



CHINA TRUSTFUL GROUP LIMITED
中國之信集團有限公司

Incorporated in Bermuda with limited liability

於百慕達註冊成立的有限公司

Stock Code 股份代號 : 8265

Annual Report 2020
年報

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香港聯合交易所有限公司(「聯交所」) GEM (「GEM」) 的特色

GEM的定位，乃為相比起其他在聯交所上市的公司帶有較高投資風險的小型及中型公司提供一個上市的市場。有意投資者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。

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本報告將由刊登日期起最少7天於**GEM**網站(www.hkgem.com)「最新公司公告」網頁刊載，亦將於本公司指定網站(www.irasia.com/listco/hk/chinatrustful/)刊載。

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CORPORATE INFORMATION

Board of Directors

Executive Directors

Mr. Luo Huangshi, *Chairman* (appointed on 2 December 2020)

Mr. Tao Wah Wai, Calvin (appointed on 23 December 2020)

Mr. Fei Jie (resigned on 8 December 2020)

Mr. Wong Kin Fai (appointed on 21 June 2019 and resigned on 20 January 2020)

Mr. Lo Wing Sang (appointed on 20 May 2020 and resigned on 30 July 2020)

Mr. Wong Ching Fai, William (appointed on 3 June 2020 and resigned on 5 November 2020)

Independent Non-executive Directors

Mr. Hu Chao (appointed on 23 December 2020)

Mr. Wong Lok Man (appointed on 31 December 2020)

Mr. Lo Cheuk Fei, Jeffrey (appointed on 31 December 2020)

Mr. Sit Sai Hung, Billy (resigned on 4 December 2020)

Mr. Shen Ruolei (resigned on 17 January 2020)

Mr. Lai Wing Kwan (appointed on 8 November 2019 and resigned on 17 July 2020)

Mr. Law Yiu Sang, Jacky (appointed on 17 January 2020 and resigned on 13 March 2020)

Mr. Man Wai Lun (appointed on 5 February 2020 and resigned on 9 November 2020)

Mr. Law Yui Lun (appointed on 17 July 2020 and resigned on 30 September 2020)

Company Secretary

Mr. Au Yeung Yiu Chung (appointed on 31 December 2020)

Ms. Li Lai Nar (appointed on 21 September 2020 and resigned on 31 December 2020)

Mr. Wong Kin Fai (appointed on 8 November 2019 and resigned on 20 January 2020)

Compliance Officer

Mr. Tao Wah Wai, Calvin

Authorised Representatives

Mr. Tao Wah Wai, Calvin

Mr. Au Yeung Yiu Chung

公司資料

董事會

執行董事

駱皇世先生，*主席* (於2020年12月2日獲委任)

陶樺瑋先生 (於2020年12月23日獲委任)

費杰先生 (於2020年12月8日辭任)

王健輝先生 (於2019年6月21日獲委任，並於2020年1月20日辭任)

勞永生先生 (於2020年5月20日獲委任，並於2020年7月30日辭任)

黃政輝先生 (於2020年6月3日獲委任，並於2020年11月5日辭任)

獨立非執行董事

胡超先生 (於2020年12月23日獲委任)

王樂民先生 (於2020年12月31日獲委任)

盧卓飛先生 (於2020年12月31日獲委任)

薛世雄先生 (於2020年12月4日辭任)

沈若雷先生 (於2020年1月17日辭任)

賴榮焜先生 (於2019年11月8日獲委任，並於2020年7月17日辭任)

羅耀生先生 (於2020年1月17日獲委任，並於2020年3月13日辭任)

文偉麟先生 (於2020年2月5日獲委任，並於2020年11月9日辭任)

羅裔麟先生 (於2020年7月17日獲委任，並於2020年9月30日辭任)

公司秘書

歐陽耀忠先生 (於2020年12月31日獲委任)

李麗娜女士 (於2020年9月21日獲委任，並於2020年12月31日辭任)

王健輝先生 (於2019年11月8日獲委任，並於2020年1月20日辭任)

監察主任

陶樺瑋先生

授權代表

陶樺瑋先生

歐陽耀忠先生

CORPORATE INFORMATION

Audit Committee

Mr. Wong Lok Man, *Chairman*
Mr. Hu Chao
Mr. Lo Cheuk Fei, Jeffrey
Mr. Sit Sai Hung, Billy (resigned on 4 December 2020)
Mr. Shen Ruolei (resigned on 17 January 2020)
Mr. Lai Wing Kwan (appointed on 8 November 2019 and resigned on 17 July 2020)
Mr. Law Yiu Sang, Jacky (appointed on 17 January 2020 and resigned on 13 March 2020)
Mr. Man Wai Lun (appointed on 5 February 2020 and resigned on 9 November 2020)
Mr. Law Yui Lun (appointed on 17 July 2020 and resigned on 30 September 2020)

Remuneration Committee

Mr. Hu Chao, *Chairman*
Mr. Wong Lok Man
Mr. Lo Cheuk Fei, Jeffrey
Mr. Sit Sai Hung, Billy (resigned on 4 December 2020)
Mr. Shen Ruolei (resigned on 17 January 2020)
Mr. Lai Wing Kwan (appointed on 8 November 2019 and resigned on 17 July 2020)
Mr. Law Yiu Sang, Jacky (appointed on 17 January 2020 and resigned on 13 March 2020)
Mr. Man Wai Lun (appointed on 5 February 2020 and resigned on 9 November 2020)
Mr. Law Yui Lun (appointed on 17 July 2020 and resigned on 30 September 2020)

Nomination Committee

Mr. Lo Cheuk Fei, Jeffrey, *Chairman*
Mr. Hu Chao
Mr. Wong Lok Man
Mr. Sit Sai Hung, Billy (resigned on 4 December 2020)
Mr. Shen Ruolei (resigned on 17 January 2020)
Mr. Lai Wing Kwan (appointed on 8 November 2019 and resigned on 17 July 2020)
Mr. Law Yiu Sang, Jacky (appointed on 17 January 2020 and resigned on 13 March 2020)
Mr. Man Wai Lun (appointed on 5 February 2020 and resigned on 9 November 2020)
Mr. Law Yui Lun (appointed on 17 July 2020 and resigned on 30 September 2020)

公司資料

審核委員會

王樂民先生，*主席*
胡超先生
盧卓飛先生
薛世雄先生（於2020年12月4日辭任）
沈若雷先生（於2020年1月17日辭任）
賴榮焜先生（於2019年11月8日獲委任，並於2020年7月17日辭任）
羅耀生先生（於2020年1月17日獲委任，並於2020年3月13日辭任）
文偉麟先生（於2020年2月5日獲委任，並於2020年11月9日辭任）
羅裔麟先生（於2020年7月17日獲委任，並於2020年9月30日辭任）

薪酬委員會

胡超先生，*主席*
王樂民先生
盧卓飛先生
薛世雄先生（於2020年12月4日辭任）
沈若雷先生（於2020年1月17日辭任）
賴榮焜先生（於2019年11月8日獲委任，並於2020年7月17日辭任）
羅耀生先生（於2020年1月17日獲委任，並於2020年3月13日辭任）
文偉麟先生（於2020年2月5日獲委任，並於2020年11月9日辭任）
羅裔麟先生（於2020年7月17日獲委任，並於2020年9月30日辭任）

提名委員會

盧卓飛先生，*主席*
胡超先生
王樂民先生
薛世雄先生（於2020年12月4日辭任）
沈若雷先生（於2020年1月17日辭任）
賴榮焜先生（於2019年11月8日獲委任，並於2020年7月17日辭任）
羅耀生先生（於2020年1月17日獲委任，並於2020年3月13日辭任）
文偉麟先生（於2020年2月5日獲委任，並於2020年11月9日辭任）
羅裔麟先生（於2020年7月17日獲委任，並於2020年9月30日辭任）

CORPORATE INFORMATION

Auditors

ZHONGHUI ANDA CPA Limited

Principal Banker

Hang Seng Bank Limited
Bank of Communications

Registered Office

Clarendon House, 2 Church Street
Hamilton HM 11 Bermuda

Headquarter and Place of Business

For the year ended 31 December 2020:
Flat C8, 12/F., Por Mee Factory Building,
500 Castle Peak Road,
Cheung Sha Wan,
Kowloon, Hong Kong

Current:

Unit 1603, 16th Floor, The Phoenix,
No. 23 Luard Road,
Wanchai, Hong Kong

Principal Share Registrar and Transfer Office

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road Pembroke
HM 08, Bermuda

Hong Kong Branch Share Registrar and Transfer Office

Tricor Investor Services Limited
Level 22, Hopewell Centre
183 Queen's Road East, Hong Kong

Stock Code

8265

Company Website and Investor Relations

www.irasia.com./listco/hk/chinatrusted/

公司資料

核數師

中匯安達會計師事務所有限公司

主要往來銀行

恒生銀行有限公司
交通銀行

註冊辦事處

Clarendon House, 2 Church Street
Hamilton HM 11 Bermuda

總辦事處及營業地點

截至2020年12月31日止年度：
香港九龍
長沙灣青山道500號
百美工廠大廈
12樓C單位8室

現在：

香港灣仔
盧押道23號
鳳凰城16樓1603室

股份過戶登記總處及轉讓辦事處

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road Pembroke
HM 08, Bermuda

香港股份過戶登記分處及轉讓辦事處

卓佳證券登記有限公司
香港皇后大道東183號
合和中心22樓

股份代號

8265

公司網站及投資者關係

www.irasia.com./listco/hk/chinatrusted/

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of directors (the “**Board**”) of China Trustful Group Limited (the “**Company**”), I am pleased to present the annual report of the Company and its subsidiaries (collectively, referred to as the “**Group**”) for the year ended 31 December 2020.

The revenue of the Group from our operations for the year ended 31 December 2020 decreased by 100% to approximately HK\$nil when compared with that of the last year (2019: HK\$118,039,000) as the sales of goods decreased totally under the effect of the de-consolidation.

The Group's gross profit for the year ended 31 December 2020 was approximately HK\$nil representing a decrease of 100% as compared with last year (2019: HK\$12,729,000). The Group recorded loss for the year ended 31 December 2020 amounted to HK\$600,602,000 (2019: loss HK\$104,589,000).

Despite the aforesaid of the de-consolidation, the Board is determined to continue to engage in the Electric Vehicle Business. The Company considers that the prospects of electric vehicles in the PRC is promising in view of favourable government policies and growing market demands. The Group will focus on the supply chains in the production of electric vehicles including but not limited to manufacturing and supply of electric vehicle components and parts.

In view of the global market uncertainties, the Group will closely monitor the international and domestic market situations and remain cautious on our portfolio management. At the same time, our management team will continue to work hard to create the best value to our shareholder via delivering products that exceed customers' expectation, while enhancing efficiency and focusing on sustainable growth.

Finally, on behalf of the Board, I would like to extend my sincerest gratitude to our shareholders, board of directors, employees and business partners for their outstanding performance.

Luo Huangshi
Chairman

Hong Kong, 12 May 2021

主席報告

各位股東：

本人欣然代表中國之信集團有限公司（「本公司」）董事會（「董事會」）呈報本公司及其附屬公司（統稱「本集團」）截至2020年12月31日止年度的年報。

截至2020年12月31日止年度，本集團的經營業務收入較去年減少100%至約零港元（2019年：118,039,000港元），原因是取消綜合入賬的影響，導致貨品銷售額整體下跌。

截至2020年12月31日止年度，本集團錄得毛利約零港元（2019年：12,729,000港元），較去年下跌100%。本集團就截至2020年12月31日止年度錄得虧損600,602,000港元（2019年：虧損104,589,000港元）。

儘管有上述取消綜合入賬的情況，董事會矢志繼續經營電動汽車業務。本公司認為，政府的政策提供便利，且市場需求日增，中國電動汽車的前景大有可為。本集團將聚焦電動汽車生產供應鏈方面，包括但不限於製造和供應電動汽車的部件和配件。

鑒於全球市場不明朗，本集團將會密切留意國內外市場狀況，並繼續審慎管理我們的業務組合。與此同時，本集團管理團隊將繼續提供超出客戶預期的產品、提高效率，並專注於可持續增長，努力為股東創造最大價值。

最後，本人謹代表董事會衷心感謝全體股東、董事會、員工及業務夥伴的傑出表現。

主席
駱皇世

香港，2021年5月12日

MANAGEMENT DISCUSSION AND ANALYSIS

Business Overview

For the year ended 31 December 2020, China Trustful Group Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”), subsidiaries of the research and development, manufacture and sale of rechargeable batteries, electric vehicles and related products and provision of related services (the “**Electric Vehicle Business**”) and provision of marketing and management services, sales and distribution of energy and petrochemical related products, including but not limited to, LNG and LPG products, and licensing of petroleum gas stations (the “**Energy and Petrochemical Business**”) have been de-consolidated. More information is set out below under the heading of de-consolidation of subsidiaries.

Business Review Results of the Group

In relation to the Electric Vehicle Business and Energy and Petrochemical Business, during the year ended 31 December 2020, the Group recorded revenue of HK\$nil, representing a 100% decrease as compared with the same period in 2019 (31 December 2019: HK\$118,039,000) and gross profit and gross profit margin of HK\$nil and 0% respectively (31 December 2019: HK\$12,729,000 and 10.8% respectively). Combining with other income and expenses, the Group recorded loss for the year ended 31 December 2020 of HK\$600,602,000 (31 December 2019: loss of HK\$104,589,000) and other comprehensive income of HK\$nil (31 December 2019: income of HK\$1,202,000), being exchange differences arising from translating foreign operations during the year. Loss attributable to owners of the Company from operations was HK\$600,602,000 as compared with a loss of HK\$104,377,000 for the same period last year; whereas basic loss per share was HKnil cents (31 December 2019: loss of HK3.81 cents).

管理層討論及分析

業務概覽

截至2020年12月31日止年度，中國之信集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)，從事研發、生產及銷售充電電池、電動汽車與相關產品及提供相關服務(「**電動汽車業務**」)以及提供營銷及管理服務、銷售及分銷能源及石油化工相關產品，包括但不限於液化天然氣及液化石油氣產品，以及許可經營石油氣站(「**能源及石油化工業務**」)的附屬公司已取消綜合入賬。更多資料載於下文取消綜合入賬若干附屬公司。

業務回顧 本集團業績

在電動汽車業務及能源及石油化工業務方面，於截至2020年12月31日止年度，本集團錄得收入零港元(2019年12月31日：118,039,000港元)，較2019年同期減少100%，而毛利及毛利率分別為零港元及0%(2019年12月31日：分別為12,729,000港元及10.8%)。連同其他收益及開支，本集團就截至2020年12月31日止年度錄得虧損600,602,000港元(2019年12月31日：虧損104,589,000港元)及其他全面收益(即年內換算海外業務所產生的匯兌差額)零港元(2019年12月31日：溢利1,202,000港元)。來自持續經營業務的本公司擁有人應佔虧損為600,602,000港元，去年同期則為應佔虧損104,377,000港元；每股基本虧損為零港仙(2019年12月31日：虧損3.81港仙)。

MANAGEMENT DISCUSSION AND ANALYSIS

The Group's selling and distribution costs and administrative expenses, in total, decreased from HK\$38,433,000 for the same period last year to HK\$8,831,000 during the year ended 31 December 2020.

For the year ended 31 December 2020, the Group has recorded other expenses of HK\$591,130,000 in relation to De-Consolidation. More information is set out in the section of below.

In general, the Group's result during the year ended 31 December 2020 has been decreased and our business were affected by the De-Consolidation. Further description of the business performances from our businesses are described below.

Electric Vehicle Business

During the year ended 31 December 2020, the Group recorded segment revenue of HK\$nil (31 December 2019: HK\$39,784,000) in the Electric Vehicle Business, representing 0% of the Group's total revenue generated from operations (31 December 2019: 33.7%). This segment recorded segment profit of HK\$nil (31 December 2019: HK\$4,918,000), and segment margin of 0% (31 December 2019: 12.4%).

管理層討論及分析

本集團的銷售及分銷成本及行政開支總額由去年同期的38,433,000港元下降至截至2020年12月31日止年度的8,831,000港元。

於截至2020年12月31日止年度，本集團錄得有關取消綜合入賬的其他開支591,130,000港元。更多詳情載於下文一節。

總體而言，於截至2020年12月31日止年度，因業務受取消綜合入賬之影響，本集團業績有所下跌。下文載述有關我們業務之業務表現的進一步描述。

電動汽車業務

截至2020年12月31日止年度，本集團電動汽車業務錄得分部收入零港元(2019年12月31日：39,784,000港元)，佔本集團經營業務總收入的0%(2019年12月31日：33.7%)。該分部錄得分部溢利零港元(2019年12月31日：4,918,000港元)及分部利潤率0%(2019年12月31日：12.4%)。

MANAGEMENT DISCUSSION AND ANALYSIS

Despite the aforesaid of the De-Consolidation set out below, the Group will continue to engage in the vehicle business by focusing on providing customized one stop solutions to customers for the supply of vehicle accessories in China. The major products initially will include smart watch car key, intelligent air purifier and sanitizer (effective against COVID-19) and intelligent mobile multimedia system. The Group has an experienced team of technical staffs providing design, integration and modification services according to customers' requirements. The Group aims to provide a selection of customized products to suit customers' needs based on self-design products as well as similar products available in the market.

Energy and Petrochemical Business

For the year ended 31 December 2020, the Energy and Petrochemical Business recorded a revenue of HK\$nil, representing 0% of the Group's total revenue (31 December 2019: HK\$78,255,000).

Silverware Business

For the Silverware Business, all the assets, including but not limited to the books and accounting records, vouchers, computers, company stamps, relevant stocks, etc., of two subsidiaries of the Group in the PRC, namely 浙江通銀貴金屬經營有限公司 (for identification purpose, Zhejiang Tong Yin Precious Metal Operation Company Limited ("**Zhejiang Tong Yin**") and 杭州銀鑫投資管理有限公司 (for identification purpose, Hangzhou Yin Xin Investment Management Company Limited) (the "**Records and Documents**") were seized by the Ministry of Public Security of the PRC as the Records and Documents were kept and stored in a shared office with one of the resigned executive director, Mr. Zhang Genjiang, who holds 49% equity interest of Zhejiang Tong Yin and was arrested during the course of seizure of other businesses of Mr. Zhang Genjiang (the "**Special Circumstance**"). The Company has not received any official documentation from the Ministry of Public Security of the PRC nor any relevant departments from the PRC government and the Special Circumstance was merely notified to the Company in January 2020 by relevant staff of the PRC subsidiaries of the Group. The Company has checked relevant information from the Bureau of Industry and Commerce of the PRC and other unofficial company search engine to verify the Special Circumstance and no information could be founded except the equity of Zhejiang Tong Yin was frozen in January 2020.

管理層討論及分析

儘管下文載列出了取消綜合入賬的上述情況，本集團將繼續從事汽車業務，專注於在汽車配件供應領域為中國客戶提供定制化的一站式解決方案。主要產品初步將包括智能手錶汽車鑰匙、智能空氣淨化器和消毒劑(有效抵禦COVID-19)和智能移動多媒體系統。本集團擁有經驗豐富的技術團隊，可根據客戶要求提供設計、整合及改造服務。本集團的目標是基於自主設計產品和市場同類產品，提供一系列適合客戶需求的定制產品。

能源及石油化工業務

截至2020年12月31日止年度，能源及石油化工業務錄得收入零港元，佔本集團總收入的0% (2019年12月31日：78,255,000港元)。

銀器業務

就銀器業務而言，本集團於中國兩間附屬公司浙江通銀貴金屬經營有限公司(「**浙江通銀**」)和杭州銀鑫投資管理有限公司之所有資產(包括但不限於賬簿和會計記錄、憑證、電腦、公司印、相關存貨等)(「**該記錄和檔案**」)已被中國公安部查封，該記錄和檔案是儲存在一位已辭任的執行董事章根江先生的共享辦公樓內，章根江先生擁有浙江通銀49%股權，而章根江先生已被拘留，其個人其他業務亦被查封(「**特殊情況**」)。本公司未從中國公安部收到任何正式文件，亦未從中國政府其他相關部門收到任何正式文件，該特殊情況僅在2020年1月由本集團中國附屬公司的相關職員通知本公司。本公司已檢查中國工商局及其他非官方公司搜尋引擎的相關資訊以驗證特殊情況，惟除於2020年1月浙江通銀的股權被凍結外，並無任何其他資訊。

MANAGEMENT DISCUSSION AND ANALYSIS

The Company has obtained an investigation report from a PRC lawyer in which the PRC lawyer advised that there is no way to recover the seized records and documents at this moment as it is under the criminal investigation by the Public Security. According to the announcements published by the Public Security, Mr. Zhang Genjiang, a former executive director of the Company and the controller of 浙江之信控股集團有限公司 (Zhejiang Zhixin Holdings Group Co. Ltd.*), was arrested for suspected illegal absorption of public deposits. The Public Security has seized various properties, assets, cash and other things related to the suspects. The PRC lawyer advised that according to PRC laws, the Group's subsidiaries operating the silverware business and those operating the electric vehicle business were considered as connected with the suspects. The PRC lawyer further advised that the seized record and documents would only be dealt with after the relevant criminal investigation or court trial was closed. Other than the announcements published by the Public Security, the PRC lawyer was unable to obtain any further information relating to the investigation by the Public Security.

The Group has lost control on Zhejiang Tong Yin and Hangzhou Yin Xin Investment Management Company Limited and accounted for deconsolidated for the year ended 31 December 2019. Therefore, the Group has recorded other expenses of HK\$78,770,000 in relation to Silverware Business for the year ended 31 December 2019.

Deconsolidation of subsidiaries

The consolidated financial statements have been prepared based on the books and records maintained by the Group. The Company had tried to provide all available information to the Auditors. However, access to such books and records was limited because such books and records were seized by the Public Security of the PRC since January 2020 and were lost due to the departure of top management personnel including relevant directors, legal representatives and finance manager. The Company tried with many attempts but failed to contact the same. In view of the above, the Company was unable to provide sufficient evidence to the Auditors for the audit of these subsidiaries and, accordingly, the Auditors considered that they were unable to obtain sufficient evidence and explanations to satisfy themselves for the financial information of these subsidiaries as well as for the completeness of the financial information of these subsidiaries.

管理層討論及分析

本公司已取得中國律師出具的調查報告，中國律師在報告中告知，因公安現正對該記錄和檔案進行刑事調查，故無法收回被查封的記錄和檔案。根據公安發佈的公告，本公司前執行董事及浙江之信控股集團有限公司的控制人章根江先生因涉嫌非法吸收公眾存款而被拘留。公安已查封與嫌疑人有關之多項物業、資產、現金及其他物品。誠如中國律師告知，根據中國法律，本集團經營銀器業務的附屬公司及經營電動汽車業務的附屬公司被視為與嫌疑人有關連。誠如中國律師進一步告知，被查封的記錄和檔案僅於相關刑事調查或法庭審理結束後方可處理。除公安發佈的公告外，中國律師無法獲得關於公安調查的任何進一步資料。

本集團已失去浙江通銀及杭州銀鑫投資管理有限公司的控制權，並於截至2019年12月31日止年度，取消該兩間公司綜合入賬。因此，截至2019年12月31日止年度本集團已錄得有關銀器業務的其他開支78,770,000港元。

取消綜合入賬若干附屬公司

綜合財務報表乃根據本集團所備存之賬簿及記錄編製。本公司已盡力提供一切可用資料予核數師。然而，由於該等賬簿及記錄自2020年1月起已被中國公安部門查封，故取得有關賬簿及記錄的途徑有限，且該等賬簿及記錄因高級管理人員(包括相關董事、法律代表和財務經理)的離任而遺失。本公司多次嘗試聯絡上述人員但未果。鑒於上述情況，本公司無法提供充足憑據予核數師，以供對該等附屬公司進行審核，因此，核數師認為，彼等無法獲得充足憑據及說明，未能令彼等本身信納該等附屬公司的財務資料及該等附屬公司財務資料的完整性。

MANAGEMENT DISCUSSION AND ANALYSIS

The directors considered that the control over the following subsidiaries had been lost since January 2020. The results, assets, liabilities and cash flows of these subsidiaries were deconsolidated from the consolidated financial statements of the Group since January 2020 (the “**De-Consolidation**”). The major subsidiaries were deconsolidated as follows:

Electric Vehicle Business

- (i) 湖州信成電動汽車有限公司
- (ii) 湖州信馳電動汽車有限公司
- (iii) 湖州信宇汽車銷售服務有限公司
- (iv) 江西信成電動汽車有限公司
- (v) 肇慶信遠汽車銷售服務有限公司
- (vi) Ecological Green Transportation Limited (Incorporated in United Kingdom)
- (vii) Ecological Green Transportation Limited (Incorporated in Hong Kong)

Energy and Petrochemical Business

- (i) China Energy and Chemical Investment Limited
- (ii) Hong Kong Trustful Energy and Chemical Limited
- (iii) Ultimate Growth Investments Limited
- (iv) Great Fortune Enterprise Company Limited
- (v) Gulf Energy (China) Limited

Therefore, the Group has recorded other expenses of HK\$591,130,000 in relation to De-Consolidation.

管理層討論及分析

董事認為本集團自2020年1月起失去下述附屬公司之控制權。因此，自2020年1月起，該等附屬公司之業績、資產、負債及現金流量取消綜合入賬（「取消綜合入賬」）於本集團綜合財務報表。取消綜合入賬之主要附屬公司如下：

電動汽車業務

- (i) 湖州信成電動汽車有限公司
- (ii) 湖州信馳電動汽車有限公司
- (iii) 湖州信宇汽車銷售服務有限公司
- (iv) 江西信成電動汽車有限公司
- (v) 肇慶信遠汽車銷售服務有限公司
- (vi) Ecological Green Transportation Limited (於英國成立)
- (vii) 易通達有限公司(於香港成立)

能源及石油化工業務

- (i) 中國之信能源化工投資有限公司
- (ii) 香港之信能源化工有限公司
- (iii) Ultimate Growth Investments Limited
- (iv) 珈盈實業有限公司
- (v) 海灣能源(中國)有限公司

因此，本集團已錄得有關取消綜合入賬的其他開支591,130,000港元。

MANAGEMENT DISCUSSION AND ANALYSIS

Management's View on the Disclaimer of Opinion

The management of the Company has given careful consideration to the Disclaimer of Opinion and the basis of Disclaimer of Opinion and has had ongoing discussion with the auditors when preparing the Group's consolidated financial statements.

Regarding disclaimer of opinion nos. 1 to 6 as disclosed in this financial statement, to the management's best knowledge and belief, the management understood that the limitation of scope was due to such books and records seized by the Ministry of Public Security of the PRC since January 2020 and lost due to the departure of top management personnel including relevant directors, legal representatives and finance manager. Regarding disclaimer no. 7, the management is processing restructuring plans relating to its vehicle accessories business to improve its financial position, to provide liquidity and cashflow. However, the plans were in process. As such, the Management understood and agreed with the basis of the disclaimer of opinion.

In order to address the disclaimer of opinion, the management had used their best endeavours to reacquire the books and records and financial information of these subsidiaries. However, it fails. In December 2020, the management concluded that the Group lost the control of these subsidiaries and deconsolidated these subsidiaries. As discussed with the auditors, it is expected that the deconsolidation of the deconsolidated subsidiaries proceeds and is completed on or prior to 31 December 2021, the disclaimer of opinion is expected to be removed in the Group's consolidated financial statements for the year ending 31 December 2023, as the financial information of deconsolidated subsidiaries would also affect the corresponding figures in its consolidated financial statements for the year ending 31 December 2022 but would not further affect its consolidated financial statements for the year ending 31 December 2023. The management is confident that the business restructuring plans mentioned as above will be successful to improve its financial position, to provide liquidity and cashflow. The disclaimer of opinion no. 7 will be removed for the year ending 31 December 2022.

管理層討論及分析

管理層有關不發表意見之意見

於編製本集團綜合財務報表時，本公司管理層已審慎考慮不發表意見及不發表意見之基準，並已與核數師展開持續討論。

有關財務報表所披露之第1至6號不發表意見，據管理層深知及確信，管理層瞭解範圍限制是由於自2020年1月起中國公安部查封了該賬簿及記錄，及因高級管理人員(包括相關董事、法律代表和財務經理)的離任而遺失。有關第7號不發表意見，管理層正實施與其汽車配件業務相關的重組計劃，以改善其財務狀況，提供流動資金及現金流。但是，該計劃仍在進行中。因此，管理層明白及同意不發表意見之基準。

為處理不發表意見，管理層已盡其最大努力，嘗試再次獲取該等附屬公司的賬冊、記錄及財務資料，但未能成功。於2020年12月，管理層判定，本集團已失去對該等附屬公司的控制，並終止合併該等附屬公司。按照與核數師的討論，預期該等終止合併附屬公司的終止合併將進行並將於2021年12月31日或之前完成，對本集團截至2023年12月31日止年度的合併財務報表將撤銷不發表意見，因為該等終止合併附屬公司財務資料亦會影響本集團截至2022年12月31日止年度的合併財務報表的相應數據，但不會進一步影響其截至2023年12月31日止年度的合併財務報表。管理層有信心，實施上述業務重組計劃將能成功改善其財務狀況，提供流動資金及現金流。對於截至2022年12月31日止年度，將撤銷第7號不發表意見。

MANAGEMENT DISCUSSION AND ANALYSIS

Audit Committee's View on the disclaimer of Opinion

The auditors requested to perform full audit of subsidiaries as follows for the years ended 31 December 2020:

(i) 湖州信成電動汽車有限公司, (ii) 湖州信馳電動汽車有限公司, (iii) 湖州信宇汽車銷售服務有限公司, (iv) 江西信成電動汽車有限公司, (v) 肇慶信遠汽車銷售服務有限公司, (vi) Ecological Green Transportation Limited, (vii) Ecological Green Transportation Limited, (viii) China Energy and Chemical Investment Limited, (ix) Hong Kong Trustful Energy and Chemical Limited, (x) Ultimate Growth Investments Limited, (xi) Great Fortune Enterprise Company Limited, and (xii) Gulf Energy (China) Limited.

