

# Millennium Pacific

GROUP HOLDINGS LIMITED

匯思太平洋集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 8147

# 2019

ANNUAL REPORT  
年度報告



## **CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

**GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.**

**Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.**

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This report, for which the directors (the “Directors”) of Millennium Pacific Group Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

### **香港聯合交易所有限公司(「聯交所」) GEM 之特色**

**GEM 的定位，乃為中小型公司提供一個上市的市場，此等公司相比起其他在聯交所上市的公司帶有較高投資風險。有意投資的人士應了解投資於該等公司的潛在風險，並應經過審慎周詳的考慮後方作出投資決定。**

**由於 GEM 上市公司普遍為中小型公司，在 GEM 買賣的證券可能會較於聯交所主板買賣之證券承受較大的市場波動風險，同時無法保證在 GEM 買賣的證券會有高流通量的市場。**

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本報告乃遵照聯交所 GEM 證券上市規則(「GEM 上市規則」)之規定提供有關匯思太平洋集團控股有限公司(「本公司」)的資料。本公司各董事(「董事」)共同及個別對本報告承擔全部責任。董事於作出一切合理查詢後確認，就彼等所深知及確信，本報告所載資料在各重大方面均屬準確及完整，且並無誤導或欺詐成分，亦無遺漏任何其他事項，致使本報告內任何聲明或本報告有所誤導。

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# Corporate Information

## 公司資料

### REGISTERED OFFICE

Clifton House  
75 Fort Street  
P.O. Box 1350  
Grand Cayman  
KY1-1108  
Cayman Islands

### HEADQUARTERS IN PRC

4/F., Building C,  
101 Kongwei Guangchang,  
No. 52, Gongye Nang Road,  
Xinhe Community, Fuhai Street,  
Baoan District,  
Shenzhen, Guangdong Province  
PRC

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 5, 4/F, Energy Plaza  
No. 92 Granville Road  
Tsim Sha Tsui East, Kowloon  
Hong Kong

### EXECUTIVE DIRECTORS

Mr. Tang Wai Ting, Samson (resigned on 25 March 2019)  
Mr. Liu Liang (resigned on 28 June 2019)  
Mr. Wang Li  
Mr. Wu Yong Fu (appointed on 16 April 2019)  
Mr. Zhou Chuang Qiang (appointed on 4 June 2019)

### NON-EXECUTIVE DIRECTORS

Mr. Wu Jin Sheng (resigned on 3 June 2019)  
Mr. Chong Yu Keung

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Huang Jian  
Mr. Zheng Wan Zhang  
Mr. Wong Tik Tung

### AUTHORISED REPRESENTATIVES

Ms. Ngan Wai Kam, Sharon  
Mr. Liu Liang (resigned on 28 June 2019)  
Mr. Zhou Chuang Qiang (appointed on 28 June 2019)

### COMPANY SECRETARY

Ms. Ngan Wai Kam, Sharon

### COMPLIANCE OFFICER

Mr. Tang Wai Ting, Samson (resigned on 25 March 2019)  
Mr. Zhou Chuang Qiang (appointed on 28 June 2019)  
Mr. Liu Liang (resigned on 28 June 2019)

### 註冊辦事處

Clifton House  
75 Fort Street  
P.O. Box 1350  
Grand Cayman  
KY1-1108  
Cayman Islands

### 中國總部

中國  
廣東省深圳市  
寶安區  
福海街道新和社區  
工業南路52號  
101康威廣場  
C棟4樓

### 香港主要營業地點

香港  
九龍尖沙咀東  
加連威老道92號  
幸福中心4樓5室

### 執行董事

鄧偉廷先生(於二零一九年三月二十五日辭任)  
劉亮先生(於二零一九年六月二十八日辭任)  
王歷先生  
吳永富先生(於二零一九年四月十六日獲委任)  
周創強先生(於二零一九年六月四日獲委任)

### 非執行董事

吳晉生先生(於二零一九年六月三日辭任)  
莊儒強先生

### 獨立非執行董事

黃健先生  
鄭玩樟先生  
汪滌東先生

### 授權代表

顏慧金女士  
劉亮先生(於二零一九年六月二十八日辭任)  
周創強先生(於二零一九年六月二十八日獲委任)

### 公司秘書

顏慧金女士

### 合規主任

鄧偉廷先生(於二零一九年三月二十五日辭任)  
周創強先生(於二零一九年六月二十八日獲委任)  
劉亮先生(於二零一九年六月二十八日辭任)

# Corporate Information

## 公司資料

### AUDIT COMMITTEE

Mr. Huang Jian (*Committee Chairman*)  
Mr. Zheng Wan Zhang  
Mr. Wong Tik Tung

### NOMINATION COMMITTEE

Mr. Wu Jin Sheng (resigned on 3 June 2019)  
Mr. Huang Jian  
Mr. Wong Tik Tung  
Mr. Zheng Wan Zhang (*Committee Chairman*) (appointed on 3 June 2019)

### REMUNERATION COMMITTEE

Mr. Wong Tik Tung (*Committee Chairman*)  
Mr. Liu Liang (resigned on 28 June 2019)  
Mr. Zheng Wan Zhang  
Mr. Zhou Chuang Qiang (appointed on 28 June 2019)

### COMPLIANCE COMMITTEE

Mr. Wong Tik Tung (*Committee Chairman*)  
Mr. Liu Liang (resigned on 28 June 2019)  
Mr. Huang Jian  
Mr. Zhou Chuang Qiang (appointed on 28 June 2019)

### LEGAL ADVISER

Louis K.Y. Pau & Company, Solicitors

### AUDITOR

McMillan Woods (Hong Kong) CPA Limited  
3rd floor, Winbase Centre,  
208 Queen's Road Central,  
Hong Kong

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Ocorian Trust (Cayman) Limited

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited

### PRINCIPAL BANKER

The Hongkong and Shanghai Banking Corporation Limited

### CORPORATE WEBSITE

[www.mpgroup.hk](http://www.mpgroup.hk)

### STOCK CODE

8147

### 審核委員會

黃健先生(委員會主席)  
鄭玩樟先生  
汪滌東先生

### 提名委員會

吳晉生先生(於二零一九年六月三日辭任)  
黃健先生  
汪滌東先生  
鄭玩樟先生(委員會主席)(於二零一九年六月三日獲委任)

### 薪酬委員會

汪滌東先生(委員會主席)  
劉亮先生(於二零一九年六月二十八日辭任)  
鄭玩樟先生  
周創強先生(於二零一九年六月二十八日獲委任)

### 合規委員會

汪滌東先生(委員會主席)  
劉亮先生(於二零一九年六月二十八日辭任)  
黃健先生  
周創強先生(於二零一九年六月二十八日獲委任)

### 法律顧問

包建原律師事務所

### 核數師

長青(香港)會計師事務所有限公司  
香港  
皇后大道中208號  
勝基中心3樓

### 開曼群島主要股份過戶登記處

Ocorian Trust (Cayman) Limited

### 香港股份過戶登記分處

卓佳證券登記有限公司

### 主要往來銀行

香港上海滙豐銀行有限公司

### 公司網站

[www.mpgroup.hk](http://www.mpgroup.hk)

### 股份代號

8147

# Management Discussion and Analysis

## 管理層討論及分析

### OVERVIEW

The Group is principally engaged in the research and development, manufacture and sale of consumer electronic products, such as fitness bracelets, GPS personal navigation devices, mobile internet devices, TV set-top boxes and provision of application software development services (the “Principal Business”). The Group provides one-stop services to our customers by offering design, prototyping/sampling, manufacturing, assembling and packaging of their products. The revenue of the Group for the year ended 31 December 2019 (the “Reporting Period”) was approximately HK\$301.2 million, representing an increase of approximately 289.1% from approximately HK\$77.4 million for the year ended 31 December 2018 (the “Corresponding Period”). The increase in revenue was mainly due to the effect of (1) increase of sales of manufactured products by approximately HK\$2.0 million, or 9.0% and (2) increase of sales on trading of electronic products, accessories and raw materials by approximately HK\$224.3 million, or 456.3%, compared to that of the Corresponding Period. The increase in revenue outweighs the decline of provision of application software development services by approximately HK\$2.4 million, or 38.2% as compared to that of the Corresponding Period.

### Revenue

The following table sets forth the breakdowns of the turnover of the Group for each of the years ended 31 December 2018 and 2019:

### 概覽

本集團主要從事研發、製造及銷售消費電子產品，例如健身手環、GPS個人導航設備、行動連網裝置、電視機頂盒及提供應用軟件開發服務（「主要業務」）。本集團通過提供設計、原型機製造／樣機製造、製造、裝配及包裝產品而向客戶提供一站式服務。本集團於截至二零一九年十二月三十一日止年度（「報告期間」）的收益約為301.2百萬港元，較截至二零一八年十二月三十一日止年度（「同期」）約77.4百萬港元增加約289.1%。收益增加乃主要由於以下項目的影響：(1)製成產品銷售額較同期增加約2.0百萬港元或9.0%；及(2)電子產品、配件及原材料貿易銷售額較同期增加約224.3百萬港元或456.3%。收益增加超出提供應用軟件開發服務較同期下滑之數額，即約2.4百萬港元或38.2%。

### 收益

下表載列本集團截至二零一八年及二零一九年十二月三十一日止年度各年之營業額明細：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<i>Products transferred at a point in time:</i>	<i>於某個時間點轉移產品：</i>		
Sales of manufactured products	銷售製成產品	23,865	21,890
Sales on trading of electronic products, accessories and raw materials	電子產品、配件及原材料貿易銷售	273,400	49,150
		297,265	71,040
<i>Services transferred over time:</i>	<i>隨時間轉移服務：</i>		
Provision of application software development services	提供應用軟件開發服務	3,949	6,393
		301,214	77,433



# Management Discussion and Analysis

## 管理層討論及分析

### Cost of Sales and Gross Profit

The majority of the Group's cost of sales was costs of merchandises and raw materials. The Group's cost of sales during the Reporting Period increased by 331.0% to approximately HK\$289.9 million compared to the Corresponding Period which was driven by the increase in revenue.

The gross profit margin of the Group decreased from approximately 13.2% for the Corresponding Period to approximately 3.8% for the Reporting Period. However, the gross profit had slightly increased by 11.2% to approximately HK\$11.3 million compared to the Corresponding Period due to the increase in revenue. The decrease in gross profit margin was mainly attributable to the significant increase in the revenue proportion from sales on trading of electronic products with lower gross profit.

### Expenses

Staff costs for the Reporting Period was approximately HK\$15.2 million (2018: approximately HK\$27.3 million), representing a decrease of approximately HK\$12.1 million as compared with the Corresponding Period, which was mainly due to the decrease of recognition of share-based payments and decrease in headcount during the Reporting Period.

Administrative expenses for the Reporting Period was approximately HK\$28.9 million (2018: approximately HK\$46.8 million), representing a decrease of approximately HK\$17.9 million as compared with the Corresponding Period, mainly due to the decrease of recognition of share-based payments and occupancy-related expenses during the Reporting Period.

### Taxes

The income tax expense comprised Hong Kong Profits Tax and PRC EIT.

The tax rate applicable to the Group's Hong Kong subsidiaries was 16.5% (2018: 16.5%) during the year.

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "**Bill**") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

### 銷售成本及毛利

本集團銷售成本主要為商品及原材料成本。於報告期間，本集團銷售成本較同期增加331.0%至約289.9百萬港元，乃受收益增加驅動。

本集團毛利率由同期約13.2%減少至報告期間約3.8%，毛利則由於收益增加而由同期小幅增加11.2%至報告期間約11.3百萬港元。毛利率減少主要由於來自毛利較低的電子產品貿易的銷售收益額佔比大幅增加。

### 開支

報告期內的員工成本約為15.2百萬港元（二零一八年：約27.3百萬港元），較同期減少約12.1百萬港元，主要是由於報告期間以股份為基礎的付款及員工均減少。

報告期內的行政開支約為28.9百萬港元（二零一八年：約46.8百萬港元），較同期減少約17.9百萬港元，主要是由於報告期間確認的以股份為基礎付款及租用相關開支減少。

### 稅項

所得稅開支包括香港利得稅及中國企業所得稅。

於年內，本集團香港附屬公司適用的稅率為16.5%（二零一八年：16.5%）。

於二零一八年三月二十一日，香港立法會通過《2017年稅務（修訂）（第7號）條例草案》（「**該條例草案**」），引入兩級制利得稅稅率。該條例草案於二零一八年三月二十八日經簽署生效，並於翌日刊憲。根據兩級制利得稅稅率，合資格集團實體首2百萬港元之溢利將按8.25%之稅率徵收稅項，溢利中超過2百萬港元之部分將按16.5%之稅率徵收稅項。不符合兩級制利得稅稅率資格的集團實體之溢利將繼續按16.5%之劃一稅率徵收稅項。

# Management Discussion and Analysis

## 管理層討論及分析

華廈(廣州)網絡科技有限公司(“HXGZ”), a subsidiary of the Company established in the PRC, was qualified as a software enterprise by Guangzhou Software Industry Association on 2 August 2018 and was entitled to tax exemption for two years and thereafter to a preferential rate at half of the corporate income tax rate for three years.

The tax rate applicable to the Group's other PRC subsidiaries was 25% (2018: 25%) during the year.

### Loss for the Year

The Group recorded a net loss of approximately HK\$0.3 million for the Reporting Period (2018: net loss of approximately HK\$35.1 million). The decrease in loss for the year was mainly due to (i) gains on disposals of subsidiaries; (ii) increase in the sales on trading of electronic products, accessories and raw materials; (iii) decrease in administrative expenses due to the decrease in staff cost as compared to the same period last year; and (iv) recognition of additional allowance on trade receivables.

### Liquidity, Financial Resources and Capital Structure

Historically, the Group has funded its liquidity and capital requirements primarily through operating cash flows, borrowings and funds from the listing of the Company's shares on GEM of the Stock Exchange. The Group requires cash primarily for working capital needs. As at 31 December 2019, the Group had approximately HK\$1.5 million in bank and cash balances (31 December 2018: approximately HK\$2 million).

As at 31 December 2019, the net assets of the Group amounted to approximately HK\$40.6 million (including non-controlling interests of approximately HK\$1.9 million) (31 December 2018: approximately HK\$5.7 million with non-controlling interests of approximately HK\$1.2 million).

### Issuance of Convertible Bonds

Pursuant to a subscription agreement dated 5 March 2019, the Company issued convertible bonds in an aggregate principal amount of HK\$20,000,000 with 4% interest per annum and two-year lifespan (the “Convertible Bonds”) to Radiant Assets Management Limited on 15 March 2019 under the general mandate granted to the Directors by way of an ordinary resolution of the shareholders passed at the annual general meeting of the Company held on 21 June 2018. Assuming full conversion of the Convertible Bonds at the initial conversion price of HK\$0.045, the Convertible Bonds will be convertible into 444,444,444 conversion shares. As a result of the Share Consolidation (as defined below) of the Company becoming effective on 29 May 2019, the conversion price of the Convertible Bonds had been adjusted from HK\$0.045 per old share to HK\$0.36 per consolidated share and the number of the conversion shares to be issued upon conversion of the Convertible Bonds had been adjusted from 444,444,444 old shares to 55,555,555 consolidated shares. Details are disclosed in the announcements of the Company dated 5 March 2019, 15 March 2019 and 28 May 2019. As at 31 December 2019, approximately HK\$10 million of the net proceeds from the subscription was used for the repayment of the outstanding liabilities of the Group and approximately HK\$10 million was used for general corporate purposes, including salary payments, rental payments, utilities and other operating expenses as intended. As at 31 December 2019, none of conversion shares were issued.

本公司附屬公司華廈(廣州)網絡科技有限公司(「華廈廣州」)於中國成立，於二零一八年八月二日獲廣州市軟件行業協會評為軟件企業，有權免稅兩年，其後三年可享一半企業所得稅稅率的優惠稅率。

於年內，本集團其他中國附屬公司適用的稅率為25% (二零一八年：25%)。

### 年內虧損

報告期間，本集團錄得淨虧損約0.3百萬港元(二零一八年：淨虧損約35.1百萬港元)。年內虧損減少，主要由於相較去年同期(i)錄得出售附屬公司的收益；(ii)錄得電子產品、配件及原材料貿易銷售額增加；(iii)員工成本減少致使行政開支減少；(iv)就應收賬款確認額外撥備。

### 流動資金、財務資源及資本結構

過往，本集團主要以經營現金流量、借貸及本公司股份於聯交所GEM上市所得資金應付其流動資金及資本需求。本集團的現金主要用於應付營運資金需求。於二零一九年十二月三十一日，本集團的銀行及現金結餘約為1.5百萬港元(二零一八年十二月三十一日：約2百萬港元)。

於二零一九年十二月三十一日，本集團的資產淨值約為40.6百萬港元(包括非控股權益約1.9百萬港元)(二零一八年十二月三十一日：約5.7百萬港元；非控股權益約1.2百萬港元)。

### 發行可換股債券

根據日期為二零一九年三月五日的認購協議，本公司於二零一九年三月十五日根據透過股東於二零一八年六月二十一日舉行之本公司股東週年大會上通過普通決議案的方式授予董事的一般授權，向Radiant Assets Management Limited發行本金總額20,000,000港元按年利率4%計息的兩年期可換股債券(「可換股債券」)。假設可換股債券按初步換股價0.045港元悉數轉換，可換股債券將轉換為444,444,444股換股股份。由於本公司股份合併(定義見下文)於二零一九年五月二十九日生效，可換股債券的換股價已由每股舊股份0.045港元調整至每股合併股份0.36港元，而於轉換可換股債券時將予發行的換股股份數目已由444,444,444股舊股份調整至55,555,555股合併股份。詳情於本公司日期為二零一九年三月五日、二零一九年三月十五日及二零一九年五月二十八日的公告披露。於二零一九年十二月三十一日，按擬定用途，認購所得款項淨額約10百萬港元用於償還本集團尚未償還之負債及約10百萬港元用作一般公司用途(包括薪金付款、租金付款、公用事業及其他經營開支)。於二零一九年十二月三十一日，概無發行換股股份。



# Management Discussion and Analysis

## 管理層討論及分析

### Share Consolidation and Change of Board Lot Size

Consolidation of every eight (8) existing issued and unissued ordinary shares of par value of HK\$0.0002 each in the share capital of the Company into one (1) consolidated share of par value of HK\$0.0016 each pursuant to the share consolidation of the Company took effect on 29 May 2019 (the “**Share Consolidation**”). The board lot size for trading on the Stock Exchange had been changed from 4,000 old shares to 8,000 consolidated shares upon the Share Consolidation becoming effective on 29 May 2019. Details are set out in the announcement dated 9 April 2019, the circular dated 25 April 2019 and the poll results announcement of the extraordinary general meeting dated 28 May 2019 of the Company.

### Placing of New Shares under General Mandate

On 28 June 2019, an aggregate of 74,784,000 new shares were issued upon completion of the placing pursuant to the placing agreement entered into by the Company and the placing agent, ChaoShang Securities Limited, on 17 June 2019 at the placing price of HK\$0.124 per placing share. The new shares were issued under the general mandate granted to the Directors of the Company at the annual general meeting of the Company held on 21 June 2018. Details are set out in the announcements of the Company dated 18 June 2019 and 28 June 2019. As at 31 December 2019, the net proceeds of approximately HK\$9 million was utilised for general corporate purposes, including salary payments, rental payments, utilities and other operating expenses as intended.

On 19 December 2019, a placing agent, Aristo Securities Limited, and the Company entered into a placing agreement, pursuant to which the Company had conditionally agreed to place, through the placing agent on a best endeavour basis, in aggregate up to 138,864,622 placing shares at placing price of HK\$0.061 per each placing share. Given that the conditions precedent for the placing agreement had not been fulfilled on or before 9 January 2020, the placing agreement had lapsed and this placing did not proceed. Details are set out in the announcements of the Company dated 19 December 2019 and 9 January 2020.

As announced by the Company on 27 March 2020, 14 April 2020 and 20 April 2020, a placing was completed on 20 April 2020 that an aggregate of 138,864,000 placing shares of the Company (the “**Placing**”), representing approximately 13.47% of the total number of issued Shares immediately after the completion of the Placing, had been successfully placed through the placing agent to not less than six placees at the placing price of HK\$0.10 per placing share. The new shares were issued under the general mandate granted to the directors of the Company at the annual general meeting of the Company held on 20 June 2019. The gross proceeds and net proceeds from the placing were approximately HK\$13.9 million and HK\$13.3 million, respectively which was intended to be used for providing additional general working capital of the Group. Details are set out in the announcements of the Company dated 27 March 2020, 14 April 2020 and 20 April 2020. As at the date of this report, the net proceeds from the Placing had not been used.

### 股份合併及更改每手買賣單位

根據本公司於二零一九年五月二十九日生效的股份合併(「**股份合併**」)，將每八(8)股本公司股本中每股面值0.0002港元之現有已發行及未發行普通股合併為一(1)股每股面值0.0016港元之合併股份。股份合併於二零一九年五月二十九日生效後，於聯交所進行買賣的每手買賣單位已由4,000股舊股份更改為8,000股合併股份。詳情載於本公司日期為二零一九年四月九日的公告、日期為二零一九年四月二十五日的通函及日期為二零一九年五月二十八日的股東特別大會投票表決結果公告。

### 根據一般授權配售新股份

於二零一九年六月二十八日，根據本公司與配售代理潮商證券有限公司於二零一九年六月十七日所訂立配售協議完成配售后，發行合共74,784,000股新股份，配售價為每股配售股份0.124港元。新股份乃根據於二零一八年六月二十一日舉行之本公司股東週年大會上授予本公司董事之一般授權發行。詳情載於本公司日期為二零一九年六月十八日及二零一九年六月二十八日之公告。於二零一九年十二月三十一日，所得款項淨額約9百萬港元按擬定用途用於一般公司用途(包括薪金付款、租金付款、公用事業及其他經營開支)。

於二零一九年十二月十九日，一名配售代理雅利多證券有限公司與本公司訂立配售協議，據此，本公司有條件同意透過配售代理竭盡所能按配售價每股配售股份0.061港元配售合共最多138,864,622股配售股份。鑒於配售協議之先決條件於二零二零年一月九日未獲達成，該配售協議已失效且未進行配售事項。有關詳情載於本公司日期為二零一九年十二月十九日及二零二零年一月九日之公告。

誠如本公司於二零二零年三月二十七日、二零二零年四月十四日及二零二零年四月二十日所公佈，已於二零二零年四月二十日完成一項配售，合共138,864,000股本公司配售股份(「**配售事項**」)(相當於緊隨配售事項完成後已發行股份總數約13.47%)已透過配售代理成功配售予不少於六名承配人，配售價為每股配售股份0.10港元。新股份已根據於二零一九年六月二十日舉行之本公司股東週年大會上授予本公司董事的一般授權獲發行。配售事項所得款項總額及所得款項淨額分別約為13.9百萬港元及13.3百萬港元，擬用於提供本集團的額外一般營運資金。詳情載於本公司日期為二零二零年三月二十七日、二零二零年四月十四日及二零二零年四月二十日之公告。於本報告日期，配售事項所得款項淨額尚未獲動用。

# Management Discussion and Analysis

## 管理層討論及分析

In order to strengthen the Group's capital base and liquidity in the foreseeable future, the Group is trying to take various measures, including but not limited to issuance of bonds, obtaining additional financial assistance from shareholders or Directors, negotiating new banking facilities and carrying out further cost controls.

### Gearing Ratio

As at 31 December 2019, the Group's gearing ratio was approximately 0.5 (2018: no borrowings).

*Note:* Gearing ratio is calculated as the total debt divided by total equity. For the avoidance of doubt, total debt includes liability component of convertible bonds and lease liabilities.

## OPERATION REVIEW

### Outlook

The management carefully considered the market factors such as market trends, capital expenditures and development cycles when selecting the appropriate product mix to which the Group should focus and devote its resources. To diversify its income streams and counter balance the market trends, the Group will continue to further develop and expand business that can be beneficial to the Principle Business and/or the Group.

It is the Group's corporate mission to continue to explore ways to improve its financial performance and to broaden the sources of revenue within acceptable risk level. Hence, the Company does not rule out the possibility of investing in or changing to other business as long as it is in the interest of the Company and the shareholders as a whole. Also, as part of its routine exercise, the Company reviews the performance of its existing business portfolio and evaluates possible investment opportunities available to the Company from time to time. Subject to the result of such review and the then market and economy situation, the Company may make suitable investment decisions which may involve the disposal of part of its existing business portfolio and/or change of the asset allocation of its business and investment portfolio and/or expanding its business portfolio with a view of realizing and/or optimizing the expected return and minimizing the risks. Meanwhile, the Company does not preclude the possibility that the Company may implement debt and/or equity fund raising plan(s) to satisfy the financing needs arising out of any business development of the Group as well as to improve its financial position in the event that suitable fund raising opportunities arise, as the Company has from time to time been approached by investors for potential investment projects. In these regards, the Company will publish announcement as and when appropriate according to applicable rules and regulations.

為增強本集團於可見將來的資本基礎及流動資金，本集團正嘗試採取多項措施，包括但不限於發行債券，獲得額外的股東或董事財務支持，商談新的銀行授信，以及採取進一步成本控制措施。

### 資產負債比率

於二零一九年十二月三十一日，本集團的資產負債比率為約0.5（二零一八年：無借款）。

*附註：* 資產負債比率乃按債務總額除以總權益計算。謹此說明，債務總額包括可換股債券的負債部分及租賃負債。

### 業務回顧

#### 展望

管理層在選擇本集團適宜專注及投放資源的產品組合時，已審慎考慮市場趨勢、資本開支及發展周期等市場因素。為多元化發展其收入來源及制衡市場趨勢，本集團將繼續進一步發展其製造業務，並擴展對主要業務及／或本集團有益之業務。

本集團之企業使命為繼續尋求方法提升財務表現，並在可承受風險水平下擴闊收益來源。因此，在符合本公司及股東整體利益之情況下，本公司不排除投資於或改為從事其他業務之可能性。此外，作為日常運作一部分，本公司不時檢討其現有業務組合表現及評估本公司可獲得之潛在投資機會。視乎有關檢討結果及當時市況及經濟情況，本公司可能作出合適投資決定，當中可能涉及出售部分現有業務組合及／或更改業務及投資組合之資產分配及／或擴闊業務組合，從而實現及／或改善預期回報及將風險減至最低。同時，由於投資者不時就潛在投資項目與本公司接洽，本公司不排除於合適集資機會出現時實行債務及／或股本集資計劃之可能性，以應付本集團任何業務發展所產生融資需要及改善財務狀況。鑑此，本公司將根據適用規則及法規適時刊發公告。

# Management Discussion and Analysis

## 管理層討論及分析

### Employees and Remuneration Policies

As at 31 December 2019, the Group had a total of 51 employees (2018: 92). The Group's staff costs for the year ended 31 December 2019 amounted to approximately HK\$15.2 million (2018: approximately HK\$27.3 million). The Group's remuneration policies are in line with the prevailing market practice and are determined on the basis of performance, qualification and experience of individual employee. The Group recognises the importance of a good relationship with its employees. The remuneration payable to its employees includes salaries and allowances. Other benefits and incentives include trainings and share options which shall be granted under the share option scheme of the Company and subject to the performance of the grantees and the required approval. Announcement will be made as and when appropriate according to applicable rules and regulations. During the year ended 31 December 2019, 68,720,000 new share options were granted under the Share Option Scheme (as defined below) of the Company.

### Share Option Scheme

The share option scheme (the **"Share Option Scheme"**) adopted by the Company on 20 June 2014 is a share incentive scheme and is established to recognize and acknowledge the contributions that eligible participants (as defined therein, including employees) have made or may make to the Group.

The Share Option Scheme shall be valid and effective for a period of 10 years commencing from the adoption date (i.e. 20 June 2014) pursuant to the terms of the Share Option Scheme.

On 19 December 2017, the Company granted share options to certain eligible participants to subscribe for a total of 500,000,000 ordinary shares of HK\$0.0002 each (the **"Old Shares"**) in the issued share capital of the Company (the **"Old Options"**). The Old Options were outstanding and not yet exercised. As a result of the Share Consolidation (as defined above), the exercise price of the Old Options had been adjusted from HK\$0.1632 per Old Share to HK\$1.3056 per consolidated share and the number of shares of the Company to be issued upon exercise of the outstanding Old Options had been adjusted from 500,000,000 Old Shares to 62,500,000 consolidated shares.

The overall limit on the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other schemes of the Company must not exceed 30% (or other percentage as stipulated in the GEM Listing Rules) of the Shares in issue from time to time. Subject to the aforesaid limit, the number of Shares which may be issued upon the exercise of all options granted or to be granted under the Share Option Scheme and any other share option schemes of the Company is 68,722,500 Shares, representing 10% of the issued Shares as at 21 June 2018, being the date of approval of the Existing Scheme Limit by the Shareholders (the **"Refreshment"**), and as adjusted following the Share Consolidation became effective on 29 May 2019. Since the Refreshment, on 4 June 2019, it was resolved by the Company to cancel the 62,500,000 outstanding Old Options and subject to the irrevocably and unconditionally agreement of each of grantees to the cancellation of their respective Old Options, to grant 68,720,000 new share options with exercise price of

### 僱員及薪酬政策

於二零一九年十二月三十一日，本集團共有51名僱員（二零一八年：92名）。截至二零一九年十二月三十一日止年度，本集團的員工成本約為15.2百萬港元（二零一八年：約27.3百萬港元）。本集團之薪酬政策與現行市場慣例一致，並按個別僱員的表現、資格及經驗釐定。本集團深明與其僱員保持良好關係的重要性。應付僱員薪酬包括薪金及津貼。其他福利及獎勵包括培訓及購股權，購股權乃根據本公司購股權計劃授出，惟視乎承受人的表現而定及須獲批准後方可予以授出。本公司將根據適用規則及法規適時刊發公告。於截至二零一九年十二月三十一日止年度，根據本公司購股權計劃（定義見下文）授出68,720,000份新購股權。

### 購股權計劃

本公司於二零一四年六月二十日採納購股權計劃（「**購股權計劃**」）為股份獎勵計劃，旨在認可及獎勵對本集團曾經或可能作出貢獻的合資格參與者（定義見計劃，包括僱員）。

根據購股權計劃條款，購股權計劃自採納日期（即二零一四年六月二十日）起計十年內有效及生效。

於二零一七年十二月十九日，本公司向若干合資格參與者授出購股權，以認購本公司已發行股本合共500,000,000股每股0.0002港元普通股（「**舊股份**」）（「**舊購股權**」）。舊購股權已發行但尚未行使。由於股份合併（定義見上文），舊購股權的行使價已由每股舊股份0.1632港元調整至每股合併股份1.3056港元，而於行使尚未行使的舊購股權時將予發行的本公司股份數目已由500,000,000股舊股份調整至62,500,000股合併股份。

行使根據購股權計劃及本公司任何其他計劃已授出惟尚未行使的購股權可發行的股份總數限額，不得超過不時已發行股份的30%（或GEM上市規則所規定的其他百分比）。於上述限額規限下，根據購股權計劃或本公司任何其他購股權計劃授出或將予授出的購股權悉數獲行使後可能發行的股份數目為68,722,500股，相當於於二零一八年六月二十一日（即股東批准現有計劃授權限額（「**更新**」）之日期）已發行股份之10%及於股份合併於二零一九年五月二十九日生效後經調整。自更新以來，於二零一九年六月四日，本公司議決註銷62,500,000份尚未行使的舊購股權，及受限於各承授人須不可撤回及無條件同意註銷彼等各自舊購股權，按行使價每股0.2412港元授出68,720,000份賦予承授人權利認購本公司



# Management Discussion and Analysis

## 管理層討論及分析

HK\$0.2412 per share (the “**New Options**”) entitling the grantees to subscribe for 68,720,000 shares of the Company. Details are set out in the announcement of the Company dated 4 June 2019. The closing price of the Shares, immediately before the grant date was HK\$ HK\$0.131 per Share. The average closing price of the Shares for the five business days immediately preceding the grant date was HK\$0.2412 per Share. Out of the 68,720,000 newly grant Options, 12,596,000 Options had lapsed and none of the Options had been exercised and/or cancelled as at the date of this report.

As at 31 December 2019, 61,964,000 effective share options were outstanding.

The maximum entitlement of each participant under the Share Option Scheme is 1% of the issued Shares of the Company unless such grant has been duly approved by resolution of the shareholders of the Company in general meeting.

The exercise period of any option granted under the Share Option Scheme must not be more than 10 years commencing on the date of grant.

The acceptance amount for the option is determined by the Board from time to time.

The exercise price determined by the Board shall be at least the higher of (i) the closing price of the Shares as stated in the Hong Kong Stock Exchange's daily quotations sheet on the date of grant, which must be a business day; and (ii) the average of the closing prices of the Shares as stated in the Hong Kong Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of grant.

Subject to earlier termination by the Company in a general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period to be determined and notified by the Board to the grantee during which the option may be exercised and in any event shall not be more than 10 years commencing on the date on which the offer in relation to such option is deemed to have been accepted in accordance with the terms of the Share Option Scheme and expiring on the last day of the ten-year-period. The remaining life of the Share Option Scheme was up to 19 June 2024.

The details of the valuation model are set out in note 36 to financial statements. The value of options are subject to a number of assumptions and limitations that may be subjective and uncertain.

68,720,000 股股份的新購股權(「**新購股權**」)。詳情載於本公司日期為二零一九年六月四日之公告內。緊接股份授出日期前的股份收市價為每股0.131港元。緊接授出日期前五個營業日的股份平均收市價為每股0.2412港元。於本報告日期，於68,720,000份新授購股權中，12,596,000份購股權已失效及概無購股權獲行使及／或註銷。

於二零一九年十二月三十一日，61,964,000份有效股權尚未行使。

各參與者於購股權計劃項下的最高授權為本公司已發行股份的1%，除非有關授出於股東大會上以本公司股東決議案方式獲正式批准。

購股權計劃項下任何購股權的行使期不得超過授出日期起計10年。

接納購股權的款項由董事會不時釐定。

行使價由董事會釐定，惟不得低於以下各項之較高者：(i) 授出日期(必須為營業日)香港聯交所每日報價表所列的股份收市價；及(ii)緊接授出日期前五個營業日香港聯交所每日報價表所列的股份收市價平均數。

除由本公司股東大會或董事會提早終止外，購股權計劃將於董事會釐定並知會承授人的購股權行使期內生效，惟購股權行使期自購股權授出建議根據購股權計劃的條款視為已獲接納當日起計無論如何不得超過十年，並須於該十年限期最後一天屆滿。購股權計劃的剩餘年期至二零二四年六月十九日。

估值模式詳情載於財務報表附註36。購股權價值受數項可能屬主觀及具不確定性的假設及限制之規限。

# Management Discussion and Analysis

## 管理層討論及分析

The following table discloses movements in the Company's outstanding options under the Share Option Scheme during the Reporting Period.

下表披露於報告期內本公司根據購股權計劃的尚未行使購股權變動。

name of grantee 承授人姓名	date of grant of the options during the Reporting Period	on 1 January 2019 <sup>(1)</sup>	granted during the Reporting Period	exercised during the Reporting Period	No. of options expired/lapsed/ cancelled during the Reporting Period	on 31 December 2019	Vesting period	exercise period of the options <sup>(2)(3)</sup>	exercise price of the options per share (HKD)
	報告期內 購股權 授出日期	於 二零一九年 一月一日 <sup>(1)</sup>	報告 期內授出	報告 期內行使	報告期內 過期/失效/ 註銷之 購股權數目	於 二零一九年 十二月三十一日	歸屬期	購股權行使期 <sup>(2)(3)</sup>	每股購股權 之行使價 (港元)
Mr. Wu Yong Fu 吳永富先生	4 June 2019 二零一九年 六月四日	Nil 零	6,756,000	Nil 零	Nil 零	6,756,000	N/A 不適用	4 June 2019 – 3 June 2029 二零一九年六月四日至 二零二九年六月三日	0.2412
Mr. Chong Yu Keung 莊儒強先生	4 June 2019 二零一九年 六月四日	6,750,000	6,756,000	Nil 零	6,750,000	6,756,000	N/A 不適用	4 June 2019 – 3 June 2029 二零一九年六月四日至 二零二九年六月三日	0.2412
Mr. Liu Liang (resigned as director of the Company on 28 June 2019) 劉亮先生(於二零一九年 六月二十八日辭任本公司董事職務)	4 June 2019 二零一九年 六月四日	6,750,000	6,756,000	Nil 零	13,506,000	Nil 零	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Wu Jin Sheng (resigned as director of the Company on 3 June 2019) 吳晉生先生(於二零一九年六月三日 辭任本公司董事職務)	N/A 不適用	6,750,000	Nil 零	Nil 零	6,750,000	Nil	N/A 不適用	N/A 不適用	N/A 不適用
Other grantees 其他承授人	4 June 2019 二零一九年 六月四日	21,125,000	24,226,000	Nil 零	21,125,000	24,226,000	4 June 2019 – 3 June 2020 二零一九年六月四日至 二零二零年六月三日	4 June 2020 – 3 June 2029 二零二零年六月四日至 二零二九年六月三日	0.2412
Other grantees 其他承授人	4 June 2019 二零一九年 六月四日	21,125,000	24,226,000	Nil 零	21,125,000	24,226,000	4 June 2019 – 3 June 2021 二零一九年六月四日至 二零二一年六月三日	4 June 2021 – 3 June 2029 二零二一年六月四日至 二零二九年六月三日	0.2412
Total 總計		62,500,000	68,720,000	Nil 零	69,256,000	61,964,000			

# Management Discussion and Analysis

## 管理層討論及分析

### Notes:

- (1) As a result of the Share Consolidation, the exercise price of the Old Options had been adjusted from HK\$0.1632 per Old Share to HK\$1.3056 per consolidated share and the number of shares to be issued upon exercise of the outstanding Old Options granted under the Share Option Scheme had been adjusted from 500,000,000 Old Shares to 62,500,000 consolidated shares. Details of the said adjustments are set out in the announcement of poll results of the extraordinary general meeting of the Company dated 28 May 2019.
- (2) The New Options granted to the directors will be vested immediately upon their acceptance of such New Options.
- (3) The New Options granted to the employees have a vesting period of 2 years, i.e. one-half of the New Options shall be vested on the first (1st) anniversary (round down to the nearest New Option) and the remaining one-half of the New Options shall be vested on the second (2nd) anniversary of the date of grant respectively.

In Hong Kong, the Group's employees have participated in the mandatory provident fund schemes prescribed by the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong). In the PRC, the Group's employees have participated in the basic pension insurance, basic medical insurance, unemployment insurance, occupational injury insurance, maternity insurance prescribed by the Social Insurance Law of the PRC (《中華人民共和國社會保險法》), and housing provident fund prescribed by the Regulations on the Administration of Housing Fund (《住房公積金管理條例》). All PRC-based employees have the right to participate in the social insurance and housing provident fund schemes.

### Capital expenditure

The Group purchased property, plant and equipment amounting to approximately HK\$1,000 for the year ended 31 December 2019 (2018: approximately HK\$3.26 million).

### Capital commitments

The Group did not have any significant capital commitments as at 31 December 2019 (2018: Nil).

### Foreign Currency Risk

The Company does not have significant exposure on foreign currency risk.

The functional currencies of the Group's entities are principally denominated in HK\$ and Renminbi ("RMB"). The Group has certain exposure to foreign currency risk as some of its business transactions, assets and liabilities are denominated in currencies other than the functional currencies of the respective Group entities such as United States dollars ("US\$"). The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities.

The Group did not engage in any derivatives agreement and did not commit to any financial instruments to hedge against its foreign exchange exposure during the year ended 31 December 2019.

### 附註：

- (1) 由於股份合併，舊購股權的行使價已由每股舊股份0.1632港元調整至每股合併股份1.3056港元，而於行使購股權計劃項下授出的尚未行使舊購股權時將予發行的股份數目已由500,000,000股舊股份調整至62,500,000股合併股份。有關所述調整詳情載於本公司日期為二零一九年五月二十八日的股東特別大會投票表決結果公告。
- (2) 授予董事的新購股權只要一經接納，將立刻歸屬。
- (3) 授予僱員的新購股權的歸屬期為2年，即分別於授出日期的第一(1)周年歸屬一半新購股權(下調至最接近的新購股權數目)，及第二(2)周年全部歸屬餘下一半新購股權。

在香港，本集團僱員已參與香港法例第485章《強制性公積金計劃條例》規定的強制性公積金計劃。在中國，本集團僱員已參與《中華人民共和國社會保險法》規定的基本退休保險、基本醫療保險、失業保險、工傷保險及生育保險以及《住房公積金管理條例》規定的住房公積金。所有駐中國僱員均有權參與社會保險及住房公積金計劃。

### 資本開支

截至二零一九年十二月三十一日止年度，本集團購買的物業、廠房及設備約為1,000港元(二零一八年：約3.26百萬港元)。

### 資本承擔

於二零一九年十二月三十一日，本集團並無任何重大資本承擔(二零一八年：無)。

### 外幣風險

本公司並無重大外幣風險。

本集團實體的功能貨幣主要為港元及人民幣(「人民幣」)。本集團面臨若干外幣風險，乃由於其若干業務交易、資產及負債以本集團相關實體的功能貨幣以外的貨幣(如美元(「美元」))計值。本集團目前並無就外幣交易、資產及負債制定外幣對沖政策。

截至二零一九年十二月三十一日止年度，本集團並無涉及任何衍生工具協議，亦無使用任何金融工具對沖其匯兌風險。



# Management Discussion and Analysis

## 管理層討論及分析

### Significant Investments held, Material Acquisitions and Disposals of Subsidiaries, and Future Plans for Material Investments or Capital Assets

#### Strategic Co-operations

On 15 January 2019, the Company and Suzhou Hua Su Ya Wharton Medical Technology Company Limited\* (蘇州華蘇亞沃頓醫療科技股份有限公司) (“**Hua Su Ya Wharton**”) entered into a letter of intent for strategic cooperation in relation to the acquisition of shares and other cooperation of Hua Su Ya Wharton. Hua Su Ya Wharton is a listed company on National Equities Exchange and Quotation with stock code: 834423 in the PRC (“**Strategic Cooperation 1**”). Details of the Strategic Cooperation 1 are set out in the Company’s announcement dated 15 January 2019.

On 15 January 2019, the Company and Ms. Li Dongying (鄺冬英女士) (“**Ms. Li**”) entered into a letter of intent for strategic cooperation in relation to the acquisition of shares of Hong Kong Waldorf International Limited (香港華沃國際有限公司) (“**Waldorf International**”) (“**Strategic Cooperation 2**”). It was also mentioned that Ms. Li has the right to appoint designated personnel as a general manager of Waldorf International. Waldorf International is a company incorporated in Hong Kong which is wholly-owned by Ms. Li and is engaged in trading overseas medical equipment. Ms. Li is also the controlling shareholder of Hua Su Ya Wharton. Details of the Strategic Cooperation 2 are set out in the Company’s announcement dated 16 January 2019.

On 10 April 2019, the Company sent notices of termination to each of Hua Su Ya Wharton and Ms. Li, notifying each of Hua Su Ya Wharton and Ms. Li the termination of the Strategic Cooperation 1 and the Strategic Cooperation 2, respectively, due to the failure by the parties to reach any agreement in relation to the strategic cooperation. Upon termination of the letters of intent, neither party had any obligations nor liabilities towards the other party under the letters of intent. Details are set out in the announcement of the Company dated 10 April 2019.

#### Disposal of Central Pacific

On 25 March 2019, Millennium Pacific International Group Limited, a direct wholly-owned subsidiary of the Company, as vendor entered into a sales and purchase agreement with an independent third party as purchaser for the sale of 100% equity interest of Central Pacific International Group Limited (“**Central Pacific**”) held by the Company indirectly to the purchaser at a cash consideration of HK\$1 million (the “**2019 Disposal**”). Upon completion of the 2019 Disposal which was in the first half of 2019, Central Pacific together with its subsidiaries were excluded from the Group. As none of the applicable percentage ratios (as defined under the GEM Listing Rules) in relation to the 2019 Disposal exceeded 5%, the 2019 Disposal did not constitute a discloseable transaction of the Company and was exempted from notification and announcement requirements under the GEM Listing Rules.

### 所持有之重大投資、重大收購及出售附屬公司及重大投資或資本資產之未來計劃

#### 策略合作

於二零一九年一月十五日，本公司與蘇州華蘇亞沃頓醫療科技股份有限公司(「**華蘇亞沃頓**」)訂立戰略合作意向書，內容有關收購蘇州華蘇亞沃頓的股份及達成其他合作。華蘇亞沃頓為於中國全國中小企業股份轉讓系統的上市公司(股份代號：834423)(「**戰略合作1**」)。有關戰略合作1的詳情載於本公司日期為二零一九年一月十五日之公告。

於二零一九年一月十五日，本公司與鄺冬英女士(「**鄺女士**」)訂立戰略合作意向書，內容有關收購香港華沃國際有限公司(「**華沃國際**」)的股份(「**戰略合作2**」)。該意向書亦指出鄺女士有權委任指定人員作為華沃國際總經理。華沃國際為一間於香港註冊成立之公司，由鄺女士全資擁有，並從事海外醫療設備貿易生意。鄺女士亦為華蘇亞沃頓的控股股東。有關戰略合作2的詳情載於本公司日期為二零一九年一月十六日之公告。

於二零一九年四月十日，本公司向華蘇亞沃頓及鄺女士各自發出終止通知書，分別通知華蘇亞沃頓及鄺女士各方終止戰略合作1及戰略合作2，原因是訂約方無法就戰略合作達成共識。意向書終止後，任何一方均無根據意向書對另一方承擔任何義務或責任。詳情載於本公司日期為二零一九年四月十日的公告。

#### 出售中匯環球

於二零一九年三月二十五日，本公司直接全資附屬公司 Millennium Pacific International Group Limited (作為賣方)與獨立第三方(作為買方)訂立買賣協議，內容有關本公司間接持有的中匯環球集團有限公司(「**中匯環球**」)100%股權權益被出售予買方，代價為現金1百萬港元(「**二零一九年出售事項**」)。於二零一九年上半年完成二零一九年出售事項後，中匯環球及其附屬公司從本集團剔除。由於與二零一九年出售事項有關的適用百分比率(定義見GEM上市規則)均未超過5%，故二零一九年出售事項並不構成本公司的須予披露交易，並獲豁免遵守GEM上市規則的通知及公告規定。

# Management Discussion and Analysis

## 管理層討論及分析

### *Acquisition of Celestial Rainbow*

On 24 May 2019, Mr. Ma Xingjin as the vendor and Millennium Pacific International Group Limited, a wholly-owned subsidiary of the Company as the purchaser, entered into the sale and purchase agreement, pursuant to which the vendor had conditionally agreed to sell, and the purchaser had conditionally agreed to purchase further 35% of the entire issued share capital of Celestial Rainbow Limited (“**Celestial Rainbow**”), which held 100% of Sky Dynasty Investments Limited and 100% of Shenzhen Ampeg Technology Company Limited, at the consideration of HK\$27,500,000 (subject to adjustment), which shall be satisfied by way of the allotment and issue of the consideration shares of 122,767,857 with nominal value of HK\$0.0016 each by the Company under the specific mandate to be sought at an extraordinary general meeting of the Company (the “**Acquisition**”). On 14 October 2019, shareholders approved the Acquisition at an extraordinary general meeting. On 14 November 2019, the Acquisition was completed and an aggregate of 122,767,857 consideration shares were allotted and issued to the vendor at the issue price of HK\$0.224 per consideration share. The Group became interested in 46% of Celestial Rainbow. Further details of the Acquisition are set out in the announcements of the Company dated 24 May 2019, 14 October 2019 and 14 November 2019.

### *MOU for Potential Investment*

On 2 December 2019, the Company entered into a non-legally binding memorandum of understanding (the “**MOU**”) with 深圳市媒訊投資控股有限公司 (Shenzhen MX Investment Holdings Co., Ltd.) (“**Shenzhen MX Investment**”). Pursuant to the MOU, subject to entering into a formal agreement, the Company will through its wholly-owned subsidiary incorporated in the PRC invest in the form of capital injection by taking up the equity interests in 深圳市媒訊龍峰科技有限公司 (Shenzhen MX Longfeng Technology Co., Ltd.) (the “**Target Company**”), representing 51% of the registered capital of the Target Company after the capital injection (the “**Potential Investment**”). The MOU was intended to record the preliminary mutual understanding between the parties to the MOU and to serve as a start for exploration and negotiations before formal agreement being signed and for commencement of due diligence review and was not intended to be legally binding on the relevant parties. The consideration for the Potential Investment will be subject to the result of the due diligence review and feasibility study to be conducted by the Company. Directors considered that the Potential Investment represents an opportunity for the Group to form strategic alliance with Shenzhen MX Investment to enhance its stake in Cable-TV set-top box market in the PRC (the “**Project**”) and is in line with the investment objectives and development strategy of the Group. Details are set out in the announcement of the Company dated 2 December 2019. As disclosed in the announcement of the Company dated 2 March 2020, both parties agreed to extend the due diligence period to 1 September 2020 having considered the outbreak of the Novel Coronavirus (COVID-19). Up to the date of this report, the Company and Shenzhen MX Investment have not entered into any legally binding agreement in relation to the Potential Investment.

### *收購 Celestial Rainbow*

於二零一九年五月二十四日，Ma Xingjin先生（作為賣方）與 Millennium Pacific International Group Limited（本公司之全資附屬公司）（作為買方）訂立買賣協議，據此，賣方有條件同意出售而買方有條件同意進一步購買 Celestial Rainbow Limited（「**Celestial Rainbow**」，持有上誠投資有限公司的100%及深圳市艾普科技有限公司的100%）全部已發行股本35%，代價為27,500,000港元（可予調整），將以本公司根據將於本公司股東特別大會尋求之特別授權配發及發行122,767,857股每股面值0.0016港元代價股份之方式償付（「**收購事項**」）。於二零一九年十月十四日，股東於股東特別大會上批准收購事項。於二零一九年十一月十四日，收購事項已完成並已按發行價每股代價股份0.224港元向賣方配發及發行合共122,767,857股代價股份，本集團因此於 Celestial Rainbow 擁有46%權益。收購事項進一步詳情載於本公司日期為二零一九年五月二十四日、二零一九年十月十四日及二零一九年十一月十四日的公告。

### *潛在投資諒解備忘錄*

於二零一九年十二月二日，本公司與深圳市媒訊投資控股有限公司（「**深圳媒訊投資**」）訂立不具法律約束力諒解備忘錄（「**諒解備忘錄**」）。根據諒解備忘錄，待訂立正式協議後，本公司將通過其於中國註冊成立的全資附屬公司透過認購深圳市媒訊龍峰科技有限公司（「**目標公司**」）股權而以注資形式作出投資，相當於注資後目標公司註冊資本的51%（「**潛在投資**」）。諒解備忘錄旨在記錄諒解備忘錄訂約方之間的初步共識及作為於簽訂正式協議前進行探索及磋商以及展開盡職審查的開端，並無意對相關訂約方構成法律約束力。有關潛在投資的考慮將取決於本公司所進行盡職審查及可行性研究的結果。董事認為潛在投資乃本集團與深圳媒訊投資形成戰略聯盟以提升其於中國有線電視機頂盒市場的地位（「**項目**」）的良機，符合本集團投資目標及發展戰略。詳情載於本公司日期為二零一九年十二月二日之公告。誠如本公司日期為二零二零年三月二日之公告所披露，由於爆發新冠病毒疫情，訂約雙方同意將盡職審查期間延長至二零二零年九月一日。截至本報告日期，本公司與深圳媒訊投資並無就潛在投資訂立任何具法律約束力之協議。

# Management Discussion and Analysis

## 管理層討論及分析

### Charges over Assets of the Group

As at 31 December 2019 and 31 December 2018, there was no charges over assets of the Group.

### Contingent Liabilities

As at 31 December 2019 and 31 December 2018, there was no contingent liabilities of the Group.

### Dividend

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2019 (2018: Nil).

