

貿易通
TRADELINK

貿易通電子貿易有限公司

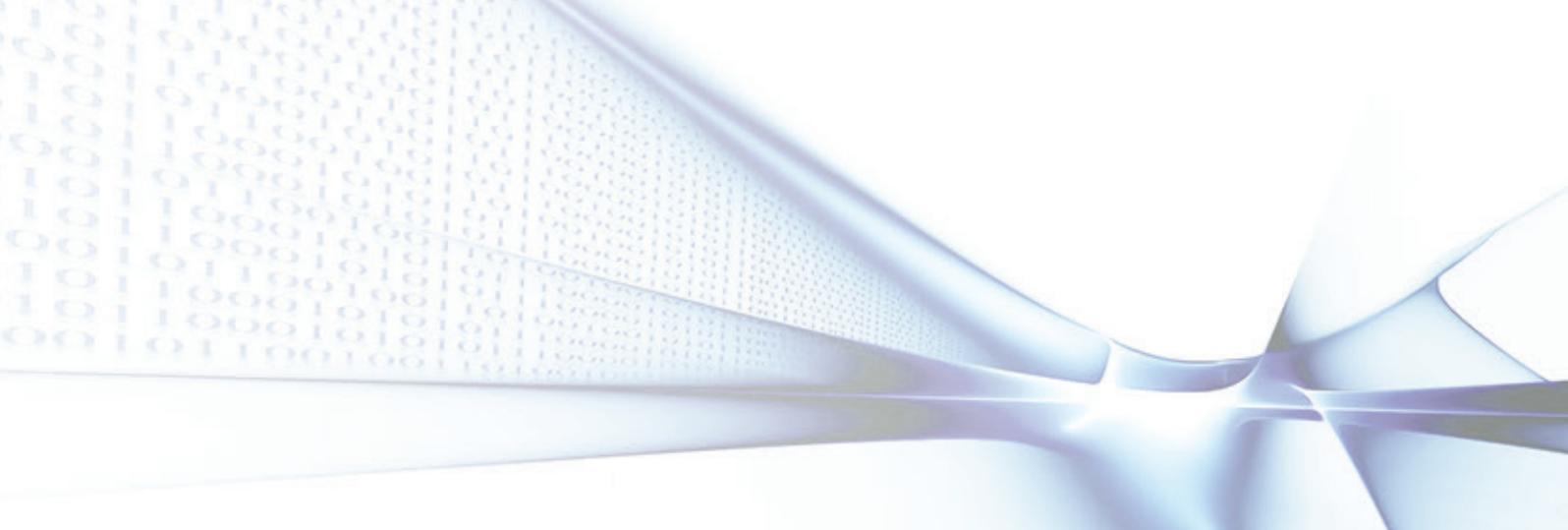
Tradelink Electronic Commerce Limited

Stock Code 股份代號 : 536

Annual Report **2019** 年報



People Building Successful e-Commerce
電子商貿 以人成就



Corporate Profile

公司介紹

Established in 1988, Tradelink Electronic Commerce Limited is a leading provider of e-commerce services for Hong Kong business community. Since 1997, Tradelink has been providing Government Electronic Trading Services (GETS) for the trading community, initially under a 7-year exclusive franchise (1997–2003) and thereafter under licences with the current one expiring by end of 2024, extendable up to three years at the Government's discretion. Over the years, Tradelink has earned the trust and support of the trading community; enabling it to stand firmly as the dominant player in the e-commerce market. With the mission to empower its clients with business enabled e-solutions for their commercial and financial activities, Tradelink has diversified its business beyond GETS into other business areas. In addition to GETS, Tradelink also offers a wide range of solutions, including supply chain solutions, digital certification services/identity management solutions, payment technology solutions and a Community Logistics Platform through its wholly-owned subsidiaries Digital Trade and Transportation Network Limited, Digi-Sign Certification Services Limited, Tradelink PayTech Solutions Limited and VSHIP Limited.

Tradelink was listed on the Main Board of The Stock Exchange of Hong Kong Limited (Stock Code: 00536) on 28 October 2005.

貿易通電子貿易有限公司於1988年成立，為電子商貿先鋒，服務香港商界。自1997年起，貿易通已開始為貿易界提供政府電子貿易服務(GETS)，由最初的七年專營權(1997–2003)，隨後續發牌照至現今的牌照到2024年底，政府並可酌情延長最多3年。經過多年耕耘，貿易通深得業界信賴與支持，穩站政府電子貿易服務市場的領先地位。公司秉持以「貿易通專業電子方案，成就客戶商業及金融業務」的營運理念，成功拓展新業務範疇。除GETS核心業務外，貿易通透過其全資附屬公司，數碼貿易運輸網絡有限公司、電子核證服務有限公司、貿易通金融支付科技有限公司和VSHIP Limited，提供一系列解決方案，包括供應鏈應用方案、數碼證書服務／身份管理解決方案、支付科技解決方案及公共物流平台。

2005年10月28日，貿易通於香港聯合交易所主板上市(股份編號：00536)。

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Financial Highlights

財務概要

		Year ended 31 December 2019 截至二零一九年 十二月三十一日 止年度 HK\$'000 港幣千元	Year ended 31 December 2018 截至二零一八年 十二月三十一日 止年度 HK\$'000 港幣千元
Revenue	收益	337,175	271,930
Profit from operations	經營溢利	101,219	104,766
Profit attributable to equity shareholders of the Company	本公司股權持有人應佔溢利	82,201	89,768
Total assets	資產總值	592,293	552,602
Net assets	資產淨值	370,927	350,757
Dividend per share (HK cents)	每股股息(港仙)		
Interim	中期股息	3.3	3.5
Proposed final	擬派末期股息	6.5	6.0
Earnings per share (HK cents)	每股盈利(港仙)		
Basic	基本	10.3	11.3
Diluted	攤薄	10.3	11.3
Financial ratios	財務比率		
Net profit margin (Note 1)	淨溢利率(附註1)	24.4%	33.0%
Effective tax rate (Note 2)	實際稅率(附註2)	14.6%	15.4%
Current ratio (Note 3)	流動比率(附註3)	1.22	0.96
Quick ratio (Note 4)	速動比率(附註4)	1.22	0.96

		As at 31 December 2019 於二零一九年 十二月三十一日 '000 千股	As at 31 December 2018 於二零一八年 十二月三十一日 '000 千股
Issued and fully paid ordinary shares	已發行及繳足普通股		
As at 31 December	於十二月三十一日	794,634	794,634
Weighted average number of ordinary shares (basic) outstanding as at 31 December	於十二月三十一日已發行普通股的加權平均數(基本)	794,634	794,624

Note 1 Net profit margin = profit attributable to equity shareholders of the Company/revenue

Note 2 Effective tax rate = taxation/profit before taxation

Note 3 Current ratio = current assets/current liabilities

Note 4 Quick ratio = current assets minus inventory/current liabilities

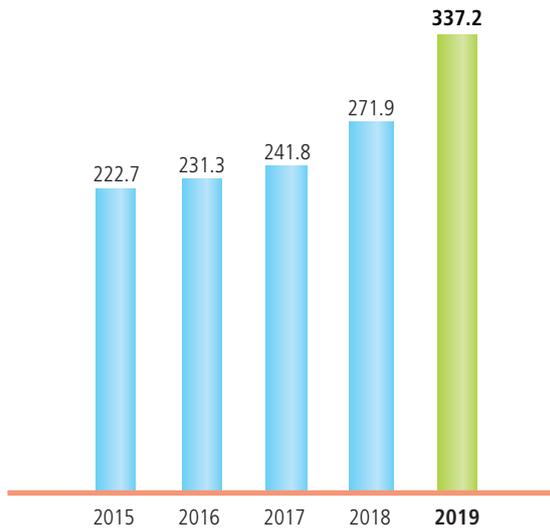
附註1 淨溢利率 = 本公司股權持有人應佔溢利 / 收益

附註2 實際稅率 = 稅項 / 除稅前溢利

附註3 流動比率 = 流動資產 / 流動負債

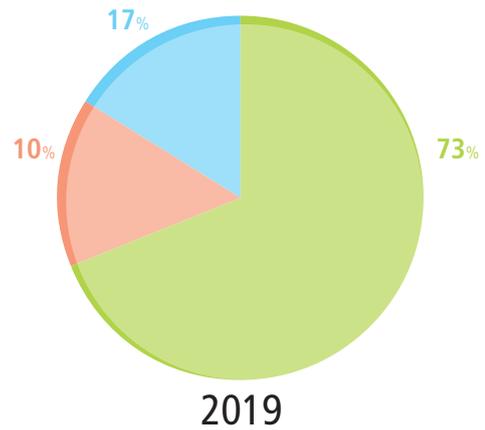
附註4 速動比率 = 流動資產減存貨 / 流動負債

Revenue (HK\$ million)
收益(港幣百萬元)

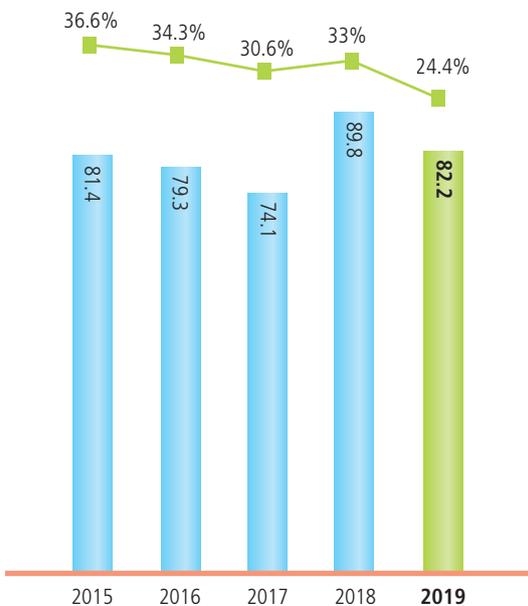


% of Segment Revenue of
Total Revenue
分部收益佔收益總額百分比

- E-Commerce 電子商貿
- Identity Management 身份管理
- Other Services 其他服務

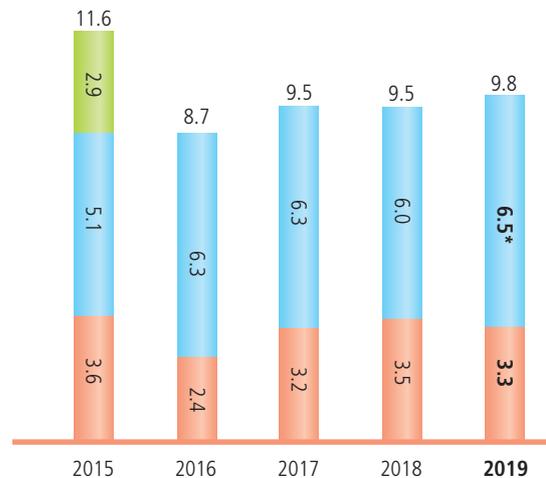


Profit for the Year (HK\$ million)
& Net Profit Margin
年度溢利(港幣百萬元)及淨溢利率



Dividend per Share (HK cents)
每股股息(港仙)

- Special 特別股息
- Final 末期股息
- Interim 中期股息



* Proposed final dividend
擬派末期股息



Chairman's Statement

主席報告書

Dr. LEE Nai Shee, Harry, S.B.S., J.P.
李乃熺博士, S.B.S., J.P.

Chairman
主席

Chairman's Statement

主席報告書

Dear Shareholders,

Review

To all of us in the trading and financial industry, there is no doubt that 2019 was an exceedingly challenging year. While the rising trade tensions between the US and China, as expected, continued to dampen Hong Kong's economic performance in the year, the unprecedented local social unrest that has started since the summer has shaken the Hong Kong community and taken a toll on Hong Kong's economic activities. The International Monetary Fund estimates that Hong Kong's economy was expected to contract 1.9% in 2019, worse than the government's earlier forecast of a 1.3% decline.

Against such an adverse operating environment and coupled with the fact that all of our business is based in Hong Kong, I take comfort in reporting that the Group's overall performance for 2019, though recording a drop on a year-on-year basis, has improved with the drop narrowing compared with the results in the first half of the year. In fact, due to the revenue from the supplies of goods to our solutions contracts entered into with customers, the Group recorded a revenue increase of 24.0% from HK\$271.9 million in 2018 to HK\$337.2 million in 2019. On the costs side, largely due to the significant increase in the cost of purchase of goods and coupled with an exchange loss of HK\$2.1 million in 2019 versus a gain of HK\$1.0 million in 2018 causing a swing of almost HK\$3.1 million, the Group's total operating costs in 2019 jacked up 38.2% to HK\$252.6 million from HK\$182.7 million in 2018. As a result, the operating profit of the Group was down from HK\$104.8 million in 2018 to HK\$101.2 million in 2019, a drop of 3.4%, a significant improvement over the 13.5% drop for our 2019 Interim Results.

致各位股東：

回顧

對整個貿易及金融業而言，二零一九年毋疑是極具挑戰的一年。一如所料，中美貿易角力日增，持續打擊香港本年度的經濟表現，且自夏季開始發生前所未見的本地社會動盪，撼動香港社會，香港經濟活動亦受到影響。國際貨幣基金組織估計，預期二零一九年香港經濟會收縮1.9%，比政府早前預測收縮1.3%要差。

面對不利經營環境，加上我們全部業務以香港為基地，本人欣慰匯報，縱使二零一九年本集團整體表現錄得按年下跌，惟跌幅已較上半年業績收窄。事實上，由於與客戶訂立的解決方案合約內供應貨品的收益，本集團錄得收益自二零一八年的港幣271,900,000元增加24.0%至二零一九年的港幣337,200,000元。在成本方面，主要由於購買貨品成本大幅上漲，且二零一九年錄得外匯虧損港幣2,100,000元，而二零一八年則為收益港幣1,000,000元，倒虧近港幣3,100,000元，本集團的經營成本總額由二零一八年的港幣182,700,000元上升38.2%至二零一九年的港幣252,600,000元。因此，本集團的經營溢利由二零一八年的港幣104,800,000元下跌3.4%至二零一九年的港幣101,200,000元，較二零一九年中期業績跌幅13.5%有明顯改善。

Review (Continued)

Unfortunately, we needed to make a provision of HK\$1.3 million for the impairment loss for the portfolio of corporate bonds holding in our other financial assets and another provision of HK\$4.5 million to write down part of our investment in our major PRC associate. With these provisions and together with the reduction of the share of our PRC results, our profits before tax in 2019 at HK\$96.2 million was down 9.4% from HK\$106.2 million in 2018. Taking into account the recognition of the deferred tax charge arising from utilisation of the unused tax losses of Digital Trade and Transportation Network Limited ("DTTNC") and the enhanced tax deductions for certain expenses incurred in relation to our research and development activities, the Group's after tax profit for 2019 was HK\$82.2 million, down 8.4% from HK\$89.8 million for 2018, a slight improvement over the first half net profit drop of 10.7%.

Regarding the performance of our three business segments in 2019, except E-Commerce which was directly and badly hit by the weakened Hong Kong economy and inevitably also adversely affected, the other two business segments, namely Identity Management ("IDM") and Other Services, both recorded pleasing results. As I mentioned in my statement in the 2019 Interim Report, we were able to compensate for the shortfall of our IDM business from the first half of the year and achieve overall positive results for the full year in this segment. Segment profit of our IDM business increased significantly by 40.0% from HK\$7.6 million in 2018 to HK\$10.6 million in 2019. Though the top line was slightly down 2.6% from HK\$57.3 million in 2018 to HK\$55.8 million in 2019, the segment profit increased due to our shift to higher margin projects and the decline of our low margin security token delivery services business. During the reporting period, we have completed almost all orders carried forward from 2018 for our two-factor biometric authentication ("2FA") solutions used by banks or major corporations for identification verification of their clients for conducting online transactions and/or Know-Your-Customer ("KYC") checks of their client for mobile bank account opening. During the year, we have received several sizable orders for our electronic Know-Your-Customer ("eKYC") solutions from new customers for which development work have been underway. We are particularly happy that in addition to our traditional bank customers, we have new customers who are virtual banks, insurance company and Stored Value Facilities ("SVF") licensees.

回顧(續)

可惜的是，我們須就其他財務資產持有的企業債券組合減值虧損計提撥備港幣1,300,000元及就撇減主要中國聯營公司部分投資計提另一筆撥備港幣4,500,000元。該等撥備連同分佔我們的中國業績減少，二零一九年的除稅前溢利為港幣96,200,000元，較二零一八年的港幣106,200,000元下跌9.4%。計及使用來自確認數碼貿易運輸網絡有限公司(「DTTNC」)未動用稅項虧損所產生的遞延稅項支出以及研究及開發活動產生的若干開支的稅務減免增加，本集團二零一九年的除稅後溢利為港幣82,200,000元，較二零一八年的港幣89,800,000元下跌8.4%，較上半年溢利淨額減少10.7%，略有改善。

於二零一九年，三個業務部門表現中，除電子商貿直接嚴重受到香港經濟疲弱打擊以至無可避免地遭受不利影響外，另外兩個業務部門，即身份管理(「身份管理」)及其他服務，均錄得令人欣喜的業績。誠如本人於二零一九年中期報告的報告書所述，我們可填補身份管理業務上半年的不足，並驅使此分部全年整體業績向好。身份管理業務的分部溢利自二零一八年的港幣7,600,000元大幅增加40.0%至二零一九年的港幣10,600,000元。雖然收益自二零一八年的港幣57,300,000元略跌2.6%至二零一九年的港幣55,800,000元，分部溢利增加乃由於我們轉移至高溢利項目及低溢利保安編碼器交付服務業務減少所致。於報告期內，我們近乎已完成自二零一八年結轉的所有訂單，該等訂單有關銀行或主要機構用於客戶進行線上交易的身份核證及／或對其客戶在開立流動銀行賬戶時進行認識你的客戶(「認識你的客戶」)的雙重生物認證(「雙重認證」)解決方案。年內，我們自新客戶接獲多項大型電子化認識你的客戶(「電子化認識你的客戶」)解決方案訂單，且開發工作已在進行中。除傳統銀行客戶外，我們尤其高興有新客戶，彼等為虛擬銀行、保險公司及儲值支付工具(「儲值支付工具」)持牌人。

Review (Continued)

As for our Other Services business, its revenue at HK\$35.0 million, grew significantly by 53.1% compared to the revenue at HK\$22.9 million last year. The revenue increase mostly came from our Smart Point-of-Sales ("PoS") business for which the revenue in 2019 recorded a more than three-fold increase from that in 2018. We are pleased to see the harvest of this business after many years of hard plowing work. Continuing the momentum from the first half of the year, we received orders from our existing major bank customer for more Smart PoS deployments for their clients, although the pace slowed down somewhat in the last couple of months due to the impact of the social events on the local retail industry. As our Government Electronic Trading Services-related business remained stable, with the higher cost of purchase and staff to fulfill customer orders for the increased number of Smart PoS devices, reportable profit for Other Services was at par year-on-year at HK\$14.8 million.

Turning back to our E-Commerce business segment, though the total revenue increased 28.5% from HK\$191.7 million in 2018 to HK\$246.3 million in 2019, the segment profit of HK\$69.2 million, was down 4.8% compared with the segment profit of HK\$72.7 million in 2018. Affected by the gloomy economy in 2019, the overall Government Electronic Trading Services ("GETS") market shrank by 4.8% year-on-year. As a result, revenue of our GETS business also plunged 4.0% year-on-year from HK\$168.6 million last year to HK\$161.8 million this year. The increase in the E-Commerce segment's total revenue was from our Supply Chain Solutions sub-segment with revenue soared remarkably to HK\$84.5 million in 2019, almost treble the 2018 revenue of HK\$23.1 million, due to an exceptional revenue amount from the supplies of goods for our mega-warehouse automation project. On the other hand, as correspondingly we have a much higher cost of purchase, though we have introduced effective cost control measures for our GETS costs, the reportable profit of our E-Commerce business was still down by 4.8%.

回顧(續)

就其他服務業務方面，收益為港幣35,000,000元，較去年收益港幣22,900,000元大幅增加53.1%。大部分收益增加乃來自智能銷售點（「銷售點」）業務，該業務於二零一九年錄得較二零一八年增加三倍的收益。經過多年默默耕耘，我們樂見此業務終得收成。延續上半年的勢頭，我們接獲現有主要銀行客戶的訂單，為其客戶設置更多智能銷售點，惟社會事件對本地零售業造成影響，此趨勢步伐於過往數月有所放緩。儘管政府電子貿易服務相關業務維持穩定，由於滿足客戶增加智能銷售點裝置數目的訂單使採購及員工成本上漲，其他服務的可呈報溢利按年持平，為港幣14,800,000元。

回到電子商貿業務分部，即使總收益自二零一八年的港幣191,700,000元增加28.5%至二零一九年的港幣246,300,000元，分部溢利為港幣69,200,000元，較二零一八年的分部溢利港幣72,700,000元減少4.8%。受到二零一九年經濟低迷影響，整體政府電子貿易服務（「GETS」）按年縮減4.8%。因此，GETS業務收益亦由去年的港幣168,600,000元按年下滑4.0%至本年度的港幣161,800,000元。電子商貿分部總收益增加來自供應鏈應用方案子分部，由於大型倉庫自動化項目供應貨品特殊收益，其收益飆升至二零一九年的港幣84,500,000元，為二零一八年收益港幣23,100,000元的接近三倍。另一方面，我們相應有更高的採購成本，雖然已就GETS成本採取有效成本控制措施，電子商貿業務可呈報溢利仍然下跌4.8%。

Review (Continued)

As for the GETS business sub-segment, aside from factors affecting its operating environment which are outside our control (global and local economic and/or social issues), we successfully achieved higher average prices for most of our services and effectively reduced our costs without compromising our high service quality through various measures introduced since last year in anticipation of the upcoming touch business environment. And for our Supply Chain Solutions sub-segment, 2019 was also a challenging year following its success in securing the mega-warehouse automation project last year from a major retail chain store in Hong Kong. While several new orders were received during the year and the related development work started, a significant amount of resources were deployed in executing and/or coordinating with subcontractors on different aspects of the implementation work of this mega-warehouse automation project. The successful delivery of this project is of paramount importance and key strategic value to us as being the biggest and most sophisticated automated warehouse project of its kind in Asia (ex-China). The project would become our key reference site for those who are looking for similar solutions to address their warehouse operation issues, not only in Hong Kong but also in the region. We are pleased that the work to date has proceeded smoothly and was close to completion as at the time of my writing this Statement. At the same time, we are reasonably confident of the successful deployment of the project to the satisfaction of our retail chain store client during early 2020.

The performance of our PRC associate, Guangdong Nanfang Hai'an Science & Technology Service Company Limited ("Nanfang") during the year was rather disappointing as the Group's share of profit in 2019 from Nanfang dropped to HK\$0.8 million compared with the share profit in 2018 at HK\$1.5 million, down 48.2%. Given our share of profit for the first half of the year was HK\$1.4 million, Nanfang was actually running in the red in the second half of the year with relatively more costs incurred for research and development work conducted in the latter part of the year and hence causing a reduction of the Group's share profit for the year. With the uncertainty about the Nanfang's business prospect, we decided to write down part of this investment during 2019, by HK\$4.5 million.

回顧(續)

至於GETS業務子分部，除我們受制於其控制以外經營環境的因素(全球及本地經濟及／或社會問題)外，因我們早預計到未來營商環境艱難，自去年起已實施多項舉措，使大部分服務成功達致較高平均價，並有效降低成本，而不影響我們的優質服務。於供應鏈應用方案子分部，去年成功獲得香港主要零售連鎖店的大型倉庫自動化項目後，二零一九年亦挑戰重重。年內接獲數項新訂單並開始相關的開發工作，同時我們亦需投放龐大資源來執行及／或與分包商進行協調，以在這個大型倉庫自動化項目的不同方面實施工作。此為亞洲(不包括中國)同類自動化倉庫項目中屬最大型及最複雜的，成功交付此項目對我們而言至關重要，並具關鍵策略價值。項目會成為香港乃至區內物色類似解決方案以解決倉庫經營問題者的主要參考場地。迄今，我們樂見工作順利進行，且於本人編寫此報告書之時，已接近竣工。同時，我們有合理信心，項目可於二零二零年初成功部署，滿足零售連鎖店客戶。

年內，中國聯營公司廣東南方海岸科技服務有限公司(「南方」)的表現令人失望，此乃由於本集團於二零一九年分佔南方的溢利減少48.2%至港幣800,000元，而二零一八年則為分佔溢利港幣1,500,000元。鑒於我們於上半年的分佔溢利為港幣1,400,000元，下半年進行的研發工作所產生的成本相對較多，實際上，南方於下半年錄得赤字，故此，本集團於本年度分佔的溢利減少。南方業務前景不明，於二零一九年，我們決定減少部分投資港幣4,500,000元。

Prospects

While the US and mainland China have reached a first-phase trade agreement in early 2020, global economic growth has yet to improve and the external environment is still subject to various challenges. Locally, economists and researchers warn that our economic outlook will continue to be afflicted by uncertainties with the softening of global demand, the lingering contentious relationship between Washington and Beijing, China's economic slowdown, rising trade barriers as well as shifts in manufacturing, all of which will adversely affect growth in Hong Kong,

To make matters worse, the outbreak of the novel coronavirus epidemic starting near the end of 2019 has spread beyond China, giving rise to fear not only in China but around the world. The epidemic has provoked alarm that the world economy may be in for another shock. There is considerable uncertainty as to how the global economy might react to the outbreak which would depend on its severity, extent of its spread and the duration of the outbreak. To China, the shock is hitting just as it contends with its slowest pace of economic growth in decades. Though some analysts believed that the novel coronavirus may prove to be only a temporary shock and may not necessarily have a long-lasting impact, still, the scale of the impact and timing of the recovery would mainly be determined by the unfolding course of the epidemic, which is still unknown at this stage. Also even should the novel coronavirus outbreak be brought under control more quickly than SARS was in 2003, the economic impact would look likely to be at least on a similar scale, if not greater.

Going forward, it looks like 2020 will be an even more challenging year than last year for Hong Kong given all these uncertainties over the global economy along with our local social issues which have not really been settled. The Group cannot be exempted from such a tough operating environment and we cannot predict when the worst will have passed. At this stage, for the business community at large, the prospects for 2020 remain unclear, with doubts about any further economic measures introduced by the Government and their effectiveness in helping Hong Kong businesses survive the economic downturn and overcoming the recession as further aggravated by the novel coronavirus epidemic. All in all, we are bracing ourselves for a pretty dismal 2020. We would stay vigilant and spare no effort in exercising tight cost controls and redoubling our efforts in exploring new revenue opportunities where possible for all of our business segments.

前景

於二零二零年初，美國與中國內地達成第一階段貿易協議，但環球經濟增長尚未改善，外在環境仍面臨各種挑戰。就本地而言，經濟學家及研究人員警告，全球需求疲弱、華府與北京縈繞不去的爭議關係、中國經濟放緩、貿易壁壘不斷提高及製造業轉移，凡此種種都會對香港的增長造成不利影響，我們的經濟前景將繼續受到不確定性困擾。

更甚的是，臨近二零一九年年底，新型冠狀病毒疫症開始爆發，傳播至中國境外，在中國及全球各國引起恐慌。疫症響起警號，環球經濟可能遭受另一次打擊。全球經濟如何回應疫症爆發存在很大不確定性，視乎疫症嚴重程度、傳播程度及爆發持續時間而定。對中國而言，疫症打擊與十年來最慢經濟增長兩面夾擊。儘管一些分析人員相信新型冠狀病毒可能只會造成暫時衝擊，不一定有長遠影響，然而，影響程度及恢復時間主要取決於疫症發展，惟現階段仍是未知之數。即使新型冠狀病毒爆發比二零零三年SARS更快受控，亦最少會有相似程度的經濟影響，甚至更為嚴重。

展望未來，鑒於環球經濟存在種種不確定因素，加上本地社會問題尚未完全平息，對香港而言，二零二零年看似將會較去年更為嚴峻。本集團不能於艱難經營環境中獨善其身，亦無法料知最壞時間何時過去。於此階段，宏觀商界，二零二零年的前景仍不明朗，未知政府會否有任何更多經濟措施出台，而有關政策是否有效協助香港業界渡過經濟不景氣及克服新型冠狀病毒疫症帶來進一步加劇的經濟衰退。一言蔽之，我們已做好準備，二零二零年會頗為慘淡。我們會時刻警惕，不遺餘力實行嚴格成本控制，加倍努力在可能情況下為所有業務分部探求新收益機遇。

Prospects (Continued)

Amongst our three business segments, the E-Commerce and specifically GETS sub-segment would undoubtedly be the one most affected by the deteriorating Hong Kong economy as we expect the overall GETS market would further shrink, though to what extent is hard to predict at this time. Under a difficult operating environment, though the competition amongst service providers would likely ease, we expect more price pressure and negotiation from existing customers and as a result we might not be able to realize an increase in average price as much as we could otherwise achieve. Another emerging trend in recent years which is not to our favor is the shift of trade declaration submission from shippers to couriers and forwarders who have higher bargaining power for a lower price from us and, as such, also affecting our overall average price. On the other hand, as most of our costs for supporting GETS are sunk or fixed costs, any drop of the top line will almost go directly to the bottom line. For our GETS business outlook in 2020, it is not a question of whether there will be a hit, the question is how hard the hit will be.

Regarding the Government's Single Window ("SW") project, according to their latest status update provided to the Legislative Council Panel on Commerce and Industry in December 2019, there will be a further delay to the schedule. While their original plan was to launch Phase 1 in 2018, Phase 2 in Q4 2021 and Phase 3 in Q4 2023 at the earliest, five out of the 13 documents under Phase 1 were rolled out before the end of 2018. According to their latest brief to the Legislative Council Panel, implementation of all Phase 1 documents will be completed by mid-2020 and their latest timetable to launch Phase 2 is 2023. For Phase 3 there is no schedule at this stage. As I mentioned in my Statements in the Group's reports in the last couple of years, we will closely monitor the development of this SW project, in particular the likely future operating environment for Value Added Service Providers ("VASPs"), one of which we potentially will become when the current GETS licence expires. In the light of their actual progress in the last two years, we have set up a small team in 2020 taking up a new function of exploring business opportunities relating to SW documents from a VASP point of view.

