倉之人士及主要股東(續)

(i) 於股份及相關股份之權益(續)

除上文所披露者外，據董事所知，於二零二零年十二月三十一日，並無其他人士於本公司股份、相關股份或債券中，擁有根據證券及期貨條例第XV部第2及第3分部規定須向本公司披露，或根據證券及期貨條例第336條規定須記入該條所指的登記冊之任何權益或淡倉。

購股權計劃

本公司根據股東於二零一五年五月二十八日通過之決議案批准及採納本公司購股權計劃(「購股權計劃」)。

購股權計劃旨在讓本公司可向本集團之若干僱員及任何供應商、顧問、代理及諮詢人或董事會全權酌情認為曾經或能夠為本集團作出貢獻之任何人士授出購股權(「購股權」)，以表揚彼等對本集團之貢獻。

每名合資格參與者或承授人在截至授出日期止任何12個月期間內，於行使獲授之購股權(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，不得超過授出日期之已發行股份之1%。凡進一步授出購股權須經股東在股東大會上批准。

REPORT OF DIRECTORS

董事會報告

SHARE OPTIONS SCHEME (CONTINUED)

Subject to the terms of the Share Option Scheme, the Share Option may be exercised in whole or in part at any time during the period to be determined by the Board but in any event no later than 10 years from the date of grant. There is no specified minimum period for which the Share Option must be held before it can be exercised. An offer of the grant of the Share Option shall remain open for acceptance for a period of 28 days from the date upon which it is made and a non-refundable nominal consideration of HK\$1.00 is payable by the grantee upon acceptance of the Share Option.

The exercise price of the Share Options granted under the Share Option Scheme may be determined by the Board at its absolute discretion but in any event will not be less than the highest of: (i) the closing price of the shares as stated in the daily quotations sheet of the Stock Exchange on the date of grant, which must be a business day; (ii) the average closing price of the shares as stated in the daily quotations sheets of the Stock Exchange for the five business days immediately preceding the date of grant; and (iii) the nominal value of the share on the date of grant.

For details of the Share Option Scheme, please refer to the Company's circular dated 24 April 2015.

On 31 May 2019, an ordinary resolution was duly passed by the Shareholders at an annual general meeting of the Company (the "2019 AGM"), approving, inter alia, the refreshment of the scheme mandate limit under the Share Option Scheme. Upon the refreshment of the scheme mandate limit, the Company may grant the Share Options entitling holders thereof to subscribe for up to a maximum number of 877,323,201 Share Options (equivalent to 43,866,160 Share Options after the Second Share Consolidation becoming effective), representing approximately 10% of the number of issued shares as at the date of the 2019 AGM (the "Refreshed Scheme Mandate Limit"). Please refer to the circular of the Company dated 29 April 2019 and the announcement of the Company dated 31 May 2019 for further details of the refreshment of the scheme mandate limit.

購股權計劃(續)

在購股權計劃條款之規限下，購股權可於董事會釐定之期間內任何時間全數或部分獲行使，惟無論如何不遲於授出日期起計10年。購股權計劃並無訂明購股權於可行使前須持有之最短期間。授出購股權之要約自提呈要約日期起28日內可供接納，而承授人須於接納購股權時支付1.00港元之不可退回名義代價。

根據購股權計劃授出之購股權之行使價可由董事會全權酌情釐定，但於任何情況下均不會低於以下三者之最高者：(i)股份於授出日期(該日須為營業日)在聯交所每日報價表所示之收市價；(ii)股份於緊接授出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)股份於授出日期之面值。

有關購股權計劃之詳情，請參閱本公司日期為二零一五年四月二十四日之通函。

於二零一九年五月三十一日，股東於本公司股東週年大會(「二零一九年股東週年大會」)上正式通過一項普通決議案，批准(其中包括)更新購股權計劃項下之計劃授權限額。於更新計劃授權限額後，本公司可授出購股權，賦予其持有人權利認購最多877,323,201份購股權(於第二次股份合併生效後相當於43,866,160份購股權)，相當於二零一九年股東週年大會日期已發行股份數目約10%(「經更新計劃授權限額」)。有關更新計劃授權限額之進一步詳情，請參閱本公司日期為二零一九年四月二十九日之通函及本公司日期為二零一九年五月三十一日之公告。

REPORT OF DIRECTORS

董事會報告

SHARE OPTIONS

購股權

The particulars of movements in the Share Options during the year ended 31 December 2020 are set out as follow:

於截至二零二零年十二月三十一日止年度之購股權變動詳情載列如下：

		Number of Share Options 購股權數目						
	Share Options type	Outstanding as at 1 January 2020		Granted during the year	Exercised during the year	Cancelled during the year	Lapsed during the year	Outstanding as at 31 December 2020
	購股權類別	於二零二零年一月一日 尚未行使		於年內 授出	於年內 行使	於年內 註銷	於年內 失效	於二零二零年 十二月三十一日 尚未行使
		Before adjustment 調整前	After adjustment 調整後					
Directors and Chief Executive 董事及主要行政人員								
Mr. Zhang Sauhuo 張三貨先生	2015 二零一五年	1,600,000	80,000	-	-	(80,000)	-	-
Mr. Tse Michael Nam 謝南洋先生	2015 二零一五年	6,000,000	300,000	-	-	(300,000)	-	-
	2017 - A 二零一七年 - A類	72,967,400	3,648,370	-	-	(3,648,370)	-	-
Ms. Leung Yin Fai 梁燕輝女士	2015 二零一五年	1,000,000	50,000	-	-	-	(50,000)	-
Total Directors and chief executive 董事及主要行政人員總計		81,567,400	4,078,370	-	-	(4,028,370)	(50,000)	-
Employees 僱員	2015 二零一五年	24,400,000	1,220,000	-	-	(1,190,000)	(30,000)	-
	2019 二零一九年	450,500,000	22,525,000	-	-	(22,525,000)	-	-
Total employees 僱員總計		474,900,000	23,745,000	-	-	(23,715,000)	(30,000)	-
Other grantees 其他承授人	2015 二零一五年	9,000,000	450,000	-	-	(450,000)	-	-
	2017 - B 二零一七年 - B類	58,373,970	2,918,698	-	-	-	(2,918,698)	-
	2018 二零一八年	20,000,000	1,000,000	-	-	-	-	1,000,000
	2019 二零一九年	279,500,000	13,975,000	-	-	(13,975,000)	-	-
Total other grantees 其他承授人總計		366,873,970	18,343,698	-	-	(14,425,000)	(2,918,698)	1,000,000
Total 總計		923,341,370	46,167,068	-	-	(42,168,370)	(2,998,698)	1,000,000

REPORT OF DIRECTORS

董事會報告

SHARE OPTIONS (CONTINUED)

Details of specific categories of the Share Options are as follows:

購股權(續)

特定類別購股權之詳情如下：

Share Options type	Date of grant	Closing price before the grant date 授出日期前之收市價 (adjusted) (經調整) HK\$ 港元	Exercise period	Exercise price (adjusted) (經調整) HK\$ 港元
購股權類別	授出日期		行使期	行使價 (經調整)
2015 二零一五年	14 July 2015 二零一五年七月十四日	26.20	14 July 2015 to 13 July 2025 二零一五年七月十四日至 二零二五年七月十三日	30.00
2017 – A 二零一七年 – A類	29 May 2017 二零一七年五月二十九日	7.20	29 May 2017 to 28 May 2027 二零一七年五月二十九日至 二零二七年五月二十八日	7.04
2017 – B 二零一七年 – B類	2 November 2017 二零一七年十一月二日	7.60	2 November 2017 to 1 November 2027 二零一七年十一月二日至 二零二七年十一月一日	7.36
2018 二零一八年	24 May 2018 二零一八年五月二十四日	5.60	24 May 2018 to 23 May 2028 二零一八年五月二十四日至 二零二八年五月二十三日	7.00
2019 二零一九年	17 January 2019 二零一九年一月十七日	1.08	17 January 2019 to 16 January 2029 二零一九年一月十七日至 二零二九年一月十六日	1.09

For the vesting period and other information of the Share Options please refer to Note 35 to the Financial Statement on page 188 to 195.

有關歸屬期，請參閱第188頁至195頁之財務報表附註35及有關購股權的其他資料。

The total number of the Shares Options available for issue under the Refreshed Scheme Mandate Limit of the Share Option Scheme is 43,866,160 (equivalent to 877,323,201 before the Second Share Consolidation becoming effective), representing approximately 8.34% of the Company's issued share capital as at the date of this annual report.

根據購股權計劃之經更新計劃授權限額可供發行之購股權總數為43,866,160份(於第二次股份合併生效前相當於877,323,201份)，相當於本公司於本年報日期之已發行股本約8.34%。

Save as disclosed above, no share option was granted, exercised, cancelled or lapsed under the Share Option Scheme during the year.

除上文所披露者外，年內概無購股權根據購股權計劃獲授出、行使、註銷或失效。

REPORT OF DIRECTORS

董事會報告

CORPORATE GOVERNANCE

Throughout the year ended 31 December 2020, the Company had complied with the code provisions set out in the CG Code. Details of corporate governance are set out in the section headed "Corporate Governance Report" in this report.

DISCLOSURE OF DIRECTORS' INFORMATION PURSUANT TO RULE 13.51B OF THE LISTING RULES

The change in the information on Directors since 1 January 2020 or after their date of appointment, which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules, as set out below:—

Biographical Details

履歷詳情

Name

姓名

Mr. Ho Kin Cheong, Kelvin

何建昌先生

Mr. Tian Hong

田宏先生

Mr. Tse Michael Nam

謝南洋先生

Mr. Zhang Sanhuo

張三貨先生

企業管治

除若干偏離外，本公司於截至二零二零年十二月三十一日止年度一直遵守企業管治守則所載之守則條文。有關企業管治之詳情載於本報告「企業管治報告」一節。

根據上市規則第13.51B條披露董事資料

自二零二零年一月一日起或於彼等獲委任日期後，根據上市規則第13.51B(1)條須予披露之董事資料變動載列如下：

Details of Changes

變動詳情

Mr. Ho was appointed as the independent non-executive director of Yadong Group Holdings Limited (Stock Code: 1795) and JW (Cayman) Therapeutics Co. Ltd (Stock Code: 2126) on 21 October 2020 and 22 October 2020, respectively. The securities of the above companies are listed on the Main Board of the Stock Exchange.

何先生分別於二零二零年十月二十一日及二零二零年十月二十二日獲委任為亞東集團控股有限公司(股份代號：1795)及JW (Cayman) Therapeutics Co. Ltd (藥明巨諾(開曼)有限公司*)(股份代號：2126)之獨立非執行董事。上述公司之證券均於聯交所主板上市。

On 2 November 2020, Mr. Tian has been designated as the chairman of the remuneration committee of the Company.

於二零二零年十一月二日，田先生獲指派為本公司薪酬委員會主席。

On 2 November 2020, Mr. Tse has been appointed as the chairman of the Board and designated as the chairman of each of the nomination committee and the risk management committee of the Company.

於二零二零年十一月二日，謝先生獲委任為董事會主席，並指派為本公司提名委員會及風險管理委員會各自之主席。

On 13 January 2020, the remuneration package of Mr. Zhang has been modified as per his personal request due to the economic impact of COVID-19. His monthly remuneration has been reduced from HK\$60,000 to HK\$20,000 with effect from 1 January 2020.

於二零二零年一月十三日，由於爆發COVID-19之經濟影響，張先生之薪酬待遇已根據其個人要求進行修改。彼之每月酬金由60,000港元減少至20,000港元，自二零二零年一月一日起生效。

* 僅供識別

REPORT OF DIRECTORS

董事會報告

COMPLIANCE WITH REGULATIONS

Non-Compliance with Rule 13.46(2) of the Listing Rules

As disclosed in the Company's announcements dated 18 June 2020 and 30 June 2020, the Company has made an application for and the Stock Exchange has agreed to grant the waiver from strict compliance with Rule 13.46(2) of the Listing Rules on the ground that there is delay in audit work carried out by the Company's auditors which resulted in delay in the publication of the audited results announcement of the Company for the year ended 31 December 2019, despatch of 2019 Annual Report of the Company and convening of the annual general meeting of the Company. Details of which can be referred to the relevant announcements.

Non-Compliance with Rule 3.10(1) and Rule 3.21 of the Listing Rules

Since more time was needed to find the suitable candidate to act as an INED. The Board only comprises two (2) INEDs following the conclusion of the annual general meeting on 5 August 2020. As such, the Company fails to meet the requirements of having at least three (3) INEDs on the Board under Rule 3.10(1) of the Listing Rules and the audit committee of the Company (the "Audit Committee") comprising only non-executive Directors with minimum of three (3) members under Rule 3.21 for the period from 5 August 2020 to 1 November 2020. The Company has appointed an INED on 2 November 2020 to fill up this vacancy.

Save as disclosed above, there was no incidence of non-compliance with the relevant laws and regulations that have a significant impact on the Group as far as the Board is aware during the year ended 31 December 2020.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to contributing to the sustainability of the environment and maintaining a good standard of corporate social governance essential for bringing a framework for motivating employees to contribute to our community.

The Group has made continuous efforts in promoting green measures and awareness in daily business operations. The principles of recycling and reducing will always be encouraged to adhere to as much as possible, such as implementing green office practices of double-sided printing and copying, setting up recycling bins and switching off idle lightings and regulating air-conditioning in different zoning.

條例遵守情況

違反上市規則第13.46(2)條

誠如本公司日期為二零二零年六月十八日及二零二零年六月三十日之公告所披露，基於本公司核數師進行的審核工作延遲，導致刊發本公司截至二零一九年十二月三十一日止年度經審核業績公告、寄發本公司二零一九年年報以及召開本公司股東週年大會有所延遲，本公司已申請且聯交所已同意授出豁免嚴格遵守上市規則第13.46(2)條。詳情可參閱相關公告。

違反上市規則第3.10(1)及3.21條

由於需要更多時間物色合適人選擔任獨立非執行董事。於二零二零年八月五日股東週年大會結束後，董事會僅由兩(2)名獨立非執行董事組成。因此，於二零二零年八月五日至二零二零年十一月一日期間，本公司未能符合上市規則第3.10(1)條項下有關董事會須至少由三(3)名獨立非執行董事組成及第3.21條項下有關本公司審核委員會(「審核委員會」)僅由非執行董事組成且至少有三(3)名成員之規定。本公司已於二零二零年十一月二日委任獨立非執行董事以填補該空缺。

除上文所披露者外，就董事會所知，於截至二零二零年十二月三十一日止年度並無發生任何未有遵守相關法律法規而對本集團有重大影響之事件。

環境政策及表現

本集團致力為環境的可持續發展作出貢獻，並維持良好的企業社會管治水平，以建立激勵僱員為社區作出貢獻的框架。

本集團在日常業務營運中持續致力推廣環保措施及意識。本集團一直鼓勵盡可能堅持循環再用及減少浪費的原則，如推行雙面列印及複印的綠色辦公室措施、設置回收箱、關閉閒置照明及不同分區的空調使用。

REPORT OF DIRECTORS

董事會報告

ENVIRONMENTAL POLICIES AND PERFORMANCE (CONTINUED)

The Environmental, Social and Governance Report conducted by a professional third party for year 2020 will be published separately in compliance with the requirements of the Listing Rules.

AUDITORS

On 20 January 2021, Crowe (HK) CPA Limited (“Crowe”) has resigned as the auditor of the Company (the “Auditor”) while Elite Partners CPA Limited (“Elite”) has been appointed as the Auditor to fill the casual vacancy following the resignation of Crowe and to hold office until the conclusion of the forthcoming annual general meeting of the Company.

The Group’s consolidated financial statements for the year ended 31 December 2020 had been audited by Elite, who will retire and being eligible, offer themselves for reappointment as the Auditor at the Company’s forthcoming annual general meeting.

INDEPENDENT AUDITOR’S REPORT ON THE COMPANY’S CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

The following is an extract of the “Independent Auditor’s Report” on the consolidated financial statements of the Group for the year ended 31 December 2020.

Disclaimer of Opinion

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

環境政策及表現(續)

一份由專業第三方編撰的二零二零年環境、社會及管治報告將根據上市規則之規定予以獨立發報。

核數師

於二零二一年一月二十日，國富浩華(香港)會計師事務所有限公司(「國富浩華」)已辭任本公司核數師(「核數師」)，而開元信德會計師事務所有限公司(「開元信德」)已獲委任為核數師，以填補國富浩華辭任後之臨時空缺，任期直至本公司應屆股東週年大會結束為止。

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已由開元信德審核，其將於本公司應屆股東週年大會上退任，惟符合資格並願意獲續聘為核數師。

有關本公司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 獨立核數師報告

以下為本集團截至二零二零年十二月三十一日止年度綜合財務報表內「獨立核數師報告」之摘要。

不發表意見聲明

我們對 貴集團之綜合財務報表不發表意見。由於我們報告中「不發表意見之基準」一節內所述事項的重要性，我們並未能夠取得充足適當審核憑據以就該等綜合財務報表發表之審核意見提供基準。在所有其他方面，我們認為綜合財務報表已根據香港公司條例之披露規定妥為編製。

REPORT OF DIRECTORS

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INDEPENDENT AUDITOR'S REPORT ON THE COMPANY'S CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

Basis for Disclaimer of Opinion

Multiple uncertainties relating to going concern

As described in Note 2 to the consolidated financial statements, the Group incurred a net loss of approximately HK\$660,458,000 during the year ended 31 December 2020 and as of that date, the Group had net current liabilities and net liabilities of approximately HK\$6,260,753,000 and HK\$1,423,988,000 respectively whereas its cash and cash equivalents amounted to approximately HK\$48,097,000 only as at the same date. Besides, included in the net current liabilities of the Group, there are other borrowings related to the convertible loan notes issued in 2017 by the Company with carrying amounts of approximately HK\$312,000,000 ("2017 Convertible Loan Notes") which were matured on 10 July 2020 and amounts due to non-controlling interests of approximately HK\$5,572,551,000 was either past due as at 31 December 2020 or will be matured on or before 31 December 2021.

These conditions, together with other matters described in Note 2 to the consolidated financial statements, indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern.

The directors have been undertaking certain measures as set out in Note 2 to the consolidated financial statements to improve the Group's liquidity and financial position. The consolidated financial statements have been prepared on a going concern basis, the validity of which depends on the outcome of these plans and measures, which are subject to multiple uncertainties, including: (i) negotiation with non-controlling interests of amounts due by the Group for extending the repayment due dates; (ii) negotiation with the holder of the 2017 Convertible Loan Notes to restructure the repayment timetable; and (iii) external facilities shall be available to the Group.

Should the Group fail to achieve the above mentioned plans and measures, it might not be able to continue to operate as a going concern, and adjustments would have to be made to reclassify the Group's non-current assets and non-current liabilities as current assets and current liabilities respectively, to write down the carrying amounts of the Group's assets to their recoverable amounts and to provide for any further liabilities which may arise. The effect of these adjustments have not been reflected in the consolidated financial statements.

有關本公司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獨立核數師報告(續)

不發表意見之基礎

與持續經營有關之多項不確定因素

誠如綜合財務報表附註2所述，貴集團於截至二零二零年十二月三十一日止年度產生虧損淨額約660,458,000港元及截至該日貴集團有流動負債淨額及負債淨額分別約6,260,753,000港元及1,423,988,000港元，其於同日之現金及現金等價物僅得約48,097,000港元。另外，貴集團之流動負債淨額包括與本公司於二零一七年發行賬面值約為312,000,000港元之可換股貸款票據（「二零一七年可換股貸款票據」，已於二零二零年七月十日到期）有關之其他借貸及應付非控股權益款項約5,572,551,000港元於二零二零年十二月三十一日已逾期或將於二零二一年十二月三十一日或之前到期。

該等狀況連同綜合財務報表附註2所述之其他事宜表明存在重大不確定因素，其可能對貴集團之持續經營能力造成重大疑問。

董事已採取若干措施（如綜合財務報表附註2所載），以改善貴集團之流動資金及財務狀況。綜合財務報表已按持續經營基準編製，其有效性取決於該等計劃及措施之成效，而其視乎多項不確定因素而定，包括：(i)與貴集團非控股權益磋商有關應付款項延長還款到期日；(ii)與二零一七年可換股貸款票據持有人磋商以重組還款時間表；及(iii)貴集團可獲取之外部融資。

倘若貴集團未能達成上述計劃及措施，其可能無法繼續按持續經營基準營運，並須作出調整以將貴集團之非流動資產及非流動負債分別重新分類為流動資產及流動負債，以將貴集團之資產的賬面值撇減至其可收回金額，並就可能產生之任何進一步負債計提撥備。該等調整之影響並未反映於綜合財務報表內。

REPORT OF DIRECTORS

董事會報告

MANAGEMENT VIEW ON GOING CONCERN

The Directors are of the opinion that the Group will have sufficient working capital to meet its financial obligations as and when they fall due for the next twelve months from 31 December 2020 after taking into consideration of the following:

- (i) the Group is negotiating with non-controlling interests of the amounts due by the Group for extending the repayment due dates;
- (ii) the Group is negotiating with the holder of the 2017 Convertible Loan Notes to restructure the repayment timetable; and
- (iii) external facilities shall be available to the Group.

Accordingly, the Directors are of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the Group will be able to continue as a going concern, which will depend upon the Group's ability to generate adequate financial and operating cash flows through the following:

- (i) successfully negotiation with non-controlling interests to extend the repayment due dates;
- (ii) successfully negotiation with the holder of 2017 Convertible Loan Notes to restructure the repayment timetable of the Group's financial obligations; and
- (iii) successfully obtain external facilities for fulfilling its other existing financial obligations.

ACTION PLAN ON GOING CONCERN

The Group has commenced the following action plans to remove the Disclaimer of Opinion:

- (a) the Group is in the negotiation with the non-controlling interests of the amounts due by the Group for extending the repayment due dates;
- (b) the Group is in the negotiation with the holder of the 2017 Convertible Loan Notes to restructure the repayment timetable of the Group's financial obligations; and
- (c) the Group is actively seeking external facilities and fund raising opportunities.

管理層對持續經營之意見

董事認為，本集團將擁有足夠營運資金履行其於由二零二零年十二月三十一日起計未來十二個月到期之財務責任，當中已考慮下列各項：

- (i) 本集團正與本集團非控股權益磋商有關應付款項延長還款到期日；
- (ii) 本集團正與二零一七年可換股貸款票據持有人磋商以重組還款時間表；及
- (iii) 本集團將獲得外部融資。

因此，董事認為，按持續經營基準編製綜合財務報表實屬恰當。

儘管如此，本集團能否持續經營仍存在重大不確定性，將取決於本集團能否通過以下方式產生足夠的財務及經營現金流：

- (i) 成功與非控股權益磋商有關應付款項以延長還款到期日；
- (ii) 成功與二零一七年可換股貸款票據磋商，以重組本集團財務責任之還款時間表；及
- (iii) 成功獲得外部融資以用於履行其他現有財務責任。

有關持續經營之行動計劃

本集團已開始以下行動計劃，以去除不發表意見：

- (a) 本集團正與本集團非控股權益磋商有關應付款項延長還款到期日；
- (b) 本集團正與二零一七年可換股貸款票據持有人磋商，以重組本集團財務責任之還款時間表；及
- (c) 本集團積極尋求外部融資及集資機會。

REPORT OF DIRECTORS

董事會報告

ACTION PLAN ON GOING CONCERN (CONTINUED)

The Company has taken various actions since publication of the 2019 annual results to address the audit modification. As at the date of this report, neither the non-controlling interests nor the holder of 2017 Convertible Loan Note has demanded for immediate repayment of the outstanding indebtedness. Whilst there is no formal documentation, the non-controlling interests had indicated its willingness for extension. The Company has also completed fund raising exercises during the year ended 31 December 2020 as disclosed in the announcements dated 22 April 2020, 27 April 2020 and 4 May 2020. As a matter of fact, the Company has successfully reached agreements with relevant subscriber for the extension of the convertible bonds in the aggregate principal amount of HK\$395,000,000 as disclosed in the announcement of the Company dated 22 July 2020.

Regarding the negotiations status of the repayment timetable for the 2017 Convertible Loan Note, the Company has been actively negotiated with the holder of the 2017 Convertible Loan Notes for possible extension and up to the date of this report, the negotiations remain in good progress and the holder of 2017 Convertible Loan Note did not demand for immediate repayment of the 2017 Convertible Loan Notes. However, the repayment timetable has not yet been finalized. For the avoidance of doubt, further announcement(s) will be made by the Company in compliance with the relevant Listing Rules requirements to inform the public and its Shareholders upon the entering into of relevant definitive agreement(s) on the restructuring of the 2017 Convertible Loan Notes.

In respect of seeking external facilities and fund raising opportunities, the Group had approached and in the negotiation with a number of financial institutions in PRC. Up to the date of this report, the negotiations are still in progress but the Group has not concluded or reached any agreements with those financial institutions. The Company will continue to explore appropriate fund raising opportunities.

The Group's ability to continue as a going concern will depend upon the Group's ability to generate adequate financial cash flows. Assuming that the Group can successfully implement the aforesaid measures, the Group considers it would address the going concern issues.

有關持續經營之行動計劃(續)

本公司自刊發二零一九年年度業績以來已採取多項行動以處理審核修訂。於本報告日期，非控股權益及二零一七年可換股貸款票據持有人概無要求即時償還未償還債務。儘管並無正式文件，非控股權益已表示願意延期。誠如日期為二零二零年四月二十二日、二零二零年四月二十七日及二零二零年五月四日之公告所披露，本公司亦已於截至二零二零年十二月三十一日止年度完成集資活動。事實上，誠如本公司日期為二零二零年七月二十二日之公告所披露，本公司已成功與相關認購人就延長本金總額為395,000,000港元之可換股債券達成協議。

就二零一七年可換股貸款票據之還款時間表之磋商狀況而言，本公司已積極與二零一七年可換股貸款票據持有人就可能延期進行磋商，直至本報告日期，磋商仍在進行中，而二零一七年可換股貸款票據持有人並無要求即時償還二零一七年可換股貸款票據。然而，還款時間表尚未落實。為免生疑問，本公司將於就重組二零一七年可換股貸款票據訂立相關最終協議後根據相關上市規則規定作出進一步公告，以知會公眾及其股東。

就尋求外部融資及集資機會而言，本集團已與中國多家金融機構接洽並進行磋商。截至本報告日期，磋商仍在進行中，惟本集團尚未與該等金融機構落實或達成任何協議。本公司將持續探索合適的集資機會。

本集團持續經營的能力將取決於本集團能否產生足夠的財務現金流量。假設本集團能夠成功落實上述措施，本集團認為其將解決持續經營問題。

REPORT OF DIRECTORS

董事會報告

ACTION PLAN ON GOING CONCERN (CONTINUED)

For the avoidance of doubt, in accordance with the applicable Hong Kong Standards on Auditing, the auditor needs to obtain sufficient appropriate audit evidence and to consider, based on the audit evidence to be obtained, whether material uncertainty exists regarding the Group's ability to continue as going concern. As such, assuming the successful implementation of the action plan in time with sufficient and appropriate audit evidence can be provided, the directors are of the view that the Disclaimer of Opinion is expected to be removed in the consolidated financial statements of the Group for the year ending 31 December 2021. The Company will continue to exercise its best endeavours to resolve the audit modification within the year ending 31 December 2021.

The Audit Committee has reviewed the Disclaimer of Opinion relating to going concern, the management view on going concern and the action plan on going concern of the Group, and concurs with the Board's view. For details, please refer to section headed "Audit Committee Review on the Audit Qualification" of the Corporate Governance Report.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENTS

As at the date of this report, the Audit Committee comprised three (3) members, all of whom were INEDs. The composition of the Audit Committee is Mr. Ho Kin Cheong, Kelvin (chairman of the Audit Committee), Mr. Shen Weidong and Mr. Tian Hong. Mr. Ho Kin Cheong, Kelvin is an associate member of the Hong Kong Institute of Certified Public Accountants, and a fellow member of the Association of Chartered Certified Accountants. None of the members is a partner or former partner of the Auditors.

The Audit Committee has reviewed with management in conjunction with the Auditors the Group's consolidated financial statements for the year ended 31 December 2020, the accounting principles and practices adopted by the Group and discussed auditing, risk management and internal controls, and financial reporting matters of the Group for the year ended 31 December 2020.

有關持續經營之行動計劃(續)

為免產生疑問，根據適用香港審核準則，核數師需要獲取足夠及適當的核數憑證，並根據需要獲取的核數憑證考慮本集團持續經營能力是否存在重大不確定性。因此，假設及時成功落實有關行動計劃並能夠提供足夠及適當的核數憑證，董事認為有望於截至二零二一年十二月三十一日止年度的本集團綜合財務報表中去除不發表意見。本公司將繼續盡最大努力於截至二零二一年十二月三十一日止年度內解決審核修訂。

審核委員會已審閱有關持續經營的不發表意見、管理層對持續經營的意見及本集團之行動計劃，並同意董事會的觀點。有關詳情請參閱企業管治報告「審核委員會對審核保留意見之檢討」一節。

審核委員會及審閱財務報表

於本報告日期，審核委員會由三(3)名成員組成，全部均為獨立非執行董事。審核委員會包括何建昌先生(審核委員會主席)、沈偉東先生及田宏先生。何建昌先生為香港會計師公會會員及英國特許公認會計師公會資深會員。概無成員為核數師之合夥人或前合夥人。

審核委員會已與管理層連同核數師審閱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、本集團採納之會計原則及慣例，並討論本集團截至二零二零年十二月三十一日止年度之審核、風險管理及內部監控以及財務報告事宜。

REPORT OF DIRECTORS

董事會報告

SUBSEQUENT EVENTS

Capital Reorganisation and Share Premium Cancellation

Reference is made to the announcements of the Company dated 1 February 2021, 11 February 2021, 26 February 2021, and the circular of the Company dated 3 March 2021 in relation to, among others, the Capital Reorganisation and Share Premium Cancellation. Unless the context requires otherwise, capitalised terms used herein shall bear the same meanings as defined.

On 1 February 2021, the Company announced the proposed Capital Reorganisation by (i) a reduction of the issued share capital of the Company through the cancellation of the paid-up capital of the Company to the extent of HK\$0.199 on each of the issued existing shares so that the nominal value of each issued share will be reduced from HK\$0.20 to HK\$0.001; (ii) a subdivision of each authorised but unissued Existing Share of HK\$0.20 into two hundred (200) New Shares of HK\$0.001 each; and (iii) a transfer of the credit arising from the capital reduction to the contributed surplus account of the Company.

On 26 February 2021, the Company further announced the proposed Share Premium Cancellation by way of cancellation of the entire amount standing to the credit of the Share Premium Account and transferring the credit arising therefrom to the contributed surplus account of the Company.

On 3 March 2021, the circular containing, among others, details of the Capital Reorganisation, Share Premium Cancellation, and other information as required under the Listing Rules, together with a notice convening the Special General Meeting on 7 April 2021, have been despatched.

Details can be referred to the relevant announcements and circular of the Company.

By the order of the Board
Mr. Tse Michael Nam
Chairman

Hong Kong, 31 March 2021

期後事項

股本重組及註銷股份溢價

茲提述本公司日期為二零二一年二月一日、二零二一年二月十一日及二零二一年二月二十六日之公告以及本公司日期為二零二一年三月三日之通函，內容有關(其中包括)股本重組及註銷股份溢價。除文義另有規定者外，本公告所用詞彙具有所界定的相同涵義。

於二零二一年二月一日，本公司宣佈建議股本重組，方法是(i)削減本公司之已發行股本，透過註銷本公司每股已發行現有股份之實繳股本0.199港元，使每股已發行股份之面值將由0.20港元減至0.001港元；(ii)將每股面值0.20港元之法定但未發行現有股份拆細為二百(200)股每股面值0.001港元之新股份；及(iii)將股本削減所產生之進賬轉撥至本公司之繳入盈餘賬。

於二零二一年二月二十六日，本公司進一步宣佈建議註銷股份溢價，方法是註銷股份溢價賬之全部進賬額，並將由此產生之進賬額轉撥至本公司之繳入盈餘賬。

於二零二一年三月三日，已寄發載有(其中包括)股本重組、註銷股份溢價及上市規則規定之其他資料詳情之通函，連同於二零二一年四月七日召開股東特別大會之通告。

詳情可參閱本公司相關公告及通函。

承董事會命
主席
謝南洋先生

香港，二零二一年三月三十一日

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board and the Company's management are highly committed to maintaining good corporate governance practices, internal control, risk management and transparency in fulfilling their corporate responsibility and accountability to the Shareholders. The Board and the management recognise that the maintenance of good corporate governance practices is an essential factor in achieving financial success and enhancing Shareholders' value.

CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles and adopted code provisions set out in the Corporate Governance Code (the "CG Code") in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") as its own code on corporate governance practices.

In the opinion of the Board, the Company has complied with the code provisions of the CG Code during the year, except for the following deviations:

- Code provision A.2.1 of the CG Code stipulation that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Ms. Zhu Zheyu resigned as the non-executive Director and the chairman (the "Chairman") of the Company on 12 June 2020 and no replacement for the post of the Chairman was appointed. The functions of the Chairman are performed by the chief executive officer (the "CEO") of the Company. On 2 November 2020, the Board designated Mr. Tse Michael Nam, the CEO, as the Chairman. The Board believes that vesting the roles of both the Chairman and the CEO in the same person can facilitate the execution of the Group's business strategies and boost effectiveness of its operation. Therefore, the Board considers that the deviation from the code provision A.2.1 of the CG Code is appropriate in such circumstance. In addition, under the supervision of the Board which is comprised of two (2) executive Directors and three (3) independent non-executive Directors, the Company is of the view the Board is appropriately structured with balance of power to provide sufficient checks to protect the interests of the Company and its shareholders.

董事會及本公司管理層在履行本身之企業責任及對股東之責任時，一直高度致力維持良好企業管治常規、內部監控、風險管理及高透明度。董事會及管理層了解維持良好企業管治常規乃取得財務成果及提高股東價值之重要因素。

企業管治常規

本公司已應用香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十四之企業管治守則(「企業管治守則」)所載之原則及經採納守則條文作為其自身企業管治常規之守則。

董事會認為，本公司於本年度已遵守企業管治守則之守則條文，惟以下偏離除外：

- 企業管治守則之守則條文A.2.1規定，主席及行政總裁之角色應有區分，且不應由同一人同時兼任。朱喆煜女士於二零二零年六月十二日辭任本公司非執行董事及主席(「主席」)，且未有委任主席職位之替代人員。主席之職能由本公司行政總裁(「行政總裁」)履行。於二零二零年十一月二日，董事會委任行政總裁謝南洋先生為主席。董事會相信，由同一人兼任主席與行政總裁之角色可促進本集團業務策略之執行及提高其營運效率。因此，董事會認為，在此情況下偏離企業管治守則之守則條文第A.2.1條屬恰當。此外，在董事會(由兩(2)名執行董事及三(3)名獨立非執行董事組成)之監督下，本公司認為董事會具備適當權力制衡架構，可提供足夠制約以保障本公司及其股東之利益。

CORPORATE GOVERNANCE REPORT

企業管治報告

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) set out in Appendix 10 to the Listing Rules on the Stock Exchange as the code of conduct for dealing in securities of the Company by the Directors. All Directors have confirmed, upon specific enquiries made by the Company, that they have complied with the required standard set out in the Model Code during the year ended 31 December 2020. To ensure Directors’ dealings in the securities of the Company (the “Securities”) are conducted in accordance with the Model Code, a Director is required to notify designated executive Directors in writing and obtain a written acknowledgement from the designated executive directors prior to any dealings the Securities.

THE BOARD OF DIRECTORS

Up to the date of this report, the Board is composed of five (5) members comprising two (2) executive Directors (the “ED(s)”) and three (3) independent non-executive Directors (the “INEDs”).

Composition

Executive Directors:

Mr. Tse Michael Nam (*Chairman & Chief Executive Officer*)
Mr. Zhang Sanhuo

Independent Non-executive Directors:

Mr. Ho Kin Cheong, Kelvin
Mr. Shen Weidong
Mr. Tian Hong

The number of INEDs represent more than one-third of the Board membership. One INED has appropriate professional accounting experience and expertise. The Board has a balance of skills and experience appropriate for the requirements of the business of the Company. The names and biographical details of each Director are disclosed on page 7 to page 9 of this Annual Report. There is no other relationship (including financial, business, family or other material/ relevant relationship) among the Board members.

董事進行證券交易之標準守則

本公司已採納聯交所上市規則附錄十所載上市發行人董事進行證券交易之標準守則(「標準守則」)，作為董事買賣本公司證券之行為守則。經本公司作出特定查詢後，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一直遵守標準守則所載之規定標準。為確保董事買賣本公司證券(「證券」)乃根據標準守則進行，董事須於買賣任何證券前書面通知指定執行董事及取得指定執行董事之書面確認。

董事會

截至本報告日期，董事會由五(5)名成員組成，包括兩(2)名執行董事(「執行董事」)及三(3)名獨立非執行董事(「獨立非執行董事」)。

組成

執行董事：

謝南洋先生(主席兼行政總裁)
張三貨先生

獨立非執行董事：

何建昌先生
沈偉東先生
田宏先生

獨立非執行董事人數佔董事會成員超過三分之一。一名獨立非執行董事具備適當專業會計經驗及專業知識。董事會具備本公司業務所需之適當技能及經驗。各董事之姓名及履歷詳情於本年報第7頁至第9頁披露。董事會成員之間概無其他關係(包括財務、業務、家族或其他重大／相關關係)。

CORPORATE GOVERNANCE REPORT

企業管治報告

THE BOARD OF DIRECTORS (CONTINUED)

Roles and functions of the Board and the management

The Board is tasked with the responsibility of directing and supervising the Company's businesses and affairs and promoting its success and growth. The Board is collectively responsible for the management and operations of the Company and is responsible for directing and supervising the overall management of the Company with regards to the implementation and maintenance of internal control procedures and ensuring compliance with relevant statutory requirements, the Listing Rules and other rules and regulations.

The Board is also responsible for performing the corporate governance duties as required under the CG Code. The major roles and functions of the Board in respect of the corporate governance are:

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

The Board had considered the following corporate governance matters for the financial year 2020:

- review of the compliance with the CG Code; and
- review of the effectiveness of the internal controls and risk management systems of the Company through the Audit Committee.

董事會(續)

董事會及管理層之角色及職能

董事會負責領導及監督本公司業務及事務以及促進業務成功及發展。董事會共同負責本公司之管理及營運，並負責領導及監督本公司有關實施及維持內部監控程序之整體管理，並確保遵守相關法定規定、上市規則及其他規則及規例。

董事會亦負責履行企業管治守則規定之企業管治職責。董事會在企業管治方面之主要角色及職能如下：

- 制定及檢討本公司之企業管治政策及常規；
- 檢討及監察董事及高級管理層之培訓及持續專業發展；
- 檢討及監察本公司在遵守法律及監管規定方面之政策及常規；
- 制定、檢討及監察適用於僱員及董事之操守準則及合規手冊；及
- 檢討本公司遵守企業管治守則之情況及於企業管治報告內之披露。

於二零二零年財政年度，董事會已考慮以下企業管治事宜：

- 檢討遵守企業管治守則之情況；及
- 透過審核委員會檢討本公司內部監控及風險管理系統之有效性。

CORPORATE GOVERNANCE REPORT

企業管治報告

THE BOARD OF DIRECTORS (CONTINUED)

Roles and functions of the Board and the management (continued)

The Board delegates the authority and responsibility for implementing day-to-day operations, business strategies and management of the Group's businesses to the executive Directors, senior management and certain specific responsibilities to the Board committees.

The Board has delegated various responsibilities to the audit committee (the "Audit Committee"), the remuneration committee (the "Remuneration Committee"), the nomination committee (the "Nomination Committee") and the risk management committee (the "Risk Management Committee") of the Company. Further details of these committees are set out in this report.

During the year, the management had provided all members of the Board with monthly updates giving a balanced and understandable assessment of the Company's performance and position to enable the Board as a whole and each Director to discharge their duties under the Listing Rules.

The Company had maintained an appropriate level of insurance cover in respect of legal action against the Directors and officers of the Company and its subsidiaries throughout the year ended 31 December 2020.

Each Director has disclosed to the Company in a timely manner of any change, the number and nature of offices held in public companies or organisations and other significant commitments. All such changes during the year and up to the date of this report have been disclosed in the Report of the Directors section of this annual report.

Due notice and board papers were given to all Directors prior to the meeting in accordance with the Listing Rules and CG Code. Generally, at least 14 days notice of regular Board meetings are given and the Company aims at giving reasonable notice of other Board meetings. Prior to each Board meeting (for regular meetings, at least 3 days prior), the Chairman, with the support of the company secretary of the Company (the "Company Secretary"), ensures that every Director has been properly briefed on issues and provided with the agenda and accompanying Board papers containing adequate information provided by the management to enable them to make informed decisions at the meeting. Every member of the Board has an opportunity to propose matters in the agenda for discussion at each Board meeting.

董事會(續)

董事會及管理層之角色及職能(續)

董事會將執行本集團業務之日常營運、業務策略及管理之權力及責任下放予執行董事及高級管理層，並將若干特定責任下放予董事委員會。

董事會已轉授多項職責予本公司審核委員會(「審核委員會」)、薪酬委員會(「薪酬委員會」)、提名委員會(「提名委員會」)及風險管理委員會(「風險管理委員會」)。有關該等委員會之進一步詳情載於本報告。

於本年度，管理層已每月向董事會全體成員提供最新資料，當中載列有關本公司業績及狀況之公正及易於理解之評估，以便董事會整體及各董事履行其上市規則項下之職責。

截至二零二零年十二月三十一日止年度，本公司一直購有適當保險，使本公司及其附屬公司董事及高級職員於面臨法律訴訟時得到保障。

各董事已及時向本公司披露其於上市公司或機構所擔任職務之任何變動、數目及性質以及其他重大承諾。年內及截至本報告日期的所有有關變動已於本年報董事會報告一節披露。

根據上市規則及企業管治守則，於會議前已向全體董事發出正式通知及董事會文件。一般而言，董事會常規會議須發出至少十四日通知，本公司亦致力就一切其他董事會會議則發出合理通知。在各董事會會議舉行前(例會須最少三天前)，主席於本公司之公司秘書(「公司秘書」)協助下，須確保每名董事均已就有關事項獲適當簡報，且收到載列管理層所提供充足資料之議程及隨附之董事會文件，以供彼等於會上作出知情決定。每名董事會成員均有機會於議程提出建議事項，以於各董事會會議進行討論。

CORPORATE GOVERNANCE REPORT

企業管治報告

THE BOARD OF DIRECTORS (CONTINUED)

Roles and functions of the Board and the management (continued)

Minutes of Board meetings and committees meetings are taken by the Company Secretary and maintained at the Company's premises. Minutes of the Board and committees meetings record in sufficient detail the matters considered by the Board or committees and decisions reached, including any concerns raised by the Directors or dissenting views expressed. Drafts and final versions of minutes are sent to all Directors for their comments within a reasonable time after the Board and committees meetings are held. Every member of the Board is entitled to inspect Board papers and related materials and has unrestricted access to the advice and services of the Company Secretary to ensure that Board procedures and all applicable rules and regulations are followed. Where queries are raised by any of the Directors, responses are provided as promptly and fully as possible. The Directors may also upon reasonable request, seek independent professional advice in appropriate circumstances, at the expense of the Company. So far and save as disclosed, there has not been any case where a substantial shareholder or a Director has a conflict of interest in a matter to be considered by the Board which the board has determined to be material.

Appointments, re-election and removal of Directors

Appointment of new Directors is a matter for consideration by the Nomination Committee. The Nomination Committee will review the profiles of the candidates and make recommendations to the Board on the appointment, nomination and retirement of Directors.

Each of the Directors (including INEDs) has entered into a letter of appointment with the Company for a specific term. Such term is subject to their re-appointment by the Company at an annual general meeting upon such Director's retirement by rotation at least once every three years and offering themselves for re-election.

The Bye-laws provide that any Directors appointed by the Board, (i) to fill a casual vacancy in the Board, shall hold office only until the next following general meeting of the Company and shall be subject to re-election at such meeting; and (ii) as an addition to the Board, shall hold office until the next annual general meeting of the Company and shall then be eligible for re-election.

董事會(續)

董事會及管理層之角色及職能(續)

董事會會議及各委員會會議由公司秘書進行會議記錄，並存置於本公司處所內。董事會及各委員會會議之會議紀錄詳盡記錄董事會或委員會所考慮之事項及所達致之決定，包括董事提出之任何疑慮或所表達之反對意見。會議紀錄草稿及最終定本於董事會及各委員會會議舉行後一段合理期間內送交全體董事以供彼等評鑑。董事會各成員均有權查閱董事會文件及有關資料，並可隨時獲取公司秘書之意見及服務，以確保遵守董事會程序以及一切適用規則及規例。倘任何董事有任何疑問，董事會將於可能情況下即時提供全面回覆。董事亦可於適當情況下就尋求獨立專業意見發出合理請求，費用由本公司承擔。迄今為止，除所披露者外，主要股東或董事概無於董事會須考慮之事項中存有董事會認為屬重大之利益衝突。

委任、重選及罷免董事

新董事的委任由提名委員會審議。提名委員會將審閱候選人的履歷，並就董事的委任、提名及退任向董事會提出建議。

每名董事(包括獨立非執行董事)均已經與本公司訂立具有具體任期的委任函。有關任期受董事須最少每三年於股東週年大會上輪值告退、膺選連任及經由本公司重新委任一次之規定規限。

公司細則規定，由董事會委任以(i)填補董事會臨時空缺之董事的任期僅直至本公司下屆股東大會為止，及屆時須在大會上膺選連任；及(ii)作為董事會的新成員之董事的任期僅直至本公司下屆股東週年大會為止，及屆時符合資格在大會上膺選連任。

CORPORATE GOVERNANCE REPORT

企業管治報告

THE BOARD OF DIRECTORS (CONTINUED)

Chairman and chief executive officer

Pursuant to the code provision A.2.1 of the CG Code, the roles of the Chairman and the chief executive officer should be separate and not performed by the same individual. The division of responsibilities between the Chairman and chief executive officer should be established and written.

Ms. Zhu Zheyu resigned as the non-executive Director and the Chairman on 12 June 2020 and no replacement for the post of the Chairman was appointed, the CEO performs the functions of the Chairman. On 2 November 2020, the Board appointed Mr. Tse Michael Nam as the Chairman.