The declaration and payment of dividends and the amount of dividends in future will be at the discretion of the Board and will depend on future operations and earnings, capital requirements and surplus, general financial conditions, contractual restrictions and other factors that the Board considers relevant.

### Litigation

With reference to the announcement of the Company dated 9 December 2019, a claim in respect of dispute over certain tenancy agreements was made against a former indirect wholly-owned subsidiary of the Company disposed in March 2019, namely Central Pacific Int Technology Ltd.\* (中匯洲電子(深圳)有限公司) in respect of outstanding rental and charges and the Company as guarantor for such tenancy agreements by Shenzhen Yucan Industrial Co., Ltd.\* (深圳市裕燦實業有限公司) in a city of mainland China. Legal counsel is advising the Company. As at the date of this report, the date of court hearing is yet to be fixed due to the outbreak of COVID-19.

The Directors are of the view that the abovementioned claim will not have material impact on the business and operation of the Company.

### 本集團的資產抵押

於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，本集團並無任何資產抵押。

### 或有負債

於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，本集團並無或有負債。

### 股息

董事不建議就截至二零一九年十二月三十一日止年度派付末期股息(二零一八年：無)。

股息宣派及支付以及未來股息金額將由董事會酌情決定，並將取決於未來業務及盈利、資金需要及盈餘、整體財務狀況、合同限制以及董事會認為相關的其他因素。

### 訴訟

茲提述本公司日期為二零一九年十二月九日之公告，深圳市裕燦實業有限公司就未支付租金及費用於中國內地城市向中匯洲電子(深圳)有限公司(本公司於二零一九年三月出售的前間接全資附屬公司)提起的涉及若干租賃協議糾紛的申索，而本公司為有關租賃協議的擔保人。法律顧問現時正為本公司提供建議。於本報告日期，由於爆發新冠病毒疫情，法院聆訊日期尚未確定。

董事認為，上述申索將不會對本公司的業務及營運造成重大影響。



# Directors' Report

## 董事會報告

The directors (the “**Directors**”) of Millennium Pacific Group Holdings Limited (the “**Company**”) present their report together with the audited financial statements of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2019.

### PRINCIPAL ACTIVITIES AND ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are research and development, manufacture, sale of electronic devices and provision of application software development services. Details are set out in note 37 to the financial statements.

The analysis of geographical locations of the Group for the year is set out in note 7 to the consolidated financial statements.

### BUSINESS REVIEW

A review of the Group's business during the year and analysis of the Group's performance using financial key performance indicators and prospects of the Group's business are provided in the sections headed “Management Discussion and Analysis” on pages 4 to 15 of the annual report.

### RESULTS AND APPROPRIATION

The results of the Group for the year ended 31 December 2019 and the state of the Company's and the Group's affairs as at that date are set out in the consolidated financial statements on pages 71 to 167.

The Directors do not recommend the payment of any dividend for the year ended 31 December 2019.

### RESERVES

Details of the movements in reserves of the Group and the Company during the year are set out in the “Consolidated Statement of Changes in Equity” and note 35 to the consolidated financial statements respectively.

### SHARE CAPITAL

Details of movements in the share capital of the Company during the year are set out in note 33 to the consolidated financial statements.

匯思太平洋集團控股有限公司(「本公司」)之董事會(「董事會」)呈報本公司及其附屬公司(統稱「本集團」)截至二零一九年十二月三十一日止年度之董事會報告連同經審核財務報表。

### 主要業務及營運分析

本公司的主要業務為投資控股。附屬公司的主要業務為研發、製造及銷售電子設備以及提供應用軟件開發服務。詳情載於財務報表附註37。

於年內，本集團的地理位置分析載於綜合財務報表附註7。

### 業務回顧

本集團業務的本年度回顧及使用財務關鍵績效指標對本集團表現進行的分析，以及本集團業務的前景，載於年報第4至15頁的「管理層討論及分析」等章節。

### 業績及分派

本集團截至二零一九年十二月三十一日止年度之業績以及本公司及本集團截至該日的事務狀況載於第71至167頁綜合財務報表。

董事不建議就截至二零一九年十二月三十一日止年度派付任何股息。

### 儲備

於年內，本集團及本公司儲備之變動詳情分別載於「綜合權益變動表」及綜合財務報表附註35。

### 股本

於年內，本公司股本之變動詳情載於綜合財務報表附註33。

# Directors' Report

## 董事會報告

### DISTRIBUTABLE RESERVES

The Company's reserve available for distribution as at 31 December 2019 was Nil.

### DONATIONS

There was none donation made by the Group during the year ended 31 December 2019 (2018: HK\$ 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 17 to the financial statements.

### PRE-EMPTIVE RIGHTS

There are no provision for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

### FIVE YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 168 of the annual report.

### PURCHASES, SALES OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2019.

### DIRECTORS

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

#### Executive Directors

Mr. Tang Wai Ting, Samson (resigned on 25 March 2019)  
Mr. Liu Liang (resigned on 28 June 2019)  
Mr. Wang Li  
Mr. Wu Yong Fu (appointed on 16 April 2019)  
Mr. Zhou Chuang Qiang (appointed on 4 June 2019)

#### Non-executive Directors

Mr. Wu Jin Sheng (resigned on 3 June 2019)  
Mr. Chong Yu Keung

#### Independent non-executive Directors

Mr. Huang Jian  
Mr. Zheng Wan Zhang  
Mr. Wong Tik Tung

### 可分派儲備

於二零一九年十二月三十一日，本公司之可供分派儲備約為零。

### 捐贈

截至二零一九年十二月三十一日止年度，本集團並無任何捐贈（二零一八年：零港元）。

### 物業、廠房及設備

於年內，本集團物業、廠房及設備之變動詳情載於財務報表附註 17。

### 優先認購權

本公司章程細則或開曼群島法例概無優先認購權條文規限本公司須按比例向現有股東發售新股份。

### 五年財務摘要

本集團於過去五個財政年度之業績與資產及負債概要載於年報第 168 頁。

### 購買、出售或贖回本公司上市證券

截至二零一九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、出售或贖回本公司任何上市證券。

### 董事

於年內及截至本報告日期，本公司之董事如下：

#### 執行董事

鄧偉廷先生（於二零一九年三月二十五日辭任）  
劉亮先生（於二零一九年六月二十八日辭任）  
王歷先生  
吳永富先生（於二零一九年四月十六日獲委任）  
周創強先生（於二零一九年六月四日獲委任）

#### 非執行董事

吳晉生先生（於二零一九年六月三日辭任）  
莊儒強先生

#### 獨立非執行董事

黃健先生  
鄭玩樟先生  
汪滌東先生

# Directors' Report

## 董事會報告

### CHANGE OF DIRECTORS

On 25 March 2019, **Mr. Tang Wai Ting, Samson** ("Mr. Tang") resigned as an executive Director of the Company due to his personal affairs. He also ceased to be the chairman of the Board and the compliance officer of the Company (the "**Compliance Officer**"). On the same date, Mr. Wu Jin Sheng was redesignated from the vice chairman to the chairman of the Board and Mr. Liu Liang was appointed as the Compliance Officer.

On 16 April 2019, Mr. Wu Yong Fu was appointed as an executive Director.

On 3 June 2019, Mr. Wu Jin Sheng resigned as the chairman of the Board, a non-executive Director and the chairman of the nomination committee of the Company due to his decision to devote more time to his other commitments and engagements. On the same date, Mr. Zheng Wan Zhang was appointed as the chairman of the nomination committee of the Company.

On 4 June 2019, Mr. Zhou Chuang Qiang was appointed as an executive Director.

On 28 June 2019, Mr. Liu Liang resigned as an executive Director, the Compliance Officer, a member of the remuneration committee, a member of the compliance committee, the authorized representative of the Company and the process agent of the Company due to his decision to devote more time to his other commitments and engagements. Following Mr. Liu's resignation, Mr. Zhou Chuang Qiang has been appointed as the Compliance Officer, a member of the remuneration committee, a member of the compliance committee, the authorised representative and the process agent of the Company.

Details in relation to the above changes of directors were disclosed in the announcements of the Company dated 25 March 2019, 16 April 2019, 3 June 2019, 4 June 2019 and 28 June 2019.

### BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

#### Executive Directors

**Mr. Zhou Chuang Qiang** ("Mr. Zhou"), aged 55, has been appointed as an executive director of the Company on 4 June 2019. Mr. Zhou is also the Compliance Officer, Authorized Representative, a member of the Remuneration Committee and Compliance Committee of the Company. He is also the director of various subsidiaries of the Company. He mainly engages in production management, research and development management and marketing management. Mr. Zhou has accumulated rich work experience in management and leadership positions. Since 2017, he has served as the marketing manager and the deputy general manager of Shenzhenshi Jingxingcheng Technology Electronics Co., Ltd\* (深圳市晶星城科技電子有限公司). From 2013 to 2017, he was the deputy general manager of Shenzhenshi Keming Property Investment Co., Ltd\* (深圳市科名置業投資有限公司).

### 董事變更

於二零一九年三月二十五日，鄧偉廷先生(「鄧先生」)因個人事務辭任本公司執行董事。彼亦不再擔任董事會主席及本公司合規主任(「合規主任」)。同日，吳晉生先生由副主席調任為董事會主席及劉亮先生已獲委任為合規主任。

於二零一九年四月十六日，吳永富先生獲委任為執行董事。

於二零一九年六月三日，吳晉生先生因其決定投入更多時間至其他承擔及事務，已辭任董事會主席、非執行董事及本公司提名委員會主席。同日，鄭玩樟先生獲委任為本公司提名委員會主席。

於二零一九年六月四日，周創強先生獲委任為執行董事。

於二零一九年六月二十八日，劉亮先生因決定投放更多時間於彼之其他承擔及事務，已辭任執行董事、合規主任、薪酬委員會成員、合規委員會成員、本公司授權代表及本公司法律程序代理人。於劉先生辭任後，周創強先生獲委任為合規主任、薪酬委員會成員、合規委員會成員、本公司授權代表及法律程序代理人。

有關上述董事變動之詳情披露於本公司日期為二零一九年三月二十五日、二零一九年四月十六日、二零一九年六月三日、二零一九年六月四日及二零一九年六月二十八日之公告。

### 董事及高級管理層履歷

#### 執行董事

**周創強先生**(「周先生」)，55歲，於二零一九年六月四日獲委任為本公司執行董事。周先生亦為本公司合規主任、法定代表、薪酬委員會及合規委員會成員。彼亦為本公司多間附屬公司之董事。彼主要從事生產管理、研發管理及行銷管理工作。周先生已於管理及領導職務方面累積豐富工作經驗。自二零一七年起，彼已擔任深圳市晶星城科技電子有限公司的營銷經理及副總經理。於二零一三年至二零一七年，彼為深圳市科名置業投資有限公司的副總經理。



# Directors' Report

## 董事會報告

**Mr. Wu Yong Fu ("Mr. Wu")**, aged 32, has been appointed as an executive director of the Company on 16 April 2019. Mr. Wu graduated with a master degree in laws from Xiamen University in the People's Republic of China ("PRC") in 2013. Mr. Wu is a practising lawyer in the PRC. He worked in DeHeng Law Offices (德恆律師事務所) as a lawyer from February 2016 to July 2017. Since then, he has been working as a lawyer in China Commercial Law Firm (廣東華商律師事務所). Starting from December 2017, Mr. Wu was assigned by China Commercial Law Firm to provide legal services to subsidiaries of the Company in relation to the PRC legal matters and such provision of services was terminated before the executive Director appointment on 16 April 2019.

**Mr. Wang Li**, aged 32, has been an executive Director of the Company since 17 July 2017. Mr. Wang holds a master's degree issued by Rutgers, the State University of New Jersey, majoring in quantitative finance. Mr. Wang is currently the director of Leveraged and Acquisition Finance Department of Haitong International Securities Company Limited, a wholly-owned subsidiary of Haitong International Securities Group Limited (the shares of which are listed on the Stock Exchange (stock code: 665)). Mr. Wang has extensive experience in the area of merger and acquisition, listed company corporate action and derivatives trading, and has participated in a number of deals relating to such areas.

### Non-Executive Directors

**Mr. Chong Yu Keung**, aged 55, has been a non-executive Director of the Company since 17 July 2017. Mr. Chong holds a Bachelor's degree in E-commerce with over 20 years of financial experience in securities brokerage, investment, corporate finance, wealth management and private banking. Mr. Chong is the holder of Responsible Officer licences issued by the Hong Kong Securities and Futures Commission to carry on type 1, 4 and 9 regulated activities under the SFO. Mr. Chong had served various positions in leading financial companies and banks including The Chase Manhattan Bank N.A., Prudential-Bache Securities (HK) Ltd., UBS Warburg, Dryden Securities (HK) Ltd., Fortis Bank, Hong Kong, Forties Wealth Management (HK) Ltd., FT Securities (HK) Ltd. and Standard Chartered Bank Hong Kong. Mr. Chong had served as a director in a number of non-listed financial institutions in the past 10 years. In 2016, Mr. Chong had been an executive director of Glory Flame Holdings Limited (the shares of which are listed on the Stock Exchange (stock code: 8059)). Mr. Chong is also a non-executive director of Momentum Financial Holdings Limited (the shares of which are listed on the main board of the Stock Exchange of Hong Kong Limited (the "Stock Exchange")) (stock code: 1152) appointed on 30 May 2019.

**吳永富先生(「吳先生」)**，32歲，於二零一九年四月十六日獲委任為本公司執行董事。吳先生於二零一三年畢業於中華人民共和國(「中國」)廈門大學，獲頒法學碩士學位。吳先生為中國執業律師。彼於二零一六年二月至二零一七年七月期間在德恆律師事務所擔任律師。此後，彼一直在廣東華商律師事務所擔任律師。自二零一七年十二月起，吳先生獲廣東華商律師事務所委派為本公司附屬公司就中國法律事宜提供法律服務，而有關服務於二零一九年四月十六日董事委任前終止。

**王歷先生**，32歲，自二零一七年七月十七日起為本公司執行董事。王先生持有新澤西州立羅格斯大學(Rutgers, the State University of New Jersey)頒發之碩士學位，主修計量金融。王先生現任海通國際證券有限公司併購融資部董事，該公司為海通國際證券集團有限公司(股份於聯交所上市，股份代號：665)之全資附屬公司。王先生擁有豐富的併購、上市公司企業行動及衍生工具買賣經驗，亦曾參與多項涉及有關方面之交易。

### 非執行董事

**莊儒強先生**，55歲，自二零一七年七月十七日起為本公司非執行董事，持有電子商務學士學位，擁有逾20年證券經紀、投資、企業融資、財富管理及私人銀行方面的金融經驗。莊先生持有香港證券及期貨事務監察委員會發出的負責人員牌照，根據證券及期貨條例可進行第1、4及9類受規管活動。莊先生曾於多家主要金融公司及銀行擔任不同職務，包括美國大通銀行、美國培基證券有限公司、瑞銀華寶、Dryden Securities (HK) Ltd.、富通銀行香港、Forties Wealth Management (HK) Ltd.、FT Securities (HK) Ltd.及香港渣打銀行。莊先生過去10年曾在多家非上市金融機構擔任董事職務。二零一六年，莊先生曾任朝威控股有限公司(股份於聯交所上市，股份代號：8059)執行董事。莊先生亦於二零一九年五月三十日獲委任為正乾金融控股有限公司的非執行董事(其股份於香港聯合交易所有限公司(「聯交所」)主板上市)(股份代號：1152)。

# Directors' Report

## 董事會報告

### Independent Non-Executive Directors

**Mr. Huang Jian**, aged 46, has been an independent non-executive Director of the Company since 17 July 2017. He is the chairman of the audit committee, a member of the nomination committee and compliance committee of the Company. Mr. Huang obtained a Bachelor's degree in Audit from Sun Yat-sen University (中山大學) in 1996. He received a Master's degree in International Accounting from the City University of Hong Kong in 2005. He is also a Certified Public Accountant in China. He is Certified Public Accountant (Practising) in 北京永拓會計師事務所. He has business consulting and accounting audit experience. Currently, he is an independent director of 廣東金曼集團股份有限公司 (stock code: 400012CH) and an investment director of J.Q. Pictures Holdings Limited. From 2003 to 2006 he has worked in 至卓飛高線路板(深圳)有限公司 which was a subsidiary of China HKBridge Holdings Ltd (formerly "**Topsearch International (Holdings) Limited**") (stock code: 2323HK) as financial manager. From 2007 to 2015 he worked at a number of subsidiaries of Auto Italia Holdings Limited (formerly "**Wo Kee Hong (Holdings) Limited**") (stock code: 0720HK), as assistant financial controller and director. Mr. Huang has also been appointed as the chairman of the Audit Committee and a member of each of the Nomination Committee and the Compliance Committee with effect from 17 July 2017. Mr. Huang has also been appointed as an executive director of Momentum Financial Holdings Limited (the shares of which are listed on the main board of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**")) (stock code: 1152) on 30 May 2019.

**Mr. Zheng Wan Zhang**, aged 49, has been an independent non-executive Director of the Company since 17 July 2017. He has also been a member of the audit committee and remuneration committee of the Company since 31 July 2018. Mr. Zheng graduated from Jinan University, is qualified as building construction management engineer. He has strong leadership and management experience in the construction, real estate investment, asset management fields. From 2003 to 2006, he was appointed as the vice president of 廣州億敦投資有限公司, being responsible for the company's real estate development and management, investment and financing business; In 2006, he set up 廣州天智市場經營管理有限公司 and has acted as deputy general manager of the company which is engaged in real estate development, asset management and other aspects.

### 獨立非執行董事

**黃健先生**，46歲，自二零一七年七月十七日起為本公司獨立非執行董事。他是本公司審核委員會主席，提名委員會和合規委員會成員。黃先生於一九九六年取得中山大學審計學士學位，二零零五年獲香港城市大學頒發國際會計碩士學位，亦為中國註冊會計師、北京永拓會計師事務所執業會計師，擁有業務顧問及會計審計方面之經驗。彼現任廣東金曼集團股份有限公司(股份代號：400012CH)獨立董事及嘉映影業控股有限公司投資總監。二零零三年至二零零六年，彼曾任至卓飛高線路板(深圳)有限公司財務經理，該公司為中國港橋控股有限公司(前稱「**至卓國際(控股)有限公司**」，股份代號：2323HK)之附屬公司。二零零七年至二零一五年，彼曾任意達利控股有限公司(前稱「**和記行(集團)有限公司**」，股份代號：0720HK)旗下多家附屬公司之助理財務總監兼董事。自二零一七年七月十七日起，黃先生亦獲委任為審核委員會主席兼提名委員會及合規委員會成員。黃先生亦於二零一九年五月三十日獲委任為正乾金融控股有限公司(其股份於香港聯合交易所有限公司(「**聯交所**」)主板上市(股份代號：1152)的執行董事。

**鄭玩樟先生**，49歲，自二零一七年七月十七日起為本公司獨立非執行董事。彼自二零一八年七月三十一日起成為本公司審核委員會及薪酬委員會成員。鄭先生畢業於暨南大學，為合資格建築管理工程師，擁有豐富的建築、房地產投資及資產管理方面領導及管理經驗。二零零三年至二零零六年，彼獲委任為廣州億敦投資有限公司副總裁，負責房地產發展及管理、投資及融資業務。二零零六年，彼成立廣州天智市場經營管理有限公司，並擔任該公司副總經理，該公司從事房地產發展、資產管理及其他業務。

# Directors' Report

## 董事會報告

**Mr. Wong Tik Tung**, aged 63, has been an independent non-executive Director of the Company since 17 July 2017. He is the chairman of the remuneration committee and compliance committee of the Company. He is also a member of the nomination committee and audit committee of the Company. Mr. Wong, FCCA, CPA, ATIIHK, has over thirty years' experience in the fields of accounting, auditing and financial management. Being an accountant in Hong Kong, he is also a fellow member of the Association of Chartered Certified Accountants (ACCA) and an associate member of the Hong Kong Institute of Certified Public Accountants. Over the past years, Mr. Wong had taken directorships in the capacity of (i) an executive director of Auto Italia Holdings Limited (the shares of which are listed on the Stock Exchange (stock code: 720)), (ii) an independent non-executive director of Chi Cheung Investment Company Limited (the shares of which are listed on the Stock Exchange (stock code: 112)) and (iii) a non-executive director of Glory Flame Holdings Limited (the shares of which are listed on the Stock Exchange (stock code: 8059)). Mr. Wong has also been appointed as the chairman of each of the Remuneration Committee and the Compliance Committee and a member of each of the Audit Committee and the Nomination Committee with effect from 17 July 2017.

### Senior Management

**Mr. Lu Zhiming**, aged 44, has been the Chief Executive Officer of the Company since 17 January 2018. Mr. Lu is a graduate from Ningbo Yucai Technical Institute with majoring in electricity and electronics. Mr. Lu has diversified management experience in the fields of petrochemical and electronic business in China. For the period from January 2000 to March 2002, Mr. Lu was the vice general manager of marketing of China JinLun Tyre Fabrics Factory. For the period from July 2002 to July 2004, he was an executive director of a Hong Kong listed company Yanchang Petroleum International Limited (previously also known as Minglun Group (Hong Kong) Limited) (stock code: 346). Mr. Lu was the vice general manager of LED International (Hong Kong) Company Limited from November 2006 to December 2009 and Shen Zhen Shi Ai Ying Zhuo Er Technology Company Limited from January 2010 to April 2011. From May 2011 to May 2017, Mr. Lu was the president of Guang Dong Jian Long Optoelectronic Company Limited.

Save as disclosed herein, there is no other relationship between each of Directors and the senior management as required to be disclosed under the GEM Listing Rules.

### ROTATION OF DIRECTORS IN THE FORTHCOMING ANNUAL GENERAL MEETING

Pursuant to Article 108 of the Company's Articles of Association, Mr. Wang Li, Mr. Huang Jian and Mr. Wong Tik Tung shall retire from office as Director by rotation at the forthcoming annual general meeting. Each of Mr. Wang Li, Mr. Huang Jian and Mr. Wong Tik Tung being eligible, shall offer himself for re-election at the forthcoming annual general meeting.

**汪滌東先生**，63歲，自二零一七年七月十七日起為本公司獨立非執行董事。他是本公司薪酬委員會和合規委員會主席。他亦是本公司提名委員會和審核委員會成員。汪先生為FCCA、CPA、ATIIHK，擁有逾30年會計、審計及財務管理經驗。彼為香港會計師，亦為英國特許公認會計師公會(ACCA)資深會員及香港會計師公會會員。過去數年，汪先生曾任多個董事職務，包括(i)意達利控股有限公司(股份於聯交所上市，股份代號：720)之執行董事、(ii)至祥置業有限公司(股份於聯交所上市，股份代號：112)之獨立非執行董事及(iii)朝威控股有限公司(股份於聯交所上市，股份代號：8059)之非執行董事。自二零一七年七月十七日起，汪先生亦獲委任為薪酬委員會及合規委員會主席兼審核委員會及提名委員會成員。

### 高級管理層

**陸志明先生**，44歲，自二零一八年一月十七日起為本公司行政總裁。陸先生畢業於寧波育材技術學院，主修電工及電子。陸先生於中國石化及電子業務擁有多元化的管理經驗。陸先生於二零零零年一月至二零零二年三月期間擔任中國錦綸簾子布廠之市場營銷副總經理，並於二零零二年七月至二零零四年七月期間擔任香港上市公司延長石油國際有限公司(前稱明倫集團(香港)有限公司，股份代號：346)之執行董事。陸先生於二零零六年十一月至二零零九年十二月期間及二零一零年一月至二零一一年四月期間分別擔任LED International (Hong Kong) Company Limited及深圳市愛英卓而科技有限公司之副總經理，並於二零一一年五月至二零一七年五月期間擔任廣東健隆光電科技有限公司之總裁。

除本年報披露者外，各董事與高級管理層之間並無其他根據GEM上市規則須予披露的關係。

### 董事於應屆股東週年大會輪任

根據本公司章程細則第108條，王歷先生、黃健先生及汪滌東先生須於應屆股東週年大會輪值退任董事。王歷先生、黃健先生及汪滌東先生應各自合資格並願意於應屆股東週年大會膺選連任。



# Directors' Report

## 董事會報告

### DIRECTORS' SERVICE CONTRACTS

#### Executive Directors

Mr. Zhou Chuang Qiang has entered into a service agreement with the Company for a term of three years commencing on 4 June 2019 and can be terminated by not less than three months' prior notice in writing. Mr. Wu Yong Fu has entered into a service agreement with the Company for a term of three years commencing on 16 April 2019 and can be terminated by not less than three months' prior notice in writing. Mr. Wang Li has entered into a service agreement with the Company for a term of three years commencing on 17 July 2017 and can be terminated by not less than three months' prior notice in writing.

#### Non-executive Directors

Mr. Chong Yu Keung has entered into a service agreement with the Company for a term of three years commencing on 17 July 2017 and can be terminated by either party by giving three months' notice in writing.

#### Independent Non-executive Directors

Each of the independent non-executive Directors has entered into a service agreement with the Company for a term of three years commencing on 17 July 2017 and shall continue thereafter from year to year until terminated by one month's notice in writing served by either party on the other party.

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

### DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS THAT ARE SIGNIFICANT IN RELATION TO THE COMPANY'S BUSINESS

No transactions, arrangements and contracts of significance in relation to the Group's business to which the Company's subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

### EMOLUMENT POLICY

The emolument policy of the employees of the Group is set up by the Remuneration Committee on the basis of their merit, qualifications and competence.

The emoluments of the Directors are decided by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics.

### 董事之服務合約

#### 執行董事

周創強先生已與本公司訂立服務協議，任期自二零一九年六月四日起計為期三年，服務協議可以不少於三個月的事先書面通知終止。吳永富先生已與本公司訂立服務協議，任期自二零一九年四月十六日起計為期三年，服務協議可以不少於三個月的事先書面通知終止。王歷先生已與本公司訂立服務協議，任期自二零一七年七月十七日起計為期三年，服務協議可以不少於三個月的事先書面通知終止。

#### 非執行董事

莊儒強先生已與本公司訂立服務協議，任期自二零一七年七月十七日起計為期三年，可由任一方發出三個月之書面通知終止。

#### 獨立非執行董事

各獨立非執行董事已與本公司訂立服務協議，任期自二零一七年七月十七日起計為期三年，其後按年續約，直至任何一方另發出一個月的書面通知終止為止。

擬於應屆股東週年大會上重選連任的董事概無與本集團訂立不可於一年內在毋須支付賠償（法定賠償除外）的情況下終止的服務合約。

### 董事於與本公司業務有關的重大交易、安排及合約中擁有的重大權益

於年末或年內任何時間，本公司附屬公司概無訂立與本集團業務有關而本公司董事直接或間接擁有重大權益的重大交易、安排及合約。

### 薪酬政策

本集團僱員之薪酬政策由薪酬委員會根據彼等之表現、資歷及能力制定。

董事之薪酬由薪酬委員會參考本公司之經營業績、個人表現及可比較市場統計數字釐定。

# Directors' Report

## 董事會報告

### REMUNERATION OF DIRECTORS AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

Details of the emoluments of the Directors and five individuals with highest emoluments are set out in note 13 to the consolidated financial statements.

### 董事及五名最高薪人士之薪酬

董事及五名最高薪人士之酬金詳情載於綜合財務報表附註13。

### RETIREMENT BENEFIT SCHEME

Details of the retirement benefit scheme of the Group are set out in note 16 to the consolidated financial statements.

### 退休福利計劃

本集團之退休福利計劃詳情載於綜合財務報表附註16。

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY SPECIFIED UNDERTAKING OF THE COMPANY OR ANY OTHER ASSOCIATED CORPORATION

As at 31 December 2019, the interest and short position of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rules 5.46 of the GEM Listing Rules were as follows:

董事及主要行政人員於本公司或本公司指明的企業或任何其他相聯法團的股份、相關股份及債券中的權益及／或淡倉

於二零一九年十二月三十一日，董事及本公司主要行政人員於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份及債券中擁有須記入根據證券及期貨條例第352條存置的本公司登記冊的權益及淡倉，或根據GEM上市規則第5.46條所述上市發行人董事進行交易的規定標準須知會本公司及聯交所的權益及淡倉如下：

#### Long positions

#### Ordinary shares of the Company

#### 好倉

#### 本公司普通股

Name	Capacity and nature of interest	Class of shares	Number of shares (note 1) 股份數目 (附註1)	Percentage of the Company's issued share capital 佔本公司已發行股本之百分比
姓名	身份及權益性質	股份類別		
Wu Yong Fu 吳永富	Beneficial owner 實益擁有人	Share Option (Note 2) 購股權(附註2)	6,756,000 (L)	0.76%
Chong Yu Keung 莊儒強	Beneficial owner 實益擁有人	Share Option (Note 2) 購股權(附註2)	6,756,000 (L)	0.76%

Notes:

附註：

- The letter "L" denotes a long position in the shareholder's interest in the share capital of the Company.
- These represented the interests in underlying shares in respect of share options granted by the Company, details of which are disclosed in section headed "SHARE OPTION SCHEMES" below.

- 「L」指股東於本公司股本權益的好倉。
- 指本公司授出之購股權涉及的相關股份權益，詳情披露於下文「購股權計劃」一節。

# Directors' Report

## 董事會報告

Save as disclosed above, as at 31 December 2019, none of the Directors and chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules.

除上文所披露者外，於二零一九年十二月三十一日，概無董事及本公司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第XV部）的任何股份、相關股份或債券中擁有須記入本公司根據證券及期貨條例第352條存置的登記冊權益或淡倉，或根據GEM上市規則第5.46條所述上市發行人董事進行交易的規定準則須另行知會本公司及聯交所的權益或淡倉。

### SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 December 2019, the following persons (other than a Director or chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

### 主要股東及其他人士於本公司股份及相關股份的權益及淡倉

於二零一九年十二月三十一日，下列人士（董事或本公司主要行政人員除外）於本公司股份及相關股份中擁有須記入本公司根據證券及期貨條例第336條須存置的登記冊的權益或淡倉：

#### Long positions

Ordinary shares of the Company

#### 好倉

本公司普通股

Name	Capacity and nature of interest	Class of Shares	Number of shares (note 1)	Percentage of the Company's issued share capital 佔本公司已發行股本之百分比
姓名	身份及權益性質	股份類別	股份數目 (附註1)	
Martford Limited (note 2) Martford Limited (附註2)	Beneficial owner 實益擁有人	Ordinary shares 普通股	301,981,250 (L)	33.86%
Ma Xingjin Ma Xingjin	Beneficial owner 實益擁有人	Ordinary shares 普通股	52,232,970 (L)	5.86%
CITIC Group Corporation (note 3) 中國中信集團有限公司(附註3)	Interest of controlled corporation 受控制法團權益	Ordinary Shares 普通股	55,555,555 (L)	6.23%
CITIC Polaris Limited (note 3) 中信盛星有限公司(附註3)	Interest of controlled corporation 受控制法團權益	Ordinary Shares 普通股	55,555,555 (L)	6.23%
CITIC Glory Limited (note 3) 中信盛榮有限公司(附註3)	Interest of controlled corporation 受控制法團權益	Ordinary Shares 普通股	55,555,555 (L)	6.23%
CITIC Limited (note 3) 中國中信股份有限公司(附註3)	Interest of controlled corporation 受控制法團權益	Ordinary Shares 普通股	55,555,555 (L)	6.23%
CITIC Corporation Limited (note 3) CITIC Corporation Limited (附註3)	Interest of controlled corporation 受控制法團權益	Ordinary Shares 普通股	55,555,555 (L)	6.23%
China CITIC Bank Corporation Limited (note 3) 中信銀行股份有限公司(附註3)	Interest of controlled corporation 受控制法團權益	Ordinary Shares 普通股	55,555,555 (L)	6.23%



# Directors' Report

## 董事會報告

Name	Capacity and nature of interest	Class of Shares	Number of shares (note 1)	Percentage of the Company's issued share capital 佔本公司已發行股本之百分比
姓名	身份及權益性質	股份類別	股份數目 (附註1)	
Citic Investment (HK) Limited (note 3) Citic Investment (HK) Limited (附註3)	Interest of controlled corporation 受控制法團權益	Ordinary Shares 普通股	55,555,555 (L)	6.23%
Fortune Class Investments Limited (note 3) Fortune Class Investments Limited (附註3)	Interest of controlled corporation 受控制法團權益	Ordinary Shares 普通股	55,555,555 (L)	6.23%
Metal Link Limited (note 3) Metal Link Limited (附註3)	Interest of controlled corporation 受控制法團權益	Ordinary Shares 普通股	55,555,555 (L)	6.23%
CITIC International Financial Holdings Limited (note 3) 中信國際金融控股有限公司 (附註3)	Interest of controlled corporation 受控制法團權益	Ordinary Shares 普通股	55,555,555 (L)	6.23%
CITIC International Assets Management Limited (note 3) 中信國際資產管理有限公司 (附註3)	Interest of controlled corporation 受控制法團權益	Ordinary Shares 普通股	55,555,555 (L)	6.23%
CITIC Merchant Co., Limited (note 3) 中信通商投資管理有限公司 (附註3)	Interest of controlled corporation 受控制法團權益	Ordinary Shares 普通股	55,555,555 (L)	6.23%
Radiant Assets Management Limited (note 3) Radiant Assets Management Limited (附註3)	Beneficial owner 實益擁有人	Ordinary Shares 普通股	55,555,555 (L)	6.23%

### Notes:

### 附註：

- The letter "L" denotes a long position in the shareholder's interest in the share capital of the Company.
- The 301,981,250 shares were held by Martford Limited which is wholly and beneficially owned by Mr. Wang Lianghai.
- The entire issued share capital of Radiant Assets Management Limited is owned by CITIC Merchant Co., Limited, which is in turn owned as to 51% by CITIC International Assets Management Limited ("CITIC Asset Management"). CITIC Asset Management is owned as to 46% by CITIC International Financial Holdings Limited ("CITIC Financial Holdings"), which is in turn wholly owned by China CITIC Bank Corporation ("China CITIC Bank"). China CITIC Bank is owned as to 65.37%, 0.02% and 0.58% by CITIC Corporation Limited, Fortune Class Investments Limited ("Fortune Class") and Metal Link Limited respectively. Fortune Class is owned as to 100% by Citic Investment (HK) Limited, which is wholly owned by CITIC Corporation Limited ("CITIC Corporation"). CITIC Corporation is wholly owned by CITIC Limited which owns 100% of CITIC Corporation and 100% of Metal Link Limited. CITIC Limited is owned as to 25.60% and 32.53% by CITIC Glory Limited and CITIC Polaris Limited respectively. CITIC Glory Limited and CITIC Polaris Limited are wholly owned by CITIC Group Corporation.

- 「L」指股東於本公司股本權益的好倉。
- 301,981,250股股份由Martford Limited持有，而Martford Limited由王良海先生全資實益擁有。
- Radiant Assets Management Limited的全部已發行股本由中信通商投資管理有限公司擁有，而中信通商投資管理有限公司由中信國際資產管理有限公司（「中信資產管理」）擁有51%。中信資產管理由中信國際金融控股有限公司（「中信金融控股」）擁有46%，而中信金融控股由中信銀行股份有限公司（「中信銀行」）全資擁有。中信銀行由CITIC Corporation Limited、Fortune Class Investments Limited（「Fortune Class」）及Metal Link Limited分別擁有65.37%、0.02%及0.58%。Fortune Class由Citic Investment (HK) Limited擁有100%，而Citic Investment (HK) Limited由CITIC Corporation Limited（「CITIC Corporation」）全資擁有。CITIC Corporation由中國中信股份有限公司全資擁有，其擁有CITIC Corporation的100%及Metal Link Limited的100%。中國中信股份有限公司由中信盛榮有限公司及中信盛星有限公司分別擁有25.60%及32.53%。中信盛榮有限公司及中信盛星有限公司由中國中信集團有限公司全資擁有。

# Directors' Report

## 董事會報告

Save as disclosed above, as at 31 December 2019, no other interests or short positions in the shares or underlying shares of the Company were recorded in the register required to be kept by the Company under section 336 of the SFO.

### SHARE OPTION SCHEMES

#### Purpose of the Share Option Scheme

The share option scheme (the **"Scheme"**) adopted by the Company on 20 June 2014 is a share incentive scheme and is established to recognize and acknowledge the contributions that eligible participants (as defined therein) have made or may make to the Group.

The Scheme will provide the Eligible Participants with an opportunity to acquire proprietary interests in our Company with the view to achieving the following principal objectives:

- (i) motivate the Eligible Participants to optimise their performance and efficiency for the benefit of our Group; and
- (ii) attract and retain or otherwise maintain ongoing business relationship with the Eligible Participants whose contributions are, will or expected to be beneficial to our Group.

The Board may at its discretion grant right(s) to subscribe for Share(s) pursuant to the terms of the Scheme (the **"Option"**) to any of the following persons (the **"Eligible Participants"**):

- (i) any Director, employee or officer of any company in our Group who is employed by any company in our Group (whether full time or part time) (the **"Employee"**), consultant, professional, customer, supplier, agent, partner or adviser of or contractor to our Group or a company in which our Group holds an interest or a subsidiary of such company (the **"Affiliate"**); or
- (ii) the trustee of any trust the beneficiary of which or any discretionary trust the discretionary objects of which include any Director, Employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to our Group or an Affiliate; or
- (iii) a company beneficially owned by any Director, Employee, consultant, professional, customer, supplier, agent, partner, adviser of or contractor to our Group or an Affiliate.

The total number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes of the Company must not in aggregate exceed 30% of the Shares in issue from time to time.

除上文所披露者外，於二零一九年十二月三十一日，概無於本公司股份或相關股份的其他權益或淡倉記錄在本公司根據證券及期貨條例第336條須存置的登記冊內。

### 購股權計劃

#### 購股權計劃之目的

本公司於二零一四年六月二十日採納購股權計劃（「計劃」）為股份獎勵計劃，旨在認可及獎勵對本集團曾經或可能作出貢獻的合資格參與者（定義見計劃）。

計劃將向合資格參與者提供取得本公司所有權權益的機會，藉以達至以下主要目標：

- (i) 鼓勵合資格參與人士發揮所長，提升工作效率，為本集團作貢獻；及
- (ii) 招攬及挽留或以其他方式與其貢獻有利於、將有利或預期會有利於本集團的合資格參與者維繫持久的業務關係。

董事會可根據計劃之條款酌情向以下任何人士（「合資格參與者」）授出可認購股份之權利（「購股權」）：

- (i) 受本集團任何成員公司僱用的本集團任何成員公司任何董事、僱員或高級人員（無論全職或兼職）（「僱員」）、本集團或本集團持有其權益之公司或有關公司附屬公司（「附屬公司」）之諮詢人、專業人員、客戶、供應商、代理、合作夥伴、顧問或合約商；或
- (ii) 任何信託或任何全權信託的受託人，而該信託的受益人或該全權信託的全權信託對象包括本集團或附屬公司的任何董事、僱員、諮詢人、專業人員、客戶、供應商、代理、合作夥伴、顧問或合約商；或
- (iii) 由本集團或附屬公司的任何董事、僱員、諮詢人、專業人員、客戶、供應商、代理、合作夥伴、顧問或合約商實益擁有的公司。

儘管有上文所述，於根據計劃及本公司任何其他購股權計劃已授出但尚未行使的所有購股權獲行使時可予發行的股份總數，不得超過不時已發行股份的30%。

# Directors' Report

## 董事會報告

Subject to the aforesaid limit, the number of Shares which may be issued upon the exercise of all options granted or to be granted under the Scheme and any other share option schemes of the Company is 68,722,500 Shares, representing 10% of the issued Shares as at 21 June 2018, being the date of approval of refreshment of the existing scheme limit by the Shareholders, and as adjusted following the Share Consolidation became effective on 29 May 2019.

The total number of Shares issued and to be issued upon exercise of all Options granted to an Eligible Participant (including exercised and outstanding Options) in any 12-month (i.e. maximum entitlement) period must not exceed 1% of the Shares in issue from time to time, unless approved by the Shareholders in general meeting.

An option may be exercised in accordance with the terms of the Scheme at any time during a period as our Board may determine which shall not exceed 10 years from the date of grant subject to the provisions of early termination thereof.

The exercise price per share under the Scheme (the **"Exercise Price"**) shall be a price determined by the Board, but shall not be less than the highest of:

- (i) the closing price of a Share as stated in the Stock Exchange's daily quotations sheet on the date of grant of the relevant Option, which must be a day on which the Stock Exchange is open for the business of dealing in securities (the **"Trading Day"**);
- (ii) an amount equivalent to the average closing price of a Share as stated in the Stock Exchange's daily quotations sheets for the five Trading Days immediately preceding the date of grant of the relevant Option; and
- (iii) the nominal value of a Share on the date of grant.

On 19 December 2017, the Company granted share options to certain eligible participants to subscribe for a total of 500,000,000 ordinary shares of HK\$0.0002 each (the **"Old Shares"**) in the issued share capital of the Company (the **"Old Options"**). The Old Options were outstanding and not yet exercised. As a result of the Share Consolidation (as defined above), the exercise price of the Old Options had been adjusted from HK\$0.1632 per Old Share to HK\$1.3056 per consolidated share and the number of shares of the Company to be issued upon exercise of the outstanding Old Options had been adjusted from 500,000,000 Old Shares to 62,500,000 consolidated shares.

On 4 June 2019, it was resolved by the Company to cancel the 62,500,000 outstanding Old Options and subject to the irrevocably and unconditionally agreement of each of grantees to the cancellation of their respective Old Options, to grant 68,720,000 new share options with exercise price of HK\$0.2412 per share (the **"New Options"**) entitling the grantees to subscribe for 68,720,000 shares of the Company. Details are set out in the announcement of the Company dated 4 June 2019.

根據上述限額，根據計劃或本公司任何其他購股權計劃授出或將予授出的購股權悉數獲行使後可能發行的股份數目為68,722,500股，相當於於二零一八年六月二十一日（即股東批准更新現有計劃授權限額之日期）已發行股份之10%及於股份合併於二零一九年五月九日生效後經調整。

於任何十二個月期間因行使向各合資格參與者所授出購股權（包括已行使及尚未行使購股權）而已經及將發行股份總數（「即最高數目」），不得超過不時已發行股份1%，除非獲股東於股東大會上批准則除外。

購股權可按計劃條款，於董事會所釐定之期間內隨時行使，惟不得超出授出購股權日期起計十年（惟須受提早終止條文所規限）。

計劃項下每股行使價（「行使價」）須由董事會釐定，惟不得低於以下三者之最高者：

- (i) 股份於相關購股權授出日期在聯交所每日報價表所載收市價，該日須為聯交所開門營業供進行證券交易的日子（「交易日」）；
- (ii) 緊接相關購股權授出日期前五個交易日股份在聯交所每日報價表所載平均收市價；及
- (iii) 於授出日期的股份面值。

於二零一七年十二月十九日，本公司向若干合資格參與者授出購股權，以認購本公司已發行股本合共500,000,000股每股0.0002港元普通股（「舊股份」）（「舊購股權」）。舊購股權已發行但尚未行使。由於股份合併（定義見上文），舊購股權的行使價已由每股舊股份0.1632港元調整至每股合併股份1.3056港元，而於行使尚未行使的舊購股權時將予發行的本公司股份數目已由500,000,000股舊股份調整至62,500,000股合併股份。

於二零一九年六月四日，本公司議決註銷62,500,000份尚未行使的舊購股權，及受限於各承授人須不可撤回及無條件同意註銷彼等各自舊購股權，按行使價每股0.2412港元授出68,720,000份賦予承授人權利認購本公司68,720,000股股份的新購股權（「新購股權」）。詳情載於本公司日期為二零一九年六月四日之公告內。



# Directors' Report

## 董事會報告

As at 31 December 2019, 61,964,000 effective share options were outstanding.

於二零一九年十二月三十一日，61,964,000份有效股權尚未行使。

The following table discloses movements in the Company's outstanding options under the Share Option Scheme during the Reporting Period.

下表披露於報告期內本公司根據購股權計劃的尚未行使購股權變動。

Name of grantee	Date of grant of the options during the Reporting Period	On 1 January 2019 <sup>(1)</sup>	Granted during the Reporting Period	Exercised during the Reporting Period	No. of options expired/lapsed/cancelled during the Reporting Period 報告期內過期/失效/註銷之購股權數目	On 31 December 2019	Exercise period of the options <sup>(2)(3)</sup>	Exercise price of the options per share (HKD)
承授人姓名	報告期內購股權授出日期	於二零一九年一月一日 <sup>(1)</sup>	報告期內授出	報告期內行使		於二零一九年十二月三十一日	購股權行使期 <sup>(2)(3)</sup>	每股購股權之行使價(港元)
Mr. Wu Yong Fu	4 June 2019	Nil	6,756,000	Nil	Nil	6,756,000	4 June 2019 – 3 June 2029	0.2412
吳永富先生	二零一九年六月四日	零		零	零		二零一九年六月四日至二零一九年六月三日	
Mr. Chong Yu Keung	4 June 2019	6,750,000	6,756,000	Nil	6,750,000	6,756,000	4 June 2019 – 3 June 2029	0.2412
莊儒強先生	二零一九年六月四日			零			二零一九年六月四日至二零一九年六月三日	
Mr. Liu Liang (resigned as director of the Company on 28 June 2019)	4 June 2019	6,750,000	6,756,000	Nil	13,506,000	Nil	N/A	N/A
劉亮先生(於二零一九年六月二十八日辭任本公司董事職務)	二零一九年六月四日			零		零	不適用	不適用
Mr. Wu Jin Sheng (resigned as director of the Company on 3 June 2019)	N/A	6,750,000	Nil	Nil	6,750,000	Nil	N/A	N/A
吳晉生先生(於二零一九年六月三日辭任本公司董事職務)	不適用		零	零		零	不適用	不適用
Other grantees	4 June 2019	42,250,000	48,452,000	Nil	42,250,000	48,452,000	4 June 2020 – 3 June 2029	0.2412
其他承授人	二零一九年六月四日			零			二零二零年六月四日至二零一九年六月三日	
Total		62,500,000	68,720,000	Nil	69,256,000	61,964,000		
總計				零				

Notes:

附註：

(1) As a result of the Share Consolidation, the exercise price of the Old Options had been adjusted from HK\$0.1632 per Old Share to HK\$1.3056 per consolidated share and the number of shares to be issued upon exercise of the outstanding Old Options granted under the Share Option Scheme had been adjusted from 500,000,000 Old Shares to 62,500,000 consolidated shares. Details of the said adjustments are set out in the announcement of poll results of the extraordinary general meeting of the Company dated 28 May 2019.

(1) 由於股份合併，舊購股權的行使價已由每股舊股份0.1632港元調整至每股合併股份1.3056港元，而於行使購股權計劃項下授出的尚未行使舊購股權時將予發行的股份數目已由500,000,000股舊股份調整至62,500,000股合併股份。有關所述調整詳情載於本公司日期為二零一九年五月二十八日的股東特別大會投票表決結果公告。

(2) The New Options granted to the directors will be vested immediately upon their acceptance of such New Options.

(2) 授予董事的新購股權一經接納，將立刻歸屬。

# Directors' Report

## 董事會報告

- (3) The New Options granted to the employees have a vesting period of 2 years, i.e. one-half of the New Options shall be vested on the first (1st) anniversary (round down to the nearest New Option) and the remaining one-half of the New Options shall be vested on the second (2nd) anniversary of the date of grant respectively.
- (4) The details of the valuation model are set out in note 36 to financial statements. The value of options are subject to a number of assumptions and limitations that may be subjective and uncertain.
- (5) Other grantees were employees of the Group

- (3) 授予僱員的新購股權的歸屬期為2年，即分別於授出日期的第一(1)週年歸屬一半新購股權(下調至最近的新購股權數目)，及第二(2)週年全部歸屬餘下一半新購股權。
- (4) 估值模型詳情載於財務報表附註36。購股權價值受數項可能屬主觀或具不確定性之假設及限制之影響。
- (5) 其他承授人為本集團僱員。

### ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the year was the Company or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### 購買股份或債券之安排

於年內任何時間，本公司或其任何附屬公司或同系附屬公司概無訂立任何安排，致使董事可透過收購本公司或任何其他團體公司之股份或債券而獲取利益。

### MANAGEMENT CONTRACTS

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

### 管理合約

年內，本公司概無就整體或任何重大部分業務的管理及行政工作訂立或訂有任何合約。

### MAJOR CUSTOMERS AND SUPPLIERS

The information in respect of the Group's sales and purchases attributable to the major customers and suppliers respectively during the year are as follows:

### 主要客戶及供應商

年內，主要客戶及供應商應佔本集團之銷售及採購之資料如下：

		Sales 銷售	Purchases 採購
The largest customer	最大客戶	26.4%	N/A 不適用
Five largest customers in aggregate	五大客戶總計	54.7%	N/A 不適用
The largest supplier	最大供應商	N/A 不適用	16.2%
Five largest suppliers in aggregate	五大供應商總計	N/A 不適用	52.7%

None of the Directors, their close associates or any shareholders (which to the knowledge of the Directors owned more than 5% of the Company's share capital) had any interest in the Group's five largest customers or suppliers.

董事、彼等之緊密聯繫人或據董事所知擁有本公司股本5%以上的任何股東概無於本集團之五大客戶或供應商中擁有任何權益。

### EVENTS AFTER THE REPORTING PERIOD

Reference is made to the announcements of the Company dated 19 December 2019 and 9 January 2020 in relation to the placing of new Shares under the 2019 General Mandate (capitalised terms used shall have the same meanings as those defined in the aforementioned announcements). Given that the conditions precedent for the Placing Agreement had not been fulfilled on or before 9 January 2020, the Placing Agreement had lapsed and the Placing will not proceed.

### 報告期後事項

茲提述本公司日期為二零一九年十二月十九日及二零二零年一月九日之公告，內容有關根據二零一九年一般授權配售新股份(本報告所用詞彙於上述公告內所界定者具有相同涵義)。鑒於配售協議之先決條件於二零二零年一月九日或之前未獲達成，該配售協議已失效且未進行配售事項。

# Directors' Report

## 董事會報告

After the outbreak of COVID-19 in January 2020, a series of precautionary and control measures have been and continued to be implemented across the PRC. In adherence to the guidelines of the China government and to protect our employees from infection, the Group has temporarily suspended the manufacturing operations of the Group located in Shenzhen since Chinese New Year holidays. In early March 2020, the Group gradually resumed its manufacturing operations and implemented precautionary as well as control measures in all projects to fight against this disease and safeguard its employees and business operations. Depending on the future development of the outbreak, the Board expects that the production capacity of the factory will resume its full scale and normal operation upon the lifting of relevant epidemic prevention measures. The Group will pay close attention to the development of this disease and evaluate its impact on the financial position and operating results of the Group.

On 20 April 2020, an aggregate of 138,864,000 placing shares of the Company (the **"Placing"**), representing approximately 13.47% of the total number of issued Shares immediately after the completion of the Placing, had been successfully placed through the placing agent to not less than six placees at the placing price of HK\$0.10 per placing share. The new shares were issued under the general mandate granted to the directors of the Company at the annual general meeting of the Company held on 20 June 2019. The gross proceeds and net proceeds from the placing were approximately HK\$13.9 million and HK\$13.3 million, respectively which was intended to be used for providing additional general working capital of the Group. Details are set out in the announcements of the Company dated 27 March 2020, 14 April 2020 and 20 April 2020. As at the date of this report, the net proceeds from the Placing had not been used.

### COMPETING INTERESTS

The Directors confirm that none of the controlling shareholders or Directors and their respective close associates (as defined in the GEM Listing Rules) is interested in any business apart from the business operated by the Group which competes or is likely to compete, directly or indirectly, with the business of the Group during the Reporting Period.

### SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this report.

### CONNECTED TRANSACTIONS

The related party transactions as disclosed in Note 41 to the consolidated financial statements does not fall under the definition of "connected transaction" or "continuing connected transaction" in Chapter 20 of the GEM Listing Rules. No disclosure requirement is needed accordingly.