前景(續)

我們預料整體GETS市場會進一步萎縮，雖然目前難以預測程度，在三個業務分部當中，電子商貿毋疑為最受香港經濟轉差影響之一，尤以GETS子分部為甚。儘管服務提供商的競爭有所緩解，但於困難的營業環境下，我們預期現有客戶會帶來更大定價壓力及進行更多磋商，導致我們可能無法實現預期的平均價格增幅。近年出現另一個對我們不利的新興趨勢，呈交貿易報關單從托運人轉為比我們更有議價能力且價格低廉的快遞公司及貨運代理，因此亦會影響我們的整體平均價格。另一方面，由於支持GETS的大部分成本為沉沒或固定成本，收益有任何跌幅將直接接近底線。就GETS業務的二零二零年展望，問題不在會否遭到打擊，而是打擊的嚴重性。

就政府單一窗口(「單一窗口」)項目方面，根據於二零一九年十二月提交予立法會工商事務委員會的最新狀況更新資料中，進度將會進一步延後。原訂計劃第一階段、第二階段及第三階段分別於二零一八年、二零二一年第四季及最早於二零二三年第四季推出，而第一階段的十三份文件當中，五份已於二零一八年年末前推出。根據向立法會委員會提供的最新簡報，所有第一階段文件的實施將會於二零二零年年中完成，而推出第二階段的最新時間表為二零二三年。於目前階段，第三階段並無時間表。誠如本人於過往數年的本集團報告內所述，我們將密切監察此單一窗口項目的發展，尤其是增值服務供應商(「增值服務供應商」)未來可能的經營環境，當現時的GETS牌照屆滿，我們或許會成為其中之一。鑒於過去兩年的實際進度，於二零二零年，我們已組成小隊承擔新職能，從增值服務供應商的角度出發，探索關於單一窗口文件的商機。

Prospects (Continued)

For our Supply Chain Solutions sub-segment under E-Commerce and the other two business segments, namely IDM and Other Services, we should have reasonable confidence of their prospects in 2020, if not because of the recent novel coronavirus epidemic affecting the global economy. As for the Supply Chain Solutions sub-segment, we already have on hand a couple of target customers who are interested in implementing warehouse automation solutions similar to the mega-warehouse project we deployed for the major retail chain store, albeit likely on a smaller scale. As for our major retail chain store customer, upon successful deployment of the automated solution for their warehouse for ambient goods, they plan to proceed to automate their other warehouses in Hong Kong and elsewhere in the region. However, whether these customers would hold back their decision to invest in relatively large scale projects due to the gloomy economic environment is certainly a risk to us. That said, on the other side of the coin, one of the lessons learned from the current novel coronavirus outbreak affecting most business' normal operation is that it might offer us a golden opportunity to promote our automated solutions to corporates so that they no longer need to bear the ever increasing staff costs and more importantly, rely on staff availability. We believe that some corporates would find justification for automation of their operations to be easier and more logical. As the sales cycle of cases of this nature would usually take a longer time, we would at the same time look for any low-hanging fruit, that is, projects of a smaller scale and more affordable to our customers which could help them run their business more cost effectively under an adverse operating environment.

Regarding our IDM business, again continuing our strong growth momentum with strong leads already on hand expressing keen interest in our IDM products, in particular eKYC solutions from traditional as well as virtual banks, insurance companies, stockbrokers and SVF licensees, prior to the novel coronavirus outbreak, we have been rather confident in our IDM business performance in 2020. However with the spreading of the novel coronavirus in Hong Kong affecting the business and operations of many corporates in Hong Kong including our target customers in the banking and financial industry, we are afraid that some of the strong prospects we previously had a high probability of winning might not materialise in the near future. In any event, we believe that the demand from our prospective customers is still there and it is only a matter of time before they would confirm their orders with us once the outbreak passes and their businesses and operations return to normal. Meanwhile we would continue our research and development ("R&D") work on relevant technology to apply to our IDM products to keep pace with the technological trends and market demand.

前景(續)

接下來談談電子商貿下的供應鏈應用方案子分部及其他兩個業務分部，即身份管理及其他服務，若非最近新型冠狀病毒對全球經濟極大影響，我們對該等業務的二零二零年前景應該頗有信心。就供應鏈應用方案子分部而言，我們手頭上已有多名目標客戶，彼等有意實施倉庫自動化解決方案，與我們為主要零售連鎖店佈署的大型倉庫項目相似，但規模較小。基於主要零售連鎖商店客戶就其乾貨倉庫設置自動解決方案的成功，彼等計劃將香港及區內其他地方的倉庫自動化。然而，經濟環境黯淡，該等客戶會否推遲決定投資相對大型項目，對我們而言絕對是風險。話雖如此，反觀來看，目前新型冠狀病毒爆發對大部分業務正常運作造成影響，我們學到的其中一課，是其可能帶來黃金機會，向企業推廣自動化解決方案，使彼等毋須再承擔不斷增加的員工成本，且更重要的是，不再依賴人手供應。我們相信，若干企業會發覺營運自動化的理據更容易及合理。此性質個案的銷售週期一般需時較長，我們同時會尋求任何易於達成的目標，即規模較小及客戶較能負擔的項目，協助彼等於不利經營環境下更具成本效益地經營業務。

身份管理業務會繼續憑藉手上已有的熱門客戶延續強大增長勢頭，該等客戶對身份管理產品有濃厚興趣，特別是傳統及虛擬銀行、保險公司、股票經紀及儲值支付工具持牌人，對電子化認識你的客戶解決方案尤有興趣，於新型冠狀病毒爆發前，我們對二零二零年的身份管理業務相當有信心。但是，新型冠狀病毒於香港傳播，影響香港眾多企業的業務及營運，包括我們於銀行及金融業的目標客戶，我們擔心先前很可能達成的強大前景於短期內不會實現。無論如何，我們相信，潛在客戶仍有需求，當疫症過去及業務與經營回復正常，彼等確認訂單只是時間問題。同時，我們將繼續研發(「研發」)應用於身份管理產品的相關科技，維持科技趨勢及市場需求的步伐一致。

Prospects (Continued)

Our Other Services segment will face the same, if not more intense challenges as the other business segments. Retailers in Hong Kong, key customers of our Smart PoS solutions, have had their businesses badly hit due to the local social movement in the latter half of last year. With the novel coronavirus outbreak since earlier in the year rubbing salt into the wound, they are facing one of the most severe operating environments ever. We are not so hopeful that our bank customers would continue placing big orders for Smart PoS deployment for their retailer clients as they did in the first-half of last year, at least in the near future. In view of the emerging threat, we have refined our strategy to work with a payment gateway partner to deploy Smart PoS solutions for SME retailers, a market generally not well-covered by banks. As for our GETS-related business under the Other Services, we would expect that it would as usual largely follow the direction of our core GETS business, and plummet in 2020. However the good news was that through its tendering exercise, we have won back the partner which provides paper collection services for trade declaration. We lost this partner to our competitor in early 2019 but due to the early-termination of their two-year contract, we successfully seized the opportunity and won the tender issued by this partner in late 2019. As our new contract with the partner will commence in early 2020, we expect revenue from our paper-to-electronic conversion services for trade declaration users would increase. That said, with the degree of decline expected in our Smart PoS business, the outlook of our Other Services business in 2020 is still on the pessimistic side.

Last but not least, regarding our PRC associate Nanfang, we also are not so optimistic about its prospects in 2020. The business of Nanfang will continue to be hit for several reasons, topmost being its cessation of its most profitable river manifest declaration services since the implementation of the national single window. Also damaging is the negative impact on its business reputation and relationship with partners caused by the shareholder who was involved in legal cases with Nanfang and other outside parties. We would stay vigilant and keep a close watch on its development under the lead of its controlling shareholder who is a major state-owned enterprise. As such, unless they make a major breakthrough, we believe the Group's share of profit from Nanfang would drop in 2020.

前景(續)

其他服務分部將面臨與其他業務分部的同樣情況，甚或更為激烈的挑戰。香港零售商為智能銷售點解決方案的主要客戶，由於上年下半年的本地社會活動，彼等的業務大受打擊。今年年初爆發的新型冠狀病毒更令情況雪上加霜，使彼等面對有史以來最艱難的營運環境。我們不太期望銀行客戶會如去年上半年一樣，繼續為其零售客戶落大額智能銷售點訂單，起碼可見的將來不會。有鑒威脅浮現，我們已改善策略，與收款平台合作夥伴協作，為中小企零售商提供智能銷售點解決方案，該行業一般未獲銀行全面覆蓋。我們預期，其他服務下的GETS相關業務如往常大致跟隨核心GETS業務的方向，於二零二零年下滑。然而，好消息是透過投標活動，我們重獲收集紙張貿易報關服務的合作夥伴，我們在二零一九年初將此合作夥伴敗給競爭對手，但由於他們提早終止其兩年合約，我們成功把握此機會，並在二零一九年年底贏得了該合作夥伴的招標。由於與合作夥伴訂立的新合約於二零二零年初開始，我們預期向貿易報關用戶提供紙張轉換電子文件服務的收益將會增加。話雖如此，基於預測智能銷售點業務的下跌程度，其他服務業務的二零二零年前景仍然悲觀。

最後，我們亦對中國聯營公司南方於二零二零年的前景不甚樂觀。南方的業務會繼續受到數個原因打擊，最主要是因為實施國家單一窗口，其最具盈利能力的小船艙單報關服務終止。此外，股東牽涉南方與其他外在第三方法律案件，對其業務聲譽及合作夥伴關係造成的負面影響亦有打擊。我們會保持警惕，密切注意其於主要國有企業控股股東領導下的發展。因此，除非有重大突破，否則我們相信本集團分佔南方溢利於二零二零年將會下跌。

Dividends

As always we take our shareholders' interests as our priority. As Tradelink remains debt-free, with a healthy cash reserve, the board of directors of the Company (the "Board" or the "Board of Directors") has decided to recommend a nearly 92% payout of the Group's profit of HK\$85.0 million after excluding the deferred tax charge of DTTNCo at HK\$2.8 million relating to tax loss for 2019. This means a final dividend of HK 6.5 cents per share, which together with the interim dividend of HK 3.3 cents per share payout for the first half of 2019, will result in a total dividend of HK 9.8 cents per share for the entire year, higher than the total dividend for 2018 of HK 9.5 cents per share by 3.2%.

Acknowledgment

Finally, I would like to take this opportunity to express my gratitude to our shareholders and my fellow Board members for their continuing support of the Group. My thanks also go to our staff for their hard work in the past year which certainly was a challenging and tough time.

Dr. LEE Nai Shee, Harry, S.B.S., J.P.
Chairman

Hong Kong, 24 March 2020

股息

一如既往，我們以股東利益為上。於二零一九年，由於貿易通依然並無債務，且現金儲備穩健，經扣除DTTNCo與二零一九年的稅收損失有關的遞延稅項支出港幣2,800,000元後，本公司董事會（「董事會」）決定建議派付本集團溢利港幣85,000,000元的近92%。此代表末期股息每股6.5港仙，連同二零一九年上半年派付的中期股息每股3.3港仙，將使全年股息總額為每股9.8港仙，較二零一八年股息總額每股9.5港仙增加3.2%。

致意

最後，本人謹此感謝股東及董事會成員在過去挑戰艱鉅的一年中對本集團之一貫鼎力支持以及員工之竭誠付出。

主席
李乃熺博士，S.B.S., J.P.

香港，二零二零年三月二十四日



Management Discussion and Analysis

管理層討論及分析



Business Review

E-Commerce Business Review

The rising trade tensions between the US and China and heightened political and economic uncertainty have undoubtedly blunted Hong Kong's 2019 economic performance. The weakening economic conditions have further been double hit by the social events that have shaken the Hong Kong community starting the second half of the year. Our E-Commerce business which largely depends on the Hong Kong economy and export activities as a result has no doubt been undermined considerably, recording a slump in its segment performance. In terms of turnover, with the exceptional income from the supplies of goods for fulfillment of the mega warehouse automation project, our E-Commerce business recorded a growth from HK\$191.7 million last year to HK\$246.3 million this year, an increase of HK\$54.6 million or 28.5%. Including the additional cost of purchase of goods for that mega project, total costs of the E-Commerce segment surged to HK\$177.1 million in 2019, up 48.8% from HK\$119.0 million in 2018. Accordingly, the segment profit dropped from HK\$72.7 million last year to HK\$69.2 million this year, down 4.8% on a year-on-year basis.

業務回顧

電子商貿業務回顧

中美貿易緊張局勢持續升溫，加上政治經濟不確定性加劇，毋疑削弱了香港二零一九年的經濟表現。於下半年開始的社會活動撼動香港社會，雙重打擊疲弱的經濟狀況。我們的電子商貿業務十分取決於香港經濟及出口活動，因此不能倖免遭受嚴重損害，分部表現下跌。履行大型倉庫自動化項目供應的貨品帶來特殊收入，電子商貿業務的營業額自去年港幣191,700,000元增加港幣54,600,000元或28.5%至本年度的港幣246,300,000元。計入就該大型項目購買貨品的額外成本，電子商貿分部的成本總額由二零一八年的港幣119,000,000元飆升48.8%至二零一九年的港幣177,100,000元。因此，分部溢利自去年港幣72,700,000元按年減少4.8%至本年度的港幣69,200,000元。

Business Review (Continued)

E-Commerce Business Review (Continued)

Looking closer into the GETS sub-segment as the core component of our E-Commerce business, against a poor operating environment affected by the slowdown of Hong Kong external trade causing a shrinkage of the overall market by 4.8% year-on-year, its revenue dropped HK\$6.8 million or 4.0% from HK\$168.6 million in 2018 to HK\$161.8 million in 2019. Compared with the first half of the year when there was a revenue drop of 4.6%, there actually was a slight improvement in the second half of the year resulting in a marginally narrowing decline in revenue for the full year. As mentioned in the 2019 Interim Report, because of our ability to achieve an overall price increase of our services, we managed to contain our GETS revenue loss to a level less than that of the market shrinkage.

As regards our Supply Chain Solutions sub-segment, its revenue rose markedly to HK\$84.5 million in 2019, HK\$61.4 million more than the revenue of HK\$23.1 million in 2018. The revenue recorded in 2019 included two income items totally amounting to almost HK\$62.8 million for the supply of goods required under our mega warehouse automation project on a work-in-progress basis for the major retail chain client. On the other hand, in 2018, revenue was recorded for the same project, also on a work-in-progress basis for the software licence delivered to the client. Excluding the revenue recognized for this mega warehouse project in 2018 and 2019, our Supply Chain Solutions sub-segment recorded a slight drop in top line in 2019 of about 2.3% year-on-year. Aside from the Warehouse Management System (“WMS”) project for a major express courier as mentioned in the 2019 Interim Report, we have confirmed several interesting projects in the second half of 2019 for which work has started and revenue recognized on a work-in-progress basis. One of these was a WMS project supporting the operation of physical stores and eShop of a leading retail chain selling consumer electronic products and home appliances. Another new project was a WMS and Transportation Management System for use by a major service provider offering storage, reprocessing and recycling services for abandoned regulated electrical equipment. The client was required by the regulatory authority to implement a technical solution to manage their recycled home appliance operations. Following the formal requirements of the regulatory authority, we successfully won the tender issued by this client for this project. Another interesting case worth mentioning was an order confirmed by a group of enterprises involved in music internationally to use our WMS for managing their warehouse inventory of musical instruments and publications. These new orders demonstrated the versatility and adaptability of our WMS through its application across a diverse range of industries.

業務回顧(續)

電子商貿業務回顧(續)

細看電子商貿業務的主要部分GETS子分部，香港外圍貿易放緩，引致經營環境惡劣，整體市場按年萎縮4.8%，其收益自二零一八年的港幣168,600,000元減少港幣6,800,000元或4.0%至二零一九年的港幣161,800,000元。與上半年收益減少4.6%相比，實際上，下半年有輕微改善，使全年收益下降幅度略為收窄。如二零一九年中期報告所述，由於我們成功提高服務整體收費，故可將GETS收益虧損維持低於市場萎縮程度。

至於供應鏈應用方案子分部，收益大幅增加至二零一九年的港幣84,500,000元，較二零一八年的港幣23,100,000元多出港幣61,400,000元。二零一九年錄得的收益中，包括兩個收入項目，合共接近港幣62,800,000元，為主要零售連鎖客戶正在進行的大型倉庫自動化項目所須供應的貨品的收入。另一方面，於二零一八年，同一進行中項目亦就向客戶交付軟件使用許可錄得收益。撇除於二零一八年及二零一九年就此大型倉庫項目實現的收益，供應鏈應用方案子分部於二零一九年收益略有輕微下滑，按年約為2.3%。除如二零一九年中期報告所述的主要快遞公司倉庫管理系統(「倉庫管理系統」)項目外，我們於二零一九年下半年確認數項有意思的項目，工作已展開，並於過程中獲取收益。其中一個是倉庫管理系統項目，支援一銷售消費電子產品及家電的領先零售連鎖實體店及網店業務。另一個新項目為倉庫管理系統及運輸管理系統，由一提供廢棄受監管電器設備儲存、再處理及回收服務的主要服務供應商所使用。監管機關要求該客戶實施技術解決方案，以管理回收家電業務。監管機關提出正式要求後，我們成功贏得此客戶就此項目進行的投標。還有一個值得一提的有趣個案，是為一組從事國際音樂的企業提供倉庫管理系統以管理其樂器及出版物的倉庫存貨，此訂單亦已獲確認。透過將倉庫管理系統應用於各行各業，該等新訂單展示系統的多功能性及適應性。

Business Review (Continued)

E-Commerce Business Review (Continued)

As for the mega automated warehouse project for our leading retail chain client, the Automated Guided Vehicles (“AGVs”) integrated with our WMS/Warehouse Execution System (“WES”) have been deployed for a pilot run before the end of 2019. Construction of the racking on which the 4-way shuttles would run has also been completed and a test run of the first batch of 4-way shuttles received have as well been successfully executed before the end of the year. Subject to further performance tuning and delivery of the remaining batches of the 4-way shuttles by our partners, we expect the project to be completed in early 2020. Turning back to our major express courier customer who ordered our WMS in the first half of the year to support their new business-to-business (B2B) e-business operations, they have requested further enhancement work from us to support integration and connection to their new business customers in the second half of the year.

As mentioned in the 2019 Interim Report, we have commenced our nine-month R&D project for which Government IT supporting funding had been sought as scheduled in June. The project involves the development of a middleware that enables our WES to support AGVs of different brands, thus providing flexibility to warehouse operators to implement automated warehousing solutions. The project is scheduled to be completed in early 2020.

Looking ahead to 2020, hit hard by the already dismal economy as further aggravated by the novel coronavirus epidemic, the operating environment for our E-Commerce business is expected to be seriously grim. Further shrinkage of the GETS market is clearly inevitable and what is uncertain is the extent of the fall. Barring such macroeconomic factors which are beyond our control, our GETS business would otherwise remain steadfast given a stable competitive environment and the devoted support of our massive customer base. With business volume dropping, we would strive to achieve a higher average price per transaction to minimize the revenue loss. To this end, we would continue to deliver quality service in which our customers find value-for-money. Nevertheless we would look into implementation of more stringent cost control measures while upholding our service quality. Admittedly this is a major challenge to us.

業務回顧(續)

電子商貿業務回顧(續)

領先零售連鎖客戶的大型自動化倉庫項目，提供包含了自動導向車(「自動導向車」)應用的倉庫管理系統／倉庫執行系統(「倉庫執行系統」)，已於二零一九年年底前試行。供四向穿梭車在其上行駛的貨架亦建造完成，首批四向穿梭車亦已於年底收到及進行測試運行。待進一步調整性能及合作夥伴交付餘下的四向穿梭車後，我們預期項目將於二零二零年年初完成。回到主要快遞客戶項目方面，其於上半年訂購我們的倉庫管理系統，以支持新的企業對企業(B2B)電子貿易業務；而於下半年，彼等要求我們進一步系統提升工作，支援融合連接新業務客戶。

如二零一九年中期報告所述，我們取得政府資訊科技支援資金，如期於六月已開展為期九個月的研發項目。項目涉及開發一項中間件，讓倉庫執行系統支援不同品牌的自動導向車，使倉庫營運者能靈活地實施自動化倉庫解決方案。項目訂於二零二零年年初完成。

展望二零二零年，本已不景氣的經濟遭受重挫，新型冠狀病毒疫症使情況加劇，預期電子商貿業務的經營環境會非常嚴峻。GETS市場毋庸置疑不能避免進一步收縮，下跌的程度則是未知之數。除我們未能控制的宏觀因素外，基於競爭環境穩定及廣大客戶群的大力支持，GETS業務將維持穩健。由於業務量下跌，我們致力爭取每宗交易有較高的平均價格，將收益虧損減至最低。就此，我們會繼續交付客戶認為物超所值的優質服務。然而，我們將研究實施更嚴格的成本控制措施，同時會秉持服務質素。這誠然是對我們的重大挑戰。

Business Review (Continued)

E-Commerce Business Review (Continued)

Regarding the Government's SW project, in the light of its latest development as mentioned in the Chairman's Statement in this Annual Report, we would stay vigilant and continue to monitor closely its progress particularly with regard to its implementation schedule for phase 2 and phase 3. As soon as the opportunity arises, we would get involved in the consultation forum set up by the Government for potential VASPs offering our views from the perspective as a VASP under the future SW environment. Meanwhile, taking advantage of the Government's SW development, our new business development team would conduct research and explore potential related business opportunities which we could offer to our customers, enhancing their stickiness with us before full implementation of the SW.

Though our Supply Chain Solutions business could not be immune to the tough operating environment expected in 2020, we are not as pessimistic about its prospects as we are about our GETS business. With our mega automated warehouse project close to completion and using this as a reference case to showcase our ability to provide advanced supply chain solutions, entailing usage of automated material handling equipment and Internet-of-Things ("IoT") technology for modern warehouse operations, we have already had on hand several potential customers interested in implementing similar solutions to support their business operations. As for our major retail chain customer, while working with us on the solution supporting their warehouse for ambient goods, they already have started engaging in discussions with us on deploying similar automated solutions for their warehouse for wet goods and cold storage in Hong Kong in 2020 and beyond. As through the project, we can clearly not only demonstrate savings in warehouse labor cost but also address the labor scarcity issue, our solution can easily be justified on the basis of return on investment. Indeed, for various reasons such as manual work not being desirable or even permitted as in the case of the recent novel coronavirus epidemic, our automated warehouse solution offers an ideal way out to that addresses practical operation issues faced by some businesses. Furthermore with the middleware ready as a deliverable from our Government funded R&D project in early 2020, we believe it would help to promote adoption of warehouse automation and further enhance the attraction of our solutions and hence potentially realize more business opportunities.

That said, there is still the risk that the decision to invest in sizable automation projects might well be held back by our potential customers. Anyhow we would seize the opportunity to sell our solutions to those customers whose business has not been affected or may have actually grown under the current operating environment in Hong Kong. Meanwhile though of smaller size, we have on hand some low-hanging fruits from which we can readily pluck the projects.

業務回顧(續)

電子商貿業務回顧(續)

政府單一窗口項目方面，鑒於如本年報主席報告書所述的最新發展，我們會時刻保持警覺，並繼續緊密監察其進度，尤其是第二階段及第三階段的實施時間表。當機會出現，我們會參加政府為有意成為增值服務供應商舉辦的諮詢論壇，以未來單一窗口環境的增值服務供應商身份發表意見。與此同時，藉著政府發展單一窗口，我們的新業務發展團隊將進行研究，並探索可提供予客戶的相關商機，於全面實施單一窗口前增強與彼等的關係。

預期二零二零年的經營環境艱鉅，儘管供應鏈應用方案業務不能獨善其身，但我們對其前景不如GETS業務般悲觀。隨著大型自動化倉庫項目接近完成，可用以作為參考例子，展示我們提供先進供應鏈應用方案的能力，並提倡現代倉庫營運使用自動化物料處理設備及物聯網(「物聯網」)技術，我們手頭上已有數名潛在客戶，有興趣實施類似解決方案，以支援業務營運。接下來談談我們的主要零售連鎖客戶，彼等就支援乾貨倉庫的解決方案與我們合作，同時已與我們展開磋商，於二零二零年及之後在香港濕貨及冷藏倉庫部署類似自動化解決方案。通過該項目，我們不僅可清晰闡述節省倉庫勞工成本，亦解決勞工短缺的問題，我們的解決方案可以輕易地以投資回報率使其合理化。無可否認，在眾多理由下，例如像近日的新型冠狀病毒疫症，於未能調配人手工作甚或情況不許可下，自動化倉庫解決方案乃是解決一些業務面對的實際營運問題的理想方法。此外，於二零二零年年初，中間件為政府資助研發項目的交付項目，我們相信，此有助推廣採納倉庫自動化，並進一步提升解決方案的吸引力，具潛力實現更多商機。

話雖如此，潛在客戶推遲投資於大型自動化項目的風險依然存在。無論如何，我們會把握機會，向業務尚未受到香港目前經營環境影響甚至可能有實際增長的客戶推銷解決方案。同時，儘管規模較小，我們手上亦有一些較容易的目標，隨時可獲得項目。

Business Review (Continued)

E-Commerce Business Review (Continued)

Last but not least, we are finalizing a new four-year contract commencing early 2020 with our long-term customer who is one of the largest mail order houses in the world. Based in Germany, this customer has been using our vendor/flight management system since 2007 connecting their vendors and forwarders globally (in countries spanning Asia, Europe and Africa) for better management of their supply chain. Under the renewed contract, we would expand our scope of services to support this customer's new businesses as well as their vendors and forwarders in the Middle East.

All things considered, we hope to achieve a stable supply chain solutions business in 2020 helping to narrow slightly the shortfall expected from the drop of our GETS business. Nevertheless, taking a prudent and perhaps more pessimistic view on the outlook of Hong Kong's business environment in 2020, we expect a rather dismal performance overall for our E-Commerce business in 2020.

Identity Management ("IDM") Business Review

As foreshadowed in the 2019 Interim Report, our IDM business caught up significantly in the second half of 2019, turning the segment profit drop of almost 60% for the first half of 2019 into a growth of 40.0% on a year-on-year basis, and achieving a pleasing result for the full year. Segment revenue at HK\$55.8 million for 2019 was slightly down 2.6% compared with the revenue for 2018 at HK\$57.3 million. While revenue from our IDM projects in 2019 recorded an increase of 9% compared with 2018, our ongoing recurrent revenue including our security token and related delivery service business dropped about 17.0%. As expected and explained in our 2018 Annual Report, due to the replacement by our major bank customer of hard tokens issued to their retail clients with soft tokens, our security token and related delivery service business overall contracted in 2019 compared with 2018. That said, the business in fact picked up slightly as there was an increase in the corporate clients of our major bank customers using hard tokens in the second half of the year. Thus the drop in this business narrowed to HK\$4.5 million for the full year compared to the drop of HK\$5.3 million for first half of the year. As for project revenue in 2019, more than 60% came from our most sought-after eKYC solutions with that business growing more than 1.5 times compared to 2018. Project revenue recorded included a number of completed projects carried forward from last year and new projects signed up during the year with work-in-progress. On the cost side, due to the reduction of cost of purchase of hard tokens to meet the declining demand and the fact that our products are becoming more commoditized requiring less customization work for individual customers, our total segment cost dropped to HK\$45.2 million in 2019, down 9.1% from HK\$49.7 million in 2018. In addition, the cost decline was also due to the fact that we no longer need to bear those costs on R&D work on enhancing our eKYC solution to support the New Smart Hong Kong Identity ("HKID") Card which we completed early during the second half of the year. All in all, our IDM business recorded a remarkable growth of 40% in segment profit from HK\$7.6 million in 2018 to HK\$10.6 million in 2019.

業務回顧(續)

電子商貿業務回顧(續)

最後，我們正與長期客戶落實一份新合約，自二零二零年年初起為期四年，該客戶為全球最大郵購公司之一。此客戶駐紮德國，自二零零七年起已使用我們的供應商／貨運管理系統，連接環球供應商及貨運代理，橫跨亞洲、歐洲及非洲多國，使其供應鏈有更佳管理。根據重續的合約，我們會將服務範疇擴大，支援客戶的新業務，以及其於中東的供應商及貨運代理。

經考慮種種情況，我們期望供應鏈應用方案業務於二零二零年可維持穩定，能稍微收窄GETS業務下跌預期會造成的虧損。然而，以審慎甚或較悲觀的角度看香港的二零二零年營商環境前景，我們預期整體電子商貿業務表現於二零二零年會頗為慘淡。

身份管理(「身份管理」)業務回顧

如二零一九年中期報告預告，身份管理業務後來居上，將二零一九年上半年分部溢利下跌接近60%扭轉為按年增長40.0%，全年業績令人欣喜。於二零一九年，分部收益為港幣55,800,000元，較二零一八年的港幣57,300,000元輕微減少2.6%，當中身份管理項目的二零一九年收益較二零一八年增加9%，但持續經常性收益(包括保安編碼器及相關交付服務業務)則減少約17.0%。如二零一八年年報所預料及解釋，主要銀行客戶向零售客戶發出電子編碼器，以取代實體編碼器，於二零一九年，保安編碼器及相關交付服務業務整體較二零一八年萎縮。雖然如此，主要銀行客戶的企業客戶於下半年使用更多實體編碼器，業務實質有輕微回升，因此，此業務的跌幅收窄至全年港幣4,500,000元，反觀上半年則下跌港幣5,300,000元。二零一九年的項目收益，超過60%來自最受歡迎的電子化認識你的客戶解決方案，該業務較二零一八年增長1.5倍。所錄得的項目收益包括多個自去年結轉的已完成項目及本年度簽訂的進行中新項目。在成本方面，實體編碼器需求下降，採購成本下跌，且產品更為商品化，所需的個別客戶訂製工作減少，於二零一九年，分部成本總額自二零一八年的港幣49,700,000元減少9.1%至港幣45,200,000元。此外，我們於下半年初已完成為支援新香港智能身份證(「香港身份證」)而提升電子化認識你的客戶解決方案，毋須再承擔研發開支，因此成本亦減少。總括而言，身份管理業務分部溢利由二零一八年的港幣7,600,000元增加至二零一九年的港幣10,600,000元，錄得40%的可觀增長。



Business Review (Continued)

Identity Management (“IDM”) Business Review (Continued)

In terms of new orders received during the reporting period, apart from those confirmed in the first half of the year and mentioned in the 2019 Interim Report, we have secured several major eKYC projects including one for our second virtual bank customer, one for our first SVF and a local Chinese bank in Hong Kong. Our eKYC solutions would be used by these bank/SVF customers for digital onboarding of their clients. For our second virtual bank customer, they have also ordered our 2FA solutions for their clients in conducting business transactions. With the successful completion of our R&D work to overcome the challenge with the advanced and sophisticated security features embedded in the new 2018 Smart HKID cards, we are one of the few service providers that can provide eKYC solutions that support the new HKID cards. We have received orders for such solutions from existing and new customers including three banks, one of which is a virtual bank and an insurance company. Also following our successful deployment of a Public Key Infrastructure solution for digital signing for a private hospital for signing of medical records in early 2018, the hospital placed an order for the same solution to be implemented for their new hospital location. During the reporting period, revenue recorded included a number of completed projects carried forward from last year and new projects signed up during the year with work-in-progress.