As Mr. Tse Michael Nam is the Chairman and the CEO, it constituted a deviation from code provision A.2.1 of the CG Code since 2 November 2020. Mr. Tse has extensive management knowledge. The Board believes that vesting the roles of both the Chairman and the CEO in the same person can facilitate the execution of the Group's business strategies and boost its operational effectiveness. Besides, under the supervision of the Board comprising of two (2) EDs and three (3) INEDs, the Company is of the view the Board is appropriately structured with a balance of power to provide sufficient checks to protect the interests of the Company and its Shareholders.

Non-executive Directors and independent non-executive Directors

Since more time was needed to find a suitable candidate to act as an INED, the Board only comprises two (2) INEDs following the conclusion of the annual general meeting of the Company (the "AGM") held on 5 August 2020 (the "2020 AGM"). As such, the Company fails to meet the requirements of having at least three (3) INEDs on the Board under Rule 3.10(1) of the Listing Rules for the period from 5 August 2020 to 1 November 2020. The Company has appointed an INED on 2 November 2020 to fill up this vacancy.

Save as disclosed above, during the year and up to the date of this report, the Company had been in compliance with Rules 3.10 (1), 3.10(2) and 3.10A of the Listing Rules by having at all times three INEDs on its Board, one who has the appropriate professional accounting qualifications and the number of INEDs represented at least one-third of the Board.

董事會(續)

主席及行政總裁

根據企業管治守則之守則條文A.2.1，主席與行政總裁之角色應有區分，且不應由同一人同時兼任。主席與行政總裁之間職責之分工應清楚界定並以書面列載。

朱喆煜女士於二零二零年六月十二日辭任非執行董事及主席，且未有委任主席職位之替代人員，而行政總裁負責履行主席之職能。於二零二零年十一月二日，董事會委任謝南洋先生為主席。

由於謝南洋先生同時兼任主席與行政總裁，故自二零二零年十一月二日起構成企業管治守則之守則條文A.2.1之偏離。謝先生擁有豐富之管理知識。董事會相信，由同一人兼任主席與行政總裁之角色可促進本集團業務策略之執行及提高其營運效率。此外，在董事會(由兩(2)名執行董事及三(3)名獨立非執行董事組成)之監督下，本公司認為董事會具備適當權力制衡架構，可提供足夠制約以保障本公司及其股東之利益。

非執行董事及獨立非執行董事

由於需要更多時間物色合適人選擔任獨立非執行董事，於本公司二零二零年八月五日舉行之股東週年大會(「股東週年大會」)(「二零二零年股東週年大會」)結束後，董事會僅由兩(2)名獨立非執行董事組成。因此，於二零二零年八月五日至二零二零年十一月一日期間，本公司未能符合上市規則第3.10(1)條有關董事會必須包括至少三(3)名獨立非執行董事之規定。本公司已於二零二零年十一月二日委任獨立非執行董事以填補該空缺。

除上文所披露者外，年內及截至本報告日期，本公司一直遵守上市規則第3.10(1)、3.10(2)及3.10A條規定，董事會在年內任何時間均有三名獨立非執行董事，而其中一名具備適當之專業會計資格，而獨立非執行董事數目相當於董事會最少三分之一人數。

CORPORATE GOVERNANCE REPORT

企業管治報告

THE BOARD OF DIRECTORS (CONTINUED)

Non-executive Directors and independent non-executive Directors (continued)

Each of the non-executive Director (including INED) was appointed for an initial term of not more than two years from the date of his/her appointment. Upon the expiry of the initial term, the appointment may be renewed automatically for another term of not more than two years.

The Company had received written confirmation of independence for the year ended 31 December 2020 from all INEDs. Each of the INEDs met the independence guidelines set out in Rule 3.13 of the Listing Rules and the Company considered each of them to be so.

The non-executive Directors (including INEDs) have been participating in Board meetings, taking the lead where potential conflicts of interests arise, serving on the audit, nomination and remuneration committees, scrutinising the Company's performance in achieving agreed corporate goals and objectives, monitoring performance reporting and making a positive contribution to the development of the Group's strategy and policies through independent, constructive and informed comments and giving the Board and committees in which they serve, the benefit of their skills, expertise and varied backgrounds and qualifications through regular attendance and active participation. Each Director has also given sufficient time and attention to the Company's affairs during the year.

董事會(續)

非執行董事及獨立非執行董事(續)

每名非執行董事(包括獨立非執行董事)之初步任期為自彼等獲委任日期起計不超過兩年。初步任期屆滿後，可另外自動重續不超過兩年。

本公司已接獲全體獨立非執行董事截至二零二零年十二月三十一日止年度發出之獨立性之確認書。每名獨立非執行董事均符合上市規則第3.13條所載獨立性指引，而本公司認為彼等均為獨立人士。

非執行董事(包括獨立非執行董事)出席董事會會議，於出現潛在利益衝突時提供領導，擔任審核、提名及薪酬委員會成員，審查本公司在達成協定公司宗旨及目標時的表現，監督業績報告，提出獨立且具建設性的知情意見，積極參與改善本集團的策略及政策，經常出席並積極參與董事會及所服務的委員會，憑藉各自豐富的閱歷，各盡其能、發揮所長。每名董事已於年內為本公司事務投入充足時間及精力。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEE

Remuneration committee

The Remuneration Committee was established in June 2005 with specific written terms of reference detailing the Remuneration Committee's role and authority. The terms of reference of the Remuneration Committee had been published on the Company's website as well as the Stock Exchange's website.

The Remuneration Committee is responsible for formulating and making recommendation to the Board on the Group's policy and structure for the remuneration of the Directors and senior management and the establishment of a formal and transparent procedure for developing policy on such remuneration and review of the policy and the procedure annually. The Remuneration Committee has been the delegated responsibility to determine the specific remuneration packages of the executive Directors and senior management and to make recommendations to the Board for the remuneration of the non-executive Directors (including INEDs) after conducted the Board evaluation annually.

In fulfilling its functions, the Remuneration Committee takes into consideration factors such as salaries paid by comparable companies, respective time commitment, and responsibilities of the Directors and senior management and whether the remuneration packages are competitively attractive to retain the executive Directors and senior management. The Remuneration Committee members may consult the Chairman about their proposals relating to the remuneration of the Directors and have access to sufficient resources including professional advice if considered necessary. No Director can, however, approve his own remuneration.

As at the date of this report, the Remuneration Committee comprised three (3) members, all of whom were INEDs. The members of the Remuneration Committee as at the date of this report are Mr. Tian Hong (the chairman of the Remuneration Committee), Mr. Ho Kin Cheong, Kelvin and Mr. Shen Weidong.

The Remuneration Committee meets at least once a year to review and approve the remuneration package of the other Directors and the senior management (which had remained unchanged from the previous year) and other related matters including the Board evaluation.

董事會(續)

薪酬委員會

本公司於二零零五年六月成立薪酬委員會，並列明其特定書面職權範圍及詳列其職務及職權。薪酬委員會之職權範圍已於本公司網站及聯交所網站登載。

薪酬委員會負責制訂本集團各董事及高級管理層之薪酬政策及架構以及就薪酬政策發展建立正式而具透明度之程序，並就此向董事會提供建議，以及每年檢討有關政策及程序。薪酬委員會已獲授權，於完成每年董事會評估後負責釐定執行董事及高級管理層特定薪酬待遇，並就非執行董事(包括獨立非執行董事)之薪酬向董事會提供建議。

於履行其職能時，薪酬委員會考慮的因素包括可比較公司所付薪金、董事及高級管理層付出之時間及責任以及薪酬待遇是否具競爭力以吸引執行董事及高級管理層留任等。薪酬委員會成員可就其有關董事薪酬之建議諮詢主席，並可獲取充足資源，包括在視為必要時尋求專業意見。然而，董事不得批准本身之薪酬。

於本報告日期，薪酬委員會由三(3)名成員組成，全部均為獨立非執行董事。於本報告日期，薪酬委員會成員為田宏先生(薪酬委員會主席)、何建昌先生及沈偉東先生。

薪酬委員會每年最少舉行一次會議，以檢討及批准其他董事及高級管理層之薪酬待遇(自去年起保持不變)及包括董事會評估在內的其他相關事宜。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEE (CONTINUED)

Nomination committee

The Nomination Committee was established on 14 December 2015 with specific written terms of reference detailing the Nomination Committee's role and authority. The terms of reference of the Nomination Committee had been published on the Company's website as well as the Stock Exchange's website.

As at the date of this report, the Nomination Committee comprised four (4) members, three (3) of whom were INEDs. The members of the Nomination Committee as at the date of this report are Mr. Tse Michael Nam (the chairman of the Nomination Committee), Mr. Ho Kin Cheong, Kelvin, Mr. Tian Hong and Mr. Shen Weidong.

The principal responsibilities of the Nomination Committee are, among other things, review the structure, size and composition (including skills, knowledge and experience) of the Board and make recommendations to the Board regarding any proposed changes; identify candidates with suitable qualifications as Directors, select and make recommendations to the Board; assess the independence of INEDs; and make recommendations to the Board on matters relating to the appointment or re-appointment of Directors and succession planning for Directors.

In fulfilling its functions, the Nomination Committee has been provided sufficient resources by the Company to seek for independent professional advice to perform its responsibilities.

The Nomination Committee has a policy concerning diversity of Board members which aims to maintain the Board with a diversity of Directors in terms of skills, experience, knowledge, expertise, culture, independence, age and gender, with a view to enhancing the quality of performance of the Board.

The Nomination Committee meets not less than once a year to (i) review the terms of reference; (ii) review the structure, size and diversity (including without limitation, gender, age, cultural and educational background, professional experience, skills, knowledge and length of service) of the Board; and make recommendations on any proposed changes to the Board to implement the Company's corporate strategy; and (iii) review the procedures for Shareholders to elect Director which had been published in the Company's website as well as the Stock Exchange's websites.

董事會(續)

提名委員會

本公司於二零一五年十二月十四日成立提名委員會，並列明其特定書面職權範圍及詳列其職務及職權。提名委員會之職權範圍已於本公司網站及聯交所網站登載。

於本報告日期，提名委員會由四(4)名成員組成，三(3)名為獨立非執行董事。於本報告日期，提名委員會成員為謝南洋先生(提名委員會主席)何建昌先生、田宏先生及沈偉東先生。

提名委員會之主要職責中包括檢討董事會架構、規模及組成(包括技能、知識及經驗)，並就任何改動建議向董事會提供建議；物色及甄選具備適當資格之董事人選，並就此向董事會提供建議；評估獨立非執行董事之獨立性；及就有關委任或重新委任董事以及董事繼任計劃之事宜向董事會提供建議。

於履行其職能時，提名委員會已獲本公司提供足夠資源，可為履行職責尋求獨立專業意見。

提名委員會設有有關董事會成員多元化之政策，旨在保持董事會成員之技能、經驗、知識、專業、文化、獨立性、年齡及性別多樣，藉此提升董事會之表現質素。

提名委員會每年最少舉行一次會議，以(i)檢討職權範圍；(ii)檢討董事會架構、規模及組成(包括但不限於性別、年齡、文化及教育背景、專業經驗、技能、知識及學歷)，並就任何改動建議向董事會提供建議，以便執行本公司之企業策略；及(iii)檢討股東選舉董事之程序，並於本公司網站及聯交所網站登載。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEE (CONTINUED)

Audit committee

The Audit Committee was established in June 1999 with clear written terms of reference. The terms of reference of the Audit Committee had been published on the Company's website as well as the Stock Exchange's website.

Since more time was needed to find the suitable candidate to act as an INED. The Board only comprises two (2) INEDs following the conclusion of the AGM on 5 August 2020. As such, the Audit Committee fails to meet the requirement of comprising only non-executive Directors with minimum of three (3) members under Rule 3.21 for the period from 5 August 2020 to 1 November 2020. The Company has appointed an INED on 2 November 2020 to fill up this vacancy.

Save as disclosed above, the Audit Committee was comprised of three members during the year ended 31 December 2020 and as at the date of this report, all of whom were INEDs. The composition of the Audit Committee as at the date of this report was Mr. Ho Kin Cheong, Kelvin (the chairman of the Audit Committee), Mr. Shen Weidong and Mr. Tian Hong. Mr. Ho Kin Cheong, Kelvin is an associate member of the Hong Kong Institute of Certified Public Accountants, and a fellow member of the Association of Chartered Certified Accountants.

The Audit Committee has unrestricted access to the auditor of the Company (the "Auditors"), the Directors and other members of the management. The Audit Committee has met with the Auditors twice during the year ended 31 December 2020 with regards to review of the Company's financial report and accounts.

The Audit Committee meet at least twice a year to review (i) the Company's results and the accompanying auditor's report; (ii) the accounting policies and practices adopted by the Company; and (iii) the financial, risk management and internal control systems of the Company.

The Audit Committee had reviewed the Group's audited financial statements for the year ended 31 December 2020.

董事會(續)

審核委員會

本公司於一九九九年六月成立審核委員會，並清楚列明其職權範圍。審核委員會之職權範圍已於本公司網站及聯交所網站登載。

由於需要更多時間物色合適人選擔任獨立非執行董事。於二零二零年八月五日股東週年大會結束後，董事會僅由兩(2)名獨立非執行董事組成。因此，審核委員會於二零二零年八月五日至二零二零年十一月一日期間未能符合第3.21條僅由非執行董事組成且至少有三(3)名成員之規定。本公司已於二零二零年十一月二日委任獨立非執行董事以填補該空缺。

除上文所披露者外，於截至二零二零年十二月三十一日止年度及本報告日期，審核委員會由三名成員組成，均為獨立非執行董事。於本報告日期，審核委員會成員包括何建昌先生(審核委員會主席)、沈偉東先生及田宏先生。何建昌先生為香港會計師公會會員及英國特許公認會計師公會資深會員。

審核委員會可隨時聯絡本公司核數師(「核數師」)、董事及其他管理層成員。於截至二零二零年十二月三十一日止年度，審核委員會曾與核數師就審閱本公司之財務報告及賬目會面兩次。

審核委員會每年最少舉行兩次會議，以審閱(i)本公司之業績以及隨附之核數師報告；(ii)本公司採納之會計政策及慣例；及(iii)本公司財務、風險管理及內部監控制度。

審核委員會已審閱本集團截至二零二零年十二月三十一日止年度之經審核財務報表。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEE (CONTINUED)

Risk management committee

The Risk Management Committee was established in September 2017 with specific written terms of reference detailing the Risk Management Committee's role and authority. The terms of reference of the Risk Management Committee had been published on the Company's website as well as the Stock Exchange's website.

The Risk Management Committee is responsible for reviewing of the risk management and internal control systems, the effectiveness of the Company's internal audit function, and such other duties as stipulated under the Codes as set out in Appendix 14 of the Listing Rules.

As at the date of this report, the Risk Management Committee comprised four (4) members, one (1) ED and three (3) INEDs. The members of the Risk Management Committee as at the date of this report are Mr. Tse Michael Nam (the chairman of the Risk Management Committee), Mr. Ho Kin Cheong, Kelvin, Mr. Shen Weidong and Mr. Tian Hong.

The principal responsibilities of the Risk Management Committee are, among other things, (i) advise the Board on the Group's risk appetite statement(s), risk principles and other risk-related issues including corporate actions and proposed strategic transactions such as mergers, acquisitions and disposals; (ii) oversee risk management framework to identify and deal with financial, operational, legal, regulatory, technology, business and strategic risks faced by the Group and amend and supplement this from time to time; (iii) approve the Group's risk policies and risk tolerances; (iv) consider emerging risks relating to the Group's business and strategies to ensure that appropriate arrangements are in place to control and mitigate the risks effectively; (v) review risk reports and breaches of risk tolerances and policies; (vi) review and assess the effectiveness of the Group's risk control/mitigation tools including the enterprise risk management program, the risk management systems, the internal audit function relating to risk management and the Group's contingency plans; (vii) review the Group's capital adequacy and solvency levels; (viii) monitor stress testing results of the Group's key risk exposures; (ix) to deal with other work assigned by the Board; and (x) issue report(s) on how the Risk Management Committee met its responsibilities in its review of the risk management, the internal control systems and the effectiveness of the Company's internal audit function.

董事會(續)

風險管理委員會

本公司於二零一七年九月成立風險管理委員會，並列明其特定書面職權範圍，當中詳列其職務及職權。風險管理委員會之職權範圍已於本公司網站及聯交所網站登載。

風險管理委員會負責按上市規則附錄十四之守則內規定對本公司的風險管理和內部監控制度、內部審計職能的有效性進行審查及進行其他職責。

於本報告日期，風險管理委員會由四(4)名成員組成，一(1)名執行董事及三(3)名獨立非執行董事。於本報告日期，風險管理委員會成員為謝南洋先生(風險管理委員會主席)、何建昌先生、沈偉東先生及田宏先生。

風險管理委員會的主要職責為(其中包括)(i)就本集團的風險承受能力聲明、風險原則及其他風險相關事宜(包括公司行動及建議戰略交易，例如合併、收購及出售事項)向董事會提供意見；(ii)監察風險管理框架，以識別及管理本集團面對的財務、營運、法律、監管、技術、業務及戰略風險，並不時對其作出修訂及補充；(iii)審批本集團的風險政策及風險容忍度；(iv)考量與本集團業務及戰略有關的新出現的風險，並確保設有適當安排以有效監控及紓減風險；(v)審閱風險報告以及審視風險容忍度和政策的違規情況；(vi)檢討及評估本集團風險監控／紓減工具的成效，包括企業風險管理計劃、風險管理系統、與風險管理有關的內部稽核功能及本集團的應變計劃；(vii)檢討本集團的資本充足水平及償付能力；(viii)監察本集團主要風險承擔的壓力測試結果；(ix)處理董事會所指派的其他工作；及(x)編製有關風險管理委員會於審查風險管理，內部監控制度以及本公司內部審計職能的有效性方面履行職責的報告。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEE (CONTINUED)

Risk management committee (continued)

In fulfilling its functions, the Risk Management Committee has been provided sufficient resources by the Company to seek for independent professional advice to perform its responsibilities.

The Risk Management Committee meets at least twice a year to (i) review the terms of reference; and (ii) review any risk or potential risk of the Group and to advise the Board on the Group's risk-related matters and the overall risk management strategies of the Company.

During scheduled meetings of the Board, the Board discusses and formulates the overall strategies of the Group, monitors financial performances and discusses the annual and interim results, as well as discusses and decides on other significant matters.

董事會(續)

風險管理委員會(續)

於履行其職能時，風險管理委員會已獲本公司提供足夠資源，可為履行職責尋求獨立專業意見。

風險管理委員會每年最少舉行兩次會議，以(i)檢討職權範圍；及(ii)審查本集團的任何風險或潛在風險，並就本集團的風險相關事宜和本公司的總體風險管理策略向董事會提供意見。

於董事會定期會議期間，董事會討論及制定本集團之整體策略、監察財務表現及討論年度及中期業績，以及討論及決定其他重大事宜。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEE (CONTINUED)

董事會(續)

Attendance records at meeting

出席會議記錄

The attendance of each Director at the general meetings (included annual general meeting), Board meetings and meetings of the Audit Committee, the Remuneration Committee, the Nomination Committee and the Risk Management Committee held during the year is set out below:

每名董事於年內舉行之股東大會(包括股東週年大會)、董事會會議、審核委員會會議、薪酬委員會會議、提名委員會會議及風險管理委員會會議之出席率如下：

	No. of meetings attended/held 出席／舉行會議次數					
	General Meetings	Board	Audit Committee	Remuneration Committee	Nomination Committee	Risk Management Committee
	股東大會	董事會	審核委員會	薪酬委員會	提名委員會	風險管理委員會
Number of meetings 會議次數	4	24	3	5	4	1
Executive Directors 執行董事						
Mr. Zhang Sanhuo 張三貨先生	3/4	19/24	–	–	–	–
Mr. Tse Michael Nam 謝南洋先生	4/4	24/24	–	–	1/1	1/1
Ms. Zhang Tingting (Notes 3) 張婷婷女士(附註3)	1/4	8/11	–	2/2	1/1	–
Non-executive Directors 非執行董事						
Ms. Zhu Zheyu (Notes 2) 朱喆煜女士(附註2)	–	6/7	–	2/2	1/1	–
Mr. Chang Che-Fa (Notes 4) 張哲發先生(附註4)	2/3	0/11	–	–	–	–
Independent Non-executive Directors 獨立非執行董事						
Ms. Leung Yin Fai (Notes 1) 梁燕輝女士(附註1)	–	0/1	–	0/1	0/1	–
Mr. Lam Chi Wai (Notes 7) 林志偉先生(附註7)	3/3	4/10	1/1	0/1	–	–
Mr. Lyu Guoping (Notes 5) 呂國平先生(附註5)	3/3	3/11	1/1	0/2	1/1	–
Mr. Jin Xuliang (Notes 6) 靳旭亮先生(附註6)	0/3	1/11	0/1	0/2	1/1	–
Mr. Ho Kin Cheong, Kelvin (Notes 8) 何建昌先生(附註8)	1/1	12/12	2/2	3/3	3/3	1/1
Ms. An Juan (Notes 9) 安娟女士(附註9)	–	3/3	–	1/1	1/1	–
Mr. Tian Hong (Notes 10) 田宏先生(附註10)	1/1	9/9	2/2	1/1	1/1	1/1
Mr. Shen Weidong (Notes 11) 沈偉東先生(附註11)	–	1/1	1/1	2/2	2/2	1/1

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEE (CONTINUED)

Attendance records at meeting (continued)

Notes:

1. Ms. Leung Yin Fai resigned as independent non-executive Director on 10 January 2020.
2. Ms. Zhu Zheyu resigned as the non-executive Director on 12 June 2020.
3. Ms. Zhang Tingting retired as the executive Director on 5 August 2020.
4. Mr. Chang Che-Fa retired as non-executive Director on 12 July 2019.
5. Mr. Lyu Guoping retired as independent non-executive Director on 5 August 2020.
6. Mr. Jin Xuliang retired as independent non-executive Director on 5 August 2020.
7. Mr. Lam Chi Wai was appointed as independent non-executive Director on 10 January 2020 and retired on 5 August 2020.
8. Mr. Ho Kin Cheong, Kelvin has been appointed as the independent non-executive Director on 5 August 2020.
9. Ms. An Juan was appointed as the independent non-executive Director on 5 August 2020 and resigned on 10 August 2020.
10. Mr. Tian Hong has been appointed as the independent non-executive Director on 10 August 2020.
11. Mr. Shen Weidong has been appointed as the independent non-executive Director on 2 November 2020.

董事會(續)

出席會議記錄(續)

附註：

1. 梁燕輝女士於二零二零年一月十日辭任獨立非執行董事。
2. 朱喆煜女士於二零二零年六月十二日辭任非執行董事。
3. 張婷婷女士於二零二零年八月五日退任執行董事。
4. 張哲發先生於二零一九年七月十二日退任非執行董事。
5. 呂國平先生於二零二零年八月五日退任獨立非執行董事。
6. 靳旭亮先生於二零二零年八月五日退任獨立非執行董事。
7. 林志偉先生於二零二零年一月十日獲委任為獨立非執行董事及於二零二零年八月五日退任。
8. 何建昌先生於二零二零年八月五日獲委任為獨立非執行董事。
9. 安娟女士於二零二零年八月五日獲委任為獨立非執行董事及於二零二零年八月十日辭任。
10. 田宏先生於二零二零年八月十日獲委任為獨立非執行董事。
11. 沈偉東先生於二零二零年十一月二日獲委任為獨立非執行董事。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEE (CONTINUED)

Directors' training and professional development

Every Director knows that they should participate in continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. The Company is responsible for arranging and funding suitable training for the Directors. Accordingly, during the year, the Company had made available trainings and development programmes for the Directors for their participation.

During the year, all the Directors were provided with commentary on the Group's business, operations, and financial matters as well as regular updates on applicable legal and regulatory requirements. The Company had also provided the Directors with the materials and information update including the Directors' obligations as required under the Securities and Futures Ordinance and the Listing Rules. In addition, individual Directors have also participated in other courses relating to the roles, functions and duties of a listed company director or further enhancement of their professional development by way of attending training courses or via online aids or reading relevant materials. All the Directors had provided their training records to the Company for the year under review.

Directors

董事

Executive Directors

執行董事

Mr. Zhang Sanhuo

張三貨先生

Mr. Tse Michael Nam

謝南洋先生

Independent Non-executive Directors

獨立非執行董事

Mr. Ho Kin Cheong, Kelvin

何建昌先生

Mr. Shen Weidong

沈偉東先生

Mr. Tian Hong

田宏先生

A: attending internal briefing sessions/reading materials in relation to corporate governance and regulatory updates.

B: attending seminars/courses/conference to develop and refresh their knowledge and skills.

董事會(續)

董事培訓及專業發展

每名董事均明白須參與持續專業發展，發展並更新其知識及技能，以確保其繼續在具備全面資訊及切合所需的情況下對董事會作出貢獻。本公司負責為董事安排及付款進行合適的培訓。因此，年內本公司已為董事提供培訓及發展計劃，供彼等參與。

年內，所有董事已收到就本集團業務、營運及財務事宜以及適用法律法規規定的常規修訂所作評論。本公司亦向董事提供材料及更新資料，包括根據證券及期貨條例及上市規則規定的董事職責。此外，個別董事亦參加了其他有關上市公司董事角色、職能及職責的課程，或者通過參加培訓課程或通過網路幫助或閱讀相關材料以進一步加強其專業發展。所有董事已向本公司提供其於回顧年度的培訓紀錄。

Type of trainings

培訓類型

A

A

A, B

A, B

A, B

A: 出席有關企業管治及監管更新的內部簡報會議／閱讀有關材料。

B: 出席研討會／課程／會議以發展及更新其知識及技能。

CORPORATE GOVERNANCE REPORT

企業管治報告

REMUNERATION POLICY

The Company's remuneration policy is to ensure that all employees, including all Directors, are sufficiently compensated for their efforts and time dedicated to the Company and remuneration offered is according to the prevailing manpower market conditions and individual performance, qualification, experience and the remuneration policy are reviewed on a regular basis. Other employee benefits include mandatory provident fund, insurance and medical coverage, training programs and share option. No Director or any of his associates and executive is involved in deciding his own remuneration.

Remuneration of Directors and Senior Management

The EDs are closely involved in and are directly responsible for all activities of the Group. The Board considers that the senior management comprises the EDs. Particulars regarding senior management and other Directors' remuneration and the five (5) highest-paid employees as required to be disclosed pursuant to Appendix 16 to the Listing Rules are set out in Note 15 to the consolidated financial statements.

Senior Management's Remuneration

The remuneration paid to each of the senior management for the year fell within the following bands:

Nil – HK\$500,000	零至500,000港元	4
HK\$500,001 – HK\$1,000,000	500,001港元至1,000,000港元	1
HK\$1,000,001 – HK\$1,500,000	1,000,001港元至1,500,000港元	–
HK\$1,500,001 – HK\$2,000,000	1,500,001港元至2,000,000港元	1
HK\$2,000,001 – HK\$2,500,000	2,000,001港元至2,500,000港元	–
HK\$2,500,001 – HK\$3,000,000	2,500,001港元至3,000,000港元	–

薪酬政策

本公司之薪酬政策旨在確保全體僱員(包括全體董事)就彼等為本公司付出之努力及時間獲得足夠補償，而所提供之薪酬乃根據現行人力市場狀況釐定，並定期檢討個人表現、資歷、經驗及薪酬政策。其他僱員福利包括強制性公積金、保險及醫療津貼、培訓計劃及購股權。概無董事或其任何聯繫人及行政人員參與釐定其本身之薪酬。

董事及高級管理層薪酬

執行董事密切參與及直接負責本集團之所有活動。董事會認為高級管理層包括執行董事。根據上市規則附錄16須予披露有關高級管理層及其他董事薪酬以及五(5)名最高薪酬僱員之詳情載於綜合財務報表附註15。

高級管理層薪酬

年內支付予各高級管理層之薪酬介乎以下範圍：

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企業管治報告

AUDITOR'S REMUNERATION

During the year, the Company re-appointed Crowe (HK) CPA Limited ("Crowe") as the Auditor in the Company's general meeting held on 5 August 2020. On 20 January 2021, Crowe has resigned as the Auditor while Elite Partners CPA Limited has been appointed as the Auditors to fill the casual vacancy following the resignation of Crowe and to hold office until the conclusion of the forthcoming AGM.

The Auditors' remuneration for the year ended 31 December 2020 was as follows:

Nature of work

工作性質

Audit services

審核服務

Non-audit services

非審核服務

核數師酬金

於年內，本公司於二零二零年八月五日舉行之本公司股東大會上重新委任國富浩華(香港)會計師事務所有限公司(「國富浩華」)為核數師。於二零二一年一月二十日，國富浩華已辭任核數師，而開元信德會計師事務所有限公司已獲委任為核數師，以填補國富浩華辭任後之臨時空缺，任期直至應屆股東週年大會結束為止。

截至二零二零年十二月三十一日止年度之核數師酬金如下：

Amount

金額

HK\$'000

千港元

1,620

730

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for the preparation of the Company's financial statements and that the financial statements are prepared in accordance with statutory requirements and applicable accounting standards. It is also the responsibility of the Directors to ensure the timely publication of the Company's financial statements. During the year, the management has provided sufficient explanation and information to the Board to enable it to make an informed assessment of the financial and other information put before it for approval including the monthly updates on the Company's performance, position and prospects.

董事對財務報表之責任

董事知悉彼等須負責編製本公司財務報表，確保財務報表按法定要求及適用會計準則編製。董事亦須確保及時刊發本公司財務報表。年內，管理層已向董事會作出充分說明並提供資料，以確保董事在知情情況下評估呈交其審批之財務及其他資料，包括有關本公司表現、狀況及前景之每月數據。

CORPORATE GOVERNANCE REPORT

企業管治報告

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS (CONTINUED)

With the outbreak of the Coronavirus Disease ("COVID-19"), a number of provinces and municipalities in the People's Republic of China ("PRC") had taken public health and emergency and transportation and travel restriction measures (the "Measures") in order to prevent further spread of COVID-19. While preparing the audit works of the 2019 annual results, the Company understands from its auditors that the original schedule is affected as a result of the Measures, in particular the postponement of the field works. As such, the audit works of the 2019 annual results cannot be completed on or before 31 March 2020 and the Company had published the unaudited financial results of the Group for the year ended 31 December 2019 together with the comparative figures for the corresponding period in 2018 on 30 March 2020 to minimise disruptions to the trading of the Company's shares while ensuring the Shareholders and potential investors to receive sufficient information. The 2019 annual report had been despatched on 7 July 2020 and the AGM was held on 5 August 2020. For details, please refer to the relevant announcements of the Company.

A discussion and analysis of the Groups' performance, an explanation of the basis on which the Company generates or preserves value over the longer term and the strategy for delivering the Company's objectives have been prepared and included in the Chairman Statement and Management Discussion and Analysis sections of this report.

The statement of the Auditor on their reporting responsibilities in respect of the Company's financial statements is set out on page 87.

The Directors confirm that, except for the issues as explained under the basis of presentation section in Note 2 to the consolidate financial statements, they are not aware of any other material uncertainties relating to events or conditions that may cast significant doubt about the Group's ability to continue as a going concern.

董事對財務報表之責任(續)

因冠狀病毒病(「COVID-19」)爆發，中華人民共和國(「中國」)多個省市已採取公共衛生、緊急以及交通和出行限制措施(「該等措施」)，以防止COVID-19進一步傳播。在準備二零一九年年度業績的核數工作時，本公司從其核數師得悉，原定時間表受到該等措施影響，特別是實地工作有所推遲。因此，二零一九年年度業績的核數工作無法於二零二零年三月三十一日或之前完成，而本公司已於二零二零年三月三十日公佈本集團截至二零一九年十二月三十一日止年度的未經審核財務業績以及二零一八年同期的比較數字，以盡量減少對本公司股份買賣造成妨礙，同時確保股東及潛在投資者能夠獲得足夠的資訊。二零一九年年報已於二零二零年七月七日寄發，而股東週年大會已於二零二零年八月五日舉行。有關詳情請參閱本公相關公告。

有關本集團表現之討論及分析以及有關本公司長期產生或保留價值之基礎及實現本公司目標之策略的說明已於本年報之主席報告及管理層討論及分析章節內編製及載列。

核數師對本公司財務報表之申報責任聲明載於第87頁。

董事確認，除於綜合財務報表附註2之呈列基準項下說明之事宜外，彼等並不知悉有任何其他重大不明朗因素，涉及可能對本集團持續經營能力構成重大疑問之事件或狀況。

CORPORATE GOVERNANCE REPORT

企業管治報告

MANAGEMENT VIEW ON GOING CONCERN

The Directors are of the opinion that the Group will have sufficient working capital to meet its financial obligations as and when they fall due for the next twelve months from 31 December 2020 after taking into consideration of the following:

- (i) the Group is negotiating with non-controlling interests of the amounts due by the Group of approximately HK\$5,572,551,000 for extending the repayment due dates;
- (ii) the Group is negotiating with the holder of the convertible loan notes issued in 2017 by the Company with carrying amounts of approximately HK\$312,000,000 which were matured on 10 July 2020 (the “2017 Convertible Loan Notes”) to restructure the repayment timetable; and
- (iii) external facilities shall be available to the Group.

Accordingly, the Directors are of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the Group will be able to continue as a going concern, which will depend upon the Group's ability to generate adequate financial and operating cash flows through the following:

- (i) successfully negotiation with non-controlling interests to extend the repayment due dates;
- (ii) successfully negotiation with the holder of 2017 Convertible Loan Notes to restructure the repayment timetable of the Group's financial obligations; and
- (iii) successfully obtain external facilities for fulfilling its other existing financial obligations.

管理層對持續經營之意見

董事認為，本集團將擁有足夠營運資金履行其於由二零二零年十二月三十一日起計未來十二個月到期之財務責任，當中已考慮下列各項：

- (i) 本集團正與非控股股東磋商延長本集團應付款項約5,572,551,000港元之還款到期日；
- (ii) 本集團正與本公司於二零一七年發行賬面值約312,000,000港元且已於二零二零年七月十日到期之可換股貸款票據（「二零一七年可換股貸款票據」）持有人磋商以重組還款時間表；及
- (iii) 本集團將獲得外部融資。

因此，董事認為，按持續經營基準編製綜合財務報表實屬恰當。

儘管如此，本集團能否持續經營仍存在重大不確定性，將取決於本集團能否通過以下方式產生足夠的財務及經營現金流：

- (i) 成功與非控股權益磋商有關應付款項以延長還款到期日；
- (ii) 成功與二零一七年可換股貸款票據磋商，以重組本集團財務責任之還款時間表；及
- (iii) 成功獲得外部融資以用於履行其他現有財務責任。

CORPORATE GOVERNANCE REPORT

企業管治報告

AUDIT COMMITTEE REVIEW ON GOING CONCERN

The Audit Committee had critically reviewed the disclaimer of opinion relating to going concern (the “Audit Qualification”), the Board’s response to the disclaimer of opinion, and the Company’s action plan in addressing the Audit Qualification and concurred with the Board’s view. The Audit Committee is in agreement with the Management with respect to the Audit Qualification and the Group’s ability to continue as a going concern and the actions or measures to be implemented by the Management or the Group. The Audit Committee’s views are based on a critical review of:—

- (i) the Management’s action plan to address the Audit Qualification (and the assumption of successful and continued implementation); and
- (ii) a review of the Group’s cash flow projections which covers a period of not less than 12 months from 31 December 2020, and also discussions between the Audit Committee, the Auditor and the Management regarding the Audit Qualification.

The Audit Committee is of the view that the Management should continue its efforts in implementing the actions and measures set out in the action plan below to mitigate the Group’s liquidity pressure and remove the Audit Qualification.

ACTION PLAN TO ADDRESS THE AUDIT QUALIFICATION

The Group has commenced the following action plans to remove the Audit Qualification:

- (a) the Group is in the negotiation with the non-controlling interests of the amounts due by the Group for extending the repayment due dates;
- (b) the Group is in the negotiation with the holder of the 2017 Convertible Loan Notes to restructure the repayment timetable of the Group’s financial obligations; and
- (c) the Group is actively seeking external facilities and fund raising opportunities.

審核委員會對持續經營之檢討

審核委員會已審慎審閱有關持續經營之不發表意見(「審核保留意見」)、董事會對不發表意見之回應，以及本公司處理審核保留意見之行動計劃，並認同董事會之意見。審核委員會與管理層就審核保留意見及本集團持續經營的能力以及管理層或本集團將採取之行動或措施達成一致。審核委員會之意見乃基於對以下之嚴格檢討：—

- (i) 管理層針對審核保留意見的行動計劃(及假設有關行動計劃成功且持續實施)，及
- (ii) 審閱本集團涵蓋自二零二零年十二月三十一日起不少於12個月期間之現金流量預測進行之檢討，以及審核委員會、核數師及管理層就審核保留意見之討論。

審核委員會認為，管理層應繼續努力實施以下行動計劃所載之行動及措施，以減輕本集團之流動資金壓力及去除審核保留意見。

針對審核保留意見之行動計劃

本集團已開始以下行動計劃，以去除審核保留意見：

- (a) 本集團正與本集團非控股權益磋商有關應付款項延長還款到期日；
- (b) 本集團正與二零一七年可換股貸款票據持有人磋商，以重組本集團財務責任之還款時間表；及
- (c) 本集團積極尋求外部融資及集資機會。

CORPORATE GOVERNANCE REPORT

企業管治報告

ACTION PLAN TO ADDRESS THE AUDIT QUALIFICATION (CONTINUED)

The Company has taken various actions since publication of the 2019 annual results to address the audit modification. As at the date of this report, neither the non-controlling interests nor the holder of the 2017 Convertible Loan Notes has demanded for immediate repayment of the outstanding indebtedness. Whilst there is no formal documentation, the non-controlling interests had indicated its willingness for extension. The Company has also completed fund raising exercises during the year ended 31 December 2020 as disclosed in the announcements dated 22 April 2020, 27 April 2020 and 4 May 2020. As a matter of fact, the Company has successfully reached agreements with relevant subscriber for the extension of the convertible bonds in the aggregate principal amount of HK\$395,000,000 as disclosed in the announcement of the Company dated 22 July 2020.

Regarding the negotiations status of the repayment timetable for the 2017 Convertible Loan Note, the Company has been actively negotiated with the holder of the 2017 Convertible Loan Notes for possible extension and up to the date of this report, the negotiations remain in good progress and the holder of the 2017 Convertible Loan Notes did not demand for immediate repayment of the 2017 Convertible Loan Notes. However, the repayment timetable has not yet been finalized. For the avoidance of doubt, further announcement(s) will be made by the Company in compliance with the relevant Listing Rules requirements to inform the public and its Shareholders upon the entering into of relevant definitive agreement(s) on the restructuring of the 2017 Convertible Loan Notes.

In respect of seeking external facilities and fund raising opportunities, the Group had approached and in the negotiation with a number of financial institutions in PRC. Up to the date of this report, the negotiations are still in progress but the Group has not concluded or reached any agreements with those financial institutions. The Company will continue to explore appropriate fund raising opportunities.

The Group's ability to continue as a going concern will depend upon the Group's ability to generate adequate financial cash flows. Assuming that the Group can successfully implement the aforesaid measures, the Group considers it would address the going concern issues.

針對審核保留意見之行動計劃(續)

本公司自刊發二零一九年年度業績以來已採取多項行動以處理審核修訂。於本報告日期，非控股權益及二零一七年可換股貸款債券持有人概無要求即時償還未償還債務。儘管並無正式文件，非控股權益已表示願意延期。誠如日期為二零二零年四月二十二日、二零二零年四月二十七日及二零二零年五月四日之公告所披露，本公司亦已於截至二零二零年十二月三十一日止年度完成集資活動。事實上，誠如本公司日期為二零二零年七月二十二日之公告所披露，本公司已成功與相關認購人就延長本金總額為395,000,000港元之可換股債券達成協議。

就二零一七年可換股貸款票據之還款時間表之磋商狀況而言，本公司已積極與二零一七年可換股貸款票據持有人就可能延期進行磋商，直至本報告日期，磋商仍在進行中，而二零一七年可換股貸款票據持有人並無要求即時償還二零一七年可換股貸款票據。然而，還款時間表尚未落實。為免生疑問，本公司將於就重組二零一七年可換股貸款票據訂立相關最終協議後根據相關上市規則規定作出進一步公告，以知會公眾及其股東。

就尋求外部融資及集資機會而言，本集團已與中國多家金融機構接洽並進行磋商。截至本報告日期，磋商仍在進行中，惟本集團尚未與該等金融機構落實或達成任何協議。本公司將持續探索合適的集資機會。

本集團持續經營的能力將取決於本集團能否產生足夠的財務現金流量。假設本集團能夠成功落實上述措施，本集團認為其將解決持續經營問題。

CORPORATE GOVERNANCE REPORT

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ACTION PLAN TO ADDRESS THE AUDIT QUALIFICATION (CONTINUED)

For the avoidance of doubt, in accordance with the applicable Hong Kong Standards on Auditing, the auditor needs to obtain sufficient appropriate audit evidence and to consider, based on the audit evidence to be obtained, whether material uncertainty exists regarding the Group's ability to continue as going concern. As such, assuming the successful implementation of the action plan in time with sufficient and appropriate audit evidence can be provided, the directors are of the view that Disclaimer of Opinion is expected to be removed in the consolidated financial statements of the Group for the year ending 31 December 2021. The Company will continue to exercise its best endeavours to resolve the audit modification within the year ending 31 December 2021.

AUDIT COMMITTEE AND REVIEW OF CONSOLIDATED FINANCIAL STATEMENTS

As at the date of this report, the Audit Committee comprised three members, all of whom were independent non-executive Directors. The composition of the Audit Committee is Mr. Ho Kin Cheong, Kelvin (chairman of the Audit Committee), Mr. Shen Weidong and Mr. Tian Hong. Mr. Ho Kin Cheong, Kelvin is an associate member of the Hong Kong Institute of Certified Public Accountants, and a fellow member of the Association of Chartered Certified Accountants. None of the members is a partner or former partner of the Auditor, Elite Partners (CPA) Limited.

The Audit Committee has reviewed with management in conjunction with the external auditor of the Group's consolidated financial statements for the year ended 31 December 2020, the accounting principles and practices adopted by the Group and discussed auditing, risk management and internal controls, and financial reporting matters of the Group for the year ended 31 December 2020.

COMPANY SECRETARY

The Company Secretary supports the Board by ensuring good information flow within the Board and that board policy and procedures are followed. The Company Secretary is also responsible for advising the Board on corporate governance and the implementation of the CG Code. The Company Secretary is an employee of the Company and has day-to-day knowledge of the Group affairs.

The Company Secretary reports to the Chairman and the CEO. All Directors also have access to the advice and services of the Company Secretary to ensure that all applicable laws, rules and regulations are followed. The selection, appointment and dismissal of the Company Secretary is subject to the Board approval.

針對審核保留意見之行動計劃(續)

為免產生疑問，根據適用香港審核準則，核數師需要獲取足夠及適當的核數憑證，並根據需要獲取的核數憑證考慮本集團持續經營能力是否存在重大不確定性。因此，假設及時成功落實有關行動計劃並能夠提供足夠及適當的核數憑證，董事認為有望於截至二零二一年十二月三十一日止年度的本集團綜合財務報表中去除不發表意見。本公司將繼續盡最大努力於截至二零二一年十二月三十一日止年度內解決審核修訂。

審核委員會及審閱綜合財務報表

於本報告日期，審核委員會由三名成員組成，全部均為獨立非執行董事。審核委員會包括何建昌先生(審核委員會主席)、沈偉東先生及田宏先生。何建昌先生為香港會計師公會會員及英國特許公認會計師公會資深會員。概無成員為本集團核數師開元信德會計師事務所有限公司之合夥人或前合夥人。

審核委員會已與管理層連同外聘核數師審閱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、本集團採納之會計原則及慣例，並討論本集團截至二零二零年十二月三十一日止年度之審核、風險管理及內部監控以及財務報告事宜。

公司秘書

公司秘書支援董事會以確保董事會成員之間資訊交流良好且遵循董事會政策及程序。公司秘書亦負責就企業管治及企業管治守則之實施向董事會提供意見。公司秘書為本公司僱員，對本集團之日常事務有所認識。

公司秘書向主席及行政總裁匯報。全體董事亦可取得公司秘書之意見及服務，以確保遵守所有適用法律、規則及法規。公司秘書之甄選、委任及罷免須經董事會批准。

CORPORATE GOVERNANCE REPORT

企業管治報告

COMPANY SECRETARY (CONTINUED)

On 15 July 2020, Mr. Shek Wing Wa resigned as the Company Secretary and Ms. Chu Ka Ying was appointed as the Company Secretary with effect from 16 July 2020. During the year, she has completed over 15 hours of relevant professional training.

INTERNAL CONTROLS AND RISK MANAGEMENT

The Board acknowledges that it is responsible for ensuring a sound and effective internal control system is maintained within the Company and its subsidiaries so as to safeguard the Group's assets and its Shareholders' investments. The Board established the Risk Management Committee to conduct annual reviews of the effectiveness of the system of internal controls as well as the adequacy of resources, qualifications and experience of staff of the accounting and financial reporting functions, and their training programmes and budget.

The Risk Management Committee reviewed the need for an internal audit department and considered it appropriate to adopt an internal group policy to review of the effectiveness of the system of internal control of the Company and certain of its subsidiaries for the financial year ended 31 December 2020. Given the Group's simple operating structure, as opposed to a separate internal audit department, the Risk Management Committee engaged an independent professional third party for reviewing the effectiveness of the internal control of the Group.

The Risk Management Committee conducted a review on the internal control system of the Group on an annual basis and has the responsibility to maintain an effective internal control system in order to safeguard the Group's assets and Shareholders' interests. It covered all material controls including financial, operational and compliance controls and risk management functions of the Company. And the policy had been reviewed annually by the Board to ensure it fulfilled the statutory requirement.

The Risk Management Committee has also reviewed the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function. The Risk Management Committee will keep review and monitor the effectiveness of the internal control and risk management systems on a regular basis to ensure that the systems in place are adequate.