於二零二零年一月爆發新冠病毒疫情後，中國各地已經並將持續採取一系列防控措施。為響應中國政府的政策指引及保護我們的僱員免受病毒感染，自中國春節假期以來，本集團已暫停於深圳的製造生產業務。於二零二零年三月初，本集團逐步恢復其製造生產業務，並於所有項目中實施防控措施，以抵抗疫情和保障其僱員的安全及業務營運。視乎疫情發展態勢，董事會預期工廠的產能將於取消有關疫情防控措施後全面恢復並進入正常營運狀態。本集團將密切留意疫情發展態勢及評估其對本集團財務狀況及經營業績的影響。

本公司於二零二零年四月二十日完成一項配售，合共138,864,000股本公司配售股份（「**配售事項**」）（相當於緊隨配售事項完成後已發行股份總數約13.47%）已透過配售代理成功配售予不少於六名承配人，配售價為每股配售股份0.10港元。新股份已根據於二零一九年六月二十日舉行的本公司股東週年大會上授予本公司董事的一般授權獲發行。配售事項所得款項總額及所得款項淨額分別約為13.9百萬港元及13.3百萬港元，擬用於提供本集團的額外一般營運資金。詳情載於本公司日期為二零二零年三月二十七日、二零二零年四月十四日及二零二零年四月二十日之公告。於本報告日期，配售事項之所得款項淨額尚未獲動用。

### 競爭權益

董事確認，概無控股股東或董事以及彼等各自的緊密聯繫人士（定義見GEM上市規則）於與本集團業務直接或間接構成或可能構成競爭的任何業務（除由本集團營運的業務以外）中擁有權益。

### 充足公眾持股量

根據本公司公開可得之資料及據董事所知，於本報告日期，本公司全部已發行股本中最少有25%由公眾人士持有。

### 關連交易

綜合財務報表附註41所披露之關聯方交易並不屬於GEM上市規則第20章「關連交易」或「持續關連交易」定義之範疇。因此，毋須就此作出披露。



# Directors' Report

## 董事會報告

### CORPORATE GOVERNANCE

The Company's corporate governance report is set out on pages 32 to 52 of this annual report.

### BORROWINGS

Particulars of borrowings as at 31 December 2019 and 2018 are set out in note 29 and 30 to the consolidated financial statements in this annual report.

### AUDITORS

The financial statement for the year ended 31 December 2018 have been audited by World Link CPA Limited. On 20 December 2019, World Link CPA Limited resigned as auditor of the Company due to its reorganization under which the audit engagement director and the audit engagement team joining another professional accounting firm. McMillan Woods (Hong Kong) CPA Limited has been appointed as the auditor of the Company with effect from 20 December 2019 to fill the casual vacancy following the resignation of World Link CPA Limited and to hold office until the conclusion of the next annual general meeting.

ON BEHALF OF THE BOARD

#### Zhou Chuang Qiang

*Executive director*

Hong Kong  
29 April 2020

### 企業管治

本公司之企業管治報告載於本年報第32至52頁。

### 借貸

於二零一九年及二零一八年十二月三十一日之借貸詳情載於本年報綜合財務報表附註29及30。

### 核數師

截至二零一八年十二月三十一日止年度之財務報表已經華普天健(香港)會計師事務所有限公司審核。於二零一九年十二月二十日,華普天健(香港)會計師事務所因其重組導致審核委聘董事及審核委聘團隊加入另一家專業會計事務所而辭任本公司核數師之職。長青(香港)會計師事務所有限公司自二零一九年十二月二十日起擔任本公司核數師,以填補華普天健(香港)會計師事務所辭任造成之臨時空缺,並將任職至下屆股東週年大會結束。

代表董事會

#### 執行董事

周創強

香港  
二零二零年四月二十九日

# Corporate Governance Report

## 企業管治報告

### CORPORATE GOVERNANCE PRACTICES

The Group has committed to upholding high standards of corporate governance. The Board considers that enhanced public accountability and corporate governance are beneficial for the healthy growth of the Group, improving customer and supplier confidence and safeguarding the interests of shareholders of the Group.

The Company has adopted the Corporate Governance Code (the “**CG Code**”) contained in Appendix 15 to the GEM Listing Rules as its own code and had complied with the CG Code during the year ended 31 December 2019, except for the following deviations. The Board has continued to monitor and review the corporate governance principles and practices to ensure compliance.

Code provision C.1.2 of the CG Code provides that management should provide all members of the board with monthly updates giving a balanced and understandable assessment of the issuer’s performance, position and prospects in sufficient detail to enable the board as a whole and each director to discharge their duties under Rule 3.08 and Chapter 17 of the GEM Listing Rules. The management of the Company provided quarterly update to the members of the Board and the management keeps providing information and updates to the members of the Board as and when appropriate.

### DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by Directors (the “**Model Code**”) on terms no less exacting than the required standard of dealings set out in Rule 5.48 to 5.67 of the GEM Listing Rules effective from the Listing Date on 18 July 2014.

Upon the specific enquiry made to all the Directors, the Company was not aware of any non-compliance with the Model Code regarding securities transactions by the Directors during the year ended 31 December 2019.

### 企業管治常規

本集團致力維持高水平的企業管治。董事會認為增加公眾問責性及企業管治有利於本集團穩健增長、提高顧客及供應商的信心，以及保障本集團股東的利益。

截至二零一九年十二月三十一日止年度，本公司已採納GEM上市規則附錄15所載之企業管治守則（「**企業管治守則**」）作為其自身之守則，並已遵守企業管治守則，惟下列偏離事項除外。董事會持續監察及審閱企業管治原則及常規以確保合規。

企業管治守則守則條文C.1.2規定，管理層須每月向董事會全體成員提供更新資料，當中詳盡載列有關發行人的表現、狀況及前景的公正及易於理解的評估，讓董事會全體及各董事可根據GEM上市規則第3.08條及第17章履行職務。本公司管理層向董事會成員提供每季度的更新資料，並保持於適當時候向董事會成員提供資料及最新資料。

### 董事之證券交易

本公司就董事進行證券交易採納條款不遜於GEM上市規則第5.48至5.67條所載交易規定準則之操守守則（「**標準守則**」），自於二零一四年七月十八日上市以來生效。

經向全體董事進行具體查詢後，本公司並不知悉於截至二零一九年十二月三十一日止年度董事曾就證券交易違反標準守則。

# Corporate Governance Report

## 企業管治報告

### BOARD OF DIRECTORS

#### Composition

The Board for the year ended 31 December 2019 comprised the following Directors:

#### Executive Directors

Mr. Wang Li  
Mr. Wu Yong Fu <sup>(3)</sup>  
Mr. Zhou Chuang Qiang <sup>(4)</sup>

#### Non-executive Director

Mr. Chong Yu Keung

#### Independent Non-executive Directors

Mr. Huang Jian  
Mr. Zheng Wan Zhang  
Mr. Wong Tik Tung

#### Notes:

- (1) Mr. Tang Wai Ting, Samson resigned as an executive Director of the Company on 25 March 2019.
- (2) Mr. Wu Jin Sheng resigned as a non-executive Director of the Company on 3 June 2019 and Mr. Liu Liang resigned as an executive Director of the Company on 28 June 2019.
- (3) Mr. Wu Yong Fu appointed as the executive Director of the Company on 16 April 2019.
- (4) Mr. Zhou Chuang Qiang is appointed as the executive director and authorised representative of the Company on 4 June 2019 and 28 June 2019 respectively.

Details of backgrounds and qualifications of all Directors are set out in Directors' Report. All Directors have given sufficient time and attention to the affairs of the Group. Each executive Director has sufficient experience, knowledge and execution ability to hold the position so as to carry out his duties effectively and efficiently.

### 董事會

#### 組成

截至二零一九年十二月三十一日止年度，董事會由以下董事組成：

#### 執行董事

王歷先生  
吳永富先生<sup>(3)</sup>  
周創強先生<sup>(4)</sup>

#### 非執行董事

莊儒強先生

#### 獨立非執行董事

黃健先生  
鄭玩樟先生  
汪滌東先生

#### 附註：

- (1) 鄧偉廷先生於二零一九年三月二十五日辭任本公司執行董事。
- (2) 吳晉生先生於二零一九年六月三日辭任本公司非執行董事，而劉亮先生於二零一九年六月二十八日辭任本公司執行董事。
- (3) 吳永富先生於二零一九年四月十六日獲委任為本公司執行董事。
- (4) 周創強先生已分別於二零一九年六月四日及二零一九年六月二十八日獲委任為本公司執行董事及授權代表。

所有董事的背景及資歷詳情載列於董事會報告。所有董事已投放足夠時間及精力於本集團事務。各執行董事具備之經驗、知識及執行能力，足以勝任有關職位，並有效和高效履行職務。

# Corporate Governance Report

## 企業管治報告

During the year ended 31 December 2019, 2 extraordinary general meeting 1 annual general meeting, 4 regular Board meetings and other 15 Board meetings were held in addition to circulation of written board resolutions. The composition of the Board and Board committees during the year and up to the date of this report, and its members' attendance record of meetings held in 2019 are shown below:

截至二零一九年十二月三十一日止年度，除了傳閱書面董事會決議案，已舉行2次特別股東大會、1次股東大會、4次常規董事會會議及15次其他董事會會議。年內及截至本報告日期，董事會及董事委員會之組成及其成員於二零一九年所舉行會議的出席紀錄列示如下：

Name of member 成員姓名	Attendance record of meetings held in 2019 二零一九年所舉行會議的出席紀錄						
	Extraordinary General Meeting 特別股東大會	Annual General Meeting 股東週年大會	Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	Compliance Committee 合規委員會
Number of total meetings 會議總數	2	1	19	4	2	2	1
Number of Meetings attended/Total 已出席會議之次數／總數							
<b>Executive Directors</b> 執行董事							
Mr. Tang Wai Ting, Samson (ceased to be Chairman and Executive Director on 25 March 2019) 鄧偉廷先生(於二零一九年三月二十五日 不再擔任主席及執行董事)	N/A 不適用	N/A 不適用	0/2	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Liu Liang (resigned on 28 June 2019) 劉亮先生(於二零一九年六月二十八日辭任)	1/1	1/1	11/11	N/A 不適用	2/2	N/A 不適用	1/1
Mr. Wu Yong Fu (appointed on 16 April 2019) 吳永富先生(於二零一九年四月十六日委任)	1/2	1/1	12/15	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Wang Li 王歷先生	1/2	0/1	11/19	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
Mr. Zhou Chuang Qiang (appointed on 4 June 2019) 周創強先生(於二零一九年六月四日委任)	0/1	0/1	11/11	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
<b>Non-executive Directors</b> 非執行董事							
Mr. Wu Jin Sheng (resigned on 3 June 2019) 吳晉生先生(於二零一九年六月三日辭任)	1/1	N/A	7/7	N/A 不適用	N/A 不適用	1/1	N/A 不適用
Mr. Chong Yu Keung 莊儒強先生	2/2	1/1	19/19	N/A 不適用	N/A 不適用	N/A 不適用	N/A 不適用
<b>Independent non-executive Directors</b> 獨立非執行董事							
Mr. Huang Jian 黃健先生	1/2	1/1	19/19	4/4	N/A 不適用	2/2	1/1
Mr. Zheng Wan Zhang 鄭玩樟先生	1/2	1/1	18/19	4/4	2/2	1/1	N/A 不適用
Mr. Wong Tik Tung 汪滌東先生	2/2	1/1	18/19	4/4	2/2	2/2	1/1



# Corporate Governance Report

## 企業管治報告

### THE RESPONSIBILITIES OF THE BOARD

The Board is responsible for the control and leadership of management company's business and is collectively responsible for the Company's affair under the Board's direction and supervision. All the Directors should make decision objectively in the interests of the Company.

The overall responsibilities of the Board include considering and making decisions on the following matters:

- (i) Setting the cooperate goals of the Group and formulating the Group's strategy and monitoring the implementation;
- (ii) Diversification and extension of activities into new business area;
- (iii) Approving the annual, half year and quarterly results;
- (iv) Dividend policy;
- (v) Material acquisitions and disposal;
- (vi) Reviewing and monitoring the Group's internal control systems;
- (vii) Monitoring the performance of the Management; and
- (viii) Determining and reviewing the composition and diversity of the Board.

### 董事會的職責

董事會負責控制及領導管理本公司之業務，並根據董事會指示及監督對本公司事務共同承擔責任。全體董事應客觀地作出符合本公司利益的決策。

董事會的整體職責包括就以下事宜作出考慮及決策：

- (i) 設定本集團企業目標及制定本集團策略及監督執行；
- (ii) 多元化發展及拓展業務至新業務領域；
- (iii) 批准全年、中期及季度業績；
- (iv) 股息政策；
- (v) 重大收購及出售；
- (vi) 檢討及監控本集團內部監控制度；
- (vii) 監察管理層的表現；及
- (viii) 確定及審閱董事會組成及多元化。

# Corporate Governance Report

## 企業管治報告

### BOARD COMPOSITION AND DIVERSITY POLICY

The Company has adopted the board diversity policy since 20 June 2014. The policy sets out the approach to achieve diversity in the Board that should have a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Group's business and compliance with policies. The composition and diversity policies of the Board is reviewed annually and regularly. The Board should ensure that its changes in composition will not result in any undue interruption. The Board members should possess appropriate professionalism, experience and trustworthiness in performing their duties and functions. The Board would diversify its members according to the Company's situations and need. While participating in nomination and recommendation of director candidates during the year, each member of the Board may consider a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, or professional experience in achieving diversity for the benefit of the Company's various business development and management.

A summary of the Board Diversity Policy (the "Policy"), which describes the Company's approach to ensuring adequate diversity, is set out below:

- (i) consideration and selection of candidates for appointment to the Board will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service;
- (ii) the ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board; and
- (iii) the nomination committee of the Company will report annually to the Board on the Board's composition under diversified perspectives, and monitor the implementation of the Policy.

In 2019, the Board has reviewed the diversity of the Board and considered the Board composition and diversity is appropriate.

### 董事會組成及多元化政策

自二零一四年六月二十日起，本公司已採納董事會多元化政策。該政策載有達致董事會多元化的方法，以組成技能、經驗均衡，且觀點多元化的董事會，以切合本集團業務需求並配合政策。董事會組成及多元化政策會每年及定期審閱。董事會應確保其組成的變動將不會導致任何不適宜的干擾。董事會成員須具備合適專業精神、經驗及誠信以履行彼等職務及職能。董事會將根據本公司的情況及需要增添成員。年內，各董事會成員於提名及建議董事候選人時可考慮一系列多元化因素，包括但不限於性別、年齡、文化及教育背景，或專業經驗，以達致多元化組成，有利本公司各項業務發展及管理。

董事會多元化政策（「政策」）載有本公司確保董事會充分多元化的方法，其概要載列如下：

- (i) 考慮並甄選董事會候任董事將以一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期；
- (ii) 最終將按人選的長處及可為董事會帶來的貢獻而作決定；及
- (iii) 本公司提名委員會將每年匯報董事會其在多元化層面的成員組合，並監察政策的執行情況。

於二零一九年，董事會已審閱董事會多元化並認為董事會組成及多元化實屬合適。

# Corporate Governance Report

## 企業管治報告

### MANAGEMENT

The daily management, administration and operation of the Company are delegated to the Chief Executive Officer and senior management (the “Management”). The delegated functions and assignments are periodically reviewed by the Board. Approval has to be obtained from the Board prior to entering into any significant transactions by the Management.

The overall responsibilities of the Management include considering and making decisions on the following matters:

- (i) Implementing the Group's policy and strategies set by the Board;
- (ii) Strategic planning of different business and functions;
- (iii) Closely monitoring operational and financial results in accordance with plans and budgets;
- (iv) Putting adequate operational, planning and financial control systems in place; and
- (v) Managing the Group's day-to-day business.

### CONFIRMATION OF INDEPENDENCE

In compliance with Rules 5.05(1) and (2) of the GEM Listing Rules, the Company has appointed 3 independent non-executive Directors; and at least one of whom has appropriate professional qualifications or accounting or related financial management expertise. Each of the independent non-executive Directors has made an annual confirmation in writing of his independence pursuant to Rule 5.09 of the GEM Listing Rules and the Company considers that all the independent non-executive Directors were independent during the year ended 31 December 2019 since their respective date of appointment.

All independent non-executive Directors are identified as such in all corporate communications containing the names of the Directors by the Company.

### 管理層

本公司日常管理、行政及營運指派予行政總裁及高級管理人員（「管理層」）。董事會定期審閱指派的職能及任務。管理層進行任何重大交易須獲得董事會批准方可進行。

管理層的整體職責包括就以下事宜作出考慮及決策：

- (i) 執行董事會定立的本集團政策及策略；
- (ii) 制定不同業務及職能的策略計劃；
- (iii) 根據計劃及預算，密切監察經營及財務業績；
- (iv) 制定足夠的營運、計劃及財務監控制度；及
- (v) 管理本集團日常業務。

### 獨立性確認

遵照GEM上市規則第5.05(1)及(2)條，本公司已委任3名獨立非執行董事，其中至少一名具備合適專業資格或會計或相關財務管理專業知識。各獨立非執行董事已根據GEM上市規則第5.09條就其獨立性發出年度確認書，而本公司認為，截至二零一九年十二月三十一日止年度，全體獨立非執行董事自其各自委任日期起均屬獨立。

所有載有本公司董事姓名的公司通訊中均列明全體獨立非執行董事之身份。

# Corporate Governance Report

## 企業管治報告

### CONTINUOUS PROFESSIONAL DEVELOPMENT

All Directors, including independent non-executive Directors, should keep abreast of their collective responsibilities as Directors and of the businesses and activities of the Group. The Group also provides briefings and other training to develop and refresh the Directors' knowledge and skills, and updates all Directors on the latest developments regarding the GEM Listing Rules and other applicable regulatory requirements to ensure compliance and to enhance their awareness of good corporate governance practices.

During the year ended 31 December 2019, the Directors provided their training record to the Company in respect of their participation in training activities such as attending seminars relevant to their duties and responsibilities as directors of a listed company, particulars of which are as follows:

### 持續專業發展

全體董事(包括獨立非執行董事)應緊貼作為董事及於本集團業務與活動的共同責任。本集團亦會提供簡報會及其他培訓，以發展及更新董事的知識及技能，並就GEM上市規則及其他適用監管規定的最新發展向全體董事提供最新資訊，確保合規及加強彼等對良好企業管治常規的意識。

於截至二零一九年十二月三十一日止年度，董事就彼等參與涉及彼等作為上市公司董事之職務及職責的培訓活動(如出席研討會)向本公司提供培訓紀錄，詳情如下：

		Reading materials relevant to directors' duties and responsibilities 與董事職務及職責有關的閱讀材料	Attending the seminar relevant to the skills of Director's position 出席與董事職位技能有關的研討會
<b>Executive Directors</b>	<b>執行董事</b>		
Mr. Tang Wai Ting, Samson	鄧偉廷先生	✓	✓
Mr. Liu Liang	劉亮先生	✓	✓
Mr. Wang Li	王歷先生	✓	✓
Mr. Wu Yong Fu	吳永富先生	✓	✓
Mr. Zhou Chuang Qiang	周創強先生	✓	✓
<b>Non-executive Directors</b>	<b>非執行董事</b>		
Mr. Wu Jin Sheng	吳晉生先生	✓	✓
Mr. Chong Yu Keung	莊儒強先生	✓	✓
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>		
Mr. Huang Jian	黃健先生	✓	✓
Mr. Zheng Wan Zhang	鄭玩樟先生	✓	✓
Mr. Wong Tik Tung	汪滌東先生	✓	✓

Notes:

Mr. Tang Wai Ting, Samson resigned as the chairman and executive Director of the Company on 25 March 2019.

Mr. Liu Liang resigned as the executive Director of the Company on 28 June 2019.

Mr. Wu Jin Sheng resigned as a non-executive Director of the Company on 3 June 2019.

附註：

鄧偉廷先生於二零一九年三月二十五日辭任主席及執行董事。

劉亮先生於二零一九年六月二十八日辭任執行董事。

吳晉生先生於二零一九年六月三日辭任非執行董事。



# Corporate Governance Report

## 企業管治報告

### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

On 25 March 2019, Mr. Tang Wai Ting, Samson resigned as the Chairman and Mr. Wu Jin Sheng was re-designated from the Vice Chairman to the Chairman. Mr. Wu Jin Sheng resigned as the chairman of the Company on 3 June 2019.

Since then, the Company has neither a designated chairman nor chief executive officer and the day-to-day management of the Group's business is handled by the executive Directors collectively. The Board believes that the present arrangement is adequate to ensure an effective management and control of the Group's business operations.

The Board is responsible for promoting the success of the Group and its business by leading and supervising the Company's affairs. The Board is responsible for determining the Group's objectives, overall strategies and policies, approving business plan, evaluating operating, instilling corporate culture and financial performance. Its role is clearly separated from that of the senior management. The Board has delegated the day-to-day operation responsibility of the Group to executive Directors and senior management.

### APPOINTMENT AND RE-ELECTION OF DIRECTORS

All the Directors are appointed for an initial term of one or three years and subject to retirement by rotation and re-election in accordance with the Company's articles of association (the "Articles"). At each annual general meeting, not less than one-third of the Directors then in office shall retire and every Director is subject to retirement by rotation at least once every three years.

All existing executive Directors and independent non-executive Directors are entitled to a fixed remuneration per month or fee per annum respectively. The remuneration of each Director is subject to the annual review of the Board with reference to his contribution in terms of time, effort and his expertise.

Details of remuneration paid to each of the Directors during the year are disclosed in Note 13 to the financial statements.

All Directors are entitled to be reimbursed for reasonable expenses incurred during the performance of their duties to the Company and are eligible for share options under the share option scheme of the Company.

### 主席及行政總裁

於二零一九年三月二十五日，鄧偉廷先生辭任主席及執行董事及吳晉生先生由副主席調任為主席。吳晉生先生於二零一九年六月三日辭任本公司主席。

此後，本集團代理主席及行政總裁職位空缺，本集團業務之日常營運由執行董事共同處理。董事會認為現時安排足以確保本集團業務營運的有效管理及監控。

董事會的職責為帶領及監督本集團的事務，以促進本公司及其業務取得成功。董事會亦負責釐定本集團的目標、整體策略及政策；審批業務計劃；評核營運、灌輸企業文化及財務表現。其角色與高級管理層有明確區分。董事會已將本集團之日常營運責任指派予執行董事及高級管理層。

### 委任及重選董事

所有董事獲委任之初步年期為一或三年，惟須根據本公司之組織章程細則（「細則」）輪席退任並重選連任。於各股東週年大會，不少於三分之一的時任董事須退任及每名董事須至少每三年輪席退任一次。

所有現任執行董事及獨立非執行董事均有權分別收取每月固定酬金或每年袍金。各董事之酬金須由董事會參考彼所貢獻的時間、努力及其經驗後進行年度檢討。

年內支付各董事的酬金詳情披露於財務報表附註13。

所有董事均有權就彼等履行本公司職責而產生的合理開支獲得補償，且合資格獲得本公司購股權計劃下的購股權。

# Corporate Governance Report

## 企業管治報告

### BOARD COMMITTEES

The Board has established the board committees, namely, the audit committee, the remuneration committee, the nomination committee and the compliance committee, all with specific terms of reference clearly defining the powers and responsibilities of the respective board committees. All board committees are required by their terms of reference to report to the Board in relation to their decisions, findings or recommendations.

### AUDIT COMMITTEE

The Company has established an audit committee (“**Audit Committee**”) with written terms of reference that are in conformity of the requirements of the CG Code which are available on the websites of the Stock Exchange and the Company.

The Audit Committee is currently composed of the 3 independent non-executive Directors, namely Mr. Huang Jian, Mr. Zheng Wan Zhang and Mr. Wong Tik Tung and chaired by Mr. Huang Jian, with all members being independent non-executive Directors of the Company in full compliance with Rule 5.28 of the GEM Listing Rules.

For the year ended 31 December 2019, 4 Audit Committee meetings were held and the members’ attendance is shown on page 34 of this annual report.

The functions of the Audit Committee include the following:

#### (i) Appointment of the Company’s auditors

- (a) to be primarily responsible for making recommendations to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal;
- (b) to act as the key representative body for overseeing the Company’s relations with the external auditor;
- (c) to review and monitor the external auditor’s independence and objectivity and the effectiveness of the audit process in accordance with applicable standards. The Audit Committee should discuss with the auditor the nature and scope of the audit and reporting obligations before the audit commences;

### 董事委員會

董事會已成立董事委員會，即審核委員會、薪酬委員會、提名委員會及合規委員會，全部已制定特定職權範圍，明確界定各董事委員會的權力及責任。所有董事委員會須按其職權範圍向董事會報告其決定、結果或建議。

### 審核委員會

本公司已遵循企業管治守則的規定成立審核委員會（「**審核委員會**」），並以書面列明其職權範圍，並可於聯交所及本公司網站查閱。

審核委員會現時由三名獨立非執行董事組成，即黃健先生、鄭玩樟先生及汪滌東先生，並由黃健先生擔任主席。審核委員會全體成員均為本公司獨立非執行董事，並全面遵守 GEM 上市規則第 5.28 條。

截至二零一九年十二月三十一日止年度，審核委員會舉行了四次會議，成員出席情況載於本年報第 34 頁。

審核委員會的職能包括下列各項：

#### (i) 任命本公司核數師

- (a) 主要負責就外聘核數師的委任、重新委任和罷免向董事會提出建議，批准外聘核數師的薪酬和聘用條款，以及處理任何有關外聘核數師辭職或辭退該核數師的問題；
- (b) 擔任本公司與外聘核數師之間的主要代表，負責監察二者之間的關係；
- (c) 按適用的標準檢討及監察外聘核數師是否獨立客觀及核數程序是否有效。審核委員會應於核數工作開始前先與核數師討論核數性質及範疇及有關申報責任；

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- (d) to develop and implement policy on engaging an external auditor to supply non-audit services. For this purpose, "external auditor" includes any entity that is under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party knowing all relevant information would reasonably conclude to be part of the audit firm nationally or internationally. The Audit Committee should report to the Board, identifying and making recommendations on any matters where action or improvement is needed; and
- (e) to discuss problems and reservations arising from the quarterly (if any), interim and final audits and any matters the external auditors may wish to discuss (in the absence of the Board and other employees of the Group at the discretion of the Audit Committee where necessary).

### (ii) Review of the Company's financial information

- (a) to monitor integrity of the Company's financial statements and annual report and accounts, half-year report and quarterly reports, and to review significant financial reporting judgements contained in them. In reviewing these reports before submission to the Board, the Audit Committee should focus particularly on:
- (1) any changes in accounting policies and practices;
  - (2) major judgmental areas;
  - (3) significant adjustments resulting from audit;
  - (4) the going concern assumptions and any qualifications;
  - (5) compliance with accounting standards;
  - (6) compliance with the GEM Listing Rules and legal requirements in relation to financial reporting;
  - (7) any connected transactions and their impact on the profitability of the Company;
  - (8) items requiring disclosure; and
  - (9) the cash flow position;

- (d) 就委聘外聘核數師提供非核數服務制定政策，並予以執行。就此規定而言，「外聘核數師」包括與負責核數的公司處於同一控制權、所有權或管理權之下的任何實體，或一個合理知悉所有有關資料的第三方，在合理情況下會斷定該實體屬於該負責核數的公司的本土或國際業務的一部分的任何實體。審核委員會應就任何須採取行動或改善的事項向董事會報告，識別並提出建議；及

- (e) 討論每季度（如有）、中期和末期的審核結果出現的問題和保留事項，以及外聘核數人員希望討論的任何事項（有需要時，審核委員會在董事會和集團其他僱員不在場時可酌情進行）。

### (ii) 審閱本公司的財務資料

- (a) 監察本公司的財務報表以及年度報告和賬目、半年度報告和季度報告的完整性，並審閱當中財務申報的重大判斷。在向董事會提交相關報告之前，審核委員會應特別針對以下事項加以審閱：
- (1) 會計政策及常規的任何更改；
  - (2) 涉及作出重要判斷的地方；
  - (3) 因核數而出現的重大調整；
  - (4) 持續經營的假設以及任何保留意見；
  - (5) 是否遵守會計準則；
  - (6) 是否遵守有關財務申報的GEM上市規則及法律規定；
  - (7) 任何關聯交易以及其對本公司盈利能力的影響；
  - (8) 需要對外披露的事項；及
  - (9) 現金流狀況；

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(b) regarding point (a) above:

- (1) members of the Audit Committee should liaise with the Board and senior management and the Audit Committee must meet, at least twice a year, with the Company's auditors; and
- (2) the Audit Committee should consider any significant or unusual items that are, or may need to be, reflected in the report and accounts, it should give due consideration to any matters that have been raised by the Company's staff responsible for the accounting and financial reporting function, compliance officer or auditors.

### (iii) Overseeing of the Company's financial reporting system and internal control procedures

- (a) to review the Company's financial controls, internal control and risk management systems;
- (b) to discuss the internal control system with management to ensure that management has performed its duty to have an effective internal control system. This discussion should include the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function;
- (c) to consider major investigations findings on internal control matters as delegated by the Board or on its own initiative and management's response to these findings;
- (d) where an internal audit function exists, to ensure co-ordination between the internal and external auditors, and to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor its effectiveness;
- (e) to review the Group's financial and accounting policies and practices;
- (f) to review the external auditor's management letter, any material queries raised by the auditor to management about the accounting records, financial accounts or systems of control and management's response;

(b) 以下規定適用於上述 (a) 項中所列各事項：

- (1) 審核委員會成員應與董事會以及高層管理人員聯絡，並至少每年與本公司核數師開會兩次；及
- (2) 審核委員會應考慮在該等報告和賬目中所反映或需要反映的任何重大或不尋常事項，並應適當考慮由本公司屬下會計和財務申報職員、合規主任或核數師提出的任何事項。

### (iii) 監督公司的財務申報制度和內部監控程序

- (a) 檢討本公司的財務監控、內部監控及風險管理制度；
- (b) 與管理層討論內部監控系統，確保管理層已履行其職責建立有效的內部監控系統。討論內容應包括本公司在會計及財務申報職能方面的資源、員工資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算又是否充足；
- (c) 應董事會的委派或主動就有關內部監控事宜的重要調查結果及管理層對調查結果的回應進行研究；
- (d) 如公司設有內部審核功能，須確保內部和外聘核數師的工作得到協調，並確保內部審核功能在公司內部有足夠資源運作，並且有適當的地位，以及檢討及監察其成效；
- (e) 檢討本集團的財務及會計政策及常規；
- (f) 檢查外聘核數師給予的管理層的《審核情況說明函件》、外聘核數師就會計紀錄、財務賬目或監控系統向管理層提出的任何重大疑問及管理層作出的回應；



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|--|---|
| <p>(g) to ensure that the Board will provide a timely response to the issues raised in the external auditor's management letter;</p>   | <p>(g) 確保董事會及時回應於外聘核數師給予管理層的《審核情況說明函件》中提出的事宜；</p>   |
| <p>(h) to review arrangements employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters and ensuring that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action;</p> | <p>(h) 檢討本公司設定的以下安排：僱員可暗中就財務申報、內部監控或其他方面可能發生的不正當行為提出關注。委員會應確保有適當安排，讓公司可對此等事宜作出公平獨立的調查及採取適當行動；</p> |
| <p>(i) to report to the Board on the matters in the Corporate Governance Code and Corporate Governance Report in Appendix 15 of the GEM Listing Rules;</p>   | <p>(i) 遵守GEM上市規則附錄15向董事會報告企業管治守則及企業管治報告中所列事項；</p>   |
| <p>(j) to report to the Board on the matters set out in the terms of reference of the Audit Committee;</p>   | <p>(j) 向董事會報告審核委員會職權範圍規定的事項；</p>  |
| <p>(k) to establish a whistleblowing policy and system for employees and those who deal with the Company (e.g. customers and suppliers) to raise concerns, in confidence, with the audit committee about possible improprieties in any matter related to the Company; and</p>  | <p>(k) 訂立舉報政策和舉報體系，以便讓僱員和其他與公司有往來者（如客戶和供應商）可暗中向審核委員會提出其對任何可能牽涉本公司的不當事宜的關注；及</p>                   |
| <p>(l) to review the disclosure in the Company's interim and annual reports regarding any regulatory deficiencies and remedial actions.</p>  | <p>(l) 檢討本公司在中期及年度報告中關於任何不合規事宜及補救行動的披露資料。</p>   |
| <p>Major accomplishments of the Audit Committee in 2019 comprised the following:</p>   |   |
| <p>(a) reviewed the financial statements for disclosure on a quarterly, half-yearly and annually basis, where applicable;</p>  | <p>(a) 按季度、半年度及年度基準（如適用）審閱財務報表作披露用途；</p>  |
| <p>(b) reviewed the external auditor's significant findings and management's response to the recommendation raised, if any;</p>  | <p>(b) 審閱外聘核數師的主要審核結果，以及管理層對所提出建議作出的回應（如有）；</p>   |
| <p>(c) reviewed the effectiveness of the internal control system and the adequacy of the accounting and financial reporting functions of the Group;</p>  | <p>(c) 檢討本集團內部監控系統的有效性以及會計與財務申報功能的充分性；</p>  |
| <p>(d) reviewed and approved the external auditor's statutory audit scope for 2019 and the letter of representation to be given by the Board; and</p>  | <p>(d) 檢討及審批外聘核數師二零一九年的法定審核範圍，以及由董事會發出的聲明書；及</p>  |
| <p>(e) considered and approved the 2019 external audit fees and engagement letters.</p>  | <p>(e) 省覽及批准二零一九年度的外聘核數費用及聘任書。</p>  |

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The Group's internal control system is reviewed regularly by management. With the view of enhancing the Group's internal control system, during the year ended 31 December 2019, the Company had appointed an external independent consultant, to review the Group's internal control systems and recommend actions to improve our internal controls.

Based on the review, the Audit Committee is of the view that the Group's internal control system was generally effective and in compliance with the requirements of the CG Code C.2.1 for the year ended 31 December 2019 in all material respects, provided that the control on dissemination of inside information and use of financial resources could be further enhanced.

There was no disagreement between the Board and the Audit Committee on the selection, appointment, resignation or dismissal of the external auditors for the year ended 31 December 2019.

The Audit Committee has reviewed the audited financial statements of the Group for the year ended 31 December 2019 and recommended approval to the Board.

### REMUNERATION COMMITTEE

The Company has established a remuneration committee ("**Remuneration Committee**") with written terms of reference in accordance with the requirements of the CG Code. In accordance with provisions set out in the CG Code are available on the websites of the Stock Exchange and the Company.

The Remuneration Committee is currently composed of 3 Directors, namely Mr. Wong Tik Tung, Mr. Zhou Chuang Qiang and Mr. Zheng Wan Zhang, and chaired by Mr. Wong Tik Tung.

During the reporting period, Mr. Liu Liang resigned and Mr. Zhou Chuang Qiang appointed as a member of Remuneration Committee on 28 June 2019 respectively.

For the year ended 31 December 2019, 2 Remuneration Committee meetings were held and the members' attendance is shown on page 34 of this report.

管理層定期審核本集團的內部監控系統。為提升本集團的內部監控系統，本公司已於截至二零一九年十二月三十一日止年度委任一名外部獨立顧問評核本集團的內部監控系統，以及建議採取的行動，以加強我們的內部監控。

根據評核，審核委員會認為，截至二零一九年十二月三十一日止年度，本集團的內部監控制度在各重大方面基本符合企業管治守則C.2.1之規定並有效運作，惟在內部消息發佈及財務資源使用方面應進一步提升。

截至二零一九年十二月三十一日止年度，董事會與審核委員會就甄選、委任、辭任或罷免外聘核數師事宜並無意見分歧。

審核委員會已審閱本集團截至二零一九年十二月三十一日止年度的經審核財務報表，並推薦董事會批准。

### 薪酬委員會

本公司已遵循企業管治守則的規定成立薪酬委員會（「**薪酬委員會**」），並以書面列明其職權範疇。根據企業管治守則所載的條文，該職權範圍可於聯交所及本公司網站查閱。

薪酬委員會現時由三名董事組成，即汪滌東先生、周創強先生及鄭玩樟先生，並由汪滌東先生擔任主席。

於報告期間，於二零一九年六月二十八日，劉亮先生辭任及周創強先生獲委任為薪酬委員會成員。

截至二零一九年十二月三十一日止年度，薪酬委員會舉行了2次會議，成員出席情況載於本報告第34頁。

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The role and functions of the Remuneration Committee include:

- (i) to make recommendations to the Board on the Company's policy and structure for all Directors' and senior management remuneration, of which a significant portion of Executive Director's remuneration should link rewards to corporate and individual performance, and on the establishment of a formal and transparent procedure for developing remuneration policy;
- (ii) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (iii) either (a) to determine with delegated responsibility the remuneration packages of individual executive Directors and senior management; or (b) to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management. This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- (iv) to make recommendations to the Board on the remuneration of Non-executive Directors;
- (v) to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company and its subsidiaries;
- (vi) to review and approve compensation payable to Executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
- (vii) to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;
- (viii) to ensure that no Director or any of his associates is involved in deciding his own remuneration;
- (ix) to advise the Company to disclose details of any remuneration payable to members of senior management by band in its annual reports; and
- (x) to advise the shareholders of the Company with respect to any service contracts of Directors that require shareholders' approval under the GEM Listing Rules.

Major accomplishments of the Remuneration Committee in 2019 comprised the following:

- (i) reviewed matters relating to the remuneration packages and emoluments of Directors and senior management.

薪酬委員會的角色及職能包括：

- (i) 就本公司全體董事和高層管理人員的薪酬的政策及架構向董事會提出建議；其中，執行董事的薪酬應有頗大部分與公司及個人表現掛鉤；就設立正規而具透明度的程序制定薪酬政策，向董事會提出建議；
- (ii) 以董事會所訂企業方針及目標而檢討及批准管理人員的薪酬建議；
- (iii) 以下兩者之一：(a) 獲轉授責任，釐定個別執行董事和高層管理人員個人的薪酬待遇；或(b) 就個別執行董事和高層管理人員個人的薪酬待遇，向董事會提出建議。此應包括實物福利、退休金權利及賠償金額（包括喪失或終止職務或委任的賠償）；
- (iv) 就非執行董事的薪酬向董事會提出建議；
- (v) 考慮可比較公司支付的薪酬、須付出的時間及職責以及本公司及其附屬公司內其他職位的僱用條件；
- (vi) 檢討及批准向執行董事及高層管理人員就其喪失或終止職務或委任而須支付的賠償，以確保該等賠償與合約條款一致，若未能與合約條款一致，賠償亦須公平合理，不致過多；
- (vii) 檢討及批准因董事行為失當而解僱或罷免有關董事所涉及的賠償安排，以確保該等安排與合約條款一致；若未能與合約條款一致，有關賠償亦須合理適當；
- (viii) 確保任何董事及其任何聯繫人不得參與釐定自身的薪酬；
- (ix) 建議本公司在其年度報告中，根據級別詳細披露任何應支付予高層管理人員的薪酬；及
- (x) 就根據GEM上市規則需要股東予以批准的董事的服務合約向本公司股東提出建議。

薪酬委員會於二零一九年達成的主要事項包括下列各項：

- (i) 審閱有關董事及高層管理人員之薪酬組合及酬金之事宜。

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### NOMINATION COMMITTEE

The Company has established a nomination committee (“**Nomination Committee**”) with written terms of reference. The terms of reference of the Nomination Committee are in conformity with the requirements of the CG Code and are available on the websites of the Stock Exchange and the Company.

The Nomination Committee is currently composed of 3 Directors, namely Mr. Zheng Wan Zhang, Mr. Huang Jian and Mr. Wong Tik Tung, and chaired by Mr. Zheng Wan Zhang.

During the reporting period, Mr. Wu Jin Sheng resigned and Mr. Zheng Wan Zhang appointed as the chairman of Nomination Committee on 3 June 2019 respectively.

For the year ended 31 December 2019, 2 Nomination Committee meetings were held and the members’ attendance is shown on page 34 of this annual report.

The role and functions of the Nomination Committee include:

- (i) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company’s corporate strategy;
- (ii) to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships;
- (iii) to receive nominations from shareholders or Directors when such are tendered and to make recommendations to the Board on the candidacy of the nominees, having regard to the Board’s compositional requirements and suitability of the nominees;
- (iv) to assess the independence of Independent Non-executive Directors and where the Board proposes a resolution to elect an individual as an Independent Non-executive Director at the general meeting, it should set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting why they believe he should be elected and the reasons why they consider him to be independent; and
- (v) to make recommendations to the Board on the appointment and re-appointment of Directors, and succession planning for Directors in particular the chairman and the chief executive.

### 提名委員會

本公司已成立提名委員會(「**提名委員會**」)，並制定書面職權範圍。提名委員會的職權範圍符合企業管治守則的規定，並可於聯交所及本公司網站查閱。

提名委員會現時由三名董事組成，即鄭玩樺先生、黃健先生及汪滌東先生，並由鄭玩樺先生擔任主席。

於報告期間，於二零一九年六月三日，吳晉生先生辭任及鄭玩樺先生獲委任為提名委員會主席。

截至二零一九年十二月三十一日止年度，提名委員會已舉行2次會議，成員出席情況載於本年報第34頁。

提名委員會的角色及職能包括：

- (i) 至少每年檢討董事會之架構、人數及組成(包括技能、知識及經驗方面)，並就任何為配合本公司的公司策略而擬對董事會作出的變動提出建議；
- (ii) 物色具備合適資格可擔任董事的人士，並挑選提名有關人士出任董事或就此向董事會提出建議；
- (iii) 收集股東或董事對候選人的提名，並且在考慮了董事會構成要求和候選人是否適合擔任董事後，就獲提名人士的候選資格向董事會提出建議；
- (iv) 對獨立非執行董事的獨立性進行評估，若董事會擬於股東大會上提呈決議案選任某人士為獨立非執行董事，提名委員會須於相關股東大會通告所隨附之致股東通函及／或說明函件內列明董事會認為應選任該名人士的理由以及他們認為該名人士屬獨立人士的原因；及
- (v) 就董事之委任及續聘以及董事繼任計劃(尤其是主席及行政總裁)的有關事宜向董事會作出推薦。



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## 企業管治報告

The Nomination Policy is summarized as below that stipulates the key nomination criteria and principles of the Company for the nomination of directors and provides what the committee should do in order to give effect to this policy:

- (i) review and monitor the structure, size and composition (including the skills, knowledge, experience and diversity of perspectives) of the Board on an annual basis and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (ii) identify and nominate qualified individuals for appointment as additional directors or to fill Board vacancies as and when they arise. The criteria to be adopted by the Board in considering each individual shall be their ability to contribute to the Board;
- (iii) make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular, the chairman and the chief executive officer; and
- (iv) make recommendations to the Board with particular regard to ensuring a substantial majority of the directors on the Board being independent of management.

Major accomplishments of the Nomination Committee in 2019 comprised the following:

- (i) recommended to the Board the appointment of Mr. Wu Yong Fu and Mr. Zhou Chuang Qiang as the executive Directors of the Company.

### COMPLIANCE COMMITTEE

The Company has established a compliance committee ("**Compliance Committee**") with written terms of reference. The terms of reference of the Compliance Committee are available on the websites of the Stock Exchange and the Company.

The Compliance Committee is currently composed of 3 Directors, namely Mr. Wong Tik Tung, Mr. Zhou Chuang Qiang and Mr. Huang Jian, and chaired by Mr. Wong Tik Tung.

During the reporting period, Mr. Liu Liang resigned and Mr. Zhou Chuang Qiang appointed as a member of Compliance Committee on 28 June 2019 respectively.

For the year ended 31 December 2019, 1 Compliance Committee meeting was held and the members' attendance is shown on page 34 of this annual report.

提名政策(總結如下)規定了本公司提名董事的主要提名標準和原則,並規定了委員會為實施該政策應採取的措施:

- (i) 每年檢討及監察董事會之架構、人數及組成(包括技能、知識、經驗及多元化觀點),並就任何為配合本公司的公司策略而擬對董事會作出的變動提出建議;
- (ii) 在董事會需要增加董事人數或填補董事空缺時,物色及提名合資格的人選。董事會考慮各候選人時將採用的準則須為各候選人能否貢獻董事會;
- (iii) 就委任或續聘董事以及董事繼任規劃(尤其是主席及行政總裁)事宜向董事會提出建議;及
- (iv) 向董事會提出建議,尤其是確保董事會中絕大部分董事均獨立於管理層。

提名委員會於二零一九年達成的主要事項包括下列各項:

- (i) 推薦董事會委任吳永富先生及周創強先生為本公司執行董事。

### 合規委員會

本公司已成立合規委員會(「**合規委員會**」),並制定書面職權範圍。合規委員會的職權範圍可於聯交所及本公司網站查閱。

合規委員會現時由三名董事組成(即汪滌東先生、周創強先生及黃健先生),由汪滌東先生擔任主席。

於報告期間,於二零一九年六月二十八日,劉亮先生辭任及周創強先生獲委任為合規委員會成員。

截至二零一九年十二月三十一日止年度,合規委員會已舉行一次會議,成員出席情況載於本年報第34頁。

# Corporate Governance Report

## 企業管治報告

The role and functions of the Compliance Committee include:

- (i) to establish, maintain and approve the compliance system of the Group;
- (ii) to support and provide instruction to ensure that each department to establish, execute and maintain its compliance system;
- (iii) to approve the compliance manual and ensure it is updated;
- (iv) to organise education and training programmes on compliance, including compliance seminars;
- (v) to monitor the status of the compliance system and discuss from time to time with relevant management members on the compliance system to ascertain what action, if any, is required for ongoing compliance;
- (vi) to investigate compliance problems and take appropriate measures when one arises (it may instruct the relevant department(s) to deal with the problem depending on its nature);
- (vii) to delegate the day-to-day implementation and monitoring of compliance system to the compliance officer and company secretary;
- (viii) to review and monitor the ongoing compliance with the GEM Listing Rules and relevant laws and regulations;
- (ix) to note any material deficiencies and take remedial actions if necessary and at all times keep the Board abreast of any such actions and/or developments; and
- (x) to review the disclosures in the Company's interim and annual reports regarding any regulatory deficiencies and remedial actions.

Major accomplishments of the Compliance Committee in 2019 comprised the following:

- (i) review the disclosures in the Company's 2018 annual report regarding any regulatory deficiencies and remedial actions, if any; and
- (ii) review the disclosures in the Company's 2019 interim report regarding any regulatory deficiencies and remedial actions, if any.

合規委員會的角色及職能包括：

- (i) 建立、維持及批准本集團的合規系統；
- (ii) 支持及提供指示以確保各部門建立、執行及維持其合規系統；
- (iii) 批准合規手冊及確保其獲更新；
- (iv) 組織合規教育及培訓計劃，包括合規研討會；
- (v) 監管公司的合規系統狀況，及不時與有關管理成員討論關於合規系統以確定需要採取什麼行動（如有）以持續合規；
- (vi) 調查合規問題並在產生問題時採取適當措施（其可指示相關部門依據問題性質處理）；
- (vii) 委派合規主任及公司秘書日常實施及監控合規系統；
- (viii) 檢討及監管與GEM上市規則及相關法律及規例有關的持續合規事宜；
- (ix) 記錄任何重大不足之處及（如有需要）採取補救行動，及時令董事會了解前述行動及／或進展的最新情況；及
- (x) 檢討本公司在中期及週年報告中披露關於任何監管漏洞及補救行動。

合規委員會於二零一九年達成的主要事項包括下列各項：

- (i) 檢討本公司在二零一八年年報中關於監管漏洞及補救行動（如有）的披露；及
- (ii) 檢討本公司在二零一九年中期報告中關於監管漏洞及補救行動（如有）的披露。

# Corporate Governance Report

## 企業管治報告

### CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the corporate governance duties set out in the code provision D.3.1 of the CG Code.

The Board held 1 meeting for the purpose of reviewing the compliance of corporate governance policies for the year ended 31 December 2019.

The duties of the Board include:

- (i) to develop and review the Group's policies and practices on corporate governance and make recommendations to the Board;
- (ii) to review and monitor the training and continuous professional development of Directors and senior management;
- (iii) to review and monitor the Group's policies and practices on compliance with legal and regulatory requirements;
- (iv) to develop, review and monitor the code of conduct and compliance manual applicable to employees and Directors; and
- (v) to review the Group's compliance with the CG Code and disclosure in the CG Report.

Major accomplishments in 2019 comprised the following:

- (i) evaluated the Group's policies and practices on corporate governance and made appropriate amendments;
- (ii) arranged the training and continuous professional development of Directors and senior management; and
- (iii) reviewed the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

### AUDITOR'S REMUNERATION

The fees in respect of audit and non-audit services provided by the external auditor, World Link CPA Limited, to the Group for the year ended 31 December 2019 amounted to approximately HK\$ Nil and HK\$250,000 respectively. The non-audit service represented service fees for tax compliance and other review services.

On 20 December 2019, World Link CPA Limited resigned and McMillan Woods (Hong Kong) CPA Limited appointed as the auditor of the Company. The fees in respect of audit and non-audit services provided by the external auditor, McMillan Woods (Hong Kong) CPA Limited, to the Group for the year ended 31 December 2019 amounted to approximately HK\$560,000 and HK\$80,000 respectively.

### 企業管治職能

董事會負責執行企業管治守則第D.3.1條守則條文所載之企業管治職務。

截至二零一九年十二月三十一日止年度，董事會共舉行1次會議，以檢討本集團遵守企業管治政策的情況。

董事會之職責包括：

- (i) 制定及檢討本集團之企業管治政策及常規，並向董事會提供建議；
- (ii) 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- (iii) 檢討及監察本集團在遵守法律及監管規定方面的政策及常規；
- (iv) 制定、檢討及監察適用於僱員及董事的操守準則及合規手冊；及
- (v) 檢討本集團遵守企業管治守則的情況及在企業管治報告內的披露。

於二零一九年達成的主要事項包括下列各項：

- (i) 評估本集團之企業管治政策及常規，並作出適當修訂；
- (ii) 安排董事及高級管理層的培訓及持續專業發展；及
- (iii) 檢討本公司遵守企業管治守則的情況及在企業管治報告內的披露。

### 核數師酬金

截至二零一九年十二月三十一日止年度，外聘核數師華普天健(香港)會計師事務所有限公司向本集團提供的審核及非審核服務費分別約為零港元及250,000港元。非審核服務費指稅務合規及其他審閱服務的服務費用。

於二零一九年十二月二十日，華普天健(香港)會計師事務所有限公司辭任及長青(香港)會計師事務所有限公司獲委任為本公司核數師。外聘核數師長青(香港)會計師事務所有限公司就截至二零一九年十二月三十一日止年度向本集團提供的審核及非審核服務費用分別為約560,000港元及80,000港元。

# Corporate Governance Report

## 企業管治報告

The accounts for the year ended 31 December 2019 were audited by McMillan Woods (Hong Kong) CPA Limited whose term of office will expire upon the forthcoming annual general meeting. The Audit Committee has recommended to the Board that McMillan Woods (Hong Kong) CPA Limited be re-appointed as the auditors of the Company at the forthcoming annual general meeting.

### DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING

The Directors acknowledge their responsibility for preparation of the Group's financial statements to give a true and fair view. The responsibilities of auditors in respect of the financial statements are set out in the report of the auditors forming part of this report.

### RISK MANAGEMENT AND INTERNAL CONTROL

The Group emphasises the importance of a sound internal control system which is also indispensable for mitigating the Group's key risk exposures. The Group's system of internal control is designed to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage and eliminate risks of failure in operational systems and fulfillment of the business objectives. The internal control system is reviewed on an ongoing basis by the Board in order to make it practical and effective in providing reasonable assurance in relation to protection of material assets and shareholders' interests. During the year under review, an external independent consultant has reviewed the risk management and internal control systems of the Group and has provided written reports to the Audit Committee.