The requested information included but was not limited to the vouchers, invoices, bank statements and bank confirmations etc. in relation to these subsidiaries. The Company had tried to provide all available information to the auditors. However, access to such books and records was limited because such books and records were seized by the Ministry of Public Security of the PRC since January 2020 and were lost due to the departure of top management personnel including relevant directors, legal representatives and finance manager.

The Company tried with many attempts but failed to contact the same. In view of the above, the Company was unable to provide sufficient evidence to the auditors for the audit of these subsidiaries and, accordingly, the auditors considered that they were unable to obtain sufficient evidence and explanations to satisfy themselves for the financial information of these subsidiaries as well as for the completeness of the financial information of these subsidiaries.

The auditors draw attention to note 2 to the consolidated financial statements which mentions that the Group incurred a loss of HK\$600,602,000 and had net current liabilities and net liabilities of HK\$15,713,000 and HK\$15,662,000 respectively and material events mentioned in note 27. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern.

管理層討論及分析

審核委員會有關不發表意見之意見

核數師要求對附屬公司截至2020年12月31日止年度進行全面審核，詳情如下：

(i) 湖州信成電動汽車有限公司；(ii) 湖州信馳電動汽車有限公司；(iii) 湖州信宇汽車銷售服務有限公司；(iv) 江西信成電動汽車有限公司；(v) 肇慶信遠汽車銷售服務有限公司；(vi) Ecological Green Transportation Limited；(vii) 易通達有限公司；(viii) 中國之信能源化工投資有限公司；(ix) 香港之信能源化工有限公司；(x) Ultimate Growth Investments Limited；(xi) 珈盈實業有限公司；及(xii) 海灣能源(中國)有限公司。

所要求的資料包括但不限於與該等附屬公司有關的憑證、發票、銀行結單及銀行確認書等。本公司已嘗試向核數師提供所有可用資料。然而，由於該等賬簿及記錄自2020年1月起被中國公安部查封，並因高級管理人員(包括相關董事、法律代表和財務經理)的離任而遺失，故查閱該等賬簿及記錄的機會有限。

本公司進行多次嘗試，但未能與相同人員取得聯絡。鑒於上述情況，本公司無法向核數師提供足夠的證據審計該等附屬公司，因此，核數師認為他們無法獲得足夠的證據及解釋以滿足他們對該等附屬公司財務信息及該等附屬公司財務信息完整性的需求。

請垂注綜合財務報表附註2，當中提及本集團產生虧損600,602,000港元，流動負債淨額及負債淨額分別為15,713,000港元和15,662,000港元，以及附註27所述的重大事件。該等狀況顯示存在重大不確定性，可能對本集團之持續經營能力產生重大疑問。

MANAGEMENT DISCUSSION AND ANALYSIS

The Audit Committee had critically reviewed the disclaimer of opinion and the management's position concerning the disclaimer of opinion and had also discussed with the auditors at the planning stages and closing stages via teleconferences, by which it was fully aware of the abovementioned background and reasons for the disclaimer of opinion. The Audit Committee therefore concurred with the views of the Management and the auditors.

Removal of Disclaimer of Opinion

As discussed with the auditors, it is expected that the deconsolidation of the deconsolidated subsidiaries proceeds and is completed on or prior to 31 December 2021, the qualification is expected to be removed in the Group's consolidated financial statements for the year ending 31 December 2023, as the financial information of deconsolidated subsidiaries would also affect the corresponding figures in its consolidated financial statements for the year ending 31 December 2022 but would not further affect its consolidated financial statements for the year ending 31 December 2023.

Financial Review

Liquidity, Financial Resources and Capital Structure

As at 31 December 2020, the Group had current assets of HK\$68,000 (2019: HK\$534,956,000) comprising cash and cash equivalents of HK\$nil (2019: HK\$938,000), and net current liabilities of HK\$15,713,000 (2019: HK\$461,683,000). The Group did not have any bank borrowings, guarantee and banking facilities, while the Group's other borrowings included amounts due to an ex-director of HK\$9,442,000 (2019: HK\$7,072,000). As at 31 December 2020, the Group's equity attributable to owners of the Company decreased by HK\$590,926,000 to deficit HK\$15,662,000 (2019: equity HK\$575,264,000), which was mainly due to the effect of the De-Consolidation.

The Group's gearing ratio represented its total borrowings over the equity attributable to owners of the Company. As at 31 December 2020, the Group had total borrowings amounted to HK\$9,442,000 (2019: HK\$7,072,000). The Group's equity attributable to owners of the Company as at 31 December 2020 amounted to deficit HK\$15,662,000 (2019: equity HK\$575,264,000).

管理層討論及分析

審核委員會已仔細審閱不發表意見及管理層有關不發表意見的立場，並已於開始及結束階段透過電話會議與核數師進行討論，並藉此充分獲知上述背景及不發表意見的原因。因此，審核委員會同意管理層及核數師的意見。

撤銷不發表意見

經與核數師討論，已取消綜合入賬的附屬公司的取消綜合入賬工作正在進行，預期將於2021年12月31日或之前完成。由於已取消綜合入賬的附屬公司的財務資料亦將影響截至2022年12月31日止年度的綜合財務報表中的相應數據，惟將不會影響本集團截至2023年12月31日止年度的綜合財務報表，故預期將於截至2023年12月31日止年度的本集團綜合財務報表中撤銷不發表意見。

財務回顧

流動資金、財務資源及資本架構

於2020年12月31日，本集團擁有流動資產68,000港元(2019年：534,956,000港元)，包括現金及現金等價物零港元(2019年：938,000港元)及流動負債淨額15,713,000港元(2019年：461,683,000港元)。本集團並無任何銀行借款、擔保及銀行融資，而本集團其他借款包括應付一名前任董事款項9,442,000港元(2019年：7,072,000港元)。於2020年12月31日，本集團之本公司擁有人應佔權益減少590,926,000港元至虧絀15,662,000港元(2019年：權益575,264,000港元)，主要由於取消綜合入賬的影響所致。

本集團之資產負債比率為其借款總額除以本公司擁有人應佔權益。於2020年12月31日，本集團擁有借款總額9,442,000港元(2019年：7,072,000港元)。於2020年12月31日，本集團之本公司擁有人應佔權益為虧絀15,662,000港元(2019年：權益575,264,000港元)。

MANAGEMENT DISCUSSION AND ANALYSIS

Having considered that the equity attributable to owners of the Company was deficit as at 31 December 2020 and the Group's current ratio, calculated based on current assets of approximately HK\$680,000 over current liabilities of approximately HK\$15,781,000, it was at a very unhealthy level.

As at 31 December 2020, our trade receivables amounted to HK\$nil, which was a decrease of HK\$200,947,000 compared to HK\$200,947,000 as at 31 December 2019, our trade payables as at 31 December 2020 also decreased to HK\$nil from HK\$28,661,000 as at 31 December 2019. The significant decrease in these balances was mainly due to the De-Consolidation.

Furthermore, the deposits, prepayments and other receivables of the Group decreased from HK\$292,352,000 as at 31 December 2019 to HK\$68,000 as at 31 December 2020.

The cash and cash equivalents of the Group amount to HK\$nil as at 31 December 2020.

During the year ended 31 December 2020, the issued share capital of the Company has remain unchanged compared to 31 December 2019.

The Board is determined to continue to engage in the Electric Vehicle Business, and try its best to maintain a prudent approach in managing its financial requirements. In the long run, the Group finances its daily operations and future acquisitions from internally generated cash flows and/or external debt and/or by equity fund raisings.

Convertible Bonds

There was no outstanding convertible bonds as at 31 December 2020 and 2019.

管理層討論及分析

考慮到本公司擁有人應佔權益於2020年12月31日為虧絀，而本集團的流動比率(根據流動資產約680,000港元除以流動負債約15,781,000港元計算)處於一個非常不健康的水準。

於2020年12月31日的貿易應收款項為零港元，較2019年12月31日的200,947,000港元減少200,947,000港元，而於2020年12月31日的貿易應付款項亦由2019年12月31日的28,661,000港元減少至零港元。該等結餘大幅減少乃主要由於取消綜合入賬。

此外，本集團的按金、預付款項及其他應收款項由2019年12月31日的292,352,000港元減少至2020年12月31日的68,000港元。

本集團於2020年12月31日的現金及現金等價物為零港元。

截至2020年12月31日止年度，本公司已發行股本與2019年12月31日相比保持不變。

董事會矢志繼續經營電動汽車業務並盡全力採取審慎的措施管理其財務需求。長遠而言，本集團以內部產生的現金流量及／或外部債務及／或通過股本集資為其日常業務及未來收購提供資金。

可換股債券

於2020年及2019年12月31日，概無尚未行使之可換股債券。

MANAGEMENT DISCUSSION AND ANALYSIS

Share Option Scheme

There was no outstanding share options as at 31 December 2020 and 2019.

Connected Transaction

There was no material connected transaction or related party transactions for the year ended 31 December 2020 except the exempt connected transaction of HK\$9,442,000 (2019: connected transaction of HK\$7,072,000).

Income Tax

The effective tax rate for the year was 0% (2019: 1.8%), which was for the tax rates applicable to the relevant jurisdictions ranging from 0% to 25%.

Foreign Currency Management

The Group's transactions, trade receivables, trade payables and cash and cash equivalents are mainly denominated in United States dollars, Hong Kong dollars and Renminbi. Therefore, the Group is exposed to foreign currency exchange rate risk. The directors of the Company have a positive attitude to regularly monitor the Group's exposure to foreign exchange so as to reduce the foreign exchange rate risk to a minimum level. To a larger extent, foreign exchange risks were minimised via balancing the foreign currency monetary assets versus the corresponding currency liabilities, and foreign currency revenues versus the corresponding currency expenditures. In light of the above, it was considered that the Group's exposure to foreign exchange risks was not significant and no hedging measure had been undertaken by the Group.

Contingent Liabilities

The Group had no significant contingent liabilities as at 31 December 2020 (2019: nil).

管理層討論及分析

購股權計劃

於2020年及2019年12月31日，概無尚未行使之購股權。

關連交易

除9,442,000港元(2019年：7,072,000港元的關連交易)的獲豁免關連交易外，本集團於截至2020年12月31日止年度並無重大關連交易或關聯方交易。

所得稅

本年度之實際稅率為0%(2019年：1.8%)，其為相關司法權區的適用稅率(介於0%到25%)。

外幣管理

本集團的交易、貿易應收款項、貿易應付款項以及現金及現金等價物主要以美元、港元及人民幣計值。因此，本集團承受外匯匯率風險。本公司董事積極定期監察本集團面臨的外匯風險，以將外匯匯率風險降至最低水平。透過維持外幣資產與相應貨幣負債之平衡，以及外幣收入與相應貨幣開支之平衡，本公司已將大部份外匯風險減至最低。鑒於以上所述，本集團所承受的外匯風險相信並不重大，故本集團並無實行對沖措施。

或然負債

本集團於2020年12月31日並無任何重大或然負債(2019年：無)。

MANAGEMENT DISCUSSION AND ANALYSIS

Pledge of Assets

As at 31 December 2020, save as disclosed above, no other assets of the Group were pledged (2019: nil).

Capital Commitments

As at 31 December 2020, the Group had material capital commitments of HK\$nil (2019: HK\$22,400,000).

Dividends

The Group did not recommend the payment of any dividend during the year ended 31 December 2020 (31 December 2019: nil).

Significant Investments Held and Material Acquisitions and Disposals

There were no significant investment held as at 31 December 2020, and there were no material acquisitions and disposals of subsidiaries during the year ended 31 December 2020.

Employees and Remuneration Policies

Total staff costs for the year, including directors' remuneration, was HK\$2,757,000 (2019: HK\$8,558,000). The Group's remuneration practices 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 the employees by providing competitive remuneration package to the employees including salaries, allowances, insurance, discretionary bonus, share option scheme and training for human resources upskilling.

Fund Raising Activity

There was no fund raising activity for the year ended 31 December 2020.

管理層討論及分析

資產抵押

於2020年12月31日，除上文所披露者外，本集團並無其他已抵押資產(2019年：無)。

資本承擔

於2020年12月31日，本集團的重大資本承擔為零港元(2019年：22,400,000港元)。

股息

本集團不建議派發截至2020年12月31日止年度的任何股息(2019年12月31日：無)。

持有重大投資以及重大收購及出售事項

本集團於2020年12月31日並無持有任何重大投資，及截至2020年12月31日止年度亦無任何重大收購及出售附屬公司的事項。

僱員及薪酬政策

本年度總員工成本(包括董事酬金)為2,757,000港元(2019年：8,558,000港元)。本集團的薪酬常規符合現行市場慣例，並根據個別僱員的表現、資歷及經驗而釐定。本集團明白與僱員建立良好關係的重要性，並透過向僱員提供富競爭力的薪酬組合，包括薪金、津貼、保險、酌情花紅、購股權計劃及人力資源技能提升培訓，以達致該目標。

集資活動

截至2020年12月31日止年度，概無任何籌資活動。

MANAGEMENT DISCUSSION AND ANALYSIS

Principal Risks and Uncertainties

The Group's businesses, financial conditions, results of operations or growth prospects may be affected by risks and uncertainties directly or indirectly pertaining to the Group's businesses. The risk factors that could result in the Group's businesses, financial conditions, results of operations or growth prospects are identified as below, while there may be other risks and uncertainties in addition to those identified below which are not known to the Group or which may not be material now but could turn out to be material in the future.

Market Risk

As the growth of traditional automobile market worldwide is expected to slow down, more and more automobile manufacturers enter into electric vehicle industry. Market risk arises from the intensifying competitions of the Electric Vehicle Business of the Group.

With an aim to become one of the market leaders, not only have we engaged qualified managerial, operational and marketing team to deal with the Electric Vehicle Business, in order to minimise the market risk, the Group also builds our competitive edge in the Electric Vehicle Business by being customer-oriented and provision of tailor-made solutions to our customers.

Regulatory Risk

The Group is exposed to regulatory risks, especially in the Electric Vehicle Business, in relation to failure to comply with relevant laws and regulations in financial, operational and environment aspects. While there is no non-compliance of laws and regulations during the year, the Group will remain sensitive to any changes in the regulations, and respond to any changes to ensure our businesses comply with the relevant policies.

Financial Risks

Details of the financial risks are set out in note 6 to the consolidated financial statements.

Currency Market Risk

The Group's currency exposure mainly arises from its businesses in the PRC, further details of which are set out in the paragraph "Foreign Currency Management" under the section headed "Financial Review" above.

管理層討論及分析

主要風險及不確定因素

本集團的業務、財務狀況、經營業績或發展前景可能受到與本集團業務直接或間接相關的風險及不確定因素之影響。下文載列可能影響本集團業務、財務狀況、經營業績或發展前景之風險因素，然而，除下文所列者外，或會存在本集團並未知悉或目前可能不重要但日後可能變得重要的其他風險及不確定因素。

市場風險

鑒於預計全球傳統汽車市場的增速放緩，更多的汽車製造商步入電動汽車行業。市場風險乃因本集團電動汽車業務之競爭加劇所致。

為成為市場領導者之一，本集團已聘請合資格管理、營運及營銷團隊應對電動汽車業務，以將市場風險降至最低，亦透過以客戶為尊及向客戶提供量身定制的方案，以在電動汽車業務方面確立競爭優勢。

監管風險

倘於財務、營運及環境方面未遵守相關法律及法規，則本集團面臨監管風險，尤其是於電動汽車業務。儘管本集團於本年度內並無違反相關法律及法規，但將會對任何法規變動保持敏感，並予以應對，以確保我們的業務遵守相關政策。

金融風險

有關金融風險的詳情載於綜合財務報表附註6。

貨幣市場風險

本集團之貨幣風險主要源自其於中國之業務，其進一步詳情載於上文「財務回顧」一節「外幣管理」一段。

MANAGEMENT DISCUSSION AND ANALYSIS

Global Economic and Environment Risk

In 2020, the national and global economic environments was unstable and complicated mainly due to the COVID-19.

Looking forward, the Group would continue to provide quality services and to expand customer base into the industries it already set foot in. In case of adverse market condition, we will pay close attention to the market changes of the industries involved and adjust our business strategies in a timely manner to avoid visible risks. The Group will take risk management and risk investigation as its paramount concerns, and improve its asset management and team management abilities while enhancing the comprehensive strength of the Group.

Prospect

Despite the aforesaid and the result of De-Consolidation, the Board is determined to continue to engage in the Electric Vehicle Business. The Company considers that the prospects of electric vehicles in the PRC is promising in view of favourable government policies and growing market demands. The Group will focus on providing customized one stop solutions to customers for the supply of vehicle accessories and parts in China.

管理層討論及分析

全球經濟及環境風險

於2020年，國內及全球經濟環境複雜動盪，主要是受新冠疫情影響。

展望未來，本集團將繼續提供優質服務及將客戶基礎擴大至已插足之行業。為應對不利市況，本集團將密切注意所從事行業的市場變動，適時調整業務策略以避免可見風險。本集團將以風險管理及風險調查作為首要任務，並在全面提升集團實力的同時改善資產管理及團隊管理能力。

展望

儘管前文所述及取消綜合入賬的結果，董事會矢志繼續經營電動汽車業務。本公司認為，鑒於政府政策利好及市場需求不斷增長，中國電動汽車的前景大有可為。本集團將聚焦於在汽車配件供應領域為中國客戶提供定制化的一站式解決方案。

CORPORATE GOVERNANCE REPORT

Pursuant to Rule 18.44(2) of the GEM Listing Rules, the Board is pleased to present this corporate governance report for the year ended 31 December 2020. This report highlights the key corporate governance practices of the Company.

Corporate Governance Practices

The Group is 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 Company.

Securities Transactions by Directors and Relevant Employees

The Company adopted the model code for securities transactions by the directors (the “**Model Code**”) on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules.

Relevant employees who are likely to be in possession of inside information of the Company are also subject to compliance with guidelines on no less exacting terms than the Model Code for the year.

企業管治報告

根據GEM上市規則第18.44(2)條，董事會欣然呈報截至2020年12月31日止年度的企業管治報告。本報告羅列本公司的主要企業管治常規。

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，加強公眾問責性及企業管治有利於本集團的穩健增長，提升客戶及供應商信心，並保障本公司股東的利益。

董事及相關僱員進行證券交易

本公司採納董事進行證券交易之標準守則（「標準守則」），條款不寬鬆於GEM上市規則第5.48至5.67條所載的交易必守標準。

有可能掌握本公司內幕消息的相關僱員於本年度亦須遵守條款不寬鬆於標準守則的指引。

CORPORATE GOVERNANCE REPORT

Board of Directors

The current Board is currently composed of five directors, two being executive directors and three being independent non-executive directors as set out below.

Executive Directors

Mr. Luo Huangshi, *Chairman*

Mr. Tao Wah Wai Calvin

Independent Non-executive Directors

Mr. Hu Chao

Mr. Wong Lok Man

Mr. Lo Cheuk Fei, Jeffrey

The Board is responsible for the overall management and affairs of the Company and to maximise returns for shareholders. The day-to-day operations and management of the Company are delegated to the executive Directors and senior management of the Company.

The biographical details of the directors are set out in the section “Biographies of Directors” of this annual report.

Disclosure of Changes in Information of Director

Pursuant to Rule 17.50A(1) of the GEM Listing Rules, changes in directors’ information since the date of the Annual Report 2019 is set out below:

1. Mr. Wong Kin Fai was appointed as executive director on 21 June 2019 and resigned on 20 January 2020.
2. Mr. Lai Wing Kwan was appointed as independent non-executive director on 8 November 2019 and resigned on 17 July 2020.
3. Mr. Law Yiu Sang, Jacky was appointed as independent non-executive director on 17 January 2020 and resigned on 13 March 2020.
4. Mr. Man Wai Lun was appointed as independent non-executive director on 5 February 2020 and resigned on 9 November 2020.

企業管治報告

董事會

現任董事會現由五名董事組成，其中兩名為執行董事，三名為獨立非執行董事，詳情載列如下。

執行董事

駱皇世先生，*主席*

陶樺瑋先生

獨立非執行董事

胡超先生

王樂民先生

盧卓飛先生

董事會負責本公司的整體管理及事務，旨在為股東提供最大的回報。本公司的日常營運及管理交由本公司執行董事及高級管理人員負責。

董事的履歷詳情載於本年報「董事履歷」一節。

董事資料變動披露

根據GEM上市規則第17.50A(1)條，自2019年年度報告日期以來之董事資料變動載列如下：

1. 王健輝先生於2019年6月21日獲委任為執行董事，並於2020年1月20日辭任。
2. 賴榮焜先生於2019年11月8日獲委任為獨立非執行董事，並於2020年7月17日辭任。
3. 羅耀生先生於2020年1月17日獲委任為獨立非執行董事，並於2020年3月13日辭任。
4. 文偉麟先生於2020年2月5日獲委任為獨立非執行董事，並於2020年11月9日辭任。

CORPORATE GOVERNANCE REPORT

5. Mr. Lo Wing Sang was appointed as executive director on 20 May 2020 and resigned on 30 July 2020.
6. Mr. Wong Ching Fai, William was appointed as executive director on 3 June 2020 and resigned on 5 November 2020.
7. Mr. Law Yui Lun was appointed as independent non-executive director on 17 July 2020 and resigned on 30 September 2020.
8. Mr. Luo Huangshi was appointed as executive director on 2 December 2020.
9. Mr. Sit Sai Hung, Billy resigned as independent non-executive director on 4 December 2020.
10. Mr. Fei Jie resigned as executive director on 8 December 2020.
11. Mr. Tao Wah Wai Calvin was appointed as executive director on 23 December 2020.
12. Mr. Hu Chao was appointed as independent non-executive director on 23 December 2020.
13. Mr. Wong Lok Man was appointed as independent non-executive director on 31 December 2020.
14. Mr. Lo Cheuk Fei Jeffrey was appointed as independent non-executive director on 31 December 2020.

企業管治報告

5. 勞永生先生於2020年5月20日獲委任為執行董事，並於2020年7月30日辭任。
6. 黃政輝先生於2020年6月3日獲委任為執行董事，並於2020年11月5日辭任。
7. 羅裔麟先生於2020年7月17日獲委任為獨立非執行董事，並於2020年9月30日辭任。
8. 駱皇世先生於2020年12月2日獲委任為執行董事。
9. 薛世雄先生於2020年12月4日辭任獨立非執行董事。
10. 費杰先生於2020年12月8日辭任執行董事。
11. 陶樺璋先生於2020年12月23日獲委任為執行董事。
12. 胡超先生於2020年12月23日獲委任為獨立非執行董事。
13. 王樂民先生於2020年12月31日獲委任為獨立非執行董事。
14. 盧卓飛先生於2020年12月31日獲委任為獨立非執行董事。

CORPORATE GOVERNANCE REPORT

Chairman and Chief Executive

Mr. Luo Huangshi is the chairman and is responsible for leading the Board in the overall strategic management and business development of the Group.

With effect from 8 December 2020, Mr. Fei Jie resigned as executive director, chairman and other positions in the Group. The position of Chairman is currently held by Mr. Luo Huangshi.

Independent Non-executive Directors

In compliance with the GEM Listing Rules, the Company has appointed three independent non-executive directors representing more than one-third of the Board and at least one of whom has appropriate professional qualifications, or accounting or related financial management expertise.

The functions of independent non-executive directors are primarily to bring an independent judgement on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conducts at board meetings.

Confirmation of Independence

Current independent non-executive directors have made an annual confirmation of independence by reference to Rule 5.09 of the GEM Listing Rules and the Company considers that all independent non-executive directors were independent.

企業管治報告

主席及行政總裁

駱皇世先生為主席並負責領導董事會實施本集團整體策略管理及業務發展。

費杰先生已辭任執行董事、主席以及於本集團內之其他職位，自2020年12月8日起生效。主席一職目前由駱皇世先生擔任。

獨立非執行董事

為遵守GEM上市規則，本公司已委任三名獨立非執行董事，佔董事會人數三分之一以上，且至少一名擁有適當專業資格或會計或相關財務管理專長。

獨立非執行董事的職能主要為於董事會會議上就策略、政策、表現、問責性、資源、主要委任及操守標準事宜作出獨立判斷。

確認獨立性

現任獨立非執行董事已根據GEM上市規則第5.09條作出年度獨立性確認，本公司認為所有獨立非執行董事均為獨立人士。

CORPORATE GOVERNANCE REPORT

Appointment and Re-election of Directors

All the directors, including independent non-executive directors, are appointed for terms of one year. All the directors are subject to retirement by rotation and eligible for re-election in accordance with the Company's Bye-laws.

In accordance with the Company's Bye-laws, (i) any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of the Company after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election; and (ii) 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.

Relationships and Association among the Directors

There was no relationships between members of the Board, including financial, business, family or other material/relevant relationships.

Directors' Continuous Professional Development

During the year, the Company provides regular updates on the business performance of the Group to the directors, so as to ensure that they had appropriate understanding of the Group's businesses and of their duties and responsibilities under the GEM Listing Rules and the relevant statutory and regulatory requirements. The directors are continually updated on the latest development regarding the GEM Listing Rules and other applicable statutory requirements to ensure compliance and upkeep of good corporate governance practices.

企業管治報告

董事委任及重選

所有董事(包括獨立非執行董事)的任期為一年。所有董事須根據本公司細則輪值退任及符合資格重選。

根據本公司的細則，(i)董事會為填補臨時空缺而委任的任何董事任期應至其獲委任後的首次股東大會止，且須於該會議上重選，而任何獲董事會委任加入現有董事會的董事任期僅至本公司下一屆股東週年大會，屆時將符合資格重選；及(ii)於各股東週年大會上，不少於三分之一當時在任的董事須退任，而每名董事須最少每三年輪值退任一次。

董事之間的關係及聯繫

董事會成員之間並無任何關係(包括財務、業務、近親或其他重大／相關關係)。

董事的持續專業發展

於本年度，本公司向董事提供本集團業務表現的定期更新，以確保彼等適當理解本集團業務，以及其根據GEM上市規則及相關法定及監管規定項下的職責與責任。董事持續獲得有關GEM上市規則及其他適用法定規定的最新發展更新，以確保符合及維持良好企業管治常規。

CORPORATE GOVERNANCE REPORT

Board Diversity Policy

Recognising the benefits of having a diversified Board, the Company adopts a board diversity policy and aims to achieve diversity in the Board in order to achieve a sustainable and balanced development for the businesses of the Group. Selection of candidates for the members of the Board are made through the consideration of a different aspects including age, gender, cultural and ethnic background, professional qualification, skills, knowledge and length of services. Besides the above aspects, the Nomination Committee will consider whether the Board composition, as a whole, has sufficient diverse expertise particularly in corporate management, financial control, business development and human resources management. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

Board Meetings Held and Attendance

The CG Code requires regular meeting of the Board be held at least four times a year at approximately quarterly intervals. Such Board meetings involve the active participation, either in person or by telephone conference. Under code provision A.1.3 of the CG Code, notice of at least 14 days should be given of a regular board meeting to all directors to give all directors an opportunity to attend. Certain regular Board meetings were convened with less than 14 days' notice to enable the Board members to react timely and make expeditious decision making in respect of transactions which were of significance to the Group's businesses. As a result, the Board meetings were held with a shorter notice period than required with the consent of all the directors for that time being. The Board will do its best endeavours to meet the requirement of code provision A.1.3 of the CG Code in future. Adequate and appropriate information is circulated normally three days in advance of Board meetings to the directors. In addition to the regular Board meetings, the Chairman met with independent non-executive directors without the presence of other executive directors.