公司秘書(續)

於二零二零年七月十五日，石永華先生辭任公司秘書，而朱嘉盈女士自二零二零年七月十六日起獲委任為公司秘書。於本年度，彼已完成超過15小時之相關專業培訓。

內部監控及風險管理

董事會知悉，其須負責確保於本公司及其附屬公司內維持良好有效之內部監控制度，以保障本集團資產及其股東之投資。董事會已成立風險管理委員會，每年均對內部監控制度之效能、資源充足度、負責會計及財務申報職能之員工資歷及經驗，以及彼等之培訓計劃及預算進行檢討。

風險管理委員會曾檢討內部審核部門之需要，認為採納內部集團政策以檢討本公司及其若干附屬公司於截至二零二零年十二月三十一日止財政年度內部監控制度的有效性屬恰當。鑒於本集團營運架構簡單，風險管理委員會委聘獨立專業第三方而非由獨立之內部審核部門檢討本集團內部監控的成效。

風險管理委員會每年均對本集團之內部監控制度進行檢討，並負責維持有效之內部監控制度，以保障本集團資產及其股東之權益。檢討範圍涵蓋所有重大監控事宜，包括本公司之財務、營運及合規監控以及風險管理職能。董事會已每年檢討有關政策，以確保符合法律規定。

風險管理委員會亦檢討本公司會計及財務申報職能之資源、員工資格及經驗、培訓計劃及預算是否充足。風險管理委員會將不斷定期檢討及監察內部監控及風險管理制度之效益，以確保所設制度足夠。

CORPORATE GOVERNANCE REPORT

企業管治報告

INTERNAL CONTROLS AND RISK MANAGEMENT (CONTINUED)

Risk management system

The Group adopts a risk management system which manages the risk associated with its business and operations. The system comprises the following phases:

- Identification: Identify ownership of risks, business objectives and risks that could affect the achievement of objectives.
- Evaluation: Analyse the likelihood and impact of risks and evaluate the risk portfolio accordingly.
- Management: Consider the risk responses, ensure effective communication to the Board and on-going monitor the residual risks.

Based on the risk assessments conducted for the year 2020, no significant risk was identified.

Internal control system

The Company has in place an internal control system which is compatible with the Committee of Sponsoring Organisations of the Treadway Commission 2013 framework. The framework enables the Group to achieve objectives regarding effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. The components of the framework are shown as follow:

Control Environment: A set of standards, processes and structures that provide the basis for carrying out internal control across the Group.

- Risk Assessment: A dynamic and iterative process for identifying and analysing risks to achieve the Group's objectives, forming a basis for determining how risks should be managed.
- Control Activities: Action established by policies and procedures to help ensure that management directives to mitigate risks to the achievement of objectives are carried out.
- Information and Communication: Internal and external communication to provide the Group with the information needed to carry out day-to-day controls.
- Monitoring: Ongoing and separate evaluations to ascertain whether each components of internal control is present and functioning.

內部監控及風險管理(續)

風險管理制度

本集團採納風險管理制度，管理與其業務及營運有關之風險。該制度包括以下階段：

- 識別：識別風險負責方、業務目標及可能影響目標達成之風險。
- 評估：分析出現風險之可能性及影響，並就此評估風險組合。
- 管理：考慮風險應對方案、確保與董事會進行有效溝通以及持續監控其餘風險。

根據二零二零年進行之風險評估，並無識別重大風險。

內部監控制度

本公司設有內部監控制度，其與全美反舞弊性財務報告委員會發起組織於二零一三年發佈之框架一致。該框架使本集團於營運效率及效益、財務申報之可靠性以及遵守適用法例及法規等方面能達致目標。該框架之合適組成部分載列如下：

監控環境：為一套標準、程序及架構，為本集團進行內部監控提供基準。

- 風險評估：為一套靈活及反複的流程，可辨識及分析各種風險，從而達致本集團的目標，同時制定基準以決定如何管理風險。
- 監控活動：以政策及程序制定行動，從而協助確保管理層就舒緩風險以達成目標的方針得以實施。
- 資訊及溝通：進行內外部溝通，為本集團提供所需資料以進行日常監控工作。
- 監控：進行持續及個別評估，以確保內部監控的各個組成部分到位且運作正常。

CORPORATE GOVERNANCE REPORT

企業管治報告

INTERNAL CONTROLS AND RISK MANAGEMENT (CONTINUED)

Internal control system (continued)

In order to enhance the Group's system of handling inside information, and to ensure the truthfulness, accuracy, completeness and timeliness of its public disclosures, the Group also adopts and implements an inside information policy and procedures. Certain reasonable measures have been taken from time to time to ensure that proper safeguards exist to prevent a breach of a disclosure requirement in relation to the Group, which include:

- The access of information is restricted to a limited number of employees on a need-to-know basis. Employees who are in possession of inside information are fully conversant with their obligations to preserve confidentiality.
- Confidentiality agreements are in place when the Group enters into significant negotiations.
- The executive Directors are designated persons who speak on behalf of the Company when communicating with external parties such as the media, analysts or investors.

Based on the internal control reviews conducted for the year 2020, no significant control deficiency was identified.

Internal audit

The Group's internal audit function is performed by an internal audit team, which consisted of professional staff with relevant expertise (such as Certified Public Accountant), which reports directly to the Risk Management Committee.

In addition, the Group has engaged a professional advisory firm of internal control to perform regular review of the internal control system of the Group and the results were summarized and reported to the Audit Committee and the Board. The Board will continue to strive for a better control by way of consulting with the professional adviser and adopting the recommendations made by the professional advisory firm.

內部監控及風險管理(續)

內部監控制度(續)

為加強本集團處理內幕消息之制度，並確保其公開披露資料之真實性、準確性、完整性與及時性，本集團亦採納及執行內幕消息政策及程序。本集團已不時採取若干合理措施，以確保存有防止違反披露規定之合適保障措施，其中包括：

- 只有需要了解之有限數目之僱員可獲取消息。擁有內幕消息之僱員完全了解其保守機密之責任。
- 本集團訂立重大協商時簽訂保密協議。
- 與外界(如媒體、分析師或投資者)溝通時，執行董事為代表本公司發言之指定人士。

根據二零二零年進行之內部監控審閱，並無發現任何重大監控缺陷。

內部審計

本集團的內部審計職能由內部審計團隊履行，該團隊由具有相關專業知識的專業員工(例如註冊會計師)組成，直接向風險管理委員會報告。

此外，本集團已委聘內部監控專業顧問公司定期檢討本集團的內部監控系統，對結果進行總結並向審核委員會及董事會報告。董事會將繼續致力通過諮詢專業顧問並採納專業顧問公司的建議實施更好的監控措施。

CORPORATE GOVERNANCE REPORT

企業管治報告

INTERNAL CONTROLS AND RISK MANAGEMENT (CONTINUED)

Effectiveness of the risk management and internal control systems

The Risk Management Committee is responsible for the risk management and internal control systems of the Group and ensuring review of the effectiveness of these systems has been conducted annually. Several areas have been considered during the Risk Management Committee's reviews, which include but not limited to (i) the changes in the nature and extent of significant risks since the last annual review, and the Group's ability to respond to changes in its business and the external environment; and (ii) the scope and quality of management's ongoing monitoring of risks and of the internal control systems.

The Risk Management Committee, through its reviews and the reviews made by internal audit function and Audit Committee, concluded that the risk management and internal control systems were effective and adequate. Such systems, however, are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. It is also considered that the resources, staff qualifications and experience of relevant staff were adequate and the training programs and budget provided were sufficient.

Based on the above, the Risk Management Committee is of the view that the Company has established a proper internal control system which is effective and adequate. And the Board also considers the internal control systems of the Company effective and the resources, qualifications and experience of the accounting and financial reporting functions, adequate for the period in review.

In year 2020, the Group has engaged Absolute Value Business of Asset Valuation Limited, an independent professional third party, to review the Group's internal audit function. The internal audit function is independent of the Group's daily operation and carries out appraisal of the risk management and internal control systems by conducting interviews, walkthroughs and tests of operating effectiveness. An internal audit plan as suggested has been approved by the Board. According to the established plan, review of the risk management and internal control systems is conducted annually and the results are reported to the Audit Committee afterwards.

內部監控及風險管理(續)

風險管理及內部監控制度之有效性

風險管理委員會負責本集團之風險管理及內部監控制度，並確保每年審閱該等制度之有效性。風險管理委員會審閱時已考慮若干領域，包括但不限於(i)自去年年度審閱以來重大風險性質及程度之變動，以及本集團應付其業務及外部環境變動之能力；及(ii)管理層持續監控風險及內部監控制度之範圍及質素。

風險管理委員會透過其審閱以及內部審計職能及審核委員會作出之審閱得出結論，認為風險管理及內部監控制度為有效及足夠。然而，該等制度旨在管理而非消除未能達成業務目標之風險，且僅能就不會有重大失實陳述或損失作出合理而非絕對之保證。其亦認為資源、員工資歷及相關員工之經驗為足夠，提供之培訓計劃及預算為充分。

基於上文所述，風險管理委員會認為，本公司已設有適當、有效及足夠的內部監控制度。董事會亦認為，本公司之內部監控制度有效，而會計及財務申報職能之資源、資歷及經驗於回顧期內亦足夠。

於二零二零年，本集團已委聘精銳商業與資產評估有限公司(一名獨立專業第三方)檢討本集團之內部審計職能。內部審計職能獨立於本集團之日常營運並通過對運行效率實施面談、走查及測試以評估風險管理及內部監控制度。一個建議之內部審計計劃已獲董事會批准。根據已制定計劃，風險管理及內部監控制度每年進行檢討，結果於事後向審核委員會報告。

CORPORATE GOVERNANCE REPORT

企業管治報告

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

The Board is responsible for maintaining an on-going dialogue with the Shareholders. A shareholders' communication policy setting out the principles of the Company in relation to Shareholders' communications, with the objectives of ensuring a transparent and timely communication with Shareholders via various means, had been established and published on the Company's website. And it will be reviewed annually after the annual general meeting. The Company's annual general meetings and other general meetings are valuable forums for the Board to communicate directly with the Shareholders and to answer questions Shareholders may raise. Another key element of effective communication with Shareholders and investors is the prompt and timely dissemination of information in relation to the Group.

Separate resolutions are proposed by the chairman at general meetings for each substantial issue. The detailed procedures of conducting a poll are explained to Shareholders at the commencement of the general meetings, to ensure that Shareholders are familiar with such procedures.

The Company's last AGM was held on 5 August 2020. Notice of the last AGM were sent out 21 clear business days before the AGM. All the resolutions proposed at the AGM were approved by the Shareholders by poll. Details of the poll results are available on the Company's website. The Auditors and the Company's legal advisors were also available during the AGM to answer questions from the Shareholders. An executive Director, chairman/members of the Audit Committee, the Remuneration Committee, the Nomination Committee, the Auditors' representative, and the Company's legal advisors were available at the 2020 AGM to answer questions from the Shareholders.

CONSTITUTIONAL DOCUMENTS

There was no change to the Company's Memorandum of Association and the Bye-laws during the financial year 2020. Copy of the latest version of the Memorandum of Association and Bye-laws has been posted on the Company's website as well as the Stock Exchange's websites.

與股東及投資者之溝通

董事會負責與股東保持溝通。本公司已設立股東溝通政策並於網站登載，當中載明本公司有關股東溝通的原則，以確保透過各種途徑與股東進行透明且及時之溝通。有關政策將於每年的股東週年大會後檢討。本公司之股東週年大會及其他股東大會為董事會與股東直接交流及回答股東可能提出的問題的有效論壇。與股東及投資者交流的另一有效主要途徑則為及時迅速地發佈有關本集團的信息。

於股東大會上，主席會就各項重大問題提出獨立決議案。表決程序詳情已於股東大會開始時向股東說明，以確保股東熟知該等程序。

本公司上屆股東週年大會於二零二零年八月五日舉行，上屆股東週年大會之通告已於股東週年大會召開日期足21個營業日前發出。於股東週年大會上提出之全部決議案均由股東表決通過。表決結果詳情已於本公司網站發佈。核數師及本公司法律顧問亦有出席股東週年大會以回答股東問題。一名執行董事、審核委員會、薪酬委員會、提名委員會主席／成員及核數師代表以及本公司法律顧問均有出席二零二零年股東週年大會，以回答股東提問。

章程文件

於二零二零年財政年度，本公司之組織章程大綱及公司細則概無變動。最新的組織章程大綱及公司細則副本已刊載於本公司網站及聯交所網站。

CORPORATE GOVERNANCE REPORT

企業管治報告

SHAREHOLDERS' RIGHTS

Convening of general meetings

Shareholders shall have the right to request the Board to convene a general meeting. Shareholders holding an aggregate of not less than one-tenth (10%) of the Company's paid up capital may send a written request to the Board to request for the convening of a general meeting. The written requisition, duly signed by the Shareholders concerned, must state the purposes of the meeting and must be deposited at the Company's registered office. The Company would take appropriate actions and make necessary arrangements, and the Shareholders concerned would be responsible for the expenses incurred in giving effect thereto in accordance with the requirements under Section 74 of the Act once a valid requisition is received.

The Shareholders are entitled to put forward a proposal (which may properly be put to the meeting) for consideration at a general meeting of the Company: (a) any number of members representing not less than one-twentieth (5%) of the total voting rights of the Company on the date of the requisition; or (b) not less than 100 members holding Shares in the Company.

The requisition specifying the proposal, duly signed by the Shareholders concerned, together with a statement of not more than 1,000 words with respect to the matter referred to in the proposal must be deposited at the Company's registered office. The Company would take appropriate actions and make necessary arrangements, and the Shareholders concerned would be responsible for the expenses incurred in giving effect thereto in accordance with the requirements under Sections 79 and 80 of the Act once valid documents are received.

If a Shareholder wishes to propose a person other than a retiring Director for election as Director at a general meeting, the Shareholder should lodge at the Company's principal place of business in Hong Kong at Unit A, 12/F., Central 88, 88-98 Des Voeux Road Central, Hong Kong, the necessary documents as mentioned in the "Procedures for shareholders to propose a person for election as a director of the Company" which had already been published in the Company's website as well as the Stock Exchange's website.

Enquiries to the Board

Shareholders may make enquiries with the Board at the Company's general meetings or at any time send their enquiries and concerns to the Board in writing through the Company Secretary whose contact details are as follows:

Green Leader Holdings Group Limited
Unit A, 12/F., Central 88,
88-98 Des Voeux Road Central, Hong Kong
Telephone: (852) 2889 6289
Fax: (852) 2897 9137

股東權利

召開股東大會

股東有權要求董事會召開股東大會，惟須經持有合共不少於本公司已繳足資本十分之一(10%)之股東向董事會發出召開股東大會的書面申請。經由當事股東正式簽署的書面申請應指明召開大會的目的，且應送交本公司註冊辦事處。於接獲有效申請後，本公司將根據公司法第74條之規定採取適當措施及作出必要安排，而當事股東須承擔執行開支。

股東可向本公司股東大會提呈(可向會議正式提呈)建議供審議：(a)於要求當日持有不少於二十分之一(5%)本公司總投票權的任何數目股東；或(b)持有本公司股份的不少於100名的股東。

要求須列明建議，經當事股東正式簽名，且應連同一份不超過1,000字的建議所涉事宜陳述送交本公司註冊辦事處。於接獲有效文件後，本公司將根據公司法第79條及第80條之規定採取適當措施及作出必要安排，而當事股東須承擔執行開支。

倘股東擬於股東大會建議推選一名非退任董事的人士為董事，股東須將本公司網站及聯交所網站已公佈的「股東建議推舉本公司董事的程序」所指必要文件送交本公司香港主要營業地點，地址為香港中環德輔道中88-98號中環88 12樓A室。

詢問董事會

股東可於本公司股東大會上向董事會提出詢問或隨時透過以下聯絡詳情經公司秘書向董事會提交書面查詢及疑問：

綠領控股集團有限公司
香港中環德輔道中88-98號
中環88 12樓A室
電話：(852) 2889 6289
傳真：(852) 2897 9137

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



TO THE SHAREHOLDERS OF GREEN LEADER HOLDINGS GROUP LIMITED

(Incorporated in Bermuda with limited liability)

DISCLAIMER OF OPINION

We were engaged to audit the consolidated financial statements of Green Leader Holdings Group Limited (the “Company”) and its subsidiaries (the “Group”) set out on pages 88 to 216, which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of profit or loss, 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.

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR DISCLAIMER OF OPINION

Multiple uncertainties relating to going concern

As described in Note 2 to the consolidated financial statements, the Group incurred a net loss of approximately HK\$660,458,000 during the year ended 31 December 2020 and as of that date, the Group had net current liabilities and net liabilities of approximately HK\$6,260,753,000 and HK\$1,423,988,000 respectively whereas its cash and cash equivalents amounted to approximately HK\$48,097,000 only as at the same date. Besides, included in the net current liabilities of the Group, there are other borrowings related to the convertible loan notes issued in 2017 by the Company with carrying amounts of approximately HK\$312,000,000 (“2017 Convertible Loan Notes”) which were matured on 10 July 2020 and amounts due to non-controlling interests of approximately HK\$5,572,551,000 was either past due as at 31 December 2020 or will be matured on or before 31 December 2021.

致綠領控股集團有限公司全體股東

(於百慕達註冊成立之有限公司)

不發表意見

我們獲委任審核第88頁至第216頁所載綠領控股集團有限公司(「貴公司」)及其附屬公司(「貴集團」)之綜合財務報表，此綜合財務報表包括於二零二零年十二月三十一日之綜合財務狀況表以及截至該日止年度之綜合損益表、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。

我們對 貴集團之綜合財務報表不發表意見。由於我們報告中「不發表意見之基準」一節內所述事項的重要性，我們並未能夠取得充足適當審核憑據以就該等綜合財務報表發表之審核意見提供基準。在所有其他方面，我們認為綜合財務報表已根據香港公司條例之披露規定妥為編製。

不發表意見之基準

有關持續經營之多項不確定因素

誠如綜合財務報表附註2所述，貴集團於截至二零二零年十二月三十一日止年度產生虧損淨額約660,458,000港元及截至該日 貴集團有流動負債淨額及負債淨額分別約6,260,753,000港元及1,423,988,000港元，其於同日之現金及現金等價物僅得約48,097,000港元。另外，貴集團之流動負債淨額包括與本公司於二零一七年發行賬面值約為312,000,000港元之可換股貸款票據(「二零一七年可換股貸款票據」，已於二零二零年七月十日期滿)有關之其他借貸及應付非控股權益款項約5,572,551,000港元於二零二零年十二月三十一日已逾期或將於二零二一年十二月三十一日或之前到期。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

BASIS FOR DISCLAIMER OF OPINION (CONTINUED)

Multiple uncertainties relating to going concern (continued)

These conditions, together with other matters described in Note 2 to the consolidated financial statements, indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern.

The directors have been undertaking certain measures as set out in Note 2 to the consolidated financial statements to improve the Group's liquidity and financial position. The consolidated financial statements have been prepared on a going concern basis, the validity of which depends on the outcome of these plans and measures, which are subject to multiple uncertainties, including: (i) negotiation with non-controlling interests of amounts due by the Group for extending the repayment due dates; (ii) negotiation with the holder of the 2017 Convertible Loan Notes to restructure the repayment timetable; and (iii) external facilities shall be available to the Group.

Should the Group fail to achieve the above mentioned plans and measures, it might not be able to continue to operate as a going concern, and adjustments would have to be made to reclassify the Group's non-current assets and non-current liabilities as current assets and current liabilities respectively, to write down the carrying amounts of the Group's assets to their recoverable amounts and to provide for any further liabilities which may arise. The effect of these adjustments have not been reflected in the consolidated financial statements.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE 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 Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants (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.

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

不發表意見之基準(續)

有關持續經營之多項不確定因素(續)

該等狀況連同綜合財務報表附註2所述之其他事宜表明存在重大不確定因素，其可能對貴集團之持續經營能力造成重大疑問。

董事已採取若干措施(如綜合財務報表附註2所載)，以改善貴集團之流動資金及財務狀況。綜合財務報表已按持續經營基準編製，其有效性取決於該等計劃及措施之成效，而其視乎多項不確定因素而定，包括：(i)與貴集團非控股權益磋商有關應付款項延長還款到期日；(ii)與二零一七年可換股貸款票據持有人磋商以重組還款時間表；及(iii)貴集團可獲取之外部融資。

倘若貴集團未能達成上述計劃及措施，其可能無法繼續按持續經營基準營運，並須作出調整以將貴集團之非流動資產及非流動負債分別重新分類為流動資產及流動負債，以將貴集團之資產的賬面值撇減至其可收回金額，並就可能產生之任何進一步負債計提撥備。該等調整之影響並未反映於綜合財務報表內。

董事及負責管治人員就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則及香港公司條例的披露規定編製真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

負責管治人員負責監督貴集團財務申報程序的責任。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with Hong Kong Standards on Auditing issued by the HKICPA and to issue an auditor's report. This report is made 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 contents of this report. However, because of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

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.

The engagement director on the audit resulting in this independent auditor's report is Mr. Wong Ho Kwan with Practising Certificate number P07543.

核數師就審核綜合財務報表須承擔的責任

我們的責任是遵循香港會計師公會發佈的香港核數準則對 貴集團的綜合財務報表執行審核工作並發表核數師報告。我們僅根據百慕達公司法第90條向 閣下(作為整體)報告，除此之外本報告別無其他目的。我們概不就本報告的內容向任何其他人士負上或承擔任何責任。然而，由於吾等之報告中「不發表意見之基準」一段中所述事項，吾等未能取得充足及適當之憑據作為就該等綜合財務報表發出審核意見之依據。

根據香港會計師公會頒佈的職業會計師道德守則(「守則」)，吾等獨立於 貴集團，且吾等已遵循守則其他道德責任。

出具本獨立核數師報告之審計項目合夥人為黃浩堃先生(執業證書編號：P07543)。

Elite Partners CPA Limited

Certified Public Accountants

10/F, 8 Observatory Road,
Tsim Sha Tsui, Kowloon,
Hong Kong

31 March 2021

開元信德會計師事務所有限公司

執業會計師

香港
九龍尖沙咀
天文臺道8號10樓

二零二一年三月三十一日

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	收入	8	1,303,796	944,258
Cost of sales and services rendered	銷售及提供服務之成本		(1,175,929)	(844,110)
Gross profit	毛利		127,867	100,148
Other operating income	其他經營收益	8	23,778	69,350
Selling and distribution expenses	銷售及分銷費用		(4,406)	(4,206)
Administrative and other operating expenses	行政及其他經營費用		(283,442)	(590,958)
Change in fair value of derivative component of convertible loan notes	可換股貸款票據衍生工具部分之公平值變動	26	(27,870)	22,843
Impairment loss recognised in respect of mining rights, net	就採礦權確認之減值虧損，淨額	17	(170,267)	(336,249)
Impairment loss recognised in respect of property, plant and equipment, net	就物業、廠房及設備確認之減值虧損，淨額	16	(120,962)	(160,102)
Impairment loss recognised in respect of financial assets under expected credit loss model, net	根據預期信貸虧損模式就金融資產確認之減值虧損，淨額		(35,946)	(9,149)
Finance costs	融資成本	9	(361,665)	(415,590)
Loss before taxation	除稅前虧損	10	(852,913)	(1,323,913)
Income tax credit	所得稅抵免	11	192,455	119,054
Loss for the year	年度虧損		(660,458)	(1,204,859)
Loss for the year attributable to:	以下人士應佔年度虧損：			
Owners of the Company	本公司擁有人		(312,362)	(695,650)
Non-controlling interests	非控股權益		(348,096)	(509,209)
			(660,458)	(1,204,859)
Loss per share (HK cents)	每股虧損(港仙)			(restated) (經重列)
Basic and diluted	基本及攤薄	13	(63)	(159)

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	年度虧損	(660,458)	(1,204,859)
Other comprehensive expense:	其他全面開支：		
Items that may be subsequently reclassified to profit or loss:	日後可重新分類至損益之項目：		
Exchange difference on translation of foreign operations:	換算海外業務之匯兌差額：		
– Exchange difference arising during the year	– 年度產生之匯兌差額	(40,939)	(5,875)
– Reclassification adjustments on disposal of foreign subsidiaries	– 出售海外附屬公司之重新分類調整	–	(13)
Other comprehensive expense for the year	年度其他全面開支	(40,939)	(5,888)
Total comprehensive expense for the year	年度全面開支總額	(701,397)	(1,210,747)
Total comprehensive expense for the year attributable to:	以下人士應佔年度全面開支總額：		
Owners of the Company	本公司擁有人	(345,913)	(697,339)
Non-controlling interests	非控股權益	(355,484)	(513,408)
		(701,397)	(1,210,747)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2020 於二零二零年十二月三十一日

		NOTES 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	1,810,589	1,699,009
Mining rights	採礦權	17	4,965,468	5,273,466
Intangible assets	無形資產		15,970	18,299
Goodwill	商譽	18	–	–
Deposits paid for acquisition of land use rights	收購土地使用權之已付按金		–	35,946
Deposits paid for acquisition of property, plant and equipment	收購物業、廠房及設備之已付按金		11,114	22,910
			6,803,141	7,049,630
Current assets	流動資產			
Inventories	存貨	19	6,283	16,456
Trade receivables	貿易應收款項	20	117,855	55,904
Prepayments, deposits, bills receivables and other receivables	預付款項、按金、應收票據及其他應收款項	20	96,640	43,796
Amounts due from related companies	應收關連公司款項	21	5,980	5,750
Amounts due from directors	應收董事款項	22	235	233
Derivative component of convertible loan notes	可換股貸款票據之衍生工具部分	26	–	28,719
Cash and cash equivalents	現金及現金等價物	23	48,097	45,788
			275,090	196,646
Current liabilities	流動負債			
Trade payables	貿易應付款項	24	1,798	1,796
Other payables	其他應付款項	24	623,838	613,013
Amount due to a director	應付一名董事款項	22	13,108	13,108
Amounts due to non-controlling interests	應付非控股權益款項	25	5,572,551	1,128,128
Other borrowings	其他借貸	33	313,621	23,202
Liabilities component of convertible loan notes	可換股貸款票據之負債部分	26	–	660,722
Derivative component of convertible loan notes	可換股貸款票據之衍生工具部分	26	–	850
Lease liabilities	租賃負債	39	10,327	8,548
Income tax liabilities	所得稅負債		600	5,096
			6,535,843	2,454,463
Net current liabilities	流動負債淨額		(6,260,753)	(2,257,817)
Total assets less current liabilities	資產總值減流動負債		542,388	4,791,813

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 December 2020 於二零二零年十二月三十一日

		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
Capital and reserves	資本及儲備			
Share capital	股本	27	105,252	87,732
Reserves	儲備		(2,726,156)	(2,542,167)
Capital deficiencies attributable to owners of the Company	本公司擁有人應佔資本虧絀		(2,620,904)	(2,454,435)
Non-controlling interests	非控股權益	38	1,196,916	1,552,400
Total capital deficiencies	資本虧絀總額		(1,423,988)	(902,035)
Non-current liabilities	非流動負債			
Amounts due to non-controlling interests	應付非控股權益款項	25	—	3,805,546
Provision for restoration, rehabilitation and environmental costs	恢復、修復及環境成本撥備	28	83,414	75,914
Liabilities component of convertible loan notes	可換股貸款票據之負債部分	26	310,059	—
Amounts due to related companies	應付關連公司款項	21	125,891	159,576
Other payables	其他應付款項	24	422,112	508,478
Lease liabilities	租賃負債	39	49,023	20,486
Deferred tax liabilities	遞延稅項負債	29	975,877	1,123,848
			1,966,376	5,693,848
			542,388	4,791,813

The consolidated financial statements were approved and authorised for issue by the board of directors on 31 March 2021 and are signed on its behalf by:

綜合財務報表於二零二一年三月三十一日經董事會批准及授權刊發，並由以下董事代為簽署：

Mr. Zhang Sanhuo
張三貨先生
Director
董事

Mr. Tse Michael Nam
謝南洋先生
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

		Attributable to owners of the Company 本公司擁有人應佔												
		Share capital	Share premium	Contributed surplus	Exchange translation reserve	Share options reserve	Statutory surplus reserve	Other reserve	Convertible loan notes equity reserve	Accumulated losses	Sub-total	Non-controlling interests	Total	
		股本	股份溢價	繳入盈餘	匯兌換算儲備	購股權儲備	法定盈餘公積儲備	其他儲備	可換股貸款票據股本儲備	累計虧損	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	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
				(Note i) (附註i)	(Note ii) (附註ii)	(Note iii) (附註iii)	(Note iv) (附註iv)		(Note v) (附註v)					
As at 1 January 2019	於二零一九年一月一日	73,110	8,882,864	1,077,104	(95,781)	95,256	54,843	74,492	-	(11,990,439)	(1,828,551)	2,065,414	236,863	
Loss for the year	年度虧損	-	-	-	-	-	-	-	-	(695,660)	(695,660)	(509,209)	(1,204,859)	
Other comprehensive expenses for the year	年度其他全面開支	-	-	-	-	-	-	-	-	-	-	-	-	
- Exchange difference on translation of foreign operations	- 換算海外業務之匯兌差額	-	-	-	(1,676)	-	-	-	-	-	(1,676)	(4,199)	(5,875)	
- Reclassification adjustments on disposal of foreign subsidiaries	- 出售海外附屬公司之重新分類調整	-	-	-	(13)	-	-	-	-	-	(13)	-	(13)	
Total comprehensive expenses for the year	年度全面開支總額	-	-	-	(1,689)	-	-	-	-	(695,660)	(697,339)	(513,408)	(1,210,747)	
Recognition of share-based payment expense	確認股份支付開支	-	-	-	-	13,285	-	-	-	-	13,285	-	13,285	
Disposal of subsidiaries	出售附屬公司	-	-	-	-	-	-	-	-	-	-	394	394	
Appropriation of statutory reserve	法定儲備分配	-	-	-	-	-	11,996	-	-	(11,996)	-	-	-	
Appropriation of maintenance and production fund	維修及生產基金分配	-	-	-	-	-	84,408	-	-	(84,408)	-	-	-	
Utilisation of maintenance and production fund	動用維修及生產基金	-	-	-	-	-	(58,951)	-	-	58,951	-	-	-	
Placing of new shares	配售新股份	14,622	43,866	-	-	-	-	-	-	-	58,488	-	58,488	
Share issuing expense	股份發行開支	-	(318)	-	-	-	-	-	-	-	(318)	-	(318)	
As 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	87,732	8,926,412	1,077,104	(97,470)	108,541	92,296	74,492	-	(12,723,542)	(2,454,435)	1,552,400	(902,035)	
Loss for the year	年度虧損	-	-	-	-	-	-	-	-	(312,362)	(312,362)	(348,096)	(660,458)	
Other comprehensive expense for the year	年度其他全面開支	-	-	-	-	-	-	-	-	-	-	-	-	
- Exchange differences on translation of foreign operations	- 換算海外業務之匯兌差額	-	-	-	(33,551)	-	-	-	-	-	(33,551)	(7,388)	(40,939)	
Total comprehensive expense for the year	年度全面開支總額	-	-	-	(33,551)	-	-	-	-	(312,362)	(345,913)	(355,484)	(701,397)	
Issue of convertible loan notes	發行可換股貸款票據	-	-	-	-	-	-	-	49,054	-	49,054	-	49,054	
Deemed contribution from a shareholder	來自一名股東之視作注資	-	-	-	-	-	-	53,857	-	-	53,857	-	53,857	
Appropriation of maintenance and production fund	維修及生產基金分配	-	-	-	-	-	65,344	-	-	(65,344)	-	-	-	
Utilisation of maintenance and production fund	動用維修及生產基金	-	-	-	-	-	(19,427)	-	-	19,427	-	-	-	
Subscription of new shares	認購新股份	17,520	18,670	-	-	-	-	-	-	-	36,190	-	36,190	
Share issuing expense	股份發行開支	-	(96)	-	-	-	-	-	-	-	(96)	-	(96)	
Recognition of equity-settled share-based payments	確認以權益結算之股份支付	-	-	-	-	989	-	-	-	-	989	-	989	
Cancellation of share options	註銷購股權	-	-	-	-	(108,699)	-	-	-	108,699	-	-	-	
Contribution from a shareholder	來自一名股東之注資	-	-	39,450	-	-	-	-	-	-	39,450	-	39,450	
Transferred to accumulated losses	轉撥至累計虧損	-	-	(1,116,554)	-	-	-	-	-	1,116,554	-	-	-	
As at 31 December 2020	於二零二零年十二月三十一日	105,252	8,944,986	-	(131,021)	831	138,213	128,349	49,054	(11,856,568)	(2,620,904)	1,196,916	(1,423,988)	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

Notes:

附註：

- (i) Contributed surplus represents the reduction of the Company's issued share capital upon cancellation of paid up share capital, and the deemed contribution from equity holder which has arisen from the waiver of promissory notes in previous years and contribution from a shareholder in current year.
- (ii) Exchange translation reserve represents exchange differences relating to the translation of the net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Hong Kong dollar ("HK\$")) and are recognised directly in other comprehensive income and accumulated in the exchange reserve. Such exchange differences accumulated in the exchange translation reserve are reclassified to profit or loss on the disposal of the foreign operations.
- (iii) Share options 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 period is determined by spreading the fair value of the share options over the relevant vesting period (if any) and is recognised in administrative and other operating expenses with a corresponding increase in the share options reserve.
- (iv) Statutory surplus reserve consists of (i) subsidiaries in the People's Republic of China ("PRC") have appropriated 10% of the profit to the statutory surplus reserve which is required to be retained in the accounts of the subsidiaries for specific purposes and (ii) pursuant to the relevant PRC regulations, the Group is required to transfer maintenance and production funds at fixed rates based on relevant bases to a specific reserve account. The maintenance and production funds can be utilised when expenses or capital expenditures on production maintenance and safety measures are incurred. The amount of maintenance and production funds utilised would be transferred from the specific reserve account to accumulated losses.
- (v) Convertible loan notes issued are split into their liabilities and equity components at initial recognition by recognising the liability component at its fair value which is determined using a market interest rate for similar non-convertible debts and attributing to the equity component the difference between the proceeds from issue and the fair value of the liability component. The liability component is subsequently carried at amortised cost. The equity component is recognised in the convertible loan notes equity reserve until convertible loan notes are either converted (in which case it is transferred to share premium) or the convertible loan notes are redeemed (in which case it is released directly to accumulated losses).
- (i) 繳入盈餘指本公司已發行股本因繳足股本被註銷而減少之金額、權益持有人於過往年度豁免承兌票據而視作注資的金額以及本年度來自股東之注資。
- (ii) 匯兌換算儲備指將本集團海外業務之資產淨值由其功能貨幣換算為本集團之呈列貨幣(即港元(「港元」))有關之匯兌差額，並直接於其他全面收益確認及於匯兌換算儲備累計。該等於匯兌換算儲備累計之匯兌差額於出售海外業務時重新分類至損益。
- (iii) 購股權儲備指於相關歸屬期內授出相關購股權以換取估計將收取服務之公平值，其總額乃根據購股權於授出日期之公平值計算。各期間之金額乃透過將購股權之公平值於相關歸屬期(如有)內攤分釐定，並於行政及其他經營開支中確認，而購股權儲備亦會相應增加。
- (iv) 法定盈餘公積儲備包括(i)中華人民共和國(「中國」)附屬公司將10%之溢利撥往法定盈餘公積儲備，有關款項須保留於附屬公司賬目作特定用途及(ii)根據中國相關規例，本集團須按照相關基準以固定比率轉撥維修及生產基金至專項儲備賬。維修及生產基金可於產生生產維修及安全措施之開支或資本支出時動用。已動用維修及生產資金將由專項儲備賬轉撥至累計虧損。
- (v) 已發行可換股貸款票據於初步確認時分為負債及權益部分，方法為按公平值確認負債部分(採用類似不可換股債務之市場利率釐定)，並將發行所得款項與負債部分公平值之間之差額計入權益部分。負債部分其後按攤銷成本列賬。權益部分於可換股貸款票據權益儲備確認，直至可換股貸款票據獲轉換(在此情況下轉撥至股份溢價)或可換股貸款票據獲贖回(在此情況下直接轉撥至累計虧損)。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

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

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
OPERATING ACTIVITIES	經營活動		
Loss before taxation	除稅前虧損	(852,913)	(1,323,913)
Adjustments for:	就下列各項作出調整：		
Change in fair value of derivative component of convertible loan notes	可換股貸款票據衍生工具部分之公平值變動	27,870	(22,843)
Depreciation of property, plant and equipment (including right-of-use assets)	物業、廠房及設備(包括使用權資產)折舊	188,761	178,171
Amortisation of mining rights	採礦權攤銷	413,756	315,756
Amortisation of intangible assets	無形資產攤銷	2,649	2,318
Finance costs	融資成本	361,665	415,590
Recognition of expenses from prepayment	確認預付款項之開支	—	66,300
Impairment loss recognised in respect of mining rights, net	就採礦權確認之減值虧損，淨額	170,267	336,249
Impairment loss recognised in respect of property, plant and equipment, net	就物業、廠房及設備確認之減值虧損，淨額	120,962	160,102
Written off of prepayment	撇銷預付款項	2,383	21,534
Impairment loss recognised in respect of financial assets under expected credit loss model, net	根據預期信貸虧損模式就金融資產確認之減值虧損，淨額	35,946	9,149
Bank interest income	銀行利息收入	(888)	(57)
(Gain)/loss on disposal of property, plant and equipment	出售物業、廠房及設備之(收益)/虧損	(2,608)	280
Government grants	政府補助	(4,927)	(29,902)
Share-based payment expenses	股份支付開支	989	13,285
Gain on disposal of subsidiaries	出售附屬公司之收益	(334)	(1,119)
Gain on extinguishment of convertible loan notes	抵銷可換股貸款票據之收益	(2,126)	—
Waiver of other payables	豁免其他應付款項	(11,465)	(33,980)
Operating cash flows before movements in working capital	未計營運資金變動前經營現金流量	449,987	106,920
Decrease/(increase) in inventories	存貨減少/(增加)	10,545	(14,399)
(Increase)/decrease in trade and other receivables	貿易及其他應收款項(增加)/減少	(104,001)	119,590
Decrease in amounts due from related companies	應收關連公司款項減少	101	1,683
Increase in amounts due from directors	應收董事款項增加	—	(229)
Decrease/(increase) in trade and other payables	貿易及其他應付款項(減少)/增加	(91,426)	104,406
Cash generated from operations	經營所得現金	265,206	317,971
Income tax paid	已付所得稅	(14,530)	(67,031)
NET CASH GENERATED FROM OPERATING ACTIVITIES	經營活動所得現金淨額	250,676	250,940

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
INVESTING ACTIVITIES	投資活動		
Acquisition of property, plant and equipment	收購物業、廠房及設備	(255,188)	(154,720)
Acquisition of other intangible assets	收購其他無形資產	-	(8,574)
Deposit paid for acquisition for property, plant and equipment	收購物業、廠房及設備之已付按金	(3,922)	(17,437)
Net cash inflow from disposal of subsidiaries	出售一間附屬公司現金流入淨額	-	48,272
Government grants received	已收政府補助	4,927	29,902
Interest received	已收利息	888	57
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	5,718	1,070
NET CASH USED IN INVESTING ACTIVITIES	投資活動所用現金淨額	(247,577)	(101,430)
FINANCING ACTIVITIES	融資活動		
Contribution from a shareholder	來自一名股東注資	39,450	-
Repayment to a director	還款予一名董事	-	(1,400)
Proceeds from other borrowings	其他借貸所得款項	-	21,581
Repayment of convertible loan notes	償還可換股貸款票據	-	(78,000)
Proceed from issuing of new shares	發行新股份所得款項	14,609	58,488
Share issuing expense	股份發行開支	(96)	(318)
Repayment of capital elements of lease liabilities	償還租賃負債之資本部分	(18,678)	(39,487)
Repayment of interest elements of lease liabilities	償還租賃負債之利息部分	(4,502)	(14,042)
Interest paid	已付利息	(11,380)	(79,360)
(Repayment to)/advance from related companies	關連公司(獲還款)/墊款	(39,271)	13,388
NET CASH USED IN FINANCING ACTIVITIES	融資活動所用現金淨額	(19,868)	(119,150)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物(減少)/增加淨額	(16,769)	30,360
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE REPORTING PERIOD	報告期初之現金及現金等價物	45,788	19,538
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	外幣匯率變動之影響	19,078	(4,110)
CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD	報告期末之現金及現金等價物	48,097	45,788

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

1. GENERAL INFORMATION

Green Leader Holdings Group Limited (the “Company”), together with its subsidiaries, (collectively known as the “Group”) is incorporated in Bermuda as an exempted company with limited liability. The shares of the Company are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The registered office of the Company is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and the principal place of business of the Company in Hong Kong is Unit A, 12/F., Central 88, 88-98 Des Voeux Road Central, Hong Kong.

The principal activities of the Company are investment holding and provision of finance and treasury services to the Group. The Group was principally engaged in (i) the development of cassava cultivation and deep processing business for the related ecological cycle industry chain; (ii) coal exploration and development, sales of coking coal and other coal products and the provision of coal trading and logistics services; and (iii) the sales of information technology products and provision of system integration services, technology services, software development and solution services.

2. BASIC OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institution of Certified Public Accountants (the “HKICPA”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and by the disclosure requirements of the Hong Kong Companies Ordinance (“HKCO”) Cap.622.

1. 一般資料

綠領控股集團有限公司(「本公司」，連同其附屬公司，統稱「本集團」)為於百慕達註冊成立之獲豁免有限公司。本公司之股份於香港聯合交易所有限公司(「聯交所」)上市。

本公司註冊辦事處為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda及本公司香港主要營業地點為香港德輔道中88-98號中環88 12樓A室。

本公司之主要業務為投資控股以及向本集團提供融資及財資服務。本集團主要從事(i)開發木薯種植及相關生態循環產業鏈之深加工業務；(ii)煤炭勘探及開發、銷售焦煤及其他煤炭產品以及提供煤炭貿易及物流服務；及(iii)資訊科技產品銷售及提供系統集成服務、技術服務、軟件開發及解決方案服務。

2. 編製綜合財務報表之基準

綜合財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)編製。此外，綜合財務報表包括聯交所證券上市規則(「上市規則」)及香港法例第622章香港公司條例(「公司條例」)之披露規定所規定之適用披露。

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. BASIC OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

The consolidated financial statements are presented in thousands of units of Hong Kong dollar ("HK\$'000"), unless otherwise stated, which is also the functional currency of the Company. The directors (the "Directors") consider HK\$ is the appropriate presentation currency for the users of the Group's consolidated financial statements. The functional currency of the Company's major subsidiaries in PRC and the Kingdom of Cambodia ("Cambodia") are Renminbi ("RMB") and United States dollar ("US\$") respectively.

The consolidated financial statements have been prepared on the historical cost basis at the end of the reporting period except for derivative component of convertible loan notes, which are measured at fair value.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are accounted for in accordance with HKFRS 16, 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*.

2. 編製綜合財務報表之基準(續)

除非另有指明，綜合財務報表以千港元(「千港元」)為單位呈列，港元亦為本公司之功能貨幣。董事(「董事」)認為，港元對本集團綜合財務報表使用者而言為合適呈列貨幣。本公司於中國及柬埔寨王國(「柬埔寨」)之主要附屬公司之功能貨幣分別以人民幣(「人民幣」)及美元(「美元」)計值。

綜合財務報表乃按歷史成本基準於報告期末編製，惟可換股貸款票據之衍生工具部分按公平值計量除外。

歷史成本一般根據用作交換貨品及服務所支付代價之公平值計算。

公平值為市場參與者於計量日期按有序交易出售一項資產而將收取或轉移一項負債而將支付的價格，不論該價格是否可直接觀察或使用其他估值方法估算。於估計資產或負債的公平值時，本集團會考慮市場參與者於計量日期對資產或負債定價時所考慮的資產或負債的特點。在該等綜合財務報表中計量及／或披露的公平值均在此基礎上予以確定，惟香港財務報告準則第2號股份支付範圍內的股份支付交易、根據香港財務報告準則第16號入賬的租賃交易以及與公平值類似但並非公平值的計量(例如，香港會計準則第2號存貨中的可變現淨值或香港會計準則第36號資產減值中的使用價值)除外。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

2. BASIC OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For financial instruments 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 at initial recognition 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.

Going concern basis

The Group incurred a loss of approximately HK\$660,458,000 for the year ended 31 December 2020 and as of that date, the Group had net current liabilities and net liabilities of approximately HK\$6,260,753,000 and approximately HK\$1,423,988,000 respectively whereas its cash and cash equivalents amounted to approximately HK\$48,097,000 only as at the same date. Besides, included in the net current liabilities of the Group, there are other borrowings related to convertible loan notes issued in 2017 by the Company with carrying amounts of approximately HK\$312,000,000 ("2017 Convertible Loan Notes") which were matured on 10 July 2020 and amounts due to non-controlling interests of approximately HK\$5,572,551,000 was either past due as at 31 December 2020 or will be matured on or before 31 December 2021.

The above conditions indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern.

2. 編製綜合財務報表之基準(續)

按公平值交易的金融工具，凡於其後期間應用以不可觀察輸入數據計量公平值之估值方法，估值方法應予以校正，以致於初始確認時估值方法的結果相等於交易價格。

此外，就財務申報目的，公平值計量按照公平值計量輸入數據之可觀察程度及對於整體公平值計量之重要性分為第一、二或三層，闡述如下：

- 第一層輸入數據為實體於計量日期可取得之相同資產或負債於活躍市場上之報價(未經調整)；
- 第二層輸入數據為資產或負債之直接或間接可觀察之輸入數據(第一層包括之報價除外)；及
- 第三層輸入數據為資產或負債之不可觀察輸入數據。

持續經營基準

本集團於截至二零二零年十二月三十一日止年度及於該日產生虧損約660,458,000港元，本集團有流動負債淨額及負債淨額分別約6,260,753,000港元及約1,423,988,000港元，而於同日其現金及現金等價物僅得約48,097,000港元。此外，本集團之流動負債淨額包括與本公司於二零一七年發行而賬面值約312,000,000港元之可換股貸款票據(「二零一七年可換股貸款票據」，已於二零二零年七月十日期滿)有關之其他借貸及應付非控股權益款項約5,572,551,000港元於二零二零年十二月三十一日已逾期或將於二零二一年十二月三十一日或之前到期。

上述狀況存在重大不確定因素，其可能對本集團之持續經營能力造成重大疑問。

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. BASIC OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Going concern basis (continued)

The Directors are of the opinion that the Group will have sufficient working capital to meet its financial obligations as and when they fall due for the next twelve months from 31 December 2020 after taking into consideration of the following:

- (i) the Group is negotiating with non-controlling interests of the amounts due by the Group for extending the repayment due date;
- (ii) the Group is negotiating with the holder of 2017 Convertible Loan Notes to restructure the repayment timetable; and
- (iii) external facilities shall be available to the Group.