The Group has adopted a three-tier risk management approach to identify, assess and manage different types of risks. At the first line of defence, business units are responsible for identifying, assessing and monitoring risk associated with each business or transaction. The management, as the second line of defence, defines rule sets and models, provide technical support, develops new system and oversees portfolio management. It ensures risks are within acceptable range and that the first line of defence is effective. As the third line of defense, an external independent consultant assists the Audit Committee to review the first and second lines of defence.

The Group is committed to the identification, evaluation and management of risks associated with its business activities through ongoing assessment of a risk register, by considering the likelihood and impact of each identified risk. The Group has implemented an effective control system which includes a defined management structure with limits of authority, a sound management system and periodic review of the Group's performance by the Audit Committee and the Board.

Through the Audit Committee, the Board has conducted annual review of the effectiveness of the Group's risk management and internal control systems for the year ended 31 December 2019, covering the material financial, operational and compliance controls, which are considered effective and adequate.

截至二零一九年十二月三十一日止年度之賬目已由長青(香港)會計師事務所有限公司審核,其任期將於應屆股東週年大會屆滿。審核委員會已向董事會建議於應屆股東週年大會上續聘長青(香港)會計師事務所有限公司為本公司核數師。

### 董事就財務申報之責任

董事明白彼等就編製以真實及公平地反映本集團財務報表之責任。核數師就財務報表之責任載於核數師報告,該報告構成本年報的一部分。

### 風險管理及內部監控

本集團著重健全的內部監控系統,此舉亦為本集團減少主要風險不可或缺之一環,本集團設立內部監控系統旨在對重大錯誤或損失提供合理但並非絕對之保證,以及管理及消除營運系統故障及未能達致業務目標的風險。董事會持續檢討內部監控系統,以確保其在保護重要資產及保障股東權益方面能提供實際而有效之合理保證,於回顧年度,外聘獨立顧問已對本集團的風險管理及內部監控系統作出檢討,並已向審核委員會作出書面匯報。

本集團採納三級風險管理方法以識別、評估及管理不同類型的風險。在第一道防線,業務單位負責識別、評估及監察與每項業務或交易有關的風險。作為第二道防線,管理層界定規則組合及模型、提供技術支持、制定新制度及監察組合管理,並確保風險在可接受範圍內及第一道防線行之有效性。作為第三道防線,一名外部獨立顧問協助審核委員會審核第一道及第二道防線。

本集團透過考慮各項已識別風險的可能性及影響,持續評估風險登記冊,致力識別、評估及管理與業務活動相關的風險。本集團已推行有效的監控系統,包括具體制訂職權範圍的管理架構、穩健的管理系統及由審核委員會及董事會定期檢討本集團的表現。

董事會通過審核委員會就截至二零一九年十二月三十一日止年度本集團風險管理及內部監控系統的成效(涵蓋重大財務、經營及合規控制)進行年度檢討,此舉被認為屬有效及充足。



# Corporate Governance Report

## 企業管治報告

The Audit Committee has reviewed the adequacy of resources, qualifications and experience, training and budget of the accounting, internal audit and financial reporting functions on an annual basis.

### INSIDE INFORMATION

The Company assesses the likely impact of any unexpected and significant event that may impact the price of the shares of the Company or their trading volume and decides whether the relevant information is considered inside information and needs to be disclosed as soon as reasonably practicable pursuant to Rules 17.10 and 17.11 of the GEM Listing Rules and the Inside Information Provisions under Part XIVA of the SFO. The Executive Directors have responsibility for approving certain announcements and/or circulars to be issued by the Company under powers delegated by the Board from time to time.

The Company has put in place procedures on handling and dissemination of inside information in a timely manner in such a way so as not to place any person in a privileged dealing position and to allow time for the market to price the listed securities of the Company with the latest available information. The Company has appropriate internal control and reporting systems to identify and assess potential inside information. Dissemination of inside information of the Company shall be conducted by publishing the relevant information on the websites of the Stock Exchange and the Company, according to the requirements of the GEM Listing Rules.

### COMPANY SECRETARY

The current Company Secretary of the Company is Ms. Ngan Wai Kam, Sharon ("Ms. Ngan") who is a practising solicitor in Hong Kong and was appointed as the Company Secretary on 17 July 2017 as external service provider to assist the Board and the primary contact person of the Company is its executive Director, Mr. Zhou Chuang Qiang.

A written record had been received by the Company from Ms. Ngan Wai Kam, Sharon confirming that she took not less than 15 hours of relevant professional training during the year ended 31 December 2019. The Company is of the view that Ms. Ngan has complied with Rule 5.15 of the GEM Listing Rules.

All directors have access to the advice and services of the company secretary, who is responsible for ensuring that the board procedures are followed, advising the Board on all corporate governance matters, and arranging induction programs including briefings on the general and specific duties of directors under legal and regulatory requirements for newly appointed directors. The company secretary facilitates the induction and professional development of directors.

審核委員會已按年度基準檢討會計、內部審計及財務報告職能方面的資源、員工資歷及經驗、培訓及有關預算是否足夠。

### 內部資料

本公司評估任何不可預計重大事件可能對本公司股份價格或成交量的影響，並決定有關資料是否視為內幕資料，而須根據GEM上市規則第17.10條及17.11條和證券及期貨條例第XIVA部的內幕資料條文在合理可行情況下盡快披露。執行董事負責批准本公司根據董事會不時授權而刊發的若干公告及／或通函。

本公司已及時到位處理及發佈內部資料，並不會導致任何人士在本公司處於佔優地位，並令市場於得悉最新可得資料的情況下，有充足時間定出本公司上市證券之價格。本公司擁有適當的內部監控及匯報系統，以識別及評估潛在內部資料。根據GEM上市規則規定，本公司內幕資料乃通過於聯交所及本公司網站刊載相關資料而發佈。

### 公司秘書

本公司現任之公司秘書為顏慧金女士（「顏女士」），彼為香港執業律師，於二零一七年七月十七日獲委任為公司秘書，作為外聘服務秘書協助董事會及本公司主要聯絡人執行董事周創強先生。

本公司已接獲顏慧金女士之書面記錄，確認彼於截至二零一九年十二月三十一日止年度已參與不少於15小時的相關專業培訓。本公司認為顏女士已遵守GEM上市規則第5.15條。

所有董事均可獲得公司秘書的建議及服務，公司秘書負責確保遵循董事會程序、就所有公司管治事宜向董事會提出建議、進行入職安排（包括根據法定及監管規定為新任董事簡介董事的一般及具體職責）。公司秘書促進董事的入職及專業發展。

# Corporate Governance Report

## 企業管治報告

### SHAREHOLDERS' RIGHTS TO CONVENE EXTRAORDINARY GENERAL MEETING

In order to safeguard shareholders' interests and rights, separate resolutions are proposed at shareholders' meetings on each substantial issue, including the election of individual directors, for shareholders' consideration and voting.

The following procedures for shareholders of the Company to convene an extraordinary general meeting are subject to the Articles, and the applicable legislation and regulation, in particular the GEM Listing Rules:

- (i) any one or more shareholders of the Company holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company (the **"Eligible Shareholder(s)"**) carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the company secretary of the Company (the **"Company Secretary"**), to require an extraordinary general meeting (the **"EGM"**) to be called by the Board for the transaction of any business specified in such requisition pursuant to Article 64 of the Articles; and
- (ii) if within 21 days of the deposit of the requisition, the Board fails to proceed to convene such EGM, the requisitionist(s) himself/themselves may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

### PROCEDURES FOR SENDING ENQUIRIES TO THE BOARD

Apart from sending email to [info@mpgroup.com.hk](mailto:info@mpgroup.com.hk), shareholders may send their enquiries and concerns to the Board by addressing them to the headquarter and principal place of business of the Company in Hong Kong at Unit 5, 4/F, Energy Plaza, No. 92 Granville Road, Tsim Sha Tsui East, Kowloon, Hong Kong, by post or by fax to (852) 2155 2081, for the attention of the Company Secretary.

### PROCEDURES FOR SHAREHOLDERS TO PUT FORWARD PROPOSALS AT SHAREHOLDERS' MEETINGS

Pursuant to the Articles, Shareholders who wish to move a resolution may by means of written requisition to convene an EGM following the procedures set out above.

### AMENDMENTS TO CONSTITUTIONAL DOCUMENTS

For the year ended 31 December 2019, there was no significant change in the Company's memorandum and the Articles.

### 股東召開股東特別大會之權利

為保障股東之權益及權利，於股東大會上，股東可就各項重大事宜獨立提呈決議案，包括甄選個別董事，以供股東考慮及投票。

下列本公司股東召開股東特別大會之程序乃受章程細則、適用法例及法規，特別是 GEM 上市規則所規限：

- (i) 於遞呈要求日期持有不少於本公司繳足股本（賦予權利於本公司股東大會上投票）十分之一的任何一名或多名本公司股東（「合資格股東」）隨時有權根據章程細則第 64 條，向董事會或本公司之公司秘書（「公司秘書」）發出書面要求，要求董事會召開股東特別大會（「股東特別大會」），以處理有關要求中指明的任何事項；及
- (ii) 倘董事會未能在要求書遞交後 21 天內召開有關股東特別大會，則呈請人可以相同方式自行召開股東特別大會，而本公司須向呈請人償付因董事會未能召開該大會令呈請人產生的所有合理費用。

### 向董事會發出查詢的程序

除寄發電郵予 [info@mpgroup.com.hk](mailto:info@mpgroup.com.hk) 外，股東可將彼等向董事會作出之查詢及關注事宜郵寄予本公司之總部及香港主要營業地點，地址為香港九龍尖沙咀東加連威老道 92 號幸福中心 4 樓 5 室，或傳真至 (852) 2155 2081，註明公司秘書收。

### 股東於股東大會上提呈建議的程序

根據章程細則，有意動議決議案的股東可根據上述程序以要求書方式召開股東特別大會。

### 修訂章程文件

截至二零一九年十二月三十一日止年度，本公司之章程大綱及細則概無重大變動。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 1 BACKGROUND

The Group is principally engaged in research and development, manufacturing and sale of consumer electronic products, such as fitness bracelets, GPS personal navigation devices, mobile internet devices and TV set-top boxes and provide an internet trading platform.

CPIT Investments Limited (the “**CPIT**”), a limited company established in the PRC and an indirect wholly-owned subsidiary of the Company is principally engaged in research, development and manufacturing of electronic devices located in Shenzhen, PRC.

On 25 March 2019, the Group, entered into a sales and purchase agreement with an independent third party for the sale of 100% equity interest of Central Pacific International Group Limited (“**Central Pacific**”) at a cash consideration of HK\$1 million. Upon completion of the 2019 disposal which was in the first half of 2019, Central Pacific together with CPIT were excluded from the Group.

Since the disposal of CPIT, the Group’s manufacturing process was catered by Shidai JiuFang (Shenzhen) Electronic Technology Co., Limited (“**Shidai Jiufang**”), another indirect wholly-owned subsidiary of the Company established in the PRC. Shidai Jiufang is principally engaged in the research, development and manufacturing of electronic devices in Shenzhen, PRC. This report will focus on Shidai Jiufang as its business activities are most relevant to the environmental and social aspects of the Group.

This Report covers the Group’s overall performance in two subject areas, namely, Environmental and Social of the business operations in Hong Kong office from 1 January 2019 to 31 December 2019 (the “**year**” or “**2019**”), unless otherwise stated.

### 1 背景

本集團主要從事研發、製造及銷售消費電子產品，例如健身手環、GPS個人導航設備、行動連網裝置、電視機頂盒以及提供應用軟件開發服務。

CPIT Investments Limited (「**CPIT**」) 為一間於中國成立之有限公司及本公司之間接全資附屬公司，主要從事於中國深圳進行電子設備的研發及製造。

於二零一九年三月二十五日，本集團與獨立第三方訂立買賣協議，內容有關按現金代價1百萬港元出售中匯環球集團有限公司(「**中匯環球**」)100%股權權益。於二零一九年上半年完成二零一九年出售事項後，中匯環球及CPIT從本集團剔除。

由於出售CPIT，本集團的製造程序由本公司於中國成立的另一間間接全資附屬公司時代九方(深圳)電子科技有限公司(「**時代九方**」)承接。時代九方主要從事於中國深圳進行電子設備的研發及製造。本報告將焦點放在時代九方，乃由於其業務活動與本集團環境及社會範疇最為相關。

本報告涵蓋本集團在兩個主要範疇中的整體表現，除文義另有指明者外，即指自二零一九年一月一日起至二零一九年十二月三十一日期間(「**年內**」或「**二零一九年**」)香港辦事處業務營運的環境及社會範疇。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 2 FOREWORD

The Group primarily adopts the principles and basis of the ESG Reporting Guide as set out in Appendix 20 to the Rules Governing the Listing of Securities on Growth Enterprise Market (the “**GEM Listing Rule**”) of The Stock Exchange of Hong Kong Limited, with an aim to establish a sound environment, social and governance structure.

This report comprises the review of environment, social and governance areas, which sets out the Company and its major subsidiaries’ policies and practices in respect of three environmental aspects and eight social aspects in accordance with ESG Reporting Guide for the year from 1 January 2019 to 31 December 2019 (the “**year**” or “**2019**”). This report is designed to allow the Company’s stakeholders, such as shareholders, investors, customers, suppliers, employees, creditors, regulators and the general public to have comprehensive understanding of the long-term sustainability information of the Group. The Group seeks to balance the views and interests of these stakeholders through constructive conversation with a view to setting the course for long term prosperity. The Board of directors is responsible for evaluating and determining the environmental, social and governance risks of the Group, and ensuring that relevant risk management and internal control systems are in place and operate effectively.

The table underneath showed aspects on the ESG Guide to be assessed and those ESG issues were determined to be material to the Group.

### 2 前言

本集團主要採納《香港聯合交易所有限公司GEM證券上市規則》(「**GEM上市規則**」)附錄20所載ESG報告指引的原則及基準作為其準則，旨在構建良好的環境、社會及管治架構。

本報告包括環境、社會及管治範疇，其中載列本公司及其主要附屬公司於二零一九年一月一日起至二零一九年十二月三十一日止年度根據ESG報告指引在三個環境方面及八個社會方面制定的政策及實踐情況。本報告旨在讓本公司的利益相關者，例如股東、投資者、客戶、供應商、僱員、債權人、監管機構及公眾對本集團的長期可持續發展具有全面的了解。本集團透過具建設性的溝通，努力平衡該等利益相關人士的意見和利益，從而釐定長遠的發展方向。董事會負責評估及確定本集團的環境、社會及管治風險，並確保相關風險管理及內部監控系統屬適當及可有效運作。

下表載列ESG指引所列須作出評估的環境、社會及管治事項及對本集團屬重大的環境、社會及管治事項。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### ESG Aspects as set forth in ESG Guide

環境、社會及管治報告指引所列的環境、  
社會及管治事項

### Material ESG issues for the Group

對本集團屬重大的環境、社會及管治事項

(A)	Environmental	
(A)	環境	
A1	Emissions	Emission from town gas, electricity or vehicle
A1	排放	煤氣、電力、汽車的排放
A2	Use of Resources	Use of energy and paper
A2	資源使用	能源及紙張使用
A3	Environment and Natural Resources	
A3	環境及自然資源	
(B)	Social	
(B)	社會	
B1	Employment and Labour Practices	Labour practices
B1	僱傭及勞工常規	勞工常規
B2	Health and Safety	Workplace health and safety
B2	健康與安全	工作場所健康及安全
B3	Development and Training	Employee development and training
B3	發展及培訓	員工發展及培訓
B4	Labour Standards	Anti-child and forced labour
B4	勞工標準	防止童工或強逼勞動
B5	Supply Chain Management	Supply chain management
B5	供應鏈管理	供應鏈管理
B6	Product Responsibility	Product responsibility
B6	產品責任	產品責任
B7	Anti-corruption	Anti-corruption, fraud prevention and anti-money laundering
B7	反貪污	反貪污、防止欺詐及反洗黑錢
B8	Community Involvement	Community programs, employee volunteering and donation
B8	社區參與	社區活動、員工志願及捐贈活動

## A. ENVIRONMENTAL

Environmental protection is one of the core values of the Group. The Group has proactively looked for and implemented new technology at various stages of production in order to minimise its impact on the environment. The Group's products are designed to be safe and environmental friendly for customer use, meaning recyclable and safe to dispose materials are specified in its designs, and clean production processes are adopted in its manufacturing process. Moreover, unnecessary packaging that can cause harm to environment is not introduced into its products.

The Group considers environmental protection an essential component of sustainable and responsible business. The Group strive to negative impacts on the environment and to seek environmentally friendly methods of operation. Given the nature of the Group's business, electricity is the most significant resources consumed in the office in Shenzhen and Hong Kong.

## A. 環境

環境保護為本集團的核心價值之一。本集團積極尋找，並在產品的各個階段實施新技術，以降低對環境的影響。本集團致力於提供安全及環保的產品供客戶使用，這意味著其設計蘊含可循環及安全處理材料的理念以及在其生產過程中採用清潔生產工藝。此外，不必要的包裝會對環境造成破壞，因此不會對產品進行不必要的包裝。

本集團視環保為可持續發展業務及企業責任的重要部分。本集團盡量減少對環境帶來的負面影響，並尋求環保運作方式。由於本集團的業務性質使然，電力是深圳及香港辦事處使用最多的資源。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

The Group has narrowed down to the following key areas where it should exert the effort on:

- Usage of resources from the operations;
- Energy consumption; and
- Indoor environmental quality.

### The Current Environmental Policies

The Group's main task is to measure and report the efforts in reducing carbon footprints, promote waste reduction at source, enhance its waste disposal management and set targets on environmental performance. To minimise the environmental impacts concerning the activities, products and services, the Group will:

- Comply with applicable legal requirements and other requirements which relate to the Group's environmental aspects, and to which the Group subscribes;
- Identify environmental impacts associated with the operations and set the targets to reduce stress on the environment in consideration of social expectations;
- Prevent pollution, reduce waste and minimise the consumption of resources from all daily operations and actively promote recycle, reuse and replace;
- Educate, train and motivate employees to develop a social viewpoint that enables them to conduct business activities in an environmentally responsible manner.

#### A1.1. Emissions Data from Gaseous Fuel Consumption

For Hong Kong office operations, the key environmental impacts from the Group's operations related to energy and paper consumption. To achieve environment protection, the Group encourages employees to shift to e-statement or scanning to reduce the use of paper and greenhouse gas emissions; to switch off all computers and office equipment and air-conditioner at the end of each working day.

The Group has integrated environmental objectives into the business decisions in a cost-effective manner. The Group has required all staff to assume environmental responsibilities in normal operating procedures and has enhanced the awareness of environmental and resource efficiency issues amongst the customers, staff and stakeholders. All important green and quality assurance policies have been posted on the notice board and stated in the standard operating procedures of the manufacturing plant.

本集團已將須努力改善的範圍縮窄至以下關鍵領域：

- 於經營業務過程中所使用的資源；
- 能源消耗；及
- 室內環境質素。

### 當前環境政策

本集團的主要任務為衡量及報告我們於減少碳足跡所作出的努力，以及促進源頭減廢、加強廢物處置管理並設定環保表現目標。為減低我們的業務及所提供的產品及服務對環境帶來的影響，本集團將：

- 遵守與本集團環境方面有關及本集團須遵守的適用法律規定及其他規定；
- 識別與我們營運有關的環境影響並經考慮社會期望後訂下減少環境壓力的目標；
- 防止污染、減少浪費及減少所有日常業務營運之資源消耗，並積極推廣回收、重複使用及替換；
- 推行教育、培訓及激勵僱員建立社會觀念，使僱員於進行業務活動時亦對環境負責任。

#### A1.1. 氣體燃料消耗排放數據

香港辦事處營運方面，本集團營運產生的主要環境影響與能源及紙張消耗有關。為實現保護環境的目的，本集團鼓勵僱員轉向使用電子月結單或掃描來減少紙張使用，並減少溫室氣體排放；並在各工作日結束時關閉所有電腦及辦公室設備及空調。

本集團已按成本效益方式將環境目標納入業務決策的一部分。本集團已要求全體員工在正常營運過程中擔負環保責任，並提高客戶、員工及利益相關者在環境及資源效率問題方面的意識。所有重要的綠色及質量保證政策均已在通知板上作出公佈，並於製造廠的標準營運程序中列明。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

- a) Since the Company did not have town fuel and town gas consumption during the year, therefore no emissions data from gaseous fuel consumption applied.
- b) the Company did not has motor vehicles during the year, therefore no emissions data from gaseous fuel consumption applied.

- a) 由於本公司年內並無消耗燃料及煤氣，故此並無應用氣體燃料消耗排放量數據。
- b) 本公司於年內並無擁有汽車，因此並無應用氣體燃料產生的排放數據。

### A1.2. Greenhouse Gas Emission

### A1.2. 溫室氣體排放量

	KPI 關鍵績效指標		
	2019 二零一九年	Unit 單位	% %
<b>Scope 1</b> <b>範圍 1</b>			
Direct Emission 直接排放	—	Kg 千克	—
<b>Scope 2</b> <b>範圍 2</b>			
Indirect Emission 直接排放	15,381	Kg 千克	90%
<b>Scope 3</b> <b>範圍 3</b>			
Other indirect Emission 其他間接排放	1,721	Kg 千克	10%
<b>Total</b> <b>總計</b>	17,102	Kg 千克	100%

During the year, there is 17,102 kg of carbon dioxide equivalent greenhouse gases (mainly carbon dioxide, methane and nitrous oxide) emitted from the Group's operation.

年內，本集團的營運排放17,102千克二氧化碳當量之溫室氣體（主要包括二氧化碳、甲烷及氧化亞氮）。

Total floor area coverage for the Group was 2,892 m<sup>2</sup> in 2019. The annual emission intensity was 5.91 KgCO<sub>2</sub>e/m<sup>2</sup>.

於二零一九年，本集團覆蓋的總建築面積為2,892平方米。年度排放強度為5.91千克二氧化碳當量／平方米。

#### Compliance with relevant laws and regulations:

The Group is not aware of any material non-compliance with the relevant laws and regulations that have a significant impact relating to air and greenhouse gas emissions, discharges into water and land, generation of hazardous and non-hazardous waste of the Group during the year. In addition, no significant fines or non-monetary sanctions for non-compliance with relevant laws and regulations had been reported in the year.

#### 遵守相關法律及法規：

年內，本集團並不知悉有任何嚴重違反相關法律及法規而在廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生方面造成重大影響的情況。此外，年內並無呈報因未遵守相關法律及法規而被處以重大罰款或非貨幣制裁的情況。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### A1.3. Non-hazardous Waste

The Group generates no hazardous waste in its operation. Non-hazardous waste from use of electricity of the Group's operation but the management of the Group believed that is insignificant waste.

### A2.1. Use of resource

The Group is committed to minimising the impact of business activities on the environment, and supporting environmental protection programmes. In particular, a number of initiatives designed to conserve resources were introduced to promote employee awareness of the need to achieve efficient utilisation of resources.

The Group has been encouraging employees to establish energy-saving habits in the office, such as switching off lights and electronic appliances before leaving the office, as well as setting indoor temperature at 25.5°C.

The energy consumed is mainly from purchase of electricity. The total electricity consumed are set out below:

### A1.3. 無害廢棄物

本集團的營運並無產生有害廢棄物。本集團的營運使用電力會產生無害廢棄物，但本集團管理層認為廢棄物並不重大。

### A2.1. 資源使用

本集團致力於最大程度地降低業務活動對環境的影響，並支持環保計劃。特別是，本集團已推出多項旨在保護資源的計劃，以提高僱員實現高效利用資源的需求意識。

本集團鼓勵僱員培養辦公室節能習慣，例如於離開辦事處前關閉燈光及電子設備，並將室溫設定為25.5攝氏度。

所耗能源主要來自購買電力。總耗電量載列如下：

	KPI 關鍵績效指標			
	2019 二零一九年	2018 二零一八年	Unit 單位	% increase/ (decrease) 增加／(減少)
Electricity consumed 耗電量	28,483	89,480	kWh 千瓦時	(68%)
Total floor are of facilities 設施總建築面積	2,892	3,942	m <sup>2</sup> 平方米	(27%)
Resource consumed per square meter 每平方米耗電量	9.85	22.70	kWh/m <sup>2</sup> 千瓦時／平方米	(57%)

### A3. Environmental and Natural Resources

The Group has established a series of policies, mechanisms and measures on environmental protection and natural resources conservation to enhance its efficiency in the usage of energy, water and materials and also complies with relevant local environmental regulations and international general practices, with an aim to reduce the use of natural resources and protect the environment.

There were no non-compliance cases noted in relation to environmental laws and regulations during the year.

### A3. 環境及自然資源

本集團已制定一系列有關環境保護及自然資源保護的政策、機制及措施來提高使用能源、水及材料的效率，亦遵守有關本地環境法規及一般國際慣例，旨在減少資源使用及保護環境。

我們於年內並無違反有關環境法律及法規。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### B. SOCIAL

Being a responsible business and employer, the Group is committed to consistently looking for ways to meet the corporate social responsibilities. The Group focus on its staff, environment and community as well as its business partners.

#### B1. Employment and Labour Practices

The Group places a significant emphasis on developing human capital and provides competitive remuneration and welfare packages. Promotion opportunities and salary adjustments are benchmarked against individual performance. Employees are entitled to benefits such as annual leave, sick leave, maternity leave, marriage leave, funeral leave and medical coverage in accordance with local regulations.

The Group emphasis on equal opportunities for all personnel in respect of hiring, pay rates, training and development, promotion and other terms of employment. The Group is committed to providing a work environment free from any form of discrimination on the basis of ethnicity, gender, religion, age, disability or sexual orientation.

The Group has a wide diversity of cultures including the employees with different genders, ages, skills, educational backgrounds, industry experiences and other qualifications in order to achieve the most suitable composition and balance.

The Group's remuneration package is structured with reference to the individual performance, working experience and prevailing salary levels in the market. In addition to basic salaries and mandatory provident fund for Hong Kong office staff, fringe benefits include a basic five-day working week, flexible leave arrangement, medical coverage scheme and annual dinner.

The Group has developed an employee handbook in accordance with the Labour Law of the PRC and has distributed it to all employees. The remuneration policies are determined on the basis of performance, qualification and experience of individual employee. The remuneration generally includes salaries and allowances.

The Group had subscribed to those basic pension insurance, basic medical insurance, unemployment insurance, occupational injury insurance, maternity insurance as prescribed by the Social Insurance Law of the PRC, as well as housing fund schemes as prescribed by the Regulations on the Administration of Housing Fund.

### B. 社會

作為盡責的企業及僱主，本集團不斷尋求方法履行我們的企業社會責任。我們專注於員工、環境及社區以及我們的業務夥伴。

#### B1. 僱傭及勞工常規

本集團非常重視開發人力資本及提供具有競爭力的薪酬及福利待遇。晉升機會及薪金調整以個人表現為基準。按照當地法規，僱員有權享有多項福利，例如年假、病假、產假、婚假、喪假及醫療保險。

本集團在招聘、工資標準、培訓與發展、晉升以及其他聘用條款方面對所有人員提供公平的機會。本集團致力提供一個不存在種族、性別、宗教、年齡、殘疾或性取向等任何形式歧視的工作環境。

本集團具備多元化文化，包括不同的性別、年齡、技能、教育背景、行業經驗及其他資歷之僱員，以達致最適合之組合及平衡。

本集團參考個人表現、工作經驗及當前市場薪金水平而釐定薪酬待遇。香港辦事處員工除享有基本薪金及強制性公積金外，還享有的額外福利包括基本的五天工作週、彈性休假安排、醫療保險計劃和週年晚宴。

本集團已根據《中華人民共和國勞動法》編製員工手冊，並向全體僱員發放員工手冊。薪酬政策乃按個別僱員的表現、資歷及經驗釐定。薪酬一般包括薪金及津貼。

本集團已按《中華人民共和國社會保險法》規定為員工辦理基本退休保險、基本醫療保險、失業保險、工傷保險及生育保險以及《住房公積金管理條例》規定的住房公積金計劃。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Employees' wages, overtime payments and related benefits are made not less than the local government's minimum requirements. The normal working hours for general employees are normally 8 hours a day and 40 hours a week. Integrated computation of working hours is implemented with reference to the requirements of the Labour Law of the PRC.

僱員的工資、加班時間及相關福利均不低於當地政府的最低要求。一般員工的正常工作時間為每日8小時及每週40小時。工時乃參照《中華人民共和國勞動法》規定綜合計算。

### Staff Composition

As at 31 December 2019, the Group employed a total of 51 (2018: 92) staff, including operational office, sales and marketing, and back office division. All staff members are allocated in Hong Kong and Mainland China.

### 員工組成

於二零一九年十二月三十一日，本集團共聘用51名員工（二零一八年：92名），包括營運辦事處、銷售及市場推廣及後勤部門的員工。該等員工均駐於香港及中國內地。

#### (a) Employee's Age and Gender Distribution

#### (a) 僱員年齡及性別分佈

Age Group 年齡組別	2019 二零一九年		2018 二零一八年	
	Male 男性	Female 女性	Male 男性	Female 女性
0-30 0-30 歲	0%	0%	0%	0%
31-50 31-50 歲	65%	35%	58%	42%
= 51/>51 51 歲或以上	0%	0%	0%	0%
Total 總計	65%	35%	58%	42%

#### (b) Employee's Geographical and Gender Distribution

#### (b) 僱員地區及性別分佈

Locations 所在位置	2019 二零一九年		2018 二零一八年	
	Male 男性	Female 女性	Male 男性	Female 女性
Hong Kong 香港	21%	0%	14%	1%
Mainland China 中國內地	44%	35%	44%	41%
Total 總計	65%	35%	58%	42%

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## 環境、社會及管治報告

The Group will continue to provide a well-structured and caring environment to employees to raise their sense of belonging and work efficiency in the Group.

The Group is not aware of any material non-compliance with the relevant laws and regulations that have a significant impact relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare on the Group during the year. In addition, no non-compliance with relevant laws and regulations that resulted in significant fines or sanctions had been reported during the year.

### B2. Employee Health and Safety

The Group adopts non-discriminatory employment practices and provides a healthy and safe workplace. The Group seeks to attract and retain talented employees through providing a safe and healthy workplace for each and every employee in line with established internal guidelines and systems.

For Hong Kong office staff, the Group provides its employee with flexible rest leave arrangement, medical and hospital scheme. The Group understands that a good working environment for its employees with a safe and comfortable working condition is very important. The Group has set a clear guideline of work arrangement for typhoon and rainstorm warning.

The outbreak of the novel coronavirus (2019-nCoV) in Wuhan, has become the latest challenge for the health authorities in Hong Kong and Mainland China, the Group has several policy to protect its staff:

- All public area would be performed disinfection on timely basis;
- Provide mask and disinfection supplies to all staff;
- Request all management provide mask himself/herself;
- Request all staff to perform body temperature test everyday;
- Request each staff to report their health status everyday; and
- Request each Department Head to monitor the health status of its staff on timely basis.

本集團將持續向僱員提供架構完善且友善的工作環境以提升彼等的歸屬感及工作效率。

年內，本集團並不知悉有任何嚴重違反相關法律及法規而在補償及解僱、招聘及晉升、工時、休息期、平等機會、多元化、反歧視及其他利益及福利方面對本集團造成重大影響的情況。此外，年內亦無呈報因未遵守相關法律及法規而被判處巨額罰款或處分的情況。

### B2. 僱員健康與安全

本集團採納反歧視僱傭慣例，並提供健康安全的工作場所。本集團根據內部指引及制度為每位僱員提供安全健康的工作環境，致力於招攬及挽留優秀僱員。

香港辦事處員工方面，本集團提供彈性休假安排、醫療及住院計劃。本集團明白，為僱員打造良好工作環境，確保工作環境安全舒適極為重要。本集團已就發出颱風和暴雨警告時的工作安排作出明確指引。

於武漢爆發的新冠病毒疫情現時為香港及中國大陸健康機構的最大挑戰，本集團已採取數項政策以保護其員工：

- 定時對所有公共區域消毒；
- 為全體員工提供口罩及消毒液；
- 要求全體管理人員佩戴口罩；
- 要求全體僱員每日測量體溫；
- 要求每位員工每日報告其健康狀況；及
- 要求各部門主管定時監控其僱員的監控狀況。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Occupational Health and Safety Data

The information of work accident are set out below:

### 職業健康及安全數據

有關工作意外的資料載列如下：

Health and Safety 健康及安全	2019 二零一九年		2018 二零一八年	
	Male 男性	Female 女性	Male 男性	Female 女性
Number of work-related fatalities 因工作關係而死亡的人數	0%	0%	0%	0%
Lost days due to work injury 因工傷損失工作日數	0%	0%	0%	0%

During the year, the Group has had no non-compliance cases regarding violation of relevant laws and regulations on occupational health and safety.

本集團於年內並無違反有關職業健康及安全的法律及法規。

### B3. Development and Training

The Group has committed to provide on-the-job education and training to its employees in order to enhance their knowledge and skills. All employees are encouraged to enhance their skills and knowledge at every opportunity in order to perform their current job more efficiently and effectively and to be better prepared for career opportunities which may arise. During the year, regular training courses were provided to the employees included but not limited to orientation training, technical training and quality training.

Performance evaluations are initiated each year. Recognising the value in the skill and experience of our staff, the Group has adopted a policy that any promotions will be considered internally first before hiring any outside staff. It is the Group's policy to select the most suitable candidate for appointment to a higher rank based on merit, rather than on the seniority of the candidates.

### B4. Labour Standard

The Group fully understand that the exploitation of child and forced labour are universally prohibited, and therefore take the responsibility against child and forced labour very seriously. The Group strictly comply with all laws and regulations against child labour and forced labour in Shenzhen, PRC.

For entry registration, all employees must present valid documents to the PRC office as follows: (i) identity card and vocational qualification certificate; (ii) social security card; (iii) medical or health certificate; (iv) recent photos; and (v) other relevant information and documents required by the Group. The above procedures can ensure no child labour will be employed in manufacturing plant.

### B3. 發展及培訓

本集團致力於為僱員提供在職教育及培訓，以提升彼等的知識及技能。本集團鼓勵所有僱員把握一切機會提升彼等的技能及知識，以便更切實高效地完成彼等目前的工作以及更好地為可能出現的職業發展機會做準備。本集團於年內為僱員提供的定期培訓課程包括但不限於入職培訓、技能培訓及質量培訓。

本集團每年進行績效評估。為了肯定員工技能及經驗的寶貴價值，本集團採取之政策為，擢升將以內部人才為首選，然後方會考慮對外招聘。本集團挑選最合適人才擢升，以用人唯才為原則而非論資排輩。

### B4. 勞工標準

本集團深知僱用童工及強迫勞動嚴重違反普世價值觀，因此竭力反對一切僱用童工及強迫勞動的行為。本集團於中國深圳嚴格遵守所有針對僱用童工及強迫勞動的法律法規。

就入職登記而言，所有僱員必須向中國辦事處出示下列有效證件：(i) 身份證及職業資格證書；(ii) 社會保障卡；(iii) 醫療或健康證明；(iv) 近期照片；及(v) 本集團規定的其他相關資料及證件。上述程序可以確保製造廠不會僱用童工。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

All employees of the PRC office are entitled to have sick leave, injury leave and maternity leave with medical proof in accordance with the Labour Law of PRC and Law of the PRC on the Protection of Labour Rights and Interests and other applicable regulations. In addition, all employees work normally 8 hours daily and are not encouraged to work overtime. But if overtime work is required, the relevant employees and superior will agree mutually in written form. The compensation for overtime work is in accordance with the provisions of the Labour Law of PRC.

During the year, the Group has had no non-compliance cases regarding violation of relevant child labour and forced labour laws.

### B5. Supply Chain Management

The Group has the greatest respect for the laws and regulations that govern its business. The Group always adheres to international best practices and conducts fair and unbiased procurement processes when dealing with suppliers.

The Group adheres to the principle of transparency and implements the value of honesty, integrity and fairness in its supply chain management. The Group's procurement procedures provide directions and guidelines on evaluation and engagement when dealing with suppliers of goods and services to ensure business is conducted with legally, financially and technically-sound entities. In addition, approval procedures are in place to ensure that supplier engagements are monitored and approved by the appropriate level of management.

### B6. Product Responsibility

A high priority for the Group is to ensure customer satisfaction in terms of its products and services. Strenuous efforts are made to ensure compliance with the relevant laws and regulations relating to product health and safety, advertising, labelling and privacy matters of the jurisdictions in which the Group operates. The Group requires its employees to comply with applicable governmental and regulatory laws, rules, codes and regulations.

During the year, the Group do not have any recalled products and do not receive any complaint from its customers in relation to either its quality of service or products. The Group has had no non-compliance cases regarding violations of relevant laws and regulations on product responsibility and data privacy.

根據《中華人民共和國勞動法》及《中華人民共和國勞動權益保護法》及其他適用規例，本集團的所有僱員在取得醫療證明的情況下，均有權享有病假、傷假及產假。此外，所有僱員的正常工作時間為每日8小時，不鼓勵超時工作。倘若需要進行超時工作，則相關僱員與監管人員雙方須以書面形式達成一致。超時工作的補償將根據《中華人民共和國勞動法》的條款計算。

本集團年內並無違反有關童工及強迫勞動的法律。

### B5. 供應鏈管理

本集團遵守法律及法規，並以此規管我們的業務。本集團一直以國際最佳守則和公平公正的採購程序處理與供應商的交易。

在供應鏈管理方面，本集團秉持透明、誠實、正直及公平的原則。在處理與供應商的交易時，本集團的採購程序在評估及採用貨品及服務方面提供了方向及指引，以確保我們與符合法規、財務穩健以及技術出眾的供應商展開業務。此外，審批程序確保我們與供應商的合作受到適當的管理層監控與審批。

### B6. 產品責任

確保顧客滿意我們的產品和服務是本集團的主要目標。本集團致力確保本集團在產品健康、安全、廣告、標籤以及私隱權方面遵守本集團經營所在地司法權區法律和法規。本集團亦要求僱員遵守相關的政府及監管法律、規定、規則、守則及規例。

本集團於年內並無回收任何產品，亦無收到有關服務或產品質素的任何客戶投訴。本集團並無違反有關產品責任及數據隱私的法律及法規。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### B7. Anti-corruption

Corruption, bribery or fraud in any form is strictly prohibited. The Group's anti-corruption policies set out standards of conduct to which all employees are required to adhere in order to promote the integrity environment in the workplace.

To combat corruption and to govern conflicts of interest, unless with the Group's approval, Directors and employees are prohibited from accepting any valuable items from co-workers, customers, suppliers or other stakeholders. Unless with approval the Board, senior management members are also prohibited from engaging in any activities that involve a potential conflict of interest with the Group or may do harm to the Group's overall interests. Breaches are subject to disciplinary actions, including the termination of employment contracts where necessary.

Various policies have also been formulated to accord with the Securities and Futures Commission's Guideline on Anti-Money Laundering and Counter-Terrorist Financing, including the basic procedures for customer identification and due diligence, suspicious transactions report and recordkeeping. Ongoing staff training has also been carried out to ensure each of the employees is fully aware of these policies.

The PRC office is fully aware of the Group's anti-corruption policies and of the priority to avoid corruption from taking root in its operation. Its management understands layered audits and clear accountability to monitor work related activities of the next level and as well one more level below is the key to avoid possible corruption.

In the year, there is no legal case concerning corruption brought against the Group or employees.

### B8. Community Involvement

The Group always seeks to be a positive force in the communities in which it operates and maintain close communications and interactions with the communities in order to contribute to local development from time to time.

As global responsible citizen, the Group strives to improve the society image and social responsibility through community investment. All employees of the Group are encouraged to participate their own initiatives on helping and supporting the local communities and neighbours.

### B7. 反貪污

本集團禁止任何形式的貪污、受賄或欺詐。本集團的反貪污政策列明了所有僱員須遵守的行為標準，以提升工作場所的誠信。

為反貪污及規管利益衝突，除非經本集團批准，否則董事及僱員不得接受合作者、客戶、供應商或其他利益相關者的任何貴重物品。除非經董事會批准，否則高級管理人員亦不得從事任何可能與本集團存在利益衝突或可能有損本集團整體利益的活動。違反規定須受紀律處分，包括終止僱傭合約（倘有必要）。

本集團亦已按照證券及期貨事務監察委員會有關打擊洗錢及恐怖分子資金籌集指引制定多項政策，包括客戶身份識別及盡職調查、可疑交易報告以及備存紀錄的基本程序。本集團亦已進行持續員工培訓以確保僱員完全了解該等政策。

中國辦事處解本集團的反貪污政策及防止貪污滋生的重要性。其管理層深知，在監控下級及更下級相關活動時，分層審核及明確問責乃避免潛在貪污的關鍵。

年內，並無針對本集團或本集團僱員的涉及貪污的法律案件。

### B8. 本社區參與

本集團一直致力於為營運所在的社區帶來積極力量，並與社區群眾保持緊密溝通及互動，以不時為當地發展做出貢獻。

作為負責的全球公民，本集團致力透過社區參與提升社會形象及社會責任。本集團鼓勵所有僱員主動幫助及支持當地社區及鄰里。

# Independent Auditor's Report

## 獨立核數師報告



### TO THE SHAREHOLDERS OF MILLENNIUM PACIFIC GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

#### OPINION

We have audited the consolidated financial statements of Millennium Pacific Group Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 71 to 84, which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2019, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

#### BASIS FOR OPINION

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

## 長青

致匯思太平洋集團控股有限公司股東

(於開曼群島註冊成立之有限公司)

#### 意見

吾等已審核載於第71頁至第84頁匯思太平洋集團控股有限公司(「**貴公司**」)及其附屬公司(統稱「**貴集團**」)的綜合財務報表，包括於二零一九年十二月三十一日的綜合財務狀況表、截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

吾等認為，綜合財務報表已根據香港會計師公會(「**香港會計師公會**」)頒佈的香港財務報告準則(「**香港財務報告準則**」)真實及公平地反映 貴集團於二零一九年十二月三十一日之綜合財務狀況，及其截至該日止年度之綜合財務表現及綜合現金流量，並已按照香港公司條例之披露規定妥為編製。

#### 意見基礎

吾等已根據香港會計師公會頒佈之香港審計準則(「**香港審計準則**」)進行審核工作。吾等於該等準則下之責任於本報告「核數師就審核綜合財務報表的責任」一節中詳述。根據香港會計師公會之專業會計師道德守則(「**守則**」)，吾等獨立於 貴集團，及吾等已遵循守則履行其他道德責任。吾等相信，吾等所獲得之審核憑證能充分恰當地為吾等的審核意見提供基礎。

# Independent Auditor's Report

## 獨立核數師報告

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined (i) impairment of trade receivables; and (ii) impairment — investments in associates to be the key audit matter to be communicated in our report:

#### Key Audit Matter

##### 關鍵審核事項

#### Impairment of trade receivables

##### 應收賬款的減值

Refer to significant accounting policies in note 4, critical judgement and estimates in note 5 and its relevant disclosures in note 24 to the financial statements.

請參閱財務報表附註4主要會計政策、附註5重要判斷及主要估計及附註24的相關披露事項。

In practice, the Group would grant credit terms to its customers ranged between 60 to 90 days (2018: 60 to 90 days). The Group would perform periodic assessment on the impairment as well as recoverability of trade receivables by basing on information including credit risk characteristics of each customers, historical ageing and settlement records, subsequent settlement status, expected timing and amount of recovering outstanding balances, on-going trading relationships with the relevant customers and forward-looking information that may impact its customers' abilities to repay the outstanding trade receivables in order to estimate the expected credit losses ("ECL") for the impairment assessment.

實際上，貴集團將向其客戶授予60至90天(二零一八年：60至90天)的信貨期。貴集團將根據各客戶的信貨風險特徵、過往賬齡及結算記錄、後續結算狀況、未償還結餘收回的預期時間及金額、與相關客戶的持續交易關係以及可能影響其客戶償還未償還應收賬款能力的前瞻性資料，對應收賬款的減值及可收回性進行定期評估，以估計減值評估的預期信貸虧損(「預期信貸虧損」)。

Due to the significance of trade receivables to the Group's consolidated financial statements (representing approximately 58% of the Group's total assets) and the impairment assessment of trade receivables under the ECL model involved the use of significant management judgements and estimates, we considered this as a key audit matter.

由於應收賬款對貴集團綜合財務報表的重要性(佔貴集團資產總值約58%)及預期信貸虧損模式項下應收賬款的減值評估涉及使用重大管理層判斷及估計，吾等將此認定為一項關鍵審核事項。

### 關鍵審核事項

根據吾等之專業判斷，關鍵審核事項為吾等審核本期綜合財務報表過程中最重要的事項。此等事項是在吾等審核整體綜合財務報表及達成吾等對其的意見時進行處理，而吾等不會對此等事項提供單獨意見。吾等已確定(i)應收賬款的減值；及(ii)減值 — 於聯營公司的投資為關鍵審核事項，並將於報告中披露：

#### How our audit addressed the Key Audit Matter

##### 關鍵審核事項在審核中如何處理

Our audit procedures in relation to the recoverability assessment of trade receivables included:

吾等有關應收賬款可收回性評估的審核程序包括：

- Evaluating the design, implementation and operating effectiveness of key internal controls over credit control, debt collection and estimate of ECL;
- 評估有關信貸控制、催收債款及估計預期信貸虧損的主要內部控制的設計、實施和運營有效性；
- Assessing the reasonableness of the Group's ECL models by examining the model inputs used by management to form such judgements, including testing the accuracy of the historical default data, evaluating whether the historical loss rates are appropriately adjusted based on current economic conditions variables and assumptions used in each of the economic scenarios and their probability weightings and assessing whether there was an indication of management bias when recognising loss allowances; and
- 透過檢查管理層形成有關判斷所使用的模式輸入，以評估貴集團預期信貸虧損模式的合理性，包括測試過往違約記錄的準確性、評估過往損失率是否根據於各經濟情境中所使用的當前經濟條件變量及假設以及彼等發生之可能性比重進行適當調整，並評估於確認虧損撥備時是否存在管理層偏見；及
- Selecting samples for the circularisation of debtor confirmations
- 選取樣本作債務人通函確認
- Inspecting settlements after the financial year end relating to the trade receivables as at 31 December 2019.
- 檢查於財政年度結束後有關於二零一九年十二月三十一日之應收賬款之結算。



# Independent Auditor's Report

## 獨立核數師報告

### Key Audit Matter

#### 關鍵審核事項

### How our audit addressed the Key Audit Matter

#### 關鍵審核事項在審核中如何處理

#### **Impairment – investments in associates**

#### 減值 — 於聯營公司的投資

*Refer to significant accounting policies in note 4 and its relevant disclosures in note 20 to the consolidated financial statements*  
請參閱綜合財務報表附註4主要會計政策以及附註20的相關披露事項

Assessing the impairment on the investments in associates and the associated goodwill are performed annually and/or when there is an indication of impairment.

每年及／或於出現減值跡象時評估於聯營公司的投資及相關商譽減值。

The Group engages independent firm of professional valuer to perform valuation by using market approach as to whether any shortfall of valuation of the associates against their carrying amounts. Significant judgment and estimations are required to estimate the fair value of the associates including selecting the market comparables for the valuation.

貴集團委聘獨立專業估值機構使用市場法進行估值，以確定聯營公司的估值與彼此賬面值之間是否有任何差額。估計聯營公司之公平值須作出重大判斷及估計，包括就估值選擇市場可資比較者。

We identified the impairment assessment of investments in associates as a key audit matter as the carrying amount of investments in associates accounted for approximately 27% of the Group's total assets as at 31 December 2019 and were significant to the Group's financial performance due to a higher degree of complexity, and the significance of management's judgment and unobservable inputs involved in the valuation. With different valuation techniques, inputs and assumptions applied, the valuation results can vary significantly.

由於於二零一九年十二月三十一日於聯營公司的投資賬面值佔貴集團總資產約27%且因其高度複雜性而對貴集團的財務表現屬重大以及估值所涉及管理層判斷及不可觀察輸入數據之重大性，吾等將於聯營公司的投資減值評估認定為一項關鍵審核事項。所應用估值技術、輸入數據及假設的差異可造成估值結果大相逕庭。

Our procedures in relation to impairment assessment of investments in associates included:

吾等有關於聯營公司的投資減值評估的審核程序包括：

- Evaluating the expertise and independence of the valuer;
- 評估估值師的專業知識及獨立性；
- Checking the accuracy of the historical data used in the valuation model;
- 檢查估值模型中歷史數據的準確性；
- Engaging a valuation specialist to assist us to review the appropriateness of the valuation approach and methodology, the accuracy of the calculations in the valuation model and the market data used on a sample basis, and the reasonableness of the comparables; and
- 委聘估值專家協助吾等檢討估值方式及方法的適當性、估值模型中計算及市場數據的準確性（抽樣基準）以及可資比較者的合理性；及
- Reviewing the appropriateness of the disclosure in the consolidated financial statements.
- 檢討綜合財務報表中披露之適當性。

# Independent Auditor's Report

## 獨立核數師報告

### OTHER INFORMATION

The directors are responsible for the Other Information. The Other Information comprises all of the information included in the Company's annual report other than the consolidated financial statements and our auditor's report thereon.