企業管治報告

董事會成員多元化政策

因認可擁有多元化董事會之好處，本公司採納董事會成員多元化政策，旨在實現董事會多元化，以達致本集團業務之可持續及平衡發展。甄選董事會成員人選時會考慮不同方面，包括年齡、性別、文化及種族背景、專業資格、技能、知識及服務任期。除上文各方面，提名委員會將考慮董事會組成在整體上是否具備足夠多元化專長，尤其針對企業管理、財務控制、業務發展及人力資源管理方面。最終將按所選人選的長處及可為董事會作出的貢獻而作決定。

已舉行的董事會會議及出席情況

企業管治守則規定董事會須每年最少舉行四次定期會議，大約每季舉行一次。該等董事會會議均取得董事親身或透過會議電話積極參與。根據企業管治守則之守則條文第A.1.3條，應至少提前十四天向全體董事發出有關定期董事會會議的通告以給予全體董事機會出席。若干定期董事會會議所發出的通知少於十四日，讓董事會成員能夠就對本集團業務屬重大之交易及時作出迅速決策。因此，董事會會議於當時全體董事同意下較規定時間為短之通知期內舉行。董事會日後將盡其最大努力以遵守企業管治守則之守則條文第A.1.3條規定。一般在董事會會議舉行前三天會向董事傳閱充足及適用資料。除董事會定期會議外，主席亦曾於並無其他執行董事出席之情況下與獨立非執行董事會面。

CORPORATE GOVERNANCE REPORT

企業管治報告

The attendance records of the directors at Board meetings and Board Committee meetings held during the year is set out below:

董事於本年度舉行的董事會會議及董事委員會會議的出席記錄載列如下：

		Number of meetings attended/Eligible to attend ¹ 出席/合資格出席的會議次數 ¹			
		Board 董事會	Remuneration Committee 薪酬委員會	Audit Committee 審核委員會	Nomination Committee 提名委員會
Executive Directors		執行董事			
Mr. Fei Jie, former chairman (resigned on 8 December 2020)	費杰先生·前任主席 (於2020年12月8日辭任)	9/9	N/A不適用	N/A不適用	N/A不適用
Mr. Wong Kin Fai (resigned on 20 January 2020)	王健輝先生(於2020年 1月20日辭任)	0/9	N/A不適用	N/A不適用	N/A不適用
Mr. Lo Wing Sang (resigned on 30 July 2020)	勞永生先生(於2020年7月30 日辭任)	3/9	N/A不適用	N/A不適用	N/A不適用
Mr. Wong Ching Fai, William (resigned on 5 November 2020)	黃政輝先生(於2020年11月5 日辭任)	2/9	N/A不適用	N/A不適用	N/A不適用
Mr. Luo Huangshi (appointed on 2 December 2020)	駱皇世先生(於2020年12月2 日獲委任)	2/9	N/A不適用	N/A不適用	N/A不適用
Mr. Tao Wah Wai, Calvin (appointed on 23 December 2020)	陶樺璋先生(於2020年12月 23日獲委任)	1/9	N/A不適用	N/A不適用	N/A不適用
Independent Non-executive Directors		獨立非執行董事			
Mr. Sit Sai Hung, Billy (resigned on 4 December 2020)	薛世雄先生(於2020年 12月4日辭任)	9/9	6/8	0/1	6/8
Mr. Lai Wing Kwan (resigned on 17 July 2020)	賴榮焜先生(於2020年7月17 日辭任)	2/9	4/8	0/1	4/8
Mr. Man Wai Lun (resigned on 9 November 2020)	文偉麟先生(於2020年11月9 日辭任)	6/9	3/8	0/0	3/8
Mr. Law Yui Lun (resigned on 30 September 2020)	羅裔麟先生(於2020年9月30 日辭任)	1/9	0/8	0/0	0/8
Mr. Law Yiu Sang, Jacky (resigned on 13 March 2020)	羅耀生先生(於2020年3月13 日辭任)	1/9	1/8	0/0	1/8
Mr. Hu Chao (appointed on 23 December 2020)	胡超先生(於2020年12月23 日獲委任)	1/9	1/8	0/1	1/8
Mr. Wong Lok Man (appointed on 31 December 2020)	王樂民先生(於2020年12月 31日獲委任)	0/9	0/8	0/1	0/8
Mr. Lo Cheuk Fei, Jeffrey (appointed on 31 December 2020)	盧卓飛先生(於2020年12月 31日獲委任)	0/9	0/8	0/1	0/8

¹ Number of meetings held during the year or during the tenure of the directors/ Board Committee members for the year (if such director was appointed or ceased to be a director/Board Committee member part way during the year)

¹ 於本年度或董事/董事委員會成員於本年度的任期內(倘該董事於本年度獲委任或不再擔任董事/董事委員會成員)舉行的會議次數

CORPORATE GOVERNANCE REPORT

企業管治報告

General Meetings Held and Attendance

The attendance records of the directors at general meetings held during the Year is set out below:

已舉行的股東大會及出席情況

董事於本年度舉行的股東大會的出席記錄載列如下：

		Number of meetings attended/ Eligible to attend ¹ 出席/合資格出席的會議次數 ¹	
		Annual General Meeting 股東週年大會	Special General Meeting 股東特別大會
Executive Directors	執行董事		
Mr. Fei Jie, former chairman	費杰先生，前任主席	0/0	0/0
Mr. Wong Kin Fai, former director	王健輝先生，前任董事	0/0	0/0
Mr. Lo Wing Sang, former director	勞永生先生，前任董事	0/0	0/0
Mr. Wong Ching Fai, William, former director	黃政輝先生，前任董事	0/0	0/0
Mr. Luo Huangshi	駱皇世先生	0/0	0/0
Mr. Tao Wah Wai, Calvin	陶樺璋先生	0/0	0/0
Independent Non-executive Directors ("INED")	獨立非執行董事(「獨立非執行董事」)		
Mr. Sit Sai Hung, Billy, former INED	薛世雄先生，前獨立非執行董事	0/0	0/0
Mr. Lai Wing Kwan, former INED	賴榮焜先生，前獨立非執行董事	0/0	0/0
Mr. Man Wai Lun, former INED	文偉麟先生，前獨立非執行董事	0/0	0/0
Mr. Law Yui Lun, former INED	羅裔麟先生，前獨立非執行董事	0/0	0/0
Mr. Law Yiu Sang, former INED	羅耀生先生，前獨立非執行董事	0/0	0/0
Mr. Hu Chao	胡超先生	0/0	0/0
Mr. Wong Lok Man	王樂民先生	0/0	0/0
Mr. Lo Cheuk Fei, Jeffrey	盧卓飛先生	0/0	0/0

1 Number of meetings held during the year or during the tenure of the directors (if such director was appointed or ceased to be a director part way during the year)

1 於本年度或董事於本年度的任期內(倘該董事於本年度獲委任或不再擔任董事)舉行的會議次數

CORPORATE GOVERNANCE REPORT

Remuneration Committee

As at 31 December 2020, the Remuneration Committee comprised all independent non-executive directors, namely Mr. Hu Chao, Mr. Wong Lok Man and Mr. Lo Cheuk Fei, Jeffrey. Mr. Hu Chao is the chairman of the Remuneration Committee. The primary duties of the Remuneration Committee are making recommendations to the Board on the Company's policy and structure for the directors and senior management remuneration, making recommendations to the Board on the remuneration packages of individual director and ensuring that no director or any of his associates is involved in deciding his own remuneration. Specific terms of reference of the Remuneration Committee are published on the websites of the Company and the Exchange.

The Remuneration Committee held meetings during the year to review the remuneration package of the directors.

Audit Committee

As at 31 December 2020, the Audit Committee comprised all independent non-executive directors, namely Mr. Hu Chao, Mr. Wong Lok Man and Mr. Lo Check Fei, Jeffrey. Mr. Wong Lok Man is the chairman of the Audit Committee, who has appropriate professional qualifications and experience as required by the GEM Listing Rules. Specific terms of reference of the Audit Committee are published on the websites of the Company and the Exchange. The primary duties of the Audit Committee include the following:

- (a) monitoring and ensuring a proper relationship with the Company's auditors;
- (b) reviewing the Group's quarterly, interim and annual reports and compliance with accounting standards, the GEM Listing Rules, and legal requirements before submission to the Board; and
- (c) overseeing the Company's financial reporting system, risk management and internal control system.

The Audit Committee held meetings during the year, to review the Group's quarterly and interim financial statements.

The current independent non-executive directors of the Board of the Audit Committee has reviewed the audited financial statements of the Group for the year ended 31 December 2020, to review the annual audit plan of the external auditors, to meet and discuss with the external auditors about audit findings, and to discuss with the Board about re-appointment of the external auditor and recommended to the Board the approval and announcement of such financial information on 12 May 2021.

企業管治報告

薪酬委員會

於2020年12月31日，薪酬委員會由全體獨立非執行董事，胡超先生、王樂民先生及盧卓飛先生組成。胡超先生為薪酬委員會主席。薪酬委員會的主要職責為就本公司董事及高級管理人員的薪酬政策及架構以及個別董事的薪酬方案向董事會提供推薦建議，並確保概無董事或其任何聯繫人參與決定其自身的薪酬。薪酬委員會的職權範圍詳情已登載於本公司及聯交所之網站。

薪酬委員會於本年度舉行會議，以檢討董事的薪酬待遇。

審核委員會

於2020年12月31日，審核委員會由全體獨立非執行董事，胡超先生、王樂民先生及盧卓飛先生組成。王樂民先生為審核委員會主席，其具備GEM上市規則規定的適當專業資格及經驗。審核委員會的職權範圍詳情已登載於本公司及聯交所之網站。審核委員會的主要職責包括以下各項：

- (a) 監察並確保與本公司核數師的關係恰當；
- (b) 於提交董事會前審閱本集團的季度、中期及年度報告，以及遵守會計準則、GEM上市規則及法律規定的情況；及
- (c) 監督本公司的財務申報制度、風險管理及內部監控系統。

審核委員會於本年度已舉行會議，以審閱本集團的季度及中期財務報表。

審核委員會董事會現任獨立非執行董事已審閱本集團截至2020年12月31日止年度的經審核財務報表，審閱外聘核數師的年度審計計劃，會見外聘核數師，與外聘核數師討論審計過程中的發現，並與董事會討論有關外聘核數師的續聘，並於2021年5月12日推薦董事會批准及公佈該等財務資料。

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Nomination Committee

As at 31 December 2020, the Nomination Committee comprised all independent non-executive directors, namely Mr. Hu Chao, Mr. Wong Lok Man and Mr. Lo Cheuk Fei, Jeffrey. Mr. Lo Cheuk Fei, Jeffrey is the chairman of the Nomination Committee. The primary duties of the Nomination Committee are to review the size, structure and composition of the Board, identify suitably qualified individual for appointment to the Board, assess the independence of independent non-executive directors and make recommendations to the Board on the appointment or re-appointment of the directors and succession planning for the directors. The Nomination Committee is also responsible for ensuring the Board comprises diversity of perspectives appropriate for the Company's healthy development. The Nomination Committee considered that the Board has sufficient diverse expertise, particularly in corporate management, financial control, business development and human resources management, for the Company's businesses, while gender diversity is not directly relevant to the quality of the Board. Specific terms of reference of the Nomination Committee are published on the websites of the Company and the Exchange.

When making recommendations regarding the appointment of any proposed candidate to the Board or re-appointment of any existing member(s) of the Board, the Nomination Committee shall consider a variety of factors including without limitation the following in assessing the suitability of the proposed candidate:

- a. Reputation for integrity.
- b. Qualifications including professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy.
- c. Willingness to devote adequate time to discharge duties as a Board member and other directorships and significant commitments.
- d. Diversity in all its aspects, including but not limited to gender, age (18 years or above), cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.
- e. Such other perspectives appropriate to the Company's business.

企業管治報告

提名委員會

於2020年12月31日，提名委員會由全體獨立非執行董事胡超先生、王樂民先生及盧卓飛先生組成。盧卓飛先生為提名委員會主席。提名委員會的主要職責為檢討董事會的大小、架構及組成，物色可獲委任進入董事會的適當合資格人士，評核獨立非執行董事的獨立性，並就董事的任命或重新任命及董事的繼任安排，向董事會提供建議。提名委員會亦負責確保董事會成員提供有利於本公司健康發展之多元化見解。提名委員會認為董事會在企業管理、財務控制、業務發展及人力資源管理等方面就本公司業務而言具備足夠的多元化專長，而性別多元化與董事會質素並無直接關係。提名委員會的職權範圍詳情已登載於本公司及聯交所之網站。

提名委員會在評估候選人是否合適時須考慮多項因素，以就委任任何候選人加入董事會或重新委任董事會任何現有成員作出推薦意見，有關因素包括但不限於以下各項：

- a. 誠信。
- b. 資歷，包括與本公司業務及企業策略相關之專業資格、技能、知識及經驗。
- c. 願意投放足夠時間履行董事會成員和其他董事職務及肩負重要承擔。
- d. 董事會各方面之多元化，包括但不限於性別、年齡(18歲或以上)、文化及教育背景、種族、專業經驗、技能、知識和服務年期等方面。
- e. 適用於本公司業務之有關其他因素。

CORPORATE GOVERNANCE REPORT

These factors are for reference only, and not meant to be exhaustive and decisive. The Nomination Committee may consider other factors so to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. The Nomination Committee has the discretion to nominate any person, as it considers appropriate.

The Nomination Committee held meeting during the year to review the size, structure and composition of the Board, the independence of the independent non-executive directors and the suitability of the directors proposed for re-appointment at the Company's annual general meeting, and make recommendations to the Board for the directors newly appointed during the year.

Corporate Governance Functions

The Board is responsible for performing the following corporate governance duties as required under the CG Code:

- (a) developing and reviewing the Company's policies and practices on corporate governance;
- (b) reviewing and monitoring the training and continuous professional development of the directors and senior management of the Group;
- (c) reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) developing, reviewing and monitoring the codes of conduct, where applicable, to employees and the directors; and
- (e) reviewing the Company's compliance with the CG Code and disclosures in this report.

企業管治報告

上述因素僅供參考，並非盡列所有因素，亦不具決定性作用。提名委員會或會考慮其他因素，以確保董事會具備均衡之技能、經驗及多元化思維，以切合本公司之業務需要。提名委員會可酌情決定提名其認為適當之任何人士。

提名委員會於本年度期間舉行了會議，以檢討董事會的大小、架構及組成，獨立非執行董事的獨立性，及擬於本公司股東週年大會連任的董事是否為適當人選，並就於本年度新委任的董事向董事會提供建議。

企業管治職能

董事會負責根據企業管治守則履行下列規定之企業管治職責：

- (a) 制定及審閱本公司企業管治政策及慣例；
- (b) 檢討及監察本集團董事及高級管理層之培訓及持續專業發展；
- (c) 審閱及監察本公司遵守法定及監管規定的政策及慣例；
- (d) 制定、審閱及監察適用於僱員及董事之行為守則；及
- (e) 檢討本公司是否已遵守企業管治守則及於本企業管治報告中的披露。

CORPORATE GOVERNANCE REPORT

Company Secretary

Mr. Lo Wing Sang was appointed as company secretary on 20 May 2020 and resigned on 30 July 2020.

Ms. Li Lai Nar was appointed as company secretary on 21 September 2020 and resigned on 31 December 2020.

Mr. Au Yeung Yiu Chung was appointed as company secretary on 31 December 2020.

Auditors' Remuneration

For the year ended 31 December 2020, fees for audit and non-audit services paid/payable to ZHONGHUI ANDA CPA Limited, the auditors of the Company, amounted to HK\$600,000 and HK\$90,000 respectively.

Risk Management and Internal Control

The Board acknowledges its responsibility for the effectiveness of the Group's risk management and internal control systems.

The Group's risk management process includes risk identification, risk evaluation, risk management and risk control and review. The Group's risk management framework sets out the risk management process as described below:

- (a) The head of each businesses and functions of the Group, including areas covering financial, operational, compliance and risk management functions, is entrusted with duties in identifying, evaluating and managing risks within its own division regularly. Mitigation plans are implemented to manage the risks after taking into account the objectives of each businesses.
- (b) The senior management is responsible for overseeing the risk management and internal control activities of the Group through regular meetings with each division to ensure principal risks are properly addressed and any material internal control defects are properly identified and well addressed.

企業管治報告

公司秘書

勞永生先生於2020年5月20日獲委任為公司秘書，並於2020年7月30日辭任。

李麗娜女士於2020年9月21日獲委任為公司秘書，並於2020年12月31日辭任。

歐陽耀忠先生於2020年12月31日獲委任為公司秘書。

核數師酬金

截至2020年12月31日止年度，已付／應付本公司核數師中匯安達會計師事務所有限公司的審核及非審核服務費用分別為600,000港元及90,000港元。

風險管理及內部監控

董事會確認其有責任確保本集團風險管理及內部監控系統行之有效。

本集團風險管理程序包括風險識別、風險評估、風險管理以及風險控制及審查。本集團風險管理框架載列如下所述風險管理程序：

- (a) 本集團各業務及職能部門(範圍包括財務、營運、合規及風險管理職能部門)主管獲委派定期於本部門內識別、評估、管理風險。經計及各業務部門的目標後，實施緩減計劃以管理風險。
- (b) 高級管理層通過與各部門之定期會議負責監督本集團風險管理及內部監控活動，以確保妥善處理主要風險以及妥為識別及妥善處理任何重大內部監控缺陷。

CORPORATE GOVERNANCE REPORT

(c) The Board is responsible for reviewing the effectiveness of the Group's risk management and internal control systems through regular meetings with the senior management. In addition, the Audit Committee, taking into consideration of the advices and opinions from the external professional internal control consultant, is responsible for ensuring the sufficiency and effectiveness of the Group's risk management and internal control systems through regular inspection and monitoring.

The systems are implemented to minimise the risk to which the Group is exposed and is used as a management tool for the day-to-day operation of business. The system can only provide reasonable but not absolute assurance against misstatement or losses.

The Group does not have an internal audit function during the review period. The Board has implemented an internal audit function to review the effectiveness of the internal control system of the Company subsequent to the review period.

Procedures and Internal Controls for the Handling and Dissemination of Inside Information

The Group discloses inside information to the public as soon as reasonably practicable unless the information falls within any of the safe harbours as provided in the SFO. Before the information is fully disclosed to the public, the Group ensures the information is kept strictly confidential. If the Group believes that the necessary degree of confidentiality cannot be maintained or that confidentiality may have been breached, the Group would immediately disclose the information to the public. The Group is committed to ensure that information contained in announcements or circulars are not false or misleading as to a material fact, or false or misleading through the omission of a material fact in view of presenting information in a clear and balanced way, which requires equal disclosure of both positive and negative facts.

企業管治報告

(c) 董事會通過與高級管理層之定期會議，負責檢討本集團的風險管理及內部監控系統的成效。此外，審核委員會在外聘專業內部監控顧問的建議及意見下通過定期檢查和監督負責確保本集團風險管理及內部監控制度的充分性和有效性。

實施系統旨在將本集團面臨的風險降至最低，並用作日常業務營運的管理工具。該系統僅提供合理而非絕對保證可避免出現錯誤陳述或損失。

於回顧期內，本集團並無內部審核功能。董事會已於回顧期後實施內部審核功能以檢討公司內部監控系統之效用。

處理及發放內幕消息的程序和內部監控措施

本集團在合理切實可行的情況下，會盡快向公眾披露內幕消息，除非有關消息屬證券及期貨條例所規定屬於任何安全港範圍內。本集團在向公眾全面披露有關消息前，會確保該消息絕對保密。若本集團認為無法保持所需的機密程度，或可能違反保密措施，本集團會即時向公眾披露該消息。本集團致力確保公告或通函中所載的消息就重大事實而言並不屬虛假或具誤導性，或鑒於以清晰平衡的方式呈列消息(就正面及負面事實需要同等披露而言)並不因遺漏重大事實而屬虛假或具誤導性。

CORPORATE GOVERNANCE REPORT

Financial Reporting

The directors acknowledge their responsibility for preparation of the Group's consolidated financial statements that give a true and fair view. The responsibility of auditors in respect of the Group's consolidated financial statements are set out in the independent auditors' report forming part of this annual report.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so. The directors are aware that the net liabilities, loss and operating cash outflow for the year ended 31 December 2020, and the deconsolidation of the subsidiaries mentioned, which indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern as referred to C.I.3 of the CG Code.

企業管治報告

財務申報

董事知悉彼等須負責編製本集團的綜合財務報表，以真實及公平地反映業務狀況。核數師就有關本集團綜合財務報表的責任載於本年報的獨立核數師報告內。

編製綜合財務報表時，董事負責評估本集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將本集團清盤或停止經營，或別無其他實際的替代方案。董事知悉截至2020年12月31日止年度之負債淨額、虧損及經營現金流出，及提及的終止合併附屬公司，表明存在重大不確定性，根據企業管治守則第C.I.3條，其可能會對集團持續經營的能力產生重大懷疑。

CORPORATE GOVERNANCE REPORT

Communications with Shareholders and Investor Relations

The Board has established a shareholders' communication policy to maintain an on-going dialogue with its shareholders and investors in a timely, open and transparent manner. The Board reviews the policy on a regular basis to ensure effective communication between the Company, its shareholders and investors.

The Board communicates with its shareholders and investors through various channels. The Board meets and communicates with shareholders and investors at annual general meetings and other general meetings. Corporate communications (such as quarterly, interim and annual reports, notices, circulars and announcements) are sent to shareholders in a timely manner and are available on the websites of the Company and the Exchange.

During the year, there was no change in the Company's constitutional documents.

Shareholders' Rights

Procedures for Shareholders to Propose a Person for Election as a Director

According to Bye-law 85 of the Company's Bye-laws, a shareholder of the Company (other than the person to be proposed) duly qualified to attend and vote at an annual general meeting of the Company may propose a person for election as a director at such meeting by lodging a notice in writing signed by such shareholder of his intention to propose such person for election and a notice in writing signed by the person to be proposed of his willingness to be elected at the head office of the Company or the office of the Hong Kong branch share registrar of the Company provided that the minimum length of the period, during which such notices are given, shall be at least seven days and that (if the notices are submitted after the despatch of the notice of the general meeting appointed for such election) the period for lodgement of such notices shall commence on the day after the despatch of the notice of the meeting appointed for such election and end no later than seven days prior to the date of such meeting.

企業管治報告

與股東之溝通及投資者關係

董事會已建立股東溝通政策，以及時、公開及透明地與股東及投資者保持持續溝通。董事會負責定期審查上述政策，確保本公司、其股東及投資者之間保持有效溝通。

董事會透過各種渠道與股東及投資者進行溝通。董事會參加股東週年大會和其他股東大會，以與股東及投資者會面與溝通。本公司會及時向股東傳達公司通訊(如季度、中期及年度報告、通告、通函及公告)，公司通訊亦可於本公司及聯交所網站查閱。

於本年度，本公司的章程文件概無變動。

股東的權利

股東提名董事人選的程序

根據本公司的公司細則第85條，有資格出席本公司股東週年大會並於會上投票的股東(不包括被推選者)可透過將經其簽署的一份表明該股東建議提名相關人士參選之意向的書面通知以及該被推選人士簽署的表明其願意參選的書面通知呈交至本公司總辦事處或香港股份過戶登記分處，於該大會上推選一名人士為董事，前提是發出該通知的最短期限至少應為七天，倘通知是在指定作該推選的股東大會通知寄發後提交，該通告之提交期間應從指定該推選的大會通知寄發當日開始截至該大會召開日期前不少於七天止。

CORPORATE GOVERNANCE REPORT

Procedures for Shareholders to Convene a Special General Meeting

Other than election at annual general meeting, pursuant to Bye-law 58 of the Company's Bye-laws, shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the company secretary of the Company, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition, including election of directors, and such meeting shall be held within two months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionists themselves may do so in accordance with the provisions of Section 74(3) of the Companies Act 1981 of Bermuda.

Procedures for Shareholders to Direct Enquiries to the Board

Shareholders can put enquiries to the Board. All enquiries shall be in writing and sent by post to the headquarter and place of business of the Company at Unit 1603, 16/F., The Phoenix, No. 23 Luard Road, Wanchai, Hong Kong, for the attention of the company secretary of the Company.

企業管治報告

股東召開股東特別大會的程序

除於股東週年大會上選舉外，根據本公司的細則第58條，在申請書提交當日持有本公司實收資本不少於十分之一且在本公司股東大會上有投票權之股東隨時有權通過向本公司董事會或公司秘書提出書面申請，要求董事會召開股東特別大會，以商議申請書中列明之交易事項(包括選舉董事)，該大會應在申請書提交後兩個月內舉行。倘在提交申請書後二十一(21)天內，董事會未能著手準備召開該大會，則申請人可自行根據百慕達1981年公司法第74(3)條之規定召開該大會。

股東直接諮詢董事會的程序

股東可向董事會作出查詢。所有查詢均須為書面形式，並以郵遞方式送達本公司總辦事處及營業地點，地址為香港灣仔盧押道23號鳳凰城16樓1603室，註明收件人為本公司公司秘書。

BIOGRAPHIES OF DIRECTORS

Executive Directors

Mr. Luo Huangshi (“**Mr. Luo**”), aged 49, was appointed as an executive Director on 2 December 2020 and appointed as the Chairman of the Board on 9 February 2021. He is the founder and chairman of 廣東北斗天雲科技有限公司 (Guangdong Beidou Tianyun Technology Co. Ltd.*). Prior to that, Mr. Luo has been engaged in the knitting and embroidery industry in China for over 13 years.

Mr. Tao, aged 29, obtained his Master of Business Administration from Southwestern University in 2018, is currently the Director of Premium Bright Corporate Advisory Limited. Mr. Tao has extensive knowledge in corporate finance transactions in Hong Kong. He is well experienced for working in mergers & acquisition, analysing financial and market data, responsible for coordinating and supporting integration planning for acquisitions, and taking deals through the full process to successful completion.

Independent Non-executive Directors

Mr. Hu Chao (“**Mr. Hu**”) was appointed as an independent non-executive director of the Company. Mr. Hu, aged 37, he obtained a Bachelor Degree in Law from Hunan University of Technology (formerly known as Zhuzhou Institute of Technology). Mr. Hu has extensive experience in legal consultation and had been providing consultancy services for various businesses in the PRC. Mr. Hu currently serves as independent non-executive director of GT Group Holdings Limited (Stock Code: 263), the company listed on the Main Board. Mr. Hu currently serves as independent non-executive director of CL Group (Holdings) Limited (Stock Code: 8098), the company listed on the GEM Board. Mr. Hu was appointed as executive director of Farnova Group Holdings Limited (Stock Code: 8153), the company listed on the GEM Board, from 22 July 2016 to 14 December 2020.

董事履歷

執行董事

駱皇世先生(「**駱先生**」), 49歲, 於2020年12月2日獲委任為執行董事, 並於2021年2月9日獲委任為董事會主席。駱先生為廣東北斗天雲科技有限公司的創辦人和主席, 在此之前, 駱先生在中國從事紡織及刺繡行業超過13年。

陶先生, 29歲, 於2018年獲得西南大學工商管理碩士學位, 陶先生現為昶溢企業諮詢有限公司的董事。陶先生於香港擁有豐富企業金融交易經驗。彼擁有合併及收購, 分析金融及市場數據工作經驗, 負責協調及支援收購綜合計劃及處理交易直至成功完成。

獨立非執行董事

胡超先生(「**胡先生**」)獲委任為本公司獨立非執行董事。胡先生, 37歲, 獲得湖南工業大學法學院(前稱為株洲工學院)法學學士學位。胡先生於法律諮詢方面擁有豐富經驗, 並且曾在中國提供各類商業諮詢服務。胡先生目前為於主板上市之高富集團控股有限公司(股份代號: 263)的獨立非執行董事。胡先生目前為於GEM上市之昌利(控股)有限公司(股份代號: 8098)的獨立非執行董事。胡先生於2016年7月22日至2020年12月14日為於GEM上市之法諾集團控股有限公司(股份代號: 8153)的執行董事。

BIOGRAPHIES OF DIRECTORS

董事履歷

Mr. Wong Lok Man (“Mr. Wong”) has been appointed as an independent non-executive director of the Company. Mr. Wong, aged 38, obtained a Diploma of Business Administration from Sydney Institute of Business and Technology in 2003 and Bachelor of Commerce-Accounting from Macquarie University in 2005. He is a member of the Hong Kong Institute of Certified Public Accountants with over 15 years of accounting and audit experience, including, among others, as the chief financial officer and company secretary of L & A International Holdings Limited (stock code: 8195) from September 2014 to May 2016 and as the group financial controller, joint company secretary and authorised representative of Kaisun Holdings Limited (stock code: 8203) since August 2020, the issued shares of both of which are listed on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). Mr. Wong was appointed as an independent nonexecutive director of China Financial International Investments Limited (stock code: 721) which are listed on main board of the Stock Exchange on 18 November 2020.

Mr. Lo Cheuk Fei Jeffrey (“Mr. Lo”) has been appointed as an independent non-executive director of the Company. Mr. Lo, aged 27, obtained his Master of Accounting and Finance from University of Edinburgh in 2016, is currently the Finance Manager of eLumen LED Lighting Solutions Company Limited. Mr. Lo has extensive experience in auditing in Hong Kong. He is experienced in the audit of manufacturing and consumer business industry, analyzing financial and market data and familiar with the Hong Kong Accounting Standard and Hong Kong Standard of Auditing.