Accordingly, the Directors are of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the Group will be able to continue as a going concern, which will depend upon the Group's ability to generate adequate financial and operating cash flows through the following:

- (i) successfully negotiation with non-controlling interests to extend the repayment due dates;
- (ii) successfully negotiation with the holder of 2017 Convertible Loan Notes to restructure the repayment timetable of the Group's financial obligations; and
- (iii) successfully obtaining external facilities for fulfilling its other existing financial obligations.

Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

2. 編製綜合財務報表之基準(續)

持續經營基準(續)

董事認為，本集團將擁有足夠營運資金履行其於由二零二零年十二月三十一日起計未來十二個月到期之財務責任，當中已考慮下列各項：

- (i) 本集團正與本集團非控股權益有關應付款項磋商延長還款到期日；
- (ii) 本集團正與二零一七年可換股貸款票據持有人磋商以重組還款時間表；及
- (iii) 本集團將獲得外部融資。

因此，董事認為，按持續經營基準編製綜合財務報表實屬恰當。

儘管如此，本集團能否持續經營仍存在重大不確定性，將取決於本集團能否通過以下方式產生足夠的財務及經營現金流：

- (i) 成功與非控股權益磋商以延長還款到期日；
- (ii) 成功與二零一七年可換股貸款票據持有人磋商，以重組本集團財務責任之還款時間表；及
- (iii) 成功獲得外部融資以用於履行其他現有財務責任。

倘若本集團無法繼續按持續經營基準營運，則須作出調整以將資產價值撇減至可收回金額，為可能產生之進一步負債作出撥備，並將非流動資產及非流動負債分別重新分類為流動資產及流動負債。此等調整之影響並未於綜合財務報表內反映。

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. APPLICATION OF NEW AND AMENDMENTS TO HKFRSs

(a) 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 new and amendments to HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

3. 應用新訂香港財務報告準則及其修訂

(a) 於本年度強制生效之香港財務報告準則之修訂

於本年度，本集團已首次應用香港財務報告準則概念框架之提述之修訂及香港會計師公會頒佈以下於二零二零年一月一日或之後開始之年度期間強制生效之香港財務報告準則之修訂：

香港會計準則第1號及香港會計準則第8號之修訂	重大之定義
香港財務報告準則第3號之修訂	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號之修訂	利率基準變革

於本年度應用香港財務報告準則概念框架之提述之修訂及香港財務報告準則修訂對本集團於本年度及過往年度之財務表現及狀況及／或該等綜合財務報表所載之披露並無重大影響。

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3. APPLICATION OF NEW AND AMENDMENTS TO 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 not yet effective:

HKFRS 17	Insurance Contracts and the related Amendments ¹
Amendments 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 2 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 HKFRS	Annual Improvements to HKFRSs 2018 -2020 ²

3. 應用新訂香港財務報告準則及其修訂(續)

已頒佈但尚未生效之新訂香港財務報告準則及其修訂

本集團並未提前採用下列已頒佈但尚未生效的新訂及經修訂之香港財務報告準則：

香港財務報告準則第17號	保險合約及相關修訂 ¹
香港財務報告準則第16號之修訂	Covid-19 – 相關租賃優惠 ⁴
香港財務報告準則第3號之修訂	概念框架之提述 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號之修訂	利率基準變革 – 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號之修訂	投資者與其聯營公司或合營公司之間的資產出售或投入 ³
香港會計準則第1號之修訂	負債分類為流動或非流動以及香港詮釋第5號(二零二零年)之有關修訂 ¹
香港會計準則第16號之修訂	物業、機器及設備 – 擬定用途前的所得款項 ²
香港會計準則第37號之修訂	虧損合約 – 履行合約之成本 ²
香港財務報告準則之修訂	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

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3. APPLICATION OF NEW AND AMENDMENTS TO HKFRSs (CONTINUED)

New and amendments to HKFRSs in issue but not yet effective (continued)

- 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 anticipate that the application of new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

4. SIGNIFICANT ACCOUNTING POLICIES

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 reassess whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;

3. 應用新訂香港財務報告準則及其修訂(續)

已頒佈但尚未生效之新訂香港財務報告準則及其修訂(續)

- ¹ 自二零二三年一月一日或其後開始之年度期間生效。
- ² 自二零二二年一月一日或其後開始之年度期間生效。
- ³ 於將予釐定之日期或其後開始之年度期間生效。
- ⁴ 自二零二零年六月一日或其後開始之年度期間生效。
- ⁵ 自二零二一年一月一日或其後開始之年度期間生效。

董事預期，應用新訂香港財務報告準則及其修訂於可預見將來不會對綜合財務報表造成任何重大影響。

4. 主要會計政策

綜合基準

綜合財務報表載有本公司以及本公司及其附屬公司控制之實體之財務報表。本公司取得控制權之條件為：

- 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。

如事實或情況表明上述三項控制因素中之一項或多項發生變化，本集團將重新評估是否對被投資方擁有控制權。

倘本集團於被投資方之投票權未能佔大多數，但只要投票權足以賦予本集團實際能力可單方面掌控被投資方之相關業務時，本集團即對被投資方所有權力。在評估本集團於被投資方之投票權是否足以賦予其權力時，本集團考慮所有相關事實及情況，包括：

- 本集團持有投票權之程度相較其他投票權持有人所持投票權之程度及分散度；

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of consolidation (continued)

- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss 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 owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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.

4. 主要會計政策(續)

綜合基準(續)

- 本集團、其他投票權持有人或其他人士持有之潛在投票權；
- 其他合約安排產生之權利；及
- 可顯示於需要作出決定時，本集團當前能否掌控相關活動之任何其他事實及情況(包括於過往股東大會上之投票方式)。

本集團於獲得對附屬公司之控制權時開始將附屬公司綜合入賬，於本集團失去對附屬公司之控制權時終止入賬。具體而言，年內收購或處置之附屬公司之收入及開支自本集團取得控制權之日起計入綜合損益表，直至本集團不再控制該附屬公司之日為止。

損益及各項其他全面收益項目歸屬於本公司擁有人及非控股權益。即使導致非控股權益出現虧絀結餘，附屬公司全面收益總額仍會歸屬於本公司擁有人及非控股權益。

必要時，會對附屬公司之財務報表作出調整，以使其會計政策與本集團會計政策一致。

所有集團內公司間與本集團成員公司間交易有關之資產及負債、權益、收入、開支及現金流量均於綜合賬目時悉數對銷。

附屬公司之非控股權益與本集團於當中之權益分開呈列，即現時賦予其持有人權利於清盤時按比例分佔相關附屬公司資產淨值之所有權權益。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Changes in the Group's interests in existing subsidiaries

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 (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).

Goodwill

Goodwill arising on acquisition of a 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 whenever 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 or any of the CGU within the group of CGUs, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal. When the Group disposes of an operation within the CGU (or a CGU within a group of CGUs), the amount of goodwill disposed of is measured on the basis of the relative values of the operation (or the CGU) disposed of and the portion of the CGU (or the group of CGUs) retained.

4. 主要會計政策(續)

本集團於現有附屬公司之權益變動

倘本集團失去對附屬公司之控制權，則終止確認該附屬公司之資產及負債以及非控股權益(如有)。收益或虧損於損益確認並按以下兩項之差額計算：(i)已收代價之公平總值及(ii)資產(包括商譽)之賬面值與本公司擁有人應佔附屬公司之負債。先前於有關附屬公司之其他全面收益確認之所有金額乃按猶如本集團已直接出售附屬公司之相關資產或負債(即重新分類至損益或轉撥至適用香港財務報告準則所訂明／允許之其他權益類別)入賬。

商譽

收購業務產生之商譽按收購業務當日確定之成本減累計減值虧損(如有)列賬。

為進行減值測試，商譽乃分配至本集團預期可從合併所產生協同效益中獲益之各現金產生單位(「現金產生單位」)(或現金產生單位組別)，而該單位或單位組別指就內部管理目的修訂商譽之最低水平且不超過經營分部。

獲分配商譽之現金產生單位(或現金產生單位組別)會每年作減值測試，或於有跡象顯示該單位可能出現減值時，作更頻密減值測試。於報告期內進行收購而產生之商譽，獲分配商譽之現金產生單位(或現金產生單位組別)於該報告期末前作減值測試。倘可收回金額低於賬面值，則減值虧損首先分配以減低任何商譽之賬面值，繼而根據單位(或現金產生單位組別)內各資產之賬面值比例，分配至其他資產。

於出售有關現金產生單位或現金產生單位組別內任何現金產生單位時，商譽之應佔金額計入釐定出售之損益金額。當本集團出售現金產生單位(或現金產生單位組別內某現金產生單位)內之業務時，所出售商譽金額按所出售業務(或現金產生單位)與所保留現金產生單位(或現金產生單位組別)部分之相對價值計量。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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 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.

4. 主要會計政策(續)

客戶合約收入

當(或於)履約責任獲達成時，即與特定履約責任相關之貨品或服務之「控制權」轉移予客戶時，本集團確認收入。

履約責任指不同貨品或服務(或一組貨品或服務)或一系列不同貨品或大致相同之服務。

控制權隨時間轉移，而倘滿足以下其中一項標準，則收入乃參照完全達成相關履約責任之進展情況而隨時間確認：

- 隨本集團履約，客戶同時取得並耗用本集團履約所提供之利益；
- 本集團之履約創建或強化一項資產，而該項資產於本集團履約時即由客戶控制；或
- 本集團之履約並未產生對本集團有替代用途之資產，且本集團對迄今已完成履約之款項具有可強制執行之權利。

否則，收入於客戶獲得不同貨品或服務控制權時確認。

合約負債指本集團因已自客戶收取代價(或到期代價金額)而須轉讓貨品或服務予客戶之義務。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 or arising from business combinations, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed. As a practical expedient, leases with similar characteristics are accounted on a portfolio basis when the Group reasonably expects that the effects on the consolidated financial statements would not differ materially from individual leases within the portfolio.

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.

The Group also applies practical expedient not to separate non-lease components from lease component, and instead account for the lease component and any associated non-lease components as a single lease component.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption 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.

4. 主要會計政策(續)

租賃

租賃的定義

倘合約將使用獲識別資產之控制權於某一段時間出讓，以換取代價，則有關合約屬或包含租賃。

就於首次應用日期或其後訂立或修改或因業務合併而產生之合約而言，本集團根據香港財務報告準則第16號之定義於初始、修改日期或收購日期(如適用)評估該合約是否為或包含租賃。除非合約之條款及條件期後有變，否則有關合約將不予重新評估。作為可行權宜方法，當本集團合理預期對綜合財務報表之影響將不會與組合中之個別租賃出現重大差異時，具有相似特徵之租賃按組合基準入賬。

本集團作為承租人

分配代價至合約組成部分

對於包含一項租賃組成部分及一項或多項額外租賃或非租賃組成部分的合約，本集團根據租賃組成部分的相對單獨價格及非租賃組成部分的單獨價格總和將合約代價分配至各個租賃組成部分。

本集團亦應用可行權宜方法，不分開非租賃組成部分與租賃組成部分，而是將租賃組成部分及任何相關非租賃組成部分作為單一租賃組成部分進行會計處理。

短期租賃及低價值資產租賃

對於租期自開始日期起計為12個月或以內且並無包含購買選擇權的租賃，本集團應用短期租賃確認豁免。本集團亦對低價值資產租賃應用確認豁免。短期租賃及低價值資產租賃之租賃付款於租期內按直線法確認為開支。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (continued)

The Group as a lessee (continued)

Right-of-use assets

The cost of right-of-use assets 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 are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

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 are 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 in “property, plant and equipment”, the same line item within which the corresponding underlying assets would be presented if they were owned.

4. 主要會計政策(續)

租賃(續)

本集團作為承租人(續)

使用權資產

使用權資產成本包括：

- 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，減去所收取的任何租賃優惠；
- 本集團產生的任何初步直接成本；及
- 本集團拆除及移除相關資產、恢復相關資產所在場地或將相關資產恢復至租賃條款及條件所規定狀態產生的估計成本。

使用權資產按成本計量，減任何累計折舊及減值虧損，並就任何重新計量租賃負債作出調整。

本集團合理確定將於租期結束時取得相關租賃資產之所有權之使用權資產自開始日期起至可使用年期結束折舊。否則，使用權資產於其估計可使用年期及租期之較短者以直線法折舊。

本集團將「物業、廠房及設備」內的使用權資產於相應相關資產(倘擁有)之同一分列項目內呈列。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (continued)

The Group as a lessee (continued)

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;
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

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.

4. 主要會計政策(續)

租賃(續)

本集團作為承租人(續)

租賃負債

於租賃開始日期，本集團按於當日尚未支付之租賃付款之現值確認及計量租賃負債。於計算租賃付款之現值時，倘租賃隱含之利率無法容易釐定，則本集團使用於租賃開始日期之增量借款利率。

租賃付款包括：

- 固定付款(包括實質固定付款)減任何應收租賃優惠；
- 倘租期反映本集團會行使選擇權終止租賃，則計入終止租賃的罰款。

於開始日期後，租賃負債就應計利息及租賃款項作出調整。

於以下情況，本集團重新計量租賃負債(並對相關的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動，於該情況下，相關租賃負債於重新評估日期透過使用經修訂貼現率貼現經修訂租賃款項而重新計量。
- 租賃款項於市場租金審查後因市場租金率有所變動而出現變動，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款項而重新計量。

本集團於綜合財務狀況表單獨列示租賃負債。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (continued)

The Group as a lessee (continued)

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.

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.

4. 主要會計政策(續)

租賃(續)

本集團作為承租人(續)

租賃修訂

倘出現以下情況，本集團將租賃修訂作為一項單獨的租賃進行入賬：

- 該項修訂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
- 調增租賃的代價，增加的金額相當於範圍擴大對應的單獨價格，加上按照特定合約的實際情況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訂而言，本集團基於透過使用修訂生效日期的經修訂貼現率貼現經修訂租賃款項的經修改租賃的租期重新計量租賃負債。

本集團通過對相關使用權資產進行相應調整，以對租賃負債進行重新計量。當經修改合約包含租賃組成部分以及一個或多個額外租賃或非租賃組成部分時，本集團根據租賃組成部分的相對獨立價格及非租賃組成部分的總獨立價格，將經修改合約中的代價分配至每個租賃組成部分。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity-settled share-based payment transactions

Share options granted to employees

Equity-settled share-based payments to the Directors and other employees of the Group 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 (share options reserve). At the end of the reporting period, the Group revises its estimates 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 share options reserve. For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to accumulated losses.

4. 主要會計政策(續)

以權益結算之股份支付交易

授予僱員之購股權

以權益結算並以股份支付予董事及本集團其他僱員及提供同類服務之其他人士之款項按授出日期股本工具之公平值計量。

以權益結算之股份支付於授出日期釐定之公平值(並無計及所有非市場歸屬條件)，基於本集團預期將最終歸屬之股本工具按直線法於歸屬期內支銷，而權益(購股權儲備)亦相應增加。於報告期末，本集團根據對所有相關非市場歸屬條件之評估修訂其對預期歸屬之股本工具數目之估計。修訂原有估計之影響(如有)於損益確認，致使累計開支反映該經修訂估計，並對購股權儲備作出相應調整。就於授出日期即時歸屬之購股權而言，已授出購股權之公平值立即於損益支銷。

當購股權獲行使，先前於購股權儲備中確認之金額會轉撥至股份溢價。當購股權於歸屬日期後被沒收或於屆滿日期仍未行使，先前於購股權儲備中確認之金額將轉撥至累計虧損。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Equity-settled share-based payment transactions (continued)

Share options granted to non-employees

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service. The fair values of the goods or services received are recognised as expenses.

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.

Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes (other than construction in progress and freehold land as described below), are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

4. 主要會計政策(續)

以權益結算之股份支付交易(續)

授予非僱員之購股權

與非僱員之人士進行之以權益結算之股份支付交易按已收貨品或服務之公平值計量(惟倘公平值無法可靠估計時，則按已授出股本工具之公平值計量)，且於實體取得貨品或對手方提供服務當日計量。所獲貨品或服務之公平值確認為開支。

無形資產

分開購入之無形資產

分開購入且具有限可使用年期之無形資產按成本減累計攤銷及任何累計減值虧損列賬。具有限可使用年期之無形資產攤銷，以直線法按估計可使用年期確認。估計可使用年期及攤銷方法會於各報告期末檢討，而因估計之任何變動產生之影響將會在未來計提。

物業、廠房及設備

持作於生產或供應貨品或服務時使用或作為行政目的之物業、廠房及設備(下文所述之在建工程及永久業權土地除外)為有形資產，按成本減其後累計折舊及其後累計減值虧損(如有)計入綜合財務狀況表。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment (continued)

Freehold land are not depreciated and are measured at cost less subsequent accumulated impairment losses.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) 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 estimated useful lives are as follows:

Mining structure	10%
Leasehold improvements	33 $\frac{1}{3}$ % or over the lease terms, whichever is shorter
Furniture, fixtures and office equipment	20% to 33 $\frac{1}{3}$ %
Motor vehicles	33 $\frac{1}{3}$ %
Plants and machineries	10%
Buildings	10% or over the lease terms

Construction in progress intended to be used for production, supply or administrative purposes are carried at cost less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such construction in progress is classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property, plant and equipment, commences when they are ready for their intended use.

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.

4. 主要會計政策(續)

物業、廠房及設備(續)

永久業權土地不計提折舊，並按成本減去其後累計減值虧損計量。

折舊採用直線法，於資產(永久業權土地及在建物業除外)之估計可使用年期將其成本撇銷至剩餘價值而確認。估計可使用年期、剩餘價值及折舊方法於各報告期末檢討，所估計之任何變動之影響按未來適用法入賬。估計可使用年期如下：

採礦構築物	10%
租賃物業裝修	33 $\frac{1}{3}$ %或租期，以較短者為準
傢俬、固定裝置及辦公室設備	20%至33 $\frac{1}{3}$ %
汽車	33 $\frac{1}{3}$ %
廠房及設備	10%
樓宇	10%或租期

擬用作生產、供應或行政用途的在建工程按成本減任何已確認之減值虧損列賬。成本包括專業費用及(就合資格資產而言)根據本集團會計政策資本化之借貸成本。在建工程於竣工及可作擬定用途時會被分類為物業、廠房及設備的適當分類。此等資產於其可作擬定用途時按與其他物業、廠房及設備相同之基準開始計算折舊。

物業、廠房及設備項目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。出售或棄用物業、廠房及設備項目所產生之任何盈虧，乃按銷售所得款項與該資產賬面值之差額釐定，並於損益內確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rate prevailing at the end of each reporting period. Income and expenses 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 at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of the exchange translation reserve (attributed to non-controlling interests as appropriate).

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 of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to 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 that foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

4. 主要會計政策(續)

外幣

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貨幣(外幣)進行之交易，按交易日期之現行匯率確認。於報告期末，外幣計值貨幣項目按該日之現行匯率重新換算。以外幣計值按公平值入賬之非貨幣項目按釐定公平值日期當時之匯率重新換算。按過往成本計量之外幣計值非貨幣項目不予重新換算。

結算貨幣項目及重新換算貨幣項目產生之匯兌差額於產生期間於損益確認。

就呈列綜合財務報表而言，本集團業務之資產及負債按各報告期末之現行匯率換算為本集團呈列貨幣(即港元)，而收入及開支項目則按期間平均匯率換算，除非期內的匯率有顯著波動則使用換算當日的匯率。所產生之匯兌差額(如有)於其他全面收益確認及於權益下以匯兌換算儲備累計(於適當時撥作非控股權益)。

處置海外業務時(即處置本集團於海外業務之全部權益，或涉及失去對包含海外業務之附屬公司之控制權(而海外業務之保留權益成為金融資產)之處置)，於與該業務相關之歸屬於本公司擁有人之權益中累計之匯兌差額全部重新分類至損益。

收購海外業務所產生之商譽及已收購可識別資產之公平值調整，當作該海外業務之資產及負債處理，按各報告期末之匯率換算。所產生之匯兌差額於其他全面收益確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Mining rights

Mining rights with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation for mining rights is recognised on the units of production method based on the total proven and probable reserves of the mine.

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 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.

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 are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

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.

4. 主要會計政策(續)

採礦權

具有限定可使用年期之採礦權按成本減累計攤銷及累計減值虧損列賬。採礦權根據已探明及可能礦藏總儲量按生產單位法確認攤銷。

金融工具

當集團實體成為有關工具合約條文訂約方時，則確認金融資產及金融負債。所有常規金融資產買賣按交易日基準確認及終止確認。常規買賣乃規定於市場上按規則或慣例設定之時間框架內交付資產之金融資產買賣。

金融資產及金融負債初步按公平值計量，惟初步根據香港財務報告準則第15號計量之客戶合約產生之貿易應收款項除外。收購或發行金融資產及金融負債直接應佔之交易成本於初步確認時加入金融資產或金融負債(如適用)之公平值或自金融資產或金融負債(如適用)之公平值扣除。

實際利率法為計算金融資產或金融負債之攤銷成本及於有關期間內分配利息收入及利息開支之方法。實際利率指將金融資產或金融負債於整個預計年期或(如適用)較短期間之估計未來現金收入及付款(包括屬整體實際利率一部分之所有已付或已收費用及點數、交易成本及其他溢價或貼現價)準確貼現至初步確認時之賬面淨值之利率。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

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.

Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. 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.

4. 主要會計政策(續)

金融工具(續)

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：

- 持有金融資產之業務模式旨在收取合約現金流量；及
- 合約條款於指定日期產生現金流量，而該現金流量僅為支付本金及未償還本金額之利息。

攤銷成本及利息收入

其後按攤銷成本計量之金融資產之利息收入乃使用實際利率法予以確認。就金融工具(已購買或原已出現信貸減值之金融資產除外)而言，利息收入乃對金融資產賬面總值應用實際利率予以計算，惟其後出現信貸減值之金融資產除外。就其後出現信貸減值之金融資產而言，自下一個報告期起，利息收入乃對金融資產攤銷成本應用實際利率予以確認。倘出現信貸減值之金融工具之信貸風險好轉，令金融資產不再出現信貸減值，於釐定有關資產不再出現信貸減值後，自報告期初起乃對金融資產之賬面總值應用實際利率確認利息收入。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets

The Group performs impairment assessment under expected credit loss (“ECL”) model on financial assets (including trade receivables, refundable deposits, bills receivables, other receivables, amounts due from related companies, amounts due from directors and cash and cash equivalents) which are subject to impairment under HKFRS 9. 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 (“12m 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. The ECL on these assets are assessed individually for debtors with significant balances and/or collectively using a provision matrix with appropriate groupings.

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值

本集團以預期信貸虧損(「預期信貸虧損」)模式對根據香港財務報告準則第9號須進行減值之金融資產(包括貿易應收款項、可退還按金、應收票據、其他應收款項、應收關連公司款項、應收董事款項以及現金及現金等價物)進行減值評估。預期信貸虧損之金額於各報告期末更新以反映自初步確認以來信貸風險之變動。

整個存續期的預期信貸虧損指於相關工具之預期存續期內所有可能發生之違約事件將導致之預期信貸虧損。反之，12個月的預期信貸虧損(「12個月預期信貸虧損」)指預計在報告日期後12個月內可能發生的違約事件導致的整個存續期的預期信貸虧損之一部分。評估乃根據本集團之過往信貸虧損經驗進行，並根據債務人之特有因素、一般經濟狀況及對報告期末當前狀況之評估以及對未來狀況之預測作出調整。

本集團一直就貿易應收款項確認整個存續期的預期信貸虧損。該等資產之預期信貸虧損會對具重大結餘之債務人進行個別評估及／或採用合適組別的撥備矩陣進行整體評估。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

For all other instruments, the Group measures the loss allowance equal to 12m 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.

(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 instruments as at the end of the reporting period with the risk of a default occurring on the financial instruments 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 instruments' 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.

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

就所有其他工具而言，本集團計量等於12個月的預期信貸虧損的虧損撥備，除非信貸風險自初步確認以來顯著增加，則本集團確認整個存續期的預期信貸虧損。評估應否確認整個存續期的預期信貸虧損乃視乎自初步確認以來發生違約的可能性或風險有否顯著增加而定。

(i) 信貸風險顯著增加

評估信貸風險自初步確認以來有否顯著增加時，本集團會就金融工具於報告期末發生違約的風險與金融工具於初步確認當日發生違約的風險進行比較。在進行有關評估時，本集團會考慮合理且可靠的定量和定性資料，包括過往經驗及無需付出不必要的成本或努力即可獲得的前瞻性資料。

具體而言，在評估信貸風險是否顯著增加時會考慮以下資料：

- 金融工具外部(如有)或內部信貸評級的實際或預期顯著惡化；
- 信貸風險的外部市場指標顯著惡化，例如債務人的信貸息差、信用違約交換價格顯著上升；
- 商業、金融或經濟狀況出現預計會導致債務人償債能力顯著下降的現有或預期不利變化；
- 債務人經營業績的實際或預期顯著惡化；
- 債務人的監管、經濟或技術環境有實際或預期的顯著不利變動，導致債務人償還債項的能力顯著下降。

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4. 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 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the end of the reporting period. A debt instrument is determined to have low credit risk if (i) it has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group 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).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(i) 信貸風險顯著增加(續)

無論上述評估的結果如何，本集團假設倘合約付款逾期超過30天，則信貸風險自初步確認以來顯著增加，除非本集團有能說明信貸風險並無顯著增加的合理及可靠資料，則作別論。

儘管上文所述，若債務工具於報告期末被釐定為具有低信貸風險，則本集團假設該債務工具之信貸風險自初步確認以來未有顯著增加。倘(i)其違約風險低；(ii)借款人在短期內具備雄厚實力履行其合約現金流量責任，及(iii)經濟和商業條件發生較長期之不利變化，惟未必會降低借款人履行合約現金流量責任之能力，則債務工具被釐定為具有低信貸風險。

本集團定期監察用以確定信貸風險曾否顯著增加的標準之成效，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而言，本集團認為，違約事件在內部制訂或得自外界來源的資料顯示債務人不大可能悉數向債權人(包括本集團)還款(未計及本集團所持任何抵押品)時發生。

不論上文所述，本集團認為，當金融資產逾期超過90天時發生違約，惟本集團有合理及可靠資料來顯示更加滯後的違約標準更為恰當，則作別論。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) 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; or
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

(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 trade receivables, when the amounts are over one year past due, 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.

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(iii) 出現信貸減值之金融資產

金融資產在一項或以上事件(對該金融資產估計未來現金流量構成不利影響)發生時出現信貸減值。金融資產出現信貸減值的證據包括有關下列事件的可觀察數據：

- (a) 發行人或借款人出現嚴重財政困難；
- (b) 違反合約，如拖欠或逾期事件；
- (c) 借款人的貸款人因有關借款人財政困難的經濟或合約理由而向借款人批出貸款人在其他情況下不予考慮的優惠；或
- (d) 借款人有可能破產或進行其他財務重組。

(iv) 撇銷政策

當資料顯示對手方處於嚴重財政困難且無實際收回款項的可能(如對手方已進行清盤或執行破產程序)，或貿易應收款項之金額逾期超過一年(以較早發生者為準)時，本集團則撇銷金融資產。經考慮法律意見(倘適用)後，已撇銷之金融資產仍可按本集團收款程序進行強制執行活動。撇銷構成終止確認事項。任何其後收回款項於損益內確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(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.

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 certain trade receivables are considered on a collective basis taking into consideration past due information and relevant credit information such as forward looking macroeconomic information.

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- 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.

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(v) 預期信貸虧損之計量及確認

預期信貸虧損的計量為違約概率、違約虧損率(即違約虧損程度)及違約風險的函數。違約概率及違約虧損率乃基於根據前瞻性資料調整的歷史數據評估。預期信貸虧損的估計反映無偏概率加權平均金額，以發生違約的風險為權重確定。

一般而言，預期信貸虧損為按根據合約應付本集團的所有合約現金流量與本集團預計收取的現金流量的差額，並按初步確認時釐定的實際利率貼現。

若干貿易應收款項之整個存續期預期信貸虧損乃經考慮逾期資料及相關信貸資料(如前瞻性宏觀經濟資料)後整體考慮。

倘預期信貸虧損按集體基準計量或迎合個別工具水平之證據未必存在的情況，則金融工具按以下基準分組：

- 逾期狀況；
- 債務人的性質、規模及行業；及
- 外部信貸評級(如有)。

管理層定期檢討分組，以確保各組別成分繼續分攤類似信貸風險特徵。

利息收入按金融資產的賬面總值計算，除非該金融資產出現信貸減值，則利息收入按金融資產的攤銷成本計算。

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4. 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 trade receivables where the corresponding adjustment is recognised through a loss allowance account.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another 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 instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by 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 the effective interest method or at FVTPL.

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(v) 預期信貸虧損之計量及確認(續)

本集團透過調整賬面值於損益確認所有金融工具的減值收益或虧損，惟貿易應收款項除外，其相應調整乃透過虧損撥備賬予以確認。

終止確認金融資產

僅當從資產收取現金流量之合約權利屆滿時，或將金融資產及資產所有權之絕大部分風險及回報轉讓予另一實體時，本集團方會終止確認金融資產。倘本集團並未轉讓亦不保留所有權之絕大部分風險及回報，並繼續控制該已轉讓資產，則本集團確認其於資產之保留權益，並就可能須支付之金額確認相關負債。倘本集團保留已轉讓金融資產所有權之絕大部分風險及回報，則本集團繼續確認金融資產，亦就已收取之所得款項確認有抵押借貸。

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總和之差額，於損益確認。

金融工具

分類為債務或權益

債務及股本工具根據合約安排內容與金融負債及股本工具之定義分類為金融負債或權益。

股本工具

股本工具指任何證明實體擁有扣減所有負債後之資產剩餘權益之合約。本公司發行之股本工具按已收所得款項扣除直接發行成本確認。

金融負債

所有金融負債其後採用實際利率法按攤銷成本或按公平值計入損益計量。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial liabilities and equity (continued)

Financial liabilities at amortised cost

Financial liabilities (including trade payables, other payables, amount due to a director, amounts due to non-controlling interests, amounts due to related companies and liabilities component of convertible loan notes) are subsequently measured at amortised cost, using the effective interest method.

Convertible loan notes

The component parts of the convertible loan notes are classified separately as financial liability and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component (including any embedded non-equity derivatives features) is estimated by measuring the fair value of similar liability that does not have an associated equity component.

A conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to share premium. Where the conversion option remains unexercised at the maturity date of the convertible loan notes, the balance recognised in equity will be transferred to accumulated losses. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

4. 主要會計政策(續)

金融工具(續)

金融負債及權益(續)

按攤銷成本計量之金融負債

金融負債(包括貿易應付款項、其他應付款項、應付一名董事款項、應付非控股權益款項、應付關連公司款項及可換股貸款票據之負債成分)乃隨後採用實際利率法按攤銷成本計量。

可換股貸款票據

可換股貸款票據之組成部分乃根據合約安排之內容以及金融負債及股本工具之定義分別分類為金融負債及權益。以定額現金或另一金融資產交換本公司固定數目之本身股本工具之方式結算之兌換權為股本工具。

於發行日期，負債部分(包括任何嵌入式非股本衍生工具特徵)之公平值乃透過計量並無相關股本部分之類似負債之公平值進行估計。

分類為股本之兌換權乃透過從整體複合工具之公平值扣減負債部分金額而釐定。其將於扣除所得稅影響後在權益中確認及入賬，且期後不會重新計量。此外，分類為股本之兌換權將保留於權益內，直至兌換權獲行使為止，在此情況下，於權益內確認之結餘將轉撥至股份溢價。倘兌換權於可換股貸款票據到期日仍未獲行使，於權益確認之結餘將轉撥至累計虧損。兌換權獲轉換或到期時將不會於損益內確認任何收益或虧損。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial liabilities and equity (continued)

Convertible loan notes (continued)

Transaction costs that relate to the issue of the convertible loan notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible loan notes using the effective interest method.

A conversion option that will be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is a conversion option derivative.

At the date of issue, both the debt component and derivative components are recognised at fair value. In subsequent periods, the liabilities component of the convertible loan notes is carried at amortised cost using the effective interest method. The derivative component is measured at fair value with changes in fair value recognised in profit or loss.

Transaction costs that relate to the issue of the convertible loan notes are allocated to the debt and derivative components in proportion to their relative fair values. Transaction costs relating to the derivative component are charged to profit or loss immediately. Transaction costs relating to the liabilities component are included in the carrying amount of the debt portion and amortised over the period of the convertible loan notes using the effective interest method.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When an existing financial liability is renegotiated in such a way that the liability is extinguished fully or partially by issuing equity instruments, it is accounted for as an extinguishment of the original financial liability (or part of the financial liability) extinguished and the consideration paid (being the fair value of the equity instruments issued), recognised to profit or loss.

4. 主要會計政策(續)

金融工具(續)

金融負債及權益(續)

可換股貸款票據(續)

與發行可換股貸款票據相關之交易成本按所得款項總額之分配比例分配至負債及權益部分。與權益部分相關之交易成本直接於權益中扣除。與負債部分之相關交易成本會計入負債部分之賬面值，並使用實際利率法於可換股貸款票據期間攤銷。

以定額現金或另一項金融資產交換本集團固定數目之股本工具以外之方式結算之兌換權為兌換權衍生工具。

於發行日期，負債部分及衍生工具部分均按公平值確認。於其後期間，可換股貸款票據之負債部分以實際利率法按攤銷成本列賬。衍生工具部分按公平值計量，公平值之變動則於損益確認。

發行可換股貸款票據之相關交易成本，按相對公平值比例撥往債務及衍生工具部分。衍生工具部分之相關交易成本會即時於損益扣除。負債部分之相關交易成本會計入負債部分之賬面值，並以實際利率法於可換股貸款票據期間攤銷。

終止確認金融負債

本集團於責任獲解除、取消或屆滿時，方會終止確認金融負債。已終止確認之金融負債賬面值與已付及應付代價之差額於損益確認。

倘現有金融負債以發行股本工具之方式重新磋商而全部或部分抵銷負債，則入賬列為抵銷原有金融負債(或部分金融負債)，而已付代價(即已發行股本工具之公平值)於損益確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Derivative financial instruments

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss.

Embedded derivatives

Derivatives embedded in hybrid contracts that contain financial asset hosts within the scope of HKFRS 9 are not separated. The entire hybrid contract is classified and subsequently measured in its entirety as either amortised cost or fair value as appropriate.

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of HKFRS 9 are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Generally, multiple embedded derivatives in a single instrument that are separated from the host contracts are treated as a single compound embedded derivative unless those derivatives relate to different risk exposures and are readily separable and independent of each other.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of inventories are determined on the weighted average method or first-in-first out method as appropriate. Net realisable value represents the estimated selling prices for inventories less all estimated costs of completion and costs necessary to make the sale.

4. 主要會計政策(續)

金融工具(續)

衍生金融工具

衍生工具初步按衍生工具合約訂立當日之公平值確認，其後按其於報告期末之公平值重新計量。所產生之收益或虧損於損益確認。

嵌入式衍生工具

嵌入混合合約之衍生工具(包括屬香港財務報告準則第9號範圍內之金融資產主體)不予分離。整份混合合約予以分類且其後整體按攤銷成本或公平值(倘適用)計量。

嵌入非衍生工具主合約之衍生工具(並非屬香港財務報告準則第9號範圍內之金融資產)倘符合衍生工具之定義、其風險及特徵與該等主合約並非緊密相關及主合約並未按公平值計入損益計量，則視為獨立衍生工具。

一般而言，獨立於主合約的單一工具的多個嵌入式衍生工具視作單一複合嵌入式衍生工具，除非該等衍生工具涉及不同的風險敞口，並且易於分離及相互獨立。

存貨

存貨按成本或可變現淨值之較低者列賬。存貨成本按加權平均法或先入先出法(如適用)計算。可變現淨值指估計存貨售價扣減所有估計完工成本和進行銷售之所需成本。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment on property, plant and equipment, right-of-use assets and intangible assets with finite useful lives 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 these 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.

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 assets (or a CGU) for which the estimates of future cash flows have not been adjusted.

4. 主要會計政策(續)

具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(商譽除外)減值

本集團會於各報告期末審閱具有限可使用年期之物業、廠房及設備、使用權資產及無形資產之賬面值，以確定該等資產是否出現任何減值虧損跡象。倘存在任何有關跡象，則會估計資產之可收回金額，以釐定減值虧損(如有)之數額。

物業、廠房及設備、使用權資產及無形資產之可收回金額乃進行個別估計。倘不可能個別估計可收回金額，則本集團估計該資產所屬現金產生單位之可收回金額。

於對現金產生單位進行減值測試時，倘能建立合理一致之分配基準，企業資產獲分配至相關現金產生單位，否則會按能建立之合理一致分配基準分配至最小之現金產生單位組別。可收回金額按企業資產所屬之現金產生單位或現金產生單位組別釐定，並與相關現金產生單位或現金產生單位組別之賬面值進行比較。

可收回金額為公平值減出售成本與使用價值之間之較高者。評估使用價值時，估計未來現金流量會採用可反映現行市場對貨幣時間值之評估及資產(或現金產生單位)(並未調整估計未來現金流量)之特定風險之稅前貼現率，貼現至現值。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment on property, plant and equipment, right-of-use assets and intangible assets with finite useful lives other than goodwill (continued)

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.

Where 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.

4. 主要會計政策(續)

具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(商譽除外)減值(續)

倘資產(或現金產生單位)之可收回金額估計低於其賬面值，則該資產(或現金產生單位)之賬面值會減至可收回金額。就未能按合理一致基準分配至現金產生單位的企業資產或一部分企業資產而言，本集團會將一組現金產生單位的賬面值(包括分配至該現金產生單位組別的企業資產或一部分企業資產的賬面值)與該組現金產生單位的可收回款項作比較。於分配減值虧損時，首先分配減值虧損以減低任何商譽的賬面值(倘適用)，其後按比例根據單位內各資產或現金產生單位組別之賬面值分配至其他資產。資產之賬面值不得減低至低於以下三者中最高者：其公平值減出售成本(倘可計量)、其使用價值(倘可釐定)及零。原可分配至資產之減值虧損金額會按比例分配至單位內之其他資產。減值虧損即時於損益確認。

倘若減值虧損其後撥回，則該資產(或現金產生單位或一組現金產生單位)之賬面值將增至經修訂之估計可收回金額，惟增加後之賬面值不得超出該資產(或現金產生單位或一組現金產生單位)過往年度如無確認減值虧損時原應釐定之賬面值。減值虧損撥回即時於損益確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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” 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 difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, 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 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.

4. 主要會計政策(續)

稅項

所得稅開支指現時應付稅項與遞延稅項之總和。

現時應付稅項按年度應課稅溢利計算。應課稅溢利因其他年度之應課稅或可扣減之收入或支出及毋須課稅或不可扣稅之項目有別於「除稅前虧損」。本集團之即期稅項負債按報告期末已頒佈或實質頒佈之稅率計算。

遞延稅項按綜合財務報表中資產及負債之賬面值與計算應課稅溢利所用相應稅基之暫時性差額確認。所有應課稅暫時性差額通常會確認遞延稅項負債。所有可扣稅暫時性差額通常會確認遞延稅項資產，惟僅以可能將會有應課稅溢利可供動用可扣稅暫時性差額為限。倘首次確認(業務合併除外)交易資產及負債產生之暫時性差額既不影響應課稅溢利亦不影響溢利會計處理方式，則不會確認有關遞延稅項資產及負債。此外，倘暫時性差額乃因首次確認商譽而產生，則不會確認遞延稅項負債。

遞延稅項負債就投資附屬公司之應課稅暫時性差額而確認，惟本集團可控制暫時性差額撥回，且暫時性差額有可能未必於可見將來撥回之情況除外。因該等投資相關之可扣減暫時性差額之遞延稅項資產，僅以可能有足夠應課稅溢利可供動用暫時性差額之利益，且預計於可見將來可以撥回時確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the 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 each 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 each reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

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. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as a deduction from the carrying amount of the relevant asset in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

4. 主要會計政策(續)

稅項(續)

遞延稅項資產之賬面值於各報告期末審閱，並扣減至不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以預期於負債償還或資產變現期間所適用之稅率計量，根據於各報告期末前已頒佈或實質上已頒佈之稅率(及稅法)計算。

遞延稅項負債及資產之計量反映本集團預期於各報告期末收回或清償其資產及負債賬面值之方式所導致之稅務後果。

倘有在法律上可強制執行之權利將即期稅項資產與即期稅項負債抵銷，且彼等與同一稅務機關向同一應課稅實體徵收之所得稅相關，則會抵銷遞延稅項資產及負債。

即期及遞延稅項於損益確認，惟其於其他全面收益或直接於權益中確認之項目相關者除外，於該情況下，即期及遞延稅項亦會分別於其他全面收益或直接於權益中確認。倘因業務合併之初次會計方法而產生即期或遞延稅項，有關稅務影響會計入業務合併之會計方法內。

政府補助

在合理保證本集團會遵守政府補助的附帶條件以及將會得到補助後，政府補助方予以確認。

政府補助乃於本集團確認補助擬補償的相關成本為開支期間，按系統基準於損益內確認。具體而言，倘政府補助的首要條件為本集團應購置、興建或以其他方式獲得非流動資產，則該補助在綜合財務狀況表內確認為相關資產賬面值扣減，及於有關資產可使用年期內基於系統合理基準轉撥至損益。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government grants (continued)

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 grant are presented under "other operating income".

Employee benefits

Retirement benefit costs

Payments to the PRC government retirement benefit scheme, pursuant to the relevant labour rules and regulations in PRC and the Mandatory Provident Fund Scheme ("MPF Scheme") in Hong Kong are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

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.

Any specific borrowing that remain outstanding after the related asset is ready for its intended use or sale is included in the general borrowing pool for calculation of capitalisation rate on general borrowings. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

4. 主要會計政策(續)

政府補助

作為已招致的開支或虧損的賠償或為向本集團提供直接財務幫助而應收取且無未來相關成本的與收入相關之政府補助在相關補助可予收取期間於損益確認。有關補助於「其他經營收益」項下呈列。

僱員福利

退休福利成本

根據中國相關勞工規則及規例向中國政府退休福利計劃以及香港強制性公積金計劃(「強積金計劃」)支付之款項，於僱員提供服務而合資格享有供款時確認為開支。

短期僱員福利

短期僱員福利於僱員提供服務時按預期支付福利之未折現金額確認。所有短期僱員福利均確認為開支，除非其他香港財務報告準則規定或允許將福利計入資產成本，則作別論。

於扣除任何已付金額後，本集團就僱員福利(如工資及薪金、年假和病假)確認負債。

借貸成本

收購、興建或生產合資格資產(即需經過一段長時間方可達致其擬定用途或可供銷售之資產)直接應佔之借貸成本計入該等資產之成本，直至該等資產大致上達致其擬定用途或可供銷售為止。

在相關資產準備用於其擬定用途或出售後仍未償還的任何特定借貸將計入一般借貸，以計算一般借貸的資本化率。而將該借貸用於支付合資格資產前所作短期投資所得之投資收入將自合資格撥作資本之借貸成本中扣除。

所有其他借貸成本於產生期間於損益確認。

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4. 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 that 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. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provision for restoration, rehabilitation and environmental costs

Provisions for the Group's restoration, rehabilitation and environmental expenses are based on estimates of required expenditure to restore the sites of Group's mines in accordance with PRC rules and regulations. The Group estimates its liabilities for final reclamation and mine closure based upon detailed calculations of the amount and timing of the future cash expenditure to perform the required work, escalated for inflation, then discounted at a discount rate that reflects current market assessments of the time value of money and the risks specific to the liability such that the amount of provision reflects the present value of the expenditures expected to be required to settle the obligation.

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.

4. 主要會計政策(續)

撥備

當本集團因過往事件承擔當前之法定或推定責任，而本集團可能須履行該項責任且可對責任金額作出可靠估計時，即確認撥備。

確認為撥備之金額乃於報告期末對履行當前責任所需代價作出之最佳估計，並計及有關責任所涉及之風險及不確定因素。倘撥備按履行當前責任估計所需之現金流量計量，則其賬面值為該等現金流量之現值(倘資金時間值之影響屬重大)。

倘結算撥備所需之部分或全部經濟利益預期可自第三方收回，則在實質上確定將可獲償付及應收款項金額可作可靠計量時，應收款項確認為資產。

恢復、修復及環境成本撥備

本集團恢復、修復及環境成本撥備乃本集團根據中國規則及法規恢復礦場而估計之所需支出。本集團估計最終開墾及礦場關閉之負債時，乃基於進行所需工程所耗用之未來現金支出之金額及時間之詳盡計算，並因應通脹而調高，然後按可反映現行市場對貨幣時間值之評估及負債之特定風險之貼現率貼現，以使撥備反映預期履行責任所需開支之現值。

分部報告

經營分部及綜合財務報表所呈報之各分部項目金額，乃根據就分配資源予本集團各業務及地區分部以及評估其表現而定期提供予本集團最高層管理人員之財務資料而確定。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Segment reporting (continued)

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.

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. 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 only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. When inflow is virtually certain, an asset is recognised.

Related party transactions

A party is considered to be related to the Group if:

- (a) A person, or a close member of that person's family, is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.

4. 主要會計政策(續)

分部報告(續)

就財務報告而言，除非分部具備相似之經濟特徵及在產品及服務性質、生產工序性質、客戶類型或類別、用作分銷產品或提供服務之方法及監管環境之性質方面相似，否則各重大經營分部不會進行總匯。個別非重大之經營分部如符合上述大部分標準，則可進行總匯。

或然負債及或然資產

或然負債指因過往事件而可能引起之責任，僅可藉某一宗或多宗非本集團所能完全控制之未來事件會否發生才能確認。由於可能不需要流出經濟資源，或責任金額未能可靠地計量，或然負債亦可能是因過往事件引致而未予確認之現有責任。倘資源流出之可能性有變而導致可能出現資源流出，則或然負債將確認為撥備。

或然資產指因過往事件而可能產生之資產，僅可藉某一宗或多宗非本集團所能完全控制之未來事件會否發生才能確認。當經濟資源之流入近乎肯定時，則確認為資產。

關聯方交易

在下列情況下，有關人士將被視為與本集團有關連：

- (a) 倘屬以下人士，即該人士或該人士之近親與本集團有關連：
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司之主要管理層成員。

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4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Related party transactions (Continued)

(b) An entity is related to the Group if any of the following conditions applies:

- (i) the entity and the Group are members of the same Group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
- (iii) both entities are joint ventures of the same third party;
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

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 family members 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.