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

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

### RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

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

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

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

### 其他資料

董事須為其他資料承擔責任。其他資料包括 貴公司年報中除綜合財務報表及吾等就此發出的核數師報告以外的所有資料。

吾等對綜合財務報表作出的意見並未涵蓋其他資料及吾等不對其他資料發表任何形式的核證結論。

就吾等審核綜合財務報表而言，吾等的責任為閱讀其他資料，從而考慮其他資料是否與綜合財務報表或吾等於審核過程中獲悉的資料存在重大抵觸，或似乎存在重大錯誤陳述。基於吾等已執行的工作，倘吾等認為此其他資料出現重大錯誤陳述，吾等須報告該事實。吾等就此並無任何事項須報告。

### 董事對綜合財務報表之責任

董事負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定，編製真實及意見公允之綜合財務報表，並負責董事認為就編製綜合財務報表而言屬必要的有關內部監控，致使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

在編製綜合財務報表時，董事負責評估 貴集團持續經營的能力，並披露與持續經營有關的事項（如適用），及除非董事有意將 貴集團清盤或停止營運，或除此之外並無其他實際可靠的辦法，否則董事須採用以持續經營為基礎的會計法。

貴公司董事於審核委員會協助下履行監督 貴集團的財務報告流程的職責。

### 核數師就審核綜合財務報表的責任

吾等的目標為合理確定整體綜合財務報表是否不存在由於欺詐或錯誤而導致的重大錯誤陳述，並發出載有吾等意見的核數師報告。吾等僅向整體股東報告，除此之外本報告別無其他目的。吾等概不就本報告內容向任何其他人士負責或承擔任何責任。

合理保證屬於高層次的保證，惟不能擔保根據香港審計準則進行的審核總能發現所有存在的重大錯誤陳述。重大錯誤陳述可源於欺詐或錯誤，倘個別或整體在合理預期情況下可影響使用者根據此等綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

# Independent Auditor's Report

## 獨立核數師報告

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

根據香港審計準則進行審核的過程中，吾等運用專業判斷並保持職業懷疑態度。吾等亦：

- 識別及評估綜合財務報表由於欺詐或錯誤而導致的重大錯誤陳述風險，因應此等風險設計及執行審核程序，獲得充分適當的審核憑證為吾等的意見提供基礎。由於欺詐涉及合謀串通、偽造、故意遺漏、誤導性陳述或凌駕內部監控，因此未能發現由此造成的重大錯誤陳述風險較未能發現由於錯誤而導致的重大錯誤陳述風險更高。
- 了解與審核有關的內部監控，以設計適用於有關情況之審核程序，惟不會就 貴集團之內部監控成效發表意見。
- 評估所用會計政策是否恰當，以及董事所作會計估計及相關披露是否合理。
- 總結董事採用以持續經營為基礎的會計法是否恰當，並根據已獲取的審核憑證，總結是否有對 貴集團持續經營的能力構成重大疑問的事件或情況等重大不確定因素。倘吾等總結認為存在重大不確定因素，吾等需於核數師報告中提請注意綜合財務報表內的相關資料披露，或如果相關披露不足，則修訂吾等的意見。吾等的結論乃基於截至核數師報告日期所獲得的審核憑證。然而，未來事件或情況可能導致 貴集團不再具有持續經營的能力。
- 評估綜合財務報表（包括資料披露）的整體呈列、架構及內容，以及綜合財務報表是否已公平地反映及列報相關交易及事件。
- 就 貴集團內各實體及業務活動的財務資料獲得充分而適當的審核憑證，以就綜合財務報表發表意見。吾等須負責指導、監督及執行集團的審核工作。吾等只須為吾等的審核意見承擔責任。

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

# Independent Auditor's Report

## 獨立核數師報告

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

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

### **McMillan Woods (Hong Kong) CPA Limited**

*Certified Public Accountants*

#### **Hui Chi Kong**

*Audit Engagement Director*

Practising Certificate Number: P07348

Hong Kong, 29 April 2020

3/F., Winbase Centre, 208 Queen's Road Central, Hong Kong

吾等亦向審核委員會提交聲明，確認吾等已遵守有關獨立性的道德要求，並就所有被合理認為可能影響吾等的獨立性的關係及其他事宜及相關防範措施（如適用）與審核委員會進行溝通。

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

### **長青(香港)會計師事務所有限公司**

*執業會計師*

#### **許志剛**

*審核項目董事*

職業編號：P07348

香港，二零二零年四月二十九日

香港皇后大道中208號勝基中心3樓



# 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 2019  
截至二零一九年十二月三十一日止年度

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>Revenue</b>	收益	8	<b>301,214</b>	77,433
Cost of sales and services rendered	銷售及提供服務之成本		<b>(289,904)</b>	(67,258)
<b>Gross profit</b>	毛利		<b>11,310</b>	10,175
Other income	其他收入	9	<b>2,445</b>	3,311
Selling and distribution costs	銷售及分銷成本		<b>(254)</b>	(225)
Administrative expenses	行政開支		<b>(28,879)</b>	(46,784)
<b>Loss from operation</b>	營運虧損		<b>(15,378)</b>	(33,523)
Finance costs	財務費用	10	<b>(1,790)</b>	(396)
Gain on disposals of subsidiaries	出售附屬公司收益	38(b)	<b>12,853</b>	–
Share of results of associates	分佔聯營公司業績		<b>4,054</b>	(478)
Share of results of a joint venture	分佔一間合營企業業績		<b>10</b>	–
<b>Loss before tax</b>	除稅前虧損	11	<b>(251)</b>	(34,397)
Income tax expense	所得稅開支	12	<b>(2)</b>	(733)
<b>Loss for the year</b>	年內虧損		<b>(253)</b>	(35,130)
<b>Other comprehensive income/(loss):</b>	其他全面收益／(虧損)：			
<i>Item that may not be reclassified to profit or loss:</i>	<i>不會重新分類至損益的項目：</i>			
Fair value changes of financial assets designated at fair value through other comprehensive income ("FVTOCI")	指定為按公平值計入其他全面收益 (「按公平值計入其他全面收益」) 之金融資產公平值變動		<b>(338)</b>	125
<i>Items that may be reclassified to profit or loss:</i>	<i>可能重新分類至損益的項目：</i>			
Exchange differences on translating foreign operations	換算海外業務時的匯兌差額		<b>(776)</b>	838
Release of exchange reserve upon disposals of subsidiaries	出售附屬公司時釋放匯兌儲備		<b>(1,586)</b>	–
<b>Other comprehensive (loss)/income for the year, net of tax</b>	年內其他全面 (虧損)／收入，扣除稅項		<b>(2,700)</b>	963
<b>Total comprehensive loss for the year</b>	年內全面虧損總額		<b>(2,953)</b>	(34,167)

# 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 2019  
截至二零一九年十二月三十一日止年度

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>Profit/(loss) for the year attributable to:</b>	以下人士應佔年內溢利／(虧損)：			
— the owners of the Company	— 本公司擁有人		(1,081)	(36,293)
— non-controlling interests	— 非控股權益		828	1,163
			(253)	(35,130)
<b>Total comprehensive loss for the year attributable to:</b>	以下人士應佔年內全面虧損總額：			
— the owners of the Company	— 本公司擁有人		(3,747)	(35,281)
— non-controlling interests	— 非控股權益		794	1,114
			(2,953)	(34,167)
				(Restated) (經重列)
<b>Loss per share (cents)</b>	每股虧損(港仙)			
— Basic	— 基本	15	(0.14)	(5.27)
— Diluted	— 攤薄	15	(0.14)	(5.27)

# Consolidated Statement of Financial Position

## 綜合財務狀況表

At 31 December 2019  
於二零一九年十二月三十一日

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	17	906	1,350
Right-of-use assets	使用權資產	18	779	–
Intangible assets	無形資產	19	–	–
Investments in associates	於聯營公司之投資	20	30,379	1,362
Investment in a joint venture	於一間合營企業之投資	21	15	–
Financial assets at FVTOCI	按公平值計入其他全面收益之金融資產	22	–	8,688
			<b>32,079</b>	<b>11,400</b>
<b>Current assets</b>	<b>流動資產</b>			
Inventories	存貨	23	601	366
Trade receivables	應收賬款	24	65,940	23,518
Other receivables, prepayments and deposits	其他應收款項、預付款項及按金	25	13,209	10,778
Bank and cash balances	銀行及現金結餘	26	1,465	2,025
			<b>81,215</b>	<b>36,687</b>
<b>Current liabilities</b>	<b>流動負債</b>			
Trade payables	應付賬款	27	45,668	17,596
Other payables, deposits received and accrued expenses	其他應付款項、已收訂金及應計費用	28	6,595	9,029
Convertible bonds	可換股債券	29	18,934	–
Lease liabilities	租賃負債	30	869	–
Amounts due to directors	應付董事款項	31	–	15,019
Current tax liabilities	當期稅項負債		625	765
			<b>72,691</b>	<b>42,409</b>
<b>Net current assets/(liabilities)</b>	<b>流動資產／(負債)淨值</b>		<b>8,524</b>	<b>(5,722)</b>
<b>NET ASSETS</b>	<b>資產淨值</b>		<b>40,603</b>	<b>5,678</b>
<b>Capital and reserves</b>	<b>股本及儲備</b>			
Share capital	股本	33	1,427	1,111
Reserves	儲備	35	37,231	3,416
			<b>38,658</b>	<b>4,527</b>
Non-controlling interests	非控股權益		1,945	1,151
<b>TOTAL EQUITY</b>	<b>總權益</b>		<b>40,603</b>	<b>5,678</b>

Approved and authorised for issue by the Board of Directors on 29 April 2020.

由董事會於二零二零年四月二十九日批准及授權刊發。

**Zhou Chuang Qiang**

周創強  
Director  
董事

**Wu Yong Fu**

吳永富  
Director  
董事

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

		Attributable to the owners of the Company 本公司擁有人應佔											
		Share capital	Share premium	Statutory reserve	Merger reserve	Foreign currency translation reserve	Option reserve	Equity component of convertible bonds	Financial assets at FVTOCI reserve 按公平值計入其他全面收益之金融資產儲備	Accumulated losses	Total reserve	Non-controlling interests	Total equity
		股本 (note 35(c)(i)) (附註35(c)(i)) HK\$'000 千港元	股份溢價 (note 35(c)(ii)) (附註35(c)(ii)) HK\$'000 千港元	法定儲備 (note 35(c)(iii)) (附註35(c)(iii)) HK\$'000 千港元	合併儲備 (note 35(c)(iv)) (附註35(c)(iv)) HK\$'000 千港元	外幣換算儲備 (note 35(c)(v)) (附註35(c)(v)) HK\$'000 千港元	購股權儲備 (note 35(c)(vi)) (附註35(c)(vi)) HK\$'000 千港元	可換股債券 權益部份 (note 35(c)(vii)) (附註35(c)(vii)) HK\$'000 千港元					
At 1 January 2018	於二零一八年一月一日	1,100	62,627	766	12,400	785	15,565	-	-	(83,479)	8,664	37	9,801
Issue of shares to subscribe financial assets at FVTOCI (note 33(a))	發行股份以認購按公平值計入其他全面收益之金融資產(附註33(a))	11	9,017	-	-	-	-	-	-	-	9,017	-	9,028
Recognition of share-based payments	確認以股份為基礎的付款	-	-	-	-	-	21,016	-	-	-	21,016	-	21,016
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	-	-	-	887	-	-	125	(36,293)	(35,281)	1,114	(34,167)
Changes in equity for the year	年內權益變動	11	9,017	-	-	887	21,016	-	125	(36,293)	(5,248)	1,114	(4,123)
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	1,111	71,644	766	12,400	1,672	36,581	-	125	(119,772)	3,416	1,151	5,678
Effect of adoption of HKFRS 16 (net of tax)	採納香港財務報告準則第16號之影響(扣除稅項)	-	-	-	-	-	-	-	-	(39)	(39)	-	(39)
At 1 January 2019 (as restated)	於二零一九年一月一日(經重列)	1,111	71,644	766	12,400	1,672	36,581	-	125	(119,811)	3,377	1,151	5,639
Placing of new shares (net of share issue expenses) (note 33(c))	配售新股份(扣除股份發行費用)(附註33(c))	120	8,829	-	-	-	-	-	-	-	8,829	-	8,949
Issue of convertible bonds (note 29)	發行可換股債券(附註29)	-	-	-	-	-	-	2,650	-	-	2,650	-	2,650
Recognition of share-based payments	確認以股份為基礎的付款	-	-	-	-	-	9,253	-	-	-	9,253	-	9,253
Transfer of share option reserve upon cancellation of share options	於購股權取消時轉撥購股權儲備	-	-	-	-	-	(43,785)	-	-	43,785	-	-	-
Issue of shares on acquisition of an associate (note 33(d))	就收購一間聯營公司發行股份(附註33(d))	196	16,869	-	-	-	-	-	-	-	16,869	-	17,065
Transfer to accumulated losses upon step-acquisition of an associate	於逐步收購一間聯營公司時轉移至累計虧損	-	-	-	-	-	-	-	213	(213)	-	-	-
Disposals of subsidiaries	出售附屬公司	-	-	(766)	(12,400)	-	-	-	-	13,166	-	-	-
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	-	(2,328)	-	-	(338)	(1,081)	(3,747)	794	(2,953)
Changes in equity for the year	年內權益變動	316	25,698	(766)	(12,400)	(2,328)	(34,532)	2,650	(125)	55,657	33,854	794	34,964
At 31 December 2019	於二零一九年十二月三十一日	1,427	97,342	-	-	(656)	2,049	2,650	-	(64,154)	37,231	1,945	40,603



# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

	Note 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>CASH FLOWS FROM OPERATING ACTIVITIES 經營活動現金流量</b>			
Loss before tax	除稅前虧損	(251)	(34,397)
Adjustments for:	就以下各項作出調整：		
Interest income	利息收入	(3)	(8)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	430	595
Depreciation of right-of-use assets	使用權資產折舊	2,778	–
Net foreign exchange loss	淨外匯虧損	320	466
Finance costs	財務費用	1,790	396
Allowance for trade receivables	應收賬款撥備	3,085	–
Written off of other receivables	其他應收款項撇銷	–	551
Reversal of allowance for inventories	存貨撥備撥回	(1,649)	(2,337)
Impairment on property, plant and equipment	物業、廠房及設備減值	–	1,304
Share of results of associates	分佔聯營公司業績	(4,054)	478
Share of results of a joint venture	分佔一間合營企業業績	(10)	–
Gain on disposals of subsidiaries	出售附屬公司收益	(12,853)	–
Share-based payment expenses	以股份為基礎的付款開支	9,253	21,016
Operating loss before working capital changes	營運資金變動前經營虧損	(1,164)	(11,936)
Decrease in inventories	存貨減少	1,222	2,214
(Increase)/decrease in trade receivables	應收賬款(增加)/減少	(46,062)	8,619
Increase in other receivables, prepayments and deposits	其他應收款項、預付款項及按金增加	(3,469)	(8,999)
Increase/(decrease) in trade payables	應付賬款增加/(減少)	28,171	(11,554)
Increase in other payables, deposits received and accrued expenses	其他應付款項、已收訂金及應計費用增加	408	2,625
Cash used in operations	經營所用現金	(20,894)	(19,031)
Interest on lease liabilities	租賃負債利息	(106)	–
PRC Enterprise Income Tax ("EIT") paid	已支付中國企業所得稅 (「企業所得稅」)	(137)	–
Net cash used in operating activities	經營活動所用現金淨額	(21,137)	(19,031)
<b>CASH FLOWS FROM INVESTING ACTIVITIES 投資活動現金流量</b>			
Investment in a joint venture	於一間合營企業之投資	(5)	–
Proceeds from placing of shares	配售股份之所得款項	8,949	–
Purchases of property, plant and equipment	購入物業、廠房及設備	(1)	(3,255)
Payment for investment in an associate	於一間聯營公司之投資付款	–	(1,893)
Proceeds from disposals of subsidiaries	出售附屬公司之所得款項	653	–
Interest received	已收利息	3	8
Net cash from/(used in) investing activities	投資活動所得/(所用)現金淨額	9,599	(5,140)

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

		Note 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>融資活動現金流量</b>			
Proceeds from issue of convertible bonds	發行可換股債券之所得款項		20,000	—
Principal elements of lease payments	租賃付款之主要因素		(2,727)	—
Movements in balances with directors	與董事的結餘變動		(6,272)	5,097
Net cash from financing activities	融資活動所得現金淨額		11,001	5,097
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等值物淨額減少</b>		<b>(537)</b>	<b>(19,074)</b>
Effect of foreign exchange rate changes	外匯匯率變動之影響		(23)	(199)
<b>CASH AND CASH EQUIVALENTS AT 1 JANUARY</b>	<b>於一月一日的現金及現金等值物</b>		<b>2,025</b>	<b>21,298</b>
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	<b>於十二月三十一日的現金及現金等值物</b>		<b>1,465</b>	<b>2,025</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等值物分析</b>			
Bank and cash balances	銀行及現金結餘	26	1,465	2,025

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 1. GENERAL INFORMATION

Millennium Pacific Group Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands as an exempt company with limited liability under the Company Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 10 September 2013. The address of its registered office is Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. The address of its principal place of business is located at 4806–4810, Shenzhen International Chamber of Commerce, 168 Fuhua 3rd Road, Futian District, Shenzhen, the People’s Republic of China (the “**PRC**”). The Company’s shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 18 July 2014.

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 37 to the consolidated financial statements.

In the opinion of the directors of the Company, as at 31 December 2019, Martford Limited, a company incorporated in the British Virgin Islands (“**BVI**”), is the immediate and ultimate parent of the Company and Mr. Wang Liang Hai is the ultimate controlling party of the Company.

### 2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”), which in collective term includes all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and accounting principles generally accepted in Hong Kong. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) and with the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). Significant accounting policies adopted by the Group are discussed below.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

### 1. 一般資料

匯思太平洋集團控股有限公司(「**本公司**」)於二零一三年九月十日根據開曼群島公司法第22章(一九六一年第三號法律,經綜合及修訂)在開曼群島註冊成立為一家獲豁免有限公司,註冊辦事處地址為Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands。本公司主要營業地點地址為中華人民共和國(「**中國**」)深圳市福田區福華三路168號深圳國際商會4806–4810。本公司之股份自二零一四年七月十八日起於香港聯合交易所有限公司(「**聯交所**」)GEM上市。

本公司為投資控股公司。其附屬公司的主要業務活動載於綜合財務報表附註37。

本公司董事認為,於二零一九年十二月三十一日, Martford Limited (於英屬維京群島(「**英屬維京群島**」)註冊成立之公司)為本公司直接及最終母公司,而王良海先生為本公司最終控股方。

### 2. 編製基準

此等綜合財務報表已根據香港會計師公會(「**香港會計師公會**」)頒佈的香港財務報告準則(「**香港財務報告準則**」,此統稱包括所有適用之香港財務報告準則、香港會計準則(「**香港會計準則**」)及詮釋)及香港公認會計原則編製。此等綜合財務報表亦符合聯交所GEM證券上市規則(「**GEM上市規則**」)之適用披露條文及香港公司條例(第622章)之披露規定。本集團採納的主要會計政策於下文討論。

香港會計師公會已頒佈若干新訂及經修訂香港財務報告準則,於本集團當前會計期間首次生效或可提早採納。首次應用該等與本集團有關的準則所導致當前及過往會計期間的任何會計政策變動反映於此等綜合財務報表,有關資料載於附註3。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 3. ADOPTION OF NEW AND REVISED HKFRSS

#### (a) Application of new and revised HKFRSSs

The HKICPA has issued a new HKFRS, HKFRS 16 Leases, and a number of amendments to HKFRSs that are first effective for the current accounting period of the Group.

Except for HKFRS 16, none of the developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

#### *HKFRS 16 Leases*

HKFRS 16 supersedes HKAS 17 Leases, and the related interpretations, HK(IFRIC) 4 Determining whether an Arrangement contains a Lease, HK(SIC) 15 Operating Leases-Incentives and HK(SIC) 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. HKFRS 16 introduced a single accounting model for lessees, which requires a lessee to recognise a right-of-use asset and a lease liability for all leases, except for leases that have a lease term of 12 months or less and leases of low-value assets.

Lessor accounting under HKFRS 16 is substantially unchanged from HKAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in HKAS 17. Therefore, HKFRS 16 did not have an impact on leases where the Group is the lessor. The lessor accounting requirements are brought forward from HKAS 17 substantially unchanged.

HKFRS 16 also introduces additional qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an entity.

The Group has initially applied HKFRS 16 as from 1 January 2019. The Group has elected to use the modified retrospective approach and has therefore recognised the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 January 2019. Comparative information has not been restated and continues to be reported under HKAS 17.

### 3. 採納新訂及經修訂香港財務報告準則

#### (a) 應用新訂及經修訂香港財務報告準則

香港會計師公會已頒佈一項新的香港財務報告準則(香港財務報告準則第16號,租賃)及若干香港財務報告準則之修訂,均於本集團之本會計期間首次生效。

除香港財務報告準則第16號外,該等發展對當前或過往期間本集團已編製或呈列之業績及財務狀況並無重大影響。本集團並未應用於本會計期間仍未生效的任何新訂準則或詮釋。

#### *香港財務報告準則第16號租賃*

香港財務報告準則第16號取代香港會計準則第17號租賃,及相關詮釋、香港(國際財務報告詮釋委員會)第4號釐定安排是否包括租賃、香港(詮釋常務委員會)第15號經營租賃—優惠及香港(詮釋常務委員會)第27號評估涉及租賃法律形式的交易實質。香港財務報告準則第16號就承租人引入單一會計模式,並規定承租人就所有租賃確認使用權資產及租賃負債,惟租期為12月或以下的租賃及低價值資產的租賃除外。

香港財務報告準則第16號項下出租人的會計要求與香港會計準則第17號大致相同。出租人將繼續使用與香港會計準則第17號類似的原則將租賃分為經營或融資租賃。因此,香港財務報告準則第16號對本集團為出租人的租賃並無影響。出租人的會計要求沿用香港會計準則第17號並大致維持不變。

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

本集團自二零一九年一月一日起首次應用香港財務報告準則第16號。本集團已選擇使用經修訂追溯法,因此將首次應用的累計影響確認為二零一九年一月一日之期初權益結餘的調整。比較資料不予重列,並繼續根據香港會計準則第17號報告。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 3. ADOPTION OF NEW AND REVISED HKFRSS (continued)

#### (a) Application of new and revised HKFRSSs (continued)

##### *HKFRS 16 Leases (continued)*

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

#### (a) New definition of a lease

The change in the definition of a lease mainly relates to the concept of control. HKFRS 16 defines a lease on the basis of whether a customer controls the use of an identified asset for a period of time, which may be determined by a defined amount of use. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

The Group applies the new definition of a lease in HKFRS 16 only to contracts that were entered into or changed on or after 1 January 2019. For contracts entered into before 1 January 2019, the Group has used the transitional practical expedient to grandfather the previous assessment of which existing arrangements are or contain leases. Accordingly, contracts that were previously assessed as leases under HKAS 17 continue to be accounted for as leases under HKFRS 16 and contracts previously assessed as non-lease service arrangements continue to be accounted for as executory contracts.

#### (b) Lessee accounting and transitional impact

HKFRS 16 eliminates the requirement for a lessee to classify leases as either operating leases or finance leases, as was previously required by HKAS 17. Instead, the Group is required to capitalise all leases when it is the lessee, including leases previously classified as operating leases under HKAS 17, other than those short-term leases and leases of low-value assets which are exempt.

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied the incremental borrowing rates of the relevant group entities at the date of initial application. The weighted average incremental borrowing rate applied is 4%.

### 3. 採納新訂及經修訂香港財務報告準則(續)

#### (a) 應用新訂及經修訂香港財務報告準則(續)

##### *香港財務報告準則第16號租賃(續)*

有關過往會計政策變動的性質及影響以及所應用過渡選擇的進一步詳情載列如下：

#### (a) 租賃的新定義

租賃定義的變動主要涉及控制的概念。香港財務報告準則第16號根據客戶是否於一段期間內控制已識別資產的使用而定義租賃，其可藉界定的使用量釐定。倘客戶既有權指示已識別資產的使用，亦有權自該使用中獲得絕大部分經濟利益，則控制權已轉移。

本集團僅對於二零一九年一月一日或之後訂立或變更的合約應用香港財務報告準則第16號中的租賃新定義。對於二零一九年一月一日前訂立的合約，本集團已採用過渡性實際權宜方法，以令對現有安排為租賃或包含租賃的過往評估不受新規定限制。因此，先前根據香港會計準則第17號評估為租賃的合約繼續按香港財務報告準則第16號入賬列為租賃，而先前評估為非租賃服務安排的合約繼續入賬列為待履行合約。

#### (b) 承租人會計處理及過渡影響

香港財務報告準則第16號取消承租人將租賃分類為經營租賃或融資租賃的規定(如香港會計準則第17號先前所規定)。相反，本集團作為承租人時，須資本化所有租賃(包括先前根據香港會計準則第17號分類為經營租賃的租賃)，惟短期租賃及低價值資產租賃則獲豁免。

於確認先前分類為經營租賃的租賃的租賃負債時，本集團已應用於首次應用日期相關集團實體的增量借款利率。所應用的加權平均增量借款利率為4%。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 3. ADOPTION OF NEW AND REVISED HKFRSS (continued)

#### (a) Application of new and revised HKFRSSs (continued)

##### HKFRS 16 Leases (continued)

##### (b) Lessee accounting and transitional impact (continued)

To ease the transition to HKFRS 16, the Group applied the following recognition exemption and practical expedients at the date of initial application of HKFRS 16:

- (i) elected not to apply the requirements of HKFRS 16 in respect of the recognition of lease liabilities and right-of-use assets to leases for which the remaining lease term ends within 12 months from the date of initial application of HKFRS 16, i.e. where the lease term ends on or before 31 December 2019;
- (ii) applied a single discount rate to a portfolio of leases with a similar remaining terms for similar class of underlying assets in a similar economic environment. Specifically, discount rate for certain leases of leasehold lands and properties was determined on a portfolio basis;
- (iii) used hindsight based on facts and circumstances as at date of initial application in determining the lease term for the Group's leases with extension options;
- (iv) excluded initial direct costs from measuring the right-of-use assets at the date of initial application; and
- (v) relied on the assessment of whether leases are onerous by applying HKAS 37 as an alternative to an impairment review.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 Income Taxes requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption.

### 3. 採納新訂及經修訂香港財務報告準則(續)

#### (a) 應用新訂及經修訂香港財務報告準則(續)

##### 香港財務報告準則第16號租賃(續)

##### (b) 承租人會計處理及過渡影響(續)

為方便過渡至香港財務報告準則第16號，本集團於首次應用香港財務報告準則第16號當日應用下列確認豁免及實際權宜方法：

- (i) 對於剩餘租期於首次應用香港財務報告準則第16號當日起計12個月內屆滿(即租期於二零一九年十二月三十一日或之前屆滿)的租賃，選擇不就確認租賃負債及使用權資產應用香港財務報告準則第16號的規定；
- (ii) 就剩餘租期相近之類似經濟環境的類似級別相關資產的租賃組合應用單一折現率。尤其是，就若干租賃土地及物業的租賃折現率乃按組合基準釐定；
- (iii) 根據於首次應用日期的事實及情況事後釐定本集團具有延長選擇權的租賃租期；
- (iv) 於首次應用日期計量使用權資產時撇除初始直接成本；及
- (v) 透過應用香港會計準則第37號作為減值檢討的替代方法，評估租賃是否屬有償。

就計量本集團確認使用權資產及相關租賃負債的租賃交易的遞延稅項而言，本集團首先釐定稅項扣減是否歸因於使用權資產或租賃負債。

就稅項扣減歸因於租賃負債之租賃交易而言，本集團將香港會計準則第12號所得稅規定分別應用於使用權資產及租賃負債。由於應用初始確認豁免，有關使用權資產及租賃負債之暫時差額並未於初始確認時於租期內確認。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 3. ADOPTION OF NEW AND REVISED HKFRSS (continued)

#### (a) Application of new and revised HKFRSSs (continued)

##### HKFRS 16 Leases (continued)

#### (b) Lessee accounting and transitional impact (continued)

The following table reconciles the operating lease commitments as at 31 December 2018 to the opening balance for lease liabilities recognised as at 1 January 2019:

		HK\$'000 千港元
Operating lease commitments as at 31 December 2018 disclosed in note 42 to the consolidated financial statements	於綜合財務報表附註42披露之 於二零一八年十二月三十一日之 經營租賃承擔	3,600
Less: commitments relating to lease exempt from capitalisation:	減：獲豁免資本化之租賃相關承擔：	
— short-term leases and leases of low-value assets	— 短期租賃及低價值資產租賃	(383)
Add: lease payments for the additional periods where the Group considers it reasonably certain that it will exercise the extension options	加：本集團認為合理確定將行使續租 選擇權的額外期間租賃付款	866
		4,083
Less: total future interest expenses	減：日後利息開支總額	(487)
Present value of remaining lease payments, discounted using the incremental borrowing rate and Lease liabilities recognised as at 1 January 2019, presented under current liabilities	剩餘租賃付款的現值，使用 於二零一九年一月一日的增量借款 利率及確認的租賃負債折現並 於流動負債項下呈示	3,596

The right-of-use assets in relation to leases previously classified as operating leases have been recognised at an amount equal to the amount recognised for the remaining lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of consolidated financial position at 31 December 2018.

先前分類為經營租賃之租賃相關使用權資產已按相等於餘下租賃負債的已確認金額之金額確認，並按與於二零一八年十二月三十一日之綜合財務狀況表確認之租賃有關之任何預付或應計租賃付款金額進行調整。

### 3. 採納新訂及經修訂香港財務報告準則(續)

#### (a) 應用新訂及經修訂香港財務報告準則(續)

##### 香港財務報告準則第16號租賃(續)

#### (b) 承租人會計處理及過渡影響(續)

下表載列於二零一八年十二月三十一日之經營租賃承擔與於二零一九年一月一日確認之租賃負債的期初結餘對賬：

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 3. ADOPTION OF NEW AND REVISED HKFRSS (continued)

#### (a) Application of new and revised HKFRSSs (continued)

HKFRS 16 Leases (continued)

#### (b) Lessee accounting and transitional impact (continued)

The following table summaries the impacts of the initial adoption of HKFRS16 on the Group's consolidated statement of financial position as at 1 January 2019:

Line items in the consolidated statement of financial position impacted by the adoption of HKFRS16	受採納香港財務報告準則第16號影響之綜合財務狀況表項目	Carrying amounts as at 31 December 2018 於二零一八年十二月三十一日之賬面值 HK\$'000 千港元	Effects of adoption of HKFRS16 採納香港財務報告準則第16號之影響 HK\$'000 千港元	Carrying amounts as at 1 January 2019 於二零一九年一月一日之賬面值 HK\$'000 千港元
Right-of-use assets	使用權資產	—	3,557	3,557
Lease liabilities	租賃負債	—	3,596	3,596

- (c) Impact of the financial results and cash flows of the Group  
After the initial recognition of right-of-use assets and lease liabilities as at 1 January 2019, the Group as a lessee is required to recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the previous policy of recognising rental expenses incurred under operating leases on a straight-line basis over the lease term. This results in a positive impact on the reported profit from operations in the Group's consolidated statement of profit or loss, as compared to the results if HKAS 17 had been applied during the year.

In the statement of cash flow, the Group as a lessee is required to split rentals paid under capitalised leases into their principal element and interest element (note 38(d)). These elements are classified as financing cash outflows and operating cash outflows respectively. Although total cash flows are unaffected, the adoption of HKFRS 16 therefore results in a significant change in presentation of cash flows within the cash flow statement.

### 3. 採納新訂及經修訂香港財務報告準則(續)

#### (a) 應用新訂及經修訂香港財務報告準則(續)

香港財務報告準則第16號租賃(續)

#### (b) 承租人會計處理及過渡影響(續)

下表概述首次採納香港財務報告準則第16號對本集團於二零一九年一月一日之綜合財務狀況之影響：

- (c) 對本集團財務業績及現金流量之影響  
於二零一九年一月一日初步確認使用權資產及租賃負債後，本集團作為承租人須確認租賃負債之未償還結餘累積之利息開支，以及使用權資產折舊，而非過往以直線法於租期內確認根據經營租賃產生之租賃開支之政策。與倘於年內應用香港會計準則第17號所得業績相比，此對本集團之綜合損益表中報告之經營溢利產生積極影響。

於現金流量表中，本集團作為承租人須將根據資本化租賃所支付之租金分為本金部分及利息部分(附註38(d))。該等部分乃分別分類為融資現金流出及經營現金流出。儘管現金流量總額不受影響，但採納香港財務報告準則第16號導致現金流量表內現金流量之呈現方式發生重大變動。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 3. ADOPTION OF NEW AND REVISED HKFRSS (continued)

#### (a) Application of new and revised HKFRSSs (continued)

##### HKFRS 16 Leases (continued)

#### (c) Impact of the financial results and cash flows of the Group (continued)

The following tables give an indication of the estimated impact of the adoption of HKFRS 16 on the Group's financial result and cash flows for the year ended 31 December 2019, by adjusting the amounts reported under HKFRS 16 in these consolidated financial statements to compute estimates of the hypothetical amounts that would have been recognised under HKAS 17 if this superseded standard had continued to apply in 2019 instead of HKFRS 16, and by comparing these hypothetical amounts for 2019 with the actual 2018 corresponding amounts which were prepared under HKAS 17.

### 3. 採納新訂及經修訂香港財務報告準則(續)

#### (a) 應用新訂及經修訂香港財務報告準則(續)

##### 香港財務報告準則第16號租賃(續)

#### (c) 對本集團財務業績及現金流量之影響(續)

下表顯示採納香港財務報告準則第16號對本集團截至二零一九年十二月三十一日止年度之財務業績之估計影響，方法為調整該等綜合財務報表中根據香港財務報告準則第16號所呈報之金額以計算根據香港會計準則第17號應確認之估計假設金額(倘該被取代準則而非香港財務報告準則第16號於二零一九年繼續適用)，以及將二零一九年之該等假設金額與二零一八年根據香港會計準則第17號編製之實際相應金額進行比較。

	2019 二零一九年				2018 二零一八年
	Amounts reported under HKFRS 16	Add back: HKFRS 16 depreciation and interest expense	Deduct: Estimated amounts related to operating lease as if under HKAS 17 (note 1)	Hypothetical amounts for 2019 as if under HKAS 17	Compared to amounts reported for 2018 under HKAS 17
	根據香港財務報告準則第16號呈報之金額 HK\$'000 千港元	加回：香港財務報告準則第16號下的折舊及利息開支 HK\$'000 千港元	扣除：有關經營租賃之估計金額(猶如根據香港會計準則第17號)(附註1) HK\$'000 千港元	二零一九年之假設金額(猶如根據香港會計準則第17號) HK\$'000 千港元	與二零一八年呈報之金額比較(根據香港會計準則第17號) HK\$'000 千港元
Financial result for the year ended 31 December 2019 impacted by the adoption of HKFRS 16:					
Loss from operation	(15,378)	2,778	(2,833)	(15,433)	(33,523)
Finance costs	(1,790)	106	-	(1,684)	(396)
Loss before tax	(251)	2,884	(2,833)	(200)	(34,397)
Loss for the year	(253)	2,884	(2,833)	(202)	(35,130)

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 3. ADOPTION OF NEW AND REVISED HKFRSS (continued)

#### (a) Application of new and revised HKFRSSs (continued)

HKFRS 16 Leases (continued)

- (c) Impact of the financial results and cash flows of the Group (continued)

### 3. 採納新訂及經修訂香港財務報告準則(續)

#### (a) 應用新訂及經修訂香港財務報告準則(續)

香港財務報告準則第16號租賃(續)

- (c) 對本集團財務業績及現金流量之影響(續)

	2019 二零一九年			2018 二零一八年
	Amounts reported under HKFRS 16	Estimated amounts related to operating leases as if under HKAS 17 (note 1)	Hypothetical amounts for 2019 as if under HKAS 17	Compared to amounts reported for 2018 under HKAS 17
	根據香港財務報告準則第16號呈報之金額	有關經營租賃之估計金額(猶如根據香港會計準則第17號)(附註1)	二零一九年之假設金額(猶如根據香港會計準則第17號)	與二零一八年呈報之金額比較(根據香港會計準則第17號)
	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>Line items in the cash flow statement for year ended 31 December 2019 impacted by the adoption of HKFRS 16:</b>				
Cash used in operations	(20,894)	(2,833)	(23,727)	(19,031)
Interest element of lease rentals paid	(106)	106	-	-
<b>Net cash used in operating activities</b>	<b>(21,137)</b>	<b>(2,727)</b>	<b>(23,864)</b>	<b>(19,031)</b>
Capital element of lease rentals paid	(2,727)	2,727	-	-
<b>Net cash used in financing activities</b>	<b>11,001</b>	<b>2,727</b>	<b>13,728</b>	<b>5,097</b>

Note 1: The "estimated amounts related to operating leases" is an estimate of the amounts of the cash flows in 2019 that relate to leases which would have been classified as operating leases, if HKAS 17 had still applied in 2019. This estimate assumes that there were no difference between rentals and cash flows and that all of the new leases entered into in 2019 would have been classified as operating leases under HKAS 17, if HKAS 17 had still applied in 2019. Any potential net tax effect is ignored.

附註1: 「有關經營租賃之估計金額」指與在香港會計準則第17號於二零一九年仍然適用之情況下會分類為經營租賃之租賃有關的二零一九年現金流量之金額估計。該估計假設，在香港會計準則第17號於二零一九年仍然適用之情況下，租金與現金流量之間並無差異以及於二零一九年訂立的所有新租賃根據香港會計準則第17號應分類為經營租賃。任何潛在淨稅項影響均忽略不計。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 3. ADOPTION OF NEW AND REVISED HKFRSS (continued)

#### (b) New and revised HKFRSSs in issue but not yet effective

The Group has not early applied new and revised HKFRSSs that have been issued but are not yet effective for the financial year beginning 1 January 2019. These new and revised HKFRSSs include the following which may be relevant to the Group.

### 3. 採納新訂及經修訂香港財務報告準則(續)

#### (b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則

本集團並無提早應用已頒佈但尚未於二零一九年一月一日開始之財政年度生效的新訂及經修訂香港財務報告準則。此等或與本集團有關之新訂及經修訂香港財務報告準則包括以下各項。

**Effective for accounting periods beginning on or after**  
**於下列日期或之後**  
**開始的會計期間生效**

Amendments to HKFRS 3 Definition of a Business	香港財務報告準則第3號的修訂業務的定義	1 January 2020 二零二零年一月一日
Amendments to HKAS 1 and HKAS 8 Definition of Material	香港會計準則第1號及香港會計準則第8號的修訂重要性的定義	1 January 2020 二零二零年一月一日
Amendments to HKFRS 9, HKAS 39 and HKFRS 7 Interest Rate Benchmark Reform	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號的修訂利率基準改革	1 January 2020 二零二零年一月一日

The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far the Group has identified some aspects of HKFRS 16 which may have a significant impact on the consolidated financial statements.

本集團正評估預期此等修訂及新準則對首次應用期間之影響。截至目前，本集團已確定香港財務報告準則第16號若干方面可能對綜合財務報表產生重大影響。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared under the historical cost convention unless mentioned otherwise in the accounting policies below (e.g. financial assets at FVTOCI).

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 5.

A summary of the significant accounting policies applied in the preparation of these financial statements are set out below.

#### (a) Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December. Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties. A potential voting right is considered only if the holder has the practical ability to exercise that right.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill and any accumulated foreign currency translation reserve relating to that subsidiary.

### 4. 主要會計政策

除另有說明外，該等財務報表乃按歷史成本慣例編製（例如按公平值計入其他全面收益的金融資產）。

編製符合香港財務報告準則的財務報表要求使用若干重大會計估計。同時亦要求管理層在應用本集團會計政策的過程中行使其判斷。涉及高度判斷或複雜性的方面及對綜合財務報表屬重大的假設及估計方面在附註5內披露。

編製此等財務報表中應用的主要會計政策概要載列如下。

#### (a) 綜合

綜合財務報表包括本公司及其附屬公司截至十二月三十一日止作出的財務報表。附屬公司乃本集團對其擁有控制權之實體。本集團對實體有控制權，是指本集團因參與該實體的營運而獲得或有權享有其可變回報，並能夠運用其對實體之權力影響上述回報。倘本集團擁有賦予其現有權力指引相關業務活動（即對該實體的回報具重大影響力之業務活動）的現有權利，則本集團擁有該實體的控制權。

於評估控制權時，本集團考慮其潛在投票權以及其他各方持有的潛在投票權。僅當持有人擁有實際能力行使投票權利時方被認為是潛在投票權。

附屬公司於控制權轉移至本集團當日起綜合入賬，並在控制權終止當日起停止綜合入賬。

因出售附屬公司而引致喪失控制權時產生的損益指以下兩項之間的差額：(i) 銷售代價公平值加於該附屬公司所保留的任何投資的公平值；及(ii) 本公司分佔該附屬公司資產淨值加與該附屬公司有關的任何其餘商譽及任何累計外幣換算儲備。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (a) Consolidation (continued)

All intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the Company. Non-controlling interests are presented in the consolidated statement of financial position and consolidated statement of changes in equity within equity. Non-controlling interests are presented in the consolidated statement of profit or loss and consolidated statement of profit or loss and other comprehensive income as an allocation of profit or loss and total comprehensive income for the year between the non-controlling shareholders and owners of the Company.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling shareholders even if this results in the non-controlling interests having a deficit balance.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment loss, unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

### 4. 主要會計政策(續)

#### (a) 綜合(續)

所有集團內公司間交易、結餘及未變現溢利均予以對銷。除非有證據顯示交易所轉讓的資產出現減值，否則未變現虧損亦會予以對銷。附屬公司的會計政策已在必要時作出變動，以確保符合本集團採納的政策。

非控股權益指並非直接或間接歸屬於本公司之附屬公司權益。非控股權益呈列於綜合財務狀況表及綜合權益變動表之權益內。於綜合損益表和綜合損益及其他全面收益表內，非控股權益呈列為年內損益及全面收入總額在非控股股東與本公司擁有人之間的分配。

即使因此而導致非控股權益產生虧損結餘，損益及其他全面收益各組成部分歸屬於本公司擁有人及非控股股東。

並無導致失去附屬公司控制權的本公司所有權益變動按權益交易入賬(即與以擁有人身份的擁有人進行的交易)。控股及非控股權益的賬面值已予調整，以反映其於附屬公司的相關權益變動。非控股權益的調整金額與已付或已收取代價公平值之間的任何差額直接於權益確認，並歸屬於本公司擁有人。

在本公司財務狀況表中，於附屬公司的投資按成本減除減值虧損入賬，惟分類為持作銷售(或計入分類為持作銷售的出售組別)的投資則除外。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (b) Associate

Associate is entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of an entity but is not control or joint control over those policies. The existence and effect of potential voting rights that are currently exercisable or convertible, including potential voting rights held by other entities, are considered when assessing whether the Group has significant influence. In assessing whether a potential voting right contributes to significant influence, the holder's intention and financial ability to exercise or convert that right is not considered.

Investment in an associate is accounted for in the consolidated financial statements by the equity method and is initially recognised at cost. Identifiable assets and liabilities of the associate in an acquisition are measured at their fair values at the acquisition date. The excess of the cost of the investment over the Group's share of the net fair value of the associate's identifiable assets and liabilities is recorded as goodwill. The goodwill is included in the carrying amount of the investment and is tested for impairment together with the investment at the end of each reporting period when there is objective evidence that the investment is impaired. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss.

The Group's share of an associate's post-acquisition profits or losses and other comprehensive income is recognised in consolidated statement of profit or loss and other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

### 4. 主要會計政策(續)

#### (b) 聯營公司

聯營公司指本集團可對其發揮重大影響力的實體。重大影響力指可參與實體的財務及營運決策的權力，惟對該等政策並無控制權或共同控制權。在評估本集團是否擁有重大影響力時，會一併考慮所持有的現時可行使或可轉換的潛在投票權（包括其他實體持有的潛在投票權）的存在及影響。於評估潛在投票權是否產生重大影響力時，不會考慮持有人行使或轉換該權利的意向及財政能力。

於聯營公司的投資以權益法在綜合財務報表中入賬，初步按成本確認。於一項收購中的聯營公司的可識別資產及負債按收購日期的公平值計量。成本超過本集團應佔聯營公司的可識別資產及負債的公允淨值的部份會列賬為商譽。商譽包括在投資的賬面值內，當有客觀證據顯示投資發生減值時，本集團會於各報告期末連同投資一併進行減值測試。本集團應佔可識別資產及負債之公允淨值超過收購成本之任何部分於綜合損益內確認。

本集團應佔聯營公司的收購後損益及其他全面收益分別於綜合損益表及其他全面收益中確認。當本集團應佔聯營公司的虧損等同於或超過其於聯營公司之權益（包括任何實質上屬於本集團於聯營公司投資淨額一部分的長期權益），本集團將不確認進一步虧損，除非本集團已代表該聯營公司承擔責任或支付款項。倘該聯營公司其後錄得溢利，則本集團僅可在其應佔溢利足以彌補其未確認的應佔虧損後，方可恢復確認其應佔溢利。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (b) Associate (continued)

The gain or loss on the disposal of an associate that results in a loss of significant influence represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that associate and (ii) the Group's entire carrying amount of that associate (including goodwill) and any related accumulated foreign currency translation reserve. If an investment in an associate becomes an investment in a joint venture, the Group continues to apply the equity method and does not re-measure the retained interest.

An unrealised profit on transactions between the Group and its associate is eliminated to the extent of the Group's interests in the associate. Unrealised loss is also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associate has been changed where necessary to ensure consistency with the policies adopted by the Group.

#### (c) Joint arrangements

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Relevant activities are activities that significantly affect the returns of the arrangement. When assessing joint control, the Group considers its potential voting rights as well as potential voting rights held by other parties. A potential voting right is considered only if the holder has the practical ability to exercise that right.

A joint arrangement is either a joint operation or a joint venture. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. The Group has assessed the type of each of its joint arrangements and determined them to all be joint ventures.

### 4. 主要會計政策(續)

#### (b) 聯營公司(續)

因出售聯營公司而引致喪失重大影響力時產生的損益指以下兩間之間的差額：(i) 銷售代價公平值加該聯營公司所保留的任何投資的公平值；及(ii) 本集團於該聯營公司的全面賬面值(包括商譽)及任何相關累計外幣換算儲備。倘於聯營公司的投資成為於合營企業的投資，則本集團繼續應用權益法，且不會重新計量保留權益。

本集團與其聯營公司之間的交易產生的未變現收益按本集團於聯營公司的權益抵銷。未變現虧損亦予以對銷，除非交易有證據顯示所轉讓資產已出現減值。聯營公司的會計政策已在必要時作出變動，以確保與本集團所採納的政策一致。

#### (c) 合營安排

合營安排指兩方或以上於其中擁有共同控制權之安排。共同控制權是指按照合約約定對某項安排所共有之控制權，乃僅在當相關活動要求共同享有控制權之各方作出一致同意之決定時存在。相關活動指對安排回報有重大影響之活動。在評估共同控制權時，本集團會考慮其潛在投票權以及其他人士持有之潛在投票權。潛在投票權僅在持有人擁有行使該權利之實際能力時方會考慮。

合營安排指共同經營或合營公司。共同經營指一項合營安排，對該項安排擁有共同控制權之各方據此對該項安排之資產擁有權利及對其負債承擔責任。合營公司指一項合營安排，對該項安排擁有共同控制權之各方據此對該項安排之資產淨值擁有權利。本集團已評估其各項合營安排之種類並釐定該等安排全屬合營公司。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (c) Joint arrangements (continued)

Investment in a joint venture is accounted for in the consolidated financial statements by the equity method and is initially recognised at cost. Identifiable assets and liabilities of the joint venture in an acquisition are measured at their fair values at the acquisition date. The excess of the cost of the investment over the Group's share of the net fair value of the joint venture's identifiable assets and liabilities is recorded as goodwill. The goodwill is included in the carrying amount of the investment and is tested for impairment together with the investment at the end of each reporting period when there is objective evidence that the investment is impaired. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss.

The Group's share of a joint venture's post-acquisition profits or losses and other comprehensive income is recognised in consolidated statement of profit or loss and other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The gain or loss on the disposal of a joint venture that results in a loss of joint control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that joint venture and (ii) the Group's entire carrying amount of that joint venture (including goodwill) and any related accumulated foreign currency translation reserve. If an investment in a joint venture becomes an investment in an associate, the Group continues to apply the equity method and does not remeasure the retained interest.

Unrealised profits on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interests in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

### 4. 主要會計政策(續)

#### (c) 合營安排(續)

於合營公司之投資以權益法於合併財務報表內入賬，並初步按成本確認。該合營公司於收購中之可識別資產及負債乃按其於收購日期之公平值計量。投資成本超出本集團應佔該合營公司之可識別資產及負債之公平值淨額部分乃列作商譽。倘有客觀證據顯示投資減值，則商譽計入投資賬面值並於各報告期末連同投資作減值測試。本集團應佔可識別資產及負債之公平值淨額超出收購成本之任何差額乃於合併損益中確認。

本集團應佔合營公司之收購後利潤或虧損及其他綜合收益於合併損益及其他綜合收益表中確認。倘本集團應佔合營公司之虧損等於或超過其於該合營公司之權益(包括任何實質組成本集團於該合營公司投資淨值部分之長期權益)，則本集團不會確認進一步虧損，除非其已代表該合營公司產生責任或作出付款。倘該合營公司其後報告利潤，則本集團僅在其應佔利潤等於未確認應佔虧損後方會恢復確認其應佔該等利潤。

出售合營公司之收益或虧損導致喪失共同控制權，指(i)出售代價之公平值加於該合營公司保留之任何投資之公平值；與(ii)本集團該合營公司之整體賬面值(包括商譽)及任何有關累計外幣換算儲備之間之差額。倘於一家合營公司之投資變成於聯營公司之投資，則本集團會繼續應用權益法，且不會重新計量留存利益。

本集團與其合營公司之交易之未變現利潤以本集團於合營公司之權益予以對銷。除非交易有證據顯示所轉讓資產出現減值，否則未變現虧損亦予以對銷。合營公司之會計政策已於必要時作出變更，以確保與本集團採納之政策一致。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (d) Foreign currency translation

##### (i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the “**functional currency**”). The consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is the Company's functional and presentation currency.

##### (ii) Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

Non-monetary items that are measured at fair value in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

### 4. 主要會計政策(續)

#### (d) 外幣換算

##### (i) 功能及呈報貨幣

本集團各實體財務報表內列入的項目按實體經營所屬的主要經濟環境的貨幣(「**功能貨幣**」)計量。綜合財務報表按港元(「**港元**」)呈列，港元為本公司的功能及呈報貨幣。

##### (ii) 於每個實體財務報表的交易及結餘

外幣交易使用交易日的匯率在初步確認後換算為功能貨幣。外幣貨幣資產及負債按各報告期末的匯率進行換算。因換算政策而產生的損益於損益內確認。

按公平值以外幣計量的非貨幣項目，採用釐定公平值當日的匯率換算。

當非貨幣項目的損益於其他全面收益確認時，任何損益匯兌部分將於其他全面收益中確認。當非貨幣項目的損益於損益確認時，任何損益匯兌部分將於損益中確認。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
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### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (d) Foreign currency translation (continued)

##### (iii) Translation on consolidation

The results and financial position of all the Group entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and
- All resulting exchange differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognised in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognised in the consolidated profit or loss as part of the gain or loss on disposal.

#### (e) Property, plant and equipment

Property, plant and equipment are stated in the consolidated statement of financial position at cost less accumulated depreciation and impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in the profit or loss during the period in which they are incurred.

### 4. 主要會計政策(續)

#### (d) 外幣換算(續)

##### (iii) 綜合賬目時的換算

本集團擁有與本公司呈報貨幣不同功能貨幣的所有實體的業績及財務狀況按以下方式換算為本公司的呈報貨幣：

- 所呈報的每個財務狀況報表的資產及負債按財務狀況表日期的收市匯率進行換算；
- 收入及開支按平均匯率進行換算（除非該平均數並非交易日現行匯率累計影響的合理概約數，在該情況下，收入及開支按交易日匯率進行換算）；及
- 所有因此而產生的匯兌差額於其他全面收益確認，並於外幣換算儲備內累計。

於綜合賬目時，因換算海外實體投資淨額及因換算借貸而產生的匯兌差額於外幣換算儲備內確認。當海外業務出售後，該匯兌差額作為出售損益的一部分而於綜合損益內確認。

#### (e) 物業、廠房及設備

物業、廠房及設備乃按成本減累計折舊及減值虧損（如有）於綜合財務狀況表列賬。

僅當與該項目相關的未來經濟利益有可能流向本集團及項目成本能可靠估計時，其後成本方會列入資產的賬面值或作為一項單獨的資產確認（如適用）。所有其他維修及保養於產生期間在損益內確認。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
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### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (e) Property, plant and equipment (continued)

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their costs less their residual value over the estimated useful lives on a straight-line basis. The principal annual rates are as follows:

		Residual value 剩餘價值	Useful lives 可使用年期
Furniture and fixture	傢俬及裝置	0-10%	5 years 年
Leasehold improvement	租賃物業裝修	0%	4 years 年
Motor vehicle	汽車	0-10%	5 years 年
Mould	模具	0-10%	5 years 年
Office equipment	辦公設備	0-10%	5 years 年
Plant and machinery	廠房及機器	0-10%	10 years 年

The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period.

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. The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss in the year in which the item is derecognised.

#### (f) Leases

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

##### *The Group as lessee*

Policy applicable from 1 January 2019

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets which, for the Group are primarily laptops and office furniture. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

### 4. 主要會計政策(續)

#### (e) 物業、廠房及設備(續)

物業、廠房及設備的折舊按足以撇銷其成本減其估計可使用年期內的剩餘價值，以直線法計算。主要年利率如下：

	Residual value 剩餘價值	Useful lives 可使用年期
Furniture and fixture	0-10%	5 years 年
Leasehold improvement	0%	4 years 年
Motor vehicle	0-10%	5 years 年
Mould	0-10%	5 years 年
Office equipment	0-10%	5 years 年
Plant and machinery	0-10%	10 years 年

剩餘價值、可使用年期及折舊方法於各報告期末予以檢討及調整(如適用)。

物業、廠房及設備項目於出售或當預期不再從繼續使用該資產產生未來經濟利益時取消確認。出售物業、廠房及設備之損益乃銷售所得款項淨額與有關資產賬面值兩者之差額，並於該項目取消確認年度之損益內確認。

#### (f) 租賃

本集團會於合約初始生效時評估該合約是否屬租賃或包含租賃。倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約屬租賃或包含租賃。倘客戶有權主導可識別的資產的使用及從該使用中獲取幾乎所有的經濟收益，則表示控制權已轉讓。

##### *本集團作為承租人*

自二零一九年一月一日起適用的政策

於租賃開始日期，本集團確認使用權資產和租賃負債，惟租賃期為12個月或更短的短期租賃及低價值資產(就本集團而言，主要為筆記本電腦及辦公室傢俬)的租賃除外。當本集團就低價值資產訂立租賃時，本集團按每項租賃情況決定是否將租賃資本化。與該等不作資本化租賃相關的租賃付款在租賃期內按系統基準確認為開支。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (f) Leases (continued)

*The Group as lessee (continued)*

Policy applicable from 1 January 2019 (continued)

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses.