業務回顧(續)

身份管理(「身份管理」)業務回顧(續)

就報告期內接獲的新訂單而言，除上半年已確認及於二零一九年中期報告所提及者外，我們獲得多個主要電子化認識你的客戶項目，包括一個為我們第二名虛擬銀行客戶、一個為我們首名儲值支付工具持牌人及香港本地中資銀行。該等銀行／儲值支付工具客戶將使用電子化認識你的客戶解決方案為客戶進行電子開戶。第二名虛擬銀行客戶亦訂購雙重生物認證解決方案，讓客戶進行商業交易。隨著研發工作成功完成，克服於二零一八年新香港智能身份證內嵌先進頂尖保安功能的挑戰，我們為可提供支援新香港智能身份證電子化認識你的客戶解決方案的少數服務供應商之一。我們接獲新舊客戶就該等解決方案的訂單，包括三家銀行，其中一家為虛擬銀行及保險公司。此外，自二零一八年年年初成功於一家私家醫院設置電子簽署醫療記錄的公開密碼匙基礎建設解決方案後，該醫院就相同解決方案下達訂單，於新醫院地點實施。於報告期間，所錄得的收益包括多個自去年結轉的已完成項目及本年度簽訂的進行中新項目。

Business Review (Continued)

Identity Management (“IDM”) Business Review (Continued)

Over the years, with the solid customer references on our quality solutions, sound domain knowledge and the ability to continuously enhance our solutions, we have gained a strong foothold in the local IDM market, in particular serving the banking and financial industry. Looking ahead in 2020, with the strong demand from the market, we would focus on promoting and selling our eKYC solutions to potential customers for digital onboarding of their clients. We would continue to pursue opportunities in the banking and financial industries including banks, in particular virtual banks, insurance companies, stockbrokers and SVF licensees. Our targets actually go beyond the banking and financial institutions to large corporates which have a need to authenticate individuals, be it their staff or customers, for operational needs or authorization of business transactions. We have built a healthy pipeline and several hot leads already on hand. For the ongoing enhancement of our products to meet new market requirements, we are working on a couple of new initiatives, one of which, upon successful development, would enable our eKYC solutions to further stand out from others in the market. At the same time, to keep pace with the evolving technology changes and to cope with the potential security risks to our customers and products that might be brought about by such changes, we are constantly appraising our products and exploring opportunities for enhancement or new products. We are pleased to be making promising progress with these new initiatives. However, with the spread of the novel coronavirus since the beginning of 2020 disrupting the operations and affecting the business of our target customers, we are afraid that realistically we have to reset our expectation on the outlook of our IDM business this year which would otherwise, be rather promising to at best, cautiously optimistic, depending on how long the epidemic would last and how fast the recovery would be. We believe the customers demand and their interests in our IDM products remain unchanged. For those hot leads which we have been pursuing, we have confidence that it is only a matter of time before they would confirm their orders with us.

業務回顧(續)

身份管理(「身份管理」)業務回顧(續)

多年來，堅實客戶轉介我們的優質解決方案、深入領域知識及持續提升解決方案的能力，我們於本地身份管理市場根基穩固，特別是為銀行及金融業服務。展望二零二零年，市場需求殷切，我們將專注於宣傳及推銷電子化認識你的客戶解決方案予潛在客戶，為其客戶進行電子開戶。我們會繼續於銀行及金融業尋求機會，當中包括銀行，特別是虛擬銀行、保險公司、股票經紀及儲值支付工具持牌人。我們的目標實際上是除銀行及金融機構外，更涉獵因營運或商業交易而需要員工或客戶授權驗證個人的大型企業。我們已建立穩健的渠道，且手頭上已有數個熱門客戶。我們不斷提升產品，迎合新市場要求，並正埋首數項新舉措，當中一項成功開發後，會使我們的電子化認識你的客戶解決方法進一步在市場中脫穎而出。同時，為與不斷進化的技術改變同步前進，並應付該等變化可能為客戶及產品帶來的潛在保安風險，我們不斷評測產品及探求機會提升或推出新產品。我們就該等新舉措有重大進展感到欣慰。可是，自二零二零年開始以來，新型冠狀病毒傳播，干擾目標客戶的營運及影響其業務，我們擔心實際上不得不重新設定對身份管理業務本年度的前景預測，視乎疫症的維持時間及復甦速度，由原先的信心改為極其量是審慎樂觀。我們相信，客戶對身份管理產品的需求及興趣維持不變。我們頗有信心，一直接洽的熱門客戶向我們確認訂單只是時間問題。

Business Review (Continued)

Other Services Business Review

Continuing the favorable performance in the first half of 2019, our Other Services business which includes GETS-related services, Smart PoS business and VSHIP, the community logistics platform recorded a strong growth in revenue from HK\$22.9 million in 2018 to HK\$35.0 million in 2019, up 53.1%. The increase largely came from our Smart PoS business which surged more than four times from HK\$3.5 million in 2018 to HK\$14.8 million in 2019. Revenue from our GETS-related services which include primarily our Road Cargo System ("ROCARS") service, the call centre services offered to the Customs and Excise Department's ROCARS, and the paper-to-electronic conversion services for our GETS paper users, rose slightly due to our success in achieving price increases for most of our services under this category. This increase was more than offset by the transaction volume drop which was largely in line with that of our GETS business. Due to the higher cost of purchase and staff cost to fulfill the Smart PoS growth, the total cost of our Other Services rose to HK\$20.2 million and compared with the cost at HK\$8.2 million in 2018, represented an increase of more than 148.4%. As a result, segment profit recorded was at par with that of 2018 at HK\$14.8 million.

Performance of our Smart PoS business in 2019 was encouraging. As stated in the 2019 Interim Report, growth momentum of our Smart PoS business gathered since the second half of 2018 continued into 2019. Our two bank customers, a major local bank and a bank whose parent is a large commercial bank in China, continued to place orders with us, although admittedly the total quantity of Smart PoS ordered in the second half of the year was slightly less than that of the first half due to the local social incidents adversely affecting the retail business in Hong Kong. In any event, the number of Smart PoS we installed in the market in 2019 was more than three times than the total deployed in 2018. That was a remarkable result. We are pleased that before the end of 2019, we have confirmed a third bank customer who will use our Smart PoS for their retail clients. This third customer is the commercial banking business platform of a major Chinese bank in Hong Kong. Also during the year, we have confirmed a multi-year contract with our major local bank customer. Going forward, 2020 would be a challenging year for our Smart PoS business. Retailers as the end users of our Smart PoS would have an extremely tough operating environment severely hit by the novel coronavirus outbreak as well as the unresolved local social issues causing the consumer market to plummet. We are fairly certain that fewer Smart PoS would be ordered by our bank customers and deployed for their retail clients in 2020. What we are uncertain about is the extent of the hit which depends on a number of factors including how long the novel coronavirus outbreak would last, how fast the Hong Kong economy could recover and what measures the Government might introduce to help Hong Kong business. On a more positive front, as we have signed up a new bank customer, we expect orders to be placed by this new customer. We are also working on a new partnership arrangement with a payment gateway to target SME retailers for deployment of our Smart PoS. Anticipating our business challenge ahead, apart from working with banks, we have refined our strategy at the end of last year to also target SME retailers, a market generally not so well covered by banks.

業務回顧(續)

其他服務業務回顧

二零一九年上半年的良好表現持續，其他服務業務包括GETS相關服務、智能銷售點業務及公共物流平台VSHIP的收益錄得強勁增長，自二零一八年的港幣22,900,000元增加53.1%至二零一九年的港幣35,000,000元。增幅絕大部分來自智能銷售點業務，自二零一八年的港幣3,500,000元飆升逾四倍至二零一九年的港幣14,800,000元。GETS相關服務主要包括我們本身的道路貨物資料系統(「ROCARS」)服務、為香港海關ROCARS提供之電話查詢中心服務，以及為GETS紙張用戶提供紙張轉換電子文件服務，由於我們成功提高大部分此類服務的價格，收益略升。此升幅超過並抵銷了與GETS業務大概一致的下跌交易量。為滿足智能銷售點增長，採購成本及員工成本上漲，其他服務的成本總額增加至港幣20,200,000元，而二零一八年的成本則為港幣8,200,000元，升幅逾148.4%。因此，所錄得的分部溢利與二零一八年持平，為港幣14,800,000元。

於二零一九年，智能銷售點業務的表現令人鼓舞。如二零一九年中期報告所述，智能銷售點業務的增長勢頭自二零一八年下半年開始，並延續至二零一九年。儘管本地社會事件對香港零售業務造成不利影響，本年度下半年的智能銷售點總訂購量顯然較上半年稍跌，但我們兩名來自主要本地銀行及母公司為中國大型商業銀行的銀行客戶，彼等繼續向我們下單。無論如何，二零一九年於市場安裝的智能銷售點數量較二零一八年總配置量多出三倍，成績驕人。於二零一九年年底前，我們欣然與第三名銀行客戶確認，其將為零售客戶設置我們的智能銷售點。此第三名客戶為一主要中資銀行於香港的商業銀行業務平台。另外，於本年度，我們與主要本地銀行客戶確認多年合約。未來，二零二零年將會是智能銷售點業務充滿挑戰的一年。零售商為智能銷售點的終端客戶，受到新型冠狀病毒爆發的嚴重打擊，加上尚未解決的本地社會問題導致消費者市場暴跌，經營環境將極之艱難。於二零二零年，我們相當確定銀行客戶將減少為零售客戶向我們訂購及設置智能銷售點。我們仍不確定打擊的程度，須視乎多個因素而定，包括新型冠狀病毒爆發持續多久、香港經濟復甦速度及政府會有甚麼措施出台協助香港商界。從較正面來看，我們與新銀行客戶簽訂合約，預期此新客戶將會下達訂單。我們亦正著手處理收款平台的新合作夥伴安排，以中小企零售商為目標，設置智能銷售點。預料到前面的營商挑戰，我們於去年年底調整策略，除與銀行合作外，亦以銀行一般未全面覆蓋的中小企零售商為目標。

Business Review (Continued)

Other Services Business Review (Continued)

For our GETS-related services business in 2019, we achieved a satisfactory result. We were in particular gratified with our paper-to-electronic conversion services business for which we had concern due to the loss of one of our partners providing the paper collection service to our competitor since early 2019. With the new outlets set up through one of our other partners and the new service delivery mode we introduced, we successfully salvaged a handsome portion of business volume which we otherwise would have lost. Even more exciting was that we captured back the partner whom we lost in 2019. Following the early termination of the contract between our partner and our competitor, this partner issued an open tender which we successfully won and a new two-year contract commencing February 2020 was awarded to us. As for the outlook of our GETS-related service business, except for the good news about our winning back of a paper collection service partner, we expect a rather dismal year in 2020 similar to our GETS business for reasons explained earlier in this Annual Report.

Last but not least, regarding our community logistics platform, VSHIP, which was soft-launched in April 2018, we continued to ramp up shipper and freight forwarder registration and their usage of the platform for bid and offer of sea/air freight arrangements. Compared to the first year of operations in 2018, the number of shippers/freight forwarder users, Requests for Quote ("RFQ") and Offers all recorded a more than two-fold increase in 2019. More encouraging was the number of success matching of RFQ and Offers in 2019 which was four times more than that in 2018. Our VSHIP platform was certainly gathering growth momentum, though due to the escalated trade tension between the US and China during the year, the uptrend slowed down slightly, particularly since the second half of the year. Upon a closer review of the business taking into consideration the emerging challenges before the end of the year, we have re-oriented our strategy to focus on working with specific logistics service providers and possibly forming partnerships with them. As such, to rationalize our cost to reduce the burn rate, we have held back our earlier plan to develop new features/modules to extend the scope of the VSHIP services. In fact, we are making progress with some strategic customers. Also as part of our revised strategy, we would accelerate our plan to extend the VSHIP customer base beyond Hong Kong and would start our expansion plan in China during 2020. Meanwhile, we will continue to offer VSHIP services free of charge, at least for users in Hong Kong. We will strive to find the earliest opportunity, hopefully within 2020, to introduce a charging model to users. Anyhow, as a strategic component of our supply chain/e-logistics ecosystem, VSHIP is tactically important and valuable to us and our consideration of this initiative extends beyond its profitability.

業務回顧(續)

其他服務業務回顧(續)

於二零一九年，GETS相關服務業務的業績令人滿意。自二零一九年年初起，我們流失其中一名提供紙張收集服務的合作夥伴予競爭對手，曾擔憂紙張轉換電子文件服務的業務，結果卻讓我們喜出望外。透過我們的其他合作夥伴設立新的銷售點及推出新服務交付模式，我們成功挽回相當部分可能失去的業務量。更令人振奮的是，我們重獲於二零一九年流失的合作夥伴。此合作夥伴與競爭對手之間的合同提早終止，該合作夥伴進行公開招標，我們成功中標，並向我們授出一份新的兩年合約，自二零二零年二月起計。至於GETS相關服務業務的前景，除贏回紙張收集服務合作夥伴的好消息外，基於與本年報上文所闡述的理由，我們預計，將與GETS業務相似，二零二零年會是甚為慘淡的一年。

最後有關我們的公共物流平台VSHIP，該平台於二零一八年四月開始試行，登記付貨人及貨運代理持續增加，彼等使用海／空運安排買賣競價平台亦越趨頻繁。與二零一八年首年營運相比，於二零一九年，付貨人／貨運代理、請求報價(「RFQ」)及報價數目全部均錄得超過兩倍增幅。二零一九年成功配對RFQ及報價的數目較二零一八年多逾四倍，更為讓人鼓舞。VSHIP平台毋疑正在凝聚增長勢頭，惟中美貿易角力於本年度升級，平台用量上升趨勢稍微減慢，特別是自下半年起更為明顯。經仔細檢討業務後，考慮到年底前出現的挑戰，我們將策略重新定位，集中於與特定物流服務供應商合作，並可能與彼等組成合作夥伴關係。因此，為理順成本以減少虛耗，我們推遲較早前開發新功能／模塊以擴大VSHIP服務範疇的計劃。事實上，我們與若干策略客戶取得進展。再者，作為經修訂策略的一部分，我們會加快進行擴大VSHIP客戶基礎至香港以外的計劃，並於二零二零年開始中國拓展計劃。同時，我們將繼續免費提供VSHIP服務，至少香港用戶會如此。我們致力尋找最早機會向用戶推出收費模式，希望能於二零二零年內進行。無論如何，VSHIP作為供應鏈／電子物流生態系統的策略部分，於戰術上對我們而言重要且有價值，我們對該舉措的考慮已超越盈利能力。

Business Review (Continued)

Investment in PRC Associate Review

The performance of our major associate in China, Nanfang in 2019 was disappointing as our share of gain from it of HK\$0.8 million was down 48.2% compared to the HK\$1.5 million share gain in 2018. As mentioned in the 2019 Interim Report, Nanfang received a one-off lump sum payment from the local government as compensation for cessation of their river manifest declaration service since the nationwide single window was implemented in China in late 2018. Effectively, Nanfang received no revenue from users for their core river manifest declaration service in 2019 except the one-off compensation payment from the government which was only about 50% of what they normally would have recorded as the annual revenue from this service in the past. Though Nanfang has shifted their business focus to government projects, they have had success in some projects but not so in others due to the damage to their business reputation and relationship with some government agencies caused by the shareholder involved in litigation with some outside parties in addition to Nanfang. The damage to their reputation was serious and would need considerable time to recover if at all possible. As such, Nanfang has undertaken a major review and revamped its business with the support of their controlling shareholder, a reputable state-owned enterprise. Meanwhile, with a view to exploring new business opportunities, Nanfang has deployed more resources on research and development work on new services and products since the latter part of the year. These measures described above have generally summed up Nanfang's business situation and difficulties in 2019.

As China's economy is slowing down and Nanfang's internal issues would unlikely be completely resolved in the near future, we expect Nanfang's business outlook to be rather gloomy and our share of profit from Nanfang would further drop in 2020.

業務回顧(續)

投資中國聯營公司回顧

於二零一九年，中國主要聯營公司南方的表現令人失望，我們的分佔收益為港幣800,000元，較二零一八年分佔收益港幣1,500,000元減少48.2%。如二零一九年中期報告所述，由於中國於二零一八年底實施國家單一窗口，南方自地方政府收取一筆一次性付款，作為終止小船艙單報關服務的補償。實際上，除政府的一次性補償付款外，南方於二零一九年並無就核心小船艙單報關服務從用戶收取任何收益，惟該補償僅為過往此項服務年度收益的約50%。南方已將業務焦點轉移至政府項目，於一些項目亦取得成果，但有些項目則由於股東牽涉與若干外部人士及南方的訴訟，損害商業聲譽及與某些政府機關的關係而不甚成功。聲譽受損嚴重，即使可以，亦需長時間始能恢復。南方的控股股東為一家信譽超卓的國有企業，在其支持下就此進行重大檢討及業務整改。同時，為探求新商機，自本年度後期，南方已投放更多資源於新服務及產品研發工作上。上述該等措施整體概述了南方於二零一九年的業務狀況及困難。

由於中國經濟正在放緩，加上南方的內部問題不太可能於近期完全解決，我們預期南方的業務前景甚為黯淡，我們分佔南方的溢利亦會於二零二零年進一步減少。

Financial Review

The Group's revenue in 2019 was HK\$337.2 million, an increase of 24.0% or HK\$65.3 million year-on-year. The increase was mainly attributable to an exception income recorded for the supply of goods for a project of the Supply Chain Solutions. Revenue of E-Commerce, coming from GETS and the Supply Chain Solutions, was HK\$246.3 million in 2019, up by HK\$54.6 million year-on-year. The GETS revenue at HK\$161.8 million, was less than the revenue of 2018 at HK\$168.6 million by 4.0% or HK\$6.8 million. The decrease was due to the impact of the economic headwinds on Hong Kong's external trade activities during 2019. The Supply Chain Solutions recorded a strong revenue growth in 2019 at HK\$84.5 million, higher than 2018 at HK\$23.1 million by HK\$61.4 million. The increase mainly came from the supply of goods for our mega-warehouse automation project which was substantially completed in 2019 for a major retail chain customer. Revenue also came from WMS solutions delivered to other retail chain customers and several existing customers. Revenue of IDM segment in 2019 was HK\$55.8 million, dropped slightly by 2.6% or HK\$1.5 million. The eKYC solutions and biometric authentication projects performed well which had not only compensated the decrease in revenue from the security token delivery service but also became a major revenue stream. Revenue dropped slightly in 2019 for other security solutions projects which explained the gap. The revenue of Other Services in 2019 was HK\$35.0 million, increased by 53.1% or HK\$12.1 million. The revenue increase came from more units of Smart PoS and services provided for our major bank client, resulting in a three-fold revenue growth by HK\$11.3 million for the Smart PoS business in 2019.

The Group's operating expenses before depreciation in 2019 were HK\$244.5 million, an increase of 39.1% or HK\$68.7 million from HK\$175.8 million in 2018. Staff costs increased from HK\$114.1 million to HK\$119.1 million, up by 4.4% or HK\$5.0 million as compared to the last financial year. The amount of cost of purchases rose by HK\$58.6 million to HK\$87.9 million in 2019 which was in line with the revenue growth. The other operating costs at HK\$37.5 million incurred in 2019 were 15.6% or HK\$5.1 million higher than that of the last financial year. This was mainly attributable to the fluctuation of the US dollar on our bond portfolio, from an exchange gain of HK\$1.0 million in 2018 to a loss of HK\$2.1 million in 2019. Depreciation charges in 2019 amounted to HK\$8.0 million, were HK\$1.1 million higher than 2018.

The Group's profit from operations in 2019 was HK\$101.2 million, a decrease of HK\$3.5 million or 3.4% as compared to 2018.

財務回顧

本集團於二零一九年的收益為港幣337,200,000元，按年增加24.0%或港幣65,300,000元。增幅乃主要由於就供應鏈應用方案項目供應貨品錄得特殊收入所致。電子商貿收益來自GETS及供應鏈應用方案，於二零一九年為港幣246,300,000元，按年增加港幣54,600,000元。GETS收益為港幣161,800,000元，較二零一八年的收益港幣168,600,000元減少4.0%或港幣6,800,000元。減少乃由於香港外圍貿易活動於二零一九年受到經濟低迷環境所影響。供應鏈應用方案的收益於二零一九年大幅增長至港幣84,500,000元，較二零一八年的港幣23,100,000元增加港幣61,400,000元。增加乃主要來自為一名主要零售連鎖客戶的大型倉庫自動化項目供應貨品，該項目於二零一九年大致完成。收益亦來自提供予其他零售連鎖客戶及多名現有客戶的倉庫管理系統解決方案。身份管理分部於二零一九年的收益為港幣55,800,000元，略為減少2.6%或港幣1,500,000元。電子化認識你的客戶解決方案及生物認證項目表現良好，不僅抵銷保安編碼器交付服務的收益減少，亦成為主要收益流。其他保安解決方案項目的收益於二零一九年略為減少，造成有關差距。其他服務於二零一九年的收益為港幣35,000,000元，增加53.1%或港幣12,100,000元。收益增加乃來自為主要銀行客戶提供更多智能銷售點裝置數目及服務，令二零一九年的智能銷售點業務收益增長三倍或港幣11,300,000元。

本集團於二零一九年的折舊前經營開支為港幣244,500,000元，較二零一八年的港幣175,800,000元增加39.1%或港幣68,700,000元。僱員成本由港幣114,100,000元增至港幣119,100,000元，較上一個財政年度增加4.4%或港幣5,000,000元。於二零一九年，採購成本金額增加港幣58,600,000元至港幣87,900,000元，此乃與收益增長一致。於二零一九年產生的其他經營成本為港幣37,500,000元，較上一個財政年度增加15.6%或港幣5,100,000元。此乃主要由於債券組合中的美元出現波動，由二零一八年的匯兌收益港幣1,000,000元變為二零一九年的虧損港幣2,100,000元。二零一九年的折舊開支為港幣8,000,000元，較二零一八年增加港幣1,100,000元。

本集團二零一九年經營溢利為港幣101,200,000元，較二零一八年減少港幣3,500,000元或3.4%。

Financial Review (Continued)

The impairment loss of other financial assets in 2019 amounting to HK\$1.3 million, represented the net increase in the estimation of the expected credit losses on the Group's other financial assets held during the year.

The share of results in 2019 from PRC associates was a profit of HK\$0.8 million, as compared to the share of profit amounted to HK\$1.5 million in 2018. There was an impairment loss on the interest in an associate recorded in 2019 amounted to HK\$4.5 million.

Our wholly-owned subsidiary, DTTNCo providing e-solutions to its customers recorded a deferred tax asset of HK\$3.7 million as at the end of 2018, of which HK\$3.5 million was arising from unused tax losses. As DTTNCo continued to generate profit this year, the deferred tax asset was utilized and gave rise to a deferred tax charge of HK\$2.8 million for the year 2019, as compared to HK\$3.3 million for 2018.

Included in the taxation for 2019 was HK\$1.5 million enhanced tax deductions for certain research and development expenditures under the new tax regime introduced from the year of assessment 2018/19. Excluding the effect of the enhanced tax deductions, the Group's taxation for 2019 would be HK\$15.5 million as compared to HK\$16.4 million for 2018.

The Group's after tax profit for 2019 was HK\$82.2 million, decreased by 8.4% as compared to 2018.

Basic earnings per share for 2019 were HK 10.3 cents, lower than that for 2018 at HK 11.3 cents by HK 1.0 cent. Diluted earnings per share for 2019 were also HK 11.3 cents, lower than that for 2018 at HK 10.3 cents by HK 1.0 cent.

Dividend

The Board has recommended a final dividend of HK 6.5 cents per share for 2019 (2018: HK 6.0 cents per share). The proposed final dividend, which together with the interim dividend of HK 3.3 cents per share (2018: HK 3.5 cents per share) paid on 9 October 2019, will result in a total dividend of HK 9.8 cents for 2019, higher than the total dividend for 2018. The total amount of interim and proposed final dividend for 2019 represents a payment of 91.6% of the Group's profit attributable to shareholders after excluding the deferred tax charge of HK\$2.8 million relating to tax loss for 2019.

財務回顧(續)

於二零一九年，其他財務資產減值虧損為港幣1,300,000元，即本集團年內持有的其他財務資產的預期信貸虧損估算淨增加。

應佔中國聯營公司業績於二零一九年為溢利港幣800,000元，而二零一八年則為應佔溢利港幣1,500,000元。於二零一九年，於聯營公司的權益錄得減值虧損港幣4,500,000元。

我們的全資附屬公司DTTNCo為其客戶提供電子解決方案，於二零一八年底錄得遞延稅項資產港幣3,700,000元，其中港幣3,500,000元乃產生自未動用稅項虧損。由於DTTNCo於本年度繼續產生溢利，於二零一九年動用遞延稅項資產，並產生遞延稅項支出港幣2,800,000元，而於二零一八年則為港幣3,300,000元。

二零一九年的稅項包括根據自二零一八/一九評稅年度引入的新稅制就若干研發開支產生的稅務減免增加港幣1,500,000元。撇除稅務減免增加的影響，本集團於二零一九年的稅項將為港幣15,500,000元，而於二零一八年則為港幣16,400,000元。

本集團二零一九年的除稅後溢利達港幣82,200,000元，較二零一八年減少8.4%。

二零一九年之每股基本盈利為10.3港仙，較二零一八年11.3港仙減少1.0港仙。二零一九年之每股攤薄盈利亦為11.3港仙，較二零一八年10.3港仙減少1.0港仙。

股息

董事會建議派付二零一九年末期股息每股6.5港仙(二零一八年：每股6.0港仙)。建議末期股息連同於二零一九年十月九日支付之中期股息每股3.3港仙(二零一八年：每股3.5港仙)，將使二零一九年股息總額為每股9.8港仙，高於二零一八年股息總額。二零一九年的中期及建議末期股息總額即支付二零一九年股東應佔本集團溢利的91.6%(經撇除有關稅項虧損之遞延稅項支出港幣2,800,000元)。

Financial Review (Continued)

The proposed final dividend will be submitted to shareholders for approval at the annual general meeting on 8 May 2020. If approved, the final dividend will be paid to shareholders whose names appear on the register of members of the Company on 14 May 2020, on or about 29 May 2020.

The Board reminds shareholders that the Company's dividend policy enunciated at the time of our IPO in 2005 is that it will pay no less than 60% of its distributable profit as dividend. The fact that the Company has paid out all of its attributable profit in the past and nearly 92% of profit attributable to shareholders this year does not mean that the policy has changed.

Liquidity and Financial Position

As at 31 December 2019, the Group had total cash and bank deposits of HK\$143.4 million (2018: HK\$86.5 million). The increase in the Group's cash balance was mainly due to the maturity and early redemption of two corporate bonds respectively in the other financial assets during 2019 and the cash reserves were placed to deposit with banks.

The other financial assets as at 31 December 2019 in the non-current and current assets amounted to HK\$279.1 million (2018: HK\$305.5 million) and HK\$38.5 million (2018: HK\$42.2 million) respectively, represented the fair value of the fixed income USD-denominated corporate bonds with no more than US\$3.0 million nominal value each invested in any single issuer with maturity dates less than five years. As at 31 December 2019, the weighted average of the portfolio coupon and yield were about 4.1% (2018: 3.9%) and 3.8% (2018: 3.7%) respectively. As at 31 December 2019, 65% (2018: 71%) of the total amount was invested in investment grade corporate bonds. The remaining 35% (2018: 29%) was invested in non-investment grade or non-rated corporate bonds. All corporate bonds held as at 31 December 2019 were tradable in open market.

To balance risk and returns, all investments in corporate bonds were made in accordance with the investment guidelines which had been approved by the Investment Committee comprising three Independent Non-executive Directors and one Non-executive Director of the Company. Before any opportunities were identified to acquire new businesses, the cash surplus were parked in corporate bonds as part of our treasury operations to improve the yield of the Group's cash surpluses.

財務回顧(續)

建議末期股息將於二零二零年五月八日股東週年大會上提交股東審批。倘獲得批准，末期股息將於二零二零年五月二十九日或前後派付予二零二零年五月十四日名列本公司股東名冊之股東。

董事會謹此向股東重申本公司於二零零五年首次公開招股時所闡明之股息政策，即本公司將會分派不少於可供分派溢利之60%作為股息。事實上，本公司於過去一直分派所有可供分派溢利，本年度分派本公司溢利之逾92%並不表示股息政策有所改變。

流動資金與財務狀況

於二零一九年十二月三十一日，本集團之現金及銀行存款總額為港幣143,400,000元(二零一八年：港幣86,500,000元)。本集團之現金結餘增加乃主要由於其他財務資產中持有的兩項公司債券於二零一九年內分別到期及被提早贖回及向銀行存入現金儲備所致。

於二零一九年十二月三十一日，非流動及流動資產中的其他財務資產分別為港幣279,100,000元(二零一八年：港幣305,500,000元)及港幣38,500,000元(二零一八年：港幣42,200,000元)，即各自投資於任何單一發行人面值不超過3,000,000美元於五年內到期的定息美元計值企業債券的公允價值。於二零一九年十二月三十一日，加權平均組合票面利率及孳息率分別約為4.1%(二零一八年：3.9%)及3.8%(二零一八年：3.7%)。於二零一九年十二月三十一日，總額的65%(二零一八年：71%)投資於投資級別企業債券，而餘下35%(二零一八年：29%)則投資於非投資級別或沒有評級的企業債券。於二零一九年十二月三十一日持有的所有企業債券均可於公開市場交易。

為平衡風險與回報，公司債券之所有投資均按照投資委員會批准之投資指引進行，該委員會由本公司三名獨立非執行董事及一名非執行董事組成。於確定任何獲得新業務之機會前，現金盈餘停於公司債券中，作為我們財務營運一部分，以提高本集團現金盈餘收益率。

Financial Review (Continued)

Liquidity and Financial Position (Continued)

Total assets and net assets of the Group as at 31 December 2019 amounted to HK\$592.3 million (2018: HK\$552.6 million) and HK\$370.9 million (2018: HK\$350.8 million) respectively.

As at 31 December 2019, the Group had no borrowings. (2018: Nil).

Capital and Reserves

As at 31 December 2019, the capital and reserves attributable to shareholders was HK\$370.9 million (2018: HK\$350.8 million), an increase of HK\$20.1 million from the end of 2018.

Charges on Assets and Contingent Liabilities

As at 31 December 2019, the Group has obtained two bank guarantees totaling HK\$2.1 million (2018: three bank guarantees of HK\$4.2 million) issued to the Government for the due performance by the Group pursuant to the terms of the contracts with the Government. The bank guarantees are secured by a charge over deposits totaling HK\$2.1 million (2018: HK\$4.2 million).

Other than the foregoing, the Group did not have any other charges on its assets.

Capital Commitments

Capital commitments outstanding as at 31 December 2019 not provided for in the financial statements amounted to HK\$3.7 million (2018: HK\$1.5 million), mainly in respect of the purchase of leasehold improvements and office equipment for the Group.

Employees and Remuneration Policy

As at 31 December 2019, the Group employed 275 staff (2018: 268), of which 243 are in Hong Kong and 32 in Guangzhou. The related staff costs for the year came to HK\$119.1 million (2018: HK\$114.1 million).

The Group's remuneration policy is that all employees are rewarded on the basis of market levels. In addition to salaries, the Group provides staff benefits including medical insurance and contribution to staff's mandatory provident fund. To motivate and reward staff, the Group has various commission, incentive and bonus schemes to drive performance and growth.

The Company operates a share option scheme to reward the performance of staff at senior vice president grade and above.