4. 主要會計政策(續)

關聯方交易(續)

(b) 倘符合下列任何條件，即該實體與本集團有關連：

- (i) 該實體與本集團屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關連)；
- (ii) 一間實體為另一實體之聯營公司或合營企業(或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業)；
- (iii) 兩間實體均為同一第三方之合營企業；
- (iv) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司；
- (v) 該實體為本集團或與本集團有關連之實體就僱員利益設立之離職福利計劃；
- (vi) 該實體受(a)所識別人士控制或共同控制；
- (vii) 於(a)(i)所識別人士對該實體有重大影響力或屬該實體(或該實體之母公司)主要管理層成員；或
- (viii) 該實體或其所屬集團之任何成員公司向本集團或本集團之母公司提供主要管理人員服務。

關聯方交易指本集團與關聯方之間的資源、服務或責任轉讓，而不論是否收取價格。

一名人士之近親指預期與該實體進行交易時可影響該人士或受該人士影響之家庭成員。

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5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 4, the Directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an 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 judgments in applying accounting policies

The followings are the critical judgments, apart from those involving estimation, 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.

Going concern basis

The consolidated financial statements have been prepared on a going concern basis, the validity of which depends upon the basis as set out in Note 2 to the consolidated financial statements.

Control over subsidiaries

The Group owns 49% equity interest in 山西煤炭運銷集團能源投資開發有限公司 (Shanxi Coal Transportation and Marketing Group Energy Investment Development Company Limited*) ("Shanxi Coal"). The Group's ownership of 49% equity interest in Shanxi Coal gives the Group the same percentage of the voting rights in Shanxi Coal. The Group's 49% equity interest in Shanxi Coal was acquired on 7 June 2013 and there has been no change in the Group's ownership in Shanxi Coal since then. The remaining 51% of the registered capital of Shanxi Coal is owned by two equity interest holders, who holds 41% and 10% respectively, belonging to a same group of companies. The Directors made an assessment as at the date of completion of acquisition as to whether or not the Group has control over Shanxi Coal based on whether the Group has the practical ability to direct the relevant activities of Shanxi Coal unilaterally.

5. 關鍵會計判斷及估計不確定性之主要來源

在應用附註4所述本集團會計政策時，董事須對未能輕易從其他來源確定之資產及負債賬面值作出判斷、估計及假設。該等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。實際結果或會與該等估計不同。

估計及相關假設會持續檢討。倘會計估計之修訂僅影響修訂估計之期間，則有關修訂於該期間確認，倘同時影響現時及未來期間，則於修訂估計之期間及未來期間確認。

應用會計政策時所作關鍵判斷

以下為董事應用本集團會計政策過程中所作對綜合財務報表確認之金額產生最重大影響之關鍵判斷，惟涉及估計者除外。

持續經營基準

綜合財務報表按持續經營基準編製，其是否有效取決於綜合財務報表附註2所列之基準。

對附屬公司之控制權

本集團擁有山西煤炭運銷集團能源投資開發有限公司(「山西煤炭」)49%股本權益。本集團於山西煤炭擁有之49%股本權益令本集團於山西煤炭擁有相同比例之投票權。本集團於二零一三年六月七日收購山西煤炭49%股本權益，自此本集團於山西煤炭之所有權並無改變。山西煤炭註冊資本中餘下51%權益由兩名股本權益持有人擁有，該兩名持有人分別持有41%及10%權益，歸屬於同一集團公司。董事於完成收購當日根據本集團是否可單方面實際指示山西煤炭之相關活動評估本集團對山西煤炭是否擁有控制權。

* For identification purpose only

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5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Critical judgments in applying the entity's accounting policies (continued)

Control over subsidiaries (continued)

The Directors concluded that it has had control over Shanxi Coal since the completion of acquisition on 7 June 2013 on the basis that under the memorandum and articles of association of Shanxi Coal (as amended on 21 December 2009), the Group is able to appoint five directors out of nine on the board of directors of Shanxi Coal through its wholly owned subsidiaries and a resolution to be passed by the board of directors of Shanxi Coal requires a simple majority. Upon Shanxi Coal being effectively acquired by the Group on 7 June 2013, the Group is able to control the decision making of the board of directors of Shanxi Coal through its wholly owned subsidiaries.

In addition, all the shareholders of Shanxi Coal agreed that they will approve the plans and proposals, including operating and investment plan, financial budgeting, profit appropriation, extraction of discretionary reserve and the issuance of bonds, proposed by the board of directors of Shanxi Coal. The Directors concluded that the Group has sufficiently dominant voting interests to direct the relevant activities of Shanxi Coal, and accordingly the Group has control over Shanxi Coal.

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.

Useful life of property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets are depreciated and amortised on a straight-line basis over their estimated useful lives, after taking into account their estimated residual values. The determination of the useful lives and residual values involve management's estimation. The Group assesses annually the residual values and the useful lives of the property, plant and equipment and intangible assets and if the expectation differs from the original estimates, such a difference may impact the depreciation and amortised in the year and the estimate will be changed in the future period.

5. 關鍵會計判斷及估計不確定性之主要來源(續)

應用實體會計政策時所作

關鍵判斷(續)

對附屬公司之控制權(續)

董事認為，本集團自二零一三年六月七日完成收購以來對山西煤炭擁有控制權，原因是根據山西煤炭之組織章程大綱及細則(於二零零九年十二月二十一日經修訂)，本集團可透過其全資附屬公司委任山西煤炭董事會之九名成員中五名董事，而須由山西煤炭董事會通過之決議案須由過半數成員通過。本集團於二零一三年六月七日實際收購山西煤炭後，本集團能透過其全資附屬公司控制山西煤炭董事會所作出之決策。

此外，山西煤炭之全體股東同意，彼等將批准由山西煤炭董事會提出之計劃及建議，包括經營和投資計劃、財務預算、利潤分配、提取酌情儲備及發行債券。董事認為，本集團擁有足夠主導投票權指示山西煤炭之相關活動，因此，本集團對山西煤炭擁有控制權。

估計不確定性之主要來源

以下為對未來之主要假設及於報告期末估計不確定性之其他主要來源，兩者均可能導致須對下一個財政年度之資產及負債賬面值作出重大調整。

物業、廠房及設備及無形資產之可使用年期

物業、廠房及設備及無形資產以直線法按估計可使用年期折舊及攤銷，當中已計及估計剩餘價值。釐定可使用年期及剩餘價值涉及管理層估計。本集團每年評估物業、廠房及設備及無形資產之剩餘價值及可使用年期，倘預期與原有估計有差異，則該差異可能會影響該年度之折舊及攤銷，而未來期間之估計亦會改變。

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5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Key sources of estimation uncertainty (continued)

Impairment assessment on non-current assets

In considering the impairment losses that may be required for certain of the Group's non-current assets which mainly include property, plant and equipment (including right-of-use assets) and mining rights, the recoverable amount of the asset need to be determined. The recoverable amount is the higher of its fair value less cost of disposal and value in use. It is difficult to precisely estimate fair value because quoted market prices for these assets may not to be readily available. In determining the value in use, the Group uses all readily available information in determining expected cash flows generated by the CGU to which the asset belongs and they are discounted to their present value, which requires significant judgment relating to discount rates, future selling prices, future production costs, future recovery rates regarding coal washing process and anticipated production capacity.

Notwithstanding that the Group has used all available information to make this estimation, inherent uncertainty exists and actual write-offs may be higher or lower than the amount estimated.

Provision of ECL for trade receivables

Trade receivables with significant balances and credit-impaired are assessed for ECL individually. In addition, the Group uses provision matrix to calculate ECL for the trade receivables. The provision rates are based on aging of trade receivables as groupings of various debtors that have similar loss patterns. The provision matrix is based on the Group's historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. At the end of each reporting period, the historical observed default rates are reassessed and changes in the forward-looking information are considered.

The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group's trade receivables are disclosed in Note 37.

5. 關鍵會計判斷及估計不確定性之主要來源(續)

估計不確定性之主要來源(續)

非流動資產減值評估

在考慮本集團若干非流動資產(主要包括物業、廠房及設備(包括使用權資產)及採礦權)可能需要作出的減值虧損時，需要釐定資產的可收回金額。可收回金額為公平值減去出售成本及使用價值兩者中的較高者。由於該等資產的市場報價可能並非輕易獲得，故難以準確估計公平值。在釐定使用價值時，本集團使用所有用資料，以釐定資產所屬的現金產生單位產生的預期現金流量，並將其折現至現值，這需要對貼現率、未來售價、未來生產成本、洗煤過程的未來回收率及預期產能作出重大判斷。

儘管本集團於作出此項預測時已運用全部可取得資料，惟有先天不確定因素存在且實際撇銷金額可能高於或低於估計金額。

貿易應收款項之預期信貸虧損撥備

具重大結餘且出現信貸減值之貿易應收款項乃就預期信貸虧損進行個別評估。此外，本集團採用撥備矩陣計算貿易應收款項之預期信貸虧損。撥備率乃根據具類似虧損模式之不同債務人組別之貿易應收款項賬齡而釐定。撥備矩陣則根據本集團的過往違約率得出，計及合理及可靠且無需付出不必要的成本或努力即可獲得的前瞻性資料。於各報告期末，本集團重新評估歷史觀察違約率並考慮前瞻性資料之變動。

預期信貸虧損撥備易受估計變動影響。有關預期信貸虧損及本集團貿易應收款項的資料披露於附註37。

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5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Key sources of estimation uncertainty (continued)

Mine reserves

Engineering estimates of the Group's mine reserves are inherently imprecise and represent only approximate amounts because of the subjective judgments involved in developing such information. There are authoritative guidelines regarding the engineering criteria that have to be met before estimated mine reserves can be designated as "proven" and "probable". Proven and probable mine reserve estimates are updated at regular basis and have taken into account recent production and technical information of each mine. In order to calculate reserves, estimates and assumptions are required about a range of geological, technical and economic factors, including quantities, grades, production techniques, recovery rates, production costs, transport costs, commodity demand and commodity prices. In addition, as prices and cost levels change from year to year, the estimate of proven and probable mine reserves also changes. This change is considered as a change in estimate for accounting purposes and is reflected on a prospective basis in related amortisation rates and impairment of mining rights.

Despite the inherent imprecision in these engineering estimates, these estimates are used in determining depreciation expenses and impairment losses. The capitalised cost of mining rights is amortised over the estimated unit of production. The estimated unit of production are reviewed annually in accordance with the production plans of the Group and the proven and probable reserves of the mines.

Income taxes

The Group is subject to income taxes in various jurisdictions. Significant judgment is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters are different from the amounts that were initially recorded, such differences will impact the current and deferred income tax provisions in the period in which such determinations are made.

5. 關鍵會計判斷及估計不確定性之主要來源(續)

估計不確定性之主要來源(續)

礦區儲量

由於本集團礦區儲量工程估計編製時涉及主觀判斷，故工程估計本身並不精確，僅為概約金額。於估計礦區儲量可指定為「探明」及「可能」前，須符合有關工程條件之官方指引。探明及可能礦區儲量之估計會定期更新，並計及各礦區近期產量及技術資料。計算儲量時，需對地質、技術及經濟等因素作出估計及假設，該等因素包括產量、品位、生產技術、回採率、生產成本、運輸成本、商品需求及商品價格。此外，由於價格及成本水平每年變動，故探明及可能礦區儲量估計亦有所變動。進行會計處理時，該變動視為估計變動，按前瞻基準計入相關攤銷率及採礦權減值。

雖然該等工程估計本身並不精確，但用於釐定折舊開支及減值虧損。採礦權之資本化成本於估計生產單位攤銷。估計生產單位根據本集團生產計劃以及礦區探明及可能儲量每年檢討。

所得稅

本集團於多個司法權區須繳納所得稅。釐定所得稅撥備時須作出重大判斷。日常業務過程中存在最終稅項釐定並不確定之交易及計算。倘此等事宜之最終稅務結果與首次記賬金額不同，則有關差額會影響作出此等釐定期間之即期及遞延所得稅撥備。

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5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Key sources of estimation uncertainty (continued)

Fair value of derivative component of convertible loan notes

The Directors use their judgment in selecting an appropriate valuation technique for financial instruments not quoted in an active market. Valuation techniques commonly used by market practitioners are applied. For derivative components of the convertible loan notes, assumptions are made based on quoted market rates adjusted for specific features of the instrument. As at 31 December 2019, derivative components of convertible loan notes recognised as current liabilities was approximately HK\$850,000 and as current assets was approximately HK\$28,719,000. There is no derivative components of the convertible loan notes as at 31 December 2020.

Provision for restoration, rehabilitation and environmental costs

The provision for restoration, rehabilitation and environmental costs has been determined by the management of the Group based on their best estimates. The management of the Group estimated this liability for final reclamation and mine closure based upon detailed forecast of the amounts and timing of future cash flows for a third party to perform work, escalated for inflation, then discounted at a discount rate that reflects current market assessments of the time value of money and the risks specific to the liability, such that the provision reflects the present value of the expenditures expected to be required to settle the obligation. However, the estimate of the associated expenditures may be subject to change due to new government environmental policy in the future. The provision is reviewed regularly to ensure that it properly reflects the present value of the obligation arising from the mining activities.

6. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

5. 關鍵會計判斷及估計不確定性之主要來源(續)

估計不確定性之主要來源(續)

可換股貸款票據之衍生工具部分公平值

董事為並無於活躍市場報價之金融工具挑選適當估值技術時作出判斷，採用市場從業者普遍使用之估值技術。對於可換股貸款票據之衍生工具部分，所作假設是根據所報市值並就該工具之特定特徵作出調整。於二零一九年十二月三十一日，確認為流動負債及流動資產之可換股貸款票據之衍生工具部分分別約為850,000港元及約28,719,000港元。於二零二零年十二月三十一日，沒有可換股貸款票據之衍生工具部分。

恢復、修復及環境成本撥備

恢復、修復及環境成本撥備乃本集團管理層根據其最佳估計釐定。本集團管理層估計此項最終開墾及礦場關閉之責任時，乃基於第三方進行所需工程所耗用之未來現金流量之金額及時間之詳盡預測，並因應通脹而調高，然後按可反映現行市場對貨幣時間值之評估及負債之特定風險之貼現率貼現，以使撥備反映預期履行責任所需開支之現值。然而，相關開支之估計可能因未來政府推出新環境政策而出現變動。本公司會定期檢討撥備，以確定其正確反映採礦活動產生之債務之現值。

6. 資本風險管理

本集團之資本管理旨在確保本集團所有實體均可持續經營，同時透過優化債務與權益結餘，盡量為利益相關者帶來最大回報。本集團之整體策略自去年以來維持不變。

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6. CAPITAL RISK MANAGEMENT (CONTINUED)

The capital structure of the Group consists of net debts (which included convertible loan notes, amounts due to related companies, amounts due to non-controlling interests, other borrowings and lease liabilities, net of cash and cash equivalents) and capital deficiencies attributable to owners of the Company. The Directors review the capital structure monthly. As a part of this review, the Directors consider the cost of capital and the risks associated with each class of capital. Based on the recommendations of the Directors, the Group will balance its overall capital structure through new share issues and repurchase of existing shares as well as issue of new debt or the redemption of existing debts.

7. SEGMENT INFORMATION

The Group's operating segments, based on information reported to the Board (being the chief operating decision maker (the "CODM")) for the purpose of resources allocation and performance assessment are as follows:

Cassava starch operation	-	Provision of cultivation and processing of cassava starch for sale
Mining operation	-	Geological survey, exploration and development of coal deposits, and selling of coking coal and other coal products
Coal operation	-	Provision of coal trading and logistics services
Systems integration services and software solutions	-	Sales of information technology products, provision of systems integration services, technology services, software development and solution services

For management purpose, the Group is organised into business units based on their products and services. The management of the Group monitors the operating results of its business units separately for the purposes of making decisions on resource allocation and performance assessment. Segment performance is evaluated based on the operating profit or loss which in certain respects, as explained in the table below, is measured differently from the operating profit or loss in the consolidated statement of profit or loss.

6. 資本風險管理(續)

本集團之資本架構包括債務淨額，當中包括可換股貸款票據、應付關連公司款項、應付非控股權益款項、其他借貸及租賃負債(扣除現金及現金等價物)以及本公司擁有人應佔資本虧絀。董事每月檢討資本結構，當中涉及考慮資本成本及與各類資本相關之風險。本集團將按董事之建議透過發行新股及購回現有股份以及新增債務或贖回現有債務平衡其整體資本結構。

7. 分部資料

依照就分配資源及評估表現而向董事會(即主要經營決策者(「主要經營決策者」))呈報之資料，本集團之經營分部如下：

木薯澱粉業務	-	提供種植及木薯澱粉加工以作銷售
採礦業務	-	煤炭礦藏之地質研究、勘探及開發以及銷售焦煤及其他煤炭產品
煤炭業務	-	提供煤炭貿易及物流服務
系統集成服務及軟件解決方案	-	資訊科技產品銷售、提供系統集成服務、技術服務、軟件開發及解決方案服務

為方便管理，本集團根據其產品及服務劃分為不同業務單位。本集團管理層對其業務單位之經營業績進行個別監察，以在資源分配及表現評估方面作出決定。分部表現根據經營溢利或虧損評估，誠如下表所闡述，當中若干方面之計量方法有別於綜合損益表之經營溢利或虧損。

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7. SEGMENT INFORMATION (CONTINUED)

For the purposes of monitoring segment performance and allocating resources between segments, the CODM also reviews other segment information.

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segments.

7. 分部資料(續)

就監察分部表現及於分部間分配資源而言，主要經營決策者亦審閱其他分部資料。

分部收入及業績

以下載列按可呈報及經營分部分析之本集團收入及業績。

		Systems integration services and software solutions 系統集成服務及軟件解決方案		Mining operation 採礦業務		Coal operation 煤炭業務		Cassava starch operation 木薯澱粉業務		Total 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 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
For the year ended 31 December	截至十二月三十一日止年度										
REVENUE	收入										
Sales to external customers	向外部客戶作出之銷售	-	202	1,303,796	944,056	-	-	-	-	1,303,796	944,258
RESULTS	業績										
Segment loss	分部虧損	(179)	(9,938)	(375,474)	(779,392)	-	-	(39,315)	(89,406)	(414,968)	(878,736)
Change in fair value of derivative component of convertible loan notes	可換股貸款票據衍生工具部分之公平值變動									(27,870)	22,843
Unallocated income	未分配收入									2,818	1,122
Unallocated expenses	未分配支出									(51,228)	(53,552)
Finance costs	融資成本									(361,665)	(415,590)
Loss before taxation	除稅前虧損									(852,913)	(1,323,913)

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7. SEGMENT INFORMATION (CONTINUED)

Segment revenues and results (continued)

The accounting policies of the reportable and operating segments are the same as the Group's accounting policies. Segment loss represents the loss from each segment without allocation of central administrative expenses, including directors' and chief executive's emoluments, change in fair value of derivative component of convertible loan notes, certain other income and finance costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

For the purpose of assessment by the CODM, the finance cost of amounts due to non-controlling interests, advances drawn on discounted bills and leases liabilities were not included in segment results while the corresponding liabilities have been included in the segment liabilities.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments.

Segment assets

Systems integration services and software solutions	系統集成服務及軟件解決方案
Mining operation	採礦業務
Cassava starch operation	木薯澱粉業務
Total segment assets	分部資產總值
Unallocated corporate assets	未分配企業資產
Consolidated total assets	綜合資產總值

7. 分部資料(續)

分部收入及業績(續)

可呈報及經營分部之會計政策與本集團之會計政策相同。分部虧損指各分部產生之虧損，而並未分配中央行政開支，包括董事及行政總裁酬金、可換股貸款票據衍生工具部分之公平值變動、若干其他收入及融資成本，此乃就資源分配及表現評估向主要經營決策者報告之計量方式。

就主要經營決策者進行評估而言，應付非控股權益款項、提取貼現票據之墊款及租賃負債之融資成本並未計入分部業績，而相應負債已計入分部負債。

分部資產及負債

以下為按可呈報及經營分部分析之本集團資產及負債。

分部資產

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
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Systems integration services and software solutions	系統集成服務及軟件解決方案	6,455	6,469
Mining operation	採礦業務	7,053,815	7,143,191
Cassava starch operation	木薯澱粉業務	12,287	51,306
Total segment assets	分部資產總值	7,072,557	7,200,966
Unallocated corporate assets	未分配企業資產	5,674	45,310
Consolidated total assets	綜合資產總值	7,078,231	7,246,276

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7. SEGMENT INFORMATION (CONTINUED)

Segment assets and liabilities (continued)

Segment liabilities

7. 分部資料(續)

分部資產及負債(續)

分部負債

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Systems integration services and software solutions	系統集成服務及軟件解決方案	4,569	4,320
Mining operation	採礦業務	6,820,599	6,263,439
Cassava starch operation	木薯澱粉業務	4,879	5,023
Total segment liabilities	分部負債總額	6,830,047	6,272,782
Unallocated corporate liabilities	未分配企業負債	1,672,172	1,875,529
Consolidated total liabilities	綜合負債總值	8,502,219	8,148,311

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to reportable segments other than certain property, plant and equipment, certain prepayments, deposits and other receivables, amounts due from related companies, amounts due from directors, cash and cash equivalents, derivative component of convertible loan notes, and assets jointly used by reportable segments.
- all liabilities are allocated to reportable segments other than certain other payables, certain amounts due to related companies, amount due to a director, other borrowings, derivative component of convertible loan notes, liabilities component of convertible loan notes, deferred tax liabilities and liabilities jointly liable by reportable segments.

就監察分部表現及於分部間分配資源而言：

- 所有資產均分配至各可呈報分部，惟不包括若干物業、廠房及設備、若干預付款項、按金及其他應收款項、應收關連公司款項、應收董事款項、現金及現金等價物、可換股貸款票據之衍生工具部分以及由各可呈報分部共同使用之資產。
- 所有負債均分配至各可呈報分部，惟不包括若干其他應付款項、若干應付關連公司款項、應付一名董事款項、其他借貸、可換股貸款票據之衍生工具部分、可換股貸款票據之負債部分、遞延稅項負債以及由各可呈報分部共同承擔之負債。

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7. SEGMENT INFORMATION (CONTINUED)

Other segment information

7. 分部資料(續)

其他分部資料

		Systems integration services and software solutions 系統集成服務及軟件解決方案		Mining operation 採礦業務		Coal operation 煤炭業務		Cassava starch operation 木薯淀粉業務		Unallocated 未分配		Consolidated 綜合	
		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	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
For the year ended 31 December	截至十二月三十一日止年度												
Amounts included in the measure of segment loss or segment assets:	計量分部虧損或分部資產時計及以下款項：												
Depreciation of property, plant and equipment (including right-of-use assets)	物業、廠房及設備(包括使用權資產)折舊	-	2	178,960	163,681	-	-	5,499	9,853	4,302	4,635	188,761	178,171
Amortisation of mining rights	採礦權攤銷	-	-	413,756	315,756	-	-	-	-	-	-	413,756	315,756
Amortisation of intangible assets	無形資產攤銷	-	-	2,649	2,318	-	-	-	-	-	-	2,649	2,318
Additions to non-current assets	添置非流動資產	-	-	402,301	294,416	-	-	412	16,649	5	23	402,718	311,088
(Gain)/loss on disposal of property, plant and equipment	出售物業、廠房及設備之(收益)/虧損	-	-	21	(361)	-	-	(2,629)	211	-	430	(2,608)	280
Impairment loss recognised in respect of mining rights	就採礦權確認之減值虧損	-	-	170,267	336,249	-	-	-	-	-	-	170,267	336,249
Impairment loss recognised in respect of property, plant and equipment	就物業、廠房及設備確認之減值虧損	-	-	120,962	160,102	-	-	-	-	-	-	120,962	160,102
Impairment loss recognised in respect of financial assets under expected credit loss model, net	根據預期信貸虧損模式就金融資產確認之減值虧損，淨額	-	9,149	-	-	-	-	-	-	35,946	-	35,946	9,149
Amounts regularly provided to CODM but not included in the measure of segment loss:	定期提供予主要經營決策者但並無計入計量分部虧損之款項：												
Interest income	利息收入	(2)	(5)	(885)	(48)	-	-	-	(2)	(1)	(2)	(888)	(57)
Finance costs	融資成本	1	-	274,398	295,286	-	-	-	304	87,266	120,000	361,665	415,590

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7. SEGMENT INFORMATION (CONTINUED)

Other segment information (continued)

Geographical information

The Group's operations are located in Hong Kong, elsewhere in PRC and Cambodia.

The Group's revenue from external customers is presented based on the location of the operation. Information about the Group's non-current assets (excluded financial instruments) is presented based on the geographical locations of the assets.

7. 分部資料(續)

其他分部資料(續)

地區資料

本集團業務位於香港、中國其他地區及柬埔寨。

本集團來自外部客戶之收入按經營地點呈列。有關本集團非流動資產(不包括金融工具)之資料則按資產所在地區呈列。

		Hong Kong 香港		PRC 中國		Cambodia 柬埔寨		Consolidated 綜合	
		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
Segment revenue	分部收入								
Revenue from external customers	來自外部客戶之收入	-	-	1,303,796	944,258	-	-	1,303,796	944,258
Non-current assets	非流動資產	1,921	6,218	6,787,269	6,973,203	2,837	11,353	6,792,027	6,990,774

Information about major customers

Revenue from customers of the corresponding years contributing 10% or more of the total sales of the Group is as follows:

有關主要客戶之資料

佔本集團相關年度總銷售10%或以上之客戶之收入如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Customer A ¹	客戶A ¹	621,553	-
Customer B ¹	客戶B ¹	227,444	-
Customer C ¹	客戶C ¹	-	124,080
Customer D ¹	客戶D ¹	-	211,699
Customer E ¹	客戶E ¹	-	381,293

¹ Revenue from mining operation.

¹ 採礦業務之收入。

Except disclosed above, no other customers contributed 10% or more to the Group's revenue for both years.

除上文所披露者外，於該兩個年度，概無其他客戶為本集團帶來10%或以上收入貢獻。

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8. REVENUE AND OTHER OPERATING INCOME

i) Revenue from goods and Services

Disaggregation of revenue

Segments	分部	Systems integration services and software solutions 系統集成服務及軟件解決方案		Mining operation 採礦業務		Coal operation 煤炭業務		Cassava starch operation 木薯澱粉業務		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	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Types of goods or services	貨品或服務類型										
Sales of goods	銷售貨品										
- Raw coals	- 原煤	-	-	15,483	607,017	-	-	-	-	15,483	607,017
- Clean coals	- 精煤	-	-	1,134,123	318,259	-	-	-	-	1,134,123	318,259
- Other coal products	- 其他煤炭產品	-	-	154,190	18,780	-	-	-	-	154,190	18,780
Provision of system integration services and software solution	提供系統集成服務及軟件解決方案	-	202	-	-	-	-	-	-	-	202
		-	202	1,303,796	944,056	-	-	-	-	1,303,796	944,258
Timing of revenue recognition	收入確認時間										
A point in time	時點	-	202	1,303,796	944,056	-	-	-	-	1,303,796	944,258

Notes:

- (i) For sales of raw coals, clean coals, other coal products, computer products and cassava starch, revenue is recognised when control of goods has transferred, being when the goods have been accepted by customers (acceptance) after goods delivered to the specific location or picked up by customers. Following acceptance, the customers have full discretion over the manner of distribution and price to sell the goods, have the primary responsibility when on selling the goods and bear the risks of obsolescence and loss in relation to the goods. The normal credit term is 30 to 60 days upon acceptance.
- (ii) All performance obligations of the Group's revenue are part of contracts with an original expected duration of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

附註：

- (i) 就銷售原煤、精煤、其他煤炭產品、電腦產品及木薯澱粉而言，於貨品控制權已轉讓時(即(貨品交付至特定地點或客戶取走貨品後)客戶接受貨品(驗收))時確認收入。於驗收後，客戶可全權酌情決定發貨方式及貨品售價，並承擔銷售貨品之主要責任及貨品報廢及損失之風險。於驗收後，正常信貸期為30至60天。
- (ii) 本集團收入的所有履約責任均屬於預計原合約期為一年或以內之合約。根據香港財務報告準則第15號的規定，分配至該等未履行合約之交易價格並無披露。

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8. REVENUE AND OTHER OPERATING INCOME (CONTINUED)

ii) Other operating income

8. 收入及其他經營收益(續)

ii) 其他經營收益

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Bank interest income	銀行利息收入	888	57
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	2,608	—
Gain on disposal of subsidiaries (Note 31)	出售附屬公司之收益 (附註31)	334	1,119
Gain on extinguishment of convertible loan notes	抵銷可換股貸款票據之收益	2,126	—
Government grants (Note)	政府補助(附註)	4,927	29,902
Sundry income	雜項收入	1,430	4,292
Waiver of other payables	豁免其他應付款項	11,465	33,980
		23,778	69,350

Note:

Government grants mainly represent subsidies granted by the government authority to compensate the Group's relocation expenses already incurred with no future related costs to be incurred. There is no unfulfilled condition or contingencies relating to such government subsidies recognised.

附註：

政府補助主要指政府機關給予之補貼，以補償本集團已產生之搬遷開支，且並無將予產生的未來相關成本。概無與該等已確認之政府補助相關之未達成條件或或然事項。

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9. FINANCE COSTS

9. 融資成本

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Effective interest expense on convertible loan notes (Note 26)	可換股貸款票據之實際利息開支(附註26)	77,754	119,196
Interest on other borrowings and advances drawn on discounted bills	其他借貸及提取貼現票據之墊款之利息	10,412	2,944
Interest on lease liabilities	租賃負債之利息	2,916	8,961
Interest on amounts due to non-controlling interests	應付非控股權益款項之利息	350,722	353,232
Total interest expense on financial liabilities not at fair value through profit or loss	並非按公平值計入損益之金融負債之利息開支總額	441,804	484,333
Less: amounts capitalised in construction in progress	減：於在建工程撥充資本之金額	(83,031)	(71,866)
Imputed interest for provision for restoration, rehabilitation and environmental costs (Note 28)	恢復、修復及環境成本撥備之應計利息(附註28)	2,892	3,123
		361,665	415,590

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10. LOSS BEFORE TAXATION

10. 除稅前虧損

		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 has been arrived at after charging:	除稅前虧損已扣除：		
Auditor's remuneration for audit services	核數師提供核數服務之酬金	1,620	2,550
Auditor's remuneration for non-audit services	核數師提供非核數服務之酬金	700	750
Amortisation of mining rights (included in cost of sales and services rendered) (Note 17)	採礦權攤銷(計入銷售及提供服務之成本)(附註17)	413,756	315,756
Amortisation of intangible assets (included in cost of sales and services rendered)	無形資產攤銷(計入銷售及提供服務之成本)	2,649	2,318
Amounts of inventories recognised as expense:	已確認為開支之存貨金額：		
– System integration services and software solutions and cassava starch operation	– 系統集成服務及軟件解決方案以及木薯澱粉業務	–	195
– Mining and coal operations	– 採礦及煤炭業務	1,166,188	843,915
		1,166,188	844,110
Depreciation of property, plant and equipment (including right-of-use assets) (Note 16)	物業、廠房及設備(包括使用權資產)的折舊(附註16)	188,761	178,171
Directors' and chief executive's emoluments (Note 15)	董事及行政總裁酬金(附註15)	3,090	5,140
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	–	280
Expenses relating to short-term leases	與短期租賃相關之開支	7,033	6,644
Staff cost (excluding directors' and chief executive's emoluments) (Note 15)	員工成本(不包括董事及行政總裁酬金)(附註15)	68,266	85,410
Share-based payment expense to non-employees	向非僱員支付之以股份支付開支	201	4,132

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11. INCOME TAX CREDIT

11. 所得稅抵免

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Current tax expense:	即期稅項開支：		
PRC Enterprise Income Tax (the "EIT")	中國企業所得稅 (「企業所得稅」)	10,150	43,946
Deferred tax credit (Note 29)	遞延稅項抵免(附註29)	(202,605)	(163,000)
Income tax credit	所得稅抵免	(192,455)	(119,054)

(i) Pursuant to the rules and regulations of Bermuda, Independent State of Samoa ("Samoa") and British Virgin Islands ("BVI"), the Group is not subject to any income tax in Bermuda, Samoa and the BVI.

(ii) No provisions for Hong Kong Profits Tax have been made for subsidiaries established in Hong Kong as these subsidiaries did not have any assessable profits subject to Hong Kong Profits Tax for both years.

(iii) Profit of the subsidiaries established in PRC are subject to PRC EIT.

Under the Law of PRC on EIT (the "EIT Law") and Implementation Regulation of EIT Law, the tax rate of PRC subsidiaries is 25% for both years.

(iv) No provision for Cambodia corporate income tax have been made for subsidiaries established in Cambodia as these subsidiaries did not have any assessable profits subject to Cambodia corporate income tax for both years.

(i) 依據百慕達、薩摩亞獨立國(「薩摩亞」)及英屬處女群島(「英屬處女群島」)之規則及規例，本集團無須於百慕達、薩摩亞及英屬處女群島繳納任何所得稅。

(ii) 由於在香港成立之附屬公司於兩個年度內均無任何須繳納香港利得稅之應課稅溢利，故並無就該等附屬公司計提香港利得稅撥備。

(iii) 於中國成立之附屬公司之溢利須繳納中國企業所得稅。

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司於該兩個年度之稅率為25%。

(iv) 由於在柬埔寨成立之附屬公司於兩個年度內均無任何須繳納柬埔寨企業所得稅之應課稅溢利，故並無就該等附屬公司計提柬埔寨企業所得稅撥備。

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11. INCOME TAX CREDIT (CONTINUED)

The income tax credit for the year can be reconciled to the loss before taxation per the consolidated statement of profit or loss as follows:

		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	(852,913)	(1,323,913)
Notional tax on loss before tax, calculated at rates applicable in the jurisdictions concerned	按有關司法權區適用稅率計算之除稅前虧損的名義稅項	(190,115)	(313,992)
Tax effect of income not subject to tax	毋須課稅收入之稅務影響	(82,140)	(23,598)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支之稅務影響	113,460	199,410
Tax effect of tax losses not recognised	未確認稅務虧損之稅務影響	-	19,126
Utilisation of tax losses previously not recognised	動用先前未確認之稅務虧損	(33,660)	-
Income tax credit for the year	年內所得稅抵免	(192,455)	(119,054)

11. 所得稅抵免(續)

年內所得稅抵免與綜合損益表之除稅前虧損對賬如下：

12. DIVIDENDS

No dividend was paid or proposed for both years ended 31 December 2020 and 2019, nor has any dividend been proposed since the end of the reporting period.

12. 股息

截至二零二零年及二零一九年十二月三十一日止兩個年度並無已派或擬派股息，自報告期末以來亦無建議派發任何股息。

13. LOSS PER SHARE

The calculation of the basic and diluted loss per share is based on the loss for the year attributable to owners of the Company of approximately HK\$312,362,000 (2019: approximately HK\$695,650,000) and the weighted average number of ordinary shares of 494,428,052 (2019: 437,059,190 (restated)) in issue during the year.

The weighted average number of ordinary shares for the year ended 31 December 2019 for the purposes of calculating basic and diluted loss per share have been adjusted for the capital reorganisation which took place on 7 August 2020.

The calculation of diluted loss per share for the years ended 31 December 2020 and 2019 does not assume the conversion of all convertible loan notes and exercise of share options, since these conversion and exercise would result in an anti-dilutive effect on basic loss per share.

13. 每股虧損

每股基本及攤薄虧損乃根據本公司擁有人應佔本年度虧損約312,362,000港元(二零一九年：約695,650,000港元)及本年度已發行普通股加權平均數494,428,052股(二零一九年：437,059,190股(經重列))計算。

就計算每股基本及攤薄虧損而言，截至二零一九年十二月三十一日止年度之普通股加權平均數已就於二零二零年八月七日進行之股本重組作出調整。

由於兌換可換股貸款票據及行使購股權對每股基本虧損產生反攤薄影響，故計算截至二零二零年及二零一九年十二月三十一日止年度之每股攤薄虧損時並無假設該等兌換及行使。

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14. STAFF COSTS (EXCLUDING DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS)

14. 員工成本(不包括董事及行政總裁酬金)

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Wages, salaries and other benefits	工資、薪金及其他福利	64,470	70,645
Retirement benefit schemes contributions	退休福利計劃供款	3,008	6,606
Share-based payment expense	股份支付開支	788	8,159
		68,266	85,410

The subsidiaries in Hong Kong operate the MPF Scheme which are available to qualified employees. The assets of the scheme are held separately from those of the subsidiaries in independently administered funds. Monthly contributions made by the subsidiaries are calculated based on certain percentages of the applicable payroll costs or fixed sums as stipulated under the relevant requirements, as appropriate.

Pursuant to the regulations of the relevant authorities in PRC, the subsidiaries of the Group in PRC participate in respective government retirement benefit scheme (the "Scheme") whereby the subsidiaries are required to contribute to the Scheme to fund the retirement benefits of the eligible employees. Monthly contributions made to the Scheme are calculated based on certain percentages of the applicable payroll costs as stipulated under the requirements in PRC. The relevant authorities of PRC are responsible for the entire pension obligations payable to the retired employees. The only obligation of the Group with respect to the Scheme is to pay the ongoing required contributions under the Scheme.

The retirement benefit scheme contributions represent gross contributions by the Group to the Scheme operated by the relevant authorities of PRC and the MPF Scheme operated in Hong Kong.

香港附屬公司設有強積金計劃，供合資格僱員參加。計劃資產與附屬公司之資產分開，由獨立管理基金持有。附屬公司每月按適用薪酬開支之若干百分比供款或按相關規定訂明之固定款額供款(視情況而定)。

根據中國有關當局之規例，本集團中國附屬公司須參加相關政府退休福利計劃(「有關計劃」)，據此，該等附屬公司須向有關計劃供款，為合資格僱員之退休福利提供資金。有關計劃之每月供款按中國規定所訂適用薪酬開支之若干百分比計算。中國有關當局負責向退休僱員支付全部退休金。本集團對有關計劃之唯一責任為持續支付有關計劃規定之供款。

退休福利計劃供款指本集團向由中國有關當局營辦之有關計劃及於香港營辦之強積金計劃供款之總額。

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15. DIRECTORS', CHIEF EXECUTIVE'S AND SENIOR MANAGEMENT'S EMOLUMENTS

(a) Directors' and chief executive's emoluments

Directors' and chief executives remuneration for the year is as follow:

For the year ended 31 December 2020

15. 董事、行政總裁及高級管理人員酬金

(a) 董事及行政總裁酬金

本年度董事及行政總裁薪酬披露如下：

截至二零二零年十二月三十一日止年度

		Fees	Salaries, allowances and other benefits	Retirement benefit scheme contributions	Share-based payment expense	Total
		袍金 HK\$'000 千港元	薪金、津貼及其他福利 HK\$'000 千港元	退休福利計劃供款 HK\$'000 千港元	股份支付開支 HK\$'000 千港元	總計 HK\$'000 千港元
Executive directors	執行董事					
Mr. Zhang Sanhuo ("Mr. Zhang")	張三貨先生(「張先生」)	-	240	15	-	255
Mr. Tse Michael Nam ("Mr. Tse")	謝南洋先生(「謝先生」)	-	1,560	21	-	1,581
Ms. Zhang Tingting (Resigned on 5 August 2020)	張婷婷女士 (於二零二零年八月五日辭任)	-	420	14	-	434
Non-executive directors	非執行董事					
Ms. Zhu Zheyu (Resigned on 12 June 2020)	朱喆煜女士 (於二零二零年六月十二日辭任)	432	-	-	-	432
Mr. Chang Che-Fa (Resigned on 5 August 2020)	張哲發先生 (於二零二零年八月五日辭任)	42	-	-	-	42
Independent non-executive directors	獨立非執行董事					
Mr. Lyu Guoping (Resigned on 5 August 2020)	呂國平先生 (於二零二零年八月五日辭任)	42	-	-	-	42
Mr. Jin Xuliang (Resigned on 5 August 2020)	靳旭亮先生 (於二零二零年八月五日辭任)	42	-	-	-	42
Mr. Lam Chi Wai (Appointed on 10 January 2020 and resigned on 5 August 2020)	林志偉先生 (於二零二零年一月十日獲委任並於二零二零年八月五日辭任)	96	-	-	-	96
Mr. Shen Weidong (Appointed on 2 November 2020)	沈偉東先生 (於二零二零年十一月二日獲委任)	27	-	-	-	27
Mr. Tian Hong (Appointed on 10 August 2020)	田宏先生 (於二零二零年八月十日獲委任)	66	-	-	-	66
Mr. Ho Kin Cheong Kelvin (Appointed on 5 August 2020)	何建昌先生 (於二零二零年八月五日獲委任)	68	-	-	-	68
Ms. Leung Yin Fai (Resigned on 10 January 2020)	梁燕輝女士 (於二零二零年一月十日辭任)	5	-	-	-	5
Ms. An Juan (Appointed on 5 August 2020 and resigned on 10 August 2020)	安娟女士 (於二零二零年八月五日獲委任並於二零二零年八月十日辭任)	-	-	-	-	-
		820	2,220	50	-	3,090

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15. DIRECTORS', CHIEF EXECUTIVE'S AND SENIOR MANAGEMENT'S EMOLUMENTS (CONTINUED)

(a) Directors' and chief executive's emoluments (continued)

For the year ended 31 December 2019

15. 董事、行政總裁及高級管理人員酬金(續)

(a) 董事及行政總裁酬金(續)

截至二零一九年十二月三十一日止年度

	Fees 袍金 HK\$'000 千港元	Salaries, allowances and other benefits 薪金、津貼及其他福利 HK\$'000 千港元	Retirement benefit scheme contributions 退休福利計劃供款 HK\$'000 千港元	Share-based payment expense 股份支付開支 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Executive directors					
Mr. Zhang Sanhuo 張三貨先生	-	1,101	18	-	1,119
Mr. Tse Michael Nam 謝南洋先生	-	1,560	18	994	2,572
Ms. Zhang Tingting 張婷婷女士 (Appointed on 2 July 2019)	-	356	8	-	364
Non-executive directors					
Ms. Zhu Zheyu 朱喆煜女士 (Appointed on 2 July 2019)	456	-	-	-	456
Mr. Chang Che-Fa 張哲發先生 (Appointed on 12 July 2019)	79	-	-	-	79
Mr. Zou Chengjian 鄒承健先生 (Resigned on 5 August 2019)	11	-	-	-	11
Dr. Lam Lee George 林家禮博士 (Appointed on 1 June 2019 and resigned on 22 July 2019)	24	-	-	-	24
Independent non-executive directors					
Mr. Lyu Guoping 呂國平先生 (Appointed on 12 July 2019)	79	-	-	-	79
Mr. Jin Xuliang 靳旭亮先生 (Appointed on 20 August 2019)	61	-	-	-	61
Ms. Leung Yin Fai 梁燕輝女士 (Resigned on 10 January 2020)	168	-	-	-	168
Mr. Leung Po Wing, Bowen Joseph GBS, JP (Resigned on 20 August 2019)	107	-	-	-	107
Mr. Zhou Chunsheng 周春生先生 (Resigned on 5 August 2019)	100	-	-	-	100
	1,085	3,017	44	994	5,140

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15. DIRECTORS', CHIEF EXECUTIVE'S AND SENIOR MANAGEMENT'S EMOLUMENTS (CONTINUED)

(a) Directors' and chief executive's emoluments (continued)

Mr. Tse is also the chief executive of the Company and his emoluments disclosed above include those for services rendered by him as the chief executive.

Except for Note 32, no other material transactions, arrangements and contracts 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 year or at any time during the year.

(b) Five highest paid individuals

Of the five individuals with the highest emoluments in the Group, three (2019: three) were directors (including the chief executive) of the Company whose emoluments are set out above. The emoluments of the remaining two (2019: two) highest paid individuals were as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Salaries, allowances and other benefits	薪金、津貼及其他福利	1,270	1,167
Retirement benefit scheme contributions	退休福利計劃供款	36	36
		1,306	1,203

Their emoluments were within the following bands:

		2020 二零二零年 No. of employees 僱員人數	2019 二零一九年 No. of employees 僱員人數
Nil to HK\$1,000,000	0至1,000,000港元	2	2

No emoluments have been paid by the Group to any directors, chief executive or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of the office both years. None of the directors, chief executive or five highest paid individuals waived or agreed to waive any emoluments for both years.