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.

Refundable rental deposits paid are accounted under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

### 4. 主要會計政策(續)

#### (f) 租賃(續)

*本集團作為承租人(續)*

自二零一九年一月一日起適用的政策(續)

當將租賃資本化時，租賃負債最步按租賃期內應付租賃付款的現值確認，並使用租賃中隱含的利率或(倘該利率不可直接釐定)使用相關的遞增借款利率貼現。初步確認後，租賃負債按攤銷成本計量，而利息開支則採用實際利率法計算。不取決於某一指數或比率的可變租賃付款不包括在租賃負債的計量，因此於其產生的會計期間於損益中支銷。

於租賃資本化時確認的使用權資產初步按成本計量，包括租賃負債的初始金額加上在開始日期或之前支付的任何租賃付款，以及產生的任何初步直接成本。在適用情況下，使用權資產的成本亦包括拆除及移除相關資產或還原相關資產或該資產所在地而產生的估計成本，該成本須貼現至其現值並扣除任何收取的租賃優惠。使用權資產隨後按成本減去累計折舊及減值虧損列賬。

就本集團於租賃期結束時合理確定獲取相關租賃資產所有權的使用權資產而言，有關使用權資產自開始日期起至可使用年期結束期間計提折舊。否則，使用權資產按直線基準於其估計可使用年期及租賃期(以較短者為準)內計提折舊。

已付可退還租賃按金根據香港財務報告準則第9號入賬，並初步按公平值計量。於初步確認時對公平值的調整被視為額外租賃付款，並計入使用權資產成本。

當未來租賃付款因某一指數或比率變動而變更，或當本集團預期根據殘值擔保估計預期應付的金額有變，或因重新評估本集團是否合理地確定將行使購買、續租或終止選擇權而產生變動，則會重新計量租賃負債。按此方式重新計量租賃負債時，使用權資產的賬面值將作相應調整，或倘使用權資產的賬面值已減至零，則於損益內列賬。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (f) Leases (continued)

*The Group as lessee (continued)*

Policy applicable from 1 January 2019 (continued)

The Group presents right-of-use assets that do not meet the definition of investment properties and lease liabilities separately in the consolidated statement of financial position.

Policy prior to 1 January 2019

In the comparative period, as a lessee the Group classified leases as finance leases if the leases transferred substantially all the risks and rewards of ownership to the group. Leases which did not transfer substantially all the risks and rewards of ownership to the Group were classified as operating leases.

Where the Group had the use of assets held under operating leases, payments made under the leases were charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis was more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received were recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals were charged to profit or loss in the accounting period in which they were incurred.

#### (g) Intangible assets

Intangible assets acquired are measured on initial recognition at cost. The useful lives of intangible assets are assessed to be whether finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Cost of acquired application software are stated at cost less any impairment losses and are amortised using the straight-line basis over the commercial lives of the underlying software not exceeding five years, commencing from the date when the products are put into commercial production.

### 4. 主要會計政策(續)

#### (f) 租賃(續)

本集團作為承租人(續)

自二零一九年一月一日起適用的政策(續)

本集團於綜合財務狀況表單獨呈列不符合投資物業及租賃負債定義的使用權資產。

於二零一九年一月一日前的政策

於比較期間，倘租賃將所有權之絕大部分風險及回報轉移至本集團，本集團作為承租人將有關租賃分類為融資租賃。倘租賃並無將所有權之絕大部分風險及回報轉移至本集團，則分類為經營租賃。

倘本集團擁有根據經營租賃持有的資產使用權，則根據租賃作出的付款會在租賃期所涵蓋的會計期間內，以等額分期在損益中扣除，惟倘有其他基準更能清楚反映租賃資產所產生的收益模式則除外。所取得的租賃優惠在損益中確認為租賃淨付款總額的不可或缺部分。或有租金於其產生的會計期間在損益中扣除。

#### (g) 無形資產

已收購的無形資產於初步確認時按成本計量。無形資產的可使用年期評定為有限或不確定。具有有限可使用年期的無形資產其後於可使用經濟年內攤銷，並在有跡象顯示無形資產可能減值時作出減值評估。具有有限可使用年期的無形資產的攤銷年期及攤銷方法最少於每個財政年度結束時審閱一次。

已收購的應用軟件的成本按成本減任何減值虧損列賬，並使用直線基準於相關軟件的商業年內攤銷，該商業年期由產品開始進行商業生產當日起計不超過五年。

# Notes to the Financial Statements

## 財務報表附註

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### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (h) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs is determined using the weighted average basis and comprise all costs of purchase and, where applicable, cost of conversion and other costs that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised in the profit or loss in the period of write-down or loss occurs. The amount of any reversal of any write-down of inventories recognised as an increment in the amount of inventories and recognised in the profit or loss in the period in which the reversal occurs.

#### (i) Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when the Group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

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.

### 4. 主要會計政策(續)

#### (h) 存貨

存貨按成本與可變現淨值兩者較低者列賬。成本按加權平均基準釐定並包括一切購入成本及(如適用)加工成本及令存貨達致現時地點及狀況所支銷之其他成本。可變現淨值為正常業務過程中的估計售價減直至完工的估計成本及作出銷售所必要的估計成本。於出售存貨時，該等存貨的賬面值在相關收入確認的期間確認為開支。存貨撇減至可變現淨值的金額及存貨的所有虧損在撇減或出現虧損的期間於損益確認。存貨的任何撇減撥回金額確認為存貨金額的增加，並於撥回發生期間於損益確認。

#### (i) 確認及終止確認金融工具

當本集團實體成為工具合同條文的訂約方時，在綜合財務狀況表內確認金融資產及金融負債。

金融資產及金融負債初步按公平值計量。因收購或發行金融資產及金融負債(按公平值計入損益("按公平值計入損益"))的金融資產及金融負債則除外)而直接產生的交易成本於初步確認時於該項金融資產或金融負債的公平值加入或扣除(按適用)。因收購按公平值計入損益的金融資產或金融負債而直接產生的交易成本即時於損益確認。

本集團僅當資產現金流量的合約權利屆滿時，或當將金融資產及該資產擁有權所承擔之絕大部分風險及回報轉讓予另一實體時，方會終止確認金融資產。倘本集團並無轉讓亦無保留已轉讓資產的擁有權所承擔之絕大部分風險及回報且繼續控制已轉讓資產，則本集團按其可能需要支付的金額確認資產的保留權益及相關負債。倘本集團保留已轉讓金融資產擁有權所承擔之絕大部分風險及回報，則本集團繼續確認該金融資產，亦就已收款項確認其有抵押借貸。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
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### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (i) Recognition and derecognition of financial instruments (continued)

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, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

#### (j) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

##### *Debt investments*

Debt investments held by the Group are classified into one of the following measurement categories:

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method.
- FVTOCI — recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of expected credit losses ("ECL"), interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.

### 4. 主要會計政策(續)

#### (i) 確認及終止確認金融工具(續)

本集團當且僅當其責任已被解除、註銷或屆滿時方會終止確認金融負債。終止確認的金融負債賬面值與已付及應付代價(包括任何已轉讓的非現金資產或所承擔的負債)的差額乃於損益內確認。

當有可合法強制執行權利可抵銷已確認金額，並有意按淨額基準結算或同時變現資產和結算負債時，金融資產與負債可互相抵銷，並在資產負債表呈報其淨額。可合法強制執行權利不得取決於未來事件而定，且須在一般業務過程中以及倘有關公司或對手方一旦出現拖欠還款、無償還能力或破產時可強制執行。

#### (j) 金融資產

金融資產的所有常規買賣均按交易日基準確認及終止確認。常規買賣指須根據市場規則或慣例確立的時間內交付資產的金融資產買賣。所有已確認金融資產其後完全按攤銷成本或公平值(視乎金融資產的分類而定)計量。

##### *債務投資*

本集團持有的債務投資分類為以下其中一個計量類別：

- 按攤銷成本，倘持有投資的目的為收取合約現金流量，即純粹為獲得本金及利息付款。投資所得利息收入乃使用實際利率法計算。
- 按公平值計入其他全面收益 — 可劃轉，倘投資的合約現金流量僅包括本金及利息付款，且投資目的為同時收取合約現金流量及出售的業務模式中持有。公平值變動於其他全面收益確認，惟預期信貸虧損(「預期信貸虧損」)、利息收入(使用實際利率法計算)及匯兌損益於損益中確認。當投資被終止確認，於其他全面收益累計的金額從權益劃轉至損益。

# Notes to the Financial Statements

## 財務報表附註

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### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (j) Financial assets (continued)

##### *Debt investments (continued)*

- FVTPL if the investment does not meet the criteria for being measured at amortised cost or FVTOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

##### *Equity investments*

An investment in equity securities is classified as FVTPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the Group makes an election to designate the investment at FVTOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings. It is not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVTPL or FVTOCI, are recognised in profit or loss as other income.

#### (k) Trade and other receivables

A receivable is recognised when the group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the group has an unconditional right to receive consideration, the amount is presented as a contract asset.

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses.

#### (l) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement. Cash and cash equivalents are assessed for ECL.

### 4. 主要會計政策(續)

#### (j) 金融資產(續)

##### *債務投資(續)*

- 按公平值計入損益，倘投資不符合按攤銷成本計量或按公平值計入其他全面收益(可劃轉)的標準。投資的公平值變動(包括利息)於損益中確認。

##### *股本投資*

於股本證券的投資分類為按公平值計入損益，除非股本投資並非持作買賣用途，且於初步確認投資時，本集團選擇指定投資為按公平值計入其他全面收益(不可劃轉)，以致公平值的後續變動於其他全面收益確認。有關選擇乃按工具個別基準作出，惟僅當發行人認為投資符合權益定義時方可作出。於作出有關選擇後，於其他全面收益累計的金額繼續保留於公平值儲備(不可劃轉)，直至投資被出售為止。出售時，於公平值儲備(不可劃轉)累計的金額轉撥至保留盈利，而非透過損益賬劃轉。來自股本證券(不論分類為按公平值計入損益或按公平值計入其他全面收益)投資的股息，均於損益中確認為其他收入。

#### (k) 貿易及其他應收款項

應收款項於本集團有無條件權利收取代價時予以確認。倘代價僅隨時間推移即會成為到期應付，則收取代價的權利為無條件。倘收益於本集團擁有無條件權利收取代價前已確認，則金額按合約資產呈列。

應收款項以實際利率法減信貸虧損撥備按攤銷成本列賬。

#### (l) 現金及現金等值物

現金及現金等值物包括銀行及手頭現金、在銀行及其他金融機構的活期存款，及隨時轉換為已知金額現金且沒有重大價值變動風險的短期高流通性投資(於收購後三個月內到期)。就綜合現金流量表而言，在按要求償還並構成本集團現金管理不可分割部分的銀行透支亦計入現金及現金等值物。現金及現金等價物乃就預期信貸虧損進行評估。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (m) Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under HKFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

#### (n) Convertible bonds

Convertible bonds which entitle the holder to convert the loans into a fixed number of equity instruments at a fixed conversion price are regarded as compound instruments consisting of a liability and an equity component. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible debt. The difference between the proceeds of issue of the convertible loans and the fair value assigned to the liability component, representing the embedded option for the holder to convert the loans into equity of the Group, is included in equity as convertible bonds reserve. The liability component is carried as a liability at amortised cost using the effective interest method until extinguished on conversion or redemption.

Transaction costs are apportioned between the liability and equity components of the convertible bonds based on their relative carrying amounts at the date of issue. The portion related to the equity component is charged directly to equity.

#### (o) Trade and other payables

Trade and other payables are stated initially at fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

#### (p) Equity instruments

An equity instrument is any contract that evidence a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

### 4. 主要會計政策(續)

#### (m) 金融負債及權益工具

金融負債及權益工具乃根據所訂立合同安排的內容及金融負債及權益工具在香港財務報告準則項下的定義而進行分類。權益工具乃在扣除所有負債後顯示本集團資產的剩餘權益的任何合同。為特定金融負債及權益工具採納的會計政策載於下文。

#### (n) 可換股債券

賦予持有人權利按固定轉換價將貸款轉換成固定數目權益工具的可換股債券視作由負債及權益部分組成的複合工具。於發行日期，負債部分的公平值採用類似不可換股債務的現行市場利率進行估計。發行可換股貸款的所得款項與分配至負債部分的公平值之間的差額，即持有人將貸款轉換為本集團權益的內含期權，乃計入權益列作可換股債券儲備。負債部分使用實際利率法按攤銷成本列作負債，直至轉換或贖回時獲註銷為止。

交易成本乃根據其於發行日期的相關賬面值在可換股債券的負債及權益部分之間進行分配。有關權益部分的部分直接於權益扣除。

#### (o) 應付賬款及其他應付款項

應付賬款及其他應付款項初步按公平值入賬及其後使用實際利息法按攤銷成本計量，除非貼現影響並不大，在該情況下按成本列賬。

#### (p) 權益工具

權益工具指能證明於實體扣除其所有負債後的資產中擁有的剩餘權益的任何合約。本公司發行的權益工具按已收所得款項減直接發行成本而列賬。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (q) Revenue recognition

Revenue is recognised when control over a product or service is transferred to the customer, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Revenue from the sale of manufactured products and trading of electronic accessories is recognised when control of the goods has transferred, being when the goods have been shipped to the buyer's specific location (delivery). Following delivery, the buyer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Group when the goods are delivered to the buyer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Revenue from provision of application software services is recognised based on the stage of completion of the contract. Payment for provision of application software services is not due from the customer until the relevant services are complete and therefore a contract asset is recognised over the period in which the services are performed representing the entity's right to consideration for the services performed to date.

Interest income is recognised as it accrues using the effective interest method. For financial assets measured at amortised cost or FVTOCI (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset.

#### (r) Employee benefits

##### (i) Employee leave entitlements.

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

### 4. 主要會計政策(續)

#### (q) 收益確認

當產品或服務的控制權按本集團預期有權獲取的承諾代價數額(不包括代表第三方收取的金額)轉移至客戶時,收益予以確認。收益不包括增值稅或其他銷售稅,並經扣除任何貿易折扣。

銷售製成產品及電子配件貿易的收益在貨品控制權轉移(即貨品付運至買方指定地點(交付))時予以確認。交付後,買方對分銷貨品的方式及銷售貨品的價格擁有全權酌情權,於出售貨品時承擔主要責任,且承擔有關貨品陳舊及損失的風險。本集團於貨品交付至買方時確認應收款項,乃由於收取代價的權利於有關時間點變成無條件,僅須待時間過去便可收取付款。

提供應用軟件服務的收益乃根據合約完成階段而確認。客戶毋須為提供應用軟件服務付款,直至相關服務完成為止,因此,合約資產在履行服務期間確認,即履行服務當日實體獲取代價的權利。

利息收入按實際利率法累計確認。就並無信貸減值的按攤銷成本或按公平值計入其他全面收益(可劃轉)計量的金融資產而言,乃按資產的賬面總值乘以實際利率計算。就信貸減值金融資產而言,按資產的攤銷成本(即賬面總值減虧損撥備)乘以實際利率計算。

#### (r) 僱員福利

##### (i) 僱員休假權利

僱員所享有的年假及長期服務假權利在該等假期應計予僱員時予以確認。就因僱員直至報告期末提供的服務而產生的年假及長期服務假的估計負債作出撥備。

僱員的病假及產假在請假當時方予以確認。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (r) Employee benefits (continued)

##### (ii) Pension obligations

The Group contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Group to the funds.

##### (iii) Termination benefits

Termination benefits are recognised at the earlier of the dates when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs and involves the payment of termination benefits.

#### (s) Share-based payments

The Group issues equity-settled share-based payments to certain directors and employees. Equity-settled share-based payments are measured at the fair value (excluding the effect of non-market based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions.

#### (t) Borrowing costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### (u) Government grants

A government grant is recognised when there is reasonable assurance that the Group will comply with the conditions attaching to it and that the grant will be received.

Government grants that become 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.

### 4. 主要會計政策(續)

#### (r) 僱員福利(續)

##### (ii) 退休金責任

本集團向適用於所有僱員的定額退休計劃作出供款。本集團及僱員向該等計劃作出的供款按員工基本薪資的某一百分比計算。於損益內扣除的退休福利計劃成本指本集團向基金應付的供款。

##### (iii) 終止服務福利

終止服務福利於以下較早日期時確認：當本集團不再能夠撤銷提供該等福利時及當本集團確認重組成本及涉及終止服務福利付款時。

#### (s) 以股份為基礎的付款

本集團向若干董事及僱員發行以權益結算以股份為基礎付款。以權益結算以股份為基礎付款乃按授出當日權益工具的公平值計量(不包括非市場基礎歸屬情況)。以權益結算以股份為基礎付款於授出當日釐定的公平值，乃根據本集團所估計最終歸屬的股份並就非市場基礎歸屬情況之影響作出調整，於歸屬期以直線法支銷。

#### (t) 借貸成本

借貸成本在其產生期間內於損益中確認。

#### (u) 政府補貼

政府補貼在合理確定本集團符合補貼所附帶條件時及將會收取該補貼時確認。

作為已經產生的開支或虧損補償或為向本集團提供直接財務支持而不會於未來產生相關成本而應收的政府補貼於其成為應收款項期間在損益內確認。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (v) Taxation

Income tax represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit recognised in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes 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 differences between the carrying amounts of assets and liabilities in the 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 and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on 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.

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 is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

### 4. 主要會計政策(續)

#### (v) 稅項

所得稅指即期稅項及遞延稅項之和。

即期應繳稅款乃根據年內應課稅溢利計算。應課稅溢利與於損益內確認的溢利不同，原因是其中未計入其他年度應課稅或可抵扣的收支項目，且未計入不課稅或可抵扣的項目。本集團採用報告期末已頒佈或實際上已頒佈的稅率計算即期稅項負債。

遞延稅項按財務報表所列資產及負債的賬面值與用以計算應課稅溢利的相應計稅基之間的差額確認。一般會就所有的應課稅暫時性差額確認遞延稅項負債，而確認遞延稅項資產，則須以將來很可能取得用來沖抵可抵扣暫時性差額、未動用稅項虧損或未動用稅項抵免的應課稅溢利為限。倘暫時性差額自商譽產生或源自在不影響應課稅溢利或會計溢利的交易中對其他資產及負債的首次確認(業務合併除外)，則不會確認有關資產及負債。

就投資附屬公司所產生的應課稅暫時性差額確認遞延稅項負債，但若本集團可控制該暫時性差額的撥回而該暫時性差額很可能在可見將來不會撥回的情況除外。

於各報告期末會審閱遞延稅項資產的賬面值，並在不再可能有足夠應課稅溢利以回撥全部或部分資產時，相應扣減該賬面值。

遞延稅項乃按預期適用於清還負債或變現資產期間的稅率，根據於報告期末已頒佈或實際上已頒佈的稅率計算。遞延稅項於損益內確認，惟與其他全面收益或直接於權益內確認的項目有關者除外，在此情況下，遞延稅項亦於其他全面收益或直接於權益內確認。

遞延稅項資產及負債的計量反映稅務影響將會於報告期末以本集團預期的方式流動，以收回或清償其資產及負債的賬面值。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
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### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (v) Taxation (continued)

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

#### (w) Related parties

A related party is a person or entity that is related to the Group.

- (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 Company or of a parent of the Company.
- (B) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Company 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.

### 4. 主要會計政策(續)

#### (v) 稅項(續)

就計量本集團確認使用權資產及相關租賃負債的租賃交易的遞延稅項而言，本集團首先釐定稅項扣減是否歸屬於使用權資產或租賃負債。

就稅項扣減歸因於租賃負債的租賃交易而言，本集團將香港會計準則第12號規定分別應用於使用權資產及租賃負債。有關使用權資產及租賃負債的暫時性差額，由於應用初步確認豁免，故此不會於初步確認及租賃期內確認。

當存在法律可強制執行權利將即期稅項資產與即期稅項負債抵銷及當彼等與同一稅務機關徵收的所得稅有關及本集團擬按淨額基準清償其即期稅項資產及負債時，遞延稅項資產及負債抵銷。

#### (w) 關聯方

關聯方指與本集團有關聯的人士或實體。

- (A) 倘屬以下人士，則該人士或其近親與本集團有關聯：
- (i) 可控制或共同控制本集團；
  - (ii) 對本集團有重大影響力；或
  - (iii) 是本公司或本公司之母公司的主要管理層成員。
- (B) 倘符合下列任何條件，則該實體與本集團有關聯：
- (i) 該實體及本公司均是同一集團的成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關聯)。
  - (ii) 某實體是另一實體的聯營公司或合營公司(或另一實體為旗下成員公司的集團的成員公司的聯營公司或合營公司)。
  - (iii) 兩家實體均是同一第三方的合營公司。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
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### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (w) Related parties (continued)

- (B) An entity is related to the Group if any of the following conditions applies: (continued)
- (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. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (A).
- (vii) A person identified in (A)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to a parent of the Company.

#### (x) Impairment of non-financial assets

Intangible assets that have an indefinite useful life or that are not yet available for use are reviewed for impairment annually and whenever events or changes in circumstances indicate the carrying amount may not be recoverable.

The carrying amounts of non-financial assets are reviewed at each reporting date for indications of impairment and where an asset is impaired, it is written down as an expense through the consolidated statement of profit or loss to its estimated recoverable amount. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, recoverable amount is determined for the cash-generating unit to which the asset belongs. Recoverable amount is the higher of value in use and the fair value less costs of disposal of the individual asset or the cash-generating unit.

Value in use is the present value of the estimated future cash flows of the asset/cash-generating unit. Present values are computed using pre-tax discount rates that reflect the time value of money and the risks specific to the asset/cash-generating unit whose impairment is being measured.

### 4. 主要會計政策(續)

#### (w) 關聯方(續)

- (B) 倘符合下列任何條件，則該實體與本集團有關聯：(續)
- (iv) 某實體是第三方實體的合營公司，而另一實體則是該第三方實體的聯營公司。
- (v) 實體為本集團或與本集團有關聯的實體就僱員利益設立的離職福利計劃。倘本集團本身屬有關計劃，提供資助的僱主亦與本集團有關聯。
- (vi) 該實體受(A)項中所識別的人士控制或共同控制。
- (vii) 在(A)(i)項中所識別的人士對該實體有重大影響力，或該人士是該實體(或是該實體的母公司)的主要管理層成員。
- (viii) 該實體，或其屬當中一部分的集團旗下之任何成員公司，向本公司或本公司之母公司提供主要管理層服務。

#### (x) 非金融資產減值

具有無限使用年期或尚未可供使用的無形資產會每年進行減值測試，並於發生任何事件或情況有變顯示未必能夠收回賬面值時檢討是否減值。

非金融資產的賬面值於各報告日期檢討有無減值跡象，倘資產已減值，則透過綜合損益以開支撇減至其估計可收回金額。可收回金額乃就個別資產釐定，惟倘資產並無產生大部分獨立於其他資產或資產組合之現金流入。在此情況下，則可收回金額就資產所屬之現金產生單位釐定。可收回金額為個別資產或現金產生單位之使用價值與其公平值減出售成本兩者中之較高者。

使用價值為資產／現金產生單位估計未來現金流量之現值。現值按反映貨幣時間值及資產／現金產生單位(已計量減值)之特有風險之稅前貼現率計算。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (x) Impairment of non-financial assets (continued)

Impairment losses for cash-generating units are allocated first against the goodwill of the unit and then pro rata amongst the other assets of the cash-generating unit. Subsequent increases in the recoverable amount caused by changes in estimates are credited to profit or loss to the extent that they reverse the impairment.

#### (y) Impairment of financial assets

The Group recognises a loss allowance for ECL on trade receivables. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables. The ECL on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

### 4. 主要會計政策(續)

#### (x) 非金融資產減值(續)

現金產生單位之減值虧損首先用於抵銷單位商譽，然後於現金產生單位之其他資產之間按比例分配。隨後估計變動導致的可收回金額增加計入損益，直至撥回減值。

#### (y) 金融資產減值

本集團確認應收賬款的預期信貸虧損撥備。預期信貸虧損金額於各報告日期更新，以反映自初步確認相應金融工具以來的信貸風險變動。

本集團一直以來確認應收賬款的全期預期信貸虧損。該等金融資產的預期信貸虧損使用撥備矩陣及根據本集團過往信貸虧損經驗作出，並就債務人、整體經濟狀況以及對於報告日期的現狀及預測狀況方向的評估的特定因素作出調整，包括貨幣時間價值(倘適用)。

就所有其他金融工具而言，本集團在初步確認以來信貸風險大幅增加時確認全期預期信貸虧損。然而，倘金融工具的信貸虧損自初步確認以來並無大幅增加，則本集團按相當於12個月預期信貸虧損的金額計量該金融工具的虧損撥備。

全期預期信貸虧損指將於金融工具的預計年內因所有可能違約事件而產生的預期信貸虧損。相反，12個月預期信貸虧損指預期因報告日期後12個月內金融工具可能發生的違約事件而產生的全期預期信貸虧損之一部分。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (y) Impairment of financial assets (continued)

##### *Significant increase in credit risk*

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument 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. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Company's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument;
- 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;
- significant increases in credit risk on other financial instruments of the same debtor; or
- 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)

#### (y) 金融資產減值(續)

##### *信貸風險大幅增加*

於評估金融工具的信貸風險是否自初步確認以來大幅增加時，本集團比較金融工具於報告日期出現違約的風險與該金融工具於初步確認日期出現違約的風險。作出此評估時，本集團會考慮合理及有理據支持的定量及定性資料，包括過往經驗及毋須花費不必要成本或精力即可獲得的前瞻性資料。所考慮的前瞻性資料包括獲取自經濟專家報告、金融分析師、政府機構、相關智庫及其他類似組織的本集團債務人經營所在行業的未來前景，以及與本集團核心業務相關的實際及預測經濟資料的各種外部來源。

具體而言，評估信貸風險自初始確認以來是否大幅增加時會考慮以下資料：

- 金融工具外部(如有)或內部信貸測評的實際或預期顯著惡化；
- 特定金融工具信貸風險的外部市場指標顯著惡化；
- 商業、金融或經濟情況目前或預期有不利變動，預計將導致債務人償還債項的能力顯著下降；
- 債務人經營業績實際或預期顯著惡化；
- 同一債務人其他金融工具的信貸風險顯著上升；或
- 債務人的監管、經濟或技術環境有實際或預計的重大不利變動，導致債務人償還債項的能力顯著下降。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
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### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (y) Impairment of financial assets (continued)

*Significant increase in credit risk (continued)*

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- (i) The financial instrument has a low risk of default,
- (ii) The debtor has a strong capacity to meet its contractual cash flow obligations in the near term, and
- (iii) Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of “investment grade” in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of “performing”. Performing means that the counterparty has a strong financial position and there is no past due amounts.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

### 4. 主要會計政策(續)

#### (y) 金融資產減值(續)

*信貸風險大幅增加(續)*

無論上述評估結果如何，本集團假定合約付款逾期超過30日時，金融資產的信貸風險自初始確認以來已大幅增加，除非本集團有合理及有理據支持的資料證明可予收回款項則作別論。

儘管如此，若於報告日期金融工具被判定為具有較低信貸風險，則本集團會假設金融工具的信貸風險自初始確認以來並未顯著增加。在以下情況下，金融工具會被釐定為具有較低信貸風險：

- (i) 金融工具具有較低違約風險；
- (ii) 債務人有很強的能力履行近期的合約現金流量義務；及
- (iii) 經濟及商業環境的長期不利變動有可能但未必會降低借款人履行合約現金流量義務的能力。

倘一項資產的內部信貸評級為國際通用定義下的「投資評級」或(倘沒有外部評級)資產的內部評級為「正在執行」，則本集團認為該金融資產的信貸風險較低。正在執行指交易對手財務狀況穩健且沒有逾期款項。

本集團定期監察用於識別信貸風險是否大幅增加的標準的有效性，並在適當時候作出修訂以確保該等標準能夠在款項逾期前識別信貸風險大幅增加的情況。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
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### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (y) Impairment of financial assets (continued)

##### *Definition of default*

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, 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.

##### *Credit-impaired financial assets*

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the counterparty;
- a breach of contract, such as a default or past due event;
- the lender(s) of the counterparty, for economic or contractual reasons relating to the counterparty's financial difficulty, having granted to the counterparty a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the counterparty will enter bankruptcy or other financial reorganization; or
- The disappearance of an active market for that financial asset because of financial difficulties.

### 4. 主要會計政策(續)

#### (y) 金融資產減值(續)

##### *違約的定義*

本集團認為以下情況就內部信貸風險管理目的而言構成違約事件，原因是過往經驗表明符合以下任何一項條件的應收款項一般無法收回。

- 交易對手方違反財務契諾；或
- 內部產生或自外部來源獲取的資料表明，債務人不大可能向其債權人（包括本集團）全額還款（不考慮本集團所持有的任何抵押品）。

不論上述情況，當金融資產逾期超過90日時，則本集團認為出現違約，惟本集團擁有合理及有理據支持的資料表明滯後違約標準更為適用者則除外。

##### *信貸減值金融資產*

當發生對金融資產估計未來現金流量有不利影響的一項或多項事件時，則金融資產出現信貸減值。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：

- 發行人或交易對手方出現重大財政困難；
- 違反合約，如拖欠或逾期事件；
- 交易對手方的貸款人因交易對手方出於財務困難相關的經濟或合約理由，而給予交易對手方在一般情況下貸款人不予考慮的優惠條件；
- 交易對手方很可能將破產或進行其他財務重組；或
- 因財政困難以致該金融資產失去活躍市場。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
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### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (y) Impairment of financial assets (continued)

##### *Write-off policy*

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, including when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years 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. Any recoveries made are recognised in profit or loss.

##### *Measurement and recognition of ECL*

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with HKFRS 16 (since 1 January 2019) or HKAS 17 (prior to 1 January 2019).

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

### 4. 主要會計政策(續)

#### (y) 金融資產減值(續)

##### *撤銷政策*

當有資料顯示債務人有嚴重財務困難及實際上不可收回金融資產時，本集團會撤銷該金融資產，例如，當債務人處於清盤或進入破產程序時，或應收賬款逾期兩年以上(以較早者為準)。根據本集團收回程序並考慮法律建議(如適用)，金融資產撤銷可能仍受到執法活動的約束。任何其後收回均於損益中確認。

##### *預期信貸虧損的計量及確認*

預期信貸虧損的計量為違約概率、違約損失率(即違約時的損失程度)及違約風險的函數。評估違約概率及違約損失率程度根據歷史數據作出，並根據上述前瞻性資料調整。而金融資產的違約金額則由資產於報告日期的賬面總值代表；就財務擔保合約而言，風險包括於報告日期提取的金額連同任何基於過往趨勢、本集團對債務人特定未來金融需求的理解以及其他相關前瞻性資料釐定的預計將於未來違約日期前提取的額外金額。

就金融資產而言，預期信貸虧損估計為本集團根據合約應收的所有合約現金流量與本集團預期收取的所有現金流量之間的差額，並按初始確認時釐定的實際利率貼現。就應收租賃款項而言，用以釐定預期信用虧損的現金流量與根據香港財務報告準則第16號(自二零一九年一月一日起)或香港會計準則第17號(於二零一九年一月一日前)計量之應收租賃款項所用現金流量一致。

倘本集團於前一個報告期間按相當於全期預期信貸虧損的金額計量金融工具的虧損撥備，但於本報告日期釐定為不再滿足全期預期信貸虧損的條件，則本集團按於本報告日期相當於12個月預期信貸虧損的金額計量虧損撥備(使用簡化法計量的資產除外)。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
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### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### (y) Impairment of financial assets (continued)

##### *Measurement and recognition of ECL (continued)*

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

#### (z) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

#### (aa) Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the financial statements when material.

### 4. 主要會計政策(續)

#### (y) 金融資產減值(續)

##### *預期信貸虧損的計量及確認(續)*

本集團於損益確認所有金融工具的減值收益或虧損，並透過虧損撥備賬對其賬面值作出相應調整。惟按公平值計入其他全面收益計量之權益工具投資(其虧損撥備於其他綜合收益確認並於投資重估儲備累計)除外，而不會減低財務狀況表中金融資產的賬面值。

#### (z) 撥備及或然負債

倘本集團需就過往事件承擔現有法律或推定責任，且履行該責任很可能需要經濟利益的流出，並能作出可靠估計時，便會就不確定時間或金額之負債確認撥備。倘貨幣的時間價值重大，則撥備會以預期履行責任所需支出的現值列報。

倘需要流出經濟利益的可能性不大，或未能可靠估計有關金額時，則有關責任披露為或然負債，除非經濟利益流出之可能性極微。須視乎某宗或多宗未來事件是否發生才能確定存在與否之潛在責任，亦會被披露為或然負債，除非經濟利益流出之可能性極微。

#### (aa) 報告期後事項

為本集團於報告期末狀況提供額外資料或顯示持續經營假設並不適合的報告期間後事項均屬於調整事項，於財務報表內反映。並非屬調整事項的報告期間後事項如屬重大，則於財務報表附註中披露。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
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### 5. CRITICAL JUDGEMENTS AND KEY ESTIMATES

#### Critical judgements in applying accounting policies

In the process of applying the accounting policies, the directors have made the following judgements that have the most significant effect on the amounts recognised in the financial statements (apart from those involving estimations, which are dealt with below).

(a) *Significant increase in credit risk*

ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. HKFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Group takes into account qualitative and quantitative reasonable and supportable forward-looking information.

(b) *Joint control assessment*

The Group holds 51% of the voting rights of its joint venture, Millennium Pacific Electronics Limited ("MPEL"). The directors have determined that the Group has joint control over MPEL as under the contractual agreement, it appears that unanimous consent is required from all parties to the agreement for all relevant activities.

#### Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(a) *Allowance for slow-moving inventories*

Allowance for slow-moving inventories is made based on the ageing and estimated net realisable value of inventories. The assessment of the allowance amount involves judgement and estimates. Where the actual outcome in future is different from the original estimate, such difference will impact the carrying value of inventories and allowance charge/write-back in the period in which such estimate has been changed.

No allowance for slow-moving inventories (2018: Nil) was made while allowance of approximately HK\$1,649,000 (2018: HK\$2,337,000) had been reversed during the year ended 31 December 2019.

### 5. 重要判斷及主要估計

#### 應用會計政策時的關鍵判斷

在應用會計政策時，董事已作出以下對於財務報表中確認的金額產生最重大影響的判斷(在下文處理涉及估算的判斷除外)。

(a) *信貸風險大幅增加*

預期信貸虧損就第一階段資產按等於12個月預期信貸虧損的撥備計量或就第二階段或第三階段資產按整個存續期預期信貸虧損的撥備計量。如一項資產自初始確認後其信貸風險大幅增加，則其轉移至第二階段。香港財務報告準則第9號並沒有對信貸風險大幅增加的構成要素進行定義。評估一項資產的信貸風險是否大幅增加時，本集團將會考慮合理可依的定量前瞻性資料和定性前瞻性資料。

(b) *評估共同控制權*

本集團持有其合營企業Millennium Pacific Electronics Limited ("MPEL") 51%的投票權。由於根據合約協定，所有相關活動均須取得訂約各方一致同意，故董事判定本集團享有MPEL的共同控制權。

#### 估計不確定性的主要來源

有關報告期末估計不確定性的未來及其他主要來源的主要假設，為對下一財政年度之資產及負債的賬面值造成重大調整的重大風險，於下文展開討論。

(a) *滯銷存貨的撥備*

滯銷存貨的撥備乃根據存貨的賬齡及估計可變現淨值作出。撥備金額的評估涉及判斷及估計。未來實際結果不同於原先估計時，該差額將會影響存貨的賬面值及估計發生變動期間的撥備開支／撥回。

截至二零一九年十二月三十一日止年度，概無作出滯銷存貨的撥備(二零一八年：無)，並已撥回約1,649,000港元的撥備(二零一八年：2,337,000港元)。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
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### 5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (continued)

#### Key sources of estimation uncertainty (continued)

##### (b) Income taxes

The Group is subject to Hong Kong Profits Tax and PRC EIT. Significant estimates are required in determining the provision for income taxes. There are many 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 is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

During the year, approximately HK\$2,000 (2018: HK\$733,000) of income tax was charged to profit or loss based on the estimated assessable profits.

##### (c) Impairment loss for bad and doubtful debts

The management of the Group estimates the amount of impairment loss for ECL on trade receivables and contract assets based on the credit risk of trade receivables and contract assets. The amount of the impairment loss based on ECL model is measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. Where the future cash flows are less than expected, or being revised downward due to changes in facts and circumstances, a material impairment loss may arise.

As at 31 December 2019, the carrying amount of trade receivables is approximately HK\$65,940,000 (2018: HK\$23,518,000), being net of allowance for doubtful debts of approximately HK\$3,085,000 (2018: HK\$3,321,000).

##### (d) Impairment of investments in associates

The Group's management determines at each reporting date whether there is any objective evidence that the investments in associates is impaired. If this is the case, the Group calculates the amount of impairment of the associates and its carrying value and recognises the amount adjacent to "share of losses of associates" and "impairment losses of goodwill of investments in associates" in the consolidated statement of profit or loss and other comprehensive income.

As at 31 December 2019, the carrying amount of investments in associates is approximately HK\$30,379,000 (2018: HK\$1,362,000) which includes goodwill of approximately HK\$7,963,000 (2018: Nil).

### 5. 重要判斷及主要估計 (續)

#### 估計不確定性的主要來源 (續)

##### (b) 所得稅

本集團須繳納香港利得稅及中國企業所得稅。在釐定所得稅撥備時需要做出重大估計。許多交易及計算於一般業務過程中釐定最終稅項時乃屬不確定。當該等事項的最終稅項結果不同於初步錄得的金額時，該差額將會影響作出釐定期間的所得稅及遞延稅項撥備。

於年內，所得稅約2,000港元(二零一八年：733,000港元)按估計應課稅溢利自損益扣除。

##### (c) 呆壞賬之減值虧損

本集團管理層根據應收賬款及合約資產的信貨風險估計應收賬款及合約資產的預期信貸虧損之減值虧損金額。根據預期信貸虧損模式計算的減值虧損金額，按本集團根據合約應收的所有合約現金流量與本集團預期收取的所有現金流量之間的差額計算，並按初步確認時釐定的實際利率貼現。倘未來現金流量低於預期，或因事實及情況變化而下調，則可能發生重大減值虧損。

於二零一九年十二月三十一日，應收賬款的賬面值約為65,940,000港元(二零一八年：23,518,000港元)，扣除呆賬撥備約3,085,000港元(二零一八年：3,321,000港元)。

##### (d) 於聯營公司之投資之減值

本集團管理層於各報告日期釐定是否有客觀證據，反映於聯營公司之投資已減值。倘如此，本集團計算聯營公司減值金額及其賬面值，並於綜合損益及其他全面收益表「應佔聯營公司虧損」及「於聯營公司之投資之商譽減值虧損」內一併確認金額。

於二零一九年十二月三十一日，於聯營公司投資之賬面值約為30,379,000港元(二零一八年：1,362,000港元)，其中包括商譽約為7,963,000港元(二零一八年：無)。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (continued)

#### Key sources of estimation uncertainty (continued)

(e) *Impairment of property, plant and equipment and right-of-use assets*

Property, plant and equipment and right-of-use assets are stated at costs less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgment and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset (including right-of-use assets), the Group estimates the recoverable amount of the cash-generating unit to which the assets belongs. Changing the assumptions and estimates, including the discount rates or the growth rate in the cash flow projections, could materially affect the net present value used in the impairment test.

The carrying amounts of property, plant and equipment and right-of-use assets as at 31 December 2019 were approximately HK\$906,000 (2018: HK\$1,350,000) and HK\$779,000 (2018: Nil) respectively.

### 5. 重要判斷及主要估計 (續)

#### 估計不確定性的主要來源 (續)

(e) 物業、廠房及設備以及使用權資產之減值

物業、廠房及設備以及使用權資產按成本減累計折舊及減值列示(如有)。於釐定資產是否減值時，本集團須作出判斷及估計，尤其需要評估：(1)是否發生或任何跡象顯示可能影響資產價值的事件；(2)資產的賬面值能否以使用價值(即根據持續使用資產估計的未來現金流量之現值淨額)的可收回金額支持；及(3)估計可收回金額時所採用的適當主要假設，包括現金流量預測及適當貼現率。倘無法估計個別資產的可收回金額(包括使用權資產)，本集團會估計該資產所屬現金產生單位的可收回金額。倘假設及估計發生變動(包括貼現率或現金流量預測增長率)可能會對減值測試所用之淨現值產生不利影響。

物業、廠房及設備以及使用權按資產於二零一九年十二月三十一日之賬面值分別約為906,000港元(二零一八年：1,350,000港元)及779,000港元(二零一八年：無)。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 6. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk, interest rate risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

#### (a) Foreign currency risk

The functional currency of the Group's entities are principally denominated in either HK\$ and Renminbi ("RMB"). The Group has certain exposure to foreign currency risk as some of its business transactions, assets and liabilities are denominated in currencies other than its functional currency such as United States dollars ("US\$"). The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise. Set out below the sensitivity analysis the Group's foreign currency risk.

### 6. 財務風險管理

本集團的業務活動面臨多項財務風險：外幣風險、信貸風險、利率風險及流動資金風險。本集團整體風險管理計劃專注於金融市場的不可預測性及務求盡量減少對本集團財務表現的潛在不利影響。

#### (a) 外幣風險

本集團實體的功能貨幣主要以港元及人民幣（「人民幣」）計值。本集團面臨若干外幣風險，乃由於其若干業務交易、資產及負債以本集團功能貨幣以外的貨幣（如美元（「美元」））計值。本集團目前無就外幣交易、資產及負債制定外幣對沖政策。本集團將會密切監控其外幣風險及將會於有需要時考慮對沖重大外幣風險。下表載列本集團之外幣風險敏感度分析。

		Functional currency strengthened/ (weakened) by 功能貨幣 升值／（貶值）	(Decrease)/ increase in consolidated loss after tax 綜合稅後虧損 （減少）／增加 HK\$'000 千港元
Year ended 31 December 2019	截至二零一九年十二月三十一日止年度	5%/(5%)	207/(207) (Note) (附註)
Year ended 31 December 2018	截至二零一八年十二月三十一日止年度	5%/(5%)	130/(130) (Note) (附註)

Note: This is mainly a result of foreign exchange gain/(loss) on bank deposits, trade and other receivables, trade and other payables denominated in US\$.

附註：此乃主要由於以美元計值的銀行存款、應收賬款及其他應收款項、應付賬款及其他應付款項的外匯收益／（虧損）的結果。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
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### 6. FINANCIAL RISK MANAGEMENT (continued)

#### (b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Company's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks and financial institutions with high credit-rating assigned by international credit-rating agencies, for which the Company considers to have low credit risk.

##### *Trade receivables*

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivable are due within 60 to 90 days from the date of billing. Debtors with balances that are more than 1 month past due are requested to settle all outstanding balances before any further credit is granted. Normally, the Group does not obtain collateral from customers.

The Group measures loss allowances for trade receivable at an amount equal to lifetime ECL, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

### 6. 財務風險管理(續)

#### (b) 信貸風險

信貸風險指對手方無法履行金融工具或客戶合約項下的責任而引致金融損失的風險。本公司因經營活動(主要應收賬款)及融資活動(包括銀行及金融機構的存款、外匯交易及其他金融工具)而面臨信貸風險。本公司因現金及現金等價物面臨的信貸風險有限, 原因為對手方為獲國際信貸評級機構給予高信貸評級的銀行及金融機構, 因此本公司認為其屬低信貸風險。

##### *應收賬款*

客戶信貸風險根據本集團制訂有關客戶信貸風險管理的政策、程序及控制由各業務單位管理。本集團對所有要求超過若干信貸金額之客戶進行個別信貸評估。該等評估集中於客戶過往償還到期款項之記錄及目前之還款能力並考慮客戶之特定資料以及有關客戶營運之經濟環境。應收賬款自發票日期起計60至90日內到期。欠付逾期超過1個月結餘之債務人須結付所有未償還結餘後, 方可獲授任何額外信貸。一般而言, 本集團並無獲得來自客戶的抵押品。

本集團使用撥備矩陣計算的全期預期信貸虧損金額計量應收賬款的虧損撥備。由於本集團的過往信貸虧損經驗並無顯示不同客戶分部的虧損模式具有明顯差異, 故並無進一步區分本集團不同客戶群按逾期狀況的虧損撥備。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
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### 6. FINANCIAL RISK MANAGEMENT (continued)

#### (b) Credit risk (continued)

*Trade receivables (continued)*

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables as at 31 December 2019:

		2019 二零一九年		
		Expected loss rate 預期虧損率 %	Gross carrying amount 總賬面值 HK\$'000 千港元	Loss allowance 虧損撥備 HK\$'000 千港元
Current (not past due)	即期(並無逾期)	0-2.5%	46,336	514
1-30 days past due	逾期1至30日	0-2.5%	834	-
31-60 days past due	逾期31至60日	0-2.5%	2,838	-
61-90 days past due	逾期61至90日	0-2.5%	-	-
More than 90 days past due	逾期90日以上	0-90.0%	19,017	2,571
			69,025	3,085
		2018 二零一八年		
		Expected loss rate 預期虧損率 %	Gross carrying amount 總賬面值 HK\$'000 千港元	Loss allowance 虧損撥備 HK\$'000 千港元
Current (not past due)	即期(並無逾期)	0-2.5%	19,534	-
1-30 days past due	逾期1至30日	0-2.5%	-	-
31-60 days past due	逾期31至60日	0-2.5%	307	-
61-90 days past due	逾期61至90日	0-2.5%	-	-
More than 90 days past due	逾期90日以上	0-90.0%	6,998	3,321
			26,839	3,321

### 6. 財務風險管理(續)

#### (b) 信貸風險(續)

*應收賬款(續)*

下表提供本集團於二零一九年十二月三十一日面臨信貸風險及應收賬款預期信貸虧損之資料：

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 6. FINANCIAL RISK MANAGEMENT (continued)

#### (b) Credit risk (continued)

*Trade receivables (continued)*

Movements in the loss allowance for trade receivables during the year is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At 1 January	於一月一日	3,321	3,321
Impairment losses recognised for the year	年內確認減值虧損	3,085	–
Derecognised upon disposals of subsidiaries	出售附屬公司時終止確認	(3,321)	–
At 31 December	於十二月三十一日	3,085	3,321

#### (c) Interest rate risk

The Group's exposure to interest-rate risk arises from its bank deposits. These bank deposits bear interests at floating rates varied with the then prevailing market condition.

Except as stated above, the Group does not have other significant interest-bearing assets and liabilities at the end of reporting period, its income and operating cash flows are substantially independent of changes in market interest rates.

#### (d) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The following tables show the remaining contractual maturities at the end of each reporting period of the Group's financial liabilities, based on undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the reporting date) and the earliest date the Group can be required to pay.

### 6. 財務風險管理(續)

#### (b) 信貸風險(續)

*應收賬款(續)*

於年內應收賬款虧損撥備變動如下：

#### (c) 利率風險

本集團利率風險乃源自銀行存款。該等銀行存款按因應當時市況而變化的浮動利率計息。

除以上所述者外，本集團於報告期末並無其他重大的計息資產及負債，其收入及經營現金流量大部份獨立於市場利率的變動。

#### (d) 流動資金風險

本集團的政策為定期監控即期及預期流動資金需求，以確保其維持充足現金儲備以滿足其短期及更長期的流動資金需求。

下表列示本集團的金融負債於各報告期末的餘下合同期限，而有關餘下合同期限乃根據未貼現現金流量(包括使用合同利率或(如屬浮動利率)根據報告日期通行的利率計算得出的利息付款)以及可要求本集團支付的最早日期得出。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
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### 6. FINANCIAL RISK MANAGEMENT (continued)

#### (d) Liquidity risk (continued)

The maturity analysis of the Group's financial liabilities based on contractual undiscounted cash flow is as follows:

		On demand 按要求 HK\$'000 千港元	Less than 1 year 一年以下 HK\$'000 千港元	Between 1 and 2 years 一至兩年 HK\$'000 千港元	Between 2 and 5 years 兩至五年 HK\$'000 千港元
<b>At 31 December 2019</b>	<b>於二零一九年十二月三十一日</b>				
Trade payables	應付賬款	-	45,668	-	-
Other payables, deposits received and accrued expenses	其他應付款項、已收訂金及應計費用	-	4,812	-	-
Convertible bonds	可換股債券	-	-	21,600	-
Lease liabilities	租賃負債	-	900	-	-
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>				
Trade payables	應付賬款	-	17,596	-	-
Other payables, deposits received and accrued expenses	其他應付款項、已收訂金及應計費用	-	7,144	-	-
Amounts due to directors	應付董事款項	8,019	7,000	-	-

#### (e) Categories of financial instruments at 31 December

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>Financial assets:</b>	<b>金融資產：</b>		
Financial assets at FVTOCI	按公平值計入其他全面收入之金融資產	-	8,688
Financial assets at amortised cost	按攤銷成本列賬之金融資產	78,174	27,467
		<b>78,174</b>	<b>36,155</b>
<b>Financial liabilities:</b>	<b>金融負債：</b>		
Financial liabilities at amortised cost	按攤銷成本列賬之金融負債	70,283	39,759

#### (f) Fair value

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair values.

### 6. 財務風險管理(續)

#### (d) 流動資金風險(續)

本集團根據合同未貼現現金流量計算的金融負債的到期情況分析如下：

#### (e) 於十二月三十一日之金融工具的類別

#### (f) 公平值

綜合財務狀況表所呈列的本集團金融資產及金融負債的賬面值與其各自公平值相若。



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# Notes to the Financial Statements

## 財務報表附註

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### 6. FINANCIAL RISK MANAGEMENT (continued)

#### (g) Fair values measurements (continued)

- (b) Reconciliation of assets measured at fair value based on level 3:

#### Description

#### 描述

At 1 January 2018
Purchases
Total gains or losses recognised
in profit or loss
in other comprehensive income
At 31 December 2018 and 1 January 2019
<b>Total gains or losses recognised</b>
<b>    in profit or loss</b>
<b>    in other comprehensive income</b>
<b>Reclassified as investments in associates</b>
<b>    upon step acquisition</b>
<b>At 31 December 2019</b>

於二零一八年一月一日
購買
確認之收益或虧損總額
於損益
於其他全面收入
於二零一八年十二月三十一日及 二零一九年一月一日
確認之收益或虧損總額
於損益
於其他全面收入
於分部收購後重新分類為於聯營公司之 投資
於二零一九年十二月三十一日

**Financial assets  
at FVTOCI –  
unlisted equity  
securities**  
按公平值計入  
其他全面收入之  
金融資產 –  
非上市股本證券  
HK\$'000  
千港元

–  
9,029

(466)  
125

**8,688**

**(320)**  
**213**

**(8,581)**

**–**

- (c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 December 2018:

The Group's financial controller is responsible for the fair value measurements of assets and liabilities required for financial reporting purposes, including level 3 fair value measurements. The financial controller reports directly to the Board of Directors for these fair value measurements. Discussions of valuation processes and results are held between the financial controller and the Board of Directors at least twice a year.

The level 3 fair value measurements were valued at their fair values at 31 December 2018. The fair value of the unlisted equity securities designated as financial assets at FVTOCI was valued by Eidea Professional Services Company Limited, an independent professionally qualified company of valuers which holds a recognised relevant professional qualification and has recent experience in valuation.