財務回顧(續)

流動資金與財務狀況(續)

於二零一九年十二月三十一日，本集團資產總值及資產淨值分別為港幣592,300,000元(二零一八年：港幣552,600,000元)及港幣370,900,000元(二零一八年：港幣350,800,000元)。

於二零一九年十二月三十一日，本集團並無借貸(二零一八年：無)。

資本與儲備

於二零一九年十二月三十一日，股東應佔資本及儲備為港幣370,900,000元(二零一八年：港幣350,800,000元)，較二零一八年年底增加港幣20,100,000元。

資產抵押及或有負債

於二零一九年十二月三十一日，本集團向政府提供兩項合共港幣2,100,000元之銀行擔保(二零一八年：三項港幣4,200,000元之銀行擔保)，確保本集團妥善履行與政府訂立之合約條款。銀行擔保以押記存款合共港幣2,100,000元(二零一八年：港幣4,200,000元)作為抵押。

除上述者外，本集團並無任何其他資產抵押。

資本承擔

於二零一九年十二月三十一日，尚待履行且未於財務報表撥備之資本承擔為港幣3,700,000元(二零一八年：港幣1,500,000元)，該等承擔主要與本集團採購租賃物業裝修及辦公室設備有關。

僱員及薪酬政策

於二零一九年十二月三十一日，本集團僱用275名僱員(二零一八年：268名)，當中243名僱員受僱於香港，另外32名僱員受僱於廣州。本年度相關僱員成本為港幣119,100,000元(二零一八年：港幣114,100,000元)。

本集團薪酬政策是所有僱員薪酬均以市場薪酬水平釐定。除薪酬以外，本集團亦提供僱員福利，包括醫療保險及強制性公積金供款。為鼓勵及獎勵僱員，本集團制定多項佣金、獎勵及花紅計劃，以推動僱員表現及成長。

本公司設立購股權計劃表揚高級副總裁及以上職級僱員表現。

Financial Review (Continued)

Exposure to Fluctuation in Exchange Rates and Related Hedges

As at 31 December 2019, other than its investments in the PRC and Macau incorporated entities and debt securities denominated in US dollars, the Group had no foreign exchange exposure and related hedges.

Audit Committee

The Audit Committee has reviewed the Group's accounting policies and the financial statements for the year ended 31 December 2019. It also had independent discussions with the internal auditor and the external auditor, KPMG, without the presence of the management team.

財務回顧(續)

匯率波動風險及相關對沖工具

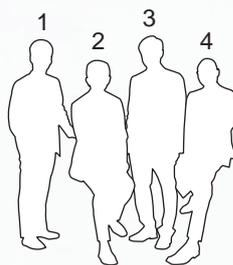
於二零一九年十二月三十一日，除於中國及澳門註冊成立實體及以美元計值債務證券之投資外，本集團並無任何外匯風險及相關對沖工具。

審核委員會

審核委員會已審閱本集團之會計政策及截至二零一九年十二月三十一日止年度之綜合財務報表。此外，審核委員會與內部核數師及外聘核數師畢馬威會計師事務所曾在沒有管理團隊成員出席之情況下，進行獨立討論。

Directors and Senior Management

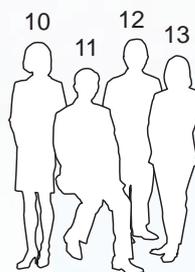
董事及高級管理人員



1. Dr. LEE Delman
李國本博士
2. Dr. LEE Nai Shee, Harry,
S.B.S., J.P. (*Chairman*)
李乃熾博士
S.B.S., J.P. (*主席*)
3. Mr. YING Tze Man, Kenneth
英子文先生
4. Mr. YUEN Wing Sang Vincent
袁永生先生



5. Mr. CHAK Hubert
翟迪強先生
6. Mr. CHAU Tak Hay
周德熙先生
7. Mr. CHUNG Wai Kwok, Jimmy
鍾維國先生
8. Mr. HO Lap Kee, Sunny, M.H., J.P.
何立基先生 · M.H., J.P.
9. Ms. CHAN Chi Yan
陳紫茵女士



10. Ms. CHUNG Shun Kwan, Emily
鍾順群女士
11. Mr. TSE Kam Keung
謝錦強先生
12. Mr. CHENG Chun Chung, Andrew
鄭俊聰先生
13. Ms. CHU Pik Kwan, Peggie
朱碧君女士

Directors

Chairman and Non-executive Director

Dr. LEE Nai Shee, Harry, S.B.S., J.P., aged 77, was appointed a Director on 19 September 2000. He is also our Chairman. He holds a Bachelor's degree in Electrical Engineering from the Imperial College, London, the United Kingdom and a Doctorate from Brown University, the United States. He joined Textile Alliance Limited in Hong Kong in 1973 and in 1983, was appointed Managing Director (title changed to Chief Executive since 2010) of TAL Apparel Limited ("TAL"), which currently employs over 26,000 employees. Dr. LEE is now the Chairman of TAL. He was a Director of The Link Management Limited (now known as "Link Asset Management Limited") and of Phillips-Van Heusen Corporation. He has over 40 years' experience in the textile and garment industry. Dr. LEE is actively involved in a number of trade organizations and public services in Hong Kong. He is the Honorary Chairman of Textile Council of Hong Kong Limited and the Hong Kong Garment Manufacturer's Association. In addition, he is currently holding the position of the Advisor, Chairman Emeritus of the Hong Kong Research Institute of Textiles & Apparel Ltd (HKRITA) and the Chairman of the Committee of Overseers of Lee Woo Sing College of the Chinese University of Hong Kong. Dr. LEE was awarded the Honorary Fellowship of the Textile Institute in 2019 in Manchester, United Kingdom. He was named in the Queen's birthday honours list as an Officer of the British Empire ("OBE") in 1996. He was appointed a Justice of Peace ("J.P.") in 1997 and was awarded the Silver Bauhinia Star ("S.B.S.") at the Fourth Anniversary of the Establishment of the HKSAR in 2001.

Executive Directors

Mr. TSE Kam Keung, aged 60, was first appointed as an Independent Non-Executive Director of the Company in March 2013 and subsequently took over the CEO position in July 2015.

Before joining the Company, Mr. TSE had worked mostly in the financial industry covering the Asia Pacific region. He began at State Street in 1993 to develop and lead its investment servicing business in the region and completed his career there as an advisor till early 2015. Before State Street, he had worked for Standard Chartered, Ogilvy & Mather, Baring Securities and the Hong Kong Government.

Mr. TSE has served on many committees and boards. He is currently on the Process Review Panel of the Financial Reporting Council and the Hang Seng Index Advisory Committee. He also serves as Chairman of the Pan Asian e-Commerce Alliance, Hon. Treasurer of the New Life Psychiatric Rehabilitation Association, Board member of the Global Legal Entity Identifier Foundation, and Overseer of Lee Woo Sing College of the Chinese University of Hong Kong.

Mr. TSE received the CW Chu Scholarship to study in the US and obtained his BA from Lawrence University. He got his MBA from the Chinese University of Hong Kong and also got the Government's sponsorship to obtain his MPA from the University of Hong Kong.

董事

主席兼非執行董事

李乃熿博士, S.B.S., J.P., 七十七歲, 於二零零零年九月十九日獲委任為董事。他亦為本公司主席。李博士持有英國倫敦帝國學院電機工程學士學位及美國Brown University的博士學位。李博士於一九七三年加入香港Textile Alliance Limited, 並於一九八三年獲委任為聯業製衣有限公司("TAL")董事總經理(自二零一零年起職銜改為行政總裁), 該公司現聘用超過26,000名員工。李博士現擔任TAL主席。李博士曾擔任領匯管理有限公司(現稱「領展資產管理有限公司」)及Phillips-Van Heusen Corporation的董事。李博士擁有逾四十年紡織及成衣行業經驗, 並積極參與香港多個貿易組織及公共服務。李博士現為香港紡織業聯會榮譽會長、香港製衣廠同業公會榮譽會長、香港紡織及成衣研發中心顧問及榮休主席及中文大學和聲書院院監會主席。於二零一九年, 李博士獲英國Textile Institute頒授榮譽院士。李博士於一九九六年英女皇壽辰授勳日被列入授勳名單, 獲勳大英帝國官員勳章("OBE")。李博士於一九九七年獲委任為太平紳士("J.P."), 並於二零零一年香港特別行政區成立四週年獲授銀紫荊星章("S.B.S.")。

執行董事

謝錦強先生, 六十歲, 於二零一三年三月首次獲委任為本公司的獨立非執行董事, 並於二零一五年七月起擔任本公司行政總裁一職。

加入本公司之前, 謝先生主要在亞太區的金融界工作。他於一九九三年加入道富, 專責發展及領導區內投資服務業務。他在二零一五年初離開道富, 離職前為該公司之顧問。在加入道富之前, 謝先生曾在渣打銀行、奧美公關公司、霸菱證券及香港政府工作。

謝先生曾服務多個委員會及董事會。目前, 謝先生服務於財務匯報局程序覆檢委員會及恆生指數顧問委員會。謝先生亦是泛亞電子商貿聯盟主席、新生精神康復會義務司庫、全球法人機構識別編碼基金會(GLEIF)董事會成員及香港中文大學和聲書院院監。

謝先生早年獲得朱敬文獎學金到美國升學, 並取得羅倫斯大學的學士學位。他取得香港中文大學工商管理碩士學位, 亦曾在政府資助下取得香港大學公共行政碩士學位。

Directors (Continued)

Executive Directors (Continued)

Mr. CHENG Chun Chung, Andrew, aged 50, was appointed a Director and acting DCEO of the Company on 15 November 2011. He was the DCEO of the Company and re-designated to be the Chief Technology Officer of the Company on 1 January 2017. He is also a Director of the Company's various subsidiaries and associates. Mr. CHENG holds a Master of Commerce degree in Information Systems from the University of New South Wales, a Master of Engineering degree from the University of Sydney, a Bachelor of Engineering degree with Honours in Electrical Engineering from the University of Sydney and a Bachelor of Science degree from the University of Sydney. Mr. CHENG has over 24 years' experience in IT-related business, covering internet security, domestic and international supply chain, logistics and finance. He was a specialist in the consultancy on the setting up of a Public Key Infrastructure by the Hong Kong Government and is currently a member of the Advisory Committee on the Code of Practice for Recognized Certification Authorities of the Government of the Hong Kong Special Administrative Region, a member of the Expert Review Panel of Hong Kong R&D Centre for Logistics and Supply Chain Management Enabling Technologies and a member of the Fintech Advisory Group of the Securities and Futures Commission.

Ms. CHUNG Shun Kwan, Emily, aged 63, was appointed a Director on 2 September 2008. She joined the Company in 1992. She is currently the Chief Operations Officer of the Company and is also a Director of the Company's various subsidiaries and associates. Ms. CHUNG graduated from the University of Hong Kong with a Bachelor of Science degree and a Master of Science degree in Engineering. Prior to joining the Company, Ms. CHUNG worked in the then Government of Hong Kong for over 11 years providing management consultancy services to government bureaux and departments. Since joining the Company in 1992, she has gained over 27 years of solid and diversified experience in the management of various aspects of e-commerce business in both the public and private sectors.

董事 (續)

執行董事 (續)

鄭俊聰先生，五十歲，於二零一一年十一月十五日獲委任為本公司董事兼署理副行政總裁，其後擔任本公司副行政總裁。鄭先生於二零一七年一月一日調任為本公司技術總監。鄭先生亦擔任本公司多間附屬公司及聯營公司的董事。鄭先生為新南威爾士大學資訊系統商學碩士、悉尼大學工程學碩士、悉尼大學電機工程學榮譽工程學士及悉尼大學理學士。鄭先生擁有逾二十四年資訊科技相關業務經驗，涉及範疇包括互聯網保安、本地及國際供應鏈、物流及金融。鄭先生曾參與香港政府設立的公開密碼匙基礎建設，作為有關諮詢建議書的專員之一。鄭先生現為香港特別行政區政府認可核證機關業務守則諮詢委員會成員，香港物流及供應鏈管理應用技術研發中心專家評審團成員及證券及期貨事務監察委員會的金融科技諮詢小組成員。

鍾順群女士，六十三歲，於二零零八年九月二日獲委任為董事。鍾女士於一九九二年加入本公司，現為本公司營運總監亦擔任本公司多間附屬公司及聯營公司的董事。鍾女士畢業於香港大學，持有理學士學位及工程學理科碩士學位。加入本公司之前，鍾女士曾於當時的香港政府服務超過十一年，專責為政府各司及部門提供管理諮詢服務。自一九九二年加入本公司以來，鍾女士於管理各方面的公營及私營電子商貿業務方面，累積超過二十七年豐富廣博的實踐經驗。

Directors (Continued)

Non-executive Directors

Dr. LEE Delman, aged 52, was appointed a Director of the Company on 29 October 2012. Dr. LEE Delman holds a doctorate from the University of Oxford and a Bachelor's degree in Electrical & Electronics Engineering from the Imperial College, London. He is the President and Chief Technology Officer for TAL Apparel Limited ("TAL"). He is responsible for driving TAL's long-term strategy in operations, technology and value-added services to customers. He looks after information technology and supply chain projects — from IT infrastructure to logistics management throughout the entire organization. He is the architect behind TAL's current enterprise resource planning (ERP) system. He is also responsible for global operations initiatives such as standardization of work methods, cultivation of a continuous improvement organization and corporate social responsibility.

Dr. LEE Delman joined TAL in 2000. He was appointed a member of the TAL Group's Executive Committee in 2006 and became President and Chief Technology Officer in 2010. He has a strong background in research. Prior to joining TAL, he was a researcher at UK based Sharp Laboratories of Europe for three years. There, he was responsible for the commercial application of modern computer vision techniques to stereo photography and stereoscopic displays. He has worked as a research fellow at University of Pennsylvania in the US and University of Leeds in the UK in various aspects of imaging.

Dr. LEE Delman has been appointed as an independent non-executive director and a member of the Risk Committee commencing from 21 March 2017, a member of the Nomination Committee and member of the Audit Committee commencing from 1 December 2017 of The Bank of East Asia, Limited (listed on main board of The Stock Exchange of Hong Kong Limited). He joined the board of Dairy Farm International Holdings Ltd (a standard listing on the London Stock Exchange as its primary listing, with secondary listings in Bermuda and Singapore) on 9 May 2018.

董事(續)

非執行董事

李國本博士，五十二歲，於二零一二年十月二十九日獲委任為本公司董事。李國本博士擁有英國牛津大學博士學位及英國倫敦帝國學院電機工程學士學位。彼為聯業製衣有限公司(「TAL」)的總裁及科技總監。彼之職責為制訂TAL的營運、科技及客戶增值服務的長遠策略，並管理資訊科技及供應鏈項目，從整個企業的資訊科技基礎建設以至物流管理等範疇。彼為TAL現時的企業資源規劃系統的架構設計師。彼亦負責TAL的全球營運項目，包括統一工序、培育機構持續發展及實踐企業社會責任。

李國本博士於二零零零年加入TAL，於二零零六年獲委任為TAL集團行政委員會的成員，並於二零一零年獲委任為總裁及科技總監。彼擁有豐富的研究經驗。加入TAL之前，彼曾於英國的歐洲Sharp實驗室任職研究員三年，主要負責以近代電腦視覺技術，商業應用於立體攝影及立體展示上。彼曾在美國賓夕法尼亞大學及英國利茲大學擔任研究員，從事影像的多方面研究。

李國本博士於二零一七年三月二十一日起，獲委任為東亞銀行有限公司(在香港聯合交易所有限公司主板上市)的獨立非執行董事及風險委員會委員，並於二零一七年十二月一日起，獲委任為該公司之提名委員會會員及審核委員會會員。彼於二零一八年五月九日加入牛奶國際控股有限公司(在倫敦證券交易所標準上市地位作第一上市，亦在百慕達及新加坡作第二上市)的董事會。

Directors (Continued)

Non-executive Directors (Continued)

Mr. YING Tze Man, Kenneth, aged 64, was appointed a Director on 26 June 2012. He was a Director of the Company during the period from 16 September 1996 to 9 May 2008. Mr. YING retired from COSCO-HIT Terminals (Hong Kong) Limited (“CHT”) as the Managing Director, Asia Container Terminals Limited as the Executive Director and the Hutchison Port Holdings Trust (a trust listed on the Singapore Exchange) as an EXCO member on 30 April 2016. Mr. YING has over 31 years’ experience in the finance and logistic sector. Prior to joining CHT, he had held various executive positions at Hutchison Port Holdings Limited (“HPH”). He was the Executive Director of Hongkong International Terminals Limited and the Finance Director of South China Division of HPH. He is a member of the Hong Kong Institute of Certified Public Accountants and also a fellow member of the Chartered Association of Certified Accountants in the United Kingdom. He was a member of the Port Development Advisory Group of the HKSAR.

Mr. YUEN Wing Sang Vincent, aged 52, has 25 years of experience in the maritime industry. He started his career in Hongkong International Terminals Limited where he held a number of business development, commercial and management positions. Since 2012, Mr. YUEN has been a member of the Hutchison Port Holdings Trust (“HPH Trust”) Exco, a committee of executives that determines the strategy for HPH Trust. HPH Trust is the world’s first publicly traded container port business trust listed on the Main Board of the Singapore Exchange. As the Managing Director of Port Services and Logistics Division of HPHT Limited, a wholly-owned subsidiary of HPH Trust, Mr. YUEN leads both Hutchison Logistics (HK) and Asia Port Services. Integrating services from container depot, warehousing and distribution to freight handling, trucking and feeder service, to provide seamless total supply chain solution across sea, air and land networks. Mr. YUEN has a Bachelor of Science in Geology and Geophysics from the University of Hawaii at Manoa and holds a Master of Science in Environmental Engineering from the Hong Kong University of Science and Technology. He is a chartered fellow of the Chartered Institute of Logistics and Transport in Hong Kong.

董事(續)

非執行董事(續)

英子文先生，六十四歲，於二零一二年六月二十六日獲委任為董事。英先生曾於一九九六年九月十六日至二零零八年五月九日期間擔任本公司董事。英先生於二零一六年四月三十日退任為中遠 — 國際貨櫃碼頭(香港)有限公司(「CHT」)的董事總經理、亞洲貨櫃碼頭有限公司的執行董事及和記港口信託(於新加坡交易所上市的信託)執行委員會的成員。英先生擁有逾三十年的金融及物流業經驗。加入CHT之前，英先生曾擔任和記港口集團有限公司(「HPH」)多個管理層職務。英先生曾擔任香港國際貨櫃碼頭有限公司的執行董事及HPH華南地區的財務董事。英先生為香港會計師公會會員及英國特許公認會計師公會資深會員，英先生亦曾是香港特區政府港口發展諮詢小組的成員。

袁永生先生，五十二歲，於海事行業擁有二十五年經驗。彼於香港國際貨櫃碼頭有限公司開展其事業，曾擔任業務發展、商務及管理職等職位。自二零一二年起，袁先生出任和記港口信託(「和記港口信託」)執委會成員，執委會由數名行政人員組成以制訂和記港口信託之策略。和記港口信託乃是全球首家在新加坡交易所主板上市公開買賣的貨櫃碼頭商業信託。作為和記港口信託全資附屬公司HPHT Limited港務集運部董事總經理，袁先生領導和記物流(香港)及亞洲港口聯運，提供集裝箱倉庫儲存、倉儲和配送、貨運代理、拖運及駁運服務，並透過海運、空運及陸路網絡，為客戶提供全方位物流供應鏈解決方案。袁先生於夏威夷大學馬諾阿分校取得地質與地球物理學理學士學位，並持有香港科技大學環境工程學理學碩士學位。他亦是香港運輸物流學會的院士。

Directors (Continued)

Independent Non-executive Directors

Mr. CHAK Hubert, aged 58, was appointed a Director on 21 October 2002. He retired from Link Asset Management Limited ("Link"), the manager of Link Real Estate Investment Trust, as Director (Finance) in August 2018. He joined Link in 2010 and was responsible for the finance and capital markets functions. Mr. CHAK was an executive director of CSI Properties Limited between 2007 and 2010. He also held various senior management positions at PCCW Limited between 1999 and 2007 and was an executive director of Pacific Century Premium Developments Limited until February 2007.

Mr. CHAK began his career with KPMG in Hong Kong and worked as an investment banker between 1990 and 1999. He holds a Master of Business Administration Degree and a Bachelor of Science degree in Mechanical Engineering from University of Wales (now known as Cardiff University).

Mr. CHAU Tak Hay, aged 77, was appointed a Director of the Company on 1 September 2009. He was the non-executive Chairman of the board of directors of the Company from 1998 to 2002. Mr. CHAU graduated from The University of Hong Kong in 1967. He served in the Hong Kong Government from 1967 to 2002. Between 1988 and 2002, Mr. CHAU served in a number of principal official positions in the Government, including Secretary for Trade and Industry, Secretary for Commerce and Industry, Secretary for Broadcasting, Culture and Sport, and Secretary for Health and Welfare. Following his departure from the Government, Mr. CHAU has been an independent non-executive director of the Hong Kong Main Board listed SJM Holdings Limited since 2008; and Wheelock & Company Limited since 2012. Mr. CHAU was awarded the Gold Bauhinia Star by the Hong Kong Government in 2002.

董事(續)

獨立非執行董事

翟迪強先生，五十八歲，於二零零二年十月二十一日獲委任為董事。彼於二零一八年八月退任領展資產管理有限公司(「領展」)之財務總監一職，領展為領展房地產投資信託基金之管理人。彼於二零一零年加入領展，負責其財務和資本市場之工作。翟先生於二零零七年至二零一零年間為資本策略地產有限公司之執行董事。彼亦於一九九九年至二零零七年間擔任電訊盈科有限公司多個高級管理職位，並出任盈科大衍地產發展有限公司執行董事至二零零七年二月為止。

翟先生於香港的畢馬威會計師事務所展開其事業及於一九九零年至一九九九年間擔任投資銀行家。彼持有威爾斯大學(現稱卡迪夫大學)工商管理碩士學位及機械工程理學士學位。

周德熙先生，七十七歲，於二零零九年九月一日獲委任為本公司董事。周先生於一九九八至二零零二年間為本公司董事會的非執行主席。周先生於一九六七年畢業於香港大學，於一九六七年至二零零二年間服務於香港政府，於一九八八年至二零零二年間曾擔任多個香港政府主要官員職位，包括工商局局長、文康廣播局局長及衛生福利局局長。在退任政府職務後，周先生自二零零八年起一直擔任香港主板上市公司澳門博彩控股有限公司的獨立非執行董事，以及自二零一二年起擔任會德豐有限公司的獨立非執行董事。周先生於二零零二年獲香港政府頒授金紫荊星章。

Directors (Continued)

Independent Non-executive Directors (Continued)

Ms. CHAN Chi Yan, aged 58, was appointed a Director of the Company on 9 February 2015. She has over 30 years of experience in financial management and planning. Ms. CHAN joined The Dairy Farm Company, Limited on 16 April 2016 as North Asia Food Finance Director and left her job as Project Lead — China Expansion (Convenience) on 17 October 2018. The Dairy Farm Company, Limited is a member of Dairy Farm International Holdings Limited which has a standard listing on the London Stock Exchange as its primary listing, with secondary listings in Bermuda and Singapore. Before joining the Dairy Farm Group, Ms. CHAN was CFO, China Beverage and Senior Region Financial Planning & Analysis Director, China Region of PepsiCo Inc. in Shanghai. During her employment with PepsiCo Inc., she had also worked in Guangzhou, Shenzhen and Hong Kong. PepsiCo Inc. is listed on The New York Stock Exchange. Prior to joining PepsiCo Inc., Ms. CHAN had worked in Hong Kong for ExxonMobil Chemical and Nestlé S.A. (listed on SIX Swiss Exchange). Ms. CHAN graduated from University of Western Ontario, Canada in 1983 with a Bachelor of Arts degree in Economic and Administrative & Financial Studies and obtained a Master of Business Administration in Marketing from the Chinese University of Hong Kong in 1985.

Mr. CHUNG Wai Kwok, Jimmy, aged 70, was appointed a Director on 11 May 2007. He has over 25 years of experience in financial advisory, taxation and management. He was a partner of PricewaterhouseCoopers and retired in June 2005. In October 2005, he joined a professional consulting firm, Russell Bedford Hong Kong Limited (now known as Russell Bedford Hong Kong), as Director-Tax & Business Advisory. Mr. CHUNG is a member of Hong Kong Institute of Certified Public Accountants, the Taxation Institution of Hong Kong and the Association of Chartered Certified Accountants (“ACCA”). He was the President of the Hong Kong branch of ACCA for the year 2005/06. He is currently also an Independent Non-executive Director and Chairman of the Audit Committee of Lee Kee Holdings Limited (listed on The Stock Exchange of Hong Kong Limited).

董事 (續)

獨立非執行董事 (續)

陳紫茵女士，五十八歲，於二零一五年二月九日獲委任為本公司董事。陳女士擁有逾三十年財務管理和規劃經驗。陳女士於二零一六年四月十六日加入牛奶有限公司擔任北亞區食品財務董事，並於二零一八年十月十七日離職，其時任職位為項目總監 — 中國便利店業務發展。牛奶有限公司是牛奶國際控股有限公司的成員。牛奶國際控股有限公司在倫敦證券交易所標準上市地位作第一上市，同時亦在百慕達及新加坡作第二上市。加入牛奶公司集團前，陳女士就任位於上海之百事公司(在紐約證券交易所上市)中國飲料市場之財務總監和大中華區高級地區財務規劃及分析總監。陳女士任職百事公司期間曾駐廣州、深圳和香港工作。加入百事公司之前，陳女士曾任職香港埃克森美孚化工和雀巢股份有限公司(均於瑞士證券交易所上市)。陳女士於一九八三年畢業於加拿大西安大略大學，取得經濟管理和財務學文學學士學位，並於一九八五年取得香港中文大學的市場學工商管理碩士學位。

鍾維國先生，七十歲，於二零零七年五月十一日獲委任為董事。鍾先生在財務顧問、稅務及管理方面累積逾二十五年經驗。鍾先生曾為羅兵咸永道會計師事務所的合夥人，並於二零零五年六月退休。其後，鍾先生於二零零五年十月加入專業顧問公司Russell Bedford Hong Kong Limited(現稱 Russell Bedford Hong Kong)，擔任稅務及業務顧問總監。鍾先生為香港會計師公會會員、香港稅務學會會員及英國特許公認會計師公會會員，並於二零零五年至二零零六年間，擔任英國特許公認會計師公會香港分會主席。鍾先生現為利記控股有限公司(在香港聯合交易所有限公司上市)的獨立非執行董事及審核委員會主席。

Directors (Continued)

Independent Non-executive Directors (Continued)

Mr. HO Lap Kee, Sunny, M.H., J.P., aged 59, was appointed a Director on 13 May 2005. He holds a Bachelor's degree from The University of Hong Kong. Mr. HO is the Executive Director of the Hong Kong Shippers' Council. He has over 25 years' experience in the Shipping and Logistics industry. As he now shapes the thrust of the Shippers' Council mandate as the voice of the Hong Kong shippers, he has considerable experience in aspects of trade and transport of goods. Prior to the Shippers' Council, he was Deputy Managing Director of Swire Shipping (Agencies) Limited and Taikoo Maritime Services Ltd, gaining experience in liner shipping, warehousing and distribution, freight forwarding, container haulage, mid-stream operations, China feeders, transport and logistics services. Mr. HO is a member of the Logistics Industry Training Advisory Committee, the Town Planning Board, and the Private Columbaria Appeal Board. He is also a member of the Transport & Shipping Committee of the Hong Kong General Chamber of Commerce and Logistics Services Advisory Committee of the Hong Kong Trade Development Council. He was appointed a member of the Hong Kong Logistics Development Council, the Port Operations Committee and the Dangerous Goods Standing Committee for several years and Chairman of the Hong Kong Liner Shipping Association for 1993–1995. He is the current Chairman of Hong Kong Logistics Management Staff Association, Fellow and Council Member of the Chartered Institute of Logistics & Transport in Hong Kong, Advisor to the China Council for the Promotion of International Trade of International Trade Guangzhou Sub-Council, and the Shenzhen Ports & Harbour Association. Mr. HO was elected as a member of the Election Committee for the Chief Executive in 2011 and 2016.

Senior Management

Mr. TSE Kam Keung	— Chief Executive Officer
Mr. CHENG Chun Chung, Andrew	— Chief Technology Officer
Ms. CHUNG Shun Kwan, Emily	— Chief Operations Officer
Ms. CHU Pik Kwan, Peggie	— Chief Financial Officer

Mr. TSE, Mr. CHENG and Ms. CHUNG are also directors of the Company. Their biographical details have already been set out above under the sub-heading "Directors".

董事(續)

獨立非執行董事(續)

何立基先生, M.H., J.P., 五十九歲, 於二零零五年五月十三日獲委任為董事。何先生持有香港大學學士學位。何先生為香港付貨人委員會執行總幹事, 擁有逾二十五年航運及物流行業經驗。何先生擁有豐富的貿易及貨運經驗, 以此推動香港付貨人委員會成為代表香港付貨人的代言人。加入付貨人委員會之前, 何先生為太古船務(代理)有限公司及太古貨運有限公司的副董事總經理, 積累了定期班輪、倉儲配送、貨運代理、拖運、中流作業、支線船、運輸及物流服務的經驗。何先生現為物流業培訓諮詢委員會, 城市規劃委員會及私營骨灰安置所上訴委員會的成員, 亦為香港總商會運輸及船務委員會和香港貿易發展局物流服務業諮詢委員會的成員。何先生曾擔任香港物流發展局、港口行動事務委員會及危險品常務委員會委員多年, 並於一九九三年至一九九五年間出任香港定期班輪協會主席。何先生現為香港物流管理人員協會理事長、香港運輸物流學會院士及常務委員、中國國際貿易促進委員會廣州市分會顧問及深圳港口協會顧問。何先生在二零一一年和二零一六年獲選為行政長官選舉委員會委員。

高級管理人員

謝錦強先生	— 行政總裁
鄭俊聰先生	— 技術總監
鍾順群女士	— 營運總監
朱碧君女士	— 財務總監

謝先生、鄭先生及鍾女士亦為本公司董事。彼等的履歷已載於上文「董事」分節。

Senior Management (Continued)

The biographical details of Ms. CHU are set out as follows:

Ms. CHU Pik Kwan, Peggie, aged 44, is currently the Chief Financial Officer of the Company which she joined in 2004. Prior to that, Ms. CHU worked in KPMG for audit services. She holds a Bachelor's degree in Professional Accountancy and a Master of Business Administration degree from the Chinese University of Hong Kong. Ms. CHU is a member of Hong Kong Institute of Certified Public Accountants. She has over 20 years of experience in accounting, auditing and financial management.

高級管理人員 (續)

朱女士的履歷載列如下：

朱碧君女士，四十四歲，於二零零四年加入本公司，現擔任財務總監一職。在此之前，朱女士曾在畢馬威會計師事務所從事審計服務工作。她持有香港中文大學專業會計學士學位及工商管理碩士學位。朱女士為香港會計師公會之會員，並在會計、審計和財務管理方面擁有超過二十年的工作經驗。

Corporate Governance Report

企業管治報告書

(1) Compliance with Corporate Governance Code (the “CG Code”)

The Company is committed to a high standard of corporate governance and the Board believes that good corporate governance is fundamental to effective and proper management of the Company in the interests of its stakeholders. It has made every effort to ensure full compliance with the code provisions in the CG Code contained in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”). The Company confirms that it has complied with all code provisions during the year ended 31 December 2019.

(2) Model Code for Securities Transactions by Directors

The Company has adopted the Model Code set out in Appendix 10 of the Listing Rules to govern its Directors’ dealings in the Company’s securities. Having made specific enquiry, all Directors have confirmed compliance with the required standards during 2019.

(3) Risk Management & Internal Controls

The Group is committed to the continuous enhancement of its risk management framework, capabilities and culture across the Group to strengthen its ability in achieving its business objectives. Appropriate risk management activities are embedded into the business planning, project management, contract management, business operations and organizational procedures. The Group is willing to take reasonable and manageable risks in pursuit of its strategic business objectives. The reasonableness and manageability vary from business segment to business segment.