15. 董事、行政總裁及高級管理人員酬金(續)

(a) 董事及行政總裁酬金(續)

謝先生亦為本公司行政總裁，上文所披露之酬金包括其作為行政總裁提供服務之酬金。

除附註32外，本公司或其任何附屬公司概無訂立與本集團業務有關，而董事於其中直接或間接擁有重大權益，且於年末或年內任何時間仍然生效之其他重大交易、安排及合約。

(b) 五名最高薪酬人士

本集團五名最高薪酬人士包括本公司三名(二零一九年：三名)董事(包括行政總裁)，彼等之酬金載於上文。其餘兩名(二零一九年：兩名)最高薪酬人士之酬金如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Salaries, allowances and other benefits	薪金、津貼及其他福利	1,270	1,167
Retirement benefit scheme contributions	退休福利計劃供款	36	36
		1,306	1,203

彼等之酬金介乎下列範圍：

		2020 二零二零年 No. of employees 僱員人數	2019 二零一九年 No. of employees 僱員人數
Nil to HK\$1,000,000	0至1,000,000港元	2	2

於該兩個年度，本集團並無向任何董事、行政總裁或五名最高薪酬人士支付酬金，以吸引其加入本集團或作為加入本集團之獎勵或離職補償。於該兩個年度，概無董事、主要行政總裁或五名最高薪人士放棄或同意放棄任何薪酬。

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16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、廠房及設備

		Mining structure	Construction in progress ("CIP")	Buildings	Right-of-use assets	Leasehold improvements	Furniture, fixtures and office equipment	Motor vehicles	Plants and machineries	Freehold land	Total
		採礦構築物	在建工程 (「在建工程」)	樓宇	使用權資產	租賃物業裝修	固定裝置及辦公室設備	汽車	廠房及設備	永久業權土地	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
As at 1 January 2019:	於二零一九年一月一日：										
Cost	成本	850,207	1,415,838	147,794	40,198	16,156	13,166	35,499	80,996	4,501	2,604,355
Accumulated depreciation and impairment	累計折舊及減值	(291,166)	(298,890)	(88,561)	-	(4,773)	(13,052)	(16,082)	(63,477)	-	(776,001)
Carrying amounts as at 1 January 2019	於二零一九年一月一日之賬面值	559,041	1,116,948	59,233	40,198	11,383	114	19,417	17,519	4,501	1,828,354
As at 1 January 2019, net of accumulated depreciation and impairment	於二零一九年一月一日，扣除累計折舊及減值	559,041	1,116,948	59,233	40,198	11,383	114	19,417	17,519	4,501	1,828,354
Additions	添置	21,992	271,804	11,490	308	-	3,986	446	936	126	311,088
Disposals	出售	(175)	-	(840)	(1,704)	(374)	(97)	-	-	-	(3,190)
Disposal of subsidiaries (Note 31)	出售附屬公司(附註31)	-	(47,699)	-	(1,018)	(10,331)	(464)	(349)	-	(4,627)	(64,488)
Impairment loss, net	減值虧損，淨額	(94,625)	(31,470)	(3,503)	(659)	-	(1,033)	(13)	(28,799)	-	(160,102)
Depreciation for the year	年內折舊	(114,907)	-	(26,945)	(10,759)	(635)	(1,195)	(1,954)	(21,776)	-	(178,171)
Transfer from CIP	轉撥自在建工程	639,856	(853,284)	68,125	-	-	-	-	145,303	-	-
Reclassification	重新分類	-	-	-	-	-	-	(14,274)	14,274	-	-
Exchange realignment	匯兌調整	(18,882)	(11,195)	(1,870)	(397)	-	(138)	(21)	(1,979)	-	(34,482)
As at 31 December 2019, net of accumulated depreciation and impairment	於二零一九年十二月三十一日，扣除累計折舊及減值	992,300	445,104	105,690	25,969	43	1,173	3,252	125,478	-	1,699,009
As at 31 December 2019 and as 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：										
Cost	成本	1,620,995	578,844	236,767	36,346	2,937	14,096	14,676	278,380	-	2,783,041
Accumulated depreciation and impairment	累計折舊及減值	(628,695)	(133,740)	(131,077)	(10,377)	(2,894)	(12,923)	(11,424)	(152,902)	-	(1,084,032)
Carrying amounts as at 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及二零二零年一月一日之賬面值	992,300	445,104	105,690	25,969	43	1,173	3,252	125,478	-	1,699,009
As at 1 January 2020, net of accumulated depreciation and impairment	於二零二零年一月一日，扣除累計折舊及減值	992,300	445,104	105,690	25,969	43	1,173	3,252	125,478	-	1,699,009
Additions	添置	11,194	287,832	967	68,768	-	1,108	-	32,849	-	402,718
Disposals	出售	(21)	-	-	-	-	-	-	(3,089)	-	(3,110)
Impairment loss, net	減值虧損，淨額	(55,074)	(50,141)	(6,005)	(973)	-	(144)	(102)	(8,523)	-	(120,962)
Depreciation for the year	年內折舊	(118,597)	-	(13,337)	(31,120)	(37)	(560)	(1,226)	(23,884)	-	(188,761)
Transfer from CIP	轉撥自在建工程	11,586	(11,586)	-	-	-	-	-	-	-	-
Exchange realignment	匯兌調整	2,150	5,774	4,598	3,523	-	691	47	4,912	-	21,695
As at 31 December 2020, net of accumulated depreciation and impairment	於二零二零年十二月三十一日，扣除累計折舊及減值	843,538	676,983	91,913	66,167	6	2,268	1,971	127,743	-	1,810,589
As at 31 December 2020:	於二零二零年十二月三十一日：										
Cost	成本	1,748,673	887,121	248,147	110,519	2,422	20,674	16,150	309,720	-	3,343,426
Accumulated depreciation and impairment	累計折舊及減值	(905,135)	(210,138)	(156,234)	(44,352)	(2,416)	(18,406)	(14,179)	(181,977)	-	(1,532,837)
Carrying amounts as at 31 December 2020	於二零二零年十二月三十一日之賬面值	843,538	676,983	91,913	66,167	6	2,268	1,971	127,743	-	1,810,589

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16. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

During the year ended 31 December 2020, based on the valuation reports in relation to the mining operation as obtained by the Group, the Group recognised impairment loss of approximately HK\$179,412,000 (2019: approximately HK\$31,444,000) in respect of property, plant and equipment during the six months ended 30 June 2020. A further assessment was carried out as at the 31 December 2020 to further update the status of the mining operations and the Group recognised impairment loss on property, plant and equipment of approximately HK\$120,962,000 for the year ended 31 December 2020 as a whole (2019: approximately HK\$160,102,000).

Particulars regarding impairment assessment are disclosed in Note 30.

Right-of-use-assets

The analysis of expense items in relation to lease recognised in profit of loss is as follows:

16. 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，根據本集團取得之有關採礦業務之估值報告，本集團於截至二零二零年六月三十日止六個月就物業、廠房及設備確認減值虧損約179,412,000港元(二零一九年：約31,444,000港元)。本公司於二零二零年十二月三十一日另行評估以進一步提供有關採礦業務之最新資料且本集團就截至二零二零年十二月三十一日止整個年度確認有關物業、廠房及設備之減值虧損約120,962,000港元(二零一九年：約160,102,000港元)。

減值評估之詳情於附註30披露。

使用權資產

於損益確認的與租賃有關的開支項目分析如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Depreciation charge of right-of-use assets by class of underlying asset:	按相關資產類別劃分的使用權資產的折舊費用：		
– Properties and lands leased for own use	– 租賃作自用之物業及土地	9,630	10,759
– Mining structure	– 採礦構築物	–	16,555
– Machineries	– 機器	21,490	–
		31,120	27,314
Interest on lease liabilities (Note 9)	租賃負債之利息(附註9)	2,916	8,961
Expenses relating to short-term leases (Note 10)	與短期租賃有關之開支(附註10)	7,033	6,644
Additions to right-of-use assets	添置使用權資產	68,768	308

Details of total cash outflow for leases and the maturity analysis of lease liabilities are set out in Note 23(c).

租賃現金流出總額及租賃負債的到期日分析之詳情載於附註23(c)。

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16. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Right-of-use-assets (continued)

The Group leases various staff quarter, office premises and lands for its operations. Lease agreements are typically made for initial periods of 3 to 30 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. The lease agreements do not impose any covenants and the leased assets may not be used as security for borrowing purposes.

The Group regularly entered into short-term leases for office and warehouses. As at 31 December 2020 and 2019, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense disclosed above.

16. 物業、廠房及設備(續)

使用權資產(續)

本集團為其營運租賃多幢員工宿舍、辦公室物業及土地。租賃協議之初始期限通常為3至30年。租賃條款乃按個別基準磋商，並包含各種不同條款及條件。於釐定租期及評估不可撤銷期間之長短時，本集團應用合約之定義並釐定合約可強制執行之期間。租賃協議並無施加任何契諾，且租賃資產不得用作借貸抵押。

本集團定期為辦公室及倉庫訂立短期租賃。於二零二零年及二零一九年十二月三十一日，短期租賃組合與上文所披露短期租賃開支之短期租賃組合相若。

17. MINING RIGHTS

17. 採礦權

		HK\$'000 千港元
COST	成本	
As at 1 January 2019	於二零一九年一月一日	11,098,347
Exchange realignment	匯兌調整	(213,430)
As at 31 December 2019 and as 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	10,884,917
Exchange realignment	匯兌調整	637,379
As at 31 December 2020	於二零二零年十二月三十一日	11,522,296
AMORTISATION AND IMPAIRMENT	攤銷及減值	
As at 1 January 2019	於二零一九年一月一日	5,079,872
Amortisation for the year	年內攤銷	315,756
Impairment loss recognised for the year	年內確認之減值虧損	336,249
Exchange realignment	匯兌調整	(120,426)
As at 31 December 2019 and as 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	5,611,451
Amortisation for the year	年內攤銷	413,756
Impairment loss recognised for the year	年內確認之減值虧損	170,267
Exchange realignment	匯兌調整	361,354
As at 31 December 2020	於二零二零年十二月三十一日	6,556,828
CARRYING AMOUNTS	賬面值	
As at 31 December 2020	於二零二零年十二月三十一日	4,965,468
As at 31 December 2019	於二零一九年十二月三十一日	5,273,466

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17. MINING RIGHTS

The five mining licenses in relation to the coal mines will expire from 28 November 2022 to 8 January 2023 and subject to renewal. In the view of the Directors, the Group will be able to renew the mining licenses in relation to the coal mines with the relevant government authority continuously at insignificant cost.

During the year ended 31 December 2020, based on the valuation reports in relation to the mining operation as obtained by the Group, the Group recognised impairment loss of approximately HK\$591,211,000 (2019: approximately HK\$58,993,000) in respect of mining rights during the six months ended 30 June 2020. A further assessment was carried out as at 31 December 2020 to further update the status of the mining operation and the Group recorded impairment losses in respect of mining rights of approximately HK\$170,267,000 for the year ended 31 December 2020 as a whole (2019: approximately HK\$336,249,000).

Particulars regarding impairment assessment are disclosed in Note 30.

17. 採礦權

五份有關煤礦之採礦許可證將於二零二二年十一月二十八日至二零二三年一月八日期間到期，並可以續期。董事認為，本集團將能以極低成本持續向相關政府機關為有關煤礦之採礦許可證續期。

於截至二零二零年十二月三十一日止年度，根據本集團取得之有關採礦業務之估值報告，本集團於截至二零二零年六月三十日止六個月就採礦權確認減值虧損約591,211,000港元(二零一九年：約58,993,000港元)。本公司於二零二零年十二月三十一日另行評估以進一步提供有關採礦業務之最新資料且本集團於截至二零二零年十二月三十一日止整個年度錄得採礦權減值虧損約170,267,000港元(二零一九年：約336,249,000港元)。

減值評估之詳情於附註30披露。

18. GOODWILL

18. 商譽

HK\$'000
千港元

COST

As at 1 January 2019, as at 31 December 2019,
as at 1 January 2020 and as at 31 December
2020

成本

於二零一九年一月一日、二零一九年
十二月三十一日、二零二零年一月一日及
二零二零年十二月三十一日

3,676,679

IMPAIRMENT

As at 1 January 2019, as at 31 December 2019,
as at 1 January 2020 and as at 31 December
2020

減值

於二零一九年一月一日、二零一九年
十二月三十一日、二零二零年一月一日及
二零二零年十二月三十一日

3,676,679

CARRYING AMOUNTS

As at 31 December 2020

As at 31 December 2019

賬面值

於二零二零年十二月三十一日

於二零一九年十二月三十一日

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18. GOODWILL (CONTINUED)

Goodwill arising from acquisition of CGUs were allocated to CGUs in the following segments:

18. 商譽(續)

因收購現金產生單位而產生之商譽分配至以下分部之現金產生單位：

		HK\$'000 千港元
Mining operation	採礦業務	3,661,555
Systems integration services and software solutions	系統集成服務及軟件解決方案	15,124
As at 31 December 2020 and as at 31 December 2019	於二零二零年十二月三十一日及二零一九年十二月三十一日	3,676,679

19. INVENTORIES

19. 存貨

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Consumables	消耗品	6,283	5,496
Finished goods-coal products	製成品 - 煤炭產品	-	10,960
		6,283	16,456

20. TRADE RECEIVABLES, PREPAYMENTS, DEPOSITS, BILLS RECEIVABLES AND OTHER RECEIVABLES

20. 貿易應收款項、預付款項、按金、應收票據及其他應收款項

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Trade receivables from contracts with customers	來自客戶合約之貿易應收款項	136,371	74,420
Less: Allowance for credit losses (Note (b))	減：信貸虧損撥備(附註(b))	(18,516)	(18,516)
Trade receivables net of allowance for credit losses (Note (a))	貿易應收款項(扣除信貸虧損撥備)(附註(a))	117,855	55,904
Prepayments, deposits, bills receivables and other receivables (Note (c))	預付款項、按金、應收票據及其他應收款項(附註(c))	96,640	43,796

As at 1 January 2019, trade receivables arising from contracts with customers (before allowance for credit losses) amounted to approximately HK\$192,028,000.

於二零一九年一月一日，來自客戶合約之貿易應收款項(扣除信貸虧損撥備前)約192,028,000港元。

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20. TRADE RECEIVABLES, PREPAYMENTS, DEPOSITS, BILLS RECEIVABLES AND OTHER RECEIVABLES (CONTINUED)

The Group does not hold any collateral over these balances.

The Group normally grants to its customers credit periods ranging from 30 days to 60 days (2019: from 30 days to 60 days) which are subject to periodic review by management.

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed periodically.

The Group applied simplified approach to provide the expected credit losses prescribed by HKFRS 9. The impairment methodology is set out in Note 37.

Included in the Group's trade receivables balance as at 31 December 2020 are aggregate carrying amounts of approximately HK\$7,073,000 (2019: approximately HK\$119,000) which are past due at the end of the reporting period. Out of the past due balances, approximately HK\$125,000 (2019: approximately HK\$119,000) has been past due 90 days or more and is not considered as in default as there has not been a significant change in credit quality and the amounts are still considered recoverable based on historical experience.

No allowance for credit losses has been recognised for both years. As at 31 December 2020, trade receivables with the amount of approximately HK\$18,516,000 (2019: approximately HK\$18,516,000) was determined as credit-impaired.

20. 貿易應收款項、預付款項、按金、應收票據及其他應收款項 (續)

本集團並無就該等結餘持有任何抵押品。

本集團一般給予客戶30天至60天(二零一九年：30天至60天)不等之信貸期，並由管理層定期檢討。

於接納任何新客戶前，本集團會評估潛在客戶之信貸質素並按客戶界定信用額度。授予客戶的額度及評分乃定期進行檢討。

本集團應用簡化方法計提香港財務報告準則第9號所規定的預期信貸虧損。減值方法載列於附註37。

於二零二零年十二月三十一日，本集團貿易應收款項結餘包括賬面總值約7,073,000港元(二零一九年：約119,000港元)，該等金額於報告期末已逾期。於逾期結餘中，約125,000港元(二零一九年：約119,000港元)已逾期90日或以上，且不被視為違約，乃由於信貸質素並無顯著變化且根據過往經驗該等金額仍被視為可收回。

於該兩個年度內，並無確認信貸虧損撥備。於二零二零年十二月三十一日，貿易應收款項約18,516,000港元(二零一九年：約18,516,000港元)釐定為信貸減值。

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20. TRADE RECEIVABLES, PREPAYMENTS, DEPOSITS, BILLS RECEIVABLES AND OTHER RECEIVABLES (CONTINUED)

Notes:

- (a) The aging analysis of the trade receivables, net of allowance for credit losses, based on earlier of the invoice dates or revenue recognition date at the end of the reporting period was as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Within 30 days	30天內	110,782	55,785
31 days to 60 days	31天至60天	-	-
61 days to 90 days	61天至90天	6,948	-
91 days to 180 days	91天至180天	-	-
181 days to 365 days	181天至365天	-	-
Over 365 days	超過365天	125	119
		117,855	55,904

- (b) The movements in lifetime ECL (credit-impaired) that has been recognised under the simplified approach were as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
As at 1 January and as at 31 December	於一月一日及十二月三十一日	18,516	18,516

- (c) The following table show reconciliation of loss allowance of deposits and other receivables under general approach:

		Lifetime ECL (credit-impaired) 整個存續期 預期信貸虧損 (已出現信貸虧損) HK\$'000 千港元
As at 1 January 2019	於二零一九年一月一日	-
Impairment loss recognised	已確認減值虧損	9,149
As at 31 December 2019 and as 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	9,149
Impairment loss recognised	已確認減值虧損	35,946
As at 31 December 2020	於二零二零年十二月三十一日	45,095

Details of impairment assessment are set out in Note 37 to the consolidated financial statements.

20. 貿易應收款項、預付款項、按金、應收票據及其他應收款項 (續)

附註：

- (a) 於報告期末，扣除信貸虧損撥備後依照發票日期或收入確認日期(以較早者為準)計算之貿易應收款項賬齡分析如下：

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Within 30 days	110,782	55,785
31 days to 60 days	-	-
61 days to 90 days	6,948	-
91 days to 180 days	-	-
181 days to 365 days	-	-
Over 365 days	125	119
	117,855	55,904

- (b) 根據簡化方法確認之整個存續期預期信貸虧損(已出現信貸減值)變動如下：

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
As at 1 January and as at 31 December	18,516	18,516

- (c) 下表列示一般方法下存款及其他應收款項虧損撥備之對賬：

	Lifetime ECL (credit-impaired) 整個存續期 預期信貸虧損 (已出現信貸虧損) HK\$'000 千港元
日	—
	9,149
三十一日及 日	9,149
	35,946
三十一日	45,095

減值評估詳情載於綜合財務報表附註37。

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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

21. AMOUNTS DUE FROM/(TO) RELATED COMPANIES

The related companies are wholly owned by a director of the Company.

The amounts due from related companies are unsecured, non-interest bearing and repayable on demand. The maximum balance during the year ended 31 December 2020 was approximately HK\$9,123,000 (2019: approximately HK\$9,037,000).

As at 31 December 2020, certain related companies of the Group had confirmed that they shall not demand settlement of the amounts due by the Group of approximately HK\$125,891,000 (2019: approximately HK\$159,576,000) before 1 July 2022 (2019: 1 January 2022). The respective amounts are unsecured, non-interest bearing and are classified as non-current liabilities as at 31 December 2020 and 2019.

22. AMOUNTS DUE FROM/(TO) DIRECTORS

The amounts are unsecured, non-interest bearing and repayable on demand. As at 31 December 2020, the amounts due from Mr. Zhang and Mr. Tse were approximately HK\$40,000 (2019: approximately HK\$38,000) and approximately HK\$195,000 (2019: approximately HK\$195,000) respectively. The maximum amounts outstanding for amounts due from Mr. Zhang and Mr. Tse during the year were approximately HK\$40,000 (2019: approximately HK\$38,000) and approximately HK\$195,000 (2019: approximately HK\$195,000) respectively; and the amount due to Mr. Zhang was approximately HK\$13,108,000 (2019: approximately HK\$13,108,000).

23. CASH AND CASH EQUIVALENTS

(a) Cash and cash equivalents comprise

Bank balances earns interest at floating rates based on daily bank deposit rates.

The Group's cash and cash equivalents denominated in RMB which are located in PRC are subject to PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sales and Payment of Foreign Exchange Regulations.

21. 應收／(付) 關連公司款項

該等關連公司由本公司一名董事全資擁有。

應收關連公司款項為無抵押、不計息及須按要求償還。於截至二零二零年十二月三十一日止年度之最高結餘為約9,123,000港元(二零一九年：約9,037,000港元)。

於二零二零年十二月三十一日，本集團若干關聯公司確認，彼等不會於二零二二年七月一日(二零一九：二零二二年一月一日)前要求償還本集團所結欠款項約125,891,000(二零一九年：約159,576,000港元)。該等款項為無抵押、不計息及於二零二零年及二零一九年十二月三十一日被分類為非流動負債。

22. 應收／(付) 董事款項

該等款項均為無抵押、不計息及須按要求償還。於二零二零年十二月三十一日，應收張先生及謝先生之款項分別約40,000港元(二零一九年：約38,000港元)及約195,000港元(二零一九年：約195,000港元)。年內應收張先生及謝先生之款項之最高未收回金額分別為約40,000港元(二零一九年：約38,000港元)及約195,000港元(二零一九年：約195,000港元)。應付張先生之款項約13,108,000港元(二零一九年：約13,108,000港元)。

23. 現金及現金等價物

(a) 現金及現金等價物包括

銀行結餘根據每日銀行存款利率按浮息賺取利息。

本集團位於中國以人民幣計值之現金及現金等價物須遵守中國外匯管理條例及結匯、售匯及付匯管理規定。

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23. CASH AND CASH EQUIVALENTS (CONTINUED)

(b) Reconciliation of liabilities arising from financing activities

23. 現金及現金等價物(續)

(b) 融資活動產生之負債對賬

		Amounts due to related companies	Amounts due to non- controlling interests 應付 非控股 權益款項	Other borrowings 其他借貸	Lease liabilities 租賃負債	Convertible loan notes 可換股 貸款票據	Amount due to a director 應付一名 董事款項	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
As at 1 January 2019	於二零一九年 一月一日	148,742	4,730,508	14,101	36,595	636,653	14,508	5,581,107
Impact on initial application of HKFRS 16	首次應用香港財務報告 準則第16號之影響	-	-	-	40,198	-	-	40,198
Changes from financing cash flows	融資現金流量之 變動	13,388	(57,207)	21,581	(53,529)	(100,153)	(1,400)	(177,320)
Exchange realignment	匯兌調整	(2,554)	(96,660)	-	(453)	-	-	(99,667)
Interest expense recognised	已確認利息開支	-	353,232	-	8,961	119,196	-	481,389
Change in fair value of derivative component of convertible loan notes	可換股貸款票據 衍生工具部分 之公平值變動	-	-	-	-	(22,843)	-	(22,843)
Disposal of subsidiaries	出售附屬公司	-	-	(12,480)	-	-	-	(12,480)
Other non-cash movements	其他非現金變動	-	3,801	-	(2,738)	-	-	1,063
As at 31 December 2019 and as 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	159,576	4,933,674	23,202	29,034	632,853	13,108	5,791,447
Changes from financing cash flows	融資現金流量之變動	(39,271)	-	-	(23,180)	(11,380)	-	(73,831)
Exchange realignment	匯兌調整	5,586	288,155	-	2,442	-	-	296,183
Interest expense recognised	已確認利息開支	-	350,722	-	2,916	77,754	-	431,392
Gain on extinguishment of convertible loan notes	抵銷可換股貸款票據之 收益	-	-	-	-	(2,126)	-	(2,126)
Change in fair value of derivative component of convertible loan notes	可換股貸款票據衍生工具 部分之公平值變動	-	-	-	-	27,870	-	27,870
Transfer to other borrowings	轉撥至其他借貸	-	-	312,000	-	(312,000)	-	-
Other non-cash movements	其他非現金變動	-	-	(21,581)	48,138	(102,912)	-	(76,355)
As at 31 December 2020	於二零二零年 十二月三十一日	125,891	5,572,551	313,621	59,350	310,059	13,108	6,394,580

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23. CASH AND CASH EQUIVALENTS (CONTINUED)

(c) Total cash outflow for leases

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Within operating cash flows	經營現金流量內	7,033	6,644
Within financing cash flows	融資現金流量內	23,180	53,529
Total cash outflow for leases	租賃之現金流出總額	30,213	60,173

23. 現金及現金等價物(續)

(c) 租賃現金流出總額

24. TRADE AND OTHER PAYABLES

		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	1,798	1,796
Other payables (current portion):	其他應付款項(即期部分):		
– Contract liabilities	– 合約負債	10,701	51,204
– Accrued staff costs	– 應計員工成本	13,615	39,117
– Other taxes payable	– 其他應付稅項	11,882	4,759
– Considerations for acquisition of subsidiaries	– 收購附屬公司之代價	301,087	190,302
– Payables for construction works and purchase of machineries	– 建築工程及購入機器應付款項	44,736	151,003
– Accrued expenses and other payables	– 應計費用及其他應付款項	241,817	176,628
		623,838	613,013
Other payables (non-current portion):	其他應付款項(非即期部分):		
– Considerations for acquisition of subsidiaries	– 收購附屬公司之代價	7,055	84,742
– Payables for construction works and purchase of machineries	– 建築工程及購買機器之應付款項	215,821	206,906
– Accrued expenses and other payables	– 應計開支及其他應付款項	199,236	216,830
		422,112	508,478

24. 貿易及其他應付款項

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24. TRADE AND OTHER PAYABLES (CONTINUED)

As at 1 January 2019, contract liabilities amounted to approximately HK\$21,684,000.

Contract liabilities represented advance payments received from customers for sales of coal products to the respective sales contracts before the control of the products are passed to the customers.

As at 31 December 2020, certain creditors of the Group had confirmed that they shall not demand settlement of the amounts due by the Group of approximately HK\$422,112,000 (2019: approximately HK\$508,478,000) before 1 July 2022, and the respective amounts are classified as non-current liabilities as at 31 December 2020 and 2019.

The aging analysis of the trade payables based on the invoiced dates at the end of the reporting period was as follows:

24. 貿易及其他應付款項(續)

於二零一九年一月一日，合約負債約21,684,000港元。

合約負債指於產品控制權轉移至客戶前，根據各銷售合約而就銷售煤炭產品向客戶收取的預付款項。

於二零二零年十二月三十一日，本集團若干債權人已確認，彼等不會於二零二二年七月一日前要求結算本集團結欠的款項約422,112,000港元(二零一九年：約508,478,000港元)，而有關款項於二零二零年及二零一九年十二月三十一日分類為非流動負債。

於報告期末，依照發票日期計算之貿易應付款項賬齡分析如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Within 30 days	30天內	—	—
31 days to 60 days	31天至60天	—	—
61 days to 90 days	61天至90天	—	—
91 days to 180 days	91天至180天	—	16
181 days to 365 days	181天至365天	—	—
Over 365 days	超過365天	1,798	1,780
		1,798	1,796

The average credit period on purchases of goods is 90 days (2019: 90 days). The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

購買貨品之平均賒賬期限為90天(二零一九年：90天)。本集團設有財務風險管理政策，確保全部應付款項均於賒賬期限內結清。

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25. AMOUNTS DUE TO NON-CONTROLLING INTERESTS

As at 31 December 2020, the amounts due to non-controlling interests classified as current liabilities amounting to approximately HK\$5,572,551,000 (2019: approximately HK\$1,128,128,000) of which approximately HK\$4,171,645,000 (2019: approximately HK\$140,946,000) are unsecured, interest bearing at fixed rates ranging from 5.50% to 7.50% (2019: 5.50% to 12.05%) per annum, while the remaining portion of approximately HK\$1,400,906,000 (2019: approximately HK\$987,182,000) are unsecured, interest-free, and all these amounts are repayable within twelve months from the end of the reporting period. The amounts were entrusted loans provided by non-controlling interests of a subsidiary through banks.

As at 31 December 2019, the amounts due to non-controlling interests classified as non-current liabilities amounting to approximately HK\$3,805,546,000 are unsecured, interest bearing at fixed rates ranging from 5.50% to 12.05% per annum and repayable after one year. The amounts were entrusted loans provided by non-controlling interests of a subsidiary through banks.

26. CONVERTIBLE LOAN NOTES

2013 Convertible Loan Notes

On 7 June 2013, the Company issued convertible loan notes to the shareholders of City Bloom Limited ("City Bloom"), a company incorporated in BVI, with an aggregate principal amount of HK\$3,548,271,713 (the "2013 Convertible Loan Notes") with coupon rate equal to the rate of dividend per share from time to time declared and paid by the Company to the shareholders as if the 2013 Convertible Loan Notes have been converted in full into shares at the same time when the relevant dividend is payable to the shareholder, in respect of the acquisition of entire interests in Lexing Holdings Limited. The 2013 Convertible Loan Notes had a maturity date of 6 June 2018 and can be converted up to an aggregate of 20,872,186,547 ordinary shares of HK\$0.01 each at HK\$0.17 per share. The notes were denominated in HK\$ and entitled the holders to convert them into ordinary shares of the Company at any time during the period commencing from immediately after the date of issue of the 2013 Convertible Loan Notes up to the maturity date. The effective interest rate of the liability component is 9.78% per annum.

25. 應付非控股權益款項

於二零二零年十二月三十一日，分類為流動負債之應付非控股權益款項約5,572,551,000港元(二零一九年：約1,128,128,000港元)，其中約4,171,645,000港元(二零一九年：約140,946,000港元)為無抵押，按5.50%至7.50%的固定年利率計息(二零一九年：5.50%至12.05%)，而其餘部分約1,400,906,000港元(二零一九年：約987,182,000港元)為無抵押、不計息，所有該等款項均須於由報告期末起十二個月內償還。該等金額為一間附屬公司之非控股權益透過銀行提供之委託貸款。

於二零一九年十二月三十一日，分類為非流動負債之應付非控股權益款項約3,805,546,000港元為無抵押，按5.50%至12.05%的固定年利率計息及須於一年後償還。該等金額為一間附屬公司之非控股權益透過銀行提供之委託貸款。

26. 可換股貸款票據

二零一三年可換股貸款票據

於二零一三年六月七日，本公司就收購樂興控股有限公司之全部權益發行本金總額3,548,271,713港元之可換股貸款票據(「二零一三年可換股貸款票據」)予城興有限公司(「城興」，一間於英屬處女群島註冊成立之公司)之股東，票面息率相等於本公司不時向股東宣派及派付之每股股息率，猶如二零一三年可換股貸款票據已於向股東派付相關股息時獲悉數兌換為股份。二零一三年可換股貸款票據之到期日為二零一八年六月六日，可按每股0.17港元兌換為最多合共20,872,186,547股每股面值0.01港元之普通股。該等票據以港元計值，賦予持有人權利於緊隨二零一三年可換股貸款票據發行日後至到期日期間，隨時將票據兌換為本公司普通股。負債部分之實際年利率為9.78%。

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26. CONVERTIBLE LOAN NOTES (CONTINUED)

2013 Convertible Loan Notes (continued)

The Company may redeem in whole or part of the 2013 Convertible Loan Notes at 100% of the outstanding principal amount together with declared but unpaid dividend of the 2013 Convertible Loan Notes (the “Redemption Amount”) at any time after six months of the date of issue of the 2013 Convertible Loan Notes and before the maturity date with prior notice to the shareholders of City Bloom.

The shareholders of City Bloom may at any time after one year of the date of issue of the 2013 Convertible Loan Notes and before the maturity date with prior notice to request the Company to redeem whole or part of the 2013 Convertible Loan Notes at Redemption Amount.

All the remaining principal of the outstanding 2013 Convertible Loan Notes, with the maturity date of 6 June 2018, were held by China OEPC, Ms. Hao Ting (the spouse of Mr. Zhang) (“Ms. Hao”), and two independent third parties (collectively the “Holders”). The remaining principal of the expired 2013 Convertible Loan Notes of HK\$409,101,000 was classified as “other borrowings” under current liabilities upon the maturity, whereas HK\$380,000,000 payable to Mr. Zhang and HK\$15,000,000 payable to Ms. Hao were offset against the issuance of convertible loan notes on 30 July 2018 (2018 Convertible Loan Notes A and 2018 Convertible Loan Notes B respectively).

2017 Convertible Loan Notes

On 10 July 2017, the Company issued 2017 Convertible Loan Notes which will be matured on the third anniversary of the issue date (the “Initial Maturity Date”) with an aggregate principal amount of US\$50,000,000 (equivalent to approximately HK\$391,436,000) and with coupon rate of 6.5% per annum, settled semi-annually. The 2017 Convertible Loan Notes can be convertible into up to an aggregate of 11,926,605,505 ordinary shares at a conversion price of HK\$0.0327 per share. The notes were denominated in US\$ and entitled the holders to convert them into ordinary shares of the Company on the Initial Maturity Date. At any time following the first anniversary of the issue date, the Company may, if it gives the relevant noteholder written notice not less than thirty days prior to the proposed redemption date and obtains such noteholder's consent with seven business days after the day of such written notice, redeem the whole or any part (in multiple of US\$1,000,000) of the principal amount of the 2017 Convertible Loan Notes held by such noteholder on the early redemption date. The effective interest rate of the liability component is 25.15% per annum.

26. 可換股貸款票據(續)

二零一三年可換股貸款票據(續)

本公司可於二零一三年可換股貸款票據發行日滿六個月後及到期日前隨時透過事先知會城興之股東，按未償還本金額之100%連同二零一三年可換股貸款票據之已宣派但未付股息(「贖回額」)贖回全部或部分二零一三年可換股貸款票據。

城興之股東可於二零一三年可換股貸款票據發行日滿一週年後及到期日前隨時透過事先發出通知，要求本公司按贖回額贖回全部或部分二零一三年可換股貸款票據。

所有未兌換之二零一三年可換股貸款票據(到期日為二零一八年六月六日)剩餘本金額由中國能源、郝婷女士(張先生之配偶)(「郝女士」)及兩名獨立第三方(統稱「持有人」)持有。已到期之二零一三年可換股貸款票據剩餘本金額409,101,000港元於到期後被分類為流動負債項下的「其他借貸」，而應付張先生380,000,000港元及應付郝女士15,000,000港元被二零一八年七月三十日發行的可換股貸款票據(分別為A類二零一八年可換股貸款票據及B類二零一八年可換股貸款票據)抵銷。

二零一七年可換股貸款票據

於二零一七年七月十日，本公司發行本金總額50,000,000美元(相等於約391,436,000港元)、票面息率每年6.5%及到期日為發行日期起第三週年(「初始到期日」)之二零一七年可換股貸款票據，利息每半年結算一次。二零一七年可換股貸款票據可按兌換價每股0.0327港元兌換為最多合共11,926,605,505股普通股。該等票據以美元計值，賦予持有人權利於初始到期日將票據兌換為本公司普通股。於發行日期第一週年後任何時間，倘本公司於建議贖回日期前不少於三十日向相關票據持有人發出書面通知，並於發出書面通知當日後七個營業日內取得有關票據持有人之同意，則本公司可於提早贖回日期贖回有關票據持有人持有之全部或任何部分(為1,000,000美元的倍數)二零一七年可換股貸款票據之本金額。負債部分之實際年利率為25.15%。

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26. CONVERTIBLE LOAN NOTES (CONTINUED)

2017 Convertible Loan Notes (continued)

On 28 August 2017, the conversion price of the 2017 Convertible Loan Notes was adjusted from HK\$0.0327 per share to HK\$0.327 per share pursuant to share consolidation. After adjustment, the 2017 Convertible Loan Notes can be convertible into up to an aggregate of 1,192,660,550 ordinary shares.

On 9 January 2019, the conversion price of the 2017 Convertible Loan Notes was adjusted from HK\$0.327 per share to HK\$0.26 per share pursuant to certain adjustment terms and conditions of the 2017 Convertible Loan Notes as a result of the placing of the Company's shares on the same date.

On 9 January 2019 and 10 July 2019, the Company settled an aggregate amount of US\$10,000,000 (equivalent to approximately HK\$78,000,000) to the noteholder.

As at 31 December 2020, the outstanding principal of the 2017 Convertible Loan Notes was US\$40,000,000 (equivalent to approximately HK\$312,000,000) (2019: US\$40,000,000, equivalent to approximately HK\$312,000,000). The outstanding 2017 Convertible Loan Notes was matured and remained unsettled at the end of the reporting period and classified as "other borrowings". The Group is in the negotiation with the holder of 2017 Convertible Loan Notes to restructure the repayment timetable of the Company's financial obligations.

26. 可換股貸款票據(續)

二零一七年可換股貸款票據(續)

於二零一七年八月二十八日，根據股份合併，二零一七年可換股貸款票據之兌換價由每股0.0327港元調整為每股0.327港元。於作出調整後，二零一七年可換股貸款票據合共可兌換為最多1,192,660,550股普通股。

於二零一九年一月九日，由於同日配售本公司股份，根據二零一七年可換股貸款票據之若干調整條款及條件，二零一七年可換股貸款票據之兌換價由每股0.327港元調整為每股0.26港元。

於二零一九年一月九日及二零一九年七月十日，本公司向票據持有人結清合計10,000,000美元(相等於約78,000,000港元)。

於二零二零年十二月三十一日，二零一七年可換股貸款票據之未償還本金額為40,000,000美元(相等於約312,000,000港元)(二零一九年：40,000,000美元(相等於約312,000,000港元))。未償還二零一七年可換股貸款票據已於報告期末到期及仍未結算，並分類為「其他借貸」。本集團正與二零一七年可換股貸款票據持有人進行磋商，以重組本公司財務責任之還款時間表。

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26. CONVERTIBLE LOAN NOTES (CONTINUED)

2018 Convertible Loan Notes A/2020 Convertible Loan Notes A

On 30 July 2018, the Company issued convertible loan notes to China OEPC which will be matured on the second anniversary of the issue date with an aggregate principal amount of HK\$380,000,000 ("2018 Convertible Loan Notes A") and with coupon rate of 1.5% per annum, settled quarterly in arrears or such other date as noteholder and the Company may agree in writing. The 2018 Convertible Loan Notes A can be convertible into up to an aggregate of 1,151,515,151 ordinary shares at a conversion price of HK\$0.33 per share. The notes were denominated in HK\$ and entitled the holder to convert them into ordinary shares of the Company on the second anniversary of the issue date. The Company may at any time before the maturity date by written notices to the holder, and with consent of the holder, redeem the 2018 Convertible Loan Note A (in whole or in part) at 100% of the principal amount of the part of the 2018 Convertible Loan Notes A to be redeemed together with accrued and unpaid interest. The effective interest rate of the liability component is 13.12% per annum. As at 31 December 2020 and 2019, the remaining principal of the 2018 Convertible Loan Notes A was HK\$380,000,000.

On 22 July 2020, the Company entered into a conditional subscription agreement with China OEPC to issue the convertible notes ("2020 Convertible Loan Notes A") with principal amount of HK\$380,000,000 to settle the outstanding principal of the 2018 Convertible Loan Notes A.

The 2020 Convertible Loan Notes A is unsecured, non-interest bearing and will be matured on the second anniversary of the issue date. The 2020 Convertible Loan Notes A entitle the holder to convert them into ordinary shares of the Company at any time between the date of issue of the notes and the maturity date at an initial conversion price of HK\$0.22 (subject to adjustment, if necessary). If 2020 Convertible Loan Notes A have not been converted or redeemed, they will be redeemed on 20 October 2022 at par. The 2020 Convertible Loan Notes A was issued on 21 October 2020.

26. 可換股貸款票據(續)

A類二零一八年可換股貸款票據／

A類二零二零年可換股貸款票據

於二零一八年七月三十日，本公司向中國能源發行本金總額380,000,000港元、票面息率每年1.5%及到期日為發行日期起第二週年之可換股貸款票據（「A類二零一八年可換股貸款票據」），利息每季度或於票據持有人與本公司可能書面協定之有關其他日期結算一次。A類二零一八年可換股貸款票據可按兌換價每股0.33港元兌換為最多合共1,151,515,151股普通股。該等票據以港元計值，賦予持有人權利於發行日期起第二週年將票據兌換為本公司普通股。本公司可於到期日前任何時間書面通知持有人，且經持有人同意後，按將贖回之A類二零一八年可換股貸款票據部分本金額的100%贖回全部或部分A類二零一八年可換股貸款票據連同應計及未付利息。負債部分之實際年利率為13.12%。於二零二零年及二零一九年十二月三十一日，A類二零一八年可換股貸款票據之剩餘本金額為380,000,000港元。

於二零二零年七月二十二日，本公司與中國能源訂立有條件認購協議，以發行本金額為380,000,000港元之可換股票據（「A類二零二零年可換股貸款票據」），以償付A類二零一八年可換股貸款票據之未償還本金額。

A類二零二零年可換股貸款票據為無抵押、免息及將於發行日期第二週年到期。A類二零二零年可換股貸款票據賦予持有人權利，可於票據發行日期至到期日期間隨時按初步兌換價0.22港元（可予調整，如需要）將票據兌換為本公司普通股。倘A類二零二零年可換股貸款票據未獲兌換或贖回，則將於二零二二年十月二十日按面值贖回。A類二零二零年可換股貸款票據於二零二零年十月二十一日發行。

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26. CONVERTIBLE LOAN NOTES (CONTINUED)

2018 Convertible Loan Notes A/2020 Convertible Loan Notes A (continued)

At initial recognition, the equity component of 2020 Convertible Loan Notes A was separated from the liability component. The equity element is presented in equity heading “convertible loan notes equity reserve”. The early redemption option is considered as closely related to the host debt. The effective interest rate of the liability component is 14.4%.

As at 31 December 2020, the outstanding principal was HK\$380,000,000.

2018 Convertible Loan Notes B/2020 Convertible Loan Notes B

On 30 July 2018, the Company issued convertible loan notes to Ms. Hao which will be matured on the second anniversary of the issue date with an aggregate principal amount of HK\$15,000,000 (“2018 Convertible Loan Notes B”) and with coupon rate at 1.5% per annum, settled quarterly in arrears or such other date as noteholder and the Company may agree in writing. The 2018 Convertible Loan Notes B can be convertible into up to an aggregate of 45,454,545 ordinary shares at a conversion price of HK\$0.33 per share. The notes were denominated in HK\$ and entitled the holder to convert them into ordinary shares of the Company on the second anniversary of the issue date. The Company may at any time before the maturity date by written notices to the holder, and with consent of the holder, redeem the 2018 Convertible Loan Note B (in whole or in part) at 100% of the principal amount of the part of the 2018 Convertible Loan Notes B to be redeemed together with accrued and unpaid interest. The effective interest rate of the liability component is 13.12% per annum. As at 31 December 2019, the remaining principal of 2018 Convertible Loan Notes B was HK\$15,000,000.

26. 可換股貸款票據(續)

A類二零一八年可換股貸款票據／

A類二零二零年可換股貸款票據(續)

於初步確認時，A類二零二零年可換股貸款票據之權益部分與負債部分分開。權益部分於權益內呈列為「可換股貸款票據股本儲備」。提早贖回選擇權被視為與主債務密切相關。負債部分之實際利率為14.4%。

於二零二零年十二月三十一日，未償還本金額為380,000,000港元。

B類二零一八年可換股貸款票據／

B類二零二零年可換股貸款票據

於二零一八年七月三十日，本公司向郝女士發行本金總額15,000,000港元、票面息率每年1.5%及到期日為發行日期起第二週年之可換股貸款票據（「B類二零一八年可換股貸款票據」），利息每季度或於票據持有人與本公司可能書面協定之有關其他日期結算一次。B類二零一八年可換股貸款票據可按兌換價每股0.33港元兌換為最多合共45,454,545股普通股。該等票據以港元計值，賦予持有人權利於發行日期起第二週年將票據兌換為本公司普通股。本公司可於到期日前任何時間書面通知持有人，且經持有人同意後，按將贖回之B類二零一八年可換股貸款票據部分本金額的100%贖回全部或部分B類二零一八年可換股貸款票據連同應計及未付利息。負債部分之實際年利率為13.12%。於二零一九年十二月三十一日，B類二零一八年可換股貸款票據之剩餘本金額為15,000,000港元。

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26. CONVERTIBLE LOAN NOTES (CONTINUED)

2018 Convertible Loan Notes B/2020 Convertible Loan Notes B (continued)

On 22 July 2020, the Company entered into a conditional subscription agreement with Ms. Hao to issue the convertible notes ("2020 Convertible Loan Notes B") with principal amount of HK\$15,000,000 to settle the outstanding principal of the 2018 Convertible Loan Notes B.

The 2020 Convertible Loan Notes B is unsecured, non-interest bearing and will be matured on the second anniversary of the issue date. The 2020 Convertible Loan Notes B entitle the holder to convert them into ordinary shares of the Company at any time between the date of issue of the notes and the maturity date at an initial conversion price of HK\$0.22 (subject to adjustment, if necessary). If 2020 Convertible Loan Notes B have not been converted or redeemed, they will be redeemed on 20 October 2022 at par. The 2020 Convertible Loan Notes B was issued on 21 October 2020.

At initial recognition, the equity component of 2020 Convertible Loan Notes B was separated from the liability component. The equity element is presented in equity heading "convertible loan notes equity reserve". The early redemption option is considered as closely related to the host debt. The effective interest rate of the liability component is 14.4%.

As at 31 December 2020, the outstanding principal was HK\$15,000,000.