- (c) 披露於二零一八年十二月三十一日本集團使用的估值程序及公平值計量所用的估值技術及輸入數據：

本集團的財務總監負責財務報告所需的資產及負債公平值計量，包括第三級公平值計量。財務總監直接向董事會報告該等公平值計量。財務總監與董事會最少每年兩次就估值流程及結果進行討論。

第三級公平值計量按其於二零一八年十二月三十一日的公平值估值。指定為按公平值計入其他全面收入之金融資產的非上市股本證券的公平值由意達專業服務有限公司估值，其為一間獨立的專業合資格估值公司，持有獲認可相關專業資格，並具有近期的估值經驗。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
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### 6. FINANCIAL RISK MANAGEMENT (continued)

#### (g) Fair values measurements (continued)

- (c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 December 2018: (continued)

### 6. 財務風險管理(續)

#### (g) 公平值計量(續)

- (c) 披露於二零一八年十二月三十一日本集團使用的估值程序及公平值計量所用的估值技術及輸入數據：(續)

Level 3 fair value measurements 第三級公平值計量				Fair value 2018 公平值 二零一八年 HK\$'000 千港元
Description 描述	Valuation technique 估值技術	Unobservable inputs 不可觀察輸入數據	Range 範圍	
Assets 資產				
Unlisted equity securities designated as financial assets at FVTOCI 指定為按公平值計入其他全面收入之金融資產之非上市股本證券	Market comparable approach 市場可比較法	Price-to-Earnings multiple method 市盈率法	7%	
		Discount for lack of marketability 缺乏市場流通性折讓	20%	8,688

A higher (lower) Price-to-Earnings multiple adopted would increase (decrease) the fair value of financial assets at FVTOCI.

採用較高(較低)市盈率將增加(降低)按公平值計入其他全面收入之金融資產之公平值。

### 7. SEGMENT INFORMATION

The accounting policies of the operating segments are the same as those described in note 4 to the consolidated financial statements.

#### Operating segment information

The Group is engaged in the (i) research, development, manufacturing and trading of electronic devices and (ii) provision of software application development services. However, as the segment of provision of software application development services do not meet the quantitative thresholds for determining reportable segments, information reported to the Group's chief operating decision maker, for the purpose of resources allocation and performance assessment, focuses on the operating results of the Group as a whole. The Group's resources are integrated and as a result, no discrete operating segment financial information is available. Accordingly, no operating segment information is presented.

### 7. 分部資料

經營分部的會計政策與綜合財務報表附註4內說明的情況一致。

#### 經營分部資料

本集團從事(i)電子設備的研發、製造及貿易及(ii)提供軟件應用開發服務。然而，由於提供軟件應用開發服務的分部並未達到釐定可報告分部的量化門檻，故就資源分配及績效評估而言，向本集團主要經營決策者報告的資料專注於本集團的整體經營業績。本集團的資源已作整合，故並無可用的獨立經營分部財務資料。因此，並無呈列經營分部資料。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 7. SEGMENT INFORMATION (continued)

#### Geographical information

Non-current assets of the Group are presented based on the geographical location as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Hong Kong	香港	790	11
PRC	中國	895	1,339
		<b>1,685</b>	<b>1,350</b>

Non-current assets include property, plant and equipment, intangible assets and right-of-use assets.

Information about the Group's revenue from external customers is presented based on the geographical location as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
PRC	香港	27,814	45,610
Hong Kong	中國	273,400	31,823
		<b>301,214</b>	<b>77,433</b>

#### Information about major customers

The Group's customer base included two (2018: three) customers with whom transactions have exceeded 10% of its revenue during the years is set out as below:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Customer A (note (i))	客戶 A (附註 (i))	79,472	N/A 不適用
Customer B (note (i))	客戶 B (附註 (i))	33,957	N/A 不適用
Customer C (note (ii))	客戶 C (附註 (ii))	N/A 不適用	29,775
Customer D (note (ii))	客戶 D (附註 (ii))	N/A 不適用	17,628
Customer E (note (ii))	客戶 E (附註 (ii))	N/A 不適用	13,046

(i) These customers did not contribute over 10% of the total turnover of the Group for the year ended 31 December 2018.

(ii) These customers did not contribute over 10% of the total turnover of the Group for the year ended 31 December 2019.

### 7. 分部資料 (續)

#### 地區資料

本集團的非流動資產按地理位置呈列如下：

非流動資產包括物業、廠房及設備、無形資產及使用權資產。

有關本集團來自外部客戶收益的資料根據以下地理位置呈列：

#### 有關主要客戶的資料

於年內與其擁有超過本集團收益10%交易的本集團兩名客戶(二零一八年：三名)載列如下：

(i) 截至二零一八年十二月三十一日止年度，該等客戶貢獻之收入佔本集團之總營業額不超過10%。

(ii) 截至二零一九年十二月三十一日止年度，該等客戶貢獻之收入佔本集團之總營業額不超過10%。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
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### 8. REVENUE

The Group derives revenue from the transfer of goods and services at a point in time and over time respectively in the following major product lines:

### 8. 收益

本集團分別於以下主要產品線的某個時間點及隨時間自轉移貨品及服務中產生收益：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<i>Products transferred at a point in time:</i>	<i>於某個時間點轉移產品：</i>		
Sales of manufactured products	製成產品銷售	23,865	21,890
Sales on trading of electronic products, accessories and raw materials	電子產品、配件及原材料貿易銷售	273,400	49,150
		297,265	71,040
<i>Services transferred over time:</i>	<i>隨時間轉移服務：</i>		
Provision of application software development services	提供應用軟件開發服務	3,949	6,393
		301,214	77,433

### 9. OTHER INCOME

### 9. 其他收入

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Government subsidies	政府補貼	770	524
Interest income	利息收入	3	8
Reversal of allowance of inventories	存貨減值撥回	1,649	2,337
Others	其他	23	442
		2,445	3,311

### 10. FINANCE COSTS

### 10. 財務費用

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Imputed interest on loan from a director	一名董事貸款之推算利息	100	396
Interest on lease liabilities	租賃負債利息	106	—
Interest expense on convertible bonds	可換股債券利息開支	1,584	—
		1,790	396

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
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### 11. LOSS BEFORE TAX

The Group's loss before tax is stated after charging/(crediting) the following:

### 11. 除稅前虧損

本集團除稅前虧損乃經扣除／(計入)以下各項後列賬：

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Depreciation	以下項目之折舊			
— Owned assets	— 自有資產	(a)	430	595
— Right-of-use assets	— 使用權資產		2,778	—
Staff costs (including directors' emoluments)	員工成本(包括董事酬金)	(b)		
— Salaries, bonus and allowances	— 薪金、花紅及津貼		5,751	5,954
— Share-based payments	— 以股份為基礎的付款		9,253	21,016
— Retirement benefits scheme contributions	— 退休福利計劃供款		157	346
			15,161	27,316
Cost of inventories sold	已售存貨成本		289,761	67,142
Foreign exchange loss, net	外匯虧損淨額		32	2,435
Gain on disposals of subsidiaries (note 38(b))	出售附屬公司收益(附註38(b))		12,853	—
Operating lease charges on premises	物業之經營租賃費用	(c)	295	7,639
Auditors' remuneration	核數師酬金		560	550
Impairment on property, plant and equipment (note 17)	物業、廠房及設備減值(附註17)		—	1,304
Research expenses	研究開支		205	362
Reversal of allowance of inventories	存貨減值撥回		(1,649)	(2,337)
Allowance for trade receivables	應收賬款撥備		3,085	—
Written off of other receivables	其他應收款項撇銷		—	551

Notes:

- (a) Depreciation of property, plant and equipment of approximately HK\$413,000 (2018: HK\$253,000) for the year ended 31 December 2019 is included in cost of sales.
- (b) Staff costs of approximately HK\$903,000 (2018: HK\$1,158,000) and HK\$205,000 (2018: HK\$362,000) for the year ended 31 December 2019 are included in cost of sales and research expenses respectively.
- (c) Operating lease charges of approximately HK\$176,000 (2018: HK\$18,000) for the year ended 31 December 2019 is included in cost of sales.

附註：

- (a) 截至二零一九年十二月三十一日止年度，物業、廠房及設備折舊約為413,000港元(二零一八年：253,000港元)，計入銷售成本。
- (b) 截至二零一九年十二月三十一日止年度，員工成本約903,000港元(二零一八年：1,158,000港元)及205,000港元(二零一八年：362,000港元)分別計入銷售成本及研究開支。
- (c) 截至二零一九年十二月三十一日止年度，經營租賃費用約為176,000港元(二零一八年：18,000港元)，計入銷售成本。

# Notes to the Financial Statements

## 財務報表附註

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### 12. INCOME TAX EXPENSE

### 12. 所得稅開支

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current tax — Hong Kong Profits Tax Provision for the year	即期稅項 — 香港利得稅 年內撥備	2	84
Current tax — PRC EIT Provision for the year	即期稅項 — 中國企業所得稅 年內撥備	—	649
Total tax charge for the year	年內稅項開支總額	2	733

The tax rate applicable to the Group's Hong Kong subsidiaries were 16.5% (2018: 16.5%) during the year.

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “**Bill**”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Following the Bill enacted, one of the Company's Hong Kong subsidiaries is subject to Hong Kong Profits Tax at the rate of 8.25% for the first HK\$2 million of its estimated assessable profits and at 16.5% on its estimated assessable profits above HK\$2 million. Other Company's Hong Kong subsidiaries are subjected to Hong Kong Profits Tax at the rate of 16.5% for the year ended 31 December 2019.

華廈(廣州)網絡科技有限公司 (“**HXGZ**”), a subsidiary of the Company established in the PRC, was qualified as a software enterprise by Guangzhou Software Industry Association on 2 August 2018 and was entitled to tax exemption for two years and thereafter at a preferential rate which is half of the PRC EIT rate for three years since the year ended 31 December 2018.

The tax rate applicable to the Group's other PRC subsidiaries were 25% (2018: 25%) during the year.

於年內，本集團香港附屬公司適用的稅率為16.5%(二零一八年：16.5%)。

於二零一八年三月二十一日，香港立法會通過《二零一七年稅務(修訂)(第7號)條例草案》(「**該條例草案**」)，引入兩級制利得稅稅率。該條例草案於二零一八年三月二十八日經簽署生效，並於翌日刊憲。根據兩級制利得稅稅率，合資格集團實體首2百萬港元之溢利將按8.25%之稅率徵收稅項，溢利中超過2百萬港元之部分將按16.5%之稅率徵收稅項。不符合兩級制利得稅稅率資格的集團實體之溢利將繼續按16.5%之劃一稅率徵收稅項。

於該條例草案生效後，本公司的其中一間香港附屬公司須就首筆2百萬港元的估計應課稅溢利按8.25%的稅率繳納香港利得稅，及超過2百萬港元的估計應課稅溢利按16.5%的稅率繳納香港利得稅。截至二零一九年十二月三十一日止年度，本公司的其他香港附屬公司須按16.5%的稅率繳納香港利得稅。

本公司於中國成立的附屬公司華廈(廣州)網絡科技有限公司(「**華廈廣州**」)，於二零一八年八月二日獲廣州市軟件行業協會評為軟件企業，有權免稅兩年，其後自截至二零一八年十二月三十一日止年度起三年可享一半中國企業所得稅稅率的優惠稅率。

於年內，本集團其他中國附屬公司適用的稅率為25%(二零一八年：25%)。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
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### 12. INCOME TAX EXPENSE (continued)

The reconciliation between the income tax expense and the product of loss before tax multiplied by the Hong Kong Profits Tax rate of the Group is as follows:

### 12 所得稅開支(續)

本集團所得稅開支與除稅前虧損乘以香港利得稅率的對賬如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loss before tax	除稅前虧損	(251)	(34,397)
Tax at the domestic tax rate of 16.5% (2018: 16.5%)	按本地稅率 16.5% (二零一八年： 16.5%) 計算的稅項	(41)	(5,675)
Tax effect of tax exemption	免稅的稅務影響	(683)	(959)
Tax effect of preferential tax rate	稅收優惠的稅務影響	(2)	(85)
Tax effect of income that is not taxable	毋須課稅收入的稅務影響	(2,791)	—
Tax effect of expenses that are not deductible	不可扣稅開支的稅務影響	2,626	5,991
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	1,166	1,460
Tax effect of utilisation of tax losses not previously recognised	動用過往未確認稅項虧損的稅務影響	(28)	(197)
Effect of different tax rates of subsidiaries	附屬公司不同稅率的影響	(245)	198
Income tax expense for the year	年內所得稅開支	2	733



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 13. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

#### (a) Directors' emoluments

The emoluments paid or payable in respect a person's services as a director, whether of the Company, or its subsidiaries undertaking were as follows:

For the year ended 31 December 2019

### 13. 董事及僱員酬金

#### (a) 董事酬金

已付或應付就出任本公司或其附屬公司業務之董事提供服務之人士之酬金如下：

截至二零一九年十二月三十一日止年度

		Fees	Salaries and allowances	Retirement benefits scheme contributions	Share-based payment expenses	Total
		費用	薪資及津貼	退休福利計劃供款	以股份為基礎付款開支	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
<b>Executive directors</b>	<b>執行董事</b>					
Tang Wai Ting, Samson (i)	鄧偉廷 (i)	-	-	-	-	-
Liu Liang (ii)	劉亮 (ii)	-	180	-	424	604
Wang Li	王歷	-	240	-	-	240
Wu Yong Fu (iii)	吳永富 (iii)	-	255	-	424	679
Zhou Chuang Qiang (iv)	周創強 (iv)	-	120	-	-	120
<b>Non-executive directors</b>	<b>非執行董事</b>					
Wu Jin Sheng (v)	吳晉生 (v)	150	-	-	-	150
Chong Yu Keung	莊儒強	180	-	-	424	604
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>					
Huang Jian	黃健	180	-	-	-	180
Zheng Wan Zhang	鄭玩樟	180	-	-	-	180
Wong Tik Tung	汪滌東	180	-	-	-	180
		<b>870</b>	<b>795</b>	<b>-</b>	<b>1,272</b>	<b>2,937</b>

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 13. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

#### (a) Directors' emoluments (continued)

For the year ended 31 December 2018

### 13. 董事及僱員酬金(續)

#### (a) 董事酬金(續)

截至二零一八年十二月三十一日止年度

		Fees	Salaries and allowances	Retirement benefits scheme contributions	Share-based payment expenses	Total
		費用	薪資及津貼	退休福利計劃供款	以股份為基礎付款開支	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
<b>Executive directors</b>	<b>執行董事</b>					
Tang Wai Ting, Samson (i)	鄧偉廷 (i)	–	120	–	–	120
Liu Liang (ii)	劉亮 (ii)	–	350	–	–	350
Zheng Si Rong (vi)	鄭思榮 (vi)	–	146	–	–	146
Wang Li	王歷	–	240	–	–	240
<b>Non-executive directors</b>	<b>非執行董事</b>					
Wu Jin Sheng (v)	吳晉生 (v)	315	–	–	–	315
Chong Yu Keung	莊儒強	180	–	–	–	180
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>					
Huang Jian	黃健	180	–	–	–	180
Chan Hin Hang (vii)	陳衍行 (vii)	105	–	–	–	105
Zheng Wan Zhang	鄭玩樟	180	–	–	–	180
Wong Tik Tung	汪滌東	180	–	–	–	180
		1,140	856	–	–	1,996

Notes:

- (i) Resigned on 25 March 2019
- (ii) Resigned on 28 June 2019
- (iii) Appointed on 16 April 2019
- (iv) Appointed on 4 June 2019
- (v) Resigned on 3 June 2019
- (vi) Resigned on 10 August 2018
- (vii) Resigned on 31 July 2018

There was no arrangement under which a director waived or agreed to waive any emoluments during the year.

附註：

- (i) 於二零一九年三月二十五日辭任
- (ii) 於二零一九年六月二十八日辭任
- (iii) 於二零一九年四月十六日獲委任
- (iv) 於二零一九年六月四日獲委任
- (v) 於二零一九年六月三日辭任
- (vi) 於二零一八年八月十日辭任
- (vii) 於二零一八年七月三十一日辭任

於年內，概無董事放棄或同意放棄任何酬金的安排。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 13. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

#### (b) Five highest paid individuals

No director whose emoluments are reflected in the analysis presented above included in the five highest paid individuals in the Group for the year ended 31 December 2019 and 2018. The emoluments of the five (2018: five) individuals are set out below respectively:

Basic salaries and allowances	基本薪金及津貼
Share-based payments	以股份為基礎的付款
Retirement benefits scheme contributions	退休福利計劃供款

There was no discretionary bonus paid or payable to any of the directors and the five highest paid individuals during the years ended 31 December 2019 and 2018.

During the year ended 31 December 2019, the five highest paid individuals who are not the directors of the Company whose emoluments fall within the band of HK\$1,000,001 to HK\$1,500,000 (2018: five individuals fall within the band of HK\$3,000,001 to HK\$3,500,000).

No emolument was paid by the Group to any of the directors or the highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office during the years ended 31 December 2019 and 2018.

#### (c) Senior management's emoluments

Senior management represents the executive directors. The emoluments paid or payable to senior management during the year have been set out in the analysis presented above.

#### (d) Directors' material interests in transactions, arrangements or contracts

No significant transaction, arrangement and contract in relation to the Group's business to which the Company was a party and in which a director of the Company and the director's connected party had a material interest, whether directly or indirectly, subsisted at the end of the year of at any time during the year.

### 14. DIVIDEND

No dividend had been paid or declared by the Company during the year (2018: Nil).

### 13. 董事及僱員酬金(續)

#### (b) 五名最高薪酬人士

截至二零一九年及二零一八年十二月三十一日止年度，本集團五名最高薪酬人士中並無任何董事的酬金在上述呈列的分析中反映。五名(二零一八年：五名)人士的酬金分別載列如下：

2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
437	464
5,818	15,171
19	28
<b>6,274</b>	<b>15,663</b>

截至二零一九年及二零一八年十二月三十一日止年度，並無向任何董事及五名最高薪酬人士支付或應付任何酌情花紅。

截至二零一九年十二月三十一日止年度，並非本公司董事的五名最高薪酬人士的酬金處於1,000,001港元至1,500,000港元的範圍內(二零一八年：五名人士處於3,000,001至3,500,000港元的範圍內)。

截至二零一九年及二零一八年十二月三十一日止年度，本集團概無向任何董事或最高薪酬人士支付任何酬金作為加盟或加盟本集團後的獎勵或作為離職補償。

#### (c) 高級管理人員的酬金

高層管理人員指執行董事。於年內，已付或應付予高級管理層之酬金已載於上述呈列的分析中。

#### (d) 董事於交易、安排或合約中擁有的重大權益

本公司董事及其關連方概無於本公司就本集團業務所訂立且於年終或年內任何時間仍有效的重大交易、安排及合約中，直接或間接擁有重大權益。

### 14. 股息

本公司於年內概無派付或宣派任何股息(二零一八年：無)。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 15. LOSS PER SHARE

#### (a) Basic loss per share

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>Loss</b>	<b>虧損</b>		
Loss for the purpose of calculating basic and diluted loss per share	用於計算每股基本及攤薄虧損的虧損	(1,081)	(36,293)
<b>Number of shares</b>	<b>股份數目</b>		
Issued ordinary shares at the beginning of year	於年初已發行的普通股	694,323,113	687,225,000
Effect of issue of shares	發行股份的影響	54,458,809	1,983,582
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	用於計算每股基本虧損的普通股加權平均數	748,781,922	689,208,582

#### (b) Diluted loss per share

The effects of the Company's potential ordinary shares in respect of the outstanding share options and convertible bonds are anti-dilutive for the years ended 31 December 2019 and 2018.

For the purpose of calculation of basic and diluted loss per share for the years ended 31 December 2019 and 2018, the share consolidation of the Company being effective on 29 May 2019 was deemed to be effective throughout the period from 1 January 2018 to 31 December 2019. Accordingly, the weighted average number of ordinary shares of the Company in issue during the year ended 31 December 2018 were adjusted to reflect the share consolidation.

### 15. 每股虧損

#### (a) 每股基本虧損

#### (b) 每股攤薄虧損

本公司於截至二零一九年及二零一八年十二月三十一日止年度之未行使購股權及可換股債券造成之潛在普通股之影響為反攤薄影響。

就計算截至二零一九年及二零一八年十二月三十一日止年度之每股基本及攤薄虧損而言，本公司將於二零一九年五月二十九日生效之股份合併被視為於二零一八年一月一日至二零一九年十二月三十一日止期間有效。因此，於截至二零一八年十二月三十一日止年度，本公司的已發行普通股加權平均數作出調整以反映股份合併。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 16. RETIREMENT BENEFIT SCHEMES

The Group operates a mandatory provident fund scheme (the “**MPF Scheme**”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for all qualifying employees in Hong Kong. The Group’s contributions to the MPF Scheme are calculated at 5% of the salaries and wages subject to a monthly maximum amount of HK\$1,500 (2018: HK\$1,500) per employee and vest fully with employees when contributed into the MPF Scheme.

The employees of the Group’s subsidiaries established in the PRC are members of a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute certain percentage of the employees’ basic salaries and wages to the central pension scheme to fund the retirement benefits. The local municipal government undertakes to assume the retirement benefits obligations of all existing and future retired employees of these subsidiaries. The only obligation of these subsidiaries with respect to the central pension scheme is to meet the required contributions under the scheme.

There was no forfeited contribution in respect of the defined contribution plan available at 31 December 2019 and 2018.

### 16. 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所有合資格僱員運作強制性公積金計劃（「**強積金計劃**」）。本集團對強積金計劃之供款按薪資及工資的5%計算，惟每名僱員每月最高金額為1,500港元（二零一八年：1,500港元）及在向強積金計劃供款時全部歸屬於僱員。

本集團於中國成立的附屬公司的僱員參加地方市政府運作的中央退休金計劃。該等附屬公司須向中央退休金計劃按僱員基本薪資及工資的若干百分比供款，以為退休福利提供資金。地方市政府承諾承擔該等附屬公司所有現有及未來退休僱員的退休福利責任。該等附屬公司就中央退休金計劃的唯一責任為償付計劃項下規定的供款。

於二零一九年及二零一八年十二月三十一日並無定額供款計劃之已沒收供款可用。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 17. PROPERTY, PLANT AND EQUIPMENT

### 17. 物業、廠房及設備

		Furniture and fixture 傢俬及裝置 HK\$'000 千港元	Motor vehicle 汽車 HK\$'000 千港元	Mould 模具 HK\$'000 千港元	Office equipment 辦公設備 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>Cost</b>	<b>成本</b>						
At 1 January 2018	於二零一八年一月一日	34	1,149	1,280	520	12,586	15,569
Additions	添置	11	-	-	1,668	1,576	3,255
Exchange realignment	匯兌調整	(1)	-	-	(4)	(63)	(68)
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日 及二零一九年一月一日	44	1,149	1,280	2,184	14,099	18,756
<b>Additions</b>	<b>添置</b>	-	-	-	1	-	1
<b>Derecognised upon disposals of subsidiaries</b>	<b>於出售附屬公司後終止確認</b>	(34)	(1,149)	(1,280)	(419)	(12,586)	(15,468)
<b>Exchange realignment</b>	<b>匯兌調整</b>	-	-	-	-	(26)	(26)
<b>At 31 December 2019</b>	<b>於二零一九年十二月三十一日</b>	<b>10</b>	<b>-</b>	<b>-</b>	<b>1,766</b>	<b>1,487</b>	<b>3,263</b>
<b>Accumulated depreciation and impairment loss</b>	<b>累計折舊及減值虧損</b>						
At 1 January 2018	於二零一八年一月一日	34	1,149	1,280	469	12,586	15,518
Charge for the year	年內開支	1	-	-	343	251	595
Impairment losses	減值虧損	-	-	-	1,304	-	1,304
Exchange realignment	匯兌調整	-	-	-	(1)	(10)	(11)
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日 及二零一九年一月一日	35	1,149	1,280	2,115	12,827	17,406
<b>Charge for the year</b>	<b>年內開支</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>15</b>	<b>413</b>	<b>430</b>
<b>Derecognised upon disposal of subsidiaries</b>	<b>於出售附屬公司後終止確認</b>	<b>(34)</b>	<b>(1,149)</b>	<b>(1,280)</b>	<b>(419)</b>	<b>(12,586)</b>	<b>(15,468)</b>
<b>Exchange realignment</b>	<b>匯兌調整</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(11)</b>	<b>(11)</b>
<b>At 31 December 2019</b>	<b>於二零一九年十二月三十一日</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>1,711</b>	<b>643</b>	<b>2,357</b>
<b>Carrying amount</b>	<b>賬面值</b>						
<b>At 31 December 2019</b>	<b>於二零一九年十二月三十一日</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>55</b>	<b>844</b>	<b>906</b>
At 31 December 2018	於二零一八年十二月三十一日	9	-	-	69	1,272	1,350

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 18. RIGHT-OF-USE ASSETS

### 18. 使用權資產

		Leased properties 租賃物業 HK\$'000 千港元
<b>At 1 January 2019</b>	於二零一九年一月一日	<b>3,557</b>
<b>Depreciation</b>	折舊	<b>(2,778)</b>
<b>At 31 December 2019</b>	於二零一九年十二月三十一日	<b>779</b>

Lease liabilities of approximately HK\$869,000 are recognised with related right-of-use assets of approximately HK\$779,000 as at 31 December 2019. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

於二零一九年十二月三十一日，已確認租賃負債約869,000港元及相關的使用權資產約779,000港元。除出租人持有的租賃資產中的擔保權益外，租賃協議不施加任何其他契諾。租賃資產不得用作借貸擔保。

		2019 二零一九年 HK\$'000 千港元
Depreciation expenses on right-of-use assets	使用權資產之折舊開支	<b>2,778</b>
Interest expense on lease liabilities (included in finance cost)	租賃負債之利息開支(計入財務費用)	<b>106</b>

For both years, the Group leases office and staff quarters for its operations. Lease contracts are entered into for fixed term of 2 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.

於兩個年度，本集團租賃辦公室及員工宿舍用於運營。租賃合約以固定租期2年訂立。租賃條款乃在個別基礎上磋商，包括各種不同條款及條件。於釐定租期及評估不可撤回期間的長度時，本集團應用合約的定義並釐定合約可強制執行的期間。

# Notes to the Financial Statements

## 財務報表附註

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截至二零一九年十二月三十一日止年度

### 19. INTANGIBLE ASSETS

### 19. 無形資產

HK\$'000  
千港元

<b>Cost</b>	<b>成本</b>	
<b>At 1 January 2018, 31 December 2018,</b>	<b>於二零一八年一月一日、二零一八年</b>	
<b>1 January 2019 and 31 December 2019</b>	<b>十二月三十一日、二零一九年一月一日</b>	
	<b>及二零一九年十二月三十一日</b>	<b>723</b>
<b>Accumulated amortisation and impairment losses</b>	<b>累計攤銷及減值虧損</b>	
<b>At 1 January 2018, 31 December 2018,</b>	<b>於二零一八年一月一日、二零一八年</b>	
<b>1 January 2019 and 31 December 2019</b>	<b>十二月三十一日、二零一九年一月一日</b>	
	<b>及二零一九年十二月三十一日</b>	<b>723</b>
<b>Carrying amount</b>	<b>賬面值</b>	
<b>At 31 December 2019</b>	<b>於二零一九年十二月三十一日</b>	<b>–</b>
At 31 December 2018	於二零一八年十二月三十一日	–

Intangible assets represent software applications acquired from independent third parties. Such intangible assets have definite useful lives and are amortised on a straight-line basis over 5 years.

無形資產指向獨立第三方購買的軟件應用程式。有關無形資產使用年期有限及按直線基準於5年內攤銷。

### 20. INVESTMENTS IN ASSOCIATES

### 20. 於聯營公司的投資

		<b>2019</b>	2018
		<b>二零一九年</b>	二零一八年
		<b>HK\$'000</b>	HK\$'000
		<b>千港元</b>	千港元
Unlisted investments:	非上市投資：		
Share of net assets	分佔資產淨值	<b>22,416</b>	1,362
Goodwill	商譽	<b>7,963</b>	–
		<b>30,379</b>	1,362



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## 財務報表附註

For the year ended 31 December 2019  
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### 20. INVESTMENTS IN ASSOCIATES (continued)

Investments in associates represents investments in unlisted equity securities, details of the Group's associates at 31 December 2019 are as follows:

Name 名稱	Place of incorporation/ establishment 註冊成立/成立地點	Registered/ paid up capital 註冊及繳足股本	Percentage of ownership interest 擁有權益百分比		Principal activities and place of operation 主要業務及經營地點
			Direct 直接	Indirect 間接	
杭州浙豐新能源汽車 服務有限公司	The PRC, 30 November 2015	RMB100,000,000/ RMB10,000,000	25% (2018: 25%)		- Leasing of new energy cars, sale of cars and accessories etc., the PRC
杭州浙豐新能源汽車 服務有限公司	中國， 二零一五年十一月三十日	人民幣100,000,000元/ 人民幣10,000,000元	25% (二零一八年：25%)		- 租賃新能源汽車， 銷售汽車及配件等，中國
Celestial Rainbow Limited ("Celestial")	BVI, 9 June 2017	USD50,000/ USD100	46% (2018: Nil)		- Manufacturing and trading of electronic products, the PRC
Celestial Rainbow Limited ("Celestial")	英屬維爾京群島， 二零一七年六月九日	50,000美元/ 100美元	46% (二零一八年：無)		- 製造及買賣電子產品，中國

The following table shows information on the associates that are material to the Group. These associates are accounted for in the consolidated financial statements using the equity method. The summarised financial information presented is based on the financial statements of the associates.

### 20. 於聯營公司的投資(續)

於聯營公司的投資指於非上市股本證券的投資，本集團於二零一九年十二月三十一日之聯營公司詳情載列如下：

下表顯示對本集團屬重大的聯營公司的資料。該等聯營公司採用權益法於綜合財務報表入賬。所呈報的財務資料摘要乃根據聯營公司的財務報表編製。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
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### 20. INVESTMENTS IN ASSOCIATES (continued)

### 20. 於聯營公司的投資(續)

Name		杭州浙譽新能源 汽車服務有限公司	Celestial
名稱		杭州浙譽新能源 汽車服務有限公司	Celestial
Principal place of business/ Country of incorporation	主要營業地點／註冊成立國家	PRC/PRC 中國／中國	PRC/BVI 中國／英屬維爾京群島
Principal activities	主要業務	Leasing of new energy cars, sale of cars and accessories 租賃新能源汽車， 銷售汽車及配件	Manufacturing and trading of electronic products 製造及買賣電子產品
% of ownership interests/voting rights held by the Group	本集團持有的所有權權益 百分比／投票權	25%/25%	46%/46%

		2019 二零一九年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
<b>At 31 December:</b>	<b>於十二月三十一日：</b>		
Non-current assets	非流動資產	14,774	2,754
Current assets	流動資產	6,921	46,308
Non-current liabilities	非流動負債	(1,737)	—
Current liabilities	流動負債	(13,967)	(3,588)
<b>Net assets</b>	<b>資產淨值</b>	<b>5,991</b>	<b>45,474</b>
Group's share of net assets	本集團分佔資產淨值	1,498	20,918
Goodwill	商譽	—	7,963
		<b>1,498</b>	<b>28,881</b>
<b>Year ended 31 December:</b>	<b>截至十二月三十一日止年度：</b>		
Revenue	收益	5,150	33,594
Profit and total comprehensive income for the year	年內溢利及全面收入總額	647	7,852

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 21. INVESTMENT IN A JOINT VENTURE

Investment in a joint venture represents investment in unlisted equity securities, details of the Group's joint venture at 31 December 2019 are as follows:

Name 名稱	Place of incorporation 註冊成立地點	Paid up capital HK\$ 繳足股本港元	Percentage of ownership interest 擁有權益百分比		Principal activities and place of operation 主要業務及經營地點
			Direct 直接	Indirect 間接	
Millennium Pacific Electronics Limited	Hong Kong, 28 June 2019	10,000	51%	—	Trading of cosmetic products, Hong Kong
匯思太平洋電子 有限公司	香港， 二零一九年六月二十八日	10,000	51%	—	買賣化妝品，香港
			(2018: Nil)		
			(二零一八年：無)		

The Group holds 51% of the voting rights of the joint venture. The directors have determined that the Group has joint control over the Joint venture as under the contractual agreement, it appears that unanimous consent is required from all parties to the agreement for all relevant activities.

Joint venture is accounted for in the consolidated financial statements using the equity method. The summarised financial information presented below is based on the financial statements of the joint venture.

### 21. 於合營企業的投資

於合營企業的投資指於非上市股本證券的投資，本集團於二零一九年十二月三十一日的合營企業詳情如下：

本集團於合營企業持有51%投票權。董事確定，根據合約協議，本集團對合營企業有共同控制權，一切相關活動之協議均須取得所有協議方一致同意。

該合營企業採用權益法於綜合財務報表入賬。所呈報的財務資料摘要乃根據合營企業的財務報表編製。

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For the year ended 31 December 2019  
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### 21. INVESTMENT IN A JOINT VENTURE (continued)

### 21. 於合營企業的投資(續)

Name		Millennium Pacific Electronics Limited 匯思太平洋電子有限公司
名稱		
Principal place of business/Country of incorporation	主要營業地點／註冊成立國家	HK/HK 香港／香港
Principal activities	主要業務	Trading of cosmetic products 買賣化妝品
% of ownership interests/voting rights held by the Group	本集團持有的所有權權益百分比／投票權	51%/51%
		<b>2019</b> 二零一九年 <b>HK\$'000</b> 千港元
<b>At 31 December:</b>	<b>於十二月三十一日：</b>	
Current assets	流動資產	<b>2,065</b>
Current liabilities	流動負債	<b>(2,035)</b>
Net assets	資產淨值	<b>30</b>
Group's share of carrying amounts of interests	本集團分佔的權益賬面值	<b>15</b>
<b>Year ended 31 December:</b>	<b>截至十二月三十一日止年度：</b>	
Revenue	收益	<b>2,060</b>
Profit and total comprehensive income for the year	年內溢利及全面收入總額	<b>20</b>



# Notes to the Financial Statements

## 財務報表附註

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### 22. FINANCIAL ASSETS AT FVTOCI

Unlisted equity securities 非上市股本證券

Analysed as:

Non-current assets

分析為：

非流動資產

On 21 September 2018, Millennium Pacific International Group limited ("Millennium Pacific"), a directly wholly-owned subsidiary of the Company, entered into a subscription agreement with an independent third party, pursuant to which Millennium Pacific agreed to subscribe 11% equity interest of Celestial, a company established in the PRC (the "Subscription"), at a consideration of approximately HK\$9,029,000, representing 11% of the fair value of Celestial at the date of Subscription. The consideration of the Subscription was settled by allotment of 56,784,906 ordinary shares of the Company at price of HK\$0.159 per share.

On 14 November 2019, the Group completed the acquisition of additional 35% of the equity interest of Celestial. As a result of the acquisition, the Group's shareholding in Celestial increased from 11% to 46 % and therefore achieved as an associate through step-acquisition ("Step Acquisition"). The fair value of 11% equity interest of Celestial immediately prior to the Step Acquisition was remeasured based on the valuation performed by an independent firm of professional valuer and resulted a loss of fair value of approximately HK\$338,000 was recognised in other comprehensive income.

The unlisted equity investment was designated as financial assets at FVTOCI and denominated in RMB.

Fair value loss of financial assets at FVTOCI of approximately HK\$338,000 had been recognised in the other comprehensive income during the year ended 31 December 2019 (2018: Fair value gain: HK\$125,000).

### 22. 按公平值計入其他全面收入之金融資產

2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
-	8,688
-	8,688

於二零一八年九月二十一日，本公司直接全資附屬公司 Millennium Pacific International Group limited (「Millennium Pacific」) 與一名獨立第三方訂立認購協議，據此，Millennium Pacific 同意認購 Celestial (一間於中國成立之公司) 之 11% 股權 (「認購事項」)，代價約為 9,029,000 港元，相當於認購日期 Celestial 之公平值之 11%。認購事項之代價乃透過配發 56,784,906 股本公司價格為每股 0.159 港元的普通股結算。

於二零一九年十一月十四日，本集團完成收購 Celestial 的額外 35% 股權。由於進行收購事項，本集團於 Celestial 之股權由 11% 增加至 46%，因此透過逐步收購 (「逐步收購」) 成為聯營公司。於緊接逐步收購前基於獨立專業估值師行所作估值重新計量 Celestial 之 11% 股權的公平值，導致於其他全面收入確認公平值虧損約 338,000 港元。

非上市股本投資被指定為按公平值計入其他全面收入之金融資產，並以人民幣計值。

截至二零一九年十二月三十一日止年度，按公平值計入其他全面收入之金融資產公平值虧損約為 338,000 港元，並已於其他全面收入確認 (二零一八年：公平值收益：125,000 港元)。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
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### 23. INVENTORIES

Raw materials	原材料
Finished goods and merchandise	製成品及商品

### 23. 存貨

2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
217	323
384	43
<b>601</b>	<b>366</b>

At the end of reporting period, the Group's inventories were stated at cost.

於報告期末，本集團之存貨乃按成本列賬。

During the year ended 31 December 2019, allowance made in prior years against the inventories of approximately HK\$1,649,000 (2018: HK\$2,337,000) was reversed, as a result of sales of obsolete inventories.

截至二零一九年十二月三十一日止年度，由於銷售陳舊存貨，故已撥回過往年度的存貨撥備約1,649,000港元(二零一八年：2,337,000港元)。

### 24. TRADE RECEIVABLES

Trade receivables	應收賬款
Allowance for doubtful debts	呆賬撥備

### 24. 應收賬款

2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
69,025	26,839
(3,085)	(3,321)
<b>65,940</b>	<b>23,518</b>

The Group's trading terms with its major customers is either on credit or to provide the Group with irrecoverable letters of credit issued by reputable banks, with terms within 60 to 90 days (2018: 60 to 90 days). The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the directors.

本集團與其主要客戶的貿易條款為賒賬或向本集團提供信譽良好的銀行所發行期限為60至90日(二零一八年：60至90日)以內的不可收回信用證。本集團務求對未償還應收款項進行嚴格控制。逾期結餘由董事定期審閱。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 24. TRADE RECEIVABLES (continued)

An ageing analysis of the Group's trade receivables, based on the invoice date is as follows:

0–30 days	0至30日
31–60 days	31至60日
61–90 days	61至90日
Over 90 days	90日以上

As of 31 December 2019, trade receivables of approximately HK\$20,118,000 (2018: HK\$3,984,000) were past due but not impaired. These trade receivables related to customers for whom there was no recent history of default. The ageing analysis of these trade receivables, based on due date, is as follows:

0–30 days	0至30日
31–60 days	31至60日
Over 60 days	60日以上

The Group does not charge interest or hold any collateral over these balances.

The Group applied simplified approach to provide the ECL as prescribed by HKFRS 9. The impairment methodology is set out in notes 4(y) and 6(b) to the consolidated financial statements.

As part of the Group's credit risk management, the Group assesses the impairment for its customers based on different group of customers which share common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. Details of the credit risk assessment are included in note 6(b) to the consolidated financial statements.

The directors of the Company are of the opinion that there is no significant increase of credit risk regarding the outstanding balances of trade receivables over due for over 60 days as at 31 December 2018 and 2019, after carefully considered (i) the payment patterns and credit history of these customers; and (ii) the amounts due were substantially recovered shortly subsequent to the end of the reporting periods.

### 24. 應收賬款(續)

本集團按發票日期計算的應收賬款的賬齡分析如下：

2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
40,269	18,883
2,501	651
3,052	–
20,118	3,984
65,940	23,518

截至二零一九年十二月三十一日，應收賬款約20,118,000港元(二零一八年：3,984,000港元)已逾期但未減值。該等應收賬款與並無近期違約紀錄的客戶有關。該等應收賬款按到期日計的賬齡分析如下：

2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
834	–
2,838	307
16,446	3,677
20,118	3,984

本集團並無就該等結餘收取利息或持有任何抵押品。

本集團根據香港財務報告準則第9號規定採用簡化方法以提供預期信貸虧損。減值方法載於綜合財務報表附註4(y)及6(b)。

作為本集團信貸風險管理的一部分，本集團根據共享共同風險特徵的不同客戶群就其客戶評估減值，而該等風險特徵代表客戶根據合約條款悉數付款的能力。有關信貸風險評估的詳情載於綜合財務報表附註6(b)。

經周祥考慮(i)該等客戶之付款方式及信貸記錄；及(ii)到期款項大部分已於報告期末後迅速收回，本公司董事認為截至二零一八年及二零一九年十二月三十一日，逾期超過60天之應收賬款未償還結餘之信貸風險並無大幅增加。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
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### 24. TRADE RECEIVABLES (continued)

Lifetime ECL that has been recognised in accordance with simplified approach set out in HKFRS 9 is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At beginning of year	於年初	3,321	3,321
Impairment losses recognised for the year	年內的確認減值虧損	3,085	–
Derecognised upon disposals of subsidiaries	於出售附屬公司時終止確認	(3,321)	–
End of year	於年末	3,085	3,321

The carrying amounts of the Group's trade receivables at the end of reporting period are denominated in the following currencies:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
HK\$	港元	50,521	4
US\$	美元	12,312	3,650
RMB	人民幣	3,107	19,864
		65,940	23,518

### 24. 應收賬款 (續)

根據香港財務報告準則第9號所載的簡化方法確認的全期預期信貸虧損如下：

本集團於報告期末的應收賬款的賬面值以下列貨幣計值：

### 25. OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Deposits	按金	6,612	1,754
Other receivables	其他應收款項	1,795	170
Amount due from a director of a subsidiary (note (a))	應收一間附屬公司之 一名董事款項(附註(a))	2,362	–
Prepayments	預付款項	2,440	8,854
		13,209	10,778

Note:

(a) The amount due is unsecured, interest free and repayable on demand.

附註：

(a) 應收款項為無抵押、免息及須按要求時償還。



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 26. BANK AND CASH BALANCES

At the end of reporting period, the bank and cash balances of the Group are denominated in the following currencies:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
HK\$	港元	56	341
RMB	人民幣	1,329	1,683
US\$	美元	80	1
		<b>1,465</b>	<b>2,025</b>

Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations. Exchange of RMB into other currencies is permitted through bank authorised to conduct exchange business.

### 26. 銀行及現金結餘

於報告期末，本集團的銀行及現金結餘按下列貨幣計值：

人民幣兌換為外幣須受中華人民共和國外匯管制條例及結匯、售匯及付匯外匯條例規限。人民幣可通過獲授權進行匯兌業務的銀行兌換為外幣。

### 27. TRADE PAYABLES

An ageing analysis of the Groups trade payables, based on the invoice date is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
0-30 days	0至30日	35,848	—
31-60 days	31至60日	2,464	15,455
61-90 days	61至90日	3,786	—
Over 90 days	90日以上	3,570	2,141
		<b>45,668</b>	<b>17,596</b>

### 27. 應付賬款

本集團按發票日期計算的應付賬款的賬齡分析如下：

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## 財務報表附註

For the year ended 31 December 2019  
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### 27. TRADE PAYABLES (continued)

The carrying amounts of the Group's trade payables at the end of reporting period are denominated in the following currencies:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
HK\$	港元	35,783	2
RMB	人民幣	66	15,870
US\$	美元	9,819	1,724
		45,668	17,596

### 28. OTHER PAYABLES, DEPOSITS RECEIVED AND ACCRUED EXPENSES

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Deposits received from customers	已收客戶訂金	1,783	1,885
Accruals for operations	經營應計項目	1,180	2,773
Accruals for staff costs	應計員工成本	578	1,374
Amounts due to a director of a subsidiary (note (a))	應付一間附屬公司之 一名董事款項(附註(a))	–	1,884
VAT payable	應付增值稅	1,969	–
Others	其他	1,085	1,113
		6,595	9,029

Note:

(a) The amount due is unsecured, interest free and repayable on demand.

### 27. 應付賬款(續)

本集團於報告期末的應付賬款的賬面值以下列貨幣計值：

### 28. 其他應付款項、已收訂金及應計費用

附註：

(a) 應收款項為無抵押、免息及須按時償還。

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## 財務報表附註

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### 29. CONVERTIBLE BONDS

The convertible bonds were issued on 5 March 2019. The bonds are convertible into ordinary shares of the Company at any time between the date of issue of the bonds and 26 February 2021. The bonds are convertible to an aggregated of 55,555,555 ordinary shares of the Company at HK\$0.36 per share (being adjusted for the share consolidation as detailed in note 33(b)).

If the bonds are not converted, they will be redeemed at par on 5 March 2021. Interest of 4% per annum will be settled with the outstanding principal at the maturity date.

The net proceeds received from the issue of the convertible bonds have been split between the liability element and an equity component, as follows:

### 29. 可換股債券

可換股債券於二零一九年三月五日發行。債券可於債券發行日期至二零二一年二月二十六日之間隨時兌換為本公司普通股。債券可按每股0.36港元(就股份合併作出調整，詳情見附註33(b))兌換為合共55,555,555股本公司普通股。

倘債券未獲兌換，其將於二零二一年三月五日按面值贖回。每年將按未償還本金4%之利息於到期日結算。

發行可換股債券之已收所得款項淨額已於負債部分及權益部分之間作出分配如下：

		2019 二零一九年 HK\$'000 千港元
Nominal value of convertible bonds issued	已發行可換股債券的面值	20,000
Equity component	權益部分	(2,650)
Liability component at date of issue	於發行日期之負債部分	17,350
Interest charged (note 10)	收取的利息(附註10)	1,584
Liability component at 31 December 2019	於二零一九年十二月三十一日之負債部分	18,934

The interest charged for the year is calculated by applying an effective interest rate of 11.58% to the liability component for the 24 months period since the bonds were issued.

年內收取的利息按自債券發行起24個月期間應用於負債部分之實際利率11.58%計算。

# Notes to the Financial Statements

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### 30. LEASE LIABILITIES

		Minimum lease payments 最低租賃款項		Present value of minimum lease payments 最低租賃款項之現值	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 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
Payables within one year	一年內的應付款項	900	–	869	–
Less: Future finance charges	減：未來融資費用	(31)	–	N/A 不適用	N/A 不適用
Present value of lease obligations	租賃責任之現值	869	–	869	–
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：於12個月內到期之款項 (於流動負債下列示)			(869)	–
Amount due for settlement after 12 months	於12個月後到期之款項			–	–

All finance lease payables are denominated in HK\$.

The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. Further details on the impact of the transition to HKFRS 16 are set out in note 3.

### 31. AMOUNTS DUE TO DIRECTORS

As at 31 December 2018, amounts due to directors are unsecured, interest-free and repayable on demand or due less than one year. However, the Group had received written consents from the directors that they will not demand for repayment for the entire outstanding amounts due by the Group until the Group is financially capable to do so.

The directors of the Company are of the opinion that the above amounts due to directors constitutes continuing connected transactions as defined in Chapter 20 of the GEM Listing Rules but fully exempted pursuant to Rule 20.88 of the GEM Listing Rules as the Company has fulfilled the relevant requirements.

### 30. 租賃負債

		Minimum lease payments 最低租賃款項		Present value of minimum lease payments 最低租賃款項之現值	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 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
Payables within one year	一年內的應付款項	900	–	869	–
Less: Future finance charges	減：未來融資費用	(31)	–	N/A 不適用	N/A 不適用
Present value of lease obligations	租賃責任之現值	869	–	869	–
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：於12個月內到期之款項 (於流動負債下列示)			(869)	–
Amount due for settlement after 12 months	於12個月後到期之款項			–	–

所有融資租賃款項均以港元計值。

本集團已透過採用經修訂追溯法首次應用香港財務報告準則第16號，並調整於二零一九年一月一日的期初結餘以就先前根據香港會計準則第17號分類為經營租賃的有關租賃確認租賃負債。過渡至香港財務報告準則第16號的影響的進一步詳情載於附註3。

### 31. 應付董事款項

於二零一八年十二月三十一日，應付董事款項為無抵押、免息及須於要求時償還或一年內到期。然而，本集團已收到董事的書面同意，彼等將不會要求本集團償還應付的全部未償還款項，直至本集團財政上有能力償還為止。

本公司董事認為，上述應付董事款項構成GEM上市規則第20章所界定的持續關連交易，惟根據GEM上市規則第20.88條獲全面豁免，因為本公司已符合相關規定。

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### 32. DEFERRED TAXATION

At the end of the reporting period, the Group has unused tax losses of approximately HK\$15,854,000 (2018: HK\$20,050,000) that are available for offsetting against future taxable profits. Deferred tax assets have not been recognised in respect of these losses due to unpredictability of future profit streams. Included in unrecognised tax losses are losses HK\$3,113,000 (2018: HK\$8,939,000) that will expire in 5 years from 2019 to 2023. Other tax losses may be carried forward indefinitely.

Under the Law of the PRC on EIT, a withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards.

As at 31 December 2019 and 2018, deferred taxation has not been provided in the financial statements in respect of temporary difference attributable to profits earned by the Group's PRC subsidiaries since 1 January 2008 as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary difference will not reverse in the foreseeable future.

### 32. 遞延稅項

於報告期末，本集團未動用的約15,854,000港元（二零一八年：20,050,000港元）的稅項虧損用作抵銷未來應課稅溢利。就該等虧損並無確認遞延稅項資產，乃由於未來溢利來源的不可預測性。計入未確認的稅項虧損的3,113,000港元（二零一八年：8,939,000港元）虧損，將於二零一九年至二零二三年五年間屆滿。其他稅項虧損可能無限期結轉。

根據中國企業所得稅法，就中國附屬公司於二零零八年一月一日以後賺取的溢利宣派的股息徵收預扣稅。

於二零一九年及二零一八年十二月三十一日，就本集團中國附屬公司自二零零八年一月一日起賺取的溢利應佔暫時差額於財務報表內並無計提遞延稅項，乃由於本集團能控制暫時差額撥回的時間及暫時差額可能不會於可見未來撥回。

### 33. SHARE CAPITAL

### 33. 股本

		Number of shares 股份數目		HK\$'000 千港元
		At HK\$0.0002 per share 按每股0.0002港元	At HK\$0.0016 per share 按每股0.0016港元	
<b>Authorised</b>	法定			
At 1 January 2018, 31 December 2018 and 1 January 2019	於二零一八年一月一日、二零一八年十二月三十一日及二零一九年一月一日	50,000,000,000	-	10,000
Effect of share consolidation (note b)	股份合併之影響(附註b)	(50,000,000,000)	6,250,000,000	-
<b>At 31 December 2019</b>	於二零一九年十二月三十一日	-	6,250,000,000	10,000
<b>Issued</b>	已發行			
At 1 January 2018	於二零一八年一月一日	5,497,800,000	-	1,100
Ordinary shares issued to subscribe financial assets at FVTOCI (note (a))	認購按公平值計入其他全面收益之金融資產而發行之普通股(附註(a))	56,784,906	-	11
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	5,554,584,906	-	1,111
Share consolidation (note (b))	股份合併(附註(b))	(5,554,584,906)	694,323,113	-
Placing of new shares (note (c))	配售新股份(附註(c))	-	74,784,000	120
Ordinary shares issued to subscribe for an associate (note (d))	認購一間聯營公司而發行之普通股(附註(d))	-	122,767,857	196
<b>At 31 December 2019</b>	於二零一九年十二月三十一日	-	891,874,970	1,427



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### 33. SHARE CAPITAL (continued)

Notes:

- (a) On 21 September 2018, the Company allotted 56,784,906 ordinary shares of HK\$0.0002 each at price of HK\$0.159 per share under general mandate as consideration to subscribe 11% equity interest of Celestial which designated at financial assets at FVTOCI, the premium on the issue of shares, amounting to approximately HK\$9,017,000, was credited to the Company's share premium account.
- (b) Consolidation of every eight (8) existing issued and unissued ordinary shares of par value of HK\$0.0002 each ("Old Share") in the share capital of the Company into one (1) consolidated share of par value of HK\$0.0016 each ("Consolidated Share") pursuant to the share consolidation (as detailed in the circular dated 25 April 2019 of the Company) which took effect on 19 May 2019.
- (c) On 28 June 2019, an aggregate of 74,784,000 new shares were issued upon completion of the placing pursuant to the placing agreement entered into by the Company and the placing agent, ChaoShang Securities Limited, on 17 June 2019, at the placing price of HK\$0.124 per placing share. The premium on the issue of shares, amounting to approximately HK\$8,829,000, net of shares issued expenses, was credited to the Company's share premium account.
- (d) On 14 November 2019, the Company completed the subscription agreement of 35% equity interest of Celestial and allotted an aggregate of 122,767,857 shares of the Company ("Consideration Shares") at HK\$0.224 per share as consideration to the vendor. Details are set out in the announcements of the Company dated 24 May 2019, 9 August 2019, 29 August 2019, 14 October 2019 and 14 November 2019 and the circular of the Company dated 25 September 2019.