Once risks, including those which are Environmental, Social and Governance-related, have been identified, recorded, analysed, and the agreed treatments have been implemented, an appropriate monitoring and reporting regime will be established to provide assurance that the treatment is effective and helps to control the risk. Appropriate risk treatments are embedded into daily operations. The risk will be continuously monitored depending on the subsequent risk rating and the strength of controls to treat the risks. All staff have the responsibility for the continuous monitoring of risks and operation of controls within their area of responsibility. In particular, close attention would be paid to those risk areas with a strong reliance on internal controls and processes to bring the risk to an acceptable level.

(1) 遵守企業管治守則（「企業管治守則」）

本公司致力維持高水平的企業管治常規，而董事會深信良好企業管治乃有效及妥善管理本公司之基礎及符合其持份者利益。本公司已致力確保全面遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四所載企業管治守則之守則條文。本公司確認，於截至二零一九年十二月三十一日止年度已遵守所有守則條文。

(2) 董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載標準守則，以規管董事買賣本公司證券。在作出具體查詢後，全體董事確認彼等於二零一九年度內一直遵守規定準則。

(3) 風險管理及內部監控

本集團致力持續加強其風險管理框架、能力及文化，以提高其實現業務目標的能力。合適的風險管理活動已納入業務規劃、項目管理、合約管理、業務營運及組織程序。本集團願意承擔合理及可控的風險，以追求其策略性業務目標。合理程度及可控程度因業務部門而異。

各類風險（包括與環境、社會及管治相關者）一經確定、記錄、分析及實施協定處理措施，將建立適當監察及報告制度，確保措施有效並有助於監控風險。適當風險處理措施已納入日常營運。風險將視乎其後的風險評級及監控力度持續進行監察，以便處理。全體員工皆有責任在彼等責任範圍內持續監察及控制風險。特別是，會密切注意與內部監控及程序息息相關的風險範圍，使風險達至可接受水平。

(3) Risk Management & Internal Controls (Continued) (3) 風險管理及內部監控(續)

The Company believes that effective communication and consultation is essential throughout the risk management process as it enhances the understanding of risk identification, analysis and evaluation among process owners and risk management team in the Group. During the reporting year, individual departments of the Company at least monthly reviewed and updated their own risk logs. The responsible persons of the departments updated and reported the risk logs to the Risk Manager and the responsible executive director (the "Responsible ED") of the Group on a regular basis. The Responsible ED then presented the consolidated risk logs to Senior Management for identification and assessment at management and Group levels. Senior Management updated the Board on any significant risks and progress via monthly reports or in Board meetings.

The Board recognizes the need for sound and effective risk management and internal controls systems to safeguard shareholders' investment and the Group's assets. The Board acknowledges its overall responsibility for the Group's risk management and internal control systems. With the support of Senior Management and the Audit Committee, the Board reviewed the effectiveness of the systems which covered different areas, including without limitation, the financial, operational and compliance controls in compliance with Code Provisions C.2, Appendix 14 of the Listing Rules. Such systems were designed to manage rather than eliminate the risk of failure to achieve the Group's business objectives, and could only provide reasonable and not absolute assurance against material mis-statement or loss.

The risk management system framework adopted by the Group was designed by reference to the principles and process outlined in the international standard of ISO31000. Appropriate risk management activities were embedded into business planning, project management, contract management, business operations and organisational procedures. The six steps involved in the risk management process are:

1. Establish the scope, context and criteria
2. Risk assessment (Risk identification, risk analysis, risk evaluation)
3. Risk treatment
4. Monitoring and review
5. Recording and reporting
6. Communication and consultation

本公司相信有效溝通及諮詢於整個風險管理程序中是必要的，因其加深對本集團程序所有人及風險管理團隊對於風險識別、分析及評估的理解。於報告年度內，本公司各部門至少每月審閱並更新其風險日誌。各部門負責人定期向本集團風險管理人及負責執行董事（「負責執行董事」）更新及匯報風險日誌。負責執行董事其後將綜合風險日誌呈交高級管理人員，以便在管理層及本集團層面識別及評估。高級管理人員透過每月匯報或於董事會會議向董事會報告任何重大風險及進展。

董事會深明需要維持健全有效的風險管理及內部監控系統，以保障股東的投資及本集團資產。董事會知悉其對本集團風險管理及內部監控系統的整體責任。在高級管理人員及審核委員會支持下，董事會檢討涵蓋不同範圍的系統成效，包括但不限於財務、營運及合規監控以遵守上市規則附錄十四守則條文C.2。該等系統旨在管理而非消除未能達成本集團業務目標的風險，並且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

本集團所採用的風險管理系統框架乃參照ISO31000國際標準中概述的原則及程序設計。適當風險管理活動已納入業務規劃、項目管理、合約管理、業務營運及組織程序。風險管理程序涉及的六個步驟為：

1. 確立範圍、背景及標準
2. 風險評估(風險識別、風險分析、風險評價)
3. 風險處理
4. 監察及檢討
5. 記錄及匯報
6. 溝通與諮詢

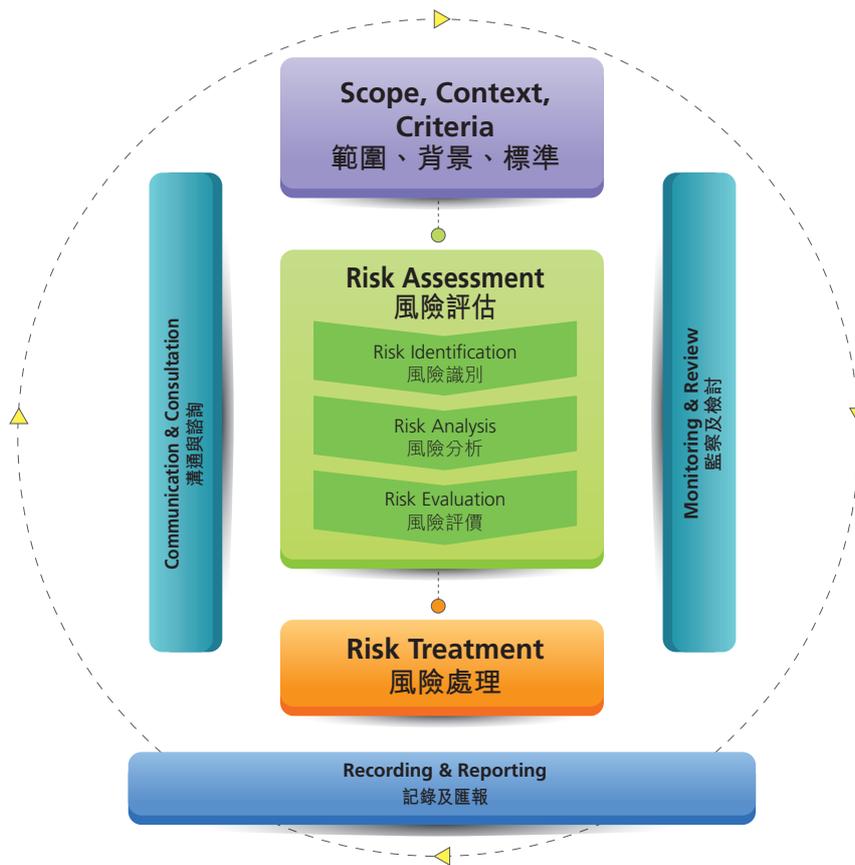
(3) Risk Management & Internal Controls (3) 風險管理及內部監控(續)

Our risk management process and risk management framework can be represented diagrammatically as follows:

Risk Management Process ISO31000:2018

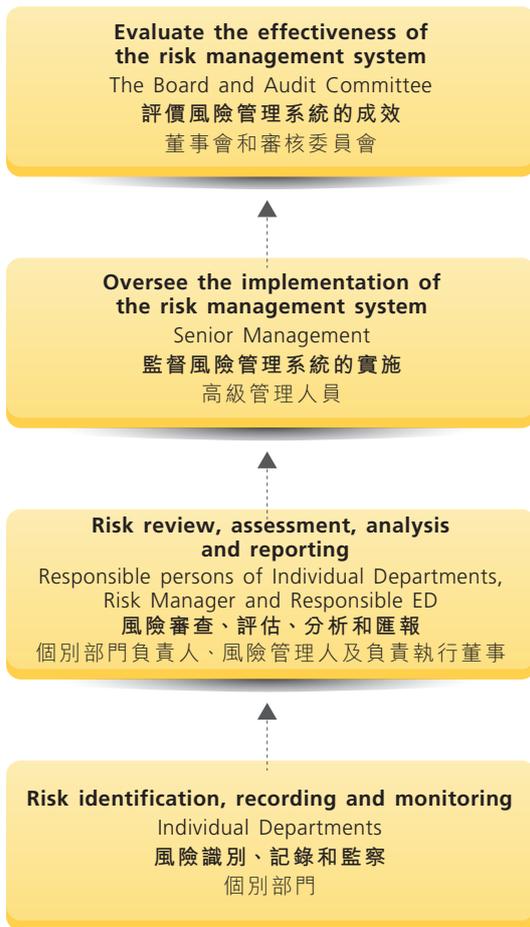
我們的風險管理程序及風險管理框架可以圖表顯示如下：

風險管理程序ISO31000:2018



(3) Risk Management & Internal Controls (3) 風險管理及內部監控(續)

Risk Management Framework



風險管理框架



As an on-going process, the Company has assessed its internal control system with reference to The Committee of Sponsoring Organizations of the Treadway Commission ("COSO") internal control framework 2013, specifically in relation to the five elements of: control environment, risk assessment, control activities, communication and monitoring.

本公司已參照 The Committee of Sponsoring Organizations of the Treadway Commission (「COSO」)二零一三年內部監控框架，持續評估內部監控系統，特別是監控環境、風險評估、監控活動、溝通及監察等五項元素。

(3) Risk Management & Internal Controls (Continued)

To further strengthen the risk management and internal control systems, the Company's internal auditor ("Internal Auditor") has been designated by Audit Committee to conduct a review and audit tests to verify the effectiveness of risk management and internal control systems in place. A review report was presented to Audit Committee, which based on the report formed the opinion on the effectiveness of Tradelink's risk management and internal control systems and reported to the Board accordingly. The external auditors would obtain an understanding of internal control relevant to their audit in order to design audit procedures that are appropriate in the circumstances though not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. The external auditors would communicate with Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that they identify during the course of their audit. If necessary, remedial actions will be taken timely by the Company.

During the year of 2019, Internal Auditor has conducted a review of Tradelink's risk management and internal control systems. In particular, Internal Auditor has conducted the following:

- A gap analysis and evaluation of effectiveness of risk management system by using ISO31000:2018 as a basis for comparison;
- A COSO entity level control gap analysis ('COSO Review') to ascertain if the Company has established entity level controls that are consistent with the key concepts of the control framework recommended by COSO — 'Internal Control — Integrated Framework';
- Audit tests to verify the effectiveness of the Company's internal controls in place.

The Company also has a whistle-blowing procedure in place to encourage its staff to raise concerns, in confidence, with the Audit Committee about possible improprieties in any matter related to the Company. During the reporting year, no whistle-blowing report received.

(3) 風險管理及內部監控(續)

為進一步加強風險管理和內部監控系統，本公司內部核數師(「內部核數師」)已由審核委員會指定進行審閱及審核測試，以核實現行風險管理及內部監控系統的成效。審查報告已提交審核委員會，審核委員會會根據報告就貿易通之風險管理及內部監控系統成效達成意見，並據此向董事會報告。外部核數師將瞭解與其審核相關的內部監控，以設計適合的審核程序，但並非為對本集團的內部監控成效發表意見。外部核數師除其他事項外，將就審核的計劃範疇與時間以及重大審核結果與審核委員會溝通，包括其於審核過程發現的任何重大內部監控缺失。如有需要，本公司將及時採取補救行動。

於二零一九年內，內部核數師已對貿易通的風險管理及內部監控系統進行檢討。具體而言，內部核數師已進行工作如下：

- 使用ISO31000：2018作為比較基礎，進行風險管理系統成效差距分析和評估；
- COSO實體層面監控差距分析(「COSO審閱」)，以確定本公司已建立與「COSO — 內部監控 — 綜合框架」建議的監控框架關鍵概念一致的實體層面監控；
- 審核測試以核實本公司現存內部監控的成效。

本公司亦設有舉報程序，鼓勵其僱員向審核委員會以保密方式舉報有關本公司可能存在不當行為的事項。於報告年度，未接獲任何舉報報告。

(3) Risk Management & Internal Controls (Continued) (3) 風險管理及內部監控(續)

Based on the confirmation from Senior Management, the reviews from the Internal Auditor and the Audit Committee, the Board considered that the risk management and internal control systems are adequate and effective for the reporting year. There were no significant control failings, weakness or significant areas of concern identified during 2019.

The Board also considered the resources, staff qualifications and experience, training programs and budget of the Group's accounting, internal audit and financial reporting functions were adequate.

The Group handled and disseminated inside information in compliance with the Listing Rules and the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO"). The Board, with the recommendation of Senior Management, would identify and determine whether certain information needs to be disclosed as inside information under the Listing Rules and the SFO. Once certain information has been determined as inside information, it would be disclosed as soon as practicable by way of announcements.

The Company has in place separate internal policies for dealing in the Company's shares by Directors, general staff and those staff who are likely to be in constant exposure to inside information. All employees and Directors are not allowed to deal in the securities of the Company when they possess unpublished inside information. Pre-clearance on dealing in the Company's securities is mandatory for Directors and those staff who are likely to be in constant exposure to inside information.

During the reporting period, Directors and relevant employees, as identified by Senior Management, were notified of the periods when dealings in the securities of the Company were prohibited. All inside information was disclosed timely by way of announcements. Before the disclosure of inside information by announcements, it was kept confidential and would only be disclosed to, and handled by, those employees who had a genuine need to know. Documents containing inside information are protected by passwords.

In addition, every employee is subject to the Code of Ethics and Conduct of the Group and is expected to achieve the highest ethical and professional standards of behavior.

根據高級管理人員確認、內部核數師及審核委員會的審閱，董事會認為於報告年度內風險管理及內部監控系統屬充分及有效。二零一九年內未發現重大監控缺陷、缺點或重大留意範疇。

董事會亦認為本集團在會計、內部審核及財務匯報職能的資源、僱員資歷及經驗，培訓課程及有關預算屬足夠。

本集團根據上市規則及香港法例第571章《證券及期貨條例》(「證券及期貨條例」)處理及發放內幕消息。董事會按照高級管理人員的建議，確定及釐定若干資料是否需要根據上市規則及證券及期貨條例披露為內幕消息。一旦若干信息經確定為內幕消息，其將在可行情況下儘快以公告方式披露。

本公司已分別就董事、一般僱員及可能持續接觸內幕消息的員工買賣本公司股份訂立內部政策。全體員工及董事於擁有未經發佈的內幕消息時，均不得買賣本公司證券。就可能持續接觸到內幕消息的董事及員工而言，彼等必須獲預先批准方可買賣本公司證券。

於報告期內，董事及被高級管理人員鑒定為相關員工已獲知會本公司證券交易禁止交易期間。所有內幕消息均以公告方式及時披露。於透過公告方式披露前，內幕消息會保密，並只向真正需要知道的僱員透露及交由彼等處理。包含內幕信息的文件以密碼保護。

此外，每位員工皆須遵守本集團的道德及行為守則，並預期達到最高道德及專業行為標準。

(4) Board of Directors

(i) Board Composition

As at 31 December 2019, the Company was led by a Board comprising three Executive Directors, four Non-executive Directors, including the Chairman of the Board, and five Independent Non-executive Directors. The Independent Non-executive Directors represent at least one-third of the Board as required by the Rule 3.10A of the Listing Rules. The five Independent Non-executive Directors have all confirmed in writing to the Company that they meet the guidelines for independence in Rule 3.13 of the Listing Rules.

As at the date of this annual report, the members of the Board are:

Chairman and Non-executive Director

Dr. LEE Nai Shee, Harry, S.B.S., J.P.

Executive Directors

Mr. TSE Kam Keung (*Chief Executive Officer*)

Mr. CHENG Chun Chung, Andrew (*Chief Technology Officer*)

Ms. CHUNG Shun Kwan, Emily (*Chief Operations Officer*)

Non-executive Directors

Dr. LEE Delman*

Mr. YING Tze Man, Kenneth

Mr. YUEN Wing Sang, Vincent

Independent Non-executive Directors

Mr. CHAK Hubert

Mr. CHAU Tak Hay

Ms. CHAN Chi Yan

Mr. CHUNG Wai Kwok, Jimmy

Mr. HO Lap Kee, Sunny, M.H., J.P.

(* Dr. LEE Delman is a nephew of Dr. LEE Nai Shee, Harry, S.B.S., J.P.)

The Board oversees the overall management and operations of the Company. Major responsibilities include determining the Company's overall business, financial and technical strategies, setting key performance targets, approving budgets and major expenditures, supervising the performance of management with the objective of enhancing shareholder value. Matters not specifically reserved to the Board and necessary for the daily operations of the Company are delegated to Senior Management under the supervision of respective Directors and the five committees of the Board.

(4) 董事會

(i) 董事會組成

於二零一九年十二月三十一日，本公司由董事會領導，其成員包括三名執行董事、四名非執行董事（包括董事會主席）及五名獨立非執行董事。獨立非執行董事人數按上市規則第3.10A條的規定佔董事會至少三分之一。五名獨立非執行董事均已向本公司作出書面確認，表示彼等符合上市規則第3.13條有關獨立身份的指引。

於本年報日期，董事會成員如下：

主席兼非執行董事

李乃熿博士，S.B.S., J.P.

執行董事

謝錦強先生（*行政總裁*）

鄭俊聰先生（*技術總監*）

鍾順群女士（*營運總監*）

非執行董事

李國本博士*

英子文先生

袁永生先生

獨立非執行董事

翟迪強先生

周德熙先生

陳紫茵女士

鍾維國先生

何立基先生，M.H., J.P.

(*李國本博士為李乃熿博士，S.B.S., J.P.的侄兒)

董事會負責監察本公司的整體管理及營運，其主要職責包括制訂本公司的整體業務、財務及技術策略、設定關鍵的業績表現目標、批核財政預算與主要開支，以及監督管理層的表现，旨在提高股東價值。凡並非指定交由董事會處理但就本公司日常營運而言屬於必需的事宜，均授權由高級管理人員在相關董事及董事會轄下五個委員會監督下處理。

(4) Board of Directors (Continued)

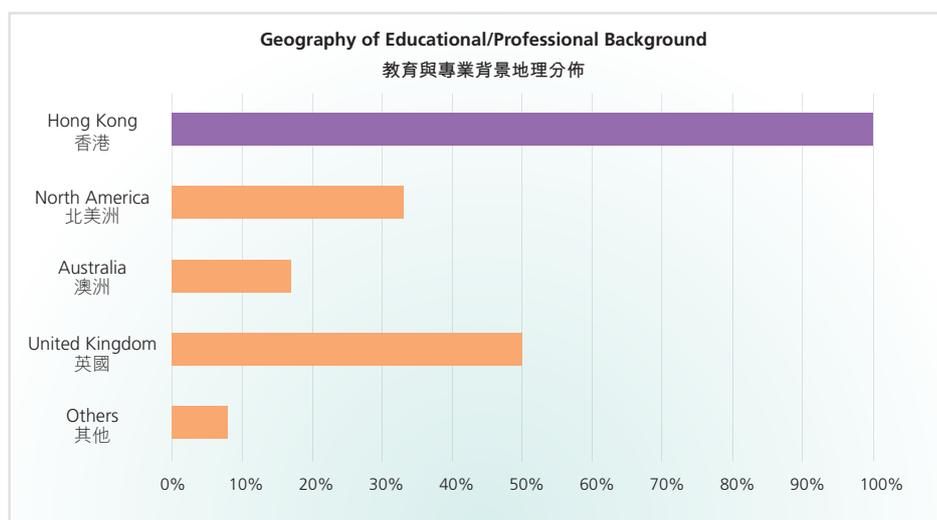
(i) Board Composition (Continued)

The diversity profile of the Board is set out in the following charts:

(4) 董事會(續)

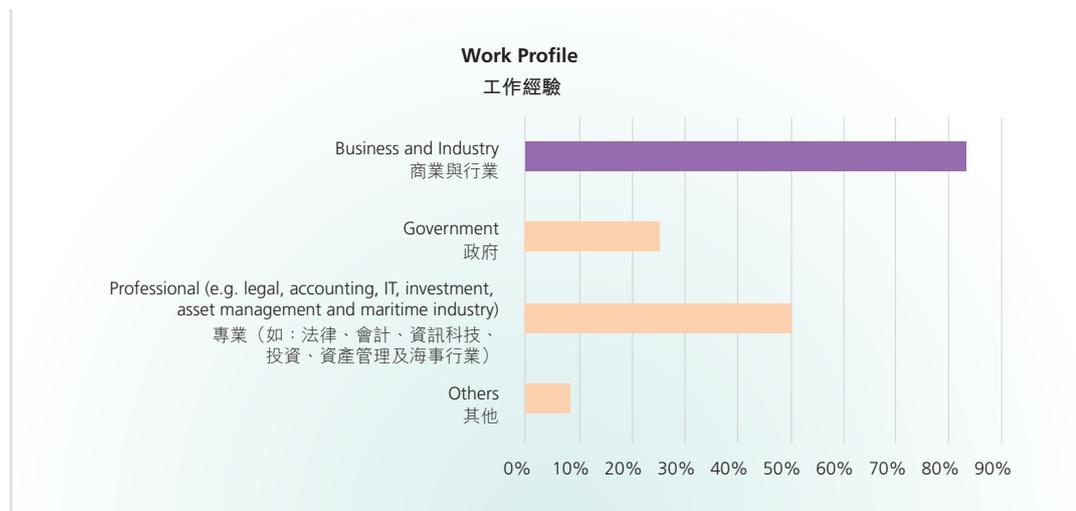
(i) 董事會組成(續)

董事會多元化概況載列於以下圖表：



(4) Board of Directors (Continued)

(i) Board Composition (Continued)



The biographical information of Directors is set out in the “Directors and Senior Management” section on pages 31 to 37 of this annual report.

(ii) Changes of Directors’ and Chief Executive’s Information Pursuant to Rule 13.51B(1) of the Listing Rules

There have been no changes in the information of Directors and Chief Executive of the Company since publication of the 2019 interim report up to this annual report, save and except that:

- Dr. LEE Nai Shee, Harry, S.B.S., J.P. was awarded the Honorary Fellowship of the Textile Institute in 2019 in Manchester, United Kingdom and he ceased to be a board member of Global Apparel, Footwear & Textile Initiative.
- Mr. TSE Kam Keung ceased to serve on the Investment Committee of Hopu Fund.
- Mr. HO Lap Kee, Sunny, M.H., J.P. was awarded the Medal of Honour (M.H.) by the Government of the Hong Kong Special Administrative Region in 2019.

(4) 董事會(續)

(i) 董事會組成(續)

董事履歷資料載於本年報第31頁至第37頁「董事及高級管理人員」一節。

(ii) 根據上市規則第13.51B(1)條董事及行政總裁的資料變動

自二零一九年中期報告刊發起至本年報期間，本公司董事及行政總裁的資料並無任何變動，惟下列者除外：

- 李乃熺博士，S.B.S., J.P.於二零一九年獲英國曼徹斯特紡織公會榮譽會員，並不再擔任全球成衣鞋類及紡織品方案董事會成員。
- 謝錦強先生不再服務於厚樸基金投資委員會。
- 何立基先生，M.H., J.P.於二零一九年獲香港特別行政區政府頒授榮譽勳章(M.H.)。

(4) Board of Directors (Continued)

(iii) Appointment, Rotational Retirement and Re-election

All non-executive directors (including independent non-executive directors) were appointed for a period of three years and all directors are subject to retirement by rotation and re-election in accordance with Article 100 of the Articles of Association of the Company. Pursuant to that, one half of the Directors (or, if the number is not a multiple of two, then the number nearest to but not greater than one half) shall retire each year but are eligible for re-election at each annual general meeting ("AGM").

(iv) Chairman and Chief Executive Officer

The positions of the Chairman of the Board and the Chief Executive Officer are held by Dr. LEE Nai Shee, Harry, S.B.S., J.P. and Mr. TSE Kam Keung respectively to maintain effective segregation of duties. The Chairman is responsible for overseeing the functioning of the Board and the strategies of the Group while the Chief Executive Officer is responsible for managing the Group's day-to-day businesses.

The Chairman of the Board held a private session with the Independent Non-executive Directors without the presence of the Executive Directors and the Non-executive Directors immediately after the Directors' Conference of the Company held on 20 September 2019.

(v) Directors' Time Commitments

The Directors have confirmed that, during the course of the year, they devoted adequate time to discharging their duties as members of the Board and its Committees. The Directors also confirmed that they had been provided with monthly updates on the Group's operations, performance and business prospects to enable them to discharge their duties. Additional information, explanation and clarification were provided by Senior Management in response to questions raised by them in the course of their reviews of such materials.

(4) 董事會(續)

(iii) 委任、輪席退任及重選連任

所有非執行董事(包括獨立非執行董事)均獲委任為期三年,而全體董事須根據本公司組織章程細則第100條輪席退任及膺選連任。據此,董事會內半數董事(或倘董事數目並非二之倍數,則為最近但不多於半數之董事)須每年於每屆股東週年大會(「股東週年大會」)上退任,惟符合資格者可重選連任。

(iv) 主席及行政總裁

董事會主席及行政總裁的職位分別由李乃熿博士, S.B.S., J.P.及謝錦強先生擔任,以維持有效的職責分工。主席專責監督董事會的運作及本集團的策略,而行政總裁則專責管理本集團的日常業務。

緊隨本公司於二零一九年九月二十日舉行的董事研討會後,董事會主席與獨立非執行董事舉行了一次沒有執行董事及非執行董事出席的會議。

(v) 董事所付出的時間

董事已確認,彼等於年內付出足夠時間,履行彼等身為董事會及其轄下委員會成員的職務。董事亦已確認,彼等獲提供有關本集團營運、業績及業務前景的每月更新資料,有助彼等履行職務。高級管理人員已提供額外資訊、解釋及說明,以回應董事查閱相關資料時提出的疑問。

(4) Board of Directors (Continued)**(vi) Board Meetings and General Meeting**

During 2019, four board meetings and an AGM were held. The attendance of Directors in board meetings and AGM of the Company is as follows:

(4) 董事會(續)**(vi) 董事會會議及股東大會**

於二零一九年，本公司曾舉行四次董事會會議及一次股東週年大會，董事於董事會會議及股東週年大會的出席率如下：

		Board meetings attended/Eligible to attend	2019 AGM attended/Eligible to attend
		已出席／合資格出席 董事會 會議次數	已出席／合資格出席 二零一九年 股東週年大會次數
Chairman and Non-executive Director	主席兼非執行董事		
Dr. LEE Nai Shee, Harry, S.B.S., J.P.	李乃熿博士，S.B.S., J.P.	4/4	1/1
Executive Directors	執行董事		
Mr. TSE Kam Keung (<i>Chief Executive Officer</i>)	謝錦強先生 (<i>行政總裁</i>)	4/4	1/1
Mr. CHENG Chun Chung, Andrew ⁽¹⁾ (<i>Chief Technology Officer</i>)	鄭俊聰先生 ⁽¹⁾ (<i>技術總監</i>)	3/4	1/1
Ms. CHUNG Shun Kwan, Emily (<i>Chief Operations Officer</i>)	鍾順群女士 (<i>營運總監</i>)	4/4	1/1
Non-executive Directors	非執行董事		
Dr. LEE Delman ⁽²⁾	李國本博士 ⁽²⁾	4/4	0/1
Mr. YING Tze Man, Kenneth	英子文先生	4/4	1/1
Mr. YUEN Wing Sang, Vincent ⁽³⁾	袁永生先生 ⁽³⁾	3/4	1/1
Independent Non-executive Directors	獨立非執行董事		
Mr. CHAK Hubert	翟迪強先生	4/4	1/1
Mr. CHAU Tak Hay ⁽⁴⁾	周德熙先生 ⁽⁴⁾	3/4	1/1
Ms. CHAN Chi Yan	陳紫茵女士	4/4	1/1
Mr. CHUNG Wai Kwok, Jimmy	鍾維國先生	4/4	1/1
Mr. HO Lap Kee, Sunny, M.H., J.P.	何立基先生，M.H., J.P.	4/4	1/1

(4) Board of Directors (Continued)

(vi) Board Meetings and General Meeting (Continued)

Notes:

- (1) Mr. CHENG Chun Chung, Andrew was unable to attend the Board meeting on 11 June 2019 due to other prior business commitment.
- (2) Dr. LEE Delman was unable to attend the AGM on 10 May 2019 due to overseas engagement.
- (3) Mr. YUEN Wing Sang, Vincent was unable to attend the Board meeting on 11 June 2019 due to overseas engagement.
- (4) Mr. CHAU Tak Hay was unable to attend the Board meeting on 11 June 2019 due to other prior business commitment.

(vii) Directors' and Auditors' Responsibilities for the Accounts

The Directors acknowledge their responsibility for preparing financial statements that give a true and fair view of the state of affairs of the Group. In this regard, the Directors have confirmed that appropriate accounting policies have been selected and applied consistently and that judgments and estimates made were prudent and reasonable in light of the information provided by Senior Management.

In preparing the financial statements for the year ended 31 December 2019, the accounting principles generally accepted in Hong Kong were adopted and the requirements of the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the applicable laws were complied with.

The Board has prepared the financial statements on a going concern basis and is not aware of any material uncertainties relating to events or conditions that might cast doubt in the Group's ability to continue as a going concern.

The reporting responsibilities of the external auditors of the Group are disclosed in the "Report of the Auditors".

(4) 董事會(續)

(vi) 董事會會議及股東大會(續)

附註：

- (1) 鄭俊聰先生因其他事先約定事務而未能出席於二零一九年六月十一日舉行的董事會會議。
- (2) 李國本博士因海外事務而未能出席於二零一九年五月十日舉行的股東週年大會。
- (3) 袁永生先生因海外事務而未能出席於二零一九年六月十一日舉行的董事會會議。
- (4) 周德熙先生因其他事先約定事務而未能出席於二零一九年六月十一日舉行的董事會會議。

(vii) 董事與核數師就賬目須承擔的責任

董事明白彼等有責任編製一份能夠真實而公平地反映本集團事務狀況的財務報表。就此，董事確認已選擇並貫徹運用適當的會計政策，及基於高級管理人員提供的資料，作出審慎合理的判斷及估計。

董事於編製截至二零一九年十二月三十一日止年度的財務報表時，已採納香港公認會計原則，並遵循香港會計師公會所頒佈的《香港財務報告準則》規定及適用法例。

董事會已採用持續經營基準編製財務報表，且並不知悉有任何事件或情況存有重大不明朗因素，會導致本集團持續經營的能力存疑。

本集團外聘核數師的報告責任於「核數師報告書」內披露。

(4) Board of Directors (Continued)

(viii) Directors' and Auditors' Attendance at the 2019 AGM

The Directors' attendance for 2019 AGM is shown in the above table under the sub-heading "Board Meetings and General Meeting".