王樂民先生(「王先生」)已獲委任為本公司獨立非執行董事。王先生，38歲，於2003年獲取悉尼商業技術學院工商管理文憑，並於2005年獲取麥考瑞大學商業(會計)學士學位。彼為香港會計師公會會員，擁有逾15年的會計及審計經驗，包括(其中包括)於2014年9月至2016年5月擔任樂亞國際控股有限公司(股份代號：8195)之首席財務官及公司秘書，並自2020年8月起擔任凱順控股有限公司(股份代號：8203)之集團財務總監、聯席公司秘書及授權代表，該兩間公司之已發行股份均於香港聯合交易所有限公司(「聯交所」)GEM上市。王先生於2020年11月18日獲委任為於聯交所主板上市之中國金融國際投資有限公司(股份代號：721)之獨立非執行董事。

盧卓飛先生(「盧先生」)已獲委任為本公司獨立非執行董事。盧先生，27歲，於2016年獲得愛丁堡大學會計及金融學理學碩士學位，盧先生現為壹流明光電科技有限公司的財務經理。盧先生於香港擁有豐富的審計經驗。彼擁有製造及消費業務審計經驗，以及分析金融及市場數據的經驗，並熟悉香港會計準則及香港審計準則。

DIRECTORS' REPORT

The directors present their annual report together with the audited consolidated financial statements of the Group for the year ended 31 December 2020.

Principal Activities

The principal activity of the Company is investment holding. The principal activities of its principal subsidiaries are set out in note 26 to the consolidated financial statements.

Results

The results of the Group for the year ended 31 December 2020 are set out in the consolidated statement of profit or loss and other comprehensive income on pages 56 to 57 to this annual report.

Dividend

No special dividend was paid during the year (2019: nil). The directors do not recommend the payment of a final dividend for the year (2019: nil).

Business Review

Further discussion and analysis of the activities of the Group as required by Schedule 5 to the Hong Kong Companies Ordinance can be found in the sections headed "Chairman's Statement" on pages 5 to this annual report and "Management Discussion and Analysis" on pages 6 to 18 to this annual report. These sections form part of this directors' report.

Environmental Policies and Performance

With an aim to become a strong market player in the green transportation and electric vehicle industry, the Group leads by example by placing strong emphasis on the environmental impact caused by the Company's operation and have established appropriate environmental management systems tailored to the nature of our businesses. The Group adheres to a green production process, including handling three wastes from factories and strictly complying with national and local environmental laws and regulations. As for our daily office operations, the Group also encourages controlling energy consumption in terms of employees' daily behaviors and equipment management.

Further discussions on the Group's environmental policies and our relationship with various stakeholders are covered by a separate Environmental, Social and Governance report which will be available at the websites of the Company and the Exchange in due course as soon as possible.

董事會報告

董事會呈報本集團截至2020年12月31日止年度的年報及經審核綜合財務報表。

主要業務

本公司的主要業務為投資控股。本公司的主要附屬公司的主要業務載於綜合財務報表附註26。

業績

本集團截至2020年12月31日止年度的業績載於本年報第56至57頁的綜合損益及其他全面收益表。

股息

於本年度並無已支付特別股息(2019年:無)。董事不建議派發本年度的末期股息(2019年:無)。

業務回顧

按香港公司條例附表5所規定有關本集團業務的進一步討論及分析，載於本年報第5頁的「主席報告」及本年報第6至18頁的「管理層討論及分析」各節。該等章節構成本董事會報告的一部分。

環境政策及表現

為成為綠色交通及電動汽車行業強大市場參與者，本集團亦以身作則，重視本公司運營帶來的環境影響，並根據業務性質設立適宜的環境管理制度。本集團堅持綠色生產流程，包括工廠「三廢」處理及嚴格遵守國家及地方環境法律法規。就我們的辦公室日常措施而言，本集團亦鼓勵從員工的日常行為和設備管理控制能源消耗。

關於本集團環境政策及我們與不同持份者的關係的進一步討論載於單獨的環境、社會及管治報告書，該報告書將盡快於適時上載於本公司網站及聯交所網站。

DIRECTORS' REPORT

Compliance with Relevant Laws and Regulations

During the year, as far as the Company is aware, there was no material breach of or non-compliance with applicable laws and regulations by the Group that has a significant impact on the businesses and operations of the Group, such as the national and local environmental laws and regulations, such as the 中華人民共和國環境保護法 (literally translated as the Environmental Protection Law of the People's Republic of China) and the regulations of environmental protection of the Zhejiang Province.

For the Silverware Business, all the assets, including but not limited to the books and accounting records, vouchers, computers, company stamps, relevant stocks, etc., of two subsidiaries of the Group in the PRC, namely 浙江通銀貴金屬經營有限公司 (for identification purpose, Zhejiang Tong Yin Precious Metal Operation Company Limited (“**Zhejiang Tong Yin**”) and 杭州銀鑫投資管理有限公司 (for identification purpose, Hangzhou Yin Xin Investment Management Company Limited) (the “**Records and Documents**”) were seized by the Ministry of Public Security of the PRC as the Records and Documents were kept and stored in a shared office with one of the resigned executive director, Mr. Zhang Genjiang, who holds 49% equity interest of Zhejiang Tong Yin and was arrested during the course of seizure of other businesses of Mr. Zhang Genjiang (the “**Special Circumstance**”). The Company has not received any official documentation from the Ministry of Public Security of the PRC nor any relevant departments from the PRC government and the Special Circumstance was merely notified to the Company in January 2020 by relevant staff of the PRC subsidiaries of the Group. The Company has checked relevant information from the Bureau of Industry and Commerce of the PRC and other unofficial company search engine to verify the Special Circumstance and no information could be founded except the equity of Zhejiang Tong Yin was frozen in January 2020. As such, the operation of the Group's silverware business was temporarily suspended.

董事會報告

遵守相關法律及法規

於本年度，據本公司所知，本集團概無對適用法律及法規的重大違反或不合規而對本集團業務及營運有重大影響的情況，如《中華人民共和國環境保護法》及浙江省環境保護法規等國家及地方環保法律及法規。

就銀器業務而言，本集團於中國兩間附屬公司浙江通銀貴金屬經營有限公司（「**浙江通銀**」）和杭州銀鑫投資管理有限公司之所有資產（包括但不限於賬簿和會計記錄、憑證、電腦、公司印、相關存貨等）（「**該記錄和檔案**」）已被中國公安部查封，該記錄和檔案是儲存在一位已辭任的執行董事章根江先生的共享辦公樓內，章根江先生擁有浙江通銀49%股權，而章根江先生已被拘留，其個人其他業務亦被查封（「**特殊情況**」）。本公司未從中國公安部收到任何正式文件，亦未從中國政府其他相關部門收到任何正式文件，該特殊情況僅在2020年1月由本集團中國附屬公司的相關職員通知本公司。本公司已檢查中國工商局及其他非官方公司搜尋引擎的相關資訊以驗證特殊情況，惟除於2020年1月浙江通銀的股權被凍結外，並無任何其他資訊。因此，本集團之銀器業務暫時停止運營。

DIRECTORS' REPORT

The Company has already appointed PRC lawyer to verify the seizure situation and follow up with the Special Circumstance including the possibility for recovering the Records and Documents. The Company has obtained a preliminary legal opinion report issued by PRC lawyers in which the PRC lawyer advised that there is no way to recover the Records and Documents at the moment as now it is under the criminal investigation and carried out by the Ministry of Public Security of the PRC. The Company was further advised that the Record and Documents would be released only in such criminal investigation case was closed and found innocence with the criminal investigation.

Key Relationships with Employees, Customers and Suppliers

Being people-oriented, the Group ensures all staffs are reasonably remunerated and also continues to improve, regularly review and update its policies on remuneration, benefits, occupational health and safety. Subsequent to the reporting period, the Group maintains a good relationship with its customers and suppliers. The Group carries out effective communication with customers, with an aim to provide better services for the customers. The Group cooperates with its suppliers to achieve the synergetic effects.

Property, Plant and Equipment

Details of movements in property, plant and equipment of the Group during the year are set out in note 17 to the consolidated financial statements.

Share Capital

Details of movements in the share capital of the Company during the year are set out in note 23 to the consolidated financial statements.

Reserves

Details of the movements in reserves of the Group and the Company during the year are set out in consolidated statement of changes in equity on pages 60 to this annual report and note 24 to the consolidated financial statements respectively.

Distributable Reserves of the Company

The distributable reserves of the Company as at 31 December 2020 amounted to HK\$nil (2019: HK\$434,213,000).

董事會報告

本公司已經委任中國律師核查查封情況和跟進該特殊情況，包括取回該記錄和檔案之可能性。本公司已取得由中國律師出具的初步法律意見報告，其意見為現時無法取回該記錄和檔案，因中國公安部現正對該記錄和檔案進行刑事調查。本公司進一步獲悉，該記錄和檔案僅在有關刑事調查案件結案後及通過刑事調查被証實無罪的情況下，才會予以解封。

與僱員、客戶及供應商之重要關係

本集團以人為本，給予僱員合理待遇，同時為挽留人才不斷完善薪酬、福利及職業健康與安全等政策並定期檢討更新。於報告期後，本集團與其客戶及供應商關係良好。本集團與客戶進行有效溝通，旨在為客戶提供更佳服務。本集團與其供應商合作，以實現協同效應。

物業、廠房及設備

有關本集團物業、廠房及設備於年內的變動詳情載於綜合財務報表附註17。

股本

有關本公司股本於年內的變動詳情載於綜合財務報表附註23。

儲備

有關本集團及本公司儲備於本年度的變動詳情分別載於本年報第60頁的綜合權益變動表及綜合財務報表附註24。

本公司的可供分派儲備

本公司於2020年12月31日之可供分派儲備為零港元(2019年：434,213,000港元)。

DIRECTORS' REPORT

董事會報告

Information about major customers

Revenue from customers for the years ended 31 December 2020 and 2019 contributing over 10% of the total revenue of the Group are as follows:

主要客戶資料

客戶於截至2020年及2019年12月31日止年度為本集團帶來總收入10%以上的貢獻如下：

Reporting segments 報告分部	2020	2019
	2020年 HK\$'000 千港元	2019年 HK\$'000 千港元
Customer A (note i) 客戶A (附註i)	—	17,600

Note:

- (i) Revenue derived from Customer A did not contribute 10% or more to the Group's total revenue during the year ended 31 December 2020.

Except as disclosed above, no other customers contributed 10% or more of the Group's total revenue for both years.

At no time during the year have the directors, their associates or any shareholder of the Company (which to the knowledge of the directors owns more than 5% of the Company's share capital) had any interest in these major customers.

Directors

The directors during the year and up to the date of this annual report are as follows:

Executive Directors

- Mr. Luo Huangshi, Chairman (appointed on 2 December 2020)
Mr. Tao Wah Wai, Calvin (appointed on 23 December 2020)
Mr. Fei Jie (resigned on 8 December 2020)
Mr. Wong Kin Fai (appointed on 21 June 2019 and resigned on 20 January 2020)
Mr. Lo Wing Sang (appointed on 20 May 2020 and resigned on 30 July 2020)
Mr. Wong Ching Fai, William (appointed on 3 June 2020 and resigned on 5 November 2020)

附註:

- (i) 截至2020年12月31日止年度，來自客戶A的收入對本集團總收入的貢獻不超過10%。

除上文所披露者外，於兩個年度，概無其他客戶為本集團總收入帶來10%或以上的貢獻。

各董事、彼等之聯繫人或任何據董事所知擁有本公司股本超過5%的本公司股東於年內概無於該等主要客戶擁有任何權益。

董事

於本年度及直至本年度報告日期的董事如下：

執行董事

- 駱皇世先生，主席（於2020年12月2日獲委任）
陶樺瑋先生（於2020年12月23日獲委任）
費杰先生（於2020年12月8日辭任）
王健輝先生（於2019年6月21日獲委任，並於2020年1月20日辭任）
勞永生先生（於2020年5月20日獲委任，並於2020年7月30日辭任）
黃政輝先生（於2020年6月3日獲委任，並於2020年11月5日辭任）

DIRECTORS' REPORT

Independent Non-executive Directors

Mr. Hu Chao (appointed on 23 December 2020)
Mr. Wong Lok Man (appointed on 31 December 2020)
Mr. Lo Cheuk Fei, Jeffrey (appointed on 31 December 2020)
Mr. Sit Sai Hung, Billy (resigned on 4 December 2020)
Mr. Shen Ruolei (resigned on 17 January 2020)
Mr. Lai Wing Kwan (appointed on 8 November 2019 and resigned on 17 July 2020)
Mr. Law Yiu Sang, Jacky (appointed on 17 January 2020 and resigned on 13 March 2020)
Mr. Man Wai Lun (appointed on 5 February 2020 and resigned on 9 November 2020)
Mr. Law Yui Lun (appointed on 17 July 2020 and resigned on 30 September 2020)

In accordance with the Company's Bye-laws, not less than one-third of the directors then in office shall retire and being eligible, offer themselves for re-election at the forthcoming annual general meeting.

Biographical details of the directors are set out on pages 35 to 36 under the section headed "Biographies of Directors" of this annual report.

Dividend Policy

The Company has adopted a dividend policy ("**Dividend Policy**"), pursuant to which the Company may distribute by way of (i) cash or (ii) shares as may be determined by the board of directors of the Company from time to time. The profit distribution policy of the Company is:

- (a) Profit distribution policy of the Company shall achieve continuity, stability and sustainability;
- (b) The Company targets a payout ratio with balance on distribution of profits and profits retained for business operation and future development;
- (c) Profit distribution of the Company shall take into account:
 - (i) the earnings per share of the Company;
 - (ii) the reasonable return in investment of the investors and the shareholders in order to provide incentive to them to continue to support the Company in their long-term development;
 - (iii) the financial conditions and business plan of the Company; and
 - (iv) the market sentiment and circumstances.

董事會報告

獨立非執行董事

胡超先生(於2020年12月23日獲委任)
王樂民先生(於2020年12月31日獲委任)
盧卓飛先生(於2020年12月31日獲委任)
薛世雄先生(於2020年12月4日辭任)
沈若雷先生(於2020年1月17日辭任)
賴榮焜先生(於2019年11月8日獲委任，並於2020年7月17日辭任)
羅耀生先生(於2020年1月17日獲委任，並於2020年3月13日辭任)
文偉麟先生(於2020年2月5日獲委任，並於2020年11月9日辭任)
羅裔麟先生(於2020年7月17日獲委任，並於2020年9月30日辭任)

根據本公司細則，不少於三分之一的在任董事須於應屆股東週年大會上退任，並符合資格膺選連任。

董事的履歷詳情載於本年報35頁至36頁「董事履歷」一節。

股息政策

本公司已採納股息政策(「**股息政策**」)，據此，本公司可按本公司董事會不時所釐定以(i)現金或(ii)股份之方式作出分派。本公司溢利分派政策乃：

- (a) 本公司溢利分派政策應實現連續性、穩定性和可持續性；
- (b) 本集團期望設定一個能在分派溢利與保留溢利以應付業務營運和未來發展之間達致平衡之派息比率；
- (c) 本公司分派溢利時須計及下列各項：
 - (i) 本公司之每股盈利；
 - (ii) 投資者及股東之合理投資回報，從而激勵彼等繼續支持本公司之長遠發展；
 - (iii) 本公司之財務狀況及業務計劃；及
 - (iv) 市場氣氛及情況。

DIRECTORS' REPORT

Remuneration Policy

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

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

The Company has adopted a share option scheme as an incentive to the directors and eligible employees. Details of the scheme are set out in the section headed "Share Option Scheme" of this report.

Remuneration of Directors and Senior Management

The Board considers the directors to be the senior management of the Company.

Details of the emoluments of the directors are set out in note 13 to the consolidated financial statements.

Directors' Interest in Transactions, Arrangement or Contracts of Significance

Save as disclosed in note 13 and amount due to an ex-director for the year end 31 December 2020 and 2019 respectively to the consolidated financial statements, no other transactions, arrangements or contracts of significance to which the Company, its holding company, or any of its subsidiaries or fellow 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.

Directors' Interests in Competing Businesses

As at 31 December 2020, none of the directors, the controlling shareholders of the Company and their respective associates (as defined in the GEM Listing Rules) had any interest in a business which causes or may cause a significant competition with the business of the Group and any other conflicts of interest which any such person has or may have with the Group.

董事會報告

酬金政策

本集團僱員的酬金政策乃參考薪酬委員會的推薦建議後按其表現、資歷及能力而訂立。

本公司董事的酬金乃參考薪酬委員會的推薦建議後根據本公司的經營業績、個人表現及可比較市場統計數據而釐定。

本公司已採納購股權計劃，作為對董事及合資格僱員的獎勵。計劃的詳情載於本報告「購股權計劃」一節。

董事及高級管理人員的薪酬

董事會認為董事為本公司的高級管理人員。

董事薪酬詳情載於綜合財務報表附註13。

董事於重大交易、安排或合約的權益

除綜合財務報表附註13所披露者及截至2020年及2019年12月31日止年度分別應付一名前董事／董事款項外，於年終或年內任何時間，本公司、其控股公司或其任何附屬公司或同系附屬公司概無訂立任何其他本公司董事直接或間接於其中擁有重大權益的重大交易、安排或合約。

董事於競爭業務的權益

於2020年12月31日，概無本公司的董事、控股股東及彼等各自的聯繫人（定義見GEM上市規則）於導致或可能導致與本集團業務有重大競爭的業務中擁有任何權益，而任何有關人士並無與或可能與本集團有任何其他利益衝突。

DIRECTORS' REPORT

Directors' Service Contracts

All of the executive directors and independent non-executive directors have entered into service contracts with the Company. The term of appointment of each director was announced by the Company's announcement in Exchange's website. The term of appointment of each director is renewable by mutual agreement of both parties unless terminated by not less than one months' prior written notice in writing to the other party. All the directors are subject to retirement by rotation and re-election at the Company's annual general meeting at least once every three years in accordance with the Bye-laws of the Company.

None of the directors, including the directors proposed for re-election at the forthcoming annual general meeting, has a service contract which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

Permitted indemnity Provision and Directors' and Officers' Liability Insurance

Pursuant to Article 164(1) of the Bye-laws of the Company, the directors or other officers of the Company shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which may incur in connection with the executive of their duty provided that the indemnity shall not extend to any matter in respect of fraud or dishonesty of the above persons.

Management Contracts

No contract concerning the management and administration of the entire or primary business of the Company has been entered into or existed during the year.

董事會報告

董事的服務合約

所有執行董事及獨立非執行董事均已與本公司訂立服務合約。各董事的任期以公司在交易所網站上的公告為準。各董事任期經訂約雙方共同協定可予續期，除非向對方發出不少於一個月的事先書面通知終止服務合約。根據本公司細則條文，所有董事均須每三年於本公司股東週年大會上最少輪值退任及膺選連任一次。

概無董事(包括擬於應屆股東週年大會重選的董事)與本公司訂立不可於一年內免付賠償(法定賠償除外)而終止的服務合約。

獲准許的彌償條文以及董事及高級人員之責任保險

根據本公司細則第164(1)條，本公司董事或其他高級人員基於本身職位履行職責時而招致或蒙受的所有訴訟、費用、收費、損失、損害及開支，均可自本公司的資產及利潤獲得彌償，確保免就此受損，惟彌償須不延伸至任何與上述人士之欺詐或不誠實有關的事宜。

管理合約

於本年度內，概無訂立或存在任何涉及本公司全部或主要業務管理及行政之合約。

DIRECTORS' REPORT

Controlling Shareholders' Interests in Contracts of Significance

To the best knowledge of the directors, no contract of significance had been entered into between the Company or any of its subsidiaries and the controlling shareholder of the Company or any of its subsidiaries during the year.

Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company or any Associated Corporation

As at 31 December 2020, the interests of the directors in the share capital of the Company which were required to be notified to the Company and the Exchange pursuant to Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") (including interests which they were taken or deemed to have under such provisions of the SFO), or were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or were required, pursuant to Rules 5.48 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Exchange were as follows:

Long positions in shares of the Company

(a) Interest in the shares of the Company

Former directors	Capacity/Nature of interest	Number of shares held	Approximate percentage of the existing issued share capital of the Company
前任董事	身份／權益性質	所持股份數目	佔本公司現有已發行股本的概約百分比
Mr. Fei Jie 費杰先生	Corporate interest (Note 1) 公司權益(附註1)	811,950,000	26.74%
Mr. Zhang Genjiang 章根江先生	Corporate interest (Note 2) 公司權益(附註2)	528,809,327	17.42%

Note 1: These shares are held by associated corporations King Full Inc Limited and Sure Gold Ventures Limited.

Note 2: These shares are held by an associated corporation Top Bliss Holdings Limited.

董事會報告

控股股東於重大合約之權益

據董事所知，於本年度，本公司或其任何附屬公司概無與本公司或其任何附屬公司之控股股東訂立任何重大合約。

董事於本公司或任何相聯法團股份、相關股份及債券的權益及淡倉

於2020年12月31日，董事於本公司股本中擁有根據證券及期貨條例(香港法例第571章)(「證券及期貨條例」)第XV部第7及第8分部必須知會本公司及聯交所的權益(包括根據證券及期貨條例有關條文彼等被當作或視為擁有的權益)，或根據證券及期貨條例第352條須記錄於該條所述登記冊的權益，或根據GEM上市規則第5.48至5.67條須知會本公司及聯交所的權益如下：

於本公司股份的好倉

(a) 於本公司股份的權益

Number of shares held	Approximate percentage of the existing issued share capital of the Company
所持股份數目	佔本公司現有已發行股本的概約百分比
811,950,000	26.74%
528,809,327	17.42%

附註1：該等股份由相聯法團環灃有限公司及定金創投有限公司持有。

附註2：該等股份由相聯法團佳福控股有限公司持有。

DIRECTORS' REPORT

董事會報告

(b) Interest in the shares of associated corporations

(b) 於相聯法團股份的權益

Former directors 前任董事	Name of associated corporation 相聯法團名稱	Capacity/ Nature of interest 身份／權益性質	Number of shares held 所持股份數目	Percentage of shareholding 持股比例
Mr. Fei Jie 費杰先生	King Full Inc Limited 環灃有限公司	Corporate interest & beneficial owner (Note 1) 公司權益及實益擁有人 (附註1)	50,000,000	100%
	Sure Gold Ventures Limited 定金創投有限公司	Beneficial owner (Note 1) 實益擁有人(附註1)	100	100%
Mr. Zhang Genjiang 章根江先生	Top Bliss Holdings Limited 佳福控股有限公司	Beneficial owner 實益擁有人	1	100%

Note 1: King Full Inc Limited is 90% (45,000,000 shares) directly owned by Sure Gold Ventures Limited and is 10% (5,000,000 shares) directly owned by Mr. Fei Jie. Sure Gold Ventures Limited is in turn wholly-owned by Mr. Fei Jie.

附註1: 環灃有限公司分別由定金創投有限公司及費杰先生直接擁有90%(45,000,000股股份)及10%(5,000,000股股份)，而定金創投有限公司由費杰先生全資擁有。

Save as disclosed above, as at 31 December 2020, none of the directors of the Company had an interest or short position in any shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he was taken or deemed to have under such provisions of the SFO) or which was required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or pursuant to the Rules 5.48 to 5.67 of the GEM Listing Rules to be notified to the Company and the Exchange.

除上文所披露者外，於2020年12月31日，本公司的董事概無於本公司或任何相聯法團(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根據證券及期貨條例第XV部第7及第8分部必須知會本公司及聯交所的權益或淡倉(包括根據證券及期貨條例有關條文彼等被當作或視為擁有的權益及淡倉)，或根據證券及期貨條例第352條須記錄於該條所述登記冊的權益或淡倉，或根據GEM上市規則第5.48至5.67條須知會本公司及聯交所的權益或淡倉。

DIRECTORS' REPORT

董事會報告

Substantial Shareholders' Interests in Shares

As at 31 December 2020, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that, other than the interests disclosed above in respect of certain directors, the following shareholders had notified the Company of relevant interests in the issued share capital of the Company.

Long Positions

Ordinary shares and underlying shares of the Company

主要股東於股份的權益

於2020年12月31日，本公司根據證券及期貨條例第336條存置的主要股東登記冊顯示，除上文所披露有關若干董事的權益外，以下股東已通知本公司於本公司的已發行股本中擁有相關權益。

好倉

本公司的普通股及相關股份

Name of shareholders	Capacity/Nature of interest	Number of shares held	Approximate percentage of the existing issued share capital of the Company 佔本公司現有已發行股本的概約百分比
股東名稱	身份／權益性質	所持股份數目	
King Full Inc Limited 環灃有限公司	Beneficial owner (Note 1) 實益擁有人(附註1)	811,950,000	26.74%
Sure Gold Ventures Limited 定金創投有限公司	Corporate Interest (Note 1) 公司權益(附註1)	811,950,000	26.74%
Mr. Fei Jie 費杰先生	Corporate interest (Note 1) 公司權益(附註1)	811,950,000	26.74%
Ms. Wu Wen 吳雯女士	Interest in spouse (Note 2) 於配偶的權益(附註2)	811,950,000	26.74%
Top Bliss Holdings Limited 佳福控股有限公司	Beneficial owner (Note 3) 實益擁有人(附註3)	528,809,327	17.42%
Mr. Zhang Genjiang 章根江先生	Corporate interest (Note 3) 公司權益(附註3)	528,809,327	17.42%

* for identification purposes only

* 僅用於識別目的

Notes:

附註:

1. King Full Inc Limited is 10% directly held by Mr. Fei Jie and the remaining 90% directly held by Sure Gold Ventures Limited. Sure Gold Ventures Limited is in turn wholly-owned by Mr. Fei Jie. Accordingly, Sure Gold Ventures Limited and Mr. Fei Jie are deemed to be interested in the 811,950,000 shares of the Company held by King Full Inc Limited by virtue of the SFO.

1. 環灃有限公司分別由費杰先生及定金創投有限公司直接擁有10%及90%，而定金創投有限公司由費杰先生全資擁有。因此，根據證券及期貨條例，定金創投有限公司及費杰先生被視為於環灃有限公司所持有的本公司811,950,000股股份中擁有權益。

DIRECTORS' REPORT

2. The shares are held by King Full Inc Limited, the entire issued share capital of which is indirectly wholly-owned by Mr. Fei Jie, the spouse of Ms. Wu Wen. Accordingly, Ms. Wu Wen is deemed to be interested in the entire 811,950,000 shares by virtue of the SFO.
3. The entire issued share capital of Top Bliss Holdings Limited is wholly and beneficially owned by Mr. Zhang Genjiang. By virtue of the SFO, Mr. Zhang Genjiang is deemed to be interested in the entire 528,809,327 shares held by Top Bliss Holdings Limited.

Save as disclosed above, as at 31 December 2020, no other persons had any interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO, or otherwise notified to the Company.

Share Option Scheme

The Company operates a share option scheme which has become effective on 22 December 2010 (the “**Scheme**”) for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations.

On 27 May 2015 (the “**Date of Grant**”), the Company granted share options (the “**Share Options**”) to the eligible persons within the Group (the “**Grantees**”) pursuant to the Company’s share option scheme launched on 22 December 2010, subject to acceptance by the Grantees. The Share Options entitle the Grantees to subscribe for a total of 15,000,000 ordinary shares with nominal value of HK\$0.10 each in the capital of the Company upon exercise of the Share Options in full. The exercise price of the Share Options granted of HK\$1.17 per share represent the highest of (i) the closing price of HK\$1.17 per share on the Date of Grant; (ii) the average closing price of HK\$1.04 per share for the five business days immediately preceding the Date of Grant; and (iii) the nominal value of HK\$0.10 per share. Details of the Grant of Share Options was set out in the announcement of the Company dated 27 May 2015. 7,500,000 options had been exercised and gross proceeds of HK\$8,775,000 was received from exercise of these options. Upon the subdivision of shares from par value of HK\$0.10 each into five subdivided shares of par value of HK\$0.02 each which became effective on 4 May 2016, the exercise price and the number of outstanding options were adjusted to HK\$0.234 and 37,500,000 options respectively in accordance with the terms and conditions of the Share Option Scheme. On 18 May 2018, the 37,500,000 options had been exercised and gross proceeds of HK\$8,775,000 was received from exercise of these options. There were no outstanding share options as at 31 December 2020 and 2019.