The fair value of Consideration Shares issued was based on the closing price of the Company's shares as at the completion date, which was HK\$0.139 per share.

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maximise the return to the shareholders through the optimisation of the debt and equity balance. The capital structure of the Group comprises all components of shareholders' equity.

The Group reviews the capital structure frequently by considering the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debts, redemption of existing debts or selling assets to reduce debts. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2019 and 2018.

The only externally imposed capital requirement is that for the Group to maintain its listing on the Stock Exchange it has to have a public float of at least 25% of the shares. The Group receives a report from the share registrars weekly on substantial share interests showing the non-public float and it demonstrates continuing compliance with the 25% limit from the date of the Listing. As of 31 December 2019, approximately 66% (2018: 42%) of the shares were in public hands.

### 33. 股本(續)

附註:

- (a) 於二零一八年九月二十一日,本公司根據一般授權按每股面值0.159港元之價格配發56,784,906股每股面值0.0002港元之普通股,作為認購Celestial之11%股權的代價,有關款項被指定為按公平值計入其他全面收益之金融資產,發行股份之溢價金額約為9,017,000港元,並已計入本公司之股份溢價賬。
- (b) 根據於二零一九年五月十九日生效的股份合併(詳見本公司日期為二零一九年四月二十五日的通函),將每八(8)股本公司股本中每股面值0.0002港元之現有已發行及未發行普通股(「舊股份」)合併為一(1)股每股面值0.0016港元之合併股份(「合併股份」)。
- (c) 於二零一九年六月二十八日,根據本公司與配售代理潮商證券有限公司於二零一九年六月十七日所訂立配售協議完成配發後,發行合共74,784,000股新股份,配售價為每股配發股份0.124港元。發行股份之溢價金額約8,829,000港元(經扣除股份發行開支)已計入本公司之股份溢價賬。
- (d) 於二零一九年十一月十四日,本公司完成認購Celestial 35%股權,並按每股股份0.224港元向賣方配發122,767,857股本公司股份(「代價股份」)作為代價。詳情載於本公司日期為二零一九年五月二十四日、二零一九年八月九日、二零一九年八月二十九日、二零一九年十月十四日及二零一九年十一月十四日之公告以及本公司日期為二零一九年九月二十五日之通函。

已發行代價股份之公平值乃基於本公司於完成日期之股份收市價,即每股0.139港元。

本集團管理資本的目標為保障本集團持續經營的能力及透過優化債務及股本結餘而為股東謀求最大回報。本集團資本架構包括股東權益的所有組成元素。

本集團透過考慮資本成本及與每類資本相關的風險經常審查資本架構。本集團將會透過支付股息、發行新股及股份購回以及發行新債務、贖回現有債務或出售資產以減少債務等方式平衡其整體資本架構。截至二零一九年及二零一八年十二月三十一日止年度,資本管理的目標、政策或流程概無變動。

本集團維持其於聯交所上市地位之唯一外部施加之資本要求為,本集團須保持至少25%股份為公眾持股量。本集團每週接獲股份過戶登記處發出列示非公眾持股量之重大股份權益報告,該報告顯示本集團自上市日期以來持續遵守25%之限額。於二零一九年十二月三十一日,本集團有約66%(二零一八年:42%)股份由公眾股東持有。

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For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 34. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

### 34. 本公司之財務狀況表

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
<b>Non-current assets</b>	<b>非流動資產</b>		
Property, plant and equipment	物業、廠房及設備	11	12
Right-of-use assets	使用權資產	779	–
Investment in a subsidiary	於附屬公司之投資	–	–
		<b>790</b>	12
<b>Current assets</b>	<b>流動資產</b>		
Prepayments and other receivables	預付款項及其他應收款項	1,109	1,174
Amounts due from subsidiaries	應收附屬公司款項	31,748	25,978
Bank and cash balances	銀行及現金結餘	53	104
		<b>32,910</b>	27,256
<b>Current liabilities</b>	<b>流動負債</b>		
Other payables and accrued expenses	其他應付款項及應計費用	4,969	1,829
Amount due to a director	應付一名董事款項	–	8,938
Amounts due to subsidiaries	應付附屬公司款項	8,024	8,024
Convertible bonds	可換股債券	18,934	–
Lease liabilities	租賃負債	869	–
		<b>32,796</b>	18,791
<b>Net current assets</b>	<b>流動資產淨值</b>	<b>114</b>	8,465
<b>NET ASSETS</b>	<b>資產淨值</b>	<b>904</b>	8,477
<b>Capital and reserves</b>	<b>股本及儲備</b>		
Share capital	股本	1,427	1,111
Reserves	儲備	(523)	7,366
<b>TOTAL EQUITY</b>	<b>權益總額</b>	<b>904</b>	8,477

Approved and authorised for issue by the Board of Directors on 29 April 2020.

由董事會於二零二零年四月二十九日批准及授權刊發。

**Zhou Chuang Qiang**  
周創強  
Director  
董事

**Wu Yong Fu**  
吳永富  
Director  
董事

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## 財務報表附註

For the year ended 31 December 2019  
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### 35. RESERVES

#### (a) Group

The amounts of the Group's reserves and movements therein are presented in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity.

#### (b) Company

### 35. 儲備

#### (a) 本集團

本集團的儲備及其中的變動在綜合損益及其他全面收益表及綜合權益變動表內呈列。

#### (b) 本公司

		Share premium (note 35(c)(i))	Option reserve (note 35(c)(vi))	Contributed surplus (note 35(c)(viii))	Equity component of convertible (note 35(c)(vi)) 可換股債券之 權益部分 (附註35(c)(vi))	Accumulated losses	Total
		股份溢價 (附註35(c)(i)) HK\$'000 千港元	購股權儲備 (附註35(c)(vi)) HK\$'000 千港元	繳入盈餘 (附註35(c)(viii)) HK\$'000 千港元	可換股債券之 權益部分 (附註35(c)(vi)) HK\$'000 千港元	累計虧損 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	62,627	15,565	29,764	-	(100,065)	7,891
Ordinary shares issued to subscribe financial assets at FVTOCI	認購按公平值計入其他全面收入之金融資產而發行之普通股	9,017	-	-	-	-	9,017
Recognition of share-based payments	確認以股份為基礎的付款	-	21,016	-	-	-	21,016
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	-	-	-	(30,558)	(30,558)
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	71,644	36,581	29,764	-	(130,623)	7,366
Effect of adoption of HKFRS16 (net of tax)	應用香港財務報告準則第16號的影響(扣除稅項)	-	-	-	-	(39)	(39)
At 1 January 2019 (as restated)	於二零一九年一月一日(經重列)	71,644	36,581	29,764	-	(130,662)	7,327
Placing of new shares (net of share issue expenses)	配售新股份(扣除股份發行開支)	8,829	-	-	-	-	8,829
Issue of convertible bonds	發行可換股債券	-	-	-	2,650	-	2,650
Recognition of share-based payments	確認以股份為基礎的付款	-	9,253	-	-	-	9,253
Transfer of share option reserve upon cancellation of share options	於註銷購股權時轉撥購股權儲備	-	(43,785)	-	-	43,785	-
Acquisition of an associate	收購一間聯營公司	16,869	-	-	-	-	16,869
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	-	-	-	(45,451)	(45,451)
At 31 December 2019	於二零一九年十二月三十一日	97,342	2,049	29,764	2,650	(132,328)	(523)

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## 財務報表附註

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### 35. RESERVES (continued)

#### (c) Nature and purpose of reserves

##### (i) Share premium

Under the Companies Law of the Cayman Islands, the funds in the share premium account of the Company are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

Share premium represents premium arising from the issue of shares at a price in excess of their par value per share and after deduction of capitalisation issue and issuance costs of shares.

##### (ii) Statutory reserve

In accordance with the PRC Company Law and the Group's PRC subsidiaries' articles of association, the Group's PRC subsidiaries are required to allocate 10% of its profit after tax as determined in accordance with the relevant accounting principles and financial regulations applicable to PRC companies to the statutory reserve until such reserve reaches 50% of the registered capital. The appropriation to the reserve must be made before any distribution of dividends to equity holders. The statutory surplus reserve can be used to offset previous years' losses, if any, and part of the statutory surplus reserve can be capitalised as paid-in capital provided that the amount of such reserve remaining after the capitalisation shall not be less than 25% of the paid-in capital of the Group's subsidiaries.

##### (iii) Merger reserve

The merger reserve represents the difference between the nominal value of the share capital and share premium of Central Pacific International Group Limited ("**Central Pacific International**") amounted to HK\$10,300,000 and HK\$2,100,000 respectively at the date on which it was acquired by Millennium Pacific, over the nominal value of 1,000 shares issued by the Company pursuant to the Group Reorganisation for the purpose of the Listing (the "**Group Reorganisation**").

The amount of merger reserve was credited to accumulated losses of the Company, following the disposals of subsidiaries as detailed in note 38(b) to the consolidated financial statements.

### 35. 儲備(續)

#### (c) 儲備的性質及宗旨

##### (i) 股份溢價

根據開曼群島公司法，本公司股份溢價賬之資金可供分派予本公司股東，惟緊隨建議分派股息日期後，本公司須有能力償還其於日常業務過程中已到期之債務。

股份溢價指按超出每股股份面值之價格發行股份，並扣除資本化發行及股份發行成本後產生之溢價。

##### (ii) 法定儲備

根據中國公司法及本集團中國附屬公司的公司組織章程細則，本集團中國附屬公司須按照有關會計政策及中國公司適用的財務條例所釐定的撥付10%稅後溢利至法定儲備，直至該儲備達到註冊資本的50%。向儲備的撥款必須在向權益股東分派股息之前作出。法定盈餘儲備可用作抵銷過往年度的虧損(如有)，部分法定盈餘儲備可被撥充資本為實繳資本，惟撥充資本後剩餘的該項儲備金額不得低於本集團旗下各附屬公司實繳股本的25%。

##### (iii) 合併儲備

合併儲備指中匯環球集團有限公司(「**中匯環球集團**」)獲Millennium Pacific收購當日其股本面值10,300,000港元及股份溢價2,100,000港元分別與本公司根據本集團就上市而進行之重組(「**集團重組**」)發行1,000股股份的面值之間的差額。

合併儲備之金額於出售附屬公司後計入本公司累計虧損，詳情見綜合財務報表附註38(b)。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
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### 35. RESERVES (continued)

#### (c) Nature and purpose of reserves (continued)

##### (iv) Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 4(d)(iii) to the financial statements.

##### (v) Option reserve

Option reserve represents the fair value of the actual or estimated number of unexercised share options granted to employees of the Company recognised in accordance with the accounting policy adopted for equity-settled share-based payments in note 4(s) to the financial statements.

##### (vi) Equity component of convertible bonds

The equity component of convertible bonds represents the value of the unexercised equity component of convertible bonds issued by the Company recognised in accordance with the accounting policy adopted for convertible bonds in note 4(n) to the financial statements.

##### (vii) Financial assets at FVTOCI reserve

The financial assets at FVTOCI reserve comprises the cumulative net change in the fair value of financial assets at FVTOCI held at the end of the reporting period and is dealt with in accordance with the accounting policy in note 4(j) to the consolidated financial statements.

##### (viii) Contributed surplus

The contributed surplus of the Company represented the excess of the consideration of Central Pacific International at the date on which it was acquired by Millennium Pacific, over the nominal value of 1,000 shares issued by the Company pursuant to the Group Reorganisation.

### 35. 儲備 (續)

#### (c) 儲備的性質及宗旨 (續)

##### (iv) 外幣換算儲備

外幣換算儲備包括因換算海外業務財務報表而產生的所有外匯差額。儲備按照財務報表附註4(d)(iii)內載列的會計政策處理。

##### (v) 購股權儲備

購股權儲備指授予本公司僱員之未行使購股權之實際或估計數目之公平值，其按照財務報表附註4(s)就以權益結算以股份為基礎的付款而採納之會政策確認。

##### (vi) 可換股債券之權益部分

可換股債券之權益部分指本公司所發行可換股債券之未行使權益部分之價值，其已按照財務報表附註4(n)所載就可換股債券採納之會計政策確認。

##### (vii) 按公平值計入其他全面收益之金融資產儲備

按公平值計入其他全面收益之金融資產儲備包括於報告期末持有的按公平值計入其他全面收益之金融資產公平值的累計淨變動，並根據綜合財務報表附註4(j)的會計政策處理。

##### (viii) 繳入盈餘

本公司的繳入盈餘指中匯環球集團獲Millennium Pacific收購當日的代價超過本公司根據集團重組發行1,000股股份的面值的部分。



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### 36. SHARE-BASED PAYMENTS

#### Equity-settled share option scheme

On 20 June 2014, written resolution of the shareholders of the Company was passed to conditionally approve and adopt two share option schemes namely, Pre-IPO Share Option Scheme (“**Pre-IPO Share Option Scheme**”) and Share Option Scheme (“**Share Option Scheme**”) to recognise and motivate the contributions that eligible participants have made or may make to the Group. The Pre-IPO Share Option Scheme was valid and effective for a period commencing from 20 June 2014 to the date immediately prior to the Listing of the Company (i.e. 17 July 2014), after which no further option to be granted, but the provisions of the Pre-IPO Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any options granted prior thereto or otherwise as may be required in accordance with the provisions of the Pre-IPO Share Option Scheme.

The Share Option Scheme adopted by the Company on 20 June 2014 will remain in force for a period of ten years from its effective date to 19 June 2024.

Particulars of the Pre-IPO Share Option Scheme and Share Option Scheme of the Company are set out in Appendix IV to the Company's prospectus dated 27 June 2014.

Pursuant to a resolution of the board of directors passed on 19 December 2017, it was resolved to grant an aggregate of 500,000,000 share options to three directors and seven employees under the Share Option Scheme, to subscribe for shares of the Company at an exercise price of HK\$0.1632 per option (the “**2017 Options**”). The 2017 Options were outstanding and not yet exercised as at 31 December 2018. As a result of the Share Consolidation, the exercise price of 2017 Options had been adjusted from HK\$0.1632 per Old Share to HK\$1.3056 per Consolidated Share and the number of the shares of the Company to be issued upon exercise of 2017 Options that are remained outstanding has been adjusted from 500,000,000 Old Shares to 62,500,000 Consolidated shares.

### 36. 以股份為基礎的付款 以權益結算購股權計劃

於二零一四年六月二十日，本公司股東通過書面決議案，有條件批准及採納兩項購股權計劃，即上市前購股權計劃（「**上市前購股權計劃**」）及購股權計劃（「**購股權計劃**」），以認可及鼓勵合資格參與者曾對或可能會對本集團作出之貢獻。上市前購股權計劃自二零一四年六月二十日起至緊接本公司上市前一日（即二零一四年七月十七日）止期間有效及生效，其後概無進一步授出購股權，惟上市前購股權計劃條文仍具十足效力及效用，以致使先前或其他可能按規定根據上市前購股權計劃條文授出的任何購股權有效行使而言屬必要者為限。

本公司已於二零一四年六月二十日採納購股權計劃，自計劃生效日期起計10年內有效，並將於二零二四年六月十九日屆滿。

本公司之上市前購股權計劃及購股權計劃之詳情載於本公司日期為二零一四年六月二十七日之招股章程附錄四。

根據董事會於二零一七年十二月十九日通過的決議案，議決根據購股權計劃向三名董事及七名僱員授出合共500,000,000份購股權，以按行使價每份購股權0.1632港元認購本公司股份（「**二零一七年購股權**」）。於二零一八年十二月三十一日，二零一七年購股權已發行但尚未行使。由於股份合併，二零一七年購股權的行使價已由每股舊股份0.1632港元調整至每股合併股份1.3056港元，而於行使尚未行使的二零一七年購股權時將予發行的本公司股份數目已由500,000,000股舊股份調整至62,500,000股合併股份。

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### 36. SHARE-BASED PAYMENTS (continued) Equity-settled share option scheme (continued)

Pursuant to a resolution of the board of directors passed on 4 June 2019, it was resolved to cancel an aggregate of 62,500,000 2017 Options, and to grant an aggregate of 68,720,000 new share options with exercise price of HK\$0.2412 per share ("2019 Options") entitling the directors and employees to subscribe for 68,720,000 shares of the Company. Detail of the Company's share options are set out below:

### 36. 以股份為基礎的付款(續) 以權益結算購股權計劃(續)

根據董事會於二零一九年六月四日通過的決議案，議決註銷合共62,500,000股二零一七年購股權，按行使價每股0.2412港元授出合共68,720,000份賦予董事及僱員權利認購本公司68,720,000股股份的新購股權(「二零一九年購股權」)。有關本公司購股權之詳情載於下文：

Name of grantee	Date of grant of the options during the reporting period	On 1 January 2019 於 二零一九年 一月一日	Share consolidation	Granted during the reporting period	No. of share options expired/ lapsed/ cancelled during the year 年內過期/ 失效/註銷之 購股權數目	On 31 December 2019 於二零一九年 十二月三十一日	Vesting period	Exercise period	Exercise price per share option (note 1) 每份購股權 行使價 (附註1) HK\$ 港元
Wu Yong Fu 吳永富	4 June 2019 (A) 二零一九年六月四日 (A)	-	-	6,756,000	-	6,756,000	N/A 不適用	4 June 2019 to 3 June 2029 二零一九年六月四日至 二零二九年六月三日	0.2412
Chong Yu Keung 莊儒強	19 December 2017 二零一七年十二月十九日	54,000,000	(47,250,000)	-	(6,750,000)	-	N/A 不適用	19 December 2017 to 18 December 2027 二零一七年十二月十九日至 二零二七年十二月十八日	1.3056 (restated) (經重列)
	4 June 2019 (A) 二零一九年六月四日 (A)	-	-	6,756,000	-	6,756,000	N/A 不適用	4 June 2019 to 3 June 2029 二零一九年六月四日至 二零二九年六月三日	0.2412
Liu Liang 劉亮	19 December 2017 二零一七年十二月十九日	54,000,000	(47,250,000)	-	(6,750,000)	-	N/A 不適用	19 December 2017 to 18 December 2027 二零一七年十二月十九日至 二零二七年十二月十八日	1.3056 (restated) (經重列)
	4 June 2019 (A) 二零一九年六月四日 (A)	-	-	6,756,000	(6,756,000)	-	N/A 不適用	4 June 2019 to 3 June 2029 二零一九年六月四日至 二零二九年六月三日	0.2412
Wu Jin Sheng 吳晉生	19 December 2017 二零一七年十二月十九日	54,000,000	(47,250,000)	-	(6,750,000)	-	N/A 不適用	19 December 2017 to 18 December 2027 二零一七年十二月十九日至 二零二七年十二月十八日	1.3056 (restated) (經重列)
		162,000,000	(141,750,000)	20,268,000	(27,006,000)	13,512,000			

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### 36. SHARE-BASED PAYMENTS (continued) Equity-settled share option scheme (continued)

### 36. 以股份為基礎的付款 (續) 以權益結算購股權計劃 (續)

Name of grantee	Date of grant of the options during the reporting period	On 1 January 2019	Share consolidation	Granted during the reporting period	No. of share options expired/ lapsed/ cancelled during the year	On 31 December 2019	Vesting period	Exercise period	Exercise price per share option (note 1)
承授人姓名	授出日期	於二零一九年一月一日	股份合併	報告期內授出	年內過期/失效/註銷之購股權數目	於二零一九年十二月三十一日	歸屬期	行使期	每份購股權行使價 (附註1)
									HK\$ 港元
Employees 僱員	19 December 2017 二零一七年十二月十九日	169,000,000	(147,875,000)	-	(21,125,000)	-	19 December 2017 to 19 December 2018 二零一七年十二月十九日至 二零一八年十二月十九日	20 December 2018 to 19 December 2027 二零一八年十二月二十日至 二零二七年十二月十九日	1.3056 (restated) (經重列)
	4 June 2019 (B) 二零一九年六月四日 (B)	-	-	24,226,000	-	24,226,000	4 June 2019 to 3 June 2020 二零一九年六月四日至 二零二零年六月三日	4 June 2020 to 3 June 2029 二零二零年六月四日至 二零二九年六月三日	0.2412
Employees 僱員	19 December 2017 二零一七年十二月十九日	169,000,000	(147,875,000)	-	(21,125,000)	-	19 December 2017 to 19 December 2019 二零一七年十二月十九日至 二零一九年十二月十九日	20 December 2019 to 19 December 2027 二零一九年十二月二十日至 二零二七年十二月十九日	1.3056 (restated) (經重列)
	4 June 2019 (C) 二零一九年六月四日 (C)	-	-	24,226,000	-	24,226,000	4 June 2019 to 3 June 2020 二零一九年六月四日至 二零二零年六月三日	4 June 2021 to 3 June 2029 二零二一年六月四日至 二零二九年六月三日	0.2412
		338,000,000	(295,750,000)	48,452,000	(42,250,000)	48,452,000			
Total 總計		500,000,000	(437,500,000)	68,720,000	(69,256,000)	61,964,000			

Note 1: As a result of the Share Consolidation, the exercise price of 2017 Options had been adjusted from HK\$0.1632 per Old Share to HK\$1.3056 per Consolidated Share.

附註1：由於股份合併，二零一七年購股權的行使價已由每股舊股份0.1632港元調整至每股合併股份1.3056港元。

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### 36. SHARE-BASED PAYMENTS (continued) Equity-settled share option scheme (continued)

Movements in the number of share options outstanding and their related weighted average exercise price as follows:

### 36. 以股份為基礎的付款(續) 以權益結算購股權計劃(續)

未行使購股權數目及其相關加權平均行使價之變動如下：

		2019 二零一九年		2018 二零一八年	
		Number of options 購股權數目	Weighted average exercise price 加權平均 行使價 HK\$ 港元	Number of options 購股權數目	Weighted average exercise price 加權平均 行使價 HK\$ 港元
Outstanding at the beginning of the year	於年初未行使	500,000,000	0.1632	500,000,000	0.1632
Adjustment due to share consolidation	因股份合併作出的調整	(437,500,000)	0.1632	—	—
Granted during the year	年內授予	68,720,000	0.2412	—	—
Expired/lapsed/cancelled during the year	於年內過期／失效／註銷	(69,256,000)	1.2018	—	—
Outstanding at the end of the year	於年末未行使	61,964,000	0.2412	500,000,000	0.1632
Exercisable at the end of the year	於年末可行使	13,512,000	0.2412	331,000,000	0.1632

As at 31 December 2019, options to subscribe for a total of 61,964,000 option shares were still outstanding under the Share Option Scheme which represents approximately 6.95% of the issued ordinary shares of the Company.

於二零一九年十二月三十一日，根據購股權計劃可認購合共61,964,000股購股權股份的購股權仍未獲行使，相當於本公司已發行普通股的約6.95%。

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### 36. SHARE-BASED PAYMENTS (continued) Equity-settled share option scheme (continued)

The above options comprising at the end of the year have a weighted average remaining contractual life of 10 years and the exercise price is HK\$0.2412. The estimated fair values of 2019 Share Options are determined using the Binomial Model. The estimated fair values and significant inputs into the models were as follows:

### 36. 以股份為基礎的付款 (續) 以權益結算購股權計劃 (續)

年末包括的上述購股權的加權平均剩餘合約期為10年及行使價為0.2412港元。二零一九年購股權之估計公平值採用二項式模型釐定。估計公平值及該模型之重要輸入數據如下：

		2019 Share Options 二零一九年購股權		
		4 June 2019 二零一九年 六月四日 (A)	4 June 2019 二零一九年 六月四日 (B)	4 June 2019 二零一九年 六月四日 (C)
Option price model	期權定價模式	Binomial 二項式	Binomial 二項式	Binomial 二項式
Estimated fair value at the measurement date	於計量日的估計公平值	HK\$1,270,000 港元	HK\$1,334,000 港元	HK\$14,872,000 港元
No. of options granted	授出購股權數目	20,268,000	24,226,000	169,000,000
Estimated fair value of each option	每份購股權的估計公平值	HK\$0.063 港元	HK\$0.055 港元	HK\$0.088 港元
Weighted average share price at the measurement date	於計量日的加權平均股價	HK\$0.13 港元	HK\$0.13 港元	HK\$0.13 港元
Weighted average exercise price	加權平均行使價	HK\$0.2412 港元	HK\$0.2412 港元	HK\$0.2412 港元
Exercise multiple	行使倍數	1.60	2.47	2.47
Expected volatility	預期波幅	133.91%	133.91%	133.91%
Expected life	預計年期	10 years 年	10 years 年	10 years 年
Risk free rate	無風險利率	1.44%	1.44%	1.44%
Expected dividend yield	預期股息收益率	Nil 零	Nil 零	Nil 零



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### 36. SHARE-BASED PAYMENTS (continued) Equity-settled share option scheme (continued)

### 36. 以股份為基礎的付款 (續) 以權益結算購股權計劃 (續)

#### 2017 Share Options 二零一七年購股權

		19 December 2017 二零一七年 十二月十九日 (A)	19 December 2017 二零一七年 十二月十九日 (B)	19 December 2017 二零一七年 十二月十九日 (C)
Option price model	期權定價模式	Binomial 二項式	Binomial 二項式	Binomial 二項式
Estimated fair value at the measurement date	於計量日的估計公平值	HK\$14,898,000 港元	HK\$14,027,000 港元	HK\$14,872,000 港元
No. of options granted	授出購股權數目	162,000,000	169,000,000	169,000,000
Estimated fair value of each option	每份購股權的估計公平值	HK\$0.092 港元	HK\$0.083 港元	HK\$0.088 港元
Weighted average share price at the measurement date	於計量日的加權平均股價	HK\$0.162 港元	HK\$0.162 港元	HK\$0.162 港元
Weighted average exercise price	加權平均行使價	HK\$0.1632 港元	HK\$0.1632 港元	HK\$0.1632 港元
Exercise multiple	行使倍數	2.80	2.20	2.20
Expected volatility	預期波幅	60.19%	60.19%	60.19%
Expected life	預計年期	10 years 年	10 years 年	10 years 年
Risk free rate	無風險利率	1.77%	1.77%	1.77%
Expected dividend yield	預期股息收益率	Nil 零	Nil 零	Nil 零

The expected volatility was determined by using the average of the annualised standard deviation of daily return of share price of three comparable companies' historical volatility quoted by Bloomberg.

預期波幅乃使用Bloomberg所收報三間相若公司的歷史波幅的股價日收益率的平均年化標準差釐定。

Eidea Professional Services Company Limited is an independent firm of professional valuer appointed by the Company to carry out the fair value of 2019 Share Options.

意達專業服務有限公司為本公司委任以評估二零一九年購股權的公平值的獨立專業估值公司。

The expenses of share-based payment recognised in profit or loss during the reporting period are as follows:

報告期內於損益確認之以股份為基礎的付款開支如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
2019 Options	二零一九年購股權	2,049	—
2017 Options	二零一七年購股權	7,204	21,016
		9,253	21,016

# Notes to the Financial Statements

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### 37. INVESTMENTS IN SUBSIDIARIES

Particulars of the subsidiaries as at 31 December 2019 are as follows:

### 37. 於附屬公司之投資

附屬公司於二零一九年十二月三十一日之詳情如下：

Name 名稱	Place of incorporation/ establishment 註冊成立／成立地點	Registered and paid up capital 註冊及繳足股本	Percentage of ownership interest 擁有權權益百分比		Principal activities and place of operation 主要業務及經營地點
			Direct 直接	Indirect 間接	
Millennium Pacific	British Virgin Islands 11 September 2013	1,000 ordinary shares of US\$1 each	100%	—	Investment holding, Hong Kong
Millennium Pacific	英屬維京群島 二零一三年九月十一日	1,000 股每股面值 1 美元的普通股	100%	—	投資控股，香港
Millennium Pacific Trading Limited	Hong Kong 10 October 2014	HK\$10,000	—	100%	Trading of electronic devices, Hong Kong
Millennium Pacific Trading Limited	香港 二零一四年十月十日	10,000 港元	—	100%	電子設備貿易，香港
Millennium Pacific Solutions Limited	Hong Kong 10 October 2014	HK\$10,000	—	100%	Inactive, Hong Kong
Millennium Pacific Solutions Limited	香港 二零一四年十月十日	10,000 港元	—	100%	暫無業務，香港
Millennium Pacific Finance Services Company Limited	Hong Kong 21 April 2015	HK\$10,000	—	100%	Provision of data management services, Hong Kong
Millennium Pacific Finance Services Company Limited	香港 二零一五年四月二十一日	10,000 港元	—	100%	提供數據管理服務，香港
時代九方(深圳)健康科技控股有限公司	PRC 21 May 2015	Registered and paid up capital of RMB10,000,000	—	100%	Investment holding, trading of electronic devices, PRC
時代九方(深圳)健康科技控股有限公司	中國 二零一五年五月二十一日	人民幣 10,000,000 元 之註冊及繳足股本	—	100%	投資控股、電子設備貿易，中國
深圳偉恆智能有限公司 (前稱：時代九方(深圳)大數據健康 管理有限公司)	PRC, 10 July 2017	Registered and paid up capital of RMB300,000	—	100%	Inactive, PRC
深圳偉恆智能有限公司 (前稱：時代九方(深圳)大數據健康 管理有限公司)	中國 二零一七年七月十日	人民幣 300,000 元 之註冊及繳足股本	—	100%	暫無業務，中國
時代九方(深圳)網絡科技有限公司 (「網絡科技」)	PRC, 4 August 2017	Registered and paid up capital of RMB300,000	—	100%	Investment holding, PRC
時代九方(深圳)網絡科技有限公司 (「網絡科技」)	中國 二零一七年八月四日	人民幣 300,000 元 之註冊及繳足股本	—	100%	投資控股，中國
時代九方(深圳)電子科技有限公司	PRC, 28 September 2017	Registered and paid up capital of RMB300,000	—	100%	Inactive, PRC
時代九方(深圳)電子科技有限公司	中國 二零一七年九月二十八日	人民幣 300,000 元 之註冊及繳足股本	—	100%	暫無業務，中國
時代九方(深圳)大數據醫療有限公司	PRC, 28 September 2017	Registered and paid up capital of RMB300,000	—	100%	Inactive, PRC
時代九方(深圳)大數據醫療有限公司	中國 二零一七年九月二十八日	人民幣 300,000 元 之註冊及繳足股本	—	100%	暫無業務，中國
HXGZ	PRC, 11 August 2017	Registered: RMB1,000,000 Paid-up: RMB250,000	—	80%	Development and sales of software applications, PRC
華廈廣州	中國 二零一七年八月十一日	註冊：人民幣 1,000,000 元 繳足：人民幣 250,000 元	—	80%	軟件應用程式的開發 及銷售，中國

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 37. INVESTMENTS IN SUBSIDIARIES (continued)

The following table shows information of a subsidiary that have non-controlling interests (“**NCI**”) material to the Group. The summarised financial information represents amounts before inter-company eliminations.

Name  
名稱

HXGZ  
華慶廣州

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Principal place of business/country of establishment	主要營業地點／成立國家	PRC/PRC 中國／中國	PRC/PRC 中國／中國
% of ownership interests/voting rights held by NCI	非控股權益持有的所有權權益百分比／投票權	20%	20%
<b>At 31 December:</b>	<b>於十二月三十一日：</b>		
Non-current assets	非流動資產	15	22
Current assets	流動資產	10,188	6,535
Current liabilities	流動負債	(477)	(801)
Net assets	資產淨值	9,726	5,756
Accumulated NCI	累計非控股權益	1,945	1,151
<b>Year ended 31 December:</b>	<b>截至十二月三十一日止年度：</b>		
Revenue	收益	3,948	6,393
Profit	溢利	4,141	5,798
Total comprehensive income	全面收入總額	3,971	5,570
Profit allocated to NCI	分配至非控股權益之溢利	794	1,114
Net cash (used in)/generated from operating activities	經營活動(所用)／所得現金淨額	(64)	35
Net cash used in investing activities	投資活動所用現金淨額	—	(5)
Net (decrease)/increase in cash and cash equivalents	現金及現金等值物(減少)／增加淨額	(64)	30

### 37. 附屬公司(續)

下表顯示有關對本集團而言屬重大的非控股權益(「**非控股權益**」)的附屬公司資料。財務資料概要代表公司間抵銷前的金額。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
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### 38. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

#### (a) Subscription of financial assets at FVTOCI

As disclosed in note 22 to the consolidated financial statements, on 21 September 2018, Millennium Pacific entered into a subscription agreement with the vendor for the Subscription, the consideration of the Subscription approximately HK\$9,029,000 was settled by allotment of 56,784,906 ordinary shares of the Company at price of HK\$0.159 per share.

#### (b) Disposals of subsidiaries

During the year, the Group disposed of its entire interests in three wholly-owned subsidiaries, namely, Central Pacific International, Central Pacific International Technology Limited ("CPIT") and Central Pacific Electronics (Shenzhen) Limited ("CPE") (collectively known as "Disposal Group"), which are engaged in provision of research, development, manufacturing and trading of electronic devices, to an independent third party (the "Purchaser") at an aggregated consideration of HK\$1,000,000 (the "Disposals").

Pursuant to the sales and purchase agreement entered into between the Group and the Purchaser dated 25 March 2019, the Group has conditionally agreed to sell the entire interests in the Disposal Group whereby all the amounts due by the Group to the Disposal Group at the date of the Disposals, at an aggregated amount of approximately HK\$4,750,000 would be waived. The Disposals was completed on 25 March 2019.

Net liabilities of the Disposal Group at the completion date of the Disposals were as follows:

		Central Pacific International 中匯環球 HK\$'000 千港元	CPIT 中匯洲電子 HK\$'000 千港元	CPE 中匯環球電子 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Property, Plant and equipment	物業、廠房及設備	-	-	-	-
Inventories	存貨	43	-	138	181
Other receivables	其他應收款項	134	805	-	939
Bank and cash balances	銀行及現金結餘	287	34	26	347
Amounts due from/(to) directors	應收/(應付)董事款項	(15,675)	1,411	5,417	(8,847)
Amounts due from/(to) the Group	應收/(應付)本集團款項	50,535	(38,480)	(7,305)	4,750
Trade payables	應付賬款	-	(100)	-	(100)
Other payables	其他應付款項	(2,372)	(402)	(13)	(2,787)
Net liabilities disposed of	出售的負債淨額	32,952	(36,732)	(1,737)	(5,517)

### 38. 綜合現金流量表附註

#### (a) 認購按公平值計入其他全面收益之金融資產

誠如綜合財務報表附註22所披露，於二零一八年九月二十一日，Millennium Pacific與賣方就認購事項訂立認購協議，認購事項之代價約為9,029,000港元，並透過按每股0.159港元之價格配發56,784,906股本公司普通股結算。

#### (b) 出售附屬公司

年內，本集團已按總代價1,000,000港元向一名獨立第三方(「買方」)出售其於三間全資附屬公司之權益(「出售事項」)，三間全資附屬公司為中匯環球、中匯洲電子(深圳)有限公司(「中匯洲電子」)及中匯環球電子(深圳)有限公司(「中匯環球電子」)(統稱「出售集團」)，從事提供電子設備研發、製造及貿易。

根據本集團與買方於二零一九年三月二十五日訂立的買賣協議，本集團已有條件同意出售於出售集團的全部權益，據此，本集團於出售事項日期應付予出售集團的所有款項總額約4,750,000港元將獲豁免。出售事項於二零一九年三月二十五日完成。

出售集團於出售事項完成日期的負債淨額如下：

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 38. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

#### (b) Disposals of subsidiaries (continued)

### 38. 綜合現金流量表附註(續)

#### (b) 出售附屬公司(續)

		HK\$'000 千港元
Net liabilities of the Disposal Group disposed of (per above)	出售的出售集團負債淨額(如上述)	(5,517)
Waiver of amounts due from the Group	豁免應收本集團款項	(4,750)
Release of foreign currency translation reserve upon the Disposals	出售事項後解除外幣換算儲備	(1,586)
Gain on disposals of subsidiaries	出售附屬公司收益	12,853
Total consideration, satisfied by cash	以現金結算的代價總額	1,000
Net cash inflow arising on the Disposals:	出售事項產生之現金流入淨額：	
Cash consideration received	已收現金代價	1,000
Cash and cash equivalents disposed of	出售的現金及現金等值物	(347)
		653



# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 38. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

#### (c) Reconciliation of liabilities arising from financing activities

The table set forth below is the detail changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Impact on Initial Application of HKFRS 16 (note 3)	Restated Balance at 1 January 2019	Cash flows	Equity component	Interest charges	Disposals	31 December 2019
	首次應用香港 財務報告準則 第16號的影響 (附註3)	於二零一九年 一月一日之 重列結餘	現金流量	權益部分	利息費用	出售事項	二零一九年 十二月三十一日
	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
Convertible bonds – liabilities component (note 29)	-	-	20,000	(2,650)	1,584	-	18,934
Lease liabilities (note 30)	-	3,596	(2,833)	-	106	-	869
Amounts due to directors classified as current liabilities (note 31)	-	15,019	(6,272)	-	100	(8,847)	-
	15,019	3,596	10,895	(2,650)	1,790	(8,847)	19,803

	1 January 2018 二零一八年 一月一日	Cash flows 現金流量	Interest charges 利息費用	Transfer 轉移	31 December 2018 二零一八年 十二月三十一日
	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
Amounts due to directors classified as current liabilities (note 31)	3,319	5,097	-	6,603	15,019
Amounts due to directors classified as non-current liabilities (note 31)	6,207	-	396	(6,603)	-
	9,526	5,097	396	-	15,019

### 38. 綜合現金流量表附註(續)

#### (c) 融資活動之負債對賬

下表詳列本集團融資活動產生之負債的變動詳情，包括現金及非現金變動。融資活動產生之負債乃指其現金流量及未來現金流量於本集團綜合現金流量表中分類為融資活動現金流量的負債。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 38. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

#### (d) Total cash outflow for leases

Amounts included in the cash flow statements for lease comprise the following:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within operating cash flows	經營現金流量	106	—
Within financing cash flows	融資現金流量	2,727	—
		2,833	—

These amounts relate to the following:

該等金額與以下有關：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Lease rental paid	已付租金	2,833	—

### 39. CAPITAL COMMITMENTS

As of 31 December 2019 and 2018, the Group did not have any capital commitments.

### 40. CONTINGENT LIABILITIES

Other than disclosed elsewhere in these financial statements, the Group did not have any contingent liabilities at the end of reporting period (2018: Nil).

### 41. RELATED PARTY TRANSACTIONS

Other than those balances of related party disclosed elsewhere in the consolidated financial statements, the Group had the following material transactions with its related parties during the year.

#### Key Management Compensation

Other than those disclosed in note 13 to the consolidated financial statements, there is no remuneration paid to key management personnel of the Company during the year (2018: Nil).

### 38. 綜合現金流量表附註(續)

#### (d) 租賃的現金流出總額

就租賃計入現金流量表的金額包括以下各項：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within operating cash flows	106	—
Within financing cash flows	2,727	—
	2,833	—

該等金額與以下有關：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Lease rental paid	2,833	—

### 39. 資本承擔

於二零一九年及二零一八年十二月三十一日，本集團並無任何資本承擔。

### 40. 或然負債

除該等財務報表其他章節披露外，本集團於報告期末並無任何或然負債(二零一八年：無)。

### 41. 關聯方交易

除綜合財務報表其他章節披露的關聯方結餘外，本集團於年內與關聯方有下列重大交易。

#### 主要管理層酬金

除綜合財務報表附註13所披露者外，年內概無向本公司主要管理層人員支付酬金(二零一八年：無)。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 42. LEASE COMMITMENTS

At 31 December 2018, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		2018 二零一八年 HK\$'000 千港元
Within one year	一年內	2,899
In the second to fifth years inclusive	第二至第五年(包括首尾兩年)	701
		<u>3,600</u>

For the year ended 31 December 2018, operating lease payments represent rentals payable by the Group for certain of its offices, factory premises and staff quarters, and are negotiated for an average term of 2 years and rentals are fixed over the lease terms and do not include contingent rentals.

### 42. 租賃承擔

於二零一八年十二月三十一日，根據不可註銷經營租賃應付的未來最低租賃款項總額如下：

截至二零一八年十二月三十一日止年度，經營租賃款項指本集團就若干辦事處、工廠廠房及員工宿舍應付的租金，且租賃被分別磋商為平均租期2年及按租期確定租金及並不包括或然租金。

### 43. EVENTS AFTER THE REPORTING PERIOD

#### (a) Placing of shares

On 19 December 2019, the Group entered into a placing agreement with a placing agent, Aristo Securities Limited ("ASL"), and proposed to place a maximum number of 138,864,622 shares at HK\$0.061 per placing share. The placing agreement was lapsed on 9 January 2020 due to certain conditions precedent for the placing agreement had not been fulfilled. Details of the above are set out in the Company's announcements dated 19 December 2019 and 9 January 2020.

On 27 March 2020, the Group entered into another placing agreement with ASL which proposed to place a maximum number of 138,864,622 shares at HK\$0.1 per placing share. The placing of 138,864,000 shares was completed on 20 April 2020 and the net proceeds from the placing of approximately HK\$13.3 million is expected to be used for providing additional general working capital of the Group. Details of the above are set out in the Company's announcements dated 27 March 2020, 14 April 2020 and 20 April 2020.

### 43. 報告期後事項

#### (a) 配售股份

於二零一九年十二月十九日，本集團與配售代理雅利多證券有限公司(「ASL」)訂立配售協議，擬按每股配售股份0.061港元配售最多138,864,622股股份。由於配售協議的若干先決條件尚未達成，故配售協議於二零二零年一月九日失效。上述詳情載於本公司日期為二零一九年十二月十九日及二零二零年一月九日之公告。

於二零二零年三月二十七日，本集團與配售代理ASL訂立配售協議，按每股配售股份0.1港元配售最多138,864,622股股份。於二零二零年四月二十日完成配售138,864,000股股份，配售事項所得款項淨額約13.3百萬港元擬用於提供本集團的額外一般營運資金。有關詳情載於本公司日期為二零二零年三月二十七日、二零二零年四月十四日及二零二零年四月二十日之公告。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 43. EVENTS AFTER THE REPORTING PERIOD (continued)

#### (b) Possible acquisition

On 2 December 2019, the Group and 深圳市媒訊隴峰科技有限公司 (“媒訊隴峰”) entered into a memorandum of understanding (“MOU”) in relation to the subscription of 51% of equity interest in 媒訊隴峰. 媒訊隴峰 and its subsidiaries focus on the home audio-visual industry and are principally engaged in investments in digital video broadcasting and over the top upstream and downstream industry of radio and TV operators. The completion of the proposed acquisition is subject to entering into a formal sales and purchase agreement and satisfaction of due diligence work. On 2 March 2020, the Company announced that the due diligence period to be extended to 1 September 2020 due to the outbreak of Novel Coronavirus (COVID-19). Details of the above are set out in the Company’s announcements dated 2 December 2019 and 2 March 2020.

Up to the approval date of these consolidated financial statements no formal agreement in relation to the above possible acquisition has been entered into.

#### (c) Epidemic of Coronavirus Disease 2019 (the “COVID-19 outbreak”)

After the outbreak of COVID-19 in January 2020, a series of precautionary and control measures have been and continued to be implemented across the PRC. In adherence to the guidelines of the China Government and to protect the employees from infection, the Group has temporarily suspended its manufacturing operations in Shenzhen since Chinese New Year holidays. In early March 2020, the Group gradually resumed its manufacturing operations and implemented precautionary as well as control measures in all projects to fight against this disease and safeguard its employees and business operations. Depending on the future development of the outbreak, the board of directors expects that the production capacity of the factory will resume its full scale and normal operation upon then lifting of relevant epidemic prevention measures. The Group will pay close attention to the development of this disease and evaluate its impact on the financial position and operating results of the Group.

### 43. 報告期後事項(續)

#### (b) 可能收購事項

於二零一九年十二月二日，本公司與深圳市媒訊隴峰科技有限公司(「媒訊隴峰」)訂立諒解備忘錄(「諒解備忘錄」)，內容有關媒訊隴峰51%股權的認購事項。媒訊隴峰及其附屬公司專注於家庭視聽產業，主要從事投資於廣電運營商的數字視頻廣播及互聯網電視上下游產業鏈。完成擬進行的收購事項須待訂立正式買賣協議及完成盡職審查工作後方可落實。於二零二零年三月二日，本公司宣佈由於新型冠狀病毒(COVID-19)疫情，盡職審查期延長至二零二零年九月一日。上述詳情載於本公司日期為二零一九年十二月二日及二零二零年三月二日之公告。

直至該等綜合財務報表的批准日期，概無訂立有關上述可能收購事項的正式協議。

#### (c) 二零一九年新型冠狀病毒疫情(「新冠病毒疫情」)

於二零二零年一月爆發新冠病毒疫情後，中國各地已經並將持續採取一系列防控措施。為響應中國政府的政策指引及保護僱員免受病毒感染，自中國春節假期以來，本集團已暫停於深圳的製造生產業務。於二零二零年三月初，本集團逐步恢復其製造生產業務，並於所有項目中實施防控措施，以抵抗疫情和保障其僱員的安全及業務營運。視乎疫情發展態勢，董事會預期工廠的產能將於解除有關疫情防控措施後全面恢復並進入正常營運狀態。本集團將密切留意疫情發展態勢及評估其對本集團財務狀況及經營業績的影響。

# Notes to the Financial Statements

## 財務報表附註

For the year ended 31 December 2019  
截至二零一九年十二月三十一日止年度

### 44. LITIGATION

On 18 September 2019, Shenzhen Yucan Industrial Co., Ltd. ("Shenzhen Yucan"), being the landlord of the production base of the Group's former indirect wholly-owned subsidiary, CPIT, had filed a claim in respect of outstanding rental and charges in the PRC. The Company, who deemed as a guarantor by Shenzhen Yucan in the above tenancy agreement, is therefore named as one of the defendant of the claim. The Company is seeking legal opinion for appropriate arrangement and the Board of directors are of the view that the abovementioned claim will not have material impact in the business and operation of the Group, the date of court hearing is not confirmed due to the outbreak of COVID-19. Details of the above is set out in the Company's announcement dated 9 December 2019.

### 45. COMPARATIVE FIGURES

The Group has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. Further details of the changes in accounting policies are disclosed in note 3.

### 46. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 29 April 2020.

### 44. 訴訟

於二零一九年九月十八日，深圳市裕燦實業有限公司（「深圳裕燦」，為本集團前間接全資附屬公司中匯洲電子生產基地的業主）於中國就未支付租金及費用提出申索。本公司被深圳裕燦視為上述租賃協議的擔保人，因此被列為該申索的一名被告人。本公司正尋求法律意見以作出適當安排，本公司董事會認為上述申索不會對本集團業務及營運產生任何重大影響。由於新冠病毒疫情，開庭日期尚未確定。上述詳情載於本公司日期為二零一九年十二月九日之公告。

### 45. 比較數字

本集團已於二零一九年一月一日使用經修訂追溯法首次應用香港財務報告準則第16號。根據此方法，比較資料不予重列。會計政策變動之進一步詳情披露於附註3。

### 46. 批准刊發財務報表

財務報表已於二零二零年四月二十九日獲董事會批准及授權刊發。



# Five Year Financial Summary

## 五年財務摘要

		Year ended/As at 31 December 截至十二月三十一日止年度／於十二月三十一日				
		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	2015 二零一五年 HK\$'000 千港元
<b>OPERATING RESULT</b>	<b>經營業績</b>					
Turnover	銷售額	301,214	77,433	112,984	51,727	67,098
Cost of sales	銷售成本	(289,904)	(67,258)	(107,419)	(46,125)	(61,054)
<b>Gross profit</b>	<b>毛利</b>	<b>11,310</b>	10,175	5,565	5,602	6,044
Other income	其他收入	2,445	3,311	2,756	2,701	1,084
Gain on disposals of subsidiaries	出售附屬公司收益	12,853	—	701	937	—
Selling and distribution costs	銷售及分銷成本	(254)	(225)	(640)	(1,957)	(3,321)
Administrative expenses	行政開支	(28,879)	(46,784)	(41,634)	(51,366)	(20,890)
<b>Loss from operation</b>	<b>營運虧損</b>	<b>(2,525)</b>	(33,523)	(33,252)	(44,083)	(17,083)
Finance costs	財務費用	(1,790)	(396)	(397)	(10)	(424)
Share of results of associates	分佔聯營公司業績	4,054	(478)	—	—	—
Share of results of a joint venture	分佔一間合營企業業績	10	—	—	—	—
<b>Loss before tax</b>	<b>除稅前虧損</b>	<b>(251)</b>	(34,397)	(33,649)	(44,093)	(17,507)
Income tax expense	所得稅開支	(2)	(733)	(38)	(1)	(19)
<b>Loss for the year</b>	<b>年內虧損</b>	<b>(253)</b>	(35,130)	(33,687)	(44,094)	(17,526)
<b>Other comprehensive (loss)/income for the year, net of tax:</b>	<b>年內其他全面(虧損)/收入，扣除稅項：</b>					
Item that will not be reclassified to profit or loss:	不會重新分類至損益的項目：					
Fair value changes of financial assets at fair value through other comprehensive income	按公平值計入其他全面收入的金融資產公平值變動	(338)	125	—	—	—
Item that may be reclassified to profit or loss:	可能重新分類至損益的項目：					
Exchange differences on translating foreign operations	換算海外業務時的匯兌差額	(776)	838	(2,198)	(2,012)	548
Release of exchange reserve upon disposals of subsidiaries	出售附屬公司後解除匯兌儲備	(1,586)	—	—	—	—
Other comprehensive income/(loss) for the year, net of tax	年內其他全面收益/(虧損)，扣除稅項	(2,700)	963	(2,198)	(2,012)	548
<b>Total comprehensive loss</b>	<b>全面虧損總額</b>	<b>(2,953)</b>	(34,167)	(35,885)	(42,082)	(16,978)
<b>(Loss)/profit for the year attributable to:</b>	<b>應佔年內(虧損)/溢利：</b>					
— Owners of the Company	— 本公司擁有人	(1,081)	(36,293)	(33,665)	(44,094)	(17,526)
— Non-controlling interests	— 非控股權益	828	1,163	(22)	—	—
		(253)	(35,130)	(33,687)	(44,094)	(17,526)
<b>Total comprehensive (loss)/income for the year attributable to:</b>	<b>應佔年內全面(虧損)/收入總額：</b>					
— Owners of the Company	— 本公司擁有人	(3,747)	(35,281)	(35,866)	(42,082)	(16,978)
— Non-controlling interests	— 非控股權益	794	1,114	(19)	—	—
		(2,953)	(34,167)	(35,885)	(42,082)	(16,978)
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>					
Total assets	資產總值	113,294	48,087	55,471	20,743	72,265
Total liabilities	負債總額	(72,691)	(42,409)	(45,670)	(14,612)	(24,052)
<b>Net assets</b>	<b>資產淨值</b>	<b>40,603</b>	5,678	9,801	6,131	48,213
<b>Equity attributable to:</b>	<b>應佔權益：</b>					
— Owners of the Company	— 本公司擁有人	38,658	4,527	9,764	6,131	48,213
— Non-controlling interests	— 非控股權益	1,945	1,151	37	—	—
		40,603	5,678	9,801	6,131	48,213



# Millennium Pacific

GROUP HOLDINGS LIMITED

匯思太平洋集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 8147