The Company's external auditors, KPMG, also attended the 2019 AGM to confirm the audited financial statements of the Company and to answer questions from shareholders.

(ix) Directors' Training and Continuous Professional Development

It is our practice that each year, all Directors are required to attend and participate in our in-house Directors' Conference and in-house training programme to enhance their understanding of the Group's business and operations as well as their responsibilities and obligations under the Listing Rules and other legal and regulatory requirements.

During the year ended 31 December 2019, the Company arranged a 6-hour in-house conference on 20 September 2019 to brief Directors on business updates, financial outlook of the Group and to have strategic discussions on the Company's business direction. The Company also invited an external speaker to share his business experience relevant to the Company's business with Directors. In addition, the Company allocated financial resources to support and encourage the Directors to participate in continuous professional development training to refresh and enhance their knowledge and skills regarding their roles, functions and duties as directors. Eleven Directors namely, Dr. LEE Nai Shee, Harry, S.B.S., J.P., Dr. LEE Delman, Mr. YING Tze Man, Kenneth, Mr. YUEN Wing Sang, Vincent, Mr. CHAK Hubert, Ms. CHAN Chi Yan, Mr. CHUNG Wai Kwok, Jimmy, Mr. HO Lap Kee, Sunny, M.H., J.P., Mr. TSE Kam Keung, Mr. CHENG Chun Chung, Andrew and Ms. CHUNG Shun Kwan, Emily participated in the in-house Directors' conference. Mr. CHAU Tak Hay was unable to attend the in-house Directors' conference due to other prior overseas engagement.

On 26 November 2019, the Company arranged a directors' training on the topic "Ethics in Practice: Anti-corruption Requirements for Board of Directors of Tradelink Electronic Commerce Limited" which was delivered by an officer of the Independent Commission Against Corruption. All Directors participated in the directors' training.

(4) 董事會(續)

(viii) 董事及核數師出席二零一九年股東週年大會的情況

董事於二零一九年股東週年大會的出席率載列於上表分標題為「董事會會議及股東大會」中。

本公司的外聘核數師畢馬威會計師事務所亦有出席二零一九年股東週年大會，以確認本公司的經審核財務報表及解答股東提問。

(ix) 董事的培訓及持續專業發展

本公司所有董事每年均須出席並參與內部董事會議及內部培訓計劃，以加深瞭解本集團的業務及營運，及彼等根據上市規則及其他法律及監管規定須肩負的責任與義務。

截至二零一九年十二月三十一日止年度，本公司已於二零一九年九月二十日安排一個六小時的內部會議，向董事簡介業務最新資訊及本集團的財務展望，並就本公司業務方向進行策略討論。本公司亦對外邀請講者與董事分享其有關本公司業務的業務體驗。此外，本公司分配財務資源，支持及鼓勵董事參加持續專業發展培訓以更新及加強彼等身為董事的角色、職能及責任的知識及技巧。十一名董事(即李乃熺博士，S.B.S., J.P.、李國本博士、英子文先生、袁永生先生、翟迪強先生、陳紫茵女士、鍾維國先生、何立基先生，M.H., J.P.、謝錦強先生、鄭俊聰先生及鍾順群女士)已參與內部董事會議。周德熙先生因其他事先約定海外事務而無法出席內部董事會議。

於二零一九年十一月二十六日，本公司就「管理有道：貿易通電子貿易有限公司董事會反貪污規定」主題安排董事培訓，由一名廉政公署主任負責講解。所有董事均參與董事培訓。

(4) Board of Directors (Continued)

(ix) Directors' Training and Continuous Professional Development (Continued)

All Directors have provided their training records to the Company during the year.

(x) Directors' and Officers' Insurance

The Company has arranged appropriate Directors' and Officers' liability insurance to indemnify them against liabilities in respect of legal actions arising from its day-to-day business activities. During the year, the insurance coverage was HK\$100 million.

(xi) Board Evaluation

The Board recognizes the benefits of regular evaluations of its performance. During the year, an evaluation covering Board and Board Committees performance was conducted by the Corporate Governance Committee with the assistance of Senior Management. Areas covered included the overall effectiveness of the Board and its Committees, attendance, participation and contributions both during and outside meetings. The conclusion was satisfactory.

(5) Board Committees

The Board has established the following committees: Audit, Corporate Governance, Remuneration, Nomination and Investment Committees.

(i) Audit Committee

The Audit Committee currently consists of five Independent Non-executive Directors.

The Audit Committee oversees the overall financial reporting process as well as the adequacy and effectiveness of the Company's risk management and internal controls. In addition, it is responsible for making recommendations to the Board for the appointment, reappointment or removal of the external auditors. It also reviews and monitors the external auditors' independence and objectivity as well as the effectiveness of the audit process to make sure that it is in full compliance with applicable standards.

(4) 董事會(續)

(ix) 董事的培訓及持續專業發展(續)

年內，全體董事已向本公司提供所接受培訓的記錄。

(x) 董事及高級人員的保險

本公司已投購合適的董事及高級人員責任保險，以彌償董事及高級人員因本公司日常業務活動所產生的法律訴訟責任。年內，保障範圍為港幣100,000,000元。

(xi) 董事會表現評核

董事會認同定期評核董事會表現的好處。年內，在高級管理人員的協助下，企業管治委員會進行涵蓋董事會及董事委員會表現的評核。涉及範疇包括董事會及轄下委員會的整體效能、出席率、參與情況及會內及會外的貢獻。有關評核結果令人滿意。

(5) 董事委員會

董事會已成立下列委員會：審核委員會、企業管治委員會、薪酬委員會、提名委員會及投資委員會。

(i) 審核委員會

審核委員會現時由五名獨立非執行董事組成。

審核委員會監察本公司的整體財務匯報程序以及風險管理及內部監控是否充足有效。此外，審核委員會亦負責就委任、重新委任或撤換外聘核數師，向董事會作出推薦建議。審核委員會同時檢討和監察外聘核數師是否獨立和客觀，以及審核程序是否有效，藉此確保審核程序全面遵守適用準則。

(5) Board Committees (Continued)**(i) Audit Committee (Continued)**

The Audit Committee met twice in 2019. The attendance of members is as follows:

Names		Audit Committee meetings attended/ Eligible to attend
姓名		已出席／合資格出席 審核委員會會議次數
Mr. CHUNG Wai Kwok, Jimmy (Chairman)	鍾維國先生(主席)	2/2
Mr. CHAK Hubert	翟迪強先生	2/2
Mr. CHAU Tak Hay	周德熙先生	2/2
Ms. CHAN Chi Yan	陳紫茵女士	2/2
Mr. HO Lap Kee, Sunny, M.H., J.P.	何立基先生, M.H., J.P.	2/2

During 2019, the Audit Committee performed, among other matters, the following duties:

- (a) reviewed the Group's financial statements for 2018, the draft 2018 annual report, the draft 2018 results announcement and the proposed 2018 final dividend and recommended them to the Board for approval;
- (b) reviewed the Group's interim financial statements for the 6 months ended 30 June 2019, the draft 2019 interim report, the draft results announcement for the 6 months ended 30 June 2019 and the proposed 2019 interim dividend and recommended them to the Board for approval;
- (c) reviewed and approved the various audit plans and audit reports prepared by the Internal Audit Department of the Company;
- (d) reviewed the reports on risk management and internal control of the Group and to ensure that the risk management and internal control systems are adequate and effective;
- (e) reviewed connected transactions and continuing connected transactions (if any);

(5) 董事委員會(續)**(i) 審核委員會(續)**

於二零一九年，審核委員會曾舉行兩次會議，委員出席率如下：

Names		Audit Committee meetings attended/ Eligible to attend
姓名		已出席／合資格出席 審核委員會會議次數
Mr. CHUNG Wai Kwok, Jimmy (Chairman)	鍾維國先生(主席)	2/2
Mr. CHAK Hubert	翟迪強先生	2/2
Mr. CHAU Tak Hay	周德熙先生	2/2
Ms. CHAN Chi Yan	陳紫茵女士	2/2
Mr. HO Lap Kee, Sunny, M.H., J.P.	何立基先生, M.H., J.P.	2/2

於二零一九年，審核委員會除其他事項外，已履行以下職務：

- (a) 覆核本集團二零一八年財務報表、二零一八年年報草擬本、二零一八年業績公告草擬本及二零一八年擬派末期股息，並就此向董事會提供建議以供批核；
- (b) 覆核本集團截至二零一九年六月三十日止六個月的中期財務報表、二零一九年中期報告草擬本、截至二零一九年六月三十日止六個月業績公告草擬本及二零一九年擬派中期股息，並就此向董事會提供建議以供批核；
- (c) 審閱並批准本公司內部審核部門編製的多份審核計劃及審核報告；
- (d) 審閱本集團的風險管理及內部監控報告，以確保風險管理及內部監控系統足夠及有效；
- (e) 審閱關連交易及持續關連交易(如有)；

(5) Board Committees (Continued)

(i) Audit Committee (Continued)

- (f) reviewed whistle blowing procedure and any reported incidents;
- (g) met with the Internal Auditor independently to discuss the work of the Internal Audit Department;
- (h) reviewed the remuneration of the Internal Auditor;
- (i) met with the external auditors, KPMG, independently to discuss the financial reporting and internal control issues encountered during the 2018 annual audit; and
- (j) reviewed the proposed audit fee for 2019 and recommended the re-appointment of the external auditors to the Board for consideration and final approval by shareholders at the AGM.

Auditors' Remuneration

During 2019, the audit and non-audit fees payable/paid to KPMG were: an audit fee of HK\$1.03 million (2018: HK\$1.03 million) and a non-audit related service fee of HK\$0.12 million (2018: HK\$0.11 million). The latter represented taxation service fees.

(ii) Corporate Governance Committee

The Corporate Governance Committee consists of five Independent Non-executive Directors. The main responsibilities of the Committee are to ensure and uphold good corporate governance functions of the Company and its subsidiaries.

(5) 董事委員會(續)

(i) 審核委員會(續)

- (f) 審閱舉報程序及任何已報告事件；
- (g) 與內部核數師單獨會面，以討論內部審核部門的工作；
- (h) 檢討內部核數師酬金；
- (i) 與外聘核數師畢馬威會計師事務所單獨會面，以討論進行二零一八年度審核工作時遇到的財務申報及內部監控問題；及
- (j) 覆核二零一九年的建議審核費用，並向董事會建議續聘外聘核數師，以供股東於股東週年大會考慮及最終批准。

核數師酬金

於二零一九年，本集團應付／已付畢馬威會計師事務所的核數及非核數費用，包括核數費用港幣1,030,000元(二零一八年：港幣1,030,000元)及非核數相關服務費港幣120,000元(二零一八年：港幣110,000元)，後者為稅務服務費。

(ii) 企業管治委員會

企業管治委員會由五名獨立非執行董事組成，專責確保和維持本公司及其附屬公司的良好企業管治職能。

(5) Board Committees (Continued)**(ii) Corporate Governance Committee (Continued)**

During the year of 2019, the Corporate Governance Committee met twice. The attendance of members is as follows:

Names 姓名	Corporate Governance Committee meetings attended/ Eligible to attend 已出席／合資格出席 企業管治委員會會議次數
Mr. CHUNG Wai Kwok, Jimmy (Chairman)	鍾維國先生(主席) 2/2
Mr. CHAK Hubert	翟迪強先生 2/2
Mr. CHAU Tak Hay	周德熙先生 2/2
Ms. CHAN Chi Yan	陳紫茵女士 2/2
Mr. HO Lap Kee, Sunny, M.H., J.P.	何立基先生, M.H., J.P. 2/2

At the two meetings, the Corporate Governance Committee reviewed, among other matters, the Group's policies and practices on corporate governance and the relevant compliance disclosures in the 2018 Corporate Governance Report and 2019 Interim Report.

兩次會議上，企業管治委員會，除其他事項外，檢討本集團的企業管治政策及常規及二零一八年企業管治報告與二零一九年中期報告內披露的相關合規事宜。

(iii) Remuneration Committee

The Remuneration Committee consists of one Non-executive Director and two Independent Non-executive Directors.

The Remuneration Committee is responsible for making recommendations to the Board on the policy and structure for the remuneration of Directors and Senior Management.

During the year, the Remuneration Committee held one meeting. The attendance of members is as follows:

Names 姓名	Remuneration Committee meetings attended/ Eligible to attend 已出席／合資格出席 薪酬委員會會議次數
Mr. CHAU Tak Hay (Chairman)	周德熙先生(主席) 1/1
Mr. CHUNG Wai Kwok, Jimmy	鍾維國先生 1/1
Dr. LEE Nai Shee, Harry, S.B.S., J.P.	李乃熺博士, S.B.S., J.P. 1/1

(ii) 企業管治委員會(續)

於二零一九年，企業管治委員會曾舉行兩次會議，委員出席率如下：

(iii) 薪酬委員會

薪酬委員會由一名非執行董事及兩名獨立非執行董事組成。

薪酬委員會負責就董事及高級管理人員的薪酬政策及架構，向董事會提出推薦建議。

年內，薪酬委員會曾舉行一次會議，委員出席率如下：

(5) Board Committees (Continued)

(iii) Remuneration Committee (Continued)

At this meeting, the Remuneration Committee performed, among other matters, the following duties: (a) reviewed the remuneration packages of Directors and Senior Management and recommended the same to the Board for approval; (b) made recommendation to the Board to grant share options to Directors and Senior Management; and (c) reviewed the Directors' fees for Non-executive Directors and Independent Non-executive Directors and recommended the same to the Board for approval.

Remuneration paid to Executive Directors and Senior Management

Details of remuneration paid to Executive Directors in 2019 are set out in *Note 9* to the Financial Statements.

Remuneration paid to Senior Management in 2019 by band is as follows:

HK\$8,000,001–HK\$9,000,000	港幣8,000,001元至港幣9,000,000元	1
HK\$4,000,001–HK\$8,000,000	港幣4,000,001元至港幣8,000,000元	—
HK\$3,000,001–HK\$4,000,000	港幣3,000,001元至港幣4,000,000元	2
HK\$2,000,001–HK\$3,000,000	港幣2,000,001元至港幣3,000,000元	—
HK\$1,000,001–HK\$2,000,000	港幣1,000,001元至港幣2,000,000元	1

(iv) Nomination Committee

The Nomination Committee consists of the Chairman of the Board and two Independent Non-executive Directors.

The duties of the Nomination Committee are to review the structure, size and composition of the Board, to review the independence of Independent Non-executive Directors and to select suitable candidates for appointment as Directors in the general meeting of the Company.

(5) 董事委員會(續)

(iii) 薪酬委員會(續)

此會議上，薪酬委員會除其他事項外，已履行以下職務：(a)檢討董事及高級管理人員的薪酬待遇並就此建議董事會批准；(b)建議董事會向董事及高級管理人員授出購股權；及(c)檢討非執行董事及獨立非執行董事的董事袍金，並就此向董事會作出建議以供批准。

向執行董事及高級管理人員支付的薪酬

於二零一九年已支付予執行董事的薪酬詳情載於財務報表的附註9。

於二零一九年，向高級管理人員支付的薪酬介乎以下範圍：

		Number of staff 員工人數
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HK\$8,000,001–HK\$9,000,000	港幣8,000,001元至港幣9,000,000元	1
HK\$4,000,001–HK\$8,000,000	港幣4,000,001元至港幣8,000,000元	—
HK\$3,000,001–HK\$4,000,000	港幣3,000,001元至港幣4,000,000元	2
HK\$2,000,001–HK\$3,000,000	港幣2,000,001元至港幣3,000,000元	—
HK\$1,000,001–HK\$2,000,000	港幣1,000,001元至港幣2,000,000元	1

(iv) 提名委員會

提名委員會由董事會主席及兩名獨立非執行董事組成。

提名委員會的職責為檢討董事會的架構、規模及組合、審閱獨立非執行董事的獨立性，並甄選合適人選，以於本公司股東大會上獲委任為董事。

(5) Board Committees (Continued)

(iv) Nomination Committee (Continued)

Board Diversity Policy

The Company has adopted a board diversity policy (the “Board Diversity Policy”) with measurable objectives. Selections of Board candidates shall be based on a range of diversity perspectives with reference to the Company’s business model and specific needs, including but not limited to gender, age, educational background and work-profile. The Company recognizes the benefits of having a diverse Board and sees diversity at the Board level as an essential element in maintaining its competitive advantage. The Board composition reflects a full complement of expertise and skills and diversity appropriate to the Company’s business activities.

The complete Board Diversity Policy can be found on the Company’s website.

Nomination Policy

The nomination policy of the Company (the “Nomination Policy”) was adopted on 27 November 2018 to provide formal, clear and transparent procedures, process and criteria for the Nomination Committee to nominate and recommend suitable candidate to the Board.

Selection Criteria

Nomination Committee and the Board may consider the following factors, which are neither exhaustive nor decisive, when assessing the suitability of a proposed candidate:

- (a) personal ethics, reputation and integrity;
- (b) professional qualifications, skills, knowledge and experience that are relevant to the Company’s businesses and corporate development and strategy;
- (c) willingness and ability to devote adequate time to discharge the duties as a director and to make required commitments;
- (d) the “Board Diversity Policy” adopted by the Company (as amended from time to time); and
- (e) applicable legal and regulatory requirements (as amended from time to time).

(5) 董事委員會(續)

(iv) 提名委員會(續)

董事會成員多元化政策

本公司已採納具有可計量目標的董事會成員多元化政策(「董事會成員多元化政策」)。甄選董事會候選人應基於多個多元化視角，並參考本公司的業務模式及特定需要，包括但不限於性別、年齡、教育背景及工作經驗。本公司確認多元化董事會的好處，並洞悉董事會層面多元化為維持競爭優勢的關鍵元素。董事會的組成反映適合本公司業務活動全面專業知識及技術以及多元化。

完整董事會成員多元化政策可於本公司網站查閱。

提名政策

於二零一八年十一月二十七日，本公司已採納提名政策(「提名政策」)，為提名委員會向董事會提名及推薦合適候選人提供正式、明確及具透明度的程序、流程及準則。

甄選準則

提名委員會及董事會可考慮以下因素作為評估人選是否適合，但不旨在涵蓋所有因素，也不具決定性作用：

- (a) 個人道德、信譽及誠信；
- (b) 與公司業務、企業發展及策略相關的專業資格、技能、知識及經驗；
- (c) 願意並有能力投入足夠的時間履行董事職責並作出必要的承諾；
- (d) 本公司所採納(經不時修訂)的「董事會成員多元化政策」；及
- (e) (經不時修訂)適用法律與監管規定。

(5) Board Committees (Continued)

(iv) Nomination Committee (Continued)

Nomination Procedures

- (a) For filling a causal vacancy or appointing an additional director to the Board in accordance with Article 92 of the Articles of Association of the Company, Nomination Committee shall make recommendation for the Board's consideration and approval. For proposing candidates to stand for election at a general meeting, Nomination Committee shall make nomination to the Board for consideration and recommendation.
- (b) Shareholder(s) may nominate a candidate to stand for election as a director at a general meeting in accordance with the "Procedures for shareholders to propose a person for election as a director" published by the Company from time to time.
- (c) The nomination proposal should include the candidate's biographical information and other information as required to be disclosed under the Listing Rules and the candidate's signed written consent to be appointed as a director and to the publication of his/her personal data on any documents or the relevant websites for the purpose of or in relation to their standing for election as a director.
- (d) If considered necessary, Nomination Committee may request the candidate to provide additional information and documents.
- (e) Nomination Committee shall consider the nomination proposal, evaluate such candidate based on the selection criteria and review the structure, size and diversity of the Board to determine whether such candidate is suitable for recommending to the Board.
- (f) A circular with the candidate information such as the name, brief biography (including qualifications and relevant experience), proposed remuneration, independence and any other information, as required pursuant to the applicable laws, rules and regulations will be provided to shareholders before the general meeting and within the prescribed period as required under Listing Rules.
- (g) The Board shall have the final decision on all matters relating to the recommendation of a candidate to stand for election at a general meeting.

The complete Nomination Policy can be found on the Company's website.

(5) 董事委員會(續)

(iv) 提名委員會(續)

提名程序

- (a) 如要根據本公司組織章程細則第92條填補臨時空缺或委任增補董事會成員，提名委員會須推薦人選供董事會考慮及批准。如要推薦候選人在股東大會上參選，提名委員會須向董事會提名供其考慮及推薦。
- (b) 股東可根據本公司不時公佈的「股東提名人選參選董事之程序」提名一位人選於股東大會上供選任為董事。
- (c) 提名建議應包括候選人的履歷及根據上市規則須予披露的其他資料，以及候選人簽署的書面同意書，同意被委任為董事，並同意就其參選董事或與此有關的事情在文件或相關網站公開披露其個人資料。
- (d) 提名委員會如認為有必要，可以要求候選人提供額外資料及文件。
- (e) 提名委員會根據甄選準則考慮提名建議及評審該人選，並檢討董事會的結構、規模和多樣化，以確定該人選是否適合向董事會推薦。
- (f) 於股東大會前及根據上市規則要求訂明時間內，向股東提供一份有候選人資料的通函，該份資料載有候選人的姓名、簡歷(包括資歷及相關經驗)、建議酬金、獨立性及其他按適用法律、規則及規例所須的資料。
- (g) 董事會就所有有關在股東大會上推薦候選人參選的事宜擁有最終決定權。

完整提名政策可於本公司網站查閱。

(5) Board Committees (Continued)**(iv) Nomination Committee (Continued)**

During the year, the Nomination Committee held one meeting. The attendance of members is as follows:

Names 姓名	Nomination Committee meeting attended/ Eligible to attend 已出席／合資格出席 提名委員會會議次數
Mr. HO Lap Kee, Sunny, M.H., J.P. (<i>Chairman</i>) 何立基先生，M.H., J.P. (主席)	1/1
Mr. CHUNG Wai Kwok, Jimmy 鍾維國先生	1/1
Dr. LEE Nai Shee, Harry, S.B.S., J.P. 李乃熺博士，S.B.S., J.P.	1/1

At the meeting, the Nomination Committee performed, among other matters, the following duties: (i) reviewed the structure, size and composition of the Board; (ii) reviewed the independence of the Independent Non-executive Directors; and (iii) reviewed and recommended six retiring Directors for re-election by shareholders at the 2019 AGM.

(v) Investment Committee

The Investment Committee consists of one Non-executive Director and three Independent Non-executive Directors.

The duty of the Investment Committee is to oversee the Company's investments in financial instruments and the management's execution of the investment policy guidelines laid down by the Board.

(5) 董事委員會(續)**(iv) 提名委員會(續)**

年內，提名委員會曾舉行一次會議，委員出席率如下：

Names 姓名	Nomination Committee meeting attended/ Eligible to attend 已出席／合資格出席 提名委員會會議次數
Mr. HO Lap Kee, Sunny, M.H., J.P. (<i>Chairman</i>) 何立基先生，M.H., J.P. (主席)	1/1
Mr. CHUNG Wai Kwok, Jimmy 鍾維國先生	1/1
Dr. LEE Nai Shee, Harry, S.B.S., J.P. 李乃熺博士，S.B.S., J.P.	1/1

會議上，提名委員會除其他事項外，已履行以下職務：(i)檢討董事會架構、規模及組成；(ii)檢討獨立非執行董事的獨立性；及(iii)檢討及建議六名在二零一九年股東週年大會供股東膺選連任的退任董事。

(v) 投資委員會

投資委員會由一名非執行董事及三名獨立非執行董事組成。

投資委員會的職責是監督本公司於金融工具的投資以及管理層執行董事會所定投資政策指引的情況。

(5) Board Committees (Continued)

(v) Investment Committee (Continued)

During the year, the Investment Committee convened three meetings. The attendance of members is as follows:

Names	Investment Committee meetings attended/ Eligible to attend
姓名	已出席／合資格出席 投資委員會會議次數
Mr. CHAK Hubert (Chairman)	翟迪強先生(主席) 3/3
Mr. CHAU Tak Hay	周德熙先生 3/3
Ms. CHAN Chi Yan	陳紫茵女士 3/3
Mr. YING Tze Man, Kenneth ⁽¹⁾	英子文先生 ⁽¹⁾ 2/3

Note:

- (1) Mr. YING Tze Man, Kenneth was unable to attend the Investment Committee meeting on 12 March 2019 due to overseas engagement.

At the three meetings, the Investment Committee performed, among other matters, the following duties: (i) reviewed the execution of the investment policy by Senior Management; (ii) reviewed the portfolio of the Company's investment; (iii) discussed new investment ideas and strategies; and (iv) recommended amendments to the investment guidelines for the Board's consideration and approval.

(6) Company Secretary

Mr. HO Chi Kin Joseph, the Group's Senior Vice President of Legal & Compliance, is the Company Secretary of the Company. Mr. HO has confirmed that during the year under review he has taken no less than 15 hours of relevant professional training.

(5) 董事委員會(續)

(v) 投資委員會(續)

年內，投資委員會曾召開三次會議，委員出席率如下：

Names	Investment Committee meetings attended/ Eligible to attend
姓名	已出席／合資格出席 投資委員會會議次數
Mr. CHAK Hubert (Chairman)	翟迪強先生(主席) 3/3
Mr. CHAU Tak Hay	周德熙先生 3/3
Ms. CHAN Chi Yan	陳紫茵女士 3/3
Mr. YING Tze Man, Kenneth ⁽¹⁾	英子文先生 ⁽¹⁾ 2/3

附註：

- (1) 英子文先生因海外事務而無法出席於二零一九年三月十二日舉行的投資委員會會議。

三次會議上，除其他事項外，投資委員會已履行以下職務：(i)檢討高級管理人員對投資政策的執行情況；(ii)檢討本公司的投資組合；(iii)討論新投資概念及策略；及(iv)建議修訂投資指引，以供董事會考慮及批准。

(6) 公司秘書

本集團的法律及合規部高級副總裁何志健先生是本公司的公司秘書。何先生確認，彼於回顧年內參與不少於15小時相關的專業培訓。

(7) Shareholders' Rights

Shareholder(s) holding at least 5% of the total voting rights of all the shareholders of the Company having a right to vote at general meetings can send a request to the Company to convene a general meeting pursuant to Section 566 of the Companies Ordinance (Cap. 622). The request must state the general nature of the business to be dealt with at the meeting and may include the text of a resolution that may properly be moved and is intended to be moved at the meeting. The request must be authenticated by the relevant shareholder(s) and sent to the Company in hard copy form or in electronic form.

Shareholders may also put forward proposals at general meetings in accordance with Sections 580 or 615 of the Companies Ordinance (Cap. 622). Shareholder(s) representing at least 2.5% of the total voting rights of all the shareholders who have a relevant right to vote at the general meeting or at least 50 shareholders of the Company who have a relevant right to vote at the general meeting may request the Company to circulate statements regarding resolutions proposed at the general meeting; or request the Company to circulate resolutions which may properly be moved and is intended to be moved at the AGM. The requisition must be authenticated by the shareholder(s) concerned and sent to the Company in hard copy form or in electronic form where, (i) in the case of a requisition for the circulation of statements regarding resolutions proposed at a general meeting, such requisition must be received by the Company not later than 7 days before the general meeting; or (ii) in the case of a requisition for the circulation of resolutions to be moved at the AGM, the requisition must be received by the Company not later than six weeks before the relevant AGM or if later, the time when the notice of the AGM is dispatched.

Pursuant to Article 101 of the Company's Articles of Association, no person, other than a retiring Director, shall, unless recommended by the Directors for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been given to the Company in each case, during the period (being a period of at least seven days) commencing on the day after dispatch of the notice of general meeting at which elections to the office of Director are to be considered and ending on the day that falls seven days before the date of the general meeting (both days inclusive). The procedures for shareholders of the Company to propose a person for election as a Director are set out in the Corporate Governance Section of the Company's website.

(7) 股東權利

根據香港法例第622章《公司條例》第566條，擁有不少於有權在股東大會上表決的全體股東的總表決權5%的股東可向本公司申請召開股東大會。該申請須列明將於股東大會上處理事務的整體性質，亦可載入大會上可能正式動議及有意動議的決議案全文。該申請須由相關股東認證並以文本或電子形式寄至本公司。

股東亦可根據香港法例第622章《公司條例》第580或615條於股東大會提呈建議。佔股東大會有關投票權的全體股東總投票權最少2.5%的股東或於股東大會有關投票權的最少50名股東可要求本公司傳閱有關於股東大會上提呈之決議案陳述書；或要求本公司傳閱將於股東週年大會妥為動議及擬動議的決議案。要求必須由有關股東認證，並以文本形式或電子形式寄至本公司，(i)倘要求傳閱有關於股東大會提呈決議案之陳述書時，本公司須在股東大會舉行前不少於七日接收該請求陳述書；或(ii)倘要求傳閱於股東週年大會提呈之決議案時，本公司須在相關股東週年大會舉行前不少於六星期(或倘較後，則股東週年大會通告寄發之時)接收該請求書。

根據本公司之組織章程細則第101條，除退任董事之外，所有人士(除董事推薦參選外)均無資格在任何股東大會上膺選為董事，除非表明有意提名該人士參選的書面通知，及該人士表明其願意參選的書面通知已送達本公司，在每一情況下，該期間(不少於7天的一段時期)，始於為審議該董事選舉而召開的大會通告寄發次日並止於該股東大會日期前7天(上述兩天包括在內)。本公司股東提名膺選董事的程序載列於本公司網站的企業管治部分。

(8) Communications with Shareholders and Investors

The Company has established Shareholders Communication Policy and is available under the “Investor Relations” section of the Company’s website. The Company encourages two-way communication with its shareholders and investors to enhance understanding of the Group’s performance and developments. Regular newsletters on the Company’s latest business development are published on the Company’s website. A free subscription service is available for interested parties to receive email notification when there are major updates on investor’s information webpages.

During the year, the Company held two forums for its individual shareholders on 9 April 2019 and 16 September 2019 to brief the shareholders on the 2018 annual results and 2019 interim results respectively and the latest corporate developments. The Company also arranged meetings for institutional investors and analysts to discuss the Company’s latest developments with Senior Management. In 2019, the Company met with a total of 51 institutional investors, analysts and individual shareholders.

After the announcements of the 2018 annual results and 2019 interim results respectively, the Company organized two media luncheons with a total of 17 financial reporters and journalists to brief them about the Company’s financial results and business developments.

As regards the Company’s 2019 AGM, almost all Board members, including Chairman of the Board and Chairmen of the respective Board Committees, and Senior Management of the Company attended the meeting to answer questions raised by shareholders.

(9) Constitutional Document

The Memorandum and Articles of Association of the Company (“Constitutional Document”) is available on the Company’s website and the website of the HKEXnews of the Hong Kong Exchange and Clearing Limited. There was no amendment to the Constitutional Document during 2019.