董事會報告

2. 該等股份由環灃有限公司持有，而環灃有限公司的全部已發行股本由費杰先生(吳雯女士的配偶)間接全資擁有。因此，根據證券及期貨條例，吳雯女士被視為於全部811,950,000股股份中擁有權益。
3. 佳福控股有限公司的全部已發行股本由章根江先生全資及實益擁有。根據證券及期貨條例，章根江先生被視為於佳福控股有限公司持有的全部528,809,327股股份中擁有權益。

除上文所披露者外，於2020年12月31日，概無其他人士於本公司的股份或相關股份中擁有根據證券及期貨條例第336條須記錄於本公司存置的登記冊或須另行知會本公司的任何權益或淡倉。

購股權計劃

本公司設立一項購股權計劃(已於2010年12月22日生效(「**計劃**」))，向為本集團業務成功作出貢獻的合資格參與者提供獎勵及回報。

於2015年5月27日(「**授出日期**」)，本公司根據其於2010年12月22日採納之購股權計劃向本集團之合資格人士(「**承授人**」)授出購股權(「**購股權**」)，惟須待承授人接納後，方可作實。有關購股權賦予承授人權利於購股權獲悉數行使後認購合共15,000,000股本公司股本中每股面值0.10港元之普通股。所授出購股權之行使價為每股1.17港元，即(i)每股股份於授出日期之收市價1.17港元；(ii)每股股份於緊接授出日期前五個營業日的平均收市價1.04港元；及(iii)每股股份面值0.10港元的最高者。授出購股權的詳情載於本公司日期為2015年5月27日的公佈。7,500,000份購股權已獲行使，且因該等購股權獲行使而收到所得款項總額8,775,000港元。待每股面值0.10港元之股份拆分為五股每股面值0.02港元之拆分股份，且於2016年5月4日生效後，行使價及尚未行使購股權之數目根據購股權計劃之條款及條件分別調整至0.234港元及37,500,000份購股權。於2018年5月18日，37,500,000份購股權已獲行使，且因該等購股權獲行使而收到所得款項總額8,775,000港元。於2020及2019年12月31日，概無尚未行使之購股權。

DIRECTORS' REPORT

Directors' Rights to Purchase Shares or Debentures

Save as the Share Option Scheme disclosed above, at no time during the year was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries was a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Purchase, Sale 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.

Connected and Related Party Transactions

During the year, save for the connected transaction described under the sub-section headed "Financial Review — Connected Transaction" in the section headed "Management Discussion and Analysis" of this annual report, the Group has not entered into any significant connected transaction or continuing connected transaction which should be disclosed pursuant to the requirement under the GEM Listing Rules.

Pre-Emptive Rights

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

Sufficiency of Public Float

As at the date of this report, based on information publicly available to the Company and to the knowledge of the directors, the Company has maintained a sufficient public float.

董事會報告

董事購買股份或債券的權利

除上文所披露的購股權計劃外，於年內任何時間內，本公司、其控股公司或其任何附屬公司或同系附屬公司概無參與任何安排，致令本公司董事可藉購入本公司或任何其他法團的股份或債券而獲得利益。

購買、出售或贖回本公司上市證券

本公司或其任何附屬公司於本年度概無購買、出售或贖回任何本公司上市證券。

關連及關連人士交易

於本年度，除本年報「管理層討論及分析」一節「財務回顧 — 關連交易」分節所述關連交易外，本集團概無訂立須根據GEM上市規則之規定予以披露之任何重大關連交易或持續關連交易。

優先購買權

本公司細則或百慕達法例並無載有優先購買權條文規定本公司須按比例向現有股東發售新股。

足夠公眾持股量

於本報告日期，根據本公司所得的公開資料及就董事所知，本公司保持足夠公眾持股量。

DIRECTORS' REPORT

Closure of Register of Members

The register of members of the Company will be informed in due course, during which period no transfer of Shares will be registered. In order to be eligible to attend and vote at the annual general meeting of the Company, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong. The Company will make further announcement of closure of register of members in due course.

Corporate Governance

A report on corporate governance of the Company is set out on pages 19 to 34 under the section headed "Corporate Governance Report" of this annual report.

Auditors

The consolidated financial statements for the year ended 31 December 2020 have been audited by ZHONGHUI ANDA CPA Limited.

ZHONGHUI ANDA CPA Limited shall retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of ZHONGHUI ANDA CPA Limited as auditors of the Company is to be proposed at the forthcoming annual general meeting.

The consolidated financial statements for each of the two years ended 31 December 2018 and 2017 were audited by HLB Hodgson Impey Cheng Limited.

On behalf of the Board

Luo Huangshi

Chairman

Hong Kong, 12 May 2021

董事會報告

暫停辦理股份過戶登記手續

本公司將適時通知股份過戶登記手續，期間將不會登記股份過戶。為符合資格出席本公司將於股東週年大會及在會上投票，所有過戶文件連同相關股票須送達本公司於香港之股份過戶登記分處卓佳證券登記有限公司辦理股份過戶登記手續，地址為香港皇后大道東183號合和中心22樓。本公司將適時進一步刊發公告暫停辦理股東過戶登記手續。

企業管治

本公司企業管治的報告載於本年報第19至34頁「企業管治報告」一節。

核數師

截至2020年12月31日止年度的綜合財務報表已由中匯安達會計師事務所有限公司審計。

中匯安達會計師事務所有限公司將告退，惟彼符合資格並願接受續聘。於應屆股東週年大會上將提呈一項決議案，以續聘中匯安達會計師事務所有限公司擔任本公司之核數師。

截至2018年及2017年12月31日止兩個年度的綜合財務報表均由國衛會計師事務所有限公司審計。

承董事會命

主席

駱皇世

香港，2021年5月12日

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告



**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF
CHINA TRUSTFUL GROUP LIMITED**
(incorporated in Bermuda with limited liability)

DISCLAIMER OF OPINION

We were engaged to audit the consolidated financial statements of China Trustful Group Limited (the “**Company**”) and its subsidiaries (collectively referred to as “**the Group**”) set out on pages 56 to 115, which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

致中國之信集團有限公司
股東的
獨立核數師報告
(於百慕達註冊成立的有限公司)

不發表意見

吾等已獲委聘審計列載於第56至115頁中國之信集團有限公司(「**貴公司**」)及其附屬公司(統稱為「**貴集團**」)的綜合財務報表，此等綜合財務報表中包括於2020年12月31日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註(包括主要會計政策概要)。

吾等不就 貴集團之綜合財務報表以及綜合財務報表是否已按照《香港公司條例》的披露規定妥為編製發表任何意見。由於吾等報告中不發表意見之基準內所述事項的重要性，吾等並未能夠取得充足適當審計憑據以就該等綜合財務報表發表之審計意見提供基準。

BASIS FOR DISCLAIMER OF OPINION

1. Limited accounting books and records of certain subsidiaries of the Group

Due to the insufficiency of supporting documentation and explanations for accounting books and records in respect of certain subsidiaries of the Group for the years ended 31 December 2020 and 2019, we were unable to carry out audit procedures to satisfy ourselves as to whether the following income and expenses for the years ended 31 December 2020 and 2019 and the assets and liabilities as at 31 December 2019, and the segment information and other related disclosure notes in relation to the Group, as included in the consolidated financial statements of the Group, have been accurately recorded and properly accounted for in the consolidated financial statements:

不發表意見之基準

1. 貴集團若干附屬公司之有限會計賬簿及記錄

由於有關 貴集團若干附屬公司截至2020年及2019年12月31日止年度的會計賬簿及記錄的證明文件及解釋不充足，吾等無法進行審核程序以令吾等信納以下截至2020年及2019年12月31日止年度的收入及開支及於2019年12月31日的資產及負債，以及有關 貴集團的分部資料及其他相關披露附註（ 貴集團綜合財務報表所載者）是否已於綜合財務報表準確記錄及妥為入賬：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
(a) Income and expenses for the years ended 31 December:	(a) 截至12月31日止年度的收入及開支：		
Revenue	收入	—	118,039
Cost of sales	銷售成本	—	(105,310)
Gross profit	毛利	—	12,729
Interest revenue	利息收入	—	87
Other incomes	其他收入	—	2,040
Selling and distribution expenses	銷售及分銷開支	—	(394)
Administrative expenses	行政開支	—	(21,915)
Other expenses	其他開支	(591,130)	(78,770)
Loss from operation	經營虧損	(591,130)	(86,223)
Finance costs	融資成本	—	(81)
Loss before tax	除稅前虧損	(591,130)	(86,304)
Income tax expenses	所得稅開支	(1,599)	(1,885)
Loss for the year	年內虧損	(592,729)	(88,189)
Other comprehensive income for the year (after tax):	年內其他全面收益(除稅後)：		
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	— 換算海外業務之匯兌差額	—	1,202
Total comprehensive loss for the year	年內全面虧損總額	(592,729)	(86,987)

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Loss for the year attributable to:	以下人士應佔年內虧損：		
Owners of the Company	貴公司擁有人	(592,729)	(87,977)
Non-controlling interests	非控股權益	—	(212)
		(592,729)	(88,189)
Total comprehensive loss for the year attributable to:	以下人士應佔年內全面虧損總額：		
Owners of the Company	貴公司擁有人	(592,729)	(86,775)
Non-controlling interests	非控股權益	—	(212)
		(592,729)	(86,987)
(b) Assets and liabilities as at 31 December 2019:	(b) 於2019年12月31日的資產及負債：		HK\$'000 千港元
Non-current assets	非流動資產		
Intangible assets	無形資產		6,690
Property, plant and equipment	物業、廠房及設備		71,993
Right-of-use assets	使用權資產		18,720
Deferred tax assets	遞延稅項資產		1,599
Prepayment for property, plant and equipment	物業、廠房及設備預付款項		9,600
			108,602
Current assets	流動資產		
Inventories	存貨		40,719
Trade receivables	貿易應收款項		200,947
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項		290,650
Bank and cash balances	銀行及現金結餘		853
			533,169
Current liabilities	流動負債		
Trade and other payables	貿易及其他應付款項		43,113
Current tax liabilities	即期稅項負債		16,127
			59,240
Net current assets	流動資產淨值		473,929
Net assets	資產淨值		582,531

(c) Bank and cash balance

We were unable to obtain direct confirmation from the Group's banker in respect of the bank and cash balance of HK\$nil as at 31 December 2020. There was no practical alternative procedure that we could adopt to satisfy ourselves to the existence and valuation of bank and cash balance as disclosed.

2. Commitments and contingent liabilities

No sufficient evidence has been provided to satisfy ourselves as to the existence and completeness of the disclosures of commitments and contingent liabilities as at 31 December 2020 and 2019.

3. Related party transactions and disclosures

No sufficient evidence has been provided to satisfy ourselves as to the existence, accuracy and completeness of the disclosures of the related party transactions for the year ended 31 December 2020 and 2019 and balances as at 31 December 2020 and 2019 as required by Hong Kong Accounting Standard 24 (Revised) "Related Party Disclosures".

4. Consolidated statement of changes in equity

Except for share capital and share premium, no sufficient evidence has been provided to satisfy ourselves as to the movements and balances of reserves as included in the consolidated statement of changes in equity for the two years ended 31 December 2020 and 2019.

5. Consolidated statement of cash flows

No sufficient evidence has been provided to satisfy ourselves as to the cash flows as included in the consolidated statement of cash flows for the two years ended 31 December 2020 and 2019.

6. Other disclosures in the consolidated financial statements

No sufficient evidence has been provided to satisfy ourselves as to the accuracy and completeness of the disclosures in relation to the financial risk management, directors' and employees' emoluments, loss per share and subsidiaries and as disclosed in notes 6, 13, 15 and 26 to the consolidated financial statements.

(c) 銀行及現金結餘

吾等未能就於2020年12月31日零港元之銀行及現金結餘取得 貴集團銀行之直接確認。吾等並無可行替代程序可供採納以令吾等信納所披露之銀行及現金結餘之存在及估值。

2. 承擔及或然負債

吾等並無獲提供充分證據令吾等信納於2020年及2019年12月31日披露之承擔及或然負債之存在性及完整性。

3. 關連方交易及披露

吾等並無獲提供充分證據，令吾等信納，根據香港會計準則第24號（經修訂）「關聯方披露」所規定截至2020年及2019年12月31日止年度的關聯方交易及於2020年及2019年12月31日的結餘的披露的存在性、準確性及完整性。

4. 綜合權益變動表

除股本及股本溢價外，吾等並無獲提供充分證據，令吾等信納，截至2020年及2019年12月31日止兩個年度綜合權益變動表所載儲備的變動及結餘。

5. 綜合現金流量表

吾等並無獲提供充分證據，令吾等信納，截至2020年及2019年12月31日止兩個年度的綜合現金流量表所載現金流量。

6. 綜合財務報表的其他披露

吾等並無獲提供充分證據令吾等信納綜合財務報表附註6、13、15及26所披露有關財務風險管理、董事及僱員酬金、每股虧損及附屬公司的披露的準確性及完整性。

Any adjustments to the figures as described from points 1 to 6 above might have a significant consequential effect on the Group's financial performance and cash flows for the two years ended 31 December 2020 and 2019 and the financial position of the Group as at 31 December 2020 and 2019, and the related disclosures thereof in the consolidated financial statements.

7. Material uncertainty relating to the going concern basis

We draw attention to note 2 to the consolidated financial statements which mentions that the Group incurred a loss of HK\$600,602,000 for the year ended 31 December 2020, as at 31 December 2020 the Group had net current liabilities and net liabilities of HK\$15,713,000 and HK\$15,662,000 respectively and material events mentioned in note 27 to the consolidated financial statements. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. The consolidated financial statements have been prepared on a going concern basis, the validity of which depends upon the successful outcome that restructuring plans to improve its financial position, to provide liquidity and cash flows. The consolidated financial statements do not include any adjustments that would result from the failure to complete restructuring plans to improve its financial position, to provide liquidity and cash flows. We consider that the material uncertainty has been adequately disclosed in the consolidated financial statements. However, in view of the extent of the uncertainty relating to the successful completion of restructuring plans to improve its financial position, to provide liquidity and cash flows, we disclaim our opinion in respect of the material uncertainty relating to the going concern basis.

上述第1至6項所述的任何數字調整可能對貴集團截至2020年及2019年12月31日止兩個年度的財務表現及現金流量以及貴集團於2020年及2019年12月31日的財務狀況，以及綜合財務報表中的相關披露產生重大後續影響。

7. 有關持續經營基準的重大不確定因素

我們提請注意綜合財務報表附註2，當中提及貴集團於截至2020年12月31日止年度產生虧損600,602,000港元，於2020年12月31日，貴集團的流動負債淨額及負債淨額分別為15,713,000港元及15,662,000港元，以及綜合財務報表附註27所述的重大事項。該等情況顯示存在重大不確定因素，可能對貴集團持續經營之能力構成重大疑問。綜合財務報表乃按持續經營基準編製，其有效性取決於重組計劃可改善其財務狀況、提供流動資金及現金流量的成功結果。綜合財務報表並不包括因未能完成重組計劃以改善其財務狀況、提供流動資金及現金流量而導致的任何調整。我們認為，重大不確定因素已於綜合財務報表充分披露。然而，鑒於有關成功完成重組計劃以改善其財務狀況、提供流動資金及現金流量的不確定因素，我們不就有關持續經營基準的重大不確定因素發表意見。

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 Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of 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.

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

Our responsibility is to conduct an audit of the Group’s consolidated financial statements in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants and to issue an auditor’s report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code.

ZHONGHUI ANDA CPA Limited

Certified Public Accountants

Yeung Hong Chun

Audit Engagement Director

Practising Certificate Number P07374

Hong Kong, 12 May 2021

董事就綜合財務報表須承擔的責任

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

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

核數師就審計綜合財務報表須承擔的責任

我們的責任是根據香港會計師公會頒佈的香港審計準則對貴集團的綜合財務報表進行審核，並出具核數師報告。然而，由於本報告「不發表意見之基礎」一節所述之事項，我們未能取得足夠及適當之審核憑證，以為該等綜合財務報表之審核意見提供基礎。

根據香港會計師公會頒佈的《專業會計師道德守則》（以下簡稱「守則」），我們獨立於貴集團，並已履行守則中的其他專業道德責任。

中匯安達會計師事務所有限公司

執業會計師

楊匡俊

審計項目董事

執業證書編號P07374

香港，2021年5月12日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2020

綜合損益及其他全面 收益表

截至2020年12月31日止年度

			2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
		Notes 附註		
Revenue	收入	7	—	118,039
Cost of sales	銷售成本		—	(105,310)
Gross profit	毛利		—	12,729
Interest revenue	利息收入	8	—	88
Other incomes	其他收益	9	962	2,040
Selling and distribution expenses	銷售及分銷開支		—	(394)
Administrative expenses	行政開支		(8,831)	(38,039)
Other expenses	其他開支		(591,130)	(78,770)
Loss from operation	來自經營業務之虧損		(598,999)	(102,346)
Finance costs	融資成本	10	(4)	(358)
Loss before tax	除稅前虧損		(599,003)	(102,704)
Income tax expenses	所得稅開支	11	(1,599)	(1,885)
Loss for the year	年內虧損	12	(600,602)	(104,589)
Other comprehensive income for the year (after tax):	年內其他全面收益(除稅後):			
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	— 換算海外業務產生之匯兌差額		—	1,202
Total comprehensive loss for the year	年內全面虧損總額		(600,602)	(103,387)

			2020	2019
		<i>Notes</i>	2020年	2019年
		<i>附註</i>	HK\$'000	HK\$'000
			千港元	千港元
Loss for the year attributable to:	以下人士應佔年內虧損：			
Owners of the Company	本公司擁有人		(600,602)	(104,377)
Non-controlling interests	非控股權益		—	(212)
			(600,602)	(104,589)
Total comprehensive loss for the year attributable to:	以下人士應佔年內全面虧損總額：			
Owners of the Company	本公司擁有人		(600,602)	(103,175)
Non-controlling interests	非控股權益		—	(212)
			(600,602)	(103,387)
Loss per share (HK cents)	每股虧損(港仙)			
— Basic	— 基本	15	(19.78)	(3.81)
— Diluted	— 攤薄		(19.78)	(3.81)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

綜合財務狀況表

於2020年12月31日

			2020	2019
		<i>Notes</i>	2020年	2019年
		<i>附註</i>	HK\$'000	HK\$'000
			千港元	千港元
Non-current assets	非流動資產			
Intangible assets	無形資產	16	—	6,690
Property, plant and equipment	物業、廠房及設備	17	—	74,916
Right-of-use assets	使用權資產	18	60	20,564
Deferred tax assets	遞延稅項資產	19	—	1,599
Prepayment for property, plant and equipment	物業、廠房及設備預付款項		—	9,600
			60	113,369
Current assets	流動資產			
Inventories	存貨		—	40,719
Trade receivables	貿易應收款項	20	—	200,947
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項		68	292,352
Bank and cash balances	銀行及現金結餘		—	938
			68	534,956
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	21	15,729	57,146
Lease liability	租賃負債	22	52	—
Current tax liability	即期稅項負債		—	16,127
			15,781	73,273
Net current (liabilities)/assets	流動(負債)/資產淨值		(15,713)	461,683
Non-current liability	非流動負債			
Lease liability	租賃負債	22	9	—
Net (liabilities)/assets	(負債)/資產淨值		(15,662)	575,052

			2020	2019
		<i>Notes</i>	2020年	2019年
		<i>附註</i>	HK\$'000	HK\$'000
			千港元	千港元
Capital and reserves	資本及儲備			
Share capital	股本	23	60,724	60,724
Reserves	儲備	24	(76,386)	514,540
Equity attributable to owners of the Company	本公司擁有人應佔權益		(15,662)	575,264
Non-controlling interests	非控股權益		—	(212)
Total (deficit)/equity	(虧絀)/權益總額		(15,662)	575,052

The consolidated financial statements on pages 56 to 115 were approved and authorised for issue by the Board of Directors on 12 May 2021 and are signed on behalf of by:

第56至115頁的綜合財務報表已獲董事會於2021年5月12日批准及授權刊發，並由下列董事代表簽署：

Luo Huangshi

駱皇世

Director

董事

Tao Wah Wai Calvin

陶樺瑋

Director

董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2020

綜合權益變動表

截至2020年12月31日止年度

		Attributable to owners of the Company 本公司擁有人應佔								
		Share capital	Share premium	Translation reserve	Capital contribution reserve	Statutory general reserve	Retained profits/ losses (Accumulated)	Total	Non-controlling interests	Total (deficit)/ equity
		股本	股份溢價	換算儲備	注資儲備	法定一般儲備	保留溢利/ (累計虧損)	總計	非控股權益	(虧蝕)/ 權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
			(Note a) (附註a)	(Note b) (附註b)	(Note c) (附註c)	(Note d) (附註d)				
At 1 January 2019	於2019年1月1日	53,508	504,135	(23,022)	12,144	5,693	85,268	637,726	10,904	648,630
Total comprehensive loss for the year	年內全面虧損總額	—	—	1,202	—	—	(104,377)	(103,175)	(212)	(103,387)
Disposal of subsidiaries	出售附屬公司	—	—	—	—	(5,693)	—	(5,693)	(10,904)	(16,597)
Issue of shares on placement	於配售時發行股份	7,216	39,190	—	—	—	—	46,406	—	46,406
At 31 December 2019	於2019年12月31日	60,724	543,325	(21,820)	12,144	—	(19,109)	575,264	(212)	575,052
At 1 January 2020	於2020年1月1日	60,724	543,325	(21,820)	12,144	—	(19,109)	575,264	(212)	575,052
Total comprehensive loss for the year	年內全面虧損總額	—	—	—	—	—	(600,602)	(600,602)	—	(600,602)
Disposal of subsidiaries	出售附屬公司	—	—	21,820	(12,144)	—	—	9,676	212	9,888
At 31 December 2020	於2020年12月31日	60,724	543,325	—	—	—	(619,711)	(15,662)	—	(15,662)

Notes:

- (a) Under the Companies Act 1981 of Bermuda (as amended), the share premium of the Company can be used in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares.
- (b) Translation reserve represents exchange differences relating to the translation of the net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Hong Kong dollar ("HK\$")) are recognised directly in other comprehensive income and accumulated in the translation reserve. Such exchange differences accumulated in the exchange reserve are reclassified to profit or loss on the disposal of the foreign operations.
- (c) Capital contribution reserve represents the contribution of inventories from shareholder to the Group.
- (d) Statutory general reserve was established in accordance with the relevant rules of the People's Republic of China (the "PRC") and regulations and the article of association of respective companies of the Group. The PRC companies are required to transfer certain of their net profits, as determined under the approval by the Board to statutory general reserve.

附註:

- (a) 根據百慕達1981年公司法(經修訂),本公司之股份溢價可作繳付將發行予本公司股東之尚未發行股份,並列為已繳足紅股。
- (b) 換算儲備指有關本集團海外業務的資產淨值由其功能貨幣換算為本集團的呈列貨幣(即港元〔「港元」〕)產生的匯兌差額,直接於其他全面收益中確認及於匯兌儲備中累計。該等於匯兌儲備累計的匯兌差額於出售海外業務時重新分類至損益內。
- (c) 注資儲備指股東向本集團注入存貨。
- (d) 法定一般儲備乃根據中華人民共和國(「中國」)的相關規則和規例以及本集團各相關公司的組織章程細則設立。中國公司須將董事會批准釐定的若干純利轉撥至法定一般儲備。

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2020

綜合現金流量表

截至2020年12月31日止年度

		2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元
Cash flows from operating activities	經營活動所得現金流量		
Loss before tax	除稅前虧損	(599,003)	(102,704)
Adjustment for:	就下列各項作出調整：		
Amortisation of intangible assets	無形資產攤銷	—	2,280
Depreciation of property, plant and equipment	物業、廠房及設備折舊	—	25,254
Depreciation of right-of-use assets	使用權資產折舊	43	—
Finance costs	融資成本	4	358
Interest revenue	利息收入	—	(88)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	2,771	—
Others	其他	591,586	(19,774)
Operating loss before working capital changes	營運資金變動前經營虧損	(4,599)	(94,674)
Change in inventories	存貨變動	—	30,926
Change in trade and other receivables, deposits and prepayments	貿易及其他應收款項、按金及預付款項變動	1,897	(38,027)
Change in amount due from a related company	應收一間關聯公司款項變動	—	117
Change in trade and other payables	貿易及其他應付款項變動	1,694	28,377
Change in contract liabilities	合約負債變動	—	(1,822)
Change in amounts due to non-controlling interests	應付非控股權益款項變動	—	(122)
Cash used in operations	營運所用的現金	(1,008)	(75,225)
Tax paid	繳付所得稅	—	(3,728)
Net cash used in operating activities	經營活動所用的現金淨額	(1,008)	(78,953)

		2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元
Cash flows from investing activities	投資活動的現金流		
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	115	—
Interest received	已收利息	—	88
Net cash generated from investing activities	投資活動所得現金淨額	115	88
Cash flows from financing activities	融資活動的現金流		
Repayment to an ex-director	向一名前董事還款	—	(22,928)
Repayments of lease liabilities	償還租賃負債	(41)	—
Issue of shares on placement	配售時發行股份	—	46,406
Interest paid	已付利息	(4)	—
Net cash (used in)/generated from financing activities	融資活動(所用)/所得現金淨額	(45)	23,478
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少淨額	(938)	(55,387)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初的現金及現金等價物	938	56,683
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	匯率變動的影響	—	(358)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	年末現金及現金等價物	—	938
Analysis of cash and cash equivalents	現金及現金等價物分析		
Bank and cash balances	銀行及現金結餘	—	938

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2020

1. GENERAL INFORMATION

China Trustful Group Limited (the “**Company**”) was incorporated and registered as an exempted company with limited liability in Bermuda on 14 June 2010 and its shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 26 January 2011. The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda. The address of its principal place of business was Room 8, Flat C, 12/F., Por Mee Factory Building, 500 Castle Peak Road, Cheung Sha Wan, Kowloon, Hong Kong. Subsequent to end of the reporting period, its principal place of business has been changed to Unit 1603, 16th Floor, The Phoenix, No. 23 Luard Road, Wanchai, Hong Kong on 15 March 2021.

The principal activity of the Company is investment holding. The principal activities of the Company’s subsidiaries (together with the Company referred to as the “**Group**”) are set out in note 26 to the consolidated financial statements.

2. GOING CONCERN BASIS

The Group incurred a loss of approximately HK\$600,602,000 for the year ended 31 December 2020, as at 31 December 2020 the Group had net current liabilities and net liabilities of HK\$15,713,000 and HK\$15,662,000 respectively and material events mentioned in note 27 to the consolidated financial statements. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group’s ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

綜合財務報表附註

截至2020年12月31日止年度

1. 一般資料

中國之信集團有限公司(「**本公司**」)於2010年6月14日在百慕達註冊成立及登記為獲豁免有限公司，其股份於2011年1月26日在香港聯合交易所有限公司(「**聯交所**」) GEM上市。本公司之註冊辦事處位於Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda。本公司之主要營業地點的地址為香港九龍長沙灣青山道500號百美工業大廈12樓C座8室。於報告期末後，其主要營業地點已於2021年3月15日更改為香港灣仔盧押道23號鳳凰城16樓1603室。

本公司的主要業務為投資控股。本公司附屬公司(連同本公司統稱「**本集團**」)的主要業務載於綜合財務報表附註26。

2. 可持續經營基準

截至2020年12月31日止年度，本集團產生虧損約600,602,000港元，於2020年12月31日，本集團的流動負債淨額及負債淨額分別為15,713,000港元及15,662,000港元，以及綜合財務報表附註27所述的重大事項。該等情況顯示存在重大不確定因素，可能對本集團持續經營之能力構成重大疑問。因此，本集團可能無法於日常業務過程中變現其資產及解除其負債。

2. GOING CONCERN BASIS (Continued)

These consolidated financial statements have been prepared on a going concern basis, the validity of which depends upon the successful outcome that restructuring plans to improve its financial position, to provide liquidity and cash flows. The directors are therefore of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis. Should the Group be unable to continue as a going concern, adjustments would have to be made to the consolidated financial statements to adjust the value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively.

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) that are relevant to its operations and effective for its accounting year beginning on 1 January 2020. HKFRSs comprise Hong Kong Financial Reporting Standards (“**HKFRS**”); Hong Kong Accounting Standards; and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's consolidated financial statements and amounts reported for the current year and prior years.

The Group has not applied the new and revised HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new and revised HKFRSs but is not yet in a position to state whether these new and revised HKFRSs would have a material impact on its results of operations and financial position.

2. 可持續經營基準(續)

該等綜合財務報表乃按持續經營基準編製，其有效性取決於重組計劃以改善其財務狀況、提供流動資金及現金流量的成功結果。因此，董事認為按持續經營基準編製綜合財務報表屬適當。倘本集團無法持續經營，則須對綜合財務報表作出調整，將本集團資產價值調整至其可收回金額，就可能產生之任何進一步負債作出撥備，並將非流動資產及負債分別重新分類為流動資產及負債。

3. 採納新訂及經修訂香港財務報告準則

於本年度，本集團已採納香港會計師公會(「**香港會計師公會**」)頒佈的與其業務有關並於2020年1月1日開始的會計年度生效的所有新訂及經修訂香港財務報告準則(「**香港財務報告準則**」)。香港財務報告準則包括香港財務報告準則(「**香港財務報告準則**」)、香港會計準則及詮釋。採納該等新訂及經修訂香港財務報告準則並無導致本集團之會計政策、本集團綜合財務報表之呈列以及本年度及過往年度呈報之金額出現重大變動。

本集團並無應用已頒佈但尚未生效之新訂及經修訂香港財務報告準則。本集團已開始評估該等新訂及經修訂香港財務報告準則之影響，惟尚未能確定該等新訂及經修訂香港財務報告準則會否對其經營業績及財務狀況構成重大影響。

4. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with HKFRSs, accounting principles generally accepted in Hong Kong and the applicable disclosures required by the Rules Governing the Listing of Securities on GEM of the Stock Exchange and by the Hong Kong Companies Ordinance.