26. 可換股貸款票據(續)

B類二零一八年可換股貸款票據／

B類二零二零年可換股貸款票據(續)

於二零二零年七月二十二日，本公司與郝女士訂立有條件認購協議，以發行本金額為15,000,000港元之可換股票據（「B類二零二零年可換股貸款票據」），以償付B類二零一八年可換股貸款票據之未償還本金額。

B類二零二零年可換股貸款票據為無抵押、免息及將於發行日期第二週年到期。B類二零二零年可換股貸款票據賦予持有人權利，可於票據發行日期至到期日期間隨時按初步兌換價0.22港元（可予調整，如需要）將票據兌換為本公司普通股。倘B類二零二零年可換股貸款票據未獲兌換或贖回，則將於二零二二年十月二十日按面值贖回。B類二零二零年可換股貸款票據於二零二零年十月二十一日發行。

於初步確認時，B類二零二零年可換股貸款票據之權益部分與負債部分分開。權益部分於權益內呈列為「可換股貸款票據股本儲備」。提早贖回選擇權被視為與主債務密切相關。負債部分之實際利率為14.4%。

於二零二零年十二月三十一日，未償還本金額為15,000,000港元。

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26. CONVERTIBLE LOAN NOTES (CONTINUED)

The movements of the liabilities and derivative components of the convertible loan notes are set out below:

26. 可換股貸款票據(續)

可換股貸款票據負債及衍生工具部分之變動載列如下：

		2017 Convertible Loan Notes	2018 Convertible Loan Notes A A類	2018 Convertible Loan Notes B B類	2020 Convertible Loan Notes A A類	2020 Convertible Loan Notes B B類	Total
		二零一七年 可換股 貸款票據 HK\$'000 千港元	二零一八年 可換股 貸款票據 HK\$'000 千港元	二零一八年 可換股 貸款票據 HK\$'000 千港元	二零二零年 可換股 貸款票據 HK\$'000 千港元	二零二零年 可換股 貸款票據 HK\$'000 千港元	總計 HK\$'000 千港元
Liabilities component	負債部分						
As at 1 January 2019	於二零一九年一月一日	310,527	318,577	12,575	-	-	641,679
Effective interest expenses (Note 9)	實際利息開支(附註9)	73,053	44,391	1,752	-	-	119,196
Interest paid during the year	年內已付利息	(22,153)	-	-	-	-	(22,153)
Repayment of principal portion	本金部分還款	(78,000)	-	-	-	-	(78,000)
As at 31 December 2019 and as 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	283,427	362,968	14,327	-	-	660,722
Issue of convertible loan notes	發行可換股貸款票據	-	-	-	290,352	11,461	301,813
Effective interest expenses (Note 9)	實際利息開支(附註9)	39,953	28,432	1,123	7,933	313	77,754
Interest paid during the year	年內已付利息	(11,380)	-	-	-	-	(11,380)
Transfer to other borrowings	轉撥至其他借貸	(312,000)	-	-	-	-	(312,000)
Redemption of convertible loan notes	贖回可換股貸款票據	-	(391,400)	(15,450)	-	-	(406,850)
As at 31 December 2020	於二零二零年十二月三十一日	-	-	-	298,285	11,774	310,059
Represented by:	指：						
As at 31 December 2020	於二零二零年十二月三十一日						
Current liabilities	流動負債	-	-	-	-	-	-
Non-current liabilities	非流動負債	-	-	-	298,285	11,774	310,059
		-	-	-	298,285	11,774	310,059
As at 31 December 2019	於二零一九年十二月三十一日						
Current liabilities	流動負債	283,427	362,968	14,327	-	-	660,722
Non-current liabilities	非流動負債	-	-	-	-	-	-
		283,427	362,968	14,327	-	-	660,722

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26. CONVERTIBLE LOAN NOTES (CONTINUED)

26. 可換股貸款票據(續)

		2017 Convertible Loan Notes 二零一七年 可換股 貸款票據 HK\$'000 千港元	2018 Convertible Loan Notes A A類 二零一八年 可換股 貸款票據 HK\$'000 千港元	2018 Convertible Loan Notes B B類 二零一八年 可換股 貸款票據 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Derivative component	衍生工具部分				
As at 1 January 2019	於二零一九年一月一日	(7,356)	9	2,321	(5,026)
Amortisation of deferred day one gain in profit or loss	於損益攤銷遞延首日收益	-	-	(1,471)	(1,471)
Repayment of principal portion	本金部分還款	6,918	-	-	6,918
Change in fair value of embedded derivative	嵌入式衍生工具公平值變動	(28,281)	(9)	-	(28,290)
		(21,363)	(9)	(1,471)	(22,843)
As at 31 December 2019 and as 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	(28,719)	-	850	(27,869)
Amortisation of deferred day one gain in profit or loss	於損益攤銷遞延首日收益	-	-	(850)	(850)
Change in fair value of embedded derivative	嵌入式衍生工具公平值變動	28,719	-	-	28,719
		28,719	-	(850)	27,869
As at 31 December 2020	於二零二零年十二月三十一日	-	-	-	-
Represented by:	指：				
As at 31 December 2019	於二零一九年十二月三十一日				
Current assets	流動資產	(28,719)	-	-	(28,719)
Current liabilities	流動負債	-	-	850	850
		(28,719)	-	850	(27,869)

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26. CONVERTIBLE LOAN NOTES (CONTINUED)

The derivative component of 2017 Convertible Loan Notes which represented the conversion option of the holder and the redemption option of the Company, was valued on 31 December 2019 based on the valuations performed by Greater China Appraisal Limited ("Greater China"), using Black-Scholes model with trinomial tree model. The significant inputs to the models were as follows:

		31 December 2019 二零一九年 十二月三十一日
Spot price (HK\$)	現貨價(港元)	0.0270
Risk-free rate	無風險利率	
- without extension	- 不獲延長	1.9575%
- with extension	- 獲延長	1.6648%
Expected option period (year)	預期期權期限(年)	
- without extension	- 不獲延長	0.52
- with extension	- 獲延長	2.52
Expected volatility	預期波幅	42.2093%

The derivative component of 2018 Convertible Loan Notes A and B represented the conversion option of the holders and the redemption option of the Company, was valued on 31 December 2019 based on the valuations performed by Greater China, using Black-Scholes model with trinomial tree model. The significant inputs to the models were as follows:

		31 December 2019 二零一九年 十二月三十一日
Spot price (HK\$)	現貨價(港元)	0.0270
Risk-free rate	無風險利率	1.9297%
Expected option period (year)	預期期權期限(年)	0.58
Expected volatility	預期波幅	37.5800%

26. 可換股貸款票據(續)

二零一七年可換股貸款票據之衍生工具部分指持有人之兌換權及本公司之贖回權，已於二零一九年十二月三十一日依照漢華評值有限公司(「漢華」)利用布萊克 - 肖爾斯期權定價模型及三項式樹狀定價法進行之估值估算。該等模型之重大輸入值如下：

A類及B類二零一八年可換股貸款票據之衍生工具部分指持有人之兌換權及本公司之贖回權，已於二零一九年十二月三十一日依照漢華利用布萊克 - 肖爾斯期權定價模型及三項式樹狀定價法進行之估值估算。該等模型之重大輸入值如下：

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26. CONVERTIBLE LOAN NOTES (CONTINUED)

The loss on change in fair value of embedded derivatives of the convertible loan notes for the year ended 31 December 2020 of approximately HK\$28,720,000 (2019: gain of approximately HK\$28,290,000) and amortisation of deferred day one gain of approximately HK\$850,000 (2019: approximately HK\$1,471,000) were recognised as “Change in fair value of derivative component of convertible loan notes” in the consolidated statement of profit or loss.

26. 可換股貸款票據(續)

截至二零二零年十二月三十一日止年度，可換股貸款票據嵌入式衍生工具公平值變動之虧損約28,720,000港元(二零一九年：收益約28,290,000港元)及攤銷遞延首日收益約850,000港元(二零一九年：約1,471,000港元)於綜合損益表確認為「可換股貸款票據衍生工具部分之公平值變動」。

27. SHARE CAPITAL

27. 股本

		Number of shares 股份數目		Share capital 股本	
		2020 二零二零年	2019 二零一九年	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\$0.2 (2019: HK\$0.01) each	普通股每股0.2港元 (二零一九年：0.01港元)				
Authorised:	法定：				
As at 1 January	於一月一日	200,000,000,000	200,000,000,000	2,000,000	2,000,000
Share consolidation (Note c)	股份合併(附註c)	(190,000,000,000)	-	-	-
As at 31 December	於十二月三十一日	10,000,000,000	200,000,000,000	2,000,000	2,000,000
Issued and fully paid:	已發行及繳足：				
As at 1 January	於一月一日	8,773,232,014	7,311,032,014	87,732	73,110
Issue of shares upon:	因以下事項發行股份：				
Subscription of new shares (Note b)	認購新股份(附註b)	1,751,976,070	-	17,520	-
Placing of new shares (Note a)	配售新股份 (附註a)	-	1,462,200,000	-	14,622
Share consolidation (Note c)	股份合併(附註c)	(9,998,947,680)	-	-	-
As at 31 December	於十二月三十一日	526,260,404	8,773,232,014	105,252	87,732

Notes:

- a. On 14 December 2018, the Company entered into a placing agreement with a placing agent for placing a maximum of 1,462,200,000 ordinary shares (the “Placing Shares”) of the Company at a placing price of HK\$0.04 per shares. On 9 January 2019, 1,462,200,000 Placing Shares were placed by certain independent third parties at a subscription price of HK\$0.04 per share. The net proceeds of approximately HK\$58,170,000 will be intended to apply towards repayment of indebtedness of the Group, for business development in Cambodia and general working capital.

附註：

- a. 於二零一八年十二月十四日，本公司與一名配售代理訂立配售協議，按配售價每股0.04港元配售本公司最多1,462,200,000股普通股(「配售股份」)。於二零一九年一月九日，若干獨立第三方按認購價每股0.04港元配售1,462,200,000股配售股份。所得款項淨額約58,170,000港元擬用於償還本集團債務、柬埔寨業務發展及一般營運資金。

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27. SHARE CAPITAL (CONTINUED)

Notes: (continued)

- b. On 22 April 2020, the Company entered into a conditional subscription agreements which each of the subscribers subscribe an aggregate of 1,751,976,070 new ordinary shares at a price ranging from HK\$0.019 to HK\$0.0212 per share. On 13 May 2020, 1,751,976,070 shares were completed to subscribe by certain independent third parties at a subscription price ranging from HK\$0.019 to HK\$0.0212 per share. The net proceeds of approximately HK\$36,094,000 will be intended to apply towards repayment of indebtedness, set off outstanding indebtedness owned by the Company to certain subscribers and general working capital.
- c. Pursuant to an ordinary resolution passed by shareholders at the special general meeting held on 5 August 2020, the share consolidation of every twenty issued and unissued shares of HK\$0.01 each into one consolidated share of HK\$0.2 each became effective on 7 August 2020.

27. 股本(續)

附註：(續)

- b. 於二零二零年四月二十二日，本公司訂立有條件認購協議，各認購人按介乎每股0.019港元至0.0212港元之價格認購合共1,751,976,070股新普通股。於二零二零年五月十三日，1,751,976,070股股份獲若干獨立第三方認購，認購價介乎每股0.019港元至0.0212港元。所得款項淨額約36,094,000港元擬用於償還債務、抵銷本公司結欠若干認購人之未償還債務及一般營運資金。
- c. 根據股東於二零二零年八月五日舉行之股東特別大會上通過之普通決議案，股份合併已於二零二零年八月七日生效，據此，將每二十股每股面值0.01港元之已發行及未發行股份合併為一股每股面值0.2港元之合併股份。

28. PROVISION FOR RESTORATION, REHABILITATION AND ENVIRONMENTAL COSTS

28. 恢復、修復及環境成本撥備

		HK\$'000 千港元
As at 1 January 2019	於二零一九年一月一日	74,279
Imputed interest expense (Note 9)	估算利息開支(附註9)	3,123
Exchange realignment	匯兌調整	(1,488)
As at 31 December 2019 and as 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	75,914
Imputed interest expense (Note 9)	估算利息開支(附註9)	2,892
Exchange realignment	匯兌調整	4,608
As at 31 December 2020	於二零二零年十二月三十一日	83,414

The restoration and rehabilitation works will be performed in the years from 2022 to 2040. The provision is carried at amortised cost at effective interest rate at 6.96% per annum.

恢復及修復之工作將於二零二二年至二零四零進行。撥備乃按實際年利率6.96%計算之攤銷成本列賬。

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29. DEFERRED TAX LIABILITIES

The following is the movements of deferred tax liabilities during the current and prior year:

		Mining rights 採礦權 HK\$'000 千港元
As at 1 January 2019	於二零一九年一月一日	1,304,801
Credited to profit or loss (Note 11)	自損益入賬(附註11)	(163,000)
Exchange realignment	匯兌調整	(17,953)
As at 31 December 2019 and as 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	1,123,848
Credited to profit or loss (Note 11)	自損益入賬(附註11)	(202,605)
Exchange realignment	匯兌調整	54,634
As at 31 December 2020	於二零二零年十二月三十一日	975,877

During the years ended 31 December 2020 and 2019, movement in deferred tax liabilities mainly comprised of the impairment loss or reversal of impairment loss on mining rights of the Group.

At the 31 December 2020 and 2019, the Group had unused tax losses of approximately HK\$53,415,000 (2019: approximately HK\$87,075,000) that will be expired on or before 2025 (2019: 2024). No deferred tax asset has been recognised in respect of the tax losses due to the unpredictability of future profit streams.

Under the New EIT Law of PRC, withholding tax is imposed on dividends in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards (the "Post-2008 Earnings"). As at 31 December 2020, deferred taxation has not been provided for in the consolidated financial statements in respect of temporary difference of approximately HK\$382,355,000 (2019: approximately HK\$383,378,000) attributable to the "Post-2008 Earnings" as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

29. 遞延稅項負債

本年度及過往年度之遞延稅項負債變動如下：

於截至二零二零年及二零一九年十二月三十一日止年度，遞延稅項負債之變動主要包括本集團採礦權的減值虧損或減值虧損撥回。

於二零二零年及二零一九年十二月三十一日，本集團的未動用稅項虧損約為53,415,000港元(二零一九年：約87,075,000港元)，將於二零二五年或之前(二零一九年：二零二四年)到期。由於未能預期未來溢利來源，因此並無就有關稅項虧損確認遞延稅項資產。

根據中國新企業所得稅法，有關中國附屬公司自二零零八年一月一日起所賺取溢利(「二零零八年後盈利」)之股息須繳納預扣稅。於二零二零年十二月三十一日，本集團並未就「二零零八年後盈利」帶來之暫時差額約382,355,000港元(二零一九年：約383,378,000港元)於綜合財務報表作出遞延稅項撥備，原因是本集團能控制撥回暫時差額之時間，且有關暫時差額不大可能於可見將來撥回。

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30. IMPAIRMENT OF MINING RIGHTS AND PROPERTY, PLANT AND EQUIPMENT

As at 31 December 2020, for the purpose of impairment assessments on mining rights and property, plant and equipment in relation to mining operation, the assets and liabilities of the Group's mining operations were allocated into five CGUs namely 山西煤炭運銷集團古交鉑龍煤業有限公司 (Shanxi Coal Transportation and Marketing Group Gujiao Bolong Coal Industry Company Limited*) ("Bolong"), 山西煤炭運銷集團古交遼源煤業有限公司 (Shanxi Coal Transportation and Marketing Group Gujiao Liaoyuan Coal Industry Company Limited*) ("Liaoyuan"), 山西煤炭運銷集團古交鑫峰煤業有限公司 (Shanxi Coal Transportation and Marketing Group Gujiao Xinfeng Coal Industry Company Limited*) ("Xinfeng"), 山西煤炭運銷集團古交福昌煤業有限公司 (Shanxi Coal Transportation and Marketing Group Gujiao Fuchang Coal Industry Company Limited*) ("Fuchang") and 山西煤炭運銷集團古交世紀金鑫有限公司 (Shanxi Coal Transportation and Marketing Group Gujiao Century Jinxin Company Limited*) ("Jinxin"), which represented five subsidiaries in the mining operation segment to determine their recoverable amounts.

As at 31 December 2019, the Group kept negotiations with the Shanxi government (山西政府) on the Group's restructuring plans ("Committed Restructuring Plan"). The Committed Plan consists of: (a) Xinfeng, which was confirmed to mandatorily suspend all operations and constructions in 2018, will close down whereas its coal reserves shall be transferred to Bolong, and Bolong shall apply for a new mining license to cover the coal reserves of Bolong and Xinfeng while the annual mining capacity of Bolong maintained at 1,200,000 tonnes per year; and (b) Jinxin will change its company name and apply for a new mining license to change its mining capacity from 450,000 tonnes per year to 600,000 tonnes per year. Subsequent in 2020, the Shanxi government approved the Committed Restructuring Plan. Therefore, as at 31 December 2019, for the purpose of impairment testing on mining rights and property, plant and equipment in relation to mining operation, the assets and liabilities of the Group's mining operations were allocated to four CGUs namely Bolong, Liaoyuan, Fuchang and Jinxin.

In 2019, the Group engaged independent third parties to process coal-washing works, and started to sell clean coal rather than raw coal since September 2019. Due to the drop in selling price of clean coal since September 2019 and postponement of production schedules of certain coal mines, impairment indications existed for certain coal mines as at 31 December 2019.

30. 採礦權以及物業、廠房及設備減值

於二零二零年十二月三十一日，就與採礦業務有關之採礦權以及物業、廠房及設備減值評估而言，本集團採礦業務之資產負債分配至五個現金產生單位，即山西煤炭運銷集團古交鉑龍煤業有限公司（「鉑龍」）、山西煤炭運銷集團古交遼源煤業有限公司（「遼源」）、山西煤炭運銷集團古交鑫峰煤業有限公司（「鑫峰」）、山西煤炭運銷集團古交福昌煤業有限公司（「福昌」）及山西煤炭運銷集團古交世紀金鑫有限公司（「金鑫」），代表採礦業務分部之五間附屬公司，以釐定其可收回金額。

於二零一九年十二月三十一日，本集團持續就本集團之重組計劃（「已承諾重組計劃」）與山西政府磋商。已承諾計劃包括：(a) 鑫峰（已確認於二零一八年強制暫停所有營運及建設）將關閉，而其煤炭儲量將轉移至鉑龍，鉑龍將申請新的採礦許可證以涵蓋鉑龍及鑫峰的煤炭儲量，而鉑龍的年採礦能力保持在每年1,200,000噸；(b) 金鑫將更改其公司名稱，並申請新採礦許可證，將其採礦能力由每年450,000噸更改為每年600,000噸。其後於二零二零年，山西政府批准已承諾重組計劃。因此，於二零一九年十二月三十一日，為進行與採礦業務有關之採礦權以及物業、廠房及設備之減值測試，本集團採礦業務之資產及負債已分配至鉑龍、遼源、福昌及金鑫四個現金產生單位。

於二零一九年，本集團委聘獨立第三方進行洗煤工程，自二零一九年九月起開始銷售精煤，而非原煤。由於精煤售價自二零一九年九月開始下跌及若干煤礦的生產時間表推遲，若干煤礦於二零一九年十二月三十一日出現減值跡象。

* For identification purpose only

* 僅供識別

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30. IMPAIRMENT OF MINING RIGHTS AND PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The recoverable amounts of the five (2019: four) CGUs in the mining operations were determined from value-in-use calculation. Their recoverable amounts are based on certain similar key assumptions. The management of the Group prepared cash flow forecast derived from the most recently available financial budgets approved by management and cash flows beyond 5-year period were extrapolated using 3% (2019: 3%) growth rate which does not exceed the long-term growth rate, assuming the extension of mining licenses is available and administrative in nature. In preparing the forecast, management made reference to the latest verified levels of mineral reserves presently verified and the production cost projection and the future production capacity according to the technical report issued by John T. Boyd ("JT Boyd") dated as of 28 February 2017.

Impairment testing of mining rights, property, plant and equipment in relation to mining operation

The key assumptions for the value-in-use calculation are those regarding discount rates, anticipated changes to future selling prices, future production costs, future recovery rates regarding coal washing process, and anticipated production capacity, as follows:

- Management used a pre-tax discount rate which was derived from the Company's cost of capital, representing the expected return on the Company's capital, and assigned the following pre-tax discount rates to each mine approximately at:

Bolong	鉑龍
Fuchang	福昌
Jinxin	金鑫
Liaoyuan	遼源
Xinfeng	鑫峰

- Future recovery rates regarding coal washing process from raw coal to clean coal were estimated with reference to historical data.
- Future selling prices were estimated with reference to existing and past quoted commodity prices in the mining industry.

30. 採礦權以及物業、廠房及設備減值(續)

採礦業務現金產生單位中五個(二零一九年：四個)之可收回金額按使用價值計算法釐定。其可收回金額乃根據若干類似主要假設釐定。本集團管理層按最近期經管理人員批准之財務預算編製現金流量預測，超過五年期間之現金流量則按3%(二零一九年：3%)增長率(並無超過長期增長率)推算，當中假設採礦許可證可續期且續期屬行政性質。管理人員參考約翰T.博德公司("JT博德")發出之日期為二零一七年二月二十八日之技術報告現階段測定之最新經測定礦物儲量水平、生產成本預測及未來產能編製預測。

與採礦業務有關之採礦權、物業、廠房及設備減值測試

使用價值計算法所用之主要假設涉及貼現率、未來售價預期變動、未來生產成本、洗煤過程的未來回收率及預期產能，詳情如下：

- 管理人員所用稅前貼現率按本公司資本成本(即本公司資本之預期回報)及下列各個礦區之指定概約稅前貼現率釐定：

2020 二零二零年	2019 二零一九年
%	%
17	17
20	20
19	19
18	19
14	N/A 不適用

- 從原煤到精煤的洗煤過程的未來回收率參照歷史數據估計。
- 未來售價參考現有及過往礦業商品報價估計。

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30. IMPAIRMENT OF MINING RIGHTS AND PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Impairment testing of mining rights, property, plant and equipment in relation to mining operation (continued)

- Future production costs were derived in accordance with feasibility reports issued by JT Boyd with reference to the mines' preliminary design report and current industry cost indicators.
- Future production capacity estimation was made in accordance with the feasibility report issued by JT Boyd dated 28 February 2017.

As extracted from Greater China's valuation reports for the recoverable amounts as at 31 December 2020 and 2019 (the "Valuation Reports"), the recoverable amounts of the relevant mining operations CGUs are determined as follows:

30. 採礦權以及物業、廠房及設備減值(續)

與採礦業務有關之採礦權、物業、廠房及設備減值測試(續)

- 未來生產成本乃根據JT博德發出之可行性報告並參考礦區之最初設計報告及目前行業成本指標計算。
- 未來產能根據JT博德發出之日期為二零一七年二月二十八日之可行性報告估計。

誠如漢華估值報告(「估值報告」)所列於二零二零年及二零一九年十二月三十一日之可收回金額，有關採礦業務現金產生單位之可收回金額釐定如下：

		31 December 2020 二零二零年 十二月三十一日 HK\$'000 千港元	31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元
Bolong	鉑龍	3,755,719	3,950,173
Liaoyuan	遼源	1,580,697	1,679,861
Xinfeng	鑫峰	274,856	—
Fuchang	福昌	600,050	679,991
Jinxin	金鑫	553,064	634,967

The recoverable amounts of the mining operations CGUs in relation to Bolong and Liaoyuan (2019: Bolong, Fuchang and Jinxin) were lower than their carrying amounts as at 31 December 2020.

The recoverable amounts of the relevant property, plant and machinery under mining operation other than Fuchang and Jinxin (2019: other than Liaoyuan) were lower than their carrying amounts as at 31 December 2020.

於二零二零年十二月三十一日，有關鉑龍及遼源(二零一九年：鉑龍、福昌及金鑫)的採礦業務現金產生單位的可收回金額低於其賬面值。

於二零二零年十二月三十一日，除福昌及金鑫(二零一九年：遼源)外，採礦業務項下相關物業、廠房及機器的可收回金額低於其賬面值。

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30. IMPAIRMENT OF MINING RIGHTS AND PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Impairment testing of mining rights, property, plant and equipment in relation to mining operation (continued)

The Directors were of the opinion that, based on the Valuation Reports, impairment loss for the relevant mining operations CGUs were recognised and were allocated to the assets of the relevant mining operations CGUs, except for goodwill, pro rata with their carrying amounts.

The impairment losses made in 2020 were attributable to construction delay or suspension of the Group's coal mines under construction affected by the outbreak of COVID-19 and the implementation of policies on dissolving excessive capacity of coal. The impairment losses made in 2019 were attributable to the net impact of (i) the drop of selling price of clean coal since September 2019; (ii) the Committed Restructuring Plans; and (iii) the commencement of selling clean coal in 2019.

30. 採礦權以及物業、廠房及設備減值(續)

與採礦業務有關之採礦權、物業、廠房及設備減值測試(續)

董事認為，根據估值報告，已確認相關採礦業務現金產生單位之減值虧損並按其賬面值比例分配至相關採礦業務現金產生單位的資產(商譽除外)。

於二零二零年作出的減值虧損乃由於受COVID-19疫情爆發及落實紓解過剩煤炭產能的政策影響，本集團的在建煤礦建設延遲或暫停。於二零一九年作出的減值虧損乃由於(i)自二零一九年九月起精煤售價下跌；(ii)已承諾重組計劃；及(iii)於二零一九年開始銷售精煤的淨影響所致。

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30. IMPAIRMENT OF MINING RIGHTS AND PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Impairment testing of mining rights, property, plant and equipment in relation to mining operation (continued)

The following table shows the reversal of impairment/(impairment loss recognised) on property, plant and equipment and mining rights of the relevant mining operations CGUs:

30. 採礦權以及物業、廠房及設備減值(續)

與採礦業務有關之採礦權、物業、廠房及設備減值測試(續)

下表顯示有關採礦業務現金產生單位之物業、廠房及設備以及採礦權之減值撥回/(已確認減值虧損)：

		Property, plant and equipment 物業、廠房及設備		Mining rights 採礦權		Total 總計	
		Reversal of impairment loss/ (impairment loss recognised) 減值虧損撥回/(已確認減值虧損)		Reversal of impairment loss/ (impairment loss recognised) 減值虧損撥回/(已確認減值虧損)		Reversal of impairment loss/ (impairment loss recognised) 減值虧損撥回/(已確認減值虧損)	
		For the year ended 截至以下日期止年度		For the year ended 截至以下日期止年度		For the year ended 截至以下日期止年度	
		31 December 2020 二零二零年 十二月三十一日 HK\$'000 千港元	31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元	31 December 2020 二零二零年 十二月三十一日 HK\$'000 千港元	31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元	31 December 2020 二零二零年 十二月三十一日 HK\$'000 千港元	31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元
Bolong	鉑龍	(104,813)	(32,997)	(428,959)	(197,344)	(533,772)	(230,341)
Liaoyuan	遼源	(12,966)	33,150	(28,427)	71,583	(41,393)	104,733
Xinfeng	鑫峰	(26,993)	–	260,254	–	233,261	–
Fuchang	福昌	2,023	(84,772)	1,911	(90,683)	3,934	(175,455)
Jinxin	金鑫	21,787	(75,483)	24,954	(119,805)	46,741	(195,288)
Total	總計	(120,962)	(160,102)	(170,267)	(336,249)	(291,229)	(496,351)

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31. DISPOSAL OF SUBSIDIARIES

For the year ended 31 December 2020

Disposal of Technology Venture Investments Limited

On 16 October 2020, the Company completed to dispose the entire equity interest in Technology Venture Investments Limited, a wholly-owned subsidiary of the Company, and its subsidiaries (the "Disposal Group") to an independent third party with total consideration of US\$1 (equivalent to approximately HK\$7.8). The net liabilities of the Disposal Group at the date of disposal were as follows:

Consideration of the disposal:	出售代價：	HK\$ 港元
Cash received	已收現金	8
		HK\$'000 千港元
Analysis of assets and liabilities over which control was lost:	失去控制權之資產及負債分析：	
Other payable and accruals	其他應付款項及應計款項	(334)
Net liabilities disposed of	已出售負債淨額	(334)
Gain on disposal of a subsidiary:	出售附屬公司之收益：	
Consideration received	已收代價	-
Net liabilities disposed of	已出售負債淨額	334
Gain on disposal	出售之收益	334

31. 出售附屬公司

截至二零二零年十二月三十一日止年度

出售Technology Venture Investments Limited

於二零二零年十月十六日，本公司完成出售其全資附屬公司Technology Venture Investments Limited及其附屬公司（「出售集團」）全部股權予一名獨立第三方，總代價為1美元（相當於約7.8港元）。出售集團於出售日期之負債淨額如下：

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31. DISPOSAL OF SUBSIDIARIES (CONTINUED)

For the year ended 31 December 2019

A. Disposal of Cosmo Soar Limited and its subsidiary (together the "Cosmo Soar Group")

On 10 July 2019, Oceanic Zone Limited, a wholly-owned subsidiary of the Company completed to dispose (i) the entire equity interest in the Cosmo Soar Group; and (ii) the debts owing by the Cosmo Soar Group to Oceanic Zone Limited, for a consideration of US\$7,400,000 (equivalent to approximately HK\$57,720,000) to an independent third party (the "Purchaser A"). The Purchaser A was one of the holder of 2013 Convertible Loan Notes which were matured on 6 June 2018 and not convertible into ordinary shares of the Company thereafter, and the amounts owed to Purchaser A by the Group were classified as "other borrowings". Therefore, the consideration of approximately HK\$57,720,000 was partially satisfied by setting off against with the other borrowings account with Purchaser A amounted to approximately HK\$7,020,000 and by cash of approximately HK\$50,700,000. The net liabilities of the Cosmo Soar Group at the date of disposal were as follows:

31. 出售附屬公司(續)

截至二零一九年十二月三十一日止年度

A. 出售Cosmo Soar Limited及其附屬公司(統稱「Cosmo Soar集團」)

於二零一九年七月十日，Oceanic Zone Limited(本公司一間全資附屬公司)完成出售(i) Cosmo Soar集團的全部股權；及(ii) Cosmo Soar集團結欠Oceanic Zone Limited的債務予一名獨立第三方(「買方A」)，代價為7,400,000美元(相當於約57,720,000港元)。買方A為二零一三年可換股貸款票據持有人之一，該等票據之到期日為二零一八年六月六日，其後不可兌換為本公司普通股，本集團結欠買方A的款項分類為「其他借貸」。因此，代價約57,720,000港元已透過部分抵銷與買方A之其他借貸賬款約7,020,000港元之方式及現金約50,700,000港元償付。於出售日期Cosmo Soar集團之負債淨額如下：

		On the completion date 於完成日期 HK\$'000 千港元
Net liabilities disposed of:	已出售負債淨額：	
Property, plant and equipment (Note 16)	物業、廠房及設備(附註16)	58,397
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	35,426
Cash and bank balances	現金及銀行結餘	2,353
Amounts due to group companies	應付集團公司款項	(61,729)
Other payables	其他應付款項	(39,201)
		(4,754)
Assignment of amounts due to group companies	轉讓應付集團公司款項	61,576
Gain on disposal of subsidiaries	出售附屬公司之收益	898
Total consideration	總代價	57,720
Satisfied by:	由以下方式償付：	
Cash	現金	50,700
Offset with other borrowings account with Purchaser A	抵銷與買方A的其他借貸賬款	7,020
		57,720
Analysis of the net inflow of cash and cash equivalents in respect of disposal of subsidiaries:	就出售附屬公司之現金及現金等價物之流入淨額分析：	
Cash	現金	50,700
Less: cash and cash equivalents balances disposed of	減：已出售現金及現金等價物結餘	(2,353)
Net cash inflow	現金流入淨額	48,347

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31. DISPOSAL OF SUBSIDIARIES (CONTINUED) For the year ended 31 December 2019 (continued)

B. Disposal of (i) Grand Athena Limited and its subsidiaries (together the "Grand Athena Group"); and (ii) Polaris Spark Limited and its subsidiary (together the "Polaris Spark Group")

On 10 September 2019, the Company completed to dispose (i) the entire equity interest in the Grand Athena Group and the Polaris Spark Group; and (ii) the debts owing by the Grand Athena Group and the Polaris Spark Group to the Group, for an aggregate consideration of US\$700,000 (equivalent to approximately HK\$5,460,000) to Purchaser A. The consideration was satisfied by setting off against other borrowings account with Purchaser A. The net liabilities of the Grand Athena Group and the Polaris Spark Group at the date of disposal were as follows:

31. 出售附屬公司(續) 截至二零一九年十二月三十一日止 年度(續)

B. 出售(i) Grand Athena Limited及其附屬公司(統稱「Grand Athena集團」); 及(ii) Polaris Spark Limited及其附屬公司(統稱「Polaris Spark集團」)

於二零一九年九月十日，本公司完成出售(i) Grand Athena集團及Polaris Spark集團的全部股權；及(ii) Grand Athena集團及Polaris Spark集團結欠本集團的債務予買方A，代價為700,000美元(相當於約5,460,000港元)。代價已透過抵銷與買方A的其他借貸賬款之方式償付。於出售日期Grand Athena集團及Polaris Spark集團之負債淨額如下：

		On the completion date 於完成日期		
		Grand Athena Group Grand Athena 集團	Polaris Spark Group Polaris Spark 集團	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Net liabilities disposed of:	已出售負債淨額：			
Property, plant and equipment (Note 16)	物業、廠房及設備 (附註16)	1,464	4,627	6,091
Prepayment, deposits and other receivables	預付款項、按金及 其他應收款項	383	5	388
Amount due from a group company	應收一間集團公司 款項	26	—	26
Bank balances and cash	銀行結餘及現金	66	9	75
Amounts due to group companies	應付集團公司款項	(7,908)	(4,838)	(12,746)
Other payables	其他應付款項	(151)	(241)	(392)
Lease liabilities	租賃負債	(1,206)	—	(1,206)
Non-controlling interests	非控股權益	183	211	394
		(7,143)	(227)	(7,370)
Assignment of amounts due to group companies	轉讓應付集團公司 款項			12,622
Exchange translation reserve realised	已變現匯兌換算儲備			(13)
Gain on disposal of subsidiaries	出售附屬公司之收益			221
Total consideration	總代價			5,460
Satisfied by:	由以下方式償付：			
Offset with of other borrowings account with Purchaser A	抵銷與買方A的 其他借貸賬款			5,460
Analysis of the net outflow of cash and cash equivalents in respect of disposal of subsidiaries:	就出售附屬公司之 現金及現金等價物 之流出淨額分析：			
Cash	現金			—
Less: cash and cash equivalents balances disposed of	減：已出售現金及 現金等價物 結餘			(75)
Net cash outflow	現金流出淨額			(75)

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32. RELATED PARTIES TRANSACTIONS

Other than the balances and transactions with related parties disclosed elsewhere in these consolidated financial statements, the Group has entered into the following transactions with its related parties for the current and prior years:

Relationship 關係	Nature of transactions 交易性質	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Close family member of a director 董事近親	Interest expense of the convertible loan note 可換股貸款票據之利息開支	130	225
Shareholder 股東	Interest expense of the convertible loan note 可換股貸款票據之利息開支	3,295	5,700

Compensation of key management personnel

The remunerations of the key management personnel during the year were as follows:

主要管理層成員之酬金

年內，主要管理層成員之薪酬如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Directors' fees, salaries, allowances and benefits in kind	董事袍金、薪金及實物福利	4,311	5,269
Retirement benefit schemes contributions	退休福利計劃供款	86	80
Share-based payment expense	股份支付開支	—	994
		4,397	6,343

The remunerations of Directors and other members of key management were determined by the remuneration committee having regard to the performance of individuals and market trends.

董事及其他主要管理層成員之薪酬由薪酬委員會按個人表現及市場趨勢釐定。

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33. OTHER BORROWINGS

The exposure of the Group's other borrowings 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
Interest-bearing (Note i)	計息(附註i)	312,000	—
Non-interest bearing (Note ii)	免息(附註ii)	1,621	23,202
		313,621	23,202

Note i: As at 31 December 2020, the Group have other borrowings related to 2017 Convertible Loan Notes which were matured on 10 July 2020 and remain unsettled at the end of the reporting period. The amount is unsecured and interest bearing at coupon rate of 6.5%. The Group is in the negotiation with the holder of 2017 Convertible Loan Notes to restructure the repayment timetable of the Company's financial obligations.

Note ii: The remaining portion are matured convertible loan notes issued in prior periods that remain unsettled at the end of the reporting period. The amounts are unsecured, non-interest bearing and repayable on demand.

33. 其他借貸

本集團其他借貸之風險如下：

附註i： 於二零二零年十二月三十一日，本集團有與二零一七年期可換股貸款票據有關的其他借貸，該等借貸已於二零二零年七月十日到期，且於報告期末仍未結算。該款項為無抵押及按票面息率6.5%計息。本集團正與二零一七年期可換股貸款票據持有人磋商，以重組本公司財務責任之還款時間表。

附註ii： 餘下部分為於過往期間發行之已到期可換股貸款票據，於報告期末仍未結算。該等款項為無抵押、免息及須按要求償還。

34. COMMITMENTS

(a) Capital commitments

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Contracted but not provided for in respect of:	已訂約但未撥備：		
– acquisition of property, plant and equipment	– 收購物業、廠房及設備	454,318	207,362
– acquisition of land use rights in Cambodia	– 收購於柬埔寨之土地使用權	462,915	462,915
		917,233	670,277

34. 承擔

(a) 資本承擔

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34. COMMITMENTS (CONTINUED)

(b) Environmental contingencies

As at 31 December 2020, the Group has not incurred any significant expenditure specific for environmental remediation and, apart from the provision for restoration, rehabilitation and environmental costs (Note 28), has not accrued any amounts for environmental remediation relating to its operations. Under existing legislation, the Directors believe that there are no probable liabilities that will have a material adverse effect on the financial position or operating results of the Group. Laws and regulations protecting the environment have generally become more stringent in recent years and could become more stringent in the future. Environmental liabilities are subject to considerable uncertainties which affect the Group's ability to estimate the ultimate cost of remediation efforts.

These uncertainties include:

- (i) the exact nature and extent of the contamination at the mine;
- (ii) the extent of required cleanup efforts;
- (iii) varying costs of alternative remediation strategies;
- (iv) changes in environmental remediation requirements; and
- (v) the identification of new remediation sites.

The amount of such future cost is indeterminable due to such factors like the unknown magnitude of possible contamination and the unknown timing and extent of the corrective actions that may be required. Accordingly, the outcome of environmental liabilities under proposed for future environmental legislation cannot be reasonably estimated at present but could be material.

34. 承擔(續)

(b) 環境突發事件

於二零二零年十二月三十一日，本集團並無產生任何重大環境整治開支，除了恢復、修復及環境成本撥備(附註28)外，亦無就與其營運有關的環境補救預提任何金額。根據現行法例，董事認為，並無可能產生將會對本集團財務狀況或經營業績造成重大不利影響的責任。保障環境的法律及法規於近年普遍越趨嚴謹，未來亦有可能更為嚴謹。環境責任須視乎眾多不確定因素而定，而該等因素會影響本集團估計補救工作最終成本的能力。

此等不確定因素包括：

- (i) 礦場內污染的實質性質及程度；
- (ii) 所需清理工作的程度；
- (iii) 其他補救策略的不同成本；
- (iv) 環境補救規定的變動；及
- (v) 新補救地點的識別。

基於該等因素，即未能知悉可能造成污染的嚴重性及未能知悉可能需要作出修正行動的時間及程度，故未能釐定未來成本金額。因此，現時不能合理估計未來環境法例所建議的環境責任結果，惟該結果可能屬重大。

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35. SHARE-BASED PAYMENT TRANSACTIONS

Equity-settled share option scheme of the Company:

The Company's share option scheme (the "Scheme"), was adopted pursuant to a resolution passed on 28 May 2015 for the primary purpose of providing incentives to directors and eligible employees and loan arrangement with an independent third party (the 'Lender'), and will expire on 27 May 2025. Under the Scheme, the Directors may grant options to eligible employees, including Directors and directors of its subsidiaries, to subscribe for shares in the Company.

Options granted must be taken up within 28 days of the date upon which it is made provided that no such offer shall be open for acceptance after the earlier of the 10th anniversary of the date of adoption or the termination of Scheme or the participant to whom such offer is made has ceased to be a participant.

A non-refundable nominal consideration of HK\$1.00 is payable by the grantee upon acceptance of an option. An option shall be deemed to have been accepted when the duplicate letter comprising acceptance of the option duly signed by the participant together with the said consideration of HK\$1.00 is received by the Company. The exercise price is determined by the board of directors at its absolute discretion but in any event will not be less than the higher of (i) the closing price of the shares as stated in the daily quotations sheet of the Stock Exchange on the date of grant, which must be a business day; (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the share on the date of grant.

As at 31 December 2020, the number of shares in respect of which may be issued upon exercise of share options granted and remain outstanding under the Share Option Scheme was 1,000,000 (2019: 923,341,370), representing 0.19% (2019: 10.5%) of the shares of the Company in issue at that date.

35. 股份支付交易

本公司之權益結算購股權計劃：

本公司根據於二零一五年五月二十八日通過之決議案採納購股權計劃（「該計劃」），主要作為董事及合資格僱員以及獨立第三方（「貸款人」）訂立貸款安排之獎勵，將於二零二五年五月二十七日屆滿。根據該計劃，董事可向合資格僱員（包括董事及其附屬公司之董事）授出購股權，以認購本公司之股份。

已授出之購股權必須於由提呈要約日期起計28日內承購，惟有關要約不得於由該計劃採納日期起計滿10週年之日或該計劃終止之日，或獲提呈要約之參與者不再為參與者之日（以較早者為準）後仍可供接納。

承授人須於接納購股權時支付1.00港元之不可退回名義代價。當本公司收訖參與者妥為簽署之函件（構成購股權之接納）複本連同上述1.00港元代價時，購股權將被視為已獲接納。行使價可由董事會全權酌情釐定，但於任何情況下均不會低於以下三者之最高者：(i)股份於授出日期（該日須為營業日）在聯交所每日報價表所示之收市價；(ii)股份於緊接授出日期前五個營業日之平均收市價；及(iii)股份於授出日期之面值。

於二零二零年十二月三十一日，根據購股權計劃已授出及尚未行使購股權獲行使時可予發行之股份數目為1,000,000股（二零一九年：923,341,370股），相當於本公司於該日已發行股份之0.19%（二零一九年：10.5%）。

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35. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

Equity-settled share option scheme of the Company: (continued)

Details of specific categories of options are as follows:

Option granted on 14 July 2015

Grantee	Vesting proportion	Vesting period	Exercisable period	Exercise price (adjusted) 行使價 (經調整) HK\$ 港元	Fair value at grant date 於授出日期之 公平值 HK\$ 港元
承授人	歸屬比例	歸屬期	行使期		
Directors	17%	N/A	14 July 2015 to 13 July 2025	30,000	0.815
董事		不適用	二零一五年七月十四日至 二零二五年七月十三日		
Directors	17%	14 July 2015 to 13 July 2016	14 July 2016 to 13 July 2025	30,000	0.831
董事		二零一五年七月十四日至 二零一六年七月十三日	二零一六年七月十四日至 二零二五年七月十三日		
Senior Management & Employees 高級管理層及僱員	9%	N/A	14 July 2015 to 13 July 2025	30,000	0.453
		不適用	二零一五年七月十四日至 二零二五年七月十三日		
Senior Management & Employees 高級管理層及僱員	9%	14 July 2015 to 13 July 2016	14 July 2016 to 13 July 2025	30,000	0.575
		二零一五年七月十四日至 二零一六年七月十三日	二零一六年七月十四日至 二零二五年七月十三日		
The Lender	1%	N/A	14 July 2015 to 13 July 2025	30,000	1.051
貸款人		不適用	二零一五年七月十四日至 二零二五年七月十三日		
The Lender	1%	14 July 2015 to 13 July 2016	14 July 2016 to 13 July 2025	30,000	1.051
貸款人		二零一五年七月十四日至 二零一六年七月十三日	二零一六年七月十四日至 二零二五年七月十三日		
Employees	46%	N/A	14 July 2015 to 13 July 2025	30,000	0.453
僱員		不適用	二零一五年七月十四日至 二零二五年七月十三日		

35. 股份支付交易(續)

本公司之權益結算購股權計劃： (續)

購股權之具體類別詳情如下：

於二零一五年七月十四日授出之購股權

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35. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

Equity-settled share option scheme of the Company: (continued)

Details of specific categories of options are as follows: (continued)

Option granted on 29 May 2017

Grantee	Vesting proportion	Vesting period	Exercisable period	Exercise price	Exercise price (adjusted)	Fair value at grant date
承授人	歸屬比例	歸屬期	行使期	行使價 HK\$ 港元	行使價 (經調整) HK\$ 港元	於授出日期之 公平值 HK\$ 港元
Director and chief executive officer 董事兼行政總裁	33.33%	Immediately vested 即時歸屬	29 May 2017 to 28 May 2027 二零一七年五月二十九日至 二零二七年五月二十八日	0.0352	7.040	0.192
	33.33%	29 May 2017 to 28 May 2018 二零一七年五月二十九日至 二零一八年五月二十八日	29 May 2018 to 28 May 2027 二零一八年五月二十九日至 二零二七年五月二十八日	0.0352	7.040	0.192
	33.33%	29 May 2017 to 28 May 2019 二零一七年五月二十九日至 二零一九年五月二十八日	29 May 2019 to 28 May 2027 二零一九年五月二十九日至 二零二七年五月二十八日	0.0352	7.040	0.196

35. 股份支付交易(續)

本公司之權益結算購股權計劃： (續)

購股權之具體類別詳情如下：(續)

於二零一七年五月二十九日授出之 購股權

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35. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

Equity-settled share option scheme of the Company: (continued)

Details of specific categories of options are as follows: (continued)

Option granted on 2 November 2017

Grantee	Vesting proportion	Vesting period	Exercisable period	Exercise price	Exercise price (adjusted)	Fair value at grant date
承授人	歸屬比例	歸屬期	行使期	行使價 HK\$ 港元	行使價 (經調整) HK\$ 港元	於授出日期之 公平值 HK\$ 港元
Employee	33.33%	2 November 2017 to 1 May 2018	2 May 2018 to 1 November 2027	0.368	N/A	0.11292
僱員		二零一七年十一月二日至 二零一八年五月一日	二零一八年五月二日至 二零二七年十一月一日		不適用	
	33.33%	2 November 2017 to 1 May 2019	2 May 2019 to 1 November 2027	0.368	N/A	0.12552
		二零一七年十一月二日至 二零一九年五月一日	二零一九年五月二日至 二零二七年十一月一日		不適用	
	33.33%	2 November 2017 to 1 May 2020	2 May 2020 to 1 November 2027	0.368	N/A	0.13761
		二零一七年十一月二日至 二零二零年五月一日	二零二零年五月二日至 二零二七年十一月一日		不適用	

35. 股份支付交易(續)

本公司之權益結算購股權計劃： (續)

購股權之具體類別詳情如下：(續)

於二零一七年十一月二日授出之購股權

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35. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

Equity-settled share option scheme of the Company: (continued)

Details of specific categories of options are as follows: (continued)

35. 股份支付交易(續)

本公司之權益結算購股權計劃：(續)

購股權之具體類別詳情如下：(續)

Grantee	Vesting proportion	Vesting period	Exercisable period	Exercise price	Exercise price (adjusted)	Fair value at grant date
承授人	歸屬比例	歸屬期	行使期	行使價	行使價 (經調整)	公平值
				HK\$	HK\$	HK\$
				港元	港元	港元
Option granted on 24 May 2018				於二零一八年五月二十四日授出之購股權		
Consultant	50.00%	Immediately vested	24 May 2018 to 23 May 2028	0.35	7.000	0.08127
顧問		即時歸屬	二零一八年五月二十四日至二零二八年五月二十三日			
	50.00%	24 May 2018 to 23 May 2019	24 May 2019 to 23 May 2028	0.35	7.000	0.08315
		二零一八年五月二十四日至二零一九年五月二十三日	二零一九年五月二十四日至二零二八年五月二十三日			
Option granted on 17 January 2019				於二零一九年一月十七日授出之購股權		
Consultants	20%	Immediately vested	17 January 2019 to 16 January 2029	0.0544	1.088	0.0131
顧問		即時歸屬	二零一九年一月十七日至二零二九年一月十六日			
	20%	17 January 2019 to 16 January 2020	17 January 2020 to 16 January 2029	0.0544	1.088	0.0166
		二零一九年一月十七日至二零二零年一月十六日	二零二零年一月十七日至二零二九年一月十六日			
Employees	30%	Immediately vested	17 January 2019 to 16 January 2029	0.0544	1.088	0.0131
僱員		即時歸屬	二零一九年一月十七日至二零二九年一月十六日			
	30%	17 January 2019 to 16 January 2020	17 January 2020 to 16 January 2029	0.0544	1.088	0.0166
		二零一九年一月十七日至二零二零年一月十六日	二零二零年一月十七日至二零二九年一月十六日			

The exercise price and number of share options outstanding were adjusted as a result of share consolidation which has become effective on 7 August 2020.