(8) 與股東及投資者溝通

本公司已建立股東通訊政策，並可在本公司網站「投資者關係」一欄查閱。本公司一直鼓勵與其股東及投資者作出雙向溝通，致力提高股東對本集團表現及發展的瞭解。有關本公司最新業務發展的定期通訊刊登於本公司網站內。有興趣人士可透過免費訂閱服務，當投資者資訊網頁有重大更新時收取電郵通知。

年內，本公司於二零一九年四月九日及二零一九年九月十六日舉行兩次個人投資者聚會，分別向股東簡報二零一八年全年業績、二零一九年中期業績及公司最新發展。本公司亦為機構投資者及分析員安排與高級管理人員討論本公司的最新發展。二零一九年，本公司與合共五十一名機構投資者、分析員及個別股東會面。

二零一八年全年業績與二零一九年中期業績分別公佈後，本公司與合共十七名財經記者及新聞記者進行兩次媒體午餐，向彼等簡報本公司的財務業績與業務發展。

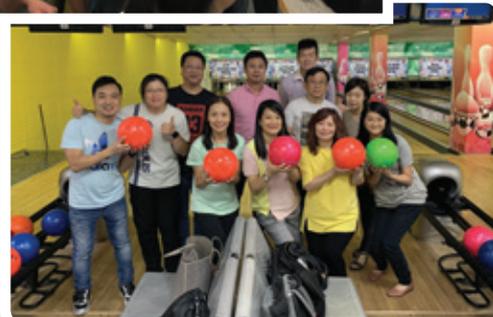
就本公司二零一九年股東週年大會，絕大部分董事會成員(包括董事會主席及董事會轄下各委員會主席)及本公司高級管理人員均有出席大會，並即席回應股東提問。

(9) 憲章文件

本公司組織章程大綱及組織章程細則(「憲章文件」)載於本公司網站及香港交易及結算所有限公司的披露易網站。於二零一九年，並無對憲章文件作出任何修訂。

Environmental, Social and Governance Report

環境、社會及管治報告



Environmental, Social and Governance Report (“ESG Report”)

環境、社會及管治報告(「環境、社會及管治報告」)

This ESG Report includes our disclosures related to the requirements as set out in the Environmental, Social and Governance Reporting Guide (the “ESG Guide”), Appendix 27 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“Listing Rules”).

About Tradelink

Tradelink is an e-commerce services company and its principal activity is to provide Government Electronic Trading Services (“GETS”) for processing certain official trade-related documents. Leverage its core competence, Tradelink has diversified its business in other areas including supply chain solutions, identity management solutions and payment technology solutions, some of which being operated by the Company’s subsidiaries. The mission of the Company is to empower its clients with business enabled e-solutions for their commercial and financial activities.

Scope of the ESG Report

This ESG Report focuses on aspects which have been identified as material to the Group’s business by the Board and its key stakeholders namely, its employees, investors and shareholders, customers, suppliers and the community. As our core business is operated in Hong Kong, the scope of reporting in this ESG Report covers Tradelink and its subsidiaries in Hong Kong for the period from 1 January 2019 to 31 December 2019.

ESG Strategy & Reporting

In accordance with the Listing Rules, the Board has overall responsibility for the Company’s ESG strategy and reporting. The Company has been pursuing its ESG strategy since its adoption by the Board on 29 March 2016. Our ESG strategy is summarized as follows:

Environmental

- We are committed to sustainable business practices that help protect the environment.
- We run our business in a responsible manner and minimize environmental pollution.
- We implement internal policies to reduce environmental impact and raise employees’ awareness of the efficient use of resources.
- We support or collaborate with organizations which promote environmental protection.

本環境、社會及管治報告，包括香港聯合交易所有限公司證券上市規則(「上市規則」)附錄27《環境、社會及管治報告指引》(「環境、社會及管治指引」)所載規定的有關披露。

關於貿易通

貿易通為一家電子商貿服務的公司，主要業務是提供處理若干政府貿易相關文件的政府電子貿易服務(「GETS」)。憑藉本身核心競爭實力，貿易通已將業務擴展至供應鏈應用方案、身份管理解決方案及支付科技解決方案等其他領域，其中部分由本公司的附屬公司經營。本公司的經營理念是以專業電子方案，成就客戶商業及金融業務。

環境、社會及管治報告的報告範圍

本環境、社會及管治報告專注於董事會及其主要持份者(即其僱員、投資者及股東、客戶、供應商及社區)認為對本集團業務尤其重要的範疇。由於我們的業務核心位於香港，本環境、社會及管治報告涵蓋範圍包括於二零一九年一月一日至二零一九年十二月三十一日期間的貿易通及其香港附屬公司。

環境、社會及管治策略及報告

根據上市規則，董事會整體負責本公司的環境、社會及管治策略及報告。自二零一六年三月二十九日董事會採納環境、社會及管治策略起，一直秉持奉行。我們的環境、社會及管治策略概括如下：

環境

- 我們致力於有助保護環境的可持續業務活動。
- 我們以負責任的方式經營業務，並將環境污染減至最少。
- 我們實施內部政策以減輕對環境的影響，並提高僱員善用資源的意識。
- 我們支持宣揚環境保護的機構，或與其合作。

Social

- We manage our human resources and maintain our employer-employee relationship with the employees in strict compliance with the relevant labor laws.
- We use our reasonably best endeavors to engage suppliers which are in compliance with their local environment and labor laws.
- We make positive contributions to the community.

Governance

- Tradelink is committed to a high standard of corporate governance and detailed information in relation to Governance aspect is shown separately under the heading “Corporate Governance Report” in the annual report.

The Board will review the ESG strategy and identify areas for improvements from time to time or when appropriate.

The Board has delegated its responsibilities to the Audit Committee to evaluate and determine ESG-related risks to ensure that appropriate and effective ESG risk management and internal control systems are in place. The Board has also delegated responsibilities to the Corporate Governance Committee to review performance and compliance on corporate governance matters of the Company. Both the Audit Committee and Corporate Governance Committee would report back to the Board on their decisions or recommendations for the Board’s consideration and approval.

During the year, the Board received a confirmation from Senior Management on the effectiveness of the ESG risk management and internal control systems on the basis of the risk management and internal control reports. The same reports have been endorsed by the Audit Committee.

社會

- 我們嚴格遵照相關勞工法，以管理人力資源及與僱員維持良好僱傭關係。
- 我們在合理情況下盡最大努力委聘遵守其當地環境及勞工法的供應商。
- 我們為社區作出積極貢獻。

管治

- 貿易通致力實行高標準的企業管治，有關管治方面的詳細資料於本年報「企業管治報告」另行刊載。

董事會將審閱環境、社會及管治策略，且不時或於適當時候提出改善空間。

董事會已委託其職責予審核委員會評核及釐定有關環境、社會及管治的風險，確保已採納適當有效的環境、社會及管治風險管理及內部監控系統。董事會亦已委託職責予企業管治委員會，檢討本公司企業管治事宜的表現及是否合規。審核委員會及企業管治委員會均會向董事會匯報其決定或推薦建議，以供董事會考慮及批准。

年內，董事會接獲高級管理人員基於風險管理及內部監控報告就環境、社會及管治風險管理及內部監控系統成效作出的確認。該報告已獲審核委員會通過。

Stakeholders' Engagement

The Company values the opinions of its stakeholders and engages them on a continual basis in order to understand their views, meet or even exceed their expectations and implement its ESG strategy more smoothly and successfully. In 2019, the Company collected the following stakeholders' opinions via various channels:

Stakeholders 持份者	Concerned matters 關注的事宜	Engagement channels 參與渠道
Employees 僱員	<ul style="list-style-type: none"> — Employee rights and benefits — Training and development — The work environment — Work-life balance — 僱員權利及福利 — 培訓及發展 — 工作環境 — 工作與生活之間的平衡 	Staff intranet portal and emails, staff club 員工內聯網及電郵、員工俱樂部
Investors and shareholders 投資者及股東	<ul style="list-style-type: none"> — Investment returns — Business development — Business performance — Business strategies — Corporate governance — 投資回報 — 業務發展 — 業務表現 — 業務策略 — 企業管治 	Announcements, newsletters, circulars, annual report, interim report, annual general meeting, investor forums and shareholder meetings 公告、通訊、通函、年報、中期報告、股東週年大會、投資者論壇及股東大會
Customers 客戶	<ul style="list-style-type: none"> — Product/service quality/service level — Product/service price — Customer information/personal data confidentiality — Cyber security — Employment practices — Business ethics (anti-corruption and prevention of bribery) — Corporate governance — 產品／服務質素／服務水平 — 產品／服務價格 — 客戶資料／個人資料保密性 — 網絡安全 — 僱員常規 — 商業道德(反貪污及防止賄賂) — 企業管治 	Product/service terms and conditions, code of conduct, contracts, letter of undertaking on integrity, meetings and training, after-sales service (customer inquiries or complaints) 產品／服務條款及條件、操守守則、合約、誠信承諾函、會議及培訓、售後服務(客戶查詢或投訴)
Suppliers 供應商	<ul style="list-style-type: none"> — Business ethics and credit — Fair trade — Mutually beneficial strategic alliances — Corporate governance — 商業道德及信用 — 公平交易 — 互惠互利戰略夥伴 — 企業管治 	Negotiation of contracts, meetings 磋商合約、會議
Community 社區	<ul style="list-style-type: none"> — Community development — Social welfare — 社區發展 — 社會福利 	Volunteer work and charitable activities 義工服務及慈善活動

ESG-related risks were also raised and discussed in the Company's risk management meetings which were held on a regular basis. Comments and recommendations were reported back to Senior Management.

持份者的參與

本公司重視持份者的意見及不斷邀請彼等參與，以瞭解彼等的觀點，滿足或甚至超出彼等期望，從而更暢順成功地推行本公司的環境、社會及管治策略。於二零一九年，本公司通過多條渠道收集下列持份者的意見：

有關環境、社會及管治的風險亦已於本公司定期舉行的風險管理會議上提出及討論，並已向高級管理人員匯報意見及推薦建議。

Materiality Assessment

During the year, the stakeholders' opinions collected were reviewed and assessed. Taking into account the reporting principles as set out in the ESG Reporting Guide, the business nature and principal activity of the Company, the relevant information under the Social Areas of the ESG Guide, which is considered to be important to its investors and stakeholders, would be disclosed in details in this ESG Report. Information on the relevant policies adopted by the Company and how such policies comply with the relevant laws and regulations would also be disclosed.

Given the fact that the Company is an e-commerce services company, the three aspects under the Environmental Area, namely Emissions, Use of Resources and the Environment and Natural Resources, are not considered material enough which need to be disclosed in accordance with the ESG Guide. The respective reasons are as follows:

For Emissions, the Company's operation is not involved in air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste in significant quantities. There are no relevant laws and regulations that have significant impact on the Company regarding Emissions.

Similarly, for Use of Resources, the Company's operation is not involved in direct and/or indirect energy consumption (e.g. electricity, water and other raw materials) and water consumption in significant quantities. In addition, the Company's operation is not involved in packaging materials used for finished products as the Company does not deliver tangible products.

For Environment and Natural Resources, the Company considers its business nature and operation having no significant impact on environment and natural resources.

Nevertheless, the Company understands the importance of environmental protection and undoubtedly supports it. In this regard, the Company constantly reminds its staff to protect the environment and use energy and resources effectively and efficiently by issuing policies and guidelines on the related subjects. In this ESG Report, we would voluntarily disclose the policies and practices which have been adopted by the Company with a view to conserving the environment.

重要性評估

年內，持份者的意見經審核及評估。經考慮環境、社會及管治報告指引所載報告原則，本公司業務性質及主要活動、對投資者及持份者不可或缺的環境、社會及管治報告指引社會範疇項下的相關資料，將於本環境、社會及管治報告中詳細披露。本公司採取的相關政策及該等政策如何遵守相關法例及法規亦會被披露。

由於本公司為一家電子商貿服務公司，故其於三個環境範疇（即排放物、資源使用以及環境及天然資源）的重要性不至於須按照環境、社會及管治報告指引作出披露。個別理由如下：

就排放物而言，本公司的營運並不涉及大量氣體及溫室氣體排放、向水及土地排污以及產生有害及無害廢棄物。概無相關法律及法規對本公司就排放物方面有重大影響。

同樣地，就資源使用方面，本公司的營運亦不涉及直接及／或間接大量能源消耗（如電力、水及其他原材料）及耗水。此外，由於本公司不會交付有形產品，本公司的營運不涉及用於製成品的包裝材料。

就環境及天然資源而言，本公司認為其業務性質及營運並無對環境及天然資源造成重大影響。

然而，本公司明白環境保護的重要性，且定必支持。就此，本公司發出有關政策及指引，以不斷提醒僱員保護環境以及有效善用能源和資源。於本環境、社會及管治報告，我們將自願披露本公司旨在保護環境而採取的環保政策及行動。

Environmental

The Company has implemented several environmental policies to protect the environment. We have been running and will continue to run our business in a responsible manner and minimize environmental pollution.

The Company takes actions in daily operations to reduce environmental impact. They include:

- using LED lamps, reminding staff of turning off lights and air-conditioning when not in use or out of office,
- keeping air-conditioning at 25°C,
- installing a new air-conditioning system in the office to improve the air quality and save energy consumption and costs,
- posting internal posters on saving water,
- installing tap water controllers to limit the water flow and speed to save water consumption,
- setting up timer for air conditioners and water dispensers to save electricity,
- using e-forms to reduce use of paper, and
- installing recycling bins for metals, plastics and waste paper collections in office.

Besides, the Company produces corporate stationeries, reports and souvenirs made by environment-friendly materials, uses recycled papers and toners, and also adopts green dish in Company Annual Dinner to raise employees' awareness of efficient use of resources and conservation of the environment. The Company is willing to support or collaborate with organizations which promote environmental protection. All these policies aim at not only environmental protection but also cost-saving for the Company.

環境

本集團已實施多項保護環境的環保政策。我們已採取及將繼續採取負責任及將環境污染減至最低的方式經營我們的業務。

本公司於日常營運採取行動以減輕對環境的影響，包括：

- 採用LED燈、提醒僱員在不使用或離開辦公室時關掉照明及空調、
- 將空調溫度保持於攝氏25度、
- 於辦公室安裝新空調系統，以改善空氣質素以及節約能源及成本、
- 張貼節約用水海報、
- 安裝自來水控制器限制水流及速度，以節省用水量、
- 為空調及飲水機設置定時器，以節省電力、
- 使用電子表格以節約用紙，及
- 於辦公室設置收集金屬、塑料及廢紙的回收箱。

此外，本公司採用環保物料製作公司文具、報告及禮品、回收循環使用紙張及碳粉，並在公司週年晚宴點選綠色菜單等，以提高僱員對善用資源及保護環境的意識。本公司願意支持宣揚環保的機構或與其合作。上述各項政策目的不但為提倡環保，而且可節省本公司成本。

Environmental (Continued)

The Company also promotes environmental awareness of our employees and the good use of resources through different programs. During the reporting period, the Company has mobilized our staff to support Non-Governmental Organizations (“NGOs”) campaigns such as:

- collecting used red packets for recycling by Greeners Action and pledging to reduce the printing quantity of company red packets,
- collecting books for recycling in support of the Used Book Recycling Campaign organized by World Vision Hong Kong,
- collecting mooncake boxes for recycling organized by Greeners Action, and
- donating food/Chinese New Year gifts to the underprivileged in support of the campaign organized by Food Grace.

Social

Employment and Labour Practices

Employment

Employee profiles and turnover rates in 2019 of our operations in Hong Kong, breakdown by gender and age are shown at table below.

		Number of employee 僱員人數	Overall turnover rate 2019 二零一九年整體流失率
Our workforce	員工	241	9.6%
Breakdown by gender	按性別劃分		
Female	女性	104	43.2%
Male	男性	137	56.8%
Breakdown by age	按年齡劃分		
< 25	<25歲	18	7.5%
25–29	25歲至29歲	46	19%
30–39	30歲至39歲	48	20%
40–49	40歲至49歲	87	36.1%
> 50	>50歲	42	17.4%

The Company manages its human resources and maintains its employer-employee relationship with the employees in compliance with the Employment Ordinance (Cap. 57), the Mandatory Provident Fund Schemes Ordinance (Cap. 485), the Minimum Wage Ordinance (Cap. 608) and the different legislations against discrimination.

環境(續)

本公司亦通過各項計劃提高僱員的環保及善用資源意識。於報告期內，本公司動員僱員支持非政府機構(「非政府組織」)的活動，例如：

- 收集用過的利是封，支持綠領行動回收，並承諾減少公司利是封印刷量，
- 收集書籍支持香港世界宣明會舉辦的舊書回收義賣大行動，
- 收集月餅盒，支持綠領行動回收，及
- 捐贈食物／賀年禮物予弱勢社群，支持食德好舉行的活動。

社會

僱員及勞工常規

僱員

下表列示按性別及年齡劃分的二零一九年香港業務的僱員資料及流失率。

		Number of employee 僱員人數	Overall turnover rate 2019 二零一九年整體流失率
Our workforce	員工	241	9.6%
Breakdown by gender	按性別劃分		
Female	女性	104	43.2%
Male	男性	137	56.8%
Breakdown by age	按年齡劃分		
< 25	<25歲	18	7.5%
25–29	25歲至29歲	46	19%
30–39	30歲至39歲	48	20%
40–49	40歲至49歲	87	36.1%
> 50	>50歲	42	17.4%

本公司遵守香港法例第57章《僱傭條例》、香港法例第485章《強制性公積金計劃條例》、香港法例第608章《最低工資條例》及各項反歧視法例，以管理人力資源及與僱員維持僱傭關係。

Social (Continued)

Employment and Labour Practices (Continued)

Employment (Continued)

To the Company, employees are valuable assets. The Company provides equal employment opportunity and competitive remuneration packages to attract and retain employees. The Company has issued and would continue to review and update policies and guidelines relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare.

The Company offers employee benefits better than the requirements of Employment Ordinance like fully-paid sick leave, maternity leave and paternity leave, and provides birthday leave, marriage leave, compassionate leave, examination leave, voluntary service leave, medical insurance and ex-gratia payment to retiring employees. The Company has employed disabled employees and provided them with disability-friendly working environment. The Company has adopted a lactation policy and provided a lactation room to support breastfeeding mothers as part of the Company's family-friendly policies and benefits. In addition, during the reporting period the Company has encouraged staff to have healthier diets and provided fresh fruits for their consumption every Monday and Wednesday.

In order to promote work-life balance, the Company provides flexible working hours to employees, makes part-time job arrangement for working parents, and the Tradelink Staff Club has organized different leisure activities for employees and their family members during weekends and holidays. The Company has also designated a room to be the common room for holding staff social activities.

Health and Safety

The Company provides a safe and healthy working environment and protected employees from occupational hazards in compliance with relevant laws and regulations, including without limitation the Occupational Safety and Health Ordinance (Cap. 509) ("OSHO") and the regulations under the OSHO.

During the year, yoga training, bowling competition, stretching class, company outing, Christmas party, annual dinner and interest classes were organized for staff. Fruit is provided to staff on every Monday and Wednesday. Besides, Automated External Defibrillator ("AED") was purchased in 2018 and training on AED was provided to staff. From time to time, the Company provides occupational health and safety information to its employees so as to raise their awareness on workplace safety.

社會(續)

僱員及勞工常規(續)

僱員(續)

就本公司而言，僱員為寶貴資產。本公司提供平等的聘用機會及具競爭力的薪酬待遇以吸引及留聘僱員。本公司已發出及將持續審核及更新有關報酬及解僱、招聘及晉升、工時、休息時間、平等機會、多元性、反歧視以及其他利益及福利的政策及指引。

本公司提供較僱傭條例規定更優越的僱員福利，例如全薪病假、產假及侍產假，並提供生日假、婚假、喪假、考試假、義工假、醫療保險及退休僱員特惠金。本公司聘用傷殘僱員，為彼等提供無障礙的工作環境。本公司採納哺乳政策，提供哺乳室以支持餵哺母乳的母親，作為本公司的家庭友善政策及福利的一環。此外，於報告期間，本公司鼓勵員工有更健康的飲食，並於每個星期一及星期三提供新鮮水果予彼等享用。

為促進工作與生活取得平衡，本公司實施僱員彈性上班時間，為在職家長安排兼職，貿易通員工俱樂部於週末及假日為僱員及其家庭成員舉辦不同休閒活動。本公司亦有指定房間，作為舉辦僱員社交活動之用的公用活動室。

健康及安全

本公司根據相關法例及法規，包括但不限於香港法例第509章《職業安全及健康條例》(「職安健條例」)及職安健條例項下的法規，提供安全及健康的工作環境及保障僱員的職業安全。

年內，本公司曾為員工安排瑜珈訓練、保齡球比賽、伸展班、公司外遊、聖誕派對、週年晚宴及興趣班。於每個星期一及星期三為員工提供水果。此外，於二零一八年，已購入自動體外心臟去顫器(「AED」)，並為僱員提供AED訓練。本公司不時向僱員提供職業健康及安全的資訊以提高彼等於工作間的安全意識。

Social (Continued)

Employment and Labour Practices (Continued)

Health and Safety (Continued)

The Company always puts office safety as their top priority. The Company would do its utmost to minimize the risk of fire in office. In accordance with fire regulations, all Tradelink offices have been installed with fire sprinklers and fire extinguishers, which are checked annually by qualified persons. In order to increase the staff's safety awareness, fire drill is conducted regularly to show the location of fire exits and the way to the exit in case of a fire. Training on fire safety was also organized for staff.

Development and Training

The Company has policy on training subsidy. The Company supports employees to attend external, job-related training courses and seminars to improve their knowledge and skills for discharging their duties at work and enhance their career progression. Moreover, the Company provides training subsidy to staff for payment of course fees and examination fees for job-related courses or qualifications. During the year, the Company has organized in-house training and workshops, like mental health first aid course, briefing on tax deduction for voluntary health insurance scheme, MPF tax deductible voluntary contributions and qualifying deferred annuity policy and ICAC talk on anti-corruption.

Labour Standards

The Company abides by the Employment Ordinance (Cap. 57) and its regulations and have not employed any child and forced labour.

Operating Practices

Supply Chain Management

The Company values mutually beneficial long standing relationships with the suppliers and customers by providing high quality services to customers and developing mutual trust with suppliers.

In the Company's procurement policy, it is specifically stated that the Company would use its reasonably best endeavors to select and engage suppliers which are in compliance with their local environmental and labor laws. Moreover, the Company requests its key suppliers to provide written compliance confirmations confirming, inter alia, that they are in compliance with their local environmental laws and regulations and they will run their businesses in a responsible manner and minimize environmental pollution.

社會(續)

僱員及勞工常規(續)

健康及安全(續)

本公司一直置辦公室安全於首位。本公司會竭盡所能減低辦公室發生火警的風險。根據防火規例，貿易通全部辦公室已安裝灑水系統及滅火器，並每年由合資格人士檢查。為提高僱員防火意識，我們定期進行火警演習，指示逃生出口的位置及到達出口的方法。我們亦為員工舉辦消防安全培訓。

發展及培訓

本公司推行培訓資助政策，支持僱員參加外部職業培訓課程及研討會以加強彼等用於工作上的知識及技能，從而改善職業發展。此外，本公司亦會向報讀工作相關課程或考取相關資格的僱員提供有關費用的培訓資助。年內，本公司已舉辦內部培訓及工作坊，例如精神健康急救班、自願醫保計劃扣稅簡介、強積金可扣稅自願性供款及合資格延期年金保單簡介，以及廉政公署反貪污講座。

勞工標準

本公司遵守香港法例第57章《僱傭條例》及其法規的規定，並無僱用任何童工及強制勞工。

業務常規

供應鏈管理

本公司重視與供應商及客戶的長線互惠互利關係，向客戶提供高質素服務，並與供應商建立互信關係。

本公司的採購政策特別指明，本公司將合理及竭盡全力選擇及委聘遵守其當地環境及勞工法例的供應商。此外，本公司要求其主要供應商提供書面遵守確認，以確認(其中包括)其遵守當地環境法例及法規，並以負責任及將環境污染減至最低的方式經營業務。

Social (Continued)

Operating Practices (Continued)

Product Responsibility

The Company provides hotline service, on-site technical support and training for customers who use our services and products. The Company also pledges to continuously improve its service and products through enhancements and upgrades with an aim to deliver the best possible reliable and quality solutions to our customers. The Company does the best to meet the set service targets and strives to achieve high standard in different aspects of its operations.

Tradelink observes the Personal Data (Privacy) Ordinance (Cap. 486) (the "PDPO") and the data collection principles under the PDPO in conducting its business. The Company educates and requires its staff to handle personal data of its customers carefully and properly. Access to the personal data of the customers is limited to those employees who have a genuine need to access to such personal data in order to perform the services to the customers. The Company will only process the personal data of its customers to the extent, and in such a manner, as is necessary for the purposes of provision of its services and in accordance with the customers' instructions and will not process the personal data for any other purposes. The Company will not disclose the personal data of its customers to other third parties without the consent of its customers. The Company stipulates clearly its obligations in its Privacy Policy set out in its terms and conditions of services offered to customers.

社會(續)

業務常規(續)

產品責任

本公司向使用我們服務及產品的客戶提供熱線服務、現場技術支援及培訓。本公司亦承諾通過改進及升級，繼續改善其服務及產品，旨在為客戶提供最可靠及高質素的可行方案。本公司已於其業務各個範疇竭盡全力以達到服務目標及致力於實現高標準。

貿易通遵守香港法例第486章《個人資料(私隱)條例》(「私隱條例」)，並於經營業務時按照私隱條例項下的原則收集資料。本公司指導及規定其僱員謹慎及適當地處理客戶的個人資料。僱員僅限於為客戶提供服務時方可使用所需的客戶個人資料。本公司僅於提供服務時及按照客戶的指示處理其個人資料並以此方式行事，且不會處理其個人資料作任何其他用途。本公司不會於未得到客戶同意的情况下向任何其他第三方披露客戶的資料。本公司於向客戶提供的條款及條件中明確訂明本公司於其私隱政策的責任。

Social (Continued)

Operating Practices (Continued)

Anti-corruption

The Company has zero tolerance to corruption. As a matter of fact, the Company is deemed a “public body” under the Prevention of Bribery Ordinance (Cap. 201) to reflect the nature of the GETS services and the Company’s market position as a major service provider with a licence granted by the Government of the Hong Kong Special Administrative Region (the “Government”) in running important public functions. In this regard, Senior Management and directors of the Company who will likely be regarded as “public officials” for the purpose of the common law offence, have been advised on their various liabilities under the common law offence on “misconduct in public office”.

For employees in general, in order to comply with Prevention of Bribery Ordinance (Cap. 201) and other relevant anti-corruption laws and regulations, the Company has adopted a Code of Ethics and Conduct (the “Code”) which is applicable to all employees of the Group. The Code which is subject to the review and comment by the Independent Commission Against Corruption (“ICAC”), provides the details about the liabilities as employees of a public body. All employees are required to read the Code and understand and observe them both in letter and in spirit at all times. They must observe the prescribed standards of behavior when performing duties at work. The Code addresses, inter alia, the following key areas:

- Proprietary and Confidential Information
- Conflict of Interest
- Prevention of Bribery
- Gifts, Gratuities, Hospitality
- Notification of Suspected Corrupt Conduct
- Personal and Private Dealings

To provide education to employees on anti-corruption, the Company invites ICAC to conduct anti-corruption talk to the employees every year.

社會(續)

業務常規(續)

反貪污

本公司對貪污採取零容忍態度。事實上，根據香港法例第201章《防止賄賂條例》，本公司被視為「公共機構」，以反映GETS服務性質及本公司作為獲香港特別行政區政府（「政府」）授出經營重要公共職能牌照的主要服務供應商的市場地位。就此，本公司高級管理人員及董事大有可能就普通法罪行而言被視為屬於「公職人員」，並已獲悉普通法罪行中有關「公職人員行為失當」的各種責任。

至於一般僱員，為遵守香港法例第201章及其他相關的反貪污法律及法規，本公司採用適用於本集團全部僱員的道德及行為守則（「守則」）。守則受廉政公署（「廉署」）的審核及意見管制，提供作為公共機構僱員的詳細責任。全體僱員均須閱讀守則，並瞭解及時刻遵守其文字及精神上的意思。彼等須於工作時遵守其訂明的標準行為。守則處理（其中包括）下列主要範疇：

- 專屬及機密資料
- 利益衝突
- 防止賄賂
- 禮物、獎金、款待
- 懷疑貪污通知
- 個人及私人交易

為教導僱員反貪污資訊，本公司每年邀請廉署為僱員舉辦反貪污講座。

Social (Continued)

Operating Practices (Continued)

Anti-corruption (Continued)

Moreover, the Company has whistle-blowing procedures to encourage staff to report, on a confidential basis, any misconduct, dishonesty, corruption, illegal activity or wrongdoing within the Company which they become aware of to the Vice President (Internal Audit), who is the delegate of the Audit Committee. If the whistle-blower believes that the Vice President (Internal Audit) has a conflict of interest in the matter, the report can be made directly to the CEO. Likewise, if it is believed that the CEO has a conflict of interest in the matter, the report may be made directly to the Chairman of the Audit Committee or the Chairman of the Board. No such report was received during the reporting period.

Community

Community Investment

With our commitment to help improving the community well-being, we continuously encourage our staff, their families and friends to participate in different voluntary activities. To this end, one measure which the Company has introduced to motivate staff to participate in voluntary services is our implementation of a voluntary service leave policy under which a staff can take up to 2 days' full paid leave in a year for his/her participation in service of a charitable nature. During the reporting period, 12.5 days of voluntary service leave were taken by our staff in total (2018: over 19 days of voluntary service leave were taken by staff). We encouraged our staff to bring the community involvement in their daily life by putting words into action.

During the reporting period, the Company joined the following charitable and community work organized by local NGOs or community groups.

- **Joining World Vision's Skip-A-Meal Campaign**
Tradelink supported World Vision's Skip-A-Meal Campaign held in June 2019 and encouraged staff to donate their meal money to help children and families who were facing food crisis due to climate change. The funds raised from this Skip-A-Meal Campaign were used to support World Vision's work in disaster-hit Somalia, South Sudan and Zimbabwe to meet the needs of the hungry in these countries.

社會(續)

業務常規(續)

反貪污(續)

此外，本公司的舉報程序鼓勵僱員於保密情況下，向審核委員會授權的副總裁(內部審核)舉報其所知悉於本公司內的任何行為失當、不誠實、貪污、非法活動或錯失。倘舉報人士認為副總裁(內部審核)就此有利益衝突，可直接向行政總裁舉報。同樣地，倘認為行政總裁於某事項有利益衝突，則可直接向審核委員會主席或董事會主席舉報。於報告期內，概無接獲有關報告。

社區

社區投資

我們致力協助改善社區福祉，不斷鼓勵員工及親友參與不同義工活動。就此，本公司推行一項措施激勵員工參加義工活動，實施義工服務假期政策，據此，員工可每年就參與義工服務最多獲得兩天有薪假期。於報告期間，員工合共申請十二天半義工服務假期(二零一八年：員工申請逾十九天義工服務假期)。我們鼓勵員工坐言起行，將社區參與帶入日常生活。

於報告期間內，本公司曾參與下列由本地非政府組織或社區團體主辦的慈善及社區工作。

- **參加世界宣明會饑饉一餐活動**
貿易通支持世界宣明會於二零一九年六月舉辦的饑饉一餐活動，鼓勵員工捐出飯錢，協助因氣候變化而面臨糧食危機的兒童及家庭。饑饉一餐活動籌得的款項會用作支持世界宣明會在索馬里、南蘇丹及津巴布韋等受災難影響國家的工作，滿足該等國家饑民的需要。

Social (Continued)

Community (Continued)

Community Investment (Continued)

- Support to the Charity Sale of Oxfam Rice**
 Tradelink organized a volunteer team to participate in the Oxfam Rice Event held in May 2019. The Oxfam Rice Event was one of the biggest annual fundraising events organised by Oxfam Hong Kong. All funds raised would go to the Oxfam Smallholder Farmers Development Fund to support smallholder farmers in poor communities around the world as they face challenges like climate change, food shortage and poverty.
- Participating in Walker's Bag Packing for Oxfam Trailwalker**
 Tradelink recruited staff and their families or friends to be volunteers to pack the walker's bag for the event of Oxfam Trailwalker in October 2019.