These consolidated financial statements have been prepared under the historical cost convention.

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain key assumptions and estimates. It also requires the directors to exercise their judgements in the process of applying the accounting policies. The areas involving critical judgements are disclosed in note 5 to these consolidated financial statements.

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

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, to determine whether it has control. 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.

4. 主要會計政策

該等綜合財務報表乃根據香港財務報告準則、香港公認會計原則及聯交所GEM證券上市規則及香港公司條例的適用披露規定編製。

該等綜合財務報表乃根據歷史成本慣例編製。

編製符合香港財務報告準則的綜合財務報表需要使用若干主要假設及估計。其亦要求董事於應用會計政策的過程中作出判斷。涉及重大判斷的範疇於該等綜合財務報表附註5披露。

編製該等綜合財務報表所應用的主要會計政策載列如下。

綜合入賬

綜合財務報表包括本公司及其附屬公司截至12月31日止之財務報表。附屬公司指本集團擁有控制權之實體。當本集團因參與實體業務而承擔可變動回報之風險或享有當中權利，並能對該實體行使權力以影響該等回報時，則本集團控制該實體。當本集團擁有的現有權利，賦予其指導相關活動(即顯著影響該實體回報的活動)之現有權力時，本集團對實體擁有權力。

於評估控制權時，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，以釐定其是否擁有控制權。僅在持有人能實際行使潛在投票權之情況下，方會考慮其權利。

附屬公司自控制權轉移至本集團之日起綜合入賬。附屬公司在控制權終止之日起停止綜合入賬。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Consolidation (Continued)

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 relating to that subsidiary and any related accumulated foreign currency translation reserve.

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 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.

4. 主要會計政策(續)

綜合入賬(續)

致使控制權喪失之出售一間附屬公司之收益或虧損為以下兩者之間的差額：(i)出售代價公平值加於該附屬公司保留之任何投資之公平值，及(ii)本公司應佔該附屬公司之資產淨值加任何有關該附屬公司之餘下商譽以及任何有關累計外幣換算儲備。

集團內公司間之交易、結餘及未變現溢利予以對銷。除非交易提供所轉讓資產減值之憑證，否則未變現虧損亦予以對銷。附屬公司之會計政策已按需要作出改變，以確保與本集團採用之政策一致。

非控股權益指並非由本公司直接或間接應佔的附屬公司權益。非控股權益於綜合財務狀況表及綜合權益變動表的權益內呈列。於綜合損益及其他全面收益表內，非控股權益呈列為年內溢利或虧損及全面收益總額在非控股股東與本公司擁有人之間的分配。

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，即使此舉會導致非控股權益出現虧絀結餘。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combination and goodwill

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The cost of acquisition is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and contingent consideration. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Identifiable assets and liabilities of the subsidiary in the acquisition are measured at their acquisition-date fair values.

The excess of the cost of acquisition over the Company's share of the net fair value of the subsidiary's identifiable assets and liabilities is recorded as goodwill. Any excess of the Company'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 as a gain on bargain purchase which is attributed to the Company.

In a business combination achieved in stages, the previously held equity interest in subsidiary is remeasured at its acquisition-date fair value and the resulting gain or loss is recognised in consolidated profit or loss. The fair value is added to the cost of acquisition to calculate the goodwill.

If the changes in the value of the previously held equity interest in the subsidiary were recognised in other comprehensive income (for example, equity investment at fair value through other comprehensive income), the amount that was recognised in other comprehensive income is recognised on the same basis as would be required if the previously held equity interest were disposed of.

Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is measured at cost less accumulated impairment losses. The method of measuring impairment losses of goodwill is the same as that of other assets as stated in the accounting policy below. Impairment losses of goodwill are recognised in consolidated profit or loss and are not subsequently reversed. Goodwill is allocated to cash-generating units that are expected to benefit from the synergies of the acquisition for the purpose of impairment testing.

The non-controlling interests in the subsidiary are initially measured at the non-controlling shareholders' proportionate share of the net fair value of the subsidiary's identifiable assets and liabilities at the acquisition date.

4. 主要會計政策(續)

業務合併及商譽

於業務合併中所收購附屬公司按收購法入賬。收購成本按所付出資產、所發行權益工具、所產生負債及或然代價於收購日期之公平值計量。與收購相關之成本於發生成本及接獲服務期間確認為支出。於收購中附屬公司之可識別資產及負債，均按其於收購日期之公平值計量。

倘收購成本超出本公司應佔附屬公司之可識別資產及負債之公平淨值，則差額將以商譽列賬。倘本公司應佔可識別資產及負債之公平淨值超出其收購成本，則有關差額將於綜合損益中確認為本公司應佔議價購買收益。

對於分段進行之業務合併而言，先前於附屬公司持有之股權乃按收購日期之公平值重新計量，而由此產生之收益或虧損於綜合損益確認。將公平值加入至收購成本以計算商譽。

倘先前於附屬公司所持股權之價值變動已於其他全面收益(例如按公平值計入其他全面收益之股權投資)內確認，則已於其他全面收益確認之金額乃按在先前持有之股權出售時原應規定之相同基準確認。

商譽每年進行減值測試，或當事件或情況變動顯示可能出現減值時則更頻繁地進行減值測試。商譽乃按成本減累計減值虧損計量。商譽減值虧損之計量方法與下文會計政策所述其他資產之計量方法相同。商譽之減值虧損於綜合損益內確認且不會於其後撥回。就減值測試而言，商譽會被分配至預期自收購之協同效應中獲益之現金產生單位。

於附屬公司之非控股權益，初始按非控股股東於收購當日按股權比例應佔附屬公司之可識別資產及負債之公平淨值計量。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currency translation

(a) 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 ("functional currency"). The consolidated financial statements are presented in HK\$, which is the Company's functional and presentation currency.

(b) 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 values 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)

外幣換算

(a) 功能及呈列貨幣

本集團各實體的財務報表所列項目均以該實體經營所在的主要經濟環境所使用之貨幣(「功能貨幣」)計量。綜合財務報表以港元呈列，港元為本公司之功能及呈列貨幣。

(b) 各實體財務報表的交易及結餘

外幣交易於初步確認時按交易當日的現行匯率換算為功能貨幣。以外幣計值的貨幣資產及負債按各報告期末的匯率換算。此換算政策產生的收益及虧損於損益確認。

以外幣按公平值計量的非貨幣項目按釐定公平值當日的匯率換算。

當非貨幣項目之收益或虧損於其他全面收益確認時，該收益或虧損之任何匯兌部分於其他全面收益確認。當非貨幣項目之收益或虧損於損益確認時，該收益或虧損之任何匯兌部分於損益確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currency translation (Continued)

(c) 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:

- (i) 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;
- (ii) 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
- (iii) All resulting exchange differences are recognised 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 consolidated profit or loss as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

4. 主要會計政策(續)

外幣換算(續)

(c) 綜合賬目之換算

所有功能貨幣有別於本公司呈列貨幣之本集團實體之業績及財務狀況均按以下方式換算為本公司的呈列貨幣：

- (i) 於各財務狀況表呈列的資產及負債按財務狀況表日期的收市匯率換算；
- (ii) 收入及開支按平均匯率換算(除非該平均匯率並非交易日期當前匯率累計影響的合理近似值，在此情況下，收入及開支按交易日期的匯率換算)；及
- (iii) 所有由此產生的匯兌差額於外幣換算儲備確認。

於綜合賬目時，換算於海外實體的投資淨額及換算借款產生之匯兌差額均於外幣匯兌儲備確認。於出售海外業務時，有關匯兌差額於綜合損益確認為出售之部分收益或虧損。

因收購海外實體而產生之商譽及公平值調整，均視作為該海外實體之資產及負債處理，並按收市匯率換算。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

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 profit or loss during the period in which they are incurred.

Depreciation of plant and equipment is calculated at rates sufficient to write off their cost less their residual values over the estimated useful lives on a straight-line basis. The principal annual rates are as follows:

— Buildings	5%
— Leasehold improvements	5%–33%
— Furniture, fixtures and equipment	20%
— Plant and machinery	5%–20%
— Motor vehicles	20%

The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period.

The gain or loss on disposal of 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.

4. 主要會計政策(續)

物業、廠房及設備

物業、廠房及設備按成本減累計折舊及減值虧損入賬。

其後成本僅在與該項目有關之未來經濟利益有可能流入本集團，而該項目之成本能可靠計量時，方會計入資產之賬面值或確認為獨立資產(如適用)。所有其他維修及保養費用於產生期間於損益內確認。

廠房及設備的折舊按足以撇銷其成本減剩餘價值的比率，計算其於估計可使用年期之折舊。主要年度比率載列如下：

— 樓宇	5%
— 租賃物業裝修	5%–33%
— 傢俬、裝置及設備	20%
— 廠房及機器	5%–20%
— 汽車	20%

剩餘價值、可使用年期及折舊方法於各報告期末檢討及調整(如適用)。

出售廠房及設備的收益或虧損為出售所得款項淨額與相關資產賬面值之間的差額，並於損益內確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases

The Group as lessee

Leases are recognised as right-of-use assets and corresponding lease liabilities when the leased assets are available for use by the Group. Right-of-use assets are stated at cost less accumulated depreciation and impairment losses. Depreciation of right-of-use assets is calculated at rates to write off their cost over the shorter of the asset's useful life and the lease term on a straight-line basis. The principal annual rates are as follows:

— Buildings	33%–100%
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Right-of-use assets are measured at cost comprising the amount of the initial measurement of the lease liabilities, lease payments prepaid, initial direct costs and the restoration costs. Lease liabilities include the net present value of the lease payments discounted using the interest rate implicit in the lease if that rate can be determined, or otherwise the Group's incremental borrowing rate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the lease liability.

Payments associated with short-term leases and leases of low-value assets are recognised as expenses in profit or loss on a straight-line basis over the lease terms. Short-term leases are leases with an initial lease term of 12 months or less. Low-value assets are assets of value below United States dollars ("US\$") 5,000.

4. 主要會計政策(續)

租賃

本集團作為承租人

租賃於租賃資產可供本集團使用時確認為使用權資產及相應租賃負債。使用權資產乃按成本減累計折舊及減值虧損列賬。使用權資產乃按資產使用年期與租賃期二者中較短者以直線法按撇銷其成本的比率計算折舊。主要年度比率載列如下：

— 樓宇	33%–100%
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使用權資產乃按成本(包括初始計量租賃負債金額、預付租賃款項、初始直接成本及恢復成本)計量。租賃負債包括使用租賃內所隱含之利率(倘有關利率可予確定，否則以本集團的增量借款利率)折現之租賃付款的現值淨額。每項租賃付款在負債與融資成本之間分配。融資成本於租期內在損益內扣除，以制定每個期間租賃負債結餘之固定利率。

與短期租賃相關的付款及低價值資產租賃於租期內以直線法在損益內確認為支出。短期租賃為初始租期為12個月或以下的租賃。低價值資產為價值低於5,000美元(「美元」)的資產。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intangible assets (other than goodwill)

Intangible assets that are acquired by the Group are stated at cost less accumulated amortisation (where the estimated useful life is finite) and impairment losses.

Amortisation of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful lives. The following intangible assets with finite useful lives are amortised from the date they are available for use and their estimated useful lives are as follows:

— Licenses	10 years
— Software	3 years

Both the period and method of amortisation are reviewed annually.

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted average basis. The cost of finished goods and work in progress comprises raw materials, direct labour and an appropriate proportion of all production overhead expenditure, and where appropriate, subcontracting charges. 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.

Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire; the Group transfers substantially all the risks and rewards of ownership of the assets; or the Group neither transfers nor retains substantially all the risks and rewards of ownership of the assets but has not retained control on the assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received is recognised in profit or loss.

4. 主要會計政策(續)

無形資產(商譽除外)

本集團收購的無形資產按成本減累計攤銷(倘估計可使用年期有限)及減值虧損列賬。

具有有限可使用年期的無形資產攤銷，以直線法於資產的預計可使用年期內自損益扣除。下列具有有限可使用年期的無形資產，從可使用日起開始攤銷，其預計可使用年期如下：

— 許可	10年
— 軟件	3年

攤銷期間及方法每年予以檢討。

存貨

存貨乃按成本值與可變現淨值兩者中較低者列賬。成本乃使用加權平均法基準釐定。成品及在製品的成本，包括原材料、直接人工、所有生產經常開支的應佔部份及分包費用(如適用)。可變現淨值乃於日常業務過程中的預期售價減完成之估計成本及估計銷售所需成本計算。

確認及終止確認金融工具

金融資產及金融負債乃於本集團成為有關工具合約條文的訂約方時於財務狀況表內確認。

金融資產於以下情況下終止確認：收取資產現金流量之合約權利屆滿；本集團轉讓資產擁有權之絕大部分風險及回報；或本集團既無轉讓亦不保留資產擁有權之絕大部分風險及回報，惟不保留資產之控制權。於終止確認一項金融資產時，該資產之賬面值與已收代價總和之間的差額於損益內確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued) Recognition and derecognition of financial instruments (Continued)

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss.

Financial assets

Financial assets are recognised and derecognised on a trade date basis where the purchase or sale of an asset is under a contract whose terms require delivery of the asset within the timeframe established by the market concerned, and are initially recognised at fair value, plus directly attributable transaction costs except in the case of investments at fair value through profit or loss. Transaction costs directly attributable to the acquisition of investments at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets of the Group are classified as financial assets at amortised cost.

Financial assets (including trade and other receivables) are classified under this category if they satisfy both of the following conditions:

- the assets are held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

They are subsequently measured at amortised cost using the effective interest method less loss allowance for expected credit losses.

4. 主要會計政策(續) 確認及終止確認金融工具(續)

金融負債於相關合約所訂明責任獲解除、註銷或屆滿時終止確認。終止確認的金融負債的賬面值與已付代價之間的差額於損益確認。

金融資產

倘資產買賣乃根據條款規定須按照所涉及的市場設立之時間框架內交付資產的合約進行，以及初始按公平值加直接產生之交易成本確認，惟按公平值計入損益之投資除外，金融資產按交易日基準確認及終止確認。收購按公平值計入損益之投資直接應佔的交易成本即時於損益內確認。

本集團之金融資產被分類為按攤銷成本列賬的金融資產。

倘同時符合下列兩項條件，則金融資產(包括貿易及其他應收款項)歸至此類別：

- 資產於目的為持有資產以收取合約現金流量之業務模式內所持有；及
- 資產的合約條款於指定日期產生的現金流量純粹為支付本金及未償還本金的利息。

有關資產其後使用實際利率法按攤銷成本減預期信貸虧損之虧損撥備計量。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Loss allowances for expected credit losses

The Group recognises loss allowances for expected credit losses on financial assets at amortised cost. Expected credit losses are the weighted average of credit losses with the respective risks of a default occurring as the weights.

At the end of each reporting period, the Group measures the loss allowance for a financial instrument at an amount equal to the expected credit losses that result from all possible default events over the expected life of that financial instrument (“**lifetime expected credit losses**”) for trade receivables, or if the credit risk on that financial instrument has increased significantly since initial recognition.

If, at the end of the reporting period, the credit risk on a financial instrument (other than trade receivables) has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to the portion of lifetime expected credit losses that represents the expected credit losses that result from default events on that financial instrument that are possible within 12 months after the reporting period.

The amount of expected credit losses or reversal to adjust the loss allowance at the end of the reporting period to the required amount is recognised in profit or loss as an impairment gain or loss.

Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value. Bank overdrafts which 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.

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.

4. 主要會計政策(續)

預期信貸虧損之虧損撥備

本集團就按攤銷成本計量之金融資產之預期信貸虧損確認虧損撥備。預期信貸虧損為加權平均信貸虧損，並以發生相關違約風險之金額作為加權數值。

於各報告期末，本集團就貿易應收款項按相當於所有可能發生違約事件之預期信貸虧損除以該金融工具之預計年期之金額(「**使用年期預期信貸虧損**」)(或倘金融工具之信貸風險自初始確認以來大幅增加)，計量金融工具之虧損撥備。

倘於報告期末，金融工具(貿易應收款項除外)之信貸風險自初始確認以來並無大幅增加，本集團使用年期預期信貸虧損的比例金額(相當於該金融工具於報告期間後十二個月內可能發生的違約事件所導致之預期信貸虧損)計量該金融工具之虧損撥備。

預期信貸虧損金額或為調整報告期末虧損撥備至所需金額所作撥回金額乃於損益確認為減值收益或減值虧損。

現金及現金等價物

就現金流量表而言，現金及現金等價物指銀行及手頭現金、存於銀行及其他金融機構之活期存款，及可隨時轉換為已知數額現金且並無重大價值變動風險之短期高度流通投資。須按要求償還及為本集團現金管理組成部分之銀行透支亦計入現金及現金等價物。

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約安排之性質及根據香港財務報告準則對金融負債及權益工具之定義而分類。權益工具為證明本集團扣除所有負債後於資產剩餘權益之任何合約。下文載列就特定金融負債及權益工具採納之會計政策。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Trade and other payables

Trade and other payables are initially recognised 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.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer with reference to the customary business practices and excludes amounts collected on behalf of third parties. For a contract where the period between the payment by the customer and the transfer of the promised product or service exceeds one year, the consideration is adjusted for the effect of a significant financing component.

The Group recognises revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. Depending on the terms of a contract and the laws that apply to that contract, a performance obligation can be satisfied over time or at a point in time. A performance obligation is satisfied over time if:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance;
- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

4. 主要會計政策(續)

借款

借款按其公平值扣除所產生交易成本後初始確認，其後採用實際利率法按攤銷成本計量。

除非本集團有權無條件將負債結算期限延長至報告期間後最少十二個月，否則借款分類為流動負債。

貿易及其他應付款項

貿易及其他應付款項初始按公平值確認，其後則採用實際利率法按攤銷成本計量，惟如貼現影響並不重大，則以成本列賬。

權益工具

本公司發行之權益工具乃按已收所得款項(扣除直接發行成本)入賬。

客戶合約收入

收益乃根據與客戶訂立的合約所指明之代價參考慣常業務慣例計量，並不包括代表第三方收取之金額。就客戶支付款項至轉讓承諾產品或服務的期間超過一年之合約而言，有關代價即按重大融資組成部分之影響作出調整。

本集團透過將產品或服務之控制權轉移予客戶而完成其履約責任時確認收益。視乎合約條款及適用於該合約之法律，履約責任可隨時間或某一個時間點完成。倘屬下列情況，履約責任乃隨時間完成：

- 當客戶同時收取及消耗本集團履約所提供之利益時；
- 本集團履約創建或提升一項於創建或提升時由客戶控制的資產；或
- 本集團之履約並無創建對本集團具有替代用途之資產，且本集團有權就迄今為止已完成的履約部分強制收回款項。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue from contracts with customers (Continued)

If a performance obligation is satisfied over time, revenue is recognised by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the product or service.

Other revenue

Interest income is recognised using the effective interest method.

Employee benefits

(a) 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.

(b) Pension obligations

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (“**MPF Scheme**”) in Hong Kong under the Hong Kong Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees’ basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme.

(c) 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.

4. 主要會計政策(續)

客戶合約收入(續)

倘履約責任屬於一段時間內完成，收益經參考已完成有關履約責任的進度確認。否則，收益於客戶獲得產品或服務控制權之時間點確認。

其他收益

利息收入依據實際利率法確認。

僱員福利

(a) 僱員休假權利

僱員可享有之年假及長期服務假期於賦予僱員時確認。為截至報告期末僱員已提供之服務而產生之年假及長期服務假期之估計負債作出撥備。

僱員應享有之病假及產假於僱員休假時方予確認。

(b) 退休金承擔

本集團根據香港強制性公積金計劃條例為合資格參與香港強積金退休福利計劃(「**強積金計劃**」)之僱員營辦定額供款強積金計劃。供款乃按僱員基本薪金之某一百分比計算，並根據強積金計劃之規則在應付時自損益中扣除。強積金計劃之資產獨立持有，與本集團其他資金分開管理。本集團之僱主供款於向強積金計劃供款時即全數撥歸僱員所有。

(c) 終止福利

終止福利當本集團不能取消提供該等福利時及本集團確認重組成本及涉及支付終止福利當日(以較早者為準)時，方予確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

All other borrowing costs are recognised in the profit or loss in the period in which they are incurred.

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 relating to income are deferred and recognised in profit or loss over the period to match them with the costs they are intended to compensate.

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.

Government grants relating to the purchase of assets are deducted from the carrying amount of the assets. The grant is recognised in profit or loss over the life of a depreciable asset by way of a reduced depreciation charge.

4. 主要會計政策(續)

借貸成本

直接來自收購、建設或生產需要一段長時間方能用作其擬定用途或出售之合資格資產之借貸成本，乃資本化為該等資產之成本一部分，直至該等資產大致上已可用作其擬定用途或出售為止。特定借款於等待合資格資產產生開支時用作暫時投資所得之投資收入，於合資格撥充資本之借貸成本中扣除。

就於一般情況及用作取得合資格資產而借入之資金而言，合資格撥充資本之借貸成本金額乃就用於該資產之開支應用資本化比率釐定。資本化比率乃適用於本集團借款(於有關期間內尚未償還)之借貸成本之加權平均數，惟特別為獲取合資格資產而作出之借款則除外。

所有其他借貸成本於其產生期間於損益內確認。

政府補助

政府補助於可合理保證本集團將遵守補助金附帶的條件及收取補助金時方予確認。

有關收入之政府補助金會遞延處理，並於補助金配合擬補償之成本之期內於損益內確認。

作為就已產生費用或損失的補償或向本集團提供即時財務資助(並無日後相關成本)而可收取的政府補助金，乃於其成為可收取之期間於損益中確認。

有關購買資產的政府補助金於資產之賬面值中扣除，並按可予折舊資產的年期以減少折舊費用的方式於損益中確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government grants (Continued)

Repayment of a grant related to income is applied first against any unamortised deferred income set up in respect of the grant. To the extent that the repayment exceeds any such deferred income, or where no deferred income exists, the repayment is recognised immediately in profit or loss. Repayment of a grant related to an asset is recorded by increasing the carrying amount of the asset or reducing the deferred income by the amount repayable. The cumulative additional depreciation that would have been recognised in profit or loss to date in the absence of the grant is recognised immediately in profit or loss.

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 consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences 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.

4. 主要會計政策(續)

政府補助(續)

償還與收入相關之補助金首先用於抵銷就補助金而設立之任何未攤銷遞延收入。倘還款超逾任何有關遞延收入，或倘並無存在遞延收入，則還款即時於損益中確認。償還與資產相關之補助金按以應償還金額增加資產賬面值或削減遞延收入列賬。在未獲得補助金時本應於損益中確認之累積額外折舊，即時於損益中確認。

稅項

所得稅指現時稅項及遞延稅項之總和。

現時應付稅項乃按年內應課稅溢利計算。應課稅溢利不計入其他年度的應課稅或可扣稅收支項目，亦不計入毋須課稅或不獲扣稅項目，故有別於損益所確認之溢利。本集團即期稅項之負債使用於報告期末前已頒佈或實質上已頒佈之稅率計算。

就綜合財務報表內資產及負債的賬面值與計算應課稅溢利所採用相應稅基的差額確認遞延稅項。遞延稅項負債通常會就所有應課稅暫時差額確認，遞延稅項資產僅於可能會有應課稅溢利而動用暫時性差額、未動用稅項虧損或未動用稅項資產可予以抵銷時方予以確認。於一項交易中，倘因商譽或其他資產及負債之初始確認(業務合併除外)而產生的暫時差額且不影響應課稅溢利及會計溢利時，則該等資產及負債不會予以確認。

遞延稅項負債會就與投資附屬公司引致的應課稅暫時差額進行確認，惟倘本集團能夠控制暫時差額之撥回及有關暫時差額很可能不會於可見未來撥回則除外。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax 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.

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.

Segment reporting

Operating segments and the amounts of each segment item reported in the financial statements are identified from the financial information provided regularly to the Group's most senior executive management for the purpose of allocating resources and assessing the performance of the Group's various lines of business.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

4. 主要會計政策(續)

稅項(續)

遞延稅項資產的賬面值在各報告期末進行檢討，並於並無足夠應課稅溢利可用以撥回所有或部份資產時作出相應扣減。

遞延稅項乃以預期於償還負債或變現資產即期應用的稅率並基於報告期末前已頒佈或實質上已頒佈的稅率計算。遞延稅項會於損益中確認，惟遞延稅項與已於其他全面收益中或直接於權益中確認的相關聯的項目則除外，在此情況下，遞延稅項亦會於其他全面收益中或直接於權益中確認。

遞延稅項負債及資產之計量，反映本集團於報告期末預期收回或清償其資產及負債賬面值的方式所導致的納稅後果。

倘有法定可行使權利可以即期稅項資產抵銷即期稅項負債，且彼等為關乎同一稅務機構徵收的所得稅，且本集團擬按淨額基準結算即期稅項資產及負債，則遞延稅項資產與負債會予以抵銷。

分部報告

經營分部及綜合財務報表內呈報各分部項目的金額，乃取自定期提供予本集團最高行政管理人員用作向本集團各項業務分配資源並評估其表現的財務資料。

個別重大的經營分部不會就財務報告目的而合計，除非有關分部具有類似經濟特性，且具有類似的產品及服務性質、生產工序性質、客戶類型或類別、分銷產品或提供服務方法，以及監管環境性質。個別非重大的經營分部倘符合上述大多數準則可予合計。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.
 - (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).

4. 主要會計政策(續)

關聯方

關聯方為與本集團有關連之人士或實體。

- (a) 一名人士或其近親倘符合以下條件，則與本集團有關聯：
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本公司或本公司母公司的主要管理層成員。
- (b) 一間實體倘符合下列任何條件，則與本集團有關聯：
 - (i) 該實體及本公司屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司相互關聯)。
 - (ii) 一間實體為另一實體的聯營公司或合營企業(或另一實體母公司旗下成員公司的聯營公司或合營企業)。
 - (iii) 該實體及本集團均為同一第三方的合營企業。
 - (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。
 - (v) 該實體為離職後福利計劃，該計劃的受益人為本集團或與本集團有關的實體的僱員；倘本集團本身為該計劃，資助的僱主亦與本集團相關。
 - (vi) 該實體由(a)項所述人士控制或共同控制。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties (Continued)

- (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.

Impairment of assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets except deferred tax assets, inventories and receivables to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

4. 主要會計政策(續)

關聯方(續)

- (vii) (a)(i) 項所述人士對該實體有重大影響或屬該實體(或該實體的母公司)主要管理人員的其中一名成員。
- (viii) 實體、或一間集團之任何成員公司(為集團之一部分)向本公司或本公司之母公司提供主要管理人員服務。

資產減值

於各報告期末，本集團檢討其有形及無形資產(遞延稅項資產、存貨及應收款項除外)的賬面值，以釐定是否有任何跡象顯示該等資產已出現減值虧損。倘存在任何該等跡象，則會估計資產之可收回金額，以釐定任何減值虧損之程度。倘未能估計個別資產之可收回金額，則本集團估計資產所屬現金產生單位之可收回金額。

可收回金額為公平值減出售成本與使用價值之間的較高者。於評估使用價值時，估計未來現金流量會採用反映現時市場對貨幣時間價值及資產特殊風險評估的稅前貼現率，貼現至其現值。

倘估計資產或現金產生單位的可收回金額低於其賬面值，則該資產或現金產生單位的賬面值將減至其可收回金額。減值虧損將即時於損益中確認，除非有關資產乃按重估款額列賬則除外，在該情況下，減值虧損會被視為重估減幅。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of assets (Continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

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.