行使價及尚未行使購股權數目已就於二零二零年八月七日生效之股份合併作出調整。

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35. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

Equity-settled share option scheme of the Company: (continued)

Details of the number of share options outstanding during the year are as follows:

35. 股份支付交易(續)

本公司之權益結算購股權計劃： (續)

年內尚未行使購股權數目詳情如下：

		Outstanding as at 1 January 2019 於二零一九年 一月一日 尚未行使 '000 千份	Granted during the year 年內授出 '000 千份	Exercised during the year 年內行使 '000 千份	Lapsed during the year 年內失效 '000 千份	Outstanding as at 31 December 2019 於二零一九年 十二月三十一日 尚未行使 '000 千份	Exercisable as at 31 December 2019 於二零一九年 十二月三十一日 可予行使 '000 千份
Option granted on 14 July 2015	於二零一五年 七月十四日 授出之購股權	45,900	-	-	(3,900)	42,000	42,000
Option granted on 29 May 2017	於二零一七年五月 二十九日授出之 購股權	72,967	-	-	-	72,967	72,967
Option granted on 2 November 2017	於二零一七年十一 月二日授出之購 股權	58,374	-	-	-	58,374	38,912
Option granted on 24 May 2018	於二零一八年五月 二十四日授出之 購股權	20,000	-	-	-	20,000	20,000
Option granted on 17 January 2019	於二零一九年一月 十七日授出之購 股權	-	730,000	-	-	730,000	365,000
		197,241	730,000	-	(3,900)	923,341	538,879
Weighted average exercise price (HK\$)	加權平均行使價 (港元)	0.6237	0.0544	-	1.5	0.1699	

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35. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

Equity-settled share option scheme of the Company: (continued)

Details of the number of share options outstanding during the year are as follows: (continued)

35. 股份支付交易(續)

本公司之權益結算購股權計劃： (續)

年內尚未行使購股權數目詳情如下：
(續)

		Outstanding as at 1 January 2020 於二零二零年 一月一日 尚未行使 '000 千份	Lapsed during the year 於年內 失效 '000 千份	Adjusted during the year 於年內 調整 '000 千份	Cancelled during the year 於年內 註銷 '000 千份	Outstanding as at 31 December 2020 於二零二零年 十二月三十一日 尚未行使 '000 千份	Exercisable as at 31 December 2020 於二零二零年 十二月三十一日 可予行使 '000 千份
Option granted on 14 July 2015	於二零一五年七月十四日 授出之購股權	42,000	(1,600)	(38,380)	(2,020)	-	-
Option granted on 29 May 2017	於二零一七年五月 二十九日授出之購股權	72,967	-	(69,319)	(3,648)	-	-
Option granted on 2 November 2017	於二零一七年十一月二日 授出之購股權	58,374	(58,374)	-	-	-	-
Option granted on 24 May 2018	於二零一八年五月二十四日 授出之購股權	20,000	-	(19,000)	-	1,000	1,000
Option granted on 17 January 2019	於二零一九年一月十七日 授出之購股權	730,000	-	(693,500)	(36,500)	-	-
		923,341	(59,974)	(820,199)	(42,168)	1,000	1,000
Weighted average exercise price (HK\$)	加權平均行使價(港元)	0.1699	0.3982		2.9879	7,000	

The estimated fair value of share options granted on 17 January 2019 were approximately HK\$10,835,000. The weighted average remaining contractual life is 8.44 years.

The Group recognised the total share-based payment expenses of approximately HK\$989,000 (2019: approximately HK\$13,285,000) for the year ended 31 December 2020 in relation to share options granted by the Company.

於二零一九年一月十七日授出之購股權之估計公平值約10,835,000港元。加權平均餘下合約年期為8.44年。

於截至二零二零年十二月三十一日止年度，本集團就本公司授出之購股權確認總股份支付開支約989,000港元(二零一九年：約13,285,000港元)。

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35. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

Equity-settled share option scheme of the Company: (continued)

These fair values were calculated using Black-Scholes model with binomial tree method. The inputs into the model were as follows:

Weighted average share price	加權平均股價
Exercise price	行使價
Expected volatility	預期波幅
Expected life	預期年期
Risk-free rate	無風險利率
Expected dividend yield	預期股息率
Suboptimal factor	次優系數
Directors	董事
Senior management and employees	高級管理層及僱員
Consultants	顧問

Expected volatility was determined by using the historical volatility of the Company's share price over the previous year. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

35. 股份支付交易(續)

本公司之權益結算購股權計劃： (續)

該等公平值乃使用布萊克－肖爾斯期權定價模型及二項式樹狀定價法計算。模型之輸入數據如下：

Options
granted on
17 January 2019
於二零一九年
一月十七日
授出之購股權

HK\$0.049港元
HK\$0.0544港元
54.36%
10 years年
2.0282%
0%
N/A不適用
2.2
2.2

預期波幅按本公司股份股價於去年之歷史波幅釐定。模型所用之預期年期已按照管理層之最佳估計，就不可轉讓性、行使限制及行為考慮之影響作出調整。

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36. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

36. 本公司財務狀況表

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	1,727	5,857
Investments in subsidiaries	於附屬公司之投資	5,208,132	5,207,013
		5,209,859	5,212,870
Current assets	流動資產		
Other receivables	其他應收款項	2,435	8,100
Amount due from a director	應收一名董事款項	195	195
Derivative component of convertible loan notes	可換股貸款票據之衍生工具部分	-	28,719
Cash and cash equivalents	現金及現金等價物	727	1,683
		3,357	38,697
Current liabilities	流動負債		
Other payables	其他應付款項	6,758	9,138
Amounts due to subsidiaries	應付附屬公司款項	57,852	57,852
Amount due to a director	應付一名董事款項	13,108	13,108
Other borrowings	其他借貸	313,621	23,202
Liabilities component of convertible loan notes	可換股貸款票據之負債部分	-	660,722
Derivative component of convertible loan notes	可換股貸款票據之衍生工具部分	-	850
Lease liabilities	租賃負債	1,681	4,276
		393,020	769,148
Net current (liabilities)/assets	流動(負債)/資產淨值	(389,663)	(730,451)
Total assets less current liabilities	資產總值減流動負債	4,820,196	4,482,419
Capital and reserves	資本及儲備		
Share capital	股本	105,252	87,732
Reserves	儲備	4,356,138	4,367,370
Total equity	權益總額	4,461,390	4,455,102
Non-current liabilities	非流動負債		
Amount due to a related company	應付一間關連公司款項	48,747	25,636
Liabilities component of convertible loan notes	可換股貸款票據之負債部分	310,059	-
Lease liabilities	租賃負債	-	1,681
		358,806	27,317
		4,820,196	4,482,419

Signed on its behalf of the board of directors by:

由下列董事代表董事會簽署：

Mr. Zhang Sanhuo
張三貨先生
Director
董事

Mr. Tse Michael Nam
謝南洋先生
Director
董事

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36. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

Reserves of the Company

36. 本公司財務狀況表(續)

本公司儲備

		Share premium	Contributed surplus	Share options reserve	Other reserve	Convertible loan notes equity reserve	Accumulated losses	Total
		股份溢價	繳入盈餘	購股權儲備	其他儲備	可換股貸款 票據股本儲備	累計虧損	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
As at 1 January 2019	於二零一九年一月一日	8,882,864	1,116,554	95,256	74,492	-	(5,427,956)	4,741,210
Loss for the year	年度虧損	-	-	-	-	-	(430,673)	(430,673)
Recognition of share-based payment expense	確認股份支付開支	-	-	13,285	-	-	-	13,285
Placing of new shares	配售新股份	43,866	-	-	-	-	-	43,866
Share issuing expense	股份發行開支	(318)	-	-	-	-	-	(318)
As at 31 December 2019 and as 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	8,926,412	1,116,554	108,541	74,492	-	(5,858,629)	4,367,370
Loss and total comprehensive expense for the year	年度虧損及全面開支 總額	-	-	-	-	-	(133,706)	(133,706)
Subscription of new shares	認購新股份	18,670	-	-	-	-	-	18,670
Share issuing expense	股份發行開支	(96)	-	-	-	-	-	(96)
Cancellation of share options	註銷購股權	-	-	(108,699)	-	-	108,699	-
Recognition of equity settled share-based payments	確認以權益結算之 股份支付	-	-	989	-	-	-	989
Issue of convertible loan notes	發行可換股貸款票據	-	-	-	-	49,054	-	49,054
Deemed contribution from a shareholder	來自一名股東之 視作注資	-	-	-	53,857	-	-	53,857
Transferred to accumulated losses	轉撥至累計虧損	-	(1,116,554)	-	-	-	1,116,554	-
As at 31 December 2020	於二零二零年 十二月三十一日	8,944,986	-	831	128,349	49,054	(4,767,082)	4,356,138

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37. FINANCIAL INSTRUMENTS

(a) 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		
At amortised cost	攤銷成本	225,711	134,380
Derivative financial instruments	衍生金融工具	-	28,719
Financial liabilities	金融負債		
At amortised cost	攤銷成本	7,346,780	6,818,489
Derivative financial instruments	衍生金融工具	-	850

(b) Financial risk management objectives and policies

The Group's major financial instruments include trade receivables, refundable deposits, bills receivables, other receivables, amounts due from related companies, amounts due from directors, cash and cash equivalents, trade and other payables (exclude contract liabilities), amount due to a director, liabilities and derivative components of convertible loan notes, other borrowings, amounts due to related companies and amounts due to non-controlling interests. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate 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.

37. 金融工具

(a) 金融工具之分類

(b) 財務風險管理目標及政策

本集團之主要金融工具包括貿易應收款項、可退還按金、應收票據、其他應收款項、應收關連公司款項、應收董事款項、現金及現金等價物、貿易及其他應付款項(不包括合約負債)、應付一名董事款項、可換股貸款票據之負債及衍生工具部分、其他借貸、應付關連公司款項及應付非控股權益款項。該等金融工具之詳情於相關附註內披露。與該等金融工具有關之風險包括市場風險(貨幣風險及利率風險)、信貸風險及流動資金風險。降低該等風險之政策載於下文。管理層管理及監控該等風險，確保及時有效地採取適當措施。

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37. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Market risk

Currency risk

Certain financial assets and financial liabilities are denominated in currencies other than the functional currency of the respective group companies.

The Group's currency exposure based on the information provided to key management is as follows:

37. 金融工具(續)

(b) 財務風險管理目標及政策(續)

市場風險

貨幣風險

若干金融資產及金融負債以集團公司各自功能貨幣以外之貨幣計值。

根據提供予主要管理層之資料，本集團之貨幣風險如下：

		HK\$	RMB	US\$	Cambodian dollar ("KHR") 柬埔寨瑞爾 ("瑞爾")	Total
		港元	人民幣	美元		合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
As at 31 December 2020	於二零二零年十二月三十一日					
Non-derivative financial assets	非衍生金融資產					
Cash and cash equivalents	現金及現金等價物	594	47,354	147	2	48,097
Amounts due from directors	應收董事款項	195	40	-	-	235
Amounts due from related companies	應收關連公司款項	9	5,971	-	-	5,980
Trade and other receivables excluding non-financial assets	貿易及其他應收款項，不包括非金融資產	1,306	166,153	3,940	-	171,399
		2,104	219,518	4,087	2	225,711
Non-derivative financial liabilities	非衍生金融負債					
Trade payables	貿易應付款項	-	1,798	-	-	1,798
Other payables excluding non-financial liabilities	其他應付款項，不包括非金融負債	13,549	996,203	-	-	1,009,752
Liabilities component of convertible loan notes	可換股貸款票據負債部分	310,059	-	-	-	310,059
Amount due to a director	應付一名董事款項	13,108	-	-	-	13,108
Amounts due to non-controlling interests	應付非控股權益款項	-	5,572,551	-	-	5,572,551
Amounts due to related companies	應付關連公司款項	48,839	77,052	-	-	125,891
Other borrowings	其他借貸	-	-	313,621	-	313,621
		385,555	6,647,604	313,621	-	7,346,780
Net non-derivative financial (liabilities)/assets	非衍生金融(負債)/資產淨值	(383,451)	(6,428,086)	(309,534)	2	(7,121,069)
Currency exposure of non-derivative financial liabilities net of those denominated in the functional currencies of the respective group entities	以相關集團實體功能貨幣計值之非衍生金融負債淨額之貨幣風險	-	-	(309,534)	-	(309,534)

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37. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

Currency risk (continued)

37. 金融工具(續)

(b) 財務風險管理目標及政策(續)

市場風險(續)

貨幣風險(續)

		HK\$ 港元 HK\$'000 千港元	RMB 人民幣 HK\$'000 千港元	US\$ 美元 HK\$'000 千港元	KHR 瑞爾 HK\$'000 千港元	Total 合計 HK\$'000 千港元
As at 31 December 2019	於二零一九年十二月三十一日					
Non-derivative financial assets	非衍生金融資產					
Cash and cash equivalents	現金及現金等價物	1,594	44,006	186	2	45,788
Amounts due from directors	應收董事款項	195	38	-	-	233
Amounts due from related companies	應收關連公司款項	9	5,741	-	-	5,750
Trade and other receivables excluding non-financial assets	貿易及其他應收款項，不包括非金融資產	2,348	44,315	35,946	-	82,609
		4,146	94,100	36,132	2	134,380
Non-derivative financial liabilities	非衍生金融負債					
Trade payables	貿易應付款項	-	1,796	-	-	1,796
Other payables excluding non-financial liabilities	貿易及其他應付款項，不包括非金融負債	13,928	1,012,483	-	-	1,026,411
Liabilities component of convertible loan notes	可換股貸款票據負債部分	377,296	-	283,426	-	660,722
Amounts due to non-controlling interests	應付非控股權益款項	-	4,933,674	-	-	4,933,674
Amounts due to related companies	應付關連公司款項	25,728	133,848	-	-	159,576
Other borrowings	其他借貸	23,202	-	-	-	23,202
Amount due to a director	應付一名董事款項	13,108	-	-	-	13,108
		453,262	6,081,801	283,426	-	6,818,489
Net non-derivative financial (liabilities)/assets	非衍生金融(負債)/資產淨值	(449,116)	(5,987,701)	(247,294)	2	(6,684,109)
Currency exposure of non-derivative financial liabilities net of those denominated in the functional currencies of the respective group entities	以相關集團實體功能貨幣計值之非衍生金融負債淨額之貨幣風險	-	-	(247,294)	-	(247,294)

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37. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

Currency risk (continued)

The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Sensitivity analysis

As at 31 December 2020, assets and liabilities denominated in US\$ arise mainly from entities with functional currency of HK\$ (2019: HK\$). For the sensitivity analysis related to the currency risk of US\$, as HK\$ is pegged to US\$, management considered the foreign currency risk exposure to these US\$ assets and liabilities is insignificant.

The transactions and monetary assets denominated in KHR is minimal, the Group considers there has no material foreign exchange risk exposure in respect of KHR. Therefore, KHR are excluded from the analysis below.

As assets and liabilities denominated in RMB arise mainly from entities with functional currency of RMB, the Group considers there has no material foreign exchange risk exposure in respect of RMB.

Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate amounts due to non-controlling interests and convertible loan notes.

The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

37. 金融工具(續)

(b) 財務風險管理目標及政策(續)

市場風險(續)

貨幣風險(續)

本集團現時並無外幣對沖政策。然而，管理層監控外匯風險，並會於有需要時考慮對沖重大外幣風險。

敏感度分析

於二零二零年十二月三十一日，以美元計值之資產及負債主要因以港元(二零一九年：港元)為功能貨幣之實體而產生。就與美元貨幣風險有關之敏感度分析而言，由於港元與美元掛鈎，故管理層認為該等美元資產及負債面對之外幣風險甚微。

以瑞爾計值之交易及貨幣資產極少，本集團認為並無有關瑞爾之重大外匯風險。因此，下文分析不包括瑞爾。

由於以人民幣計值之資產及負債主要來自功能貨幣為人民幣之實體，本集團認為並無有關人民幣之重大外匯風險。

利率風險

本集團面臨有關應付非控股權益定息款項及可換股貸款票據之公平值利率風險。

本集團現時並無任何利率對沖政策。然而，管理層監控利率風險，並會於有需要時考慮對沖重大利率風險。

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37. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. At the end of the reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties arises from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

The Group is exposed to concentration of credit risk at 31 December 2020 on trade receivables from the Group's top five major debtors amounting approximately to 100% (2019: 100%) of the Group's total trade receivables.

In order to minimise credit risk, the Group has delegated its finance team to develop and maintain the Group's credit risk grading to categorise exposures according to their degree of risk of default. The finance team uses publicly available financial information and the Group's own historical repayment records to rate its major customers and debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

37. 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險及減值評估

信貸風險指對手方將會違約其合約責任從而導致本集團財務虧損的風險。於報告期末，本集團將會對本集團造成財務虧損的最高信貸風險敞口乃由於對手方未能履行責任所致，乃產生於綜合財務狀況表入賬之各已確認金融資產的賬面值。

於二零二零年十二月三十一日，本集團面臨貿易應收款項信貸集中風險，來自本集團五大債務人，佔本集團貿易應收款項總額的100%(二零一九年：100%)。

為儘量減少信貸風險，本集團已委派其財務團隊發展及維持本集團的信貸風險評級，以根據違約風險程度將風險分類。財務團隊使用公開可用財務資料及本集團自有過往還款記錄以評估其主要客戶及債務人。本集團之信貸風險及其對手方之信貸評級受持續監控，而達成交易的總價值分佈於核准交易對手當中。

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37. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessments (continued)

The Group's current credit risk grading framework comprises the following categories:

Category 類別	Description 說明	Basis for recognising ECL 確認預期信貸虧損之基準
Performing 良好	The counterparty has a low risk of default and does not have any past-due amounts 對手方違約風險低，且無任何逾期款項	12m ECL 12個月的預期信貸虧損
Doubtful 呆賬	There has been a significant increase in credit risk since initial recognition 自初步確認起信貸風險大幅增加	Lifetime ECL – not credit-impaired 整個存續期的預期信貸虧損 – 並非信貸減值
In default 違約	There is evidence indicating the asset is credit impaired 有證據表明資產已信貸減值	Lifetime ECL – credit impaired 整個存續期的預期信貸虧損 – 信貸減值
Write-off 撇銷	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery 有證據表明債務人處於嚴重財務困難及本集團無現實收回預期	Amount is written off 款項被撇銷

For trade receivables, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the ECL on these items by using a provision matrix, except for trade receivables with gross carrying amounts of approximately HK\$18,516,000 (2019: approximately HK\$18,516,000) which are credit-impaired, estimated based on historical credit loss experience based on the past default experience of the debtor, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the end of the reporting period. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics (including high risk, normal risk and low risk type). In this regard, the directors consider that the Group's credit risk is significantly reduced and no impairment allowance was recognised.

37. 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

本集團目前的信貸風險評級框架包括下列類別：

就貿易應收款項而言，本集團已應用香港財務報告準則第9號之簡化法用於計量按整個存續期的預期信貸虧損的虧損撥備。除賬面總值約18,516,000港元(二零一九年：約18,516,000港元)之貿易應收款項出現信貸減值外，本集團透過使用撥備矩陣釐定該等項目之預期信貸虧損，根據債務人的過往違約經驗及過往信貸虧損經驗、債務人經營所在行業的一般經濟狀況及對於報告期末目前及預期狀況的評估估計。為計量預期信貸虧損，貿易應收款項已根據共享信貸風險特徵分類(包括高風險、一般風險及低風險類型)。就此而言，董事認為本集團之信貸風險已大幅降低，且並無確認減值撥備。

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37. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessments (continued)

For deposits paid and other receivables, the management makes periodic individual assessment on the recoverability of deposits and other receivables based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information.

Based on ECL assessment, the credit exposures for deposits paid and other receivables and amounts due from related companies and directors are considered as performing under the Group's current credit risk grading framework because the counterparties have a low risk of default and does not have material past-due amounts. During the year ended 31 December 2020, impairment loss of approximately HK\$35,946,000 (2019: approximately HK\$9,149,000) was recognised.

The Group sets different categories for customers settling with bills according to internal credit rating assessment. The Group does not accept bills from customers with low credit rating.

Bank balances

The credit risks on bank balances are limited because the counterparties are banks with high credit ratings assigned by credit-rating agencies.

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

37. 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

就已付按金及其他應收款項而言，管理層根據過往結算記錄、過往經驗以及屬合理及有理據支持之前瞻性資料之定量及定性資料，定期對按金及其他應收款項之可收回性進行個別評估。

根據預期信貸虧損評估，已付按金及其他應收款項以及應收關連公司及董事款項面臨之信貸風險，以本集團流動信貸風險評級框架釐定，因為交易對手違約風險低及無重大過期金額。於截至二零二零年十二月三十一日止年度，已確認虧損約35,946,000港元(二零一九年：約9,149,000港元)。

本集團根據內部信用等級的評定，對客戶的票據結算設置不同類別。本集團不接受信用等級較低的客戶的票據。

銀行結餘

銀行結餘之信貸風險有限，因為對手方為具有由信貸評級機構指定高信貸評級之銀行。

流動資金風險

管理流動資金風險時，本集團監察及維持管理層認為足夠之現金及現金等價物水平，以撥付本集團業務所需及減低現金流量波動之影響。

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37. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Liquidity risk (continued)

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

37. 金融工具(續)

(b) 財務風險管理目標及政策(續)

流動資金風險(續)

下表按協定還款期詳列本集團非衍生金融負債餘下合約到期情況。該表根據本集團最早可被要求付款日期按金融負債之未貼現現金流量編製。表中包括利息及本金現金流量。

		Within 1 year or on demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total undiscounted cash flows 未貼現 現金流量 總額	Carrying amount as at 31 December 於十二月 三十一日 之賬面值
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
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	1,798	-	-	-	1,798	1,798
Other payables	其他應付款項	587,640	-	422,112	-	1,009,752	1,009,752
Amount due to a director	應付一名董事款項	13,108	-	-	-	13,108	13,108
Other borrowings	其他借貸	313,621	-	-	-	313,621	313,621
Amounts due to related companies	應付關連公司款項	-	-	125,891	-	125,891	125,891
Amounts due to non-controlling interests	應付非控股權益款項	5,869,363	-	-	-	5,869,363	5,572,551
Liabilities components of convertible loan notes	可換股貸款票據之 負債部分	-	-	395,000	-	395,000	310,059
Lease liabilities	租賃負債	12,175	38,451	6,508	15,439	72,573	59,350
		6,797,705	38,451	949,511	15,439	7,801,106	7,406,130
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	1,796	-	-	-	1,796	1,796
Other payables	其他應付款項	517,933	-	508,478	-	1,026,411	1,026,411
Amount due to a director	應付一名董事款項	13,108	-	-	-	13,108	13,108
Other borrowings	其他借貸	23,429	-	-	-	23,429	23,202
Amounts due to related companies	應付關連公司款項	-	-	159,576	-	159,576	159,576
Amounts due to non-controlling interests	應付非控股權益款項	1,137,375	4,076,692	-	-	5,214,067	4,933,674
Liabilities components of convertible loan notes	可換股貸款票據之 負債部分	730,229	-	-	-	730,229	660,722
Lease liabilities	租賃負債	11,315	8,443	8,136	16,462	44,356	29,034
		2,435,185	4,085,135	676,190	16,462	7,212,972	6,847,523

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37. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Fair value

Except for disclosed as below, the Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost approximate to their fair values:

37. 金融工具(續)

(b) 財務風險管理目標及政策(續)

公平值

除下文所披露者外，董事認為，按攤銷成本入賬之金融資產及金融負債之賬面值與其公平值相若：

		2020 二零二零年		2019 二零一九年	
		Carrying amount 賬面值 HK\$'000 千港元	Fair value 公平值 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元	Fair value 公平值 HK\$'000 千港元
Liabilities component of convertible loan notes	可換股貸款票據之 負債部分	310,059	326,353	660,722	662,852

The fair value of liabilities component of convertible loan notes is classified as level 3 category in fair value hierarchy which have been determined in accordance with effective interest method with the most significant inputs being the effective interest rate.

可換股貸款票據之負債部分之公平值分類為公平值層級之第三層，乃根據實際利率法釐定，而最重要之輸入數據為實際利率。

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37. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Fair value (Continued)

Derivative component of convertible loan notes

The fair value of the derivative component of convertible loan notes is determined by the inputs to Black-Scholes model with trinomial tree method including spot price, risk-free rate, expected option period and expected volatility. Please refer to Note 26 for the details of the inputs.

Fair value measurements recognised in the consolidated statement of financial position

The following table presents financial instruments measured at fair value at the end of the reporting period on a recurring basis in accordance with the fair value hierarchy. The hierarchy groups financial assets and liabilities into three levels based on the relative reliability of significant inputs used in measuring the fair value of these financial instruments. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities that the entity can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

37. 金融工具(續)

(b) 財務風險管理目標及政策(續)

公平值(續)

可換股貸款票據之衍生工具部分

可換股貸款票據之衍生工具部分之公平值使用布萊克 - 肖爾斯期權定價模型及三項式樹狀定價法之輸入數據(包括現貨價、無風險利率、預期期權期限及預期波幅)釐定。有關輸入數據之詳情請參閱附註26。

於綜合財務狀況表確認之公平值計量

下表呈列於報告期末根據公平值架構按經常性基準以公平值計量之金融工具。此架構根據計量此等金融工具之公平值所使用之主要輸入數據之相對可靠性，將金融資產及負債劃分為三層。公平值架構分為以下層級：

- 第一層：實體於計量日期可取得之相同資產及負債於活躍市場之報價(未經調整)；
- 第二層：除第一層包括之報價外，資產或負債之直接(即價格)或間接(即自價格衍生)可觀察輸入數據；及
- 第三層：並非建基於可觀察市場數據之資產或負債輸入數據(不可觀察輸入數據)。

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37. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Fair value (continued)

Fair value measurements recognised in the consolidated statement of financial position (continued)

The level in fair value hierarchy within which the financial instruments is categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement.

The Group's policy is to recognise transfers into and out of fair value hierarchy levels at the end of the date of the events or change in circumstances that caused the transfer.

There were no transfers among level 1, 2 and 3 in the current and prior year.

As at 31 December 2020 and 2019, the only financial instruments measured at fair value was the derivative component of convertible loan notes which belongs to level 3 financial instruments.

37. 金融工具(續)

(b) 財務風險管理目標及政策(續)

公平值(續)

於綜合財務狀況表確認之公平值計量(續)

金融工具整體所在公平值架構內之層級乃基於對公平值計量具有重大意義之最低層次輸入數據。

本集團之政策是於導致轉撥之事件或情況變動發生當日結束時確認公平值層級之轉入及轉出。

於本年度及過往年度，第一、二及三層之間並無轉移。

於二零二零年及二零一九年十二月三十一日，唯一按公平值計量之金融工具為可換股貸款票據之衍生工具部分，屬於第三層金融工具。

Financial instrument 金融工具	Fair value as at 於下列日期之公平值		Fair value hierarchy 公平值架構	Valuation techniques and significant key or unobservable inputs 估值技術及主要關鍵或不可觀察輸入數據	
Derivative component of convertible loan notes 可換股貸款票據之 衍生工具部分	31/12/2020	31/12/2019			
	二零二零年 十二月三十一日	二零一九年 十二月三十一日			
	HK\$'000 千港元	HK\$'000 千港元			
- Financial liabilities - 金融負債	-	(850)	Level 3 第三層	Valuation technique: 估值技術: Key observable inputs: 關鍵可觀察輸入數據:	Black-Scholes model with trinomial tree method 布萊克-肖爾斯期權定價模型及三項式樹狀定價法
				Risk-free rate (without extension) 無風險利率(不獲延長)	2019: 1.93%-1.96% 二零一九年: 1.93%至1.96%
				Risk-free rate (with extension) 無風險利率(獲延長)	2019: 1.66% 二零一九年: 1.66%
				Spot price 現貨價	2019: HK\$0.027 二零一九年: 0.027港元
				Volatility 波幅	2019: 37.58%-42.21% (Note i) 二零一九年: 37.58%至42.21%(附註i)
- Financial assets - 金融資產	-	28,719	Level 3 第三層		

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37. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Fair value (continued)

Fair value measurements recognised in the consolidated statement of financial position (continued)

Note:

- i) An increase in the volatility used in isolation would result in an increase in the fair value measurement of the derivative component of convertible loan notes classified as financial liabilities and financial assets, and vice versa. A 10% increase or decrease in the volatility with all other variables constant, the fair value of derivative component of convertible loan notes classified as financial liabilities and financial assets as at 31 December 2020 and 2019 would not have material change.

Please refer to Note 26 for the reconciliation of Level 3 fair value measurements.

Valuation process

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The appropriate valuation techniques and inputs for the fair value measurements are determined by the Directors and the independent qualified valuer.

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 qualified valuer to perform the valuation. The Directors work closely with the independent qualified valuer to establish the appropriate valuation techniques and inputs to the model. The Directors will review the cause of fluctuations in fair value of the assets and liabilities semi-annually.

37. 金融工具(續)

(b) 財務風險管理目標及政策(續)

公平值(續)

於綜合財務狀況表確認之公平值計量(續)

附註：

- i) 僅所使用之波幅增加將會導致分類為金融負債及金融資產之可換股貸款票據衍生工具部分之公平值計量增加，反之亦然。如波幅增加或減少10%，而所有其他變數維持不變，於二零二零年及二零一九年十二月三十一日分類為金融負債及金融資產之可換股貸款票據衍生工具部分之公平值不會出現重大變動。

有關第三層公平值計量之對賬，請參閱附註26。

估值過程

本集團部分資產及負債就財務申報而按公平值計量。公平值計量使用之適當估值技術及輸入數據由董事及獨立合資格估值師釐定。

於估計資產或負債之公平值時，本集團使用可獲得之市場可觀察數據。倘無法取得第一層輸入數據，本集團會委聘獨立合資格估值師進行估值。董事與獨立合資格估值師緊密合作，確立模型使用之適當估值技術及輸入數據。董事將每半年檢視資產及負債公平值波動之因由。

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38. INVESTMENTS IN SUBSIDIARIES

The following table lists the subsidiaries of the Company which, in the opinion of the Directors, principally affected the results of the year or assets of the Group. To give details of the other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

38. 於附屬公司之投資

下表列出董事認為主要影響本集團年度業績或資產之本公司附屬公司。董事認為如列出其他附屬公司之詳情會導致內容過份冗長。

Company	Place /country of incorporation and kind of legal entity 註冊成立地點／國家及法人實體類別	Particulars of paid-up share/ registered capital 實繳股份／註冊資本之詳情	Class of shares held 所持股份類別	Proportion of ownership interest 擁有權益比例		Proportion of voting power held by the Company 本公司所持投票權比例		Principal activities 主要業務
				2020 二零二零年 %	2019 二零一九年 %	2020 二零二零年 %	2019 二零一九年 %	
Held directly: 直接持有：								
Guang Cheng Group Limited 廣城集團有限公司	BVI ¹ 英屬處女群島	US\$1 1美元	Ordinary 普通	100	100	100	100	Investment holding 投資控股
Sanmu Investment Holdings Limited 三木投資控股有限公司	BVI ¹ 英屬處女群島	US\$1 1美元	Ordinary 普通	100	100	100	100	Investment holding 投資控股
Technology Venture Investments Limited	BVI ¹ 英屬處女群島	US\$1,000 1,000美元	Ordinary 普通	-	100	-	100	Disposed in 2020 (2019: Investment holding) 於二零二零年出售 (二零一九年：投資控股)
Held indirectly: 間接持有：								
Billion Zone Development Limited 兆維發展有限公司	Hong Kong ¹ 香港	HK\$10,000 10,000港元	Ordinary 普通	100	100	100	100	Investment holding 投資控股
Hong Kong OEPC Limited 香港國際能源中心有限公司	Hong Kong ¹ 香港	HK\$2 2港元	Ordinary 普通	100	100	100	100	Investment holding 投資控股
North Asia Financial Investment Holdings Limited 北亞金融投資控股有限公司	Hong Kong ¹ 香港	HK\$1 1港元	Ordinary 普通	100	100	100	100	Investment holding 投資控股
Lexing Holdings Limited 樂興控股有限公司	BVI ¹ 英屬處女群島	US\$1 1美元	Ordinary 普通	100	100	100	100	Investment holding 投資控股
Sky Rainbow Ventures Limited 天虹創投有限公司	BVI ¹ 英屬處女群島	US\$1 1美元	Ordinary 普通	100	100	100	100	Investment holding 投資控股
Technology Venture (Software) Holdings Limited	BVI ¹ 英屬處女群島	US\$1,000 1,000美元	Ordinary 普通	-	100	-	100	Disposed in 2020 (2019: Investment holding) 於二零二零年出售 (二零一九年：投資控股)
Parkson Global Investments Limited 百盛環球投資有限公司	Samoa ¹ 薩摩亞	US\$1 1美元	Ordinary 普通	100	100	100	100	Investment holding 投資控股

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38. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

38. 於附屬公司之投資(續)

Company	Place /country of incorporation and kind of legal entity 註冊成立地點 /國家及法人 實體類別	Particulars of paid-up share/ registered capital 實繳股份/註冊 資本之詳情	Class of shares held 所持股份類別	Proportion of ownership interest 擁有權益比例		Proportion of voting power held by the Company 本公司所持投票權比例		Principal activities 主要業務
				2020 二零二零年 %	2019 二零一九年 %	2020 二零二零年 %	2019 二零一九年 %	
Held indirectly: (continued) 間接持有：(續)								
Seasonal Global Investment Co., Ltd.	Cambodia ² 柬埔寨	US\$10,000,000 10,000,000美元	Registered Capital 註冊資本	100	100	100	100	Cultivation and processing of cassava starch for sale 種植及加工木薯澱粉以供銷售
Bolong* 鉅龍*	PRC ¹ 中國	RMB23,924,200 人民幣23,924,200	Registered Capital 註冊資本	49	49	56	56	Coal mine development 煤礦開發
Fuchang* 福昌*	PRC ¹ 中國	RMB2,000,000 人民幣2,000,000	Registered Capital 註冊資本	34	34	56	56	Coal mining and sales of coking coal and other coal products 煤炭開採以及銷售焦煤及 其他煤炭產品
Jiangxi Jin Chuang Information Technology Limited ^d 江西金創信息技術有限公司	PRC ¹ 中國	RMB2,000,000 人民幣2,000,000	Registered Capital 註冊資本	100	100	100	100	IT service, system integration 資訊科技服務、系統集成
Jiangxi Hengchuang Energy Investments Co., Ltd ^d 江西恒普威能源投資有限公司	PRC ¹ 中國	RMB60,300,000 人民幣60,300,000	Registered Capital 註冊資本	100	100	100	100	Coal trading and new energy development 煤炭貿易及新能源開發
Jinxin* 金鑫*	PRC ¹ 中國	RMB50,080,000 人民幣50,080,000	Registered Capital 註冊資本	49	49	56	56	Coal mining and sales of coking coal and other coal products 煤炭開採以及銷售焦煤及 其他煤炭產品
Liaoyuan* 遼源*	PRC ¹ 中國	RMB2,000,000 人民幣2,000,000	Registered Capital 註冊資本	49	49	56	56	Coal mining and sales of coking coal and other coal products 煤炭開採以及銷售焦煤及 其他煤炭產品
Shanxi Changtong Energy Share Co., Ltd ^d 山西昌通能源股份有限公司	PRC ³ 中國	RMB100,000,000 人民幣100,000,000	Registered Capital 註冊資本	100	100	100	100	Energy development and equipment trading 能源開發及設備貿易

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38. INVESTMENTS IN SUBSIDIARIES (CONTINUED) 38. 於附屬公司之投資(續)

Company	Place /country of incorporation and kind of legal entity 註冊成立地點 /國家及法人 實體類別	Particulars of paid-up share/ registered capital 實繳股份/註冊 資本之詳情	Class of shares held 所持股份類別	Proportion of ownership interest		Proportion of voting power held by the Company		Principal activities
				2020 二零二零年 %	2019 二零一九年 %	2020 二零二零年 %	2019 二零一九年 %	主要業務
Held indirectly: (continued) 間接持有：(續)								
Shanxi Coal* 山西煤炭*	PRC ¹ 中國	RMB370,000,000 人民幣370,000,000	Registered Capital 註冊資本	49	49	56	56	Coal operating and trading 煤炭業務及貿易
Shanxi Green Leader Corporate Management Consultancy Limited [#] 山西綠領企業管理諮詢有限公司	PRC ¹ 中國	RMB10,000,000 人民幣10,000,000	Registered Capital 註冊資本	100	100	100	100	IT service, system integration, sales of equipments and services 資訊科技服務、系統集成、銷售 設備及服務
Shanxi Ruiying Investment and Management Co., Ltd [#] 山西瑞盈投資管理有限公司	PRC ¹ 中國	RMB10,000,000 人民幣10,000,000	Registered Capital 註冊資本	100	100	100	100	Investment holding 投資控股
Taiyuan Zhituo Investment Consultant Co., Ltd [#] 太原市智拓投資顧問有限公司	PRC ¹ 中國	RMB1,100,000 人民幣1,100,000	Registered Capital 註冊資本	100	100	100	100	Investment holding 投資控股
Xinfeng* 鑫峰*	PRC ¹ 中國	RMB62,000,000 人民幣62,000,000	Registered Capital 註冊資本	49	49	56	56	Coal mine development 煤礦開發

[#] English name is for identification purpose only

[#] 英文名稱僅供識別

* Although the Group only held 49% of equity in interest in Shanxi Coal, Jinxin, Bolong, Liaoyuan, Xinfeng and 34% equity in Fuchang, the Directors concluded that the Group has control over these companies on the basis as set out in Note 5.

* 儘管本集團僅持有山西煤炭、金鑫、鉑龍、遼源及鑫峰之49%股權以及福昌之34%股權，惟董事認為，按照附註5所載基準，本集團擁有該等公司之控制權。

¹ Limited liability company

¹ 有限責任公司

² Private limited company

² 私人有限公司

³ Corporation

³ 股份有限公司

None of the subsidiaries had any debt securities outstanding as at the end of the year or at any time during both years ended 31 December 2020 and 2019.

概無附屬公司擁有任何於年結日或於截至二零二零年及二零一九年十二月三十一日止兩個年度任何時間尚未償還之債務證券。

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38. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Except disclosed below, the Directors consider that the Group's non-controlling interests were insignificant to the Group and thus are not separately presented in these consolidated financial statements for both years. Thus, no separate financial information of these non-wholly owned subsidiary is required to be presented.

The table below shows details of non-wholly-owned subsidiaries of the Group that have material non-controlling interests:

38. 於附屬公司之投資(續)

除下文所披露者外，董事認為本集團之非控股權益對本集團而言並不重大，故並無於該兩個年度之綜合財務報表中單獨呈列。因此，毋須單獨呈列該等非全資附屬公司之財務資料。

下表呈列存在重大非控股權益之本集團非全資附屬公司詳情：

Name of the subsidiary	Country of incorporation and principal country of business	Proportion of ownership interest held by non-controlling interests 非控股權益持有之擁有權權益比例	Voting power held by the non-controlling interests 非控股權益持有之投票權
附屬公司名稱	註冊成立地點／國家及 主要營業地點／國家		
2020			
二零二零年			
Shanxi Coal and its subsidiaries 山西煤炭及其附屬公司	PRC 中國	51%	44%
2019			
二零一九年			
Shanxi Coal and its subsidiaries 山西煤炭及其附屬公司	PRC 中國	51%	44%

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38. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Summarised financial information in respect of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intra-group eliminations.

38. 於附屬公司之投資(續)

本集團具有重大非控股權益之附屬公司之財務資料概要呈列如下。下述之財務資料概要為集團內抵銷前金額。

Shanxi Coal and its subsidiaries

山西煤炭及其附屬公司

		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	195,537	141,952
Non-current assets	非流動資產	6,795,861	6,992,696
Current liabilities	流動負債	(5,520,113)	(1,331,040)
Non-current liabilities	非流動負債	(1,612,069)	(5,533,232)
		(140,784)	270,376
Capital deficiencies attributable to owners of the Company	本公司擁有人應佔資本虧絀	(1,337,700)	(1,282,024)
Non-controlling interests	非控股權益	1,196,916	1,552,400
		(140,784)	270,376
Revenue	收入	1,303,796	944,056
Expenses	開支	(1,674,377)	(1,598,943)
Impairment loss in respect of property, plant and equipment and mining rights, net	有關物業、廠房及設備以及採礦權之減值虧損，淨額	(291,229)	(496,351)
Loss for the year	年度虧損	(400,307)	(896,856)
Loss attributable to owners of the Company	本公司擁有人應佔虧損	(52,211)	(387,815)
Loss attributable to non-controlling interests	非控股權益應佔虧損	(348,096)	(509,041)
Loss for the year	年度虧損	(400,307)	(896,856)
Other comprehensive expense attributable to owners of the Company	本公司擁有人應佔其他全面開支	(3,464)	(1,368)
Other comprehensive expense attributable to non-controlling interests	非控股權益應佔其他全面開支	(7,388)	(4,199)
Other comprehensive expense for the year	年度其他全面開支	(10,852)	(5,567)
Total comprehensive expense attributable to owners of the Company	本公司擁有人應佔全面開支總額	(55,675)	(389,183)
Total comprehensive expense attributable to non-controlling interests	非控股權益應佔全面開支總額	(355,484)	(513,240)
Total comprehensive expense for the year	年度全面開支總額	(411,159)	(902,423)
Net cash inflow from operating activities	經營活動現金流入淨額	587,470	277,648
Net cash outflow from investing activities	投資活動現金流出淨額	(317,233)	(139,594)
Net cash inflow/outflow from financing activities	融資活動現金流入／流出淨額	(29,416)	(98,622)
Net cash inflow	現金流入淨額	240,821	39,432

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39. LEASE LIABILITIES

39. 租賃負債

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Lease liabilities:	租賃負債：		
Within 1 year	一年內	10,327	8,548
Between 1 year – 2 years	一至兩年	36,897	6,866
Between 2 years – 5 years	兩至五年	3,215	4,562
Over 5 years	五年以上	8,911	9,058
		59,350	29,034
Less: Amount due for settlement with 12 months shown under current liabilities	減：流動負債項下所示於12個月 內到期結算之款項	(10,327)	(8,548)
Amount due for settlement after 12 months shown under non-current liabilities	非流動負債項下所示 於12個月後到期結算之款項	49,023	20,486

The weighted average incremental borrowing rates applied to lease liabilities was 12% (2019: 12%).

應用於租賃負債之加權平均增量借款利率為12%(二零一九年：12%)。

40. MAJOR NON-CASH TRANSACTIONS

- (a) During the year ended 31 December 2019, the Group disposed of certain subsidiaries in an aggregate consideration of US\$8,100,000 (equivalent to approximately HK\$63,180,000) as set out in Note 31 to the consolidated financial statements, of which US\$1,600,000 (equivalent to approximately HK\$12,480,000) was offset with other borrowings due to the Purchaser A.
- (b) On 13 May 2020, the Company completed to issue and allot 1,264,148,900 new shares to certain subscribers with the subscription price ranging from HK\$0.019 to HK\$0.021. The gross proceeds of approximately HK\$21,581,000 was used to settle the outstanding indebtedness due to them by the Group.

40. 主要非現金交易

- (a) 於截至二零一九年十二月三十一日止年度，本集團出售若干附屬公司，總代價為8,100,000美元（相等於約63,180,000港元），誠如綜合財務報表附註31所載，而其中1,600,000美元（相等於約12,480,000港元）與應付買方A的其他借貸相抵銷。
- (b) 於二零二零年五月十三日，本公司完成向若干認購人發行及配發1,264,148,900股新股份，認購價介乎0.019港元至0.021港元。所得款項總額約21,581,000港元已用於償還本集團結欠若干認購人之未償還債務。

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40. MAJOR NON-CASH TRANSACTIONS (CONTINUED)

- (c) On 21 October 2020, the Company completely to issue 2020 Convertible Loan Notes A and 2020 Convertible Loan Notes B with the amounts of HK\$380,000,000 and HK\$15,000,000 to settle the outstanding principal of the 2018 Convertible Loan Notes A and the 2018 Convertible Loan Notes B respectively.

40. 主要非現金交易(續)

- (c) 於二零二零年十月二十一日，本公司完成發行金額為380,000,000港元及15,000,000港元之A類二零二零年可換股貸款票據及B類二零二零年可換股貸款票據，以分別償付A類二零一八年可換股貸款票據及B類二零一八年可換股貸款票據之未償還本金額。

41. CHARGES ON ASSETS

As at 31 December 2020 and 2019, certain assets were pledged to secure the 2017 Convertible Loan Notes, including (i) share charges of entire issued share capital of certain Company's subsidiaries; (ii) charges on account receivables from one of the Group's debtors with nil balance with such debtor as at 31 December 2020 (2019: Nil); and (iii) land charges over certain lands located in Cambodia that to be acquired by the Group.

41. 資產抵押

於二零二零年及二零一九年十二月三十一日，若干資產已予質押以作為二零一七年可換股貸款票據之擔保，包括(i)本公司若干附屬公司之全部已發行股本之股份押記；(ii)來自本集團其中一名債務人之應收賬款之押記，於二零二零年十二月三十一日概無與有關債務人的結餘(二零一九年：無)；及(iii)本集團將予收購位於柬埔寨之若干土地之土地押記。

42. EVENTS AFTER REPORTING PERIOD

On 1 February 2021, the Company announced a proposed capital reorganisation by (i) a reduction of issued share capital of the Company through a cancellation of the paid-up capital of the Company to the extent of HK\$0.199 on each of the issued existing shares so that the nominal value of each issued share will be reduced from HK\$0.20 to HK\$0.001; (ii) a subdivision of each authorised but unissued Existing Share of HK\$0.20 into two hundred (200) New Shares of HK\$0.001 each; and (iii) a transfer of the credit arising from the capital reduction to the contributed surplus account of the Company.

On 26 February 2021, the Company announced the proposed share premium cancellation by way of cancellation of the credit of share premium and transferred to the contributed surplus.

42. 報告期後事項

於二零二一年二月一日，本公司宣佈建議股本重組，方式為(i)削減本公司之已發行股本，透過註銷本公司每股已發行現有股份之繳足股本0.199港元，將使每股已發行股份之面值由0.20港元削減至0.001港元；(ii)將每股面值0.20港元之法定但未發行現有股份拆細為二百(200)股每股面值0.001港元之新股份；及(iii)將削減股本產生之進賬轉撥至本公司之繳入盈餘賬。

於二零二一年二月二十六日，本公司宣佈建議註銷股份溢價，方法是註銷股份溢價，並轉撥至盈餘賬。



Green Leader Holdings Group Limited
綠領控股集團有限公司

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

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