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 consolidated financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

4. 主要會計政策(續)

資產減值(續)

倘減值虧損其後撥回，則資產或現金產生單位的賬面值增至經修訂估計的可收回金額，惟增加的賬面值不得超過有關資產或現金產生單位於過往年度並無確認減值虧損時原應釐定的賬面值(扣除攤銷或折舊)。減值虧損撥回將即時於損益中確認。除非有關資產乃按重估款額列賬則除外，在該情況下，所撥回之減值虧損會被視為重估增幅。

撥備及或然負債

當本集團目前須就過往事件承擔法定或推定責任，且履行責任可能須流出經濟利益並可作出可靠估計時，便會就尚未確定時間或金額的負債確認撥備。倘貨幣時間價值的影響重大，有關撥備須按預期解決有關責任的開支現值呈列。

倘不大可能需要流出經濟利益，或金額無法可靠估計時，則有關責任披露為或然負債，除非流出之可能性極微則另作別論。須視乎一宗或多宗日後事件是否發生方可確認之可能責任亦會被披露為或然負債，惟經濟利益外流之機會極微者除外。

報告期後事項

報告期後事項提供有關本集團於報告期末之狀況及顯示持續經營假設並不適當的額外資料，該等事項經調整並已反映於綜合財務報表中。並非屬調整事項之報告期後事項如屬重大，則於綜合財務報表附註中披露。

5. CRITICAL JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

In the process of applying the accounting policies, the directors have made the following judgement that has the most significant effect on the amounts recognised in the consolidated financial statements apart from those involving estimations, which are dealt with below.

Going concern basis

These consolidated financial statements have been prepared on a going concern basis, the validity of which depends upon the successful outcome that restructuring plans to improve its financial position, to provide liquidity and cash flows. Details are explained in note 2 to consolidated financial statements.

6. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk, liquidity risk and interest rate 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 Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the Group entities. 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.

(b) Credit risk

The carrying amount of the bank and cash balance and trade and other receivables included in the consolidated statement of financial position represents the Group's maximum exposure to credit risk in relation to the Group's financial assets. Management has a credit policy in place and the exposure to these credit risks are monitored on an ongoing basis.

The credit risk on bank and cash balances is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

It has policies in place to ensure that sales are made to customers with an appropriate credit history.

5. 應用會計政策之關鍵判斷

於應用會計政策過程中，董事已作出以下對綜合財務報表內確認之金額有最大影響之判斷(下文所述估計者除外)。

持續經營基準

此等綜合財務報表乃按持續經營基準編製，其有效性取決於為提供流動資金及現金流量以改善其財務狀況之重組方案之成功結果。詳情於綜合財務報表附註2闡述。

6. 金融風險管理

本集團之業務承受各種金融風險：外幣風險、信貸風險、流動資金風險及利率風險。本集團整體的風險管理計劃針對金融市場的不可預見性，力求減少對本集團財務表現的潛在不利影響。

(a) 外幣風險

由於大部份業務交易、資產及負債主要以本集團實體的功能性貨幣計值，故本集團須承擔少數外幣風險。本集團現時並無有關外幣交易、資產及負債的外幣對沖政策。本集團將密切監控其外幣風險，並於有需要時考慮對沖重大外幣風險。

(b) 信貸風險

計入綜合財務狀況表的銀行及現金結餘、貿易及其他應收款項的賬面值指本集團承受有關本集團金融資產的最高信貸風險。管理層已制定信貸政策並將持續監控該等信貸風險的敞口。

由於交易對手為獲國際信貸評級機構頒授高信貸評級的銀行，故銀行及現金結餘的信貸風險有限。

已制定政策以確保向具有合適信貸記錄的客戶進行銷售。

6. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

The Group considers whether there has been a significant increase in credit risk of financial assets on an ongoing basis throughout each reporting period by comparing the risk of a default occurring as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following information is used:

- internal credit rating;
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations;
- actual or expected significant changes in the operating results of the borrower; and
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers.

A significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment. A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group normally categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 365 days past due. Where loans or receivables have been written off, the Group, if practicable and economical, continues to engage in enforcement activity to attempt to recover the receivable due.

6. 金融風險管理(續)

(b) 信貸風險(續)

本集團透過比較於報告日期發生違約的風險及於初始確認日期的違約風險，考慮於各報告期間金融資產信貸風險是否持續顯著增加。其會考慮可得的合理有據的前瞻性資料，尤其會使用以下資料：

- 內部信貸評級；
- 預期導致借款人履行其責任的能力出現重大變動的業務、財務或經濟狀況的實際或預期重大不利變動；
- 借款人經營業績的實際或預期重大變動；及
- 借款人預期表現及行為的重大變動，包括借款人的付款狀況變動。

倘涉及合約付款的債務人逾期超過30天，則假定信貸風險顯著增加。當交易對手無法於合約付款到期60天內支付合約款項，則金融資產出現違約。

金融資產於合理預期無法收回(例如債務人無法與本集團達成還款計劃)時撇銷。當債務人未能於逾期365天後支付合約付款，本集團通常會撇銷有關貸款或應收款項。倘貸款或應收款項被撇銷，則本集團(於實際可行及符合經濟效益的情況下)繼續採取強制執行活動，以試圖收回到期應收款項。

6. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

The Group uses two categories for non-trade loan receivables which reflect their risk and how the loan loss provision is determined for each of the categories. In calculating the expected credit loss rates, the Group considers historical loss rates for each category and adjusts for forward looking data.

Category 類別	Definition 定義	Loss provision 虧損撥備
Performing 良好	Low risk of default and strong capacity to pay 違約風險低及支付能力強	12-month expected losses 12個月預期虧損
Non-performing 不良	Significant increase in credit risk 信貸風險顯著增加	Lifetime expected losses 全期預期虧損

(c) 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 maturity analysis of the Group's financial liabilities is as follows:

		Less than 1 year or repayable on demand 少於1年或須 按要求償還 HK\$'000 千港元	Between 1 and 2 years 1至2年 HK\$'000 千港元
At 31 December 2020	於2020年12月31日		
Trade and other payables	貿易及其他應付款項	15,729	—
Lease liabilities	租賃負債	54	9
		15,783	9
At 31 December 2019	於2019年12月31日		
Trade and other payables	貿易及其他應付款項	57,146	—

6. 金融風險管理(續)

(b) 信貸風險(續)

本集團就非貿易貸款應收款項使用兩個類別，以反映其信貸風險及如何就各類別釐定虧損撥備。計算預期信貸虧損率時，本集團考量各類別之歷史虧損率，並對前瞻性數據作出調整。

(c) 流動資金風險

本集團的政策是定期監察現時及預期流動資金需要，確保維持充足的現金儲備，以滿足短期及長期流動資金需要。

本集團金融負債的到期日分析如下：

6. FINANCIAL RISK MANAGEMENT (Continued)

(d) Interest rate risk

The Group's exposure to interest-rate risk arises from its bank and cash balances. These deposits bear interests at variable rates varied with the then prevailing market condition.

No sensitivity analysis is presented as the directors of the Company consider that the interest rate fluctuation on interest income arising from bank and cash balances is insignificant.

(e) Categories of financial instruments

Financial assets:

Financial assets at amortised cost
(including cash and cash equivalents)

金融資產：

按攤銷成本計量的金融資產
(包括現金及現金等價物)

4

201,885

Financial liabilities:

Financial liabilities at amortised cost

金融負債：

按攤銷成本計量的金融負債

15,729

55,353

(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.

(f) 公平值

綜合財務狀況表所反映本集團金融資產及金融負債之賬面值與其各自之公平值相若。

6. 金融風險管理(續)

(d) 利率風險

本集團面臨的利率風險來自其銀行及現金結餘。該等存款按當時市況變動的浮動利率計息。

由於本公司董事認為銀行及現金結餘產生的利息收入的利率波動並不重大，故並無呈列敏感度分析。

(e) 金融工具類別

2020	2019
2020年	2019年
HK\$'000	HK\$'000
千港元	千港元

7. REVENUE AND SEGMENT INFORMATION

Revenue mainly represent contract revenue from the Electric Vehicle Business and contract revenue from the Energy and Petrochemicals Business.

Disaggregation of revenue from contracts with customers:

		2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元
Sales of goods:	貨品銷售：		
— Electric vehicles and related products	— 電動汽車及相關產品	—	22,184
— Energy and petrochemical related products	— 能源及石油化工相關產品	—	78,255
Commission and consultancy fee income	佣金及諮詢費收入	—	17,600
Revenue from contracts with customers	客戶合約收入	—	118,039

7. 收入及分部資料

收益主要指來自電動汽車業務之合約收益及來自能源及石化業務之合約收益。

客戶合約之收入分拆：

7. REVENUE AND SEGMENT INFORMATION

(Continued)

Segment information

The management reviews the Group's internal reporting for performance assessment between segments and resource allocation. The management has determined the operating segments based on business lines (products and services) and geographical areas. The management has determined that the Group is organised into two main operating segments: (i) Electric Vehicle Business; and (ii) Energy and Petrochemicals Business. The management measures the performance of the segments based on their respective segment results.

The principal products and services of each of these operations are as follows:

- (1) Electric Vehicle Business — research and development, manufacture and sale of rechargeable batteries, electric vehicles and related products and provision of related services; and
- (2) Energy and Petrochemicals Business — provision of marketing and management services, sales and distribution of energy and petrochemical related products, including but not limited to, LNG and LPG products and licensing of petroleum gas stations.

7. 收入及分部資料(續)

分部資料

管理層檢討本集團的內部報告以在分部及資源分配中對表現進行評估。管理層按業務(產品及服務)及地域劃分經營分部。管理層已確定本集團分為兩個主要經營分部：(i)電動汽車業務；及(ii)能源及石化業務。管理層根據彼等各自的分部業績衡量各分部的表現。

該等業務各自的主要產品及服務如下：

- (1) 電動汽車業務 — 研發、製造及銷售充電電池、電動汽車及相關產品以及提供相關服務；及
- (2) 能源及石油化工業務 — 提供營銷及管理服務、銷售及分銷能源及石油化工相關產品，包括但不限於液化天然氣及液化石油氣產品，以及許可經營石油氣站。

7. REVENUE AND SEGMENT INFORMATION

(Continued)

Sales of goods (electric vehicles and related products and energy and petrochemicals related products)

The Group manufactures and sells goods to the customers. Sales are recognised when control of the products has transferred, being when the products are delivered to a customer, there is no unfulfilled obligation that could affect the customer's acceptance of the products and the customer has obtained legal titles to the products.

The products are sold with volume discounts based on aggregate sales over a 12 months period. Revenue from these sales is recognised based on the prices specified in the contracts, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the volume discounts, using the expected value method. A contract liability is recognised for the expected volume discounts payable to customers in relation to the sales made.

The products sold to customers are returnable to the Group within one month from delivery to the customers. Revenue from these sales is recognised based on the prices specified in the contracts, net of the estimated sales return. Accumulated experience is used to estimate and provide for the sales return, using the expected value method. A contract liability is recognised for the expected sales return payable to customers in relation to the sales made.

The Group's obligation to provide a refund for faulty products under the standard warranty terms is recognised as a provision.

Sales to customers are normally made with credit terms of 30 to 180 days. For new customers, deposits or cash on delivery may be required. Deposits received are recognised as a contract liability.

A receivable is recognised when the products are delivered to the customers as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

7. 收入及分部資料(續)

貨品銷售(電動汽車及相關產品以及能源及石油化工相關產品)

本集團為客戶製造及銷售貨品。於產品的控制權轉移(即產品交付予客戶)，且概無未履行的義務或會影響客戶接受產品及客戶已獲取產品的合法所有權時，則會確認銷售。

以批量折扣出售的產品乃以12個月期間的銷售總額為基準。該等銷售的收益乃根據合約訂明的價格扣除估計批量折扣後確認。累積經驗可用於估計並運用預期價值法釐定批量折扣。就銷售產生的應付客戶預期批量折扣確認合約負債。

售予客戶的產品可於交付予客戶後一個月內退回本集團。該等銷售的收益按合約訂明的價格扣除估計銷售退貨確認。累積的經驗採用預期價值法估計及提供銷售退貨。合約負債就與所作出銷售有關的應付客戶預期銷售退貨確認。

本集團根據標準保修條款就缺陷產品提供退款的責任確認為撥備。

向客戶的銷售一般按30至180日的信貸期作出。就新客戶而言，可能需要按金或貨到付款。已收按金確認為合約負債。

應收款項於產品交付予客戶時確認，原因為此乃代價成為無條件之時間點，僅須待時間過去便可收取付款。

7. REVENUE AND SEGMENT INFORMATION

(Continued)

Commission and consultancy fee income

The Group provides consultancy service to the customers. Commission and consultancy fee income is recognised when the related service is rendered and there is no unfulfilled obligation that could affect the customer's acceptance of the service.

Segment revenue and segment results

Information regarding the Group's reportable operating segments including the reconciliations to loss before tax are as follows.

7. 收入及分部資料(續)

佣金及諮詢費收入

本集團向客戶提供諮詢服務。提供相關服務時確認佣金及諮詢費收入，概無未履行的義務或會影響客戶接受服務。

分部收入及分部業績

有關本集團可呈報經營分部的資料(包括與除稅前虧損的對賬)如下。

		Energy and Petrochemicals Business 能源及 石油化工業務 <i>HK\$'000</i> 千港元	Electric Vehicle Business 電動 汽車業務 <i>HK\$'000</i> 千港元	Total 總計 <i>HK\$'000</i> 千港元
Year ended 31 December 2020	截至2020年12月31日 止年度			
Reportable segment revenue	可報告分部收益	—	—	—
Reportable segment profit	可報告分部溢利	—	—	—
Interest revenue	利息收入			—
Corporate income and expenses	公司收入及開支			(599,003)
Loss before tax	除稅前虧損			(599,003)
Adjusted earnings before interest, tax, depreciation and amortisation	經調整除利息、稅項、 折舊及攤銷前盈利	—	—	—

7. REVENUE AND SEGMENT INFORMATION

(Continued)

Segment revenue and segment results (Continued)

7. 收入及分部資料(續)

分部收入及分部業績(續)

		Energy and Petrochemicals Business 能源及 石油化工業務 HK\$'000 千港元	Electric Vehicle Business 電動 汽車業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended 31 December 2019	截至2019年12月31日 止年度			
Reportable segment revenue (note (a))	可報告分部收益 (附註(a))	78,255	39,784	118,039
Reportable segment profit	可報告分部溢利	2,536	4,918	7,454
Interest revenue	利息收入			88
Corporate income and expenses	公司收入及開支			(110,246)
Loss before tax	除稅前虧損			(102,704)
Adjusted earnings before interest, tax, depreciation and amortisation (note (b))	經調整除利息、稅項、 折舊及攤銷前盈利 (附註(b))	2,536	18,120	20,656

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment results represent profit earned by each segment without allocation of interest revenue, central administrative income and expenses including partial other revenue and other income, directors' remuneration and partial finance costs under the heading of "corporate income and expenses". This is the measure reported to management for the purposes of performance assessment between segments and resource allocation.

經營分部之會計政策與本集團的會計政策一致。分部業績指各分部所賺取之溢利，惟並無分配「公司收入及開支」項下之利息收入、中央行政收入及開支(包括部分其他收入及其他收入、董事酬金及部分融資成本)。此計量方法呈報予管理層作為評估分部及資源分配間的表現之用。

7. REVENUE AND SEGMENT INFORMATION

(Continued)

Segment revenue and segment results (Continued)

Information regarding the Group's reportable segments assets and liabilities are as follows:

7. 收入及分部資料(續)

分部收入及分部業績(續)

有關本集團可報告分部資產及負債的資料如下：

		Energy and Petrochemicals Business 能源及 石油化工業務 HK\$'000 千港元	Electric Vehicle Business 電動汽車 業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2020	於2020年12月31日			
Reportable segment assets	可報告分部資產	—	—	—
Unallocated assets	未分配資產			128
Total assets	總資產			128
Reportable segment liabilities	可報告分部負債	—	—	—
Unallocated liabilities	未分配負債			15,790
Total liabilities	總負債			15,790
		Energy and Petrochemicals Business 能源及 石油化工業務 HK\$'000 千港元	Electric Vehicle Business 電動汽車 業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2019	於2019年12月31日			
Reportable segment assets	可報告分部資產	2,957	630,248	633,205
Unallocated assets	未分配資產			15,120
Total assets	總資產			648,325
Reportable segment liabilities	可報告分部負債	2,392	57,636	60,028
Unallocated liabilities	未分配負債			13,245
Total liabilities	總負債			73,273

7. REVENUE AND SEGMENT INFORMATION

(Continued)

Segment revenue and segment results (Continued)

For the purpose of monitoring performance assessment between segments and resource allocation, all assets and liabilities are allocated to the reportable segments other than those that are for central administrative purposes including partial property, plant and equipment, deferred tax assets, prepayment for property, plant and equipment, partial deposits, prepayments and other receivables, tax recoverable, partial bank and cash balances, partial other payables, amount due to a director and current tax liabilities.

Other segment information

Amounts included in the measure of segment profit or loss or segment assets:

		Energy and Petrochemicals Business 能源及 石油化工業務 HK\$'000 千港元	Electric Vehicle Business 電動汽車 業務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended 31 December 2020	截至2020年12月31日 止年度				
Finance costs	融資成本	—	—	4	4
Depreciation of right-of-use assets	使用權資產折舊	—	—	43	43
		Energy and Petrochemicals Business 能源及 石油化工業務 HK\$'000 千港元	Electric Vehicle Business 電動汽車 業務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Year ended 31 December 2019	截至2019年12月31日 止年度				
Interest revenue	利息收入	—	—	88	88
Finance costs	融資成本	—	—	358	358
Amortisation of intangible assets	無形資產攤銷	—	2,280	—	2,280
Depreciation of property, plant and equipment	物業、廠房及設備折舊	—	20,799	4,455	25,254

7. 收入及分部資料(續)

分部收入及分部業績(續)

就監控評估分部間表現及資源分配而言，除作中央行政目的(包括部分物業、廠房及設備、遞延稅項資產、物業、廠房及設備之預付款項、部分按金、預付款項及其他應收款項、可收回稅項、部分銀行及現金結餘、部分其他應付款項、應付一名董事款項及即期稅項負債)者外，所有資產及負債均分配至可報告分部。

其他分部資料

用於計量分部損益或分部資產的金額：

7. REVENUE AND SEGMENT INFORMATION

(Continued)

Other segment information (Continued)

Notes:

- (a) Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current year (2019: nil).
- (b) Adjusted earnings before interest, tax, depreciation and amortisation is also a measurement basis regularly reviewed by the directors in performance assessment between segments and resources allocation. This measurement basis is consistent with that of the segment results except that finance costs, amortisation of intangible assets, depreciation of property, plant and equipment and amortisation of interest in leasehold land are not included in the adjusted earnings before interest, tax, depreciation and amortisation.

Geographical information

Since over 90% of the Group's revenue and operating profit were generated in the PRC for both years and over 90% of the Group's non-current assets were located in the PRC, no geographical segment information in accordance with HKFRS 8 Operating Segments is presented.

Information about major customers

Revenue from customers for the years ended 31 December 2020 and 2019 contributing over 10% of the total revenue of the Group are as follows:

	Reporting segments 報告分部
Customer A (note) 客戶A (附註)	Electric Vehicle Business 電動汽車業務

Note:

Revenue derived from Customer A did not contribute 10% or more to the Group's total revenue during the year ended 31 December 2020.

Except as disclosed above, no other customers contributed 10% or more of the Group's total revenue for both years.

7. 收入及分部資料 (續)

其他分部資料 (續)

附註:

- (a) 上文所呈報的分部收入指外部客戶收入。於本年度未有分部間銷售(2019年:無)。
- (b) 董事定期審閱經調整除利息、稅項、折舊及攤銷前盈利，作為評估分部間表現及資源分配的計量基準。此計量基準與分部業績一致，惟經調整除利息、稅項、折舊及攤銷前盈利不包括融資成本、無形資產攤銷、物業、廠房及設備折舊及租賃土地權益攤銷。

地區資料

由於兩個年度本集團超過90%的收入及經營溢利均來自中國，以及本集團超過90%的非流動資產位於中國，故並無呈列符合香港財務報告準則第8號經營分部的地區分部資料。

主要客戶的資料

客戶於截至2020年及2019年12月31日止年度為本集團帶來總收入10%以上的貢獻如下:

	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Customer A (note) 客戶A (附註)	—	17,600

附註:

截至2020年12月31日止年度，來自客戶A的收入對本集團總收入的貢獻不超過10%。

除上文所披露者外，於兩個年度，概無其他客戶為本集團總收入帶來10%或以上的貢獻。

8. INTEREST REVENUE

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Bank interest income	銀行利息收入	—	88

9. OTHER INCOMES

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Government grants (note)	政府補助(附註)	962	1,152
Sundry income	雜項收入	—	888
		962	2,040

Note:

Government grants of HK\$962,000 (2019: HK\$1,152,000) have been received during the year ended 31 December 2020.

10. FINANCE COSTS

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Imputed interest on lease liability	租賃負債之估算利息	4	358

8. 利息收入

9. 其他收入

10. 融資成本

附註：

截至2020年12月31日止年度，已收政府補助962,000港元(2019年：1,152,000港元)。

11. INCOME TAX EXPENSES

11. 所得稅開支

		2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元
Current tax — Hong Kong Profits Tax	即期稅項 — 香港利得稅		
— Provision for the year	— 年內撥備	—	1,885
Deferred tax (<i>note 19</i>)	遞延稅項 (<i>附註19</i>)	1,599	—
		1,599	1,885

Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. The directors of the Company considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements.

No provision for Hong Kong Profits Tax has been made for the year ended 31 December 2020 as the Group did not generate any assessable profits arising in Hong Kong during that year. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the year ended 31 December 2019.

PRC subsidiaries are subject to PRC Corporate Income Tax at 25% for both years.

根據利得稅兩級制，合資格集團實體首2,000,000港元溢利的稅率為8.25%，而超過2,000,000港元的溢利之稅率為16.5%。未符合利得稅兩級制之集團實體的溢利將繼續以16.5%的劃一稅率計算。本公司董事認為實施利得稅兩級制所涉及金額對綜合財務報表影響不大。

由於本集團於截至2020年12月31日止年度並無於香港產生任何應課稅溢利，故並無就該年度作出香港利得稅撥備。截至2019年12月31日止年度，香港利得稅按估計應課稅溢利的16.5%計算。

中國附屬公司於兩個年度內須按25%的稅率繳納中國企業所得稅。

12. LOSS FOR THE YEAR

The Group's loss for the year is stated after charging the following:

12. 年內虧損

本集團年度虧損已扣除下列各項：

		2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元
Auditor's remuneration	核數師酬金		
— Audit service	— 審核服務	600	600
— Non-audit services	— 非審核服務	90	—
		690	600
Cost of inventories sold	銷售存貨成本	—	96,265
Amortisation of intangible assets	無形資產攤銷	—	2,280
Depreciation of property, plant and equipment	物業、廠房及設備折舊	—	25,254
Depreciation of right-of-use assets	使用權資產折舊	43	—
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	2,771	—
Staff costs including directors' emoluments	員工成本(包括董事酬金)		
— Salaries, bonus and allowances	— 薪金、花紅及津貼	2,689	7,578
— Retirement benefit schemes contributions	— 退休福利計劃供款	68	980
Total staff costs	員工成本總額	2,757	8,558

13. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

(a) Directors' emoluments

The emoluments paid or payable to directors of the Company are as follows:

		Fee	Retirement benefit schemes contributions	Total
		費用 HK\$'000 千港元	退休福利 計劃供款 HK\$'000 千港元	總計 HK\$'000 千港元
Executive directors	執行董事			
Fei Jie (note i)	費杰(附註i)	—	—	—
Wong Kin Fai (note ii)	王健輝(附註ii)	77	2	79
Lo Wing Sang (note iii)	勞永生(附註iii)	47	—	47
Wong Ching fai, William (note iv)	黃政輝(附註iv)	255	—	255
Luo Huangshi (note v)	駱皇世(附註v)	29	—	29
Tao Wah Wai, Calvin (note vi)	陶樺瑋(附註vi)	9	—	9
Independent non-executive directors	獨立非執行董事			
Sit Sai Hung, Billy (note vii)	薛世雄(附註vii)	278	—	278
Shen Ruolei (note viii)	沈若雷(附註viii)	—	—	—
Lai Wing Kwan (note ix)	賴榮焜(附註ix)	—	—	—
Law Yiu Sang, Jacky (note x)	羅耀生(附註x)	38	—	38
Man Wai Lun (note xi)	文偉麟(附註xi)	92	—	92
Law Yui Lun (note xii)	羅裔麟(附註xii)	37	—	37
Hu Chao (note vi)	胡超(附註vi)	3	—	3
Wong Lok Man (note xiii)	王樂民(附註xiii)	—	—	—
Lo Cheuk Fei, Jeffrey (note xiii)	盧卓飛(附註xiii)	—	—	—
Total for year 2020	2020年度總計	865	2	867

13. 董事及僱員酬金

(a) 董事酬金

已付或應付本公司董事的酬金如下：

13. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

(Continued)

(a) Directors' emoluments (Continued)

		Fee	Retirement scheme contributions	Total
		費用 HK\$'000 千港元	退休福利 計劃供款 HK\$'000 千港元	總計 HK\$'000 千港元
Executive directors	執行董事			
Fei Jie, former director (note i)	費杰，前任董事(附註i)	1,200	—	1,200
Ng Chin Ming Stephen, former director (note xiv)	伍展明，前任董事(附註xiv)	200	3	203
Zhang Genjiang ("Mr. Zhang"), former director (note xv)	章根江(「章先生」)，前任董事(附註xv)	100	—	100
Fung Chi Kin, former director (note xvi)	馮志堅，前任董事(附註xvi)	1,125	—	1,125
Wong Kin Fai, former director (note ii)	王健輝，前任董事(附註ii)	760	9	769
Independent non-executive directors	獨立非執行董事			
Jim Yiu Ming, former director (note xvii)	詹耀明，前任董事(附註xvii)	205	—	205
Sit Sai Hung, Billy, former director (note vii)	薛世雄，前任董事(附註vii)	300	—	300
Shen Ruolei, former director (note viii)	沈若雷，前任董事(附註viii)	240	—	240
Lai Wing Kwan, former director (note ix)	賴榮焜，前任董事(附註ix)	35	—	35
Total for year 2019	2019年度總計	4,165	12	4,177

Notes:

- (i) Resigned on 8 December 2020.
- (ii) Appointed on 21 June 2019 and resigned on 20 January 2020.
- (iii) Appointed on 20 May 2020 and resigned on 30 July 2020.
- (iv) Appointed on 3 June 2020 and resigned on 5 November 2020.
- (v) Appointed on 2 December 2020.
- (vi) Appointed on 23 December 2020.
- (vii) Resigned on 4 December 2020.
- (viii) Resigned on 17 January 2020.
- (ix) Appointed on 8 November 2019 and resigned on 17 July 2020.
- (x) Appointed on 17 January 2020 and resigned on 13 March 2020.
- (xi) Appointed on 5 February 2020 and resigned on 9 November 2020.
- (xii) Appointed on 17 July 2020 and resigned on 30 September 2020.
- (xiii) Appointed on 31 December 2020.
- (xiv) Resigned on 28 February 2019.
- (xv) Resigned on 15 December 2019.
- (xvi) Resigned on 15 October 2019.
- (xvii) Resigned on 8 November 2019.

附註：

- (i) 於2020年12月8日辭任。
- (ii) 於2019年6月21日獲委任並於2020年1月20日辭任。
- (iii) 於2020年5月20日獲委任並於2020年7月30日辭任。
- (iv) 於2020年6月3日獲委任並於2020年11月5日辭任。
- (v) 於2020年12月2日獲委任。
- (vi) 於2020年12月23日獲委任。
- (vii) 於2020年12月4日辭任。
- (viii) 於2020年1月17日辭任。
- (ix) 於2019年11月8日獲委任並於2020年7月17日辭任。
- (x) 於2020年1月17日獲委任並於2020年3月13日辭任。
- (xi) 於2020年2月5日獲委任並於2020年11月9日辭任。
- (xii) 於2020年7月17日獲委任並於2020年9月30日辭任。
- (xiii) 於2020年12月31日獲委任。
- (xiv) 於2019年2月28日辭任。
- (xv) 於2019年12月15日辭任。
- (xvi) 於2019年10月15日辭任。
- (xvii) 於2019年11月8日辭任。

13. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

(Continued)

(a) Directors' emoluments (Continued)

There was no arrangement under which a director waived or agreed to waive any emoluments during the years ended 31 December 2020 and 2019.

(b) Employees' emoluments

The five highest paid individuals include two (2019: three) directors whose emoluments are presented in the disclosures in note 13(a) to the consolidated financial statements. The emoluments of the remaining three (2019: two) individuals are as follows:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	872	949
Retirement benefit schemes contributions	退休福利計劃供款	36	27
		908	976

Their emoluments are within the following bands:

		2020 2020年 Number of employees 僱員人數	2019 2019年 Number of employees 僱員人數
Nil to HK\$1,000,000	零至1,000,000港元	3	2

During both years, no emolument was paid by the Group to the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

14. DIVIDENDS

No final dividend was paid or proposed during the years ended 31 December 2020 and 2019, nor has any dividend been proposed by the Board subsequent to the end of the reporting period.

13. 董事及僱員酬金 (續)

(a) 董事酬金 (續)

截至2020年及2019年12月31日止年度，並無任何董事放棄或同意放棄任何酬金的安排。

(b) 僱員酬金

五名最高薪酬人士包括兩名(2019年：三名)董事，彼等酬金載於綜合財務報表附註13(a)的披露資料。其餘三名(2019年：兩名)人士的酬金如下：

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	872	949
Retirement benefit schemes contributions	退休福利計劃供款	36	27
		908	976

彼等之酬金介乎以下範圍：

		2020 2020年 Number of employees 僱員人數	2019 2019年 Number of employees 僱員人數
Nil to HK\$1,000,000	零至1,000,000港元	3	2

於兩個年度期間，本集團並無向五名最高薪酬人士支付薪酬作為吸引其加入本集團或加入本集團時的獎勵或作為離職補償。

14. 股息

截至2020年及2019年12月31日止年度並無派付或建議派付末期股息，於報告期末後，董事會亦無建議派付任何股息。

15. LOSS PER SHARE

The calculation of the basic and diluted loss per share is based on the following:

Loss

Loss for the purpose of calculating basic and diluted loss per share

就計算每股基本及攤薄虧損的虧損

2020
2020年
HK\$'000
千港元

2019
2019年
HK\$'000
千港元

(600,602)

(104,377)

Number of shares

Issued ordinary shares at 1 January
Effect of shares issued to owners of the Company

於1月1日已發行普通股
向本公司擁有人發行股份的影響

2020
2020年
'000
千股

2019
2019年
'000
千股

3,036,200

2,675,424

—

62,215

Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share

就計算每股基本及攤薄虧損的普通股加權平均數

3,036,200

2,737,639

The denominators used are same as those detailed above for both basic and diluted loss per share.

所用分母與上述計算之每股基本及攤薄虧損所採用相同。

15. 每股虧損

每股基本及攤薄虧損乃根據下列數據計算：

虧損

股份數目

16. INTANGIBLE ASSETS

16. 無形資產

		Licenses 牌照 HK\$'000 千港元	Software 軟件 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost	成本			
At 1 January 2019, 31 December 2019 and 1 January 2020	於2019年1月1日、2019年12月31日及2020年1月1日	1,319	6,445	7,764
Disposal of subsidiaries	出售附屬公司	(1,319)	(6,445)	(7,764)
At 31 December 2020	於2020年12月31日	—	—	—
Accumulated amortisation	累計攤銷			
At 1 January 2019	於2019年1月1日	89	54	143
Charge for the year	年內支出	132	2,148	2,280
Exchange alignments	匯兌調整	—	(1,349)	(1,349)
At 31 December 2019 and 1 January 2020	於2019年12月31日及2020年1月1日	221	853	1,074
Disposal of subsidiaries	出售附屬公司	(221)	(853)	(1,074)
At 31 December 2020	於2020年12月31日	—	—	—
Carrying amount	賬面值			
At 31 December 2020	於2020年12月31日	—	—	—
At 31 December 2019	於2019年12月31日	1,098	5,592	6,690

17. PROPERTY, PLANT AND EQUIPMENT

17. 物業、廠房及設備

		Buildings	Leasehold improvements	Furniture, fixtures and equipment	Plant and machinery	Motor vehicles	Total
		樓宇	租賃裝修	傢俱、裝置及設備	廠房及機器	汽車	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Cost	成本						
At 1 January 2019, 31 December 2019 and 1 January 2020	於2019年1月1日、2019年12月31日及2020年1月1日	49,074	6,293	2,068	69,906	4,277	131,618
Disposal	出售	—	(3,777)	(615)	—	(704)	(5,096)
Disposal of subsidiaries	出售附屬公司	(49,074)	(2,516)	(1,453)	(69,906)	(3,573)	(126,522)
At 31 December 2020	於2020年12月31日	—	—	—	—	—	—
Accumulated depreciation	累計折舊						
At 1 January 2019	於2019年1月1日	6,020	1,601	812	20,893	2,122	31,448
Charge for the year	年內支出	6,488	779	428	15,667	1,892	25,254
At 31 December 2019 and 1 January 2020	於2019年12月31日及2020年1月1日	12,508	2,380	1,240	36,560	4,014	56,702
Disposal	出售	—	(1,196)	(310)	—	(704)	(2,210)
Disposal of subsidiaries	出售附屬公司	(12,508)	(1,184)	(930)	(36,560)	(3,310)	(54,492)
At 31 December 2020	於2020年12月31日	—	—	—	—	—	—
Carrying amount	賬面值						
At 31 December 2020	於2020年12月31日	—	—	—	—	—	—
At 31 December 2019	於2019年12月31日	36,566	3,913	828	33,346	263	74,916

The Group's buildings are located in the PRC held on medium-term leases.

本集團的樓宇位於中國，並以中期租賃持有。

18. RIGHT-OF-USE ASSETS

Disclosure of lease-related items:

At 31 December:	於12月31日:	2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元

Right-of-use assets — buildings	使用權資產 — 樓宇	60	20,564
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The maturity analysis, based on undiscounted cash flows, of the Group's lease liabilities is as follows:

— Less than 1 year	— 1年以下	54	—
— Between 1 and 2 years	— 1至2年	9	—

63

Year ended 31 December:	截至12月31日止年度:		
Depreciation of right-of-use assets	使用權資產折舊		
— Buildings	— 樓宇	43	—

Lease interests	租賃利息	4	—
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Total cash outflow for leases	租賃現金流出總額	45	—
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Additions to right-of-use assets	使用權資產添置	102	—
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The Group leases various buildings. Lease agreements are typically made for fixed periods of 1 to 3 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants and the leased assets may not be used as security for borrowing purposes.

18. 使用權資產

披露租賃相關項目:

At 31 December:	於12月31日:	2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元

Right-of-use assets — buildings	使用權資產 — 樓宇	60	20,564
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本集團租賃負債的到期情況分析(基於未貼現現金流量)

— Less than 1 year	— 1年以下	54	—
— Between 1 and 2 years	— 1至2年	9	—

63

Year ended 31 December:	截至12月31日止年度:		
Depreciation of right-of-use assets	使用權資產折舊		
— Buildings	— 樓宇	43	—

Lease interests	租賃利息	4	—
-----------------	------	----------	---

Total cash outflow for leases	租賃現金流出總額	45	—
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Additions to right-of-use assets	使用權資產添置	102	—
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本集團租賃若干樓宇。租賃協議一般按1至3年的固定期限作出。租賃條款按個別基準商定並載有廣泛的不同條款及條件。租賃協議並無施加任何契諾，且租賃資產或無法用作借款目的之抵押。

19. DEFERRED TAX ASSETS

The following are the major deferred tax assets recognised by the Group.

		Allowance for credit losses 信貸虧損撥備 HK\$'000 千港元
At 1 January 2019, 31 December 2019 and 1 January 2020	於2019年1月1日、2019年12月31日及 2020年1月1日	1,599
Disposal of subsidiaries	出售附屬公司	(1,599)
At 31 December 2020	於2020年12月31日	—

20. TRADE RECEIVABLES

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Trade receivables	貿易應收款項	—	200,947
Less: allowance for credit losses	減：信貸虧損撥備	—	—
		—	200,947

Trade receivables were non-interest bearing and are generally allows a credit period of 30 to 180 days to its customers.

19. 遞延稅項資產

本集團已確認的主要遞延稅項資產如下。

20. 貿易應收款項

貿易應收款項為不計息及一般授予其客戶30至180天信貸期。

20. TRADE RECEIVABLES (Continued)

The following was an aging analysis of trade receivables, net of allowance for credit losses recognised, presented based on the invoice date, which approximates the respective revenue recognition dates and net of allowance for credit losses:

		2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元
181–365 days	181至365日	—	17,160
Over 365 days	超過365日	—	183,787
		—	200,947

21. TRADE AND OTHER PAYABLES

Trade payables	貿易應付款項
Accruals and other payables	應計費用及其他應付款項
Amount due to an ex-director	應付一名前董事款項
Receipt in advance	預收款項
Trade deposits received	貿易已收按金

20. 貿易應收款項(續)

按發票日期(與各收益確認日期相若)呈列之貿易應收款項(扣除已確認信貸虧損撥備)之賬齡分析(已扣除信貸虧損撥備)如下:

	2020	2019
	2020年	2019年
	HK\$'000	HK\$'000
	千港元	千港元
	—	17,160
	—	183,787
	—	200,947

21. 貿易及其他應付款項

	2020	2019
	2020年	2019年
	HK\$'000	HK\$'000
	千港元	千港元
	—	28,661
	6,287	19,620
	9,442	7,072
	—	117
	—	1,676
	15,729	57,146

21. TRADE AND OTHER PAYABLES (Continued)

The following was an aging analysis of trade payables, based on the invoice date:

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Over 90 days	超過90日	—	28,661

The average credit period granted to the Group by suppliers is 30 to 180 days.

21. 貿易及其他應付款項(續)

按發票日期呈列之貿易應付款項之賬齡分析如下：

供應商授予本集團的平均信貸期介乎30至180日。

22. LEASE LIABILITIES

		Lease payments 租賃付款		Present value of lease payments 租賃付款現值	
		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元	2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
Within one year	一年內	54	—	52	—
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	9	—	9	—
		63	—		
Less: Future finance charges	減：未來融資費用	(2)	—		
Present value of lease liabilities	租賃負債現值	61	—	61	—
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：於12個月內到期 結算的款項(於 流動負債項下 列示)			(52)	—
Amount due for settlement after 12 months	於12個月後到期結算 的款項			9	—

At 31 December 2020, the weighted average lessee's incremental borrowing rate was 5.13% per annum. Interest rate are fixed at the contract dates and thus expose the Group to fair value interest rate risk.

於2020年12月31日，承租人的加權平均增量借款年利率為5.13%。利率於合約日期釐定，因此令本集團面臨公平值利率風險。

23. SHARE CAPITAL

Movements of the share capital of the Company are as follows:

23. 股本

本公司的股本變動如下：

		Number of shares 股份數目 '000 千股	Amount 金額 HK\$'000 千港元
Authorised: Ordinary shares of HK\$0.02 each At 1 January 2019, 31 December 2019, 1 January 2020 and 31 December 2020	法定： 每股0.02港元的普通股 於 2019年1月1日 、 2019年12月31日 、 2020年1月1日 及 2020年12月31日	5,000,000	100,000
Issued and fully paid: At 1 January 2019 Placement of new shares (notes i and ii)	已發行及繳足： 於2019年1月1日 配售新股份(附註i及ii)	2,675,424	53,508
		360,776	7,216
At 31 December 2019, 1 January 2020 and 31 December 2020	於 2019年12月31日 、 2020年1月1日 及 2020年12月31日	3,036,200	60,724

Notes:

- (i) On 24 June 2019, the Company allotted and issued an aggregate of 60,776,000 new shares of HK\$0.02 each to not less than six placees at a price of HK\$0.53 per share. The net proceeds of the placing of approximately HK\$19,260,000 is intended to be used for working capital and approximately of HK\$12,150,000 is intended to be used for developing energy and petrochemical projects.
- (ii) On 25 November 2019, the Company allotted and issued an aggregate of 300,000,000 new shares of HK\$0.05 per share. The net proceeds from the subscription amount to approximately HK\$15,000,000. Approximately HK\$5,000,000 of the net proceeds will be used for working capital to the Group to meet any future development and obligations. Approximately HK\$10,000,000 of the net proceeds was intended to develop electric charging and oil and gas business.

附註：

- (i) 於2019年6月24日，本公司以每股0.53港元之價格向不少於六名承配人配發及發行合共60,776,000股每股面值0.02港元之新股份。配售事項所得款項淨額中約19,260,000港元乃計劃用作營運資金，以及約12,150,000港元乃計劃用於發展能源及石油化工項目。
- (ii) 於2019年11月25日，本公司配發及發行合共300,000,000股每股面值0.05港元的新股份。認購事項所得款項淨額約為15,000,000港元。所得款項淨額中約5,000,000港元將用作本集團之營運資金以滿足任何未來發展及履約責任的需要。所得款項淨額中約10,000,000港元擬用於發展充電及油氣業務。

23. SHARE CAPITAL (Continued)

Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to owners through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The Group is not subject to any external imposed capital requirements.

The directors review the capital structure on annual basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. Based on the recommendations of the directors, the Group will balance its overall capital structure through payment of dividends, issue of new shares or repurchase of existing shares as well as issue of new debts or the redemption of existing debts.

24. RESERVES

(a) The 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) The Company

		Share premium 股份溢價 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2019	於2019年1月1日	504,135	(92,709)	411,426
Loss and total comprehensive loss for the year	年內虧損及 全面虧損總額	—	(16,403)	(16,403)
Issue of shares on placement	於配售時發行股份	39,190	—	39,190
At 31 December 2019 and 1 January 2020	於2019年12月31日及 2020年1月1日	543,325	(109,112)	434,213
Loss and total comprehensive loss for the year	年內虧損及 全面虧損總額	—	(510,599)	(510,599)
At 31 December 2020	於2020年12月31日	543,325	(619,711)	(76,386)

23. 股本(續)

資本管理

本集團管理其資本，以確保本集團旗下實體將能夠持續經營，同時透過優化債務及權益結餘為擁有人帶來最大回報。本集團之整體策略與去年相同。

本集團並無面臨任何外部施加的資本要求。

董事每年審閱資本架構。作為檢討的一部分，董事考慮資本成本及與各類資本相關的風險。根據董事的建議，本集團將透過派付股息、發行新股份或購回現有股份以及發行新債務或贖回現有債務平衡其整體資本架構。

24. 儲備

(a) 本集團

本集團的儲備金額及其變動於綜合損益及其他全面收益表及綜合權益變動表呈列。

(b) 本公司

25. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

25. 本公司財務狀況表

		2020	2019
		2020年	2019年
		HK\$'000	HK\$'000
		千港元	千港元
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	—	2,923
Right-of-use assets	使用權資產	—	1,844
Investments in subsidiaries	於附屬公司的投資	—	5,241
		—	10,008
Current assets	流動資產		
Other receivables, deposits and prepayments	其他應收款項、按金及預付款項	65	16,702
Amounts due from subsidiaries	應收附屬公司款項	—	482,175
Bank and cash balances	銀行及現金結餘	—	85
		65	498,962
Current liabilities	流動負債		
Accruals and other payables	應計費用及其他應付款項	15,727	14,033
Net current (liabilities)/assets	流動(負債)/資產淨值	(15,662)	484,929
Net (liabilities)/assets	(負債)/資產淨值	(15,662)	494,937
Capital and reserves	股本及儲備		
Share capital	股本	60,724	60,724
Reserves	儲備	(76,386)	434,213
Total (deficit)/equity	(虧絀)/權益總額	(15,662)	494,937

26. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

The following list contains only the particulars of major subsidiaries of the Company which principally affected the results, assets or liabilities of the Group.

26. 本公司附屬公司詳情

下表僅載列主要影響本集團業績、資產或負債的本公司主要附屬公司的詳情。

Name of subsidiary 附屬公司名稱	Place of incorporation and principal place of business 註冊成立地點及主要營業地點	Issued and fully paid share capital 已發行及繳足股本	Proportion of ownership interest/voting power held by the Company 本公司持有之所有權／投票權比例		Principal activities 主要業務
			2020 2020年 %	2019 2019年 %	
Direct subsidiaries 直接附屬公司					
Core Kingdom Limited	British Virgin Islands ("BVI") 英屬處女群島 ([英屬處女群島])	US\$50,000 50,000美元	100	100	Investment holding 投資控股
State Achieve Investments Limited	BVI 英屬處女群島	US\$1 1美元	100	100	Investment holding 投資控股
Indirect subsidiaries 間接附屬公司					
Runhao Technology (HK) Limited 潤浩科技(香港)有限公司	Hong Kong 香港	HK\$10,000 10,000港元	100	100	Investment holding 投資控股
International Faith Limited 國際信懇有限公司	Hong Kong 香港	HK\$1 1港元	100	100	Sale of rechargeable batteries, electric vehicles and related products 銷售充電電池、電動汽車及相關產品

27. MATERIAL EVENTS

For the retail and wholesale of luxury brand silverware, silver utensils and luxury goods in the PRC (the “**Silverware Business**”), all the assets, including but not limited to the books and accounting records, vouchers, computers, company stamps, relevant stocks, etc, of two subsidiaries of the Company in the PRC, namely 浙江通銀貴金屬經營有限公司 (for identification purpose, Zhejiang Tong Yin Precious Metal Operation Company Limited (“**Zhejiang Tong Yin**”) and 杭州銀鑫投資管理有限公司 (for identification purpose, Hangzhou Yin Xin Investment Management Company Limited) (the “**Records and Documents**”) were seized by the Ministry of Public Security of the PRC as the Records and Documents were kept and stored in a shared office with one of the resigned executive director, Mr. Zhang Genjiang, who holds 49% equity interest of Zhejiang Tong Yin and was arrested during the course of seizure of other businesses of Mr. Zhang Genjiang (the “**Special Circumstance**”). The Company has not received any official documentation from the Ministry of Public Security of the PRC nor any relevant departments from the PRC government and the Special Circumstance was merely notified to the Company in January 2020 by relevant staff of the PRC subsidiaries of the Company. The Company has checked relevant information from the Bureau of Industry and Commerce of the PRC and other unofficial company search engine to verify the Special Circumstance and no information could be founded except the equity of Zhejiang Tong Yin was frozen in January 2020.

The Company has already appointed PRC lawyer to verify the seizure situation and follow up with the Special Circumstance including the possibility for recovering the Records and Documents. The Company has obtained a preliminary legal opinion report issued by PRC lawyers in which the PRC lawyer advised that there is no way to recover the Records and Documents at the moment as now it is under the criminal investigation and carried out by the Ministry of Public Security of the PRC. The Company was further advised that the Record and Documents would be released only in such criminal investigation case was closed and found innocence with the criminal investigation.

For the Electric Vehicle Business, the subsidiaries which are operating the Electric Vehicle Business in PRC that such PRC subsidiaries are also subject to investigation by the Ministry of Public Security of the PRC (the “**Investigated Electric Vehicle Business Subsidiaries**”) in connection with the Special Circumstance.

27. 重大事項

就於中國零售及批發奢侈品牌銀器、銀質餐具及奢侈品(「**銀器業務**」)而言，本公司於中國的兩間附屬公司浙江通銀貴金屬經營有限公司(「**浙江通銀**」)和杭州銀鑫投資管理有限公司之所有資產(包括但不限於)，賬簿和會計記錄，憑證，電腦，公司印，相關存貨等(以下簡稱「**該記錄和檔案**」)已被公安部全部查封，該記錄和檔案是儲存在一位已辭任的執行董事章根江先生的共享辦公樓內，章根江先生擁有浙江通銀49%權益，而章根江先生已被公安拘留，也查封了其個人公司或財產(「**特殊情況**」)。本公司沒有從中國公安部收到任何正式文件，也沒有從中國政府其他相關部門收到任何文件，該特殊情況僅在2020年1月由本公司附屬公司的相關人員通知本公司。本公司已檢查中國工商局及其他非官方公司搜尋引擎的相關資訊以驗證特殊情況，惟除於2020年1月浙江通銀的股權被凍結外，並無任何其他資訊。

本公司已經委任中國律師核查查封情況和跟進該特殊情況，包括取回該記錄和檔案之可能性。本公司取得由中國律師出具的初步法律意見報告，據此中國律師之意見為現時無法取回該記錄和檔案，因中國公安部現正對該記錄和檔案進行刑事調查。本公司進一步獲悉，該記錄和檔案僅在此類刑事調查案件結案後及被證實無罪的情況下，才會予以解封。

就電動汽車業務而言，於中國經營電動汽車業務之附屬公司通知該附屬公司亦就有關該特殊情況正接受中國公安部調查(「**受查電動汽車業務附屬公司**」)。

27. MATERIAL EVENTS (Continued)

In July 2020, the Company was informed orally by the subsidiary which is operating the Electric Vehicle Business in PRC that as revealed by a governmental website, a piece of land of that subsidiary was disposed pursuant an order of the Government in early 2020 (the “**Land Disposal**”). In this circumstance, the Company was only aware this incident recently and in fact, no official documentation was received by the Company and the Company then did not have any knowledge as to the situation about the Land Disposal. Accordingly, the Company has taken appropriate action immediately to appoint PRC lawyer to investigate, gather evidence and take appropriate action, subject to the advice by the PRC lawyer, in order for the purpose to verify whether it was an inappropriate disposal and try the best to preserve the assets of the subsidiary and whether the Group could lodge a petition to the Court to appeal against the Land Disposal in order to retrieve back the Group's asset.

In addition, the Company was also informed by the subsidiary which is operating the Electric Vehicle Business in PRC that the bank accounts under the Electric Vehicle Business's subsidiaries have been restricted for any withdrawal which is in connection with the investigation by the Ministry of Public Security of the PRC regarding the resigned executive director, Mr. Zhang Genjiang. The Company would also seek legal advice from the PRC lawyer in order to enable the Company to take any appropriate action including but not limited to uplifting the restriction. The Company are given to understand that the withdrawal restrictions of such bank accounts would last for and up to 8 February 2021 subject to further extension taken out by the Ministry of Public Security of the PRC.

Up to the date of this report, the PRC lawyer is still working in progress on the above mentioned events, details were set out in the Company's announcements dated 19 February 2020, 17 August 2020 and 7 September 2020.

27. 重大事項(續)

於2020年7月，本公司接獲一家在中國經營電動汽車業務的附屬公司口頭通知，從政府網站資料獲悉，於2020年初該附屬公司的一塊土地根據政府的命令已被出售(「該土地處置」)。在這種情況下，本公司僅最近才獲悉此事件，本公司實際上並無收到任何正式文件，因此本公司對該土地處置的情況一無所知。因此，本公司已立即採取適當行動委任中國律師進行調查，收集證據並採取適當行動，會根據中國律師的建議，以核實該土地處置是否不當並盡最大努力保留該附屬公司的資產，以及本集團可否向法院提出請願對該土地處置提出上訴，以取回本集團的資產。

此外，本公司亦接獲一家在中國經營電動汽車業務的附屬公司通知，其電動汽車業務附屬公司的銀行賬戶已被限制任何提款，該限制與中國公安部調查已辭任執行董事章根江先生有關。本公司亦將尋求中國律師的法律意見，以讓本公司採取適當行動，包括但不限於取消限制。本公司瞭解到，限制該銀行賬戶的提款功能會持續至2021年2月8日，並可應中國公安部規定進一步延長。

直至本報告日期，中國律師仍在處理上述事項，詳情載於本公司日期為2020年2月19日、2020年8月17日及2020年9月7日之公告。

27. MATERIAL EVENTS (Continued)

Deconsolidation of subsidiaries

The consolidated financial statements have been prepared based on the books and records maintained by the Group. The directors were informed that a significant portion of such books and records were maintained in the PRC. However, access to such books and records was limited because such books and records were seized by the Public Security of the PRC since January 2020 and were lost due to the departure of top management personnel including relevant directors, legal representatives and finance manager.

The directors considered that the control over the following subsidiaries had been lost since 2019. The results, assets, liabilities and cash flows of these subsidiaries were deconsolidated from the consolidated financial statements of the Group since 2019. The major subsidiaries were deconsolidated as follows:

- (i) 杭州銀鑫投資管理有限公司
- (ii) 浙江通銀貴金屬經營有限公司
- (iii) 上海銀擎投資管理有限公司
- (iv) 上海食異文化傳播有限公司

The directors considered that the control over the following subsidiaries had been lost since January 2020. The results, assets, liabilities and cash flows of these subsidiaries were deconsolidated from the consolidated financial statements of the Group since January 2020. The major subsidiaries were deconsolidated as follows:

- (i) 湖州信成電動汽車有限公司;
- (ii) 湖州信馳電動汽車有限公司;
- (iii) 湖州信宇汽車銷售服務有限公司;
- (iv) 江西信成電動汽車有限公司;

27. 重大事項(續)

取消綜合入賬若干附屬公司

綜合財務報表乃根據本集團所備存之賬簿及記錄編製。董事接獲通知該等賬簿及記錄之重大部分於中國備存。然而，由於該等賬簿及記錄自2020年1月起已被中國公安部查封，故取得該等賬簿及記錄受到限制，且該等賬簿及記錄因高級管理人員(包括相關董事、法律代表和財務經理)的離任而遺失。

董事認為本集團自2019年起失去下述附屬公司之控制權。因此，自2019年起，該等附屬公司之業績、資產、負債及現金流量取消綜合入賬於本集團綜合財務報表。取消入賬之主要附屬公司如下：

- (i) 杭州銀鑫投資管理有限公司
- (ii) 浙江通銀貴金屬經營有限公司
- (iii) 上海銀擎投資管理有限公司
- (iv) 上海食異文化傳播有限公司

董事認為本集團自2020年1月起失去下述附屬公司之控制權。因此，自2020年1月起，該等附屬公司之業績、資產、負債及現金流量取消綜合入賬於本集團綜合財務報表。取消入賬之主要附屬公司如下：

- (i) 湖州信成電動汽車有限公司；
- (ii) 湖州信馳電動汽車有限公司；
- (iii) 湖州信宇汽車銷售服務有限公司；
- (iv) 江西信成電動汽車有限公司；

27. MATERIAL EVENTS (Continued)

Deconsolidation of subsidiaries (Continued)

- (v) 肇慶信遠汽車銷售服務有限公司;
- (vi) Ecological Green Transportation Limited (incorporated in United Kingdom);
- (vii) Ecological Green Transportation Limited (incorporated in Hong Kong);
- (viii) China Energy and Chemical Investment Limited;
- (ix) Hong Kong Trustful Energy and Chemical Limited;
- (x) Ultimate Growth Investments Limited;
- (xi) Great Fortune Enterprise Company Limited; and
- (xii) Gulf Energy (China) Limited.

28. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

The following table shows the Group's changes in liabilities arising from financing activities during the year.

		Lease liabilities 租賃負債 HK\$'000 千港元
At 1 January 2019, 31 December 2019 and 1 January 2020	於2019年1月1日、2019年12月31日及2020年1月1日	—
Changes in cash flows	現金流量變動	45
Non-cash changes	非現金變動	
— interest charged	— 已扣除利息	(4)
At 31 December 2020	於2020年12月31日	41

29. APPROVAL OF FINANCIAL STATEMENTS

These consolidated financial statements were approved and authorised for issue by the Board on 12 May 2021.

27. 重大事項(續)

取消綜合入賬若干附屬公司(續)

- (v) 肇慶信遠汽車銷售服務有限公司;
- (vi) Ecological Green Transportation Limited (於英國成立);
- (vii) 易通達有限公司(於香港成立);
- (viii) 中國之信能源化工投資有限公司;
- (ix) 香港之信能源化工有限公司;
- (x) Ultimate Growth Investments Limited;
- (xi) 珈盈實業有限公司; 及
- (xii) 海灣能源(中國)有限公司。

28. 融資活動產生的負債變動

下表列示年內本集團融資活動產生的負債變動。

29. 財務報表之審批

此等綜合財務報表已於2021年5月12日獲董事會批准及授權刊發。

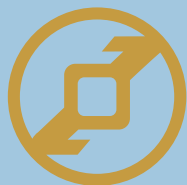
FIVE YEARS FINANCIAL SUMMARY

五年財務概要

For the year ended 31 December 2020

截至2020年12月31日止年度

		2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元 (restated) (經重述)	2016 2016年 HK\$'000 千港元
Results	業績					
Revenue	收入	—	118,039	215,696	525,269	303,268
(Loss)/profit before income tax	除所得稅前 (虧損)/溢利	(599,003)	(102,704)	20,596	139,811	39,080
Income tax expense	所得稅開支	(1,599)	(1,885)	(6,960)	(40,986)	(14,819)
(Loss)/profit for the year from continuing operations	來自持續經營業務之年內 (虧損)/溢利	(600,602)	(104,589)	13,636	98,825	24,261
(Loss)/profit for the year from discontinued operation	來自已終止經營業務之年內 (虧損)/溢利	—	—	(4,355)	(7,143)	—
(Loss)/profit for the year	年內(虧損)/溢利	(600,602)	(104,589)	9,281	91,682	24,261
(Loss)/profit for the year attributable to:	年內應佔(虧損)/溢利:					
Owners of the Company	本公司擁有人	(600,602)	(104,377)	2,960	77,222	10,328
Non-controlling interests	非控股權益	—	(212)	6,321	14,460	13,933
		(600,602)	(104,589)	9,281	91,682	24,261
Assets and liabilities	資產及負債					
Total assets	總資產	128	648,325	722,126	905,493	402,797
Total liabilities	總負債	(15,790)	(73,273)	(73,496)	(252,811)	(144,799)
Net (liabilities)/assets	(負債)/資產淨值	(15,662)	575,052	648,630	652,682	257,998
Equity attributable to:	應佔權益:					
Owners of the Company	本公司擁有人	(15,662)	575,264	637,726	603,549	226,312
Non-controlling interests	非控股權益	—	(212)	10,904	49,133	31,686
Total (deficit)/equity	(虧絀)/權益總額	(15,662)	575,052	648,630	652,682	257,998



CHINA TRUSTFUL GROUP LIMITED
中國之信集團有限公司