Charity Donation

To promote our care for the community, we not only participated in voluntary services and donation, but also encouraged our customers to join in with us. Under our customer loyalty program, customers could use their bonus points to make charity donations to charitable organizations such as the Hong Kong PHAB Association and Oxfam Hong Kong. During the reporting period, we had more than 450 customers donating their bonus points to these two charitable organizations.

社會(續)

社區(續)

社區投資(續)

- 支持樂施米義賣**
 貿易通組織一隊義工隊，參加於二零一九年五月舉行的樂施米義賣大行動。樂施米義賣大行動為香港樂施會舉辦的最大型年度籌款活動之一。籌得的所有款項將捐贈予小農發展基金，協助全球貧窮社區的小農戶應付氣候變化、糧食短缺及貧窮等挑戰。
- 參與包裝樂施毅行者的參與者裝備**
 於二零一九年十月，貿易通安排員工及其家庭或朋友參與義務工作，為樂施毅行者活動包裝參與者裝備。

慈善捐款

為提倡關懷社區，我們不僅參與義工服務及捐款，亦鼓勵客戶參與。根據本公司客戶獎賞計劃，客戶可將額外積分轉換為慈善捐款，捐贈予香港傷健協會及香港樂施會等慈善機構。於報告期內，我們有四百五十名客戶將積分捐贈予該兩間慈善機構。

Social (Continued)

Community Recognition

In appreciation of the various social aspects of work we have done, we are pleased that we currently have the following recognitions awarded by related organizations.

Award:

獎項：

Organizer:

主辦單位：

Award for Family-Friendly Employers to Tradelink
家庭友善僱主 — 貿易通

Family Council and Home Affairs Bureau
家庭議會及民政事務局

Award for Breastfeeding Support to Tradelink
支持母乳餵哺獎 — 貿易通

Family Council and Home Affairs Bureau
家庭議會及民政事務局

Good MPF Employer Award to Tradelink and Digi-Sign
「積金好僱主」— 貿易通及Digi-Sign

Mandatory Provident Fund Schemes Authority
強制性公積金計劃管理局

Support for MPF Management Award
推動積金管理獎

Mandatory Provident Fund Schemes Authority
強制性公積金計劃管理局

Caring Company Logo to Tradelink and Digi-Sign
「商界展關懷」標誌 — 貿易通及Digi-Sign

Hong Kong Council of Social Service
香港社會服務聯會

List of Barrier-free Companies to Tradelink
無障礙友善企業名單 — 貿易通

Hong Kong Council of Social Service
香港社會服務聯會

Happy Company Label to Tradelink and Digi-Sign
「開心企業」標誌 — 貿易通及Digi-Sign

The Promoting Happiness Index Foundation and the Hong Kong
Productivity Council
香港提升快樂指數基金及香港生產力促進局

“Green Office” label and “Eco-Healthy Workplace” label
in Green Office Awards Labelling Scheme (GOALS)
綠色辦公室獎勵計劃(GOALS)的「綠色辦公室」標誌及
「健康工作間」

World Green Organisation
世界綠色組織

社會(續)

社會認可

我們於多個社會範疇的工作備受肯定，並榮獲相關單位頒授下列獎項。

Directors' Report

董事會報告書

The Directors have pleasure in submitting their Annual Report together with the audited consolidated financial statements for the year ended 31 December 2019.

Principal Place of Business

The Company is a company incorporated and domiciled in Hong Kong and has its registered office and principal place of business at 11th and 12th Floors, Tower B, Regent Centre, 63 Wo Yi Hop Road, Kwai Chung, Hong Kong.

Principal Activity

The principal activity of the Company is the provision of Government Electronic Trading Services ("GETS") for processing certain official trade-related documents. Leveraging its core competence, the Company has diversified its business into other areas including supply chain solutions, identity management solutions and payment technology solutions, some of which being operated by the Company's subsidiaries.

The principal activities and other particulars of the Company's subsidiaries are set out in *Note 15* to the "Notes to the Financial Statements".

Business Review

A fair review of the business of the Group during the year, a discussion on the Group's future business development and possible risks and uncertainties that the Group may be facing are set out in the sections headed "Chairman's Statement" and "Management Discussion and Analysis" and these sections form part of this Directors' Report.

The Group's financial risks are shown in *Note 26* to the sections headed "Notes to the Financial Statements".

An analysis of the Group's performance during the year using financial key performance indicators can be found throughout this Annual Report.

The Board believes that a strict compliance with the applicable laws and regulations is pivotal to the success of the Company. For this purpose, the Board has delegated responsibilities to the Audit Committee, the Corporate Governance Committee and Senior Management to monitor and implement the Company's policies and practices on compliance with the legal and regulatory requirements that have a significant impact on the Company.

董事欣然提呈董事會年度報告書，連同截至二零一九年十二月三十一日止年度的經審核綜合財務報表。

主要營業地點

本公司為一間於香港註冊成立並以香港為本籍的公司。本公司的註冊辦事處及主要營業地點位於香港葵涌和宜合道63號麗晶中心B座11樓及12樓。

主要業務

本公司的主要業務是提供處理若干政府貿易文件的政府電子貿易服務（「GETS」）。憑藉本身核心競爭實力，本公司已將業務擴展至供應鏈解決方案、身份管理解決方案及支付科技解決方案等其他領域，其中部分由本公司的附屬公司經營。

本公司附屬公司的主要業務及其他詳情載於「財務報表附註」的附註15。

業務審視

本集團年內的業務中肯審視、本集團未來業務發展討論及可能面對的風險與不明朗因素載於「主席報告書」及「管理層討論及分析」兩節，而該兩節構成董事會報告書的一部分。

本集團的財務風險載於「財務報表附註」一節附註26。

本集團採用主要財務表現指標對其表現的分析可在整份年報中找到。

董事會相信嚴格遵守相關法例及法規對本公司的成功至關重要。董事會已就此將責任授權審核委員會、企業管治委員會及高級管理人員監察並實行本公司的政策及慣例，以遵守對本公司有重大影響的法律及監管規定。

Business Review (Continued)

As an entity incorporated and listed in Hong Kong, the Company is governed, managed and operated pursuant to the Companies Ordinance (Cap. 622), the Securities and Futures Ordinance (Cap. 571), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited on the corporate level. The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers, and its committees have their own terms of reference defining their respective rights, duties and obligations. Besides, the Company is deemed to be a "public body" under the Prevention of Bribery Ordinance (Cap. 201) to reflect the nature of the GETS services and the Company's market position as a major service provider granted a licence by the Government of the Hong Kong Special Administrative Region (the "Government") in running important public functions. The Company has also acted in strict compliance with the Employment Ordinance (Cap. 57), the Mandatory Provident Fund Schemes Ordinance (Cap. 485), the Minimum Wage Ordinance (Cap. 608) and the different legislation against discrimination.

On the operational level, the various businesses of the Group are conducted in accordance with, among others, the Competition Ordinance (Cap. 619), the Unsolicited Electronic Messages Ordinance (Cap. 593), the Personal Data (Privacy) Ordinance (Cap. 486) and the Electronic Transactions Ordinance (Cap. 553). The member companies of the Group have registered their trademarks and domain names to protect their intellectual property rights, which are considered crucial to their businesses. In particular, the Company conducts its core business of providing the GETS services to the industrial and trading sectors in conformity with the Import and Export Ordinance (Cap. 60) and the GETS Contract signed with the Government in addition to the above-mentioned ordinances.

For the Group's environmental policies and performance and the key relationships with its employees, customers, suppliers and community, the discussions are shown in the Environmental, Social and Governance Report ("ESG Report") and the ESG Report forms part of this Directors' Report.

業務審視(續)

作為一家在香港註冊成立及上市的公司，本公司在企業層面上根據香港法例第622章《公司條例》、香港法例第571章《證券及期貨條例》及香港聯合交易所有限公司證券上市規則管治、管理及營運。董事會已採納上市發行人董事進行證券交易的標準守則，而各委員會亦制訂各自的職權範圍，列明各自的權利、職務及責任。此外，根據香港法例第201章《防止賄賂條例》，本公司被視為「公共機構」，以反映GETS服務性質及本公司作為獲香港特別行政區政府（「政府」）授出經營重要公共職能牌照的主要服務供應商的市场地位。本公司亦嚴格遵守香港法例第57章《僱傭條例》、香港法例第485章《強制性公積金計劃條例》、香港法例第608章《最低工資條例》及有關歧視的不同法例。

在營運層面上，本集團多項業務根據（其中包括）香港法例第619章《競爭條例》、香港法例第593章《非應邀電子訊息條例》、香港法例第486章《個人資料（私隱）條例》及香港法例第553章《電子交易條例》經營。本集團的成員公司已註冊商標及域名以保障對其業務重要的知識產權。具體而言，除上述條例外，本公司亦根據香港法例第60章《進出口條例》及與政府簽訂的GETS合約經營其核心業務，向工業及貿易行業提供GETS服務。

本集團環境政策和表現以及與僱員、客戶、供應商及社區的主要關係載於環境、社會及管治報告（「環境、社會及管治報告」），而環境、社會及管治報告構成本董事會報告書的一部分。

Major Customers and Suppliers

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

		Percentage of the Group's Total 佔本集團總額的百分比	
		Sales 銷售額	Purchases 採購額
The largest customer	最大客戶	20.3%	
Five largest customers in aggregate	五大客戶合計	29.9%	
The largest supplier	最大供應商		21.8%
Five largest suppliers in aggregate	五大供應商合計		33.0%

Of the five largest customers, four are banks and one is a leading retail chain in Hong Kong. As at end of 2019, their length of relationship with the Company ranges from less than 1 year to 15 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 or suppliers.

Financial Statements

The profit of the Group for the year ended 31 December 2019 and the state of the Company's and the Group's affairs at that date are set out in the financial statements on pages 102 to 197.

Recommended Dividend

An interim dividend of HK 3.3 cents per share (2018: interim dividend of HK 3.5 cents per share) was paid on 9 October 2019.

The Directors now recommend the payment of a final dividend of HK 6.5 cents per share (2018: final dividend of HK 6.0 cents per share) for the year ended 31 December 2019. The proposed dividend is expected to be paid on or about 29 May 2020 to qualified shareholders subject to shareholders' approval at the forthcoming AGM.

主要客戶及供應商

於本財政年度主要客戶及供應商分別應佔本集團的銷售額及採購額資料如下：

		Percentage of the Group's Total 佔本集團總額的百分比	
		Sales 銷售額	Purchases 採購額
The largest customer	最大客戶	20.3%	
Five largest customers in aggregate	五大客戶合計	29.9%	
The largest supplier	最大供應商		21.8%
Five largest suppliers in aggregate	五大供應商合計		33.0%

於五大客戶當中，四名客戶為銀行及一名客戶為香港零售鏈龍頭。於二零一九年年底，彼等與本公司的關係介乎少於1年至15年。

年內概無任何董事、彼等的聯繫人士或任何本公司股東(據董事所知擁有本公司股本5%以上)擁有上述主要客戶或供應商任何權益。

財務報表

本集團截至二零一九年十二月三十一日止年度的溢利，以及本公司與本集團於該日的財政狀況載於第102頁至第197頁的財務報表內。

建議股息

二零一九年十月九日已派付中期股息每股3.3港仙(二零一八年：中期股息每股3.5港仙)。

董事會現建議派付截至二零一九年十二月三十一日止年度的末期股息每股6.5港仙(二零一八年：末期股息每股6.0港仙)。建議股息於股東在即將舉行的股東週年大會批准後，將於二零二零年五月二十九日或前後派付予合資格股東。

Property, Plant and Equipment

Movements in property, plant and equipment during the year are set out in *Note 14* to the "Notes to the Financial Statements".

Share Capital

Details of the issue of shares and the movements in share capital of the Company during the year are set out in *Note 25* to the "Notes to the Financial Statements".

Directors

The Directors of the Company during the financial year 2019 and up to the date of this report were:

Chairman and Non-executive Director

Dr. LEE Nai Shee, Harry, S.B.S., J.P.

Executive Directors

Mr. TSE Kam Keung

Mr. CHENG Chun Chung, Andrew

Ms. CHUNG Shun Kwan, Emily

Non-executive Directors

Dr. LEE Delman

Mr. YING Tze Man, Kenneth

Mr. YUEN Wing Sang, Vincent

Independent Non-executive Directors

Mr. CHAK Hubert

Mr. CHAU Tak Hay

Ms. CHAN Chi Yan

Mr. CHUNG Wai Kwok, Jimmy

Mr. HO Lap Kee, Sunny, M.H., J.P.

Biographical details of the Directors of the Company at the date of this report are shown on pages 31 to 37.

In accordance with Article 100 of the Articles of Association of the Company, at each AGM one half of the Directors for the time being (or, if their number is not a multiple of two, then the number nearest to but not greater than one half) shall retire from office. Ms. CHUNG Shun Kwan, Emily, Mr. YUEN Wing Sang, Vincent, Mr. CHAK Hubert, Mr. CHAU Tak Hay, Mr. CHUNG Wai Kwok, Jimmy and Mr. HO Lap Kee, Sunny, M.H., J.P. will retire at the forthcoming AGM. All retiring Directors, being eligible, will offer themselves for re-election at the AGM.

物業、廠房及設備

物業、廠房及設備於年內的變動詳情載於「財務報表附註」的附註14。

股本

年內就購股權獲行使而發行股份。本公司於年內的股份發行及股本變動詳情載於「財務報表附註」的附註25。

董事

於二零一九年財政年度內及截至本報告日期的本公司在任董事如下：

主席兼非執行董事

李乃熺博士，S.B.S., J.P.

執行董事

謝錦強先生

鄭俊聰先生

鍾順群女士

非執行董事

李國本博士

英子文先生

袁永生先生

獨立非執行董事

翟迪強先生

周德熙先生

陳紫茵女士

鍾維國先生

何立基先生，M.H., J.P.

於本報告書刊發日期在任的本公司董事的履歷詳情載於第31頁至第37頁。

根據本公司之組織章程細則第100條，於各股東週年大會上，當時董事的半數(或倘董事數目並非二之倍數，則為最近但不多於半數之董事)須輪席告退。鍾順群女士、袁永生先生、翟迪強先生、周德熙先生、鍾維國先生及何立基先生，M.H., J.P.將於即將舉行的股東週年大會上輪席告退。所有退任董事將符合資格並願意於股東週年大會上膺選連任。

Directors (Continued)

The Directors of subsidiaries during the financial year 2019 and up to the date of this report were:

Mr. TSE Kam Keung
Mr. CHENG Chun Chung, Andrew
Ms. CHUNG Shun Kwan, Emily
Ms. CHU Pik Kwan, Peggie

Permitted Indemnity Provision

Pursuant to the Company's Articles of Association, subject to the statutes, every Director of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which Director may sustain or incur in or about the execution of the duties of the Director's office or otherwise in relation thereto. Such permitted indemnity provision is in force at any time in the financial year and at the time of approval of this report.

Director's Interests in Transactions, Arrangements or Contracts

Dr. LEE Delman was appointed as a Non-executive Director on 29 October 2012 and is the President and Chief Technology Officer for TAL Apparel Limited and accordingly may be regarded as interested in all contracts and other dealings between TAL Apparel Limited and members of the Group during the year under review.

Apart from the foregoing, no contract, transactions or arrangements of significance to which the Company or its subsidiaries was a party or were parties, in which a Director of the Company or any entities connected with the Director had a material interest, subsisted at the end of the year or at any time during the year.

Directors' Service Contracts

No director proposed for re-election at the forthcoming AGM has an unexpired service contract which is not determinable by the Company within one year without payment of compensation, other than normal statutory compensation.

董事(續)

於二零一九年財政年度及直至本報告日期在任的附屬公司董事如下：

謝錦強先生
鄭俊聰先生
鍾順群女士
朱碧君女士

獲准許的彌償條文

根據本公司的組織章程細則，除法律另有規定外，本公司每名董事可自本公司資產中獲補償因執行職務或與此有關的其他方面可能蒙受或招致的一切損失或法律責任。上述獲准許的彌償條文於本財政年度任何時間及本報告批准當日有效。

董事的交易、安排或合約權益

李國本博士於二零一二年十月二十九日獲委任為非執行董事，彼為聯業製衣有限公司的總裁及科技總監，因此可能被視為於聯業製衣有限公司及本集團成員公司之間在回顧年度內訂立的一切合約及其他交易中有利益關係。

除上文所述外，於年終或年內任何時間，本公司或其附屬公司概無訂立本公司董事或其關連實體於其中擁有重大利益的任何重要合約、交易或安排。

董事的服務合約

擬於即將舉行的股東週年大會上膺選連任的董事概無與本公司訂立本公司不可於一年內免付賠償(一般法定賠償除外)予以終止的未屆滿服務合約。

Directors' Service Contracts (Continued)

All Directors shall retire by rotation in accordance with the Articles of Association of the Company and the Listing Rules or at such time as may be required by resolution of the Board of the Company.

Details of three Executive Directors' employment contracts, four Non-executive Directors' and five Independent Non-executive Directors' service contracts are set out below.

Mr. TSE Kam Keung signed an employment contract to act as the Chief Executive Officer of the Company with effect from 1 July 2015, for a three-year term until 30 June 2018, subject to a 3-month written notice to terminate the contract by either the Company or Mr. TSE. The contract extended upon its expiry on 30 June 2018 for a period of not more than 3 years with other terms remain unchanged.

Under the employment contract of 30 August 2004 signed between the Company and Mr. CHENG Chun Chung, Andrew, the contract can be terminated by the Company or Mr. CHENG by giving one month's notice or payment in lieu of notice. On 15 November 2011, Mr. CHENG was appointed as Acting Deputy Chief Executive Officer of the Company, and on 26 June 2012, he became the Deputy Chief Executive Officer of the Company. In line with the business developments of the Company, he was re-designated as the Chief Technology Officer of the Company on 1 January 2017.

Under the employment contract between the Company and Ms. CHUNG Shun Kwan, Emily dated 20 March 2008, Ms. CHUNG acts as the Chief Operations Officer of the Company. The contract can be terminated by the Company or Ms. CHUNG by giving one month's notice or payment in lieu of notice. Since Ms. CHUNG reached retirement age at her 60, her employment contract was extended on 14 July 2016, 17 July 2017, 16 July 2018 and 16 July 2019 respectively, each for a 1-year period.

In the 2017 AGM, the Company entered into service contracts with three Non-executive Directors, namely Dr. LEE Nai Shee, Harry, S.B.S., J.P., Dr. LEE Delman and Mr. YING Tze Man, Kenneth; two Independent Non-executive Directors, namely Mr. CHAU Tak Hay and Ms. CHAN Chi Yan, each for a period of three years. The service contract can be terminated by the Company or the Director by giving one month's notice in writing or payment in lieu of notice.

董事的服務合約(續)

全體董事須根據本公司組織章程細則及上市規則或於本公司董事會不時決議規定之時間輪席告退。

三名執行董事的僱傭合約、四名非執行董事及五名獨立非執行董事的服務合約詳情載於下文。

謝錦強先生簽訂僱傭合約，出任本公司行政總裁，自二零一五年七月一日起生效，任期三年至二零一八年六月三十日止，惟本公司或謝先生均可提前三個月以書面通知而終止合約。合約於二零一八年六月三十日屆滿時延長為期不多於三年，其他條款維持不變。

根據本公司與鄭俊聰先生於二零零四年八月三十日簽訂的僱傭合約，本公司或鄭先生可透過給予一個月通知或支付代通知金終止有關合約。於二零一一年十一月十五日，鄭先生獲委任為本公司的署理副行政總裁，並於二零一二年六月二十六日成為本公司的副行政總裁。為配合本公司業務發展，彼於二零一七年一月一日調任為本公司技術總監。

根據本公司與鍾順群女士於二零零八年三月二十日訂立的僱傭合約，鍾女士出任本公司的營運總監。本公司或鍾女士可透過給予一個月通知或支付代通知金終止有關合約。由於鍾女士已屆六十歲退休年齡，故此其僱傭合約已分別於二零一六年七月十四日、二零一七年七月十七日、二零一八年七月十六日及二零一九年七月十六日續期，各合約為期一年。

於二零一七年股東週年大會上，本公司與三名非執行董事，即李乃熺博士，S.B.S., J.P.、李國本博士及英子文先生；兩名獨立非執行董事，即周德熙先生及陳紫茵女士訂立服務合約，各為期三年。本公司或該董事可作出一個月書面通知或支付代通知金終止服務合約。

Directors' Service Contracts (Continued)

In the 2018 AGM, the Company entered into service contracts with a Non-executive Director Mr. YUEN Wing Sang, Vincent and three Independent Non-executive Directors, namely Mr. CHAK Hubert, Mr. CHUNG Wai Kwok, Jimmy and Mr. HO Lap Kee, Sunny, M.H., J.P., each for a period of three years. The service contract can be terminated by the Company or the Director by giving one month's notice in writing or payment in lieu of notice.

Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 31 December 2019, Dr. LEE Nai Shee, Harry, S.B.S., J.P., a Non-executive Director, had a deemed interest in 101,125,000 shares of the Company through his indirect shareholding in TAL Apparel Limited and 95,673,000 shares in the Company through his direct shareholding in Eastex (HK) Limited respectively. Dr. LEE Delman, a Non-executive Director, had a deemed interest in 101,125,000 shares of the Company through his indirect shareholding in TAL Apparel Limited. The deemed interests 101,125,000 shares of the Company held by Dr. LEE Nai Shee, Harry, S.B.S., J.P. and Dr. LEE Delman were the same shares held by TAL Apparel Limited. Mr. TSE Kam Keung, Mr. CHENG Chun Chung, Andrew and Ms. CHUNG Shun Kwan, Emily, Executive Directors of the Company, held 4,070,000, 2,755,843 and 2,994,605 ordinary shares of the Company registered in their own names respectively as recorded in the register required to be kept under Section 352 of the Securities and Futures Ordinance ("SFO").

The Directors of the Company are entitled to options under the share option schemes of the Company, details of which are set out in the section "Share Option Scheme" below.

Apart from the foregoing, none of the Directors of the Company or any of their spouses or children under eighteen years of age has interest or short positions in shares, underlying shares or debentures of the Company, any of its holding company, subsidiaries or other associated corporations, as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

董事的服務合約(續)

於二零一八年股東週年大會，本公司與非執行董事袁永生先生以及三名獨立非執行董事，即翟迪強先生、鍾維國先生及何立基先生，M.H., J.P.訂立服務合約，各自為期三年。本公司或該董事可作出一個月書面通知或支付代通知金終止服務合約。

董事於股份、相關股份及債權證的權益及淡倉

於二零一九年十二月三十一日，非執行董事李乃熿博士，S.B.S., J.P.分別透過其於聯業製衣有限公司擁有的間接股權，在本公司當作持有的權益為101,125,000股，以及透過其於Eastex (HK) Limited擁有的直接股權，在本公司股份中擁有95,673,000股。非執行董事李國本博士透過其於聯業製衣有限公司擁有的間接股權，在本公司當作持有的權益為101,125,000股。李乃熿博士，S.B.S., J.P.及李國本博士在本公司當作持有的權益為101,125,000股與聯業製衣有限公司持有的101,125,000股是相同的一批股份。按本公司根據《證券及期貨條例》(「證券及期貨條例」)第352條規定須予備存的登記冊所載記錄顯示，謝錦強先生、鄭俊聰先生及鍾順群女士(均為本公司執行董事)現時分別以個人名義持有4,070,000股、2,755,843股及2,994,605股本公司普通股。

本公司董事可享有本公司購股權計劃的購股權，有關詳情載於下文「購股權計劃」一節。

除上文所述外，按本公司根據證券及期貨條例第352條規定須予備存的登記冊所載記錄顯示，本公司董事或任何彼等的配偶或十八歲以下的子女概無在本公司、其任何控股公司、附屬公司或其他相聯法團的股份、相關股份或債權證中擁有權益或淡倉，或根據上市公司董事進行證券交易的標準守則已另行知會本公司的權益或淡倉。

Share Option Scheme

The Share Option Scheme currently in operation was adopted on 9 May 2014 (the "Share Option Scheme 2014"). Under the Share Option Scheme 2014, the Board has the absolute discretion to offer any employees (whether full or part-time), directors (including Independent Non-executive Directors), consultants, business associates or advisers of the Company or any company within the Group options to subscribe for shares of the Company, provided that the total number of shares issued or to be issued to any one grantee in any 12-month period shall not exceed 1% of the shares of the Company in issue. The grantee shall pay HK\$1.00 to the Company as nominal consideration for the grant upon acceptance of the offer of an option. Each option has a 10-year exercise period and the details of vesting conditions are set out in *Note 24(a)* under the heading "Notes to the Financial Statements" on pages 176 to 178. The Share Option Scheme 2014 will expire on 8 May 2024. However, share options granted under this Share Option Scheme before its expiry date will remain valid, subject to the same terms and conditions.

The purpose of the Share Option Scheme 2014 is:

- (a) to assist the Company to attract and retain the best available personnel; and
- (b) to provide additional incentives to employees, directors, consultants, business associates and advisers to promote the success of the Group;

by providing them with an opportunity to have a personal stake in the Company through an offer of grant of options. The Shares subject to the Share Option Scheme 2014 will be identical in nature with the other Shares of the Company.

購股權計劃

本公司現時的購股權計劃於二零一四年五月九日獲採納(「二零一四年購股權計劃」)。根據二零一四年購股權計劃，董事會可全權酌情向本公司或本集團旗下任何公司的任何僱員(不論全職或兼職)、董事(包括獨立非執行董事)、專業顧問、業務夥伴或諮詢顧問授出可認購本公司股份的購股權，惟任何十二個月期間內已發行或將發行予任何一名承授人的股份總數不得超過本公司已發行股份的1%。接納購股權要約時，承授人須向本公司支付港幣1.00元，作為獲授購股權的象徵式代價。每份購股權的行使期均為十年且歸屬條件詳情載列於第176頁至第178頁「財務報表附註」內的附註24(a)。二零一四年購股權計劃將於二零二四年五月八日屆滿。然而，於屆滿前根據該購股權計劃授出的購股權將仍然有效，並受相同條款及條件所限。

二零一四年購股權計劃目的如下：

- (a) 協助本公司吸引及留聘最佳員工；及
- (b) 為僱員、董事、專業顧問、業務夥伴及諮詢顧問提供額外獎勵，以促進本集團成功；

此計劃將透過授出購股權為合資格人士提供以個人身份持有本公司權益的機會。二零一四年購股權計劃所涉股份在本質上與本公司其他股份相同。

Share Option Scheme (Continued)

The total number of share which may be issued upon exercise of all options to be granted under the Share Option Scheme 2014 shall not exceed in aggregate 10% of the issued capital of the Company at its adoption date, being 79,207,319 shares on 9 May 2014 (the "Scheme Mandate Limit"). Options that have lapsed shall not be counted for the purpose of calculating the Scheme Mandate Limit. The Scheme Mandate Limit may be renewed by obtaining approval of shareholders in general meetings of the Company provided that such total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme 2014 under the Scheme Mandate Limit as renewed shall not exceed 10% of the shares issued at the date of approval of such limit (the "Refreshed Limit"). Options previously granted (including those outstanding, cancelled, lapsed or exercised) shall not be counted for the purpose of calculating the Refreshed Limit.

The subscription amount payable in respect of each share option upon exercise of an option shall be determined by the Board and shall be not less than the greater of:

- (i) the closing price of the shares on the SEHK's daily quotation sheet on the date, which must be a business day, of a written offer of such option (the "Date of Grant"); and
- (ii) the average closing price of the shares on the SEHK as stated in the SEHK's daily quotation sheets for the five business days immediately preceding the Date of Grant.

At the AGM of the Company on 8 May 2015, shareholders approved the amendments to clauses 10.1(D), 10.1(E) and 2.1 of the Share Option Scheme 2014. Such amendments to the Share Option Scheme 2014 give the Board a discretion to waive or extend the 90-day Limitation with authority to impose conditions to any such waiver or extension and to provide an appropriate exercise period for each grant of options during the scheme period. This provides the Board with necessary flexibility it needs to deal, in the best interest of the Company, with the different types of situations that may arise over the course of the ten-year validity period of the Share Option Scheme 2014.

購股權計劃(續)

根據二零一四年購股權計劃將予授出的所有購股權予以行使時可予發行的股份總數，合共不得超過本公司於採納日期(即二零一四年五月九日)的已發行股本10%(即79,207,319股股份)(「計劃授權限額」)。在計算計劃授權限額時，已失效的購股權不得計算在內。計劃授權限額可於本公司股東大會上取得股東批准後更新，惟按更新後的計劃授權限額，根據二零一四年購股權計劃將予授出的所有購股權予以行使時可予發行的該股份總數，不得超過批准該限額當日已發行股份的10%(「經更新限額」)。就計算經更新限額而言，以往授出的購股權(包括尚未行使、已註銷、失效或行使者)不得計算在內。

因行使購股權而須就每份購股權支付的認購款項將由董事會釐定，且不得少於下列較高者：

- (i) 於購股權的書面要約日期(「授出日期」，必須為營業日)，股份於香港聯交所每日報價表所列的收市價；及
- (ii) 緊接授出日期前五個營業日，股份於香港聯交所每日報價表所列在香港聯交所的平均收市價。

股東於二零一五年五月八日舉行的本公司股東週年大會上，批准修訂二零一四年購股權計劃的第10.1(D)、10.1(E)及2.1條條款。該等二零一四年購股權計劃的修訂授權董事會酌情豁免或延長90日限制，並規定豁免或延期的相應條件以及計劃期間內所授各項購股權適用的行使期。此舉可讓董事會以符合本公司最佳利益的方式靈活處理二零一四年購股權計劃十年有效期間可能發生的各類情況。

Share Option Scheme (Continued)

購股權計劃(續)

The following table discloses movements in the Company's share options during the year: 下表披露年內本公司購股權的變動：

	No. of options outstanding as at 1 January 2019 於二零一九年一月一日尚未行使的購股權數目	No. of options granted during the year 年內授出的購股權數目	No. of options exercised during the year 年內行使的購股權數目	No. of options cancelled during the year 年內註銷的購股權數目	Effect of options lapsed upon termination of employment/ expiry of the 10-year exercise period 因終止受僱/十年行使期屆滿而失效的購股權的影響	No. of options outstanding as at 31 December 2019 於二零一九年十二月三十一日尚未行使的購股權數目	Date granted 授出日期	Exercise period 行使期	Exercise price per share 每股行使價 HK\$ 港元	Market value per share on exercise of options [^] 購股權行使時每股股份的市值 [^] HK\$ 港元
Directors										
董事										
Dr. LEE Nai Shee, Harry, S.B.S., J.P. 李乃熺博士 · S.B.S., J.P.	900,000	—	—	—	—	900,000	30/06/2014 二零一四年 六月三十日	10 years 十年	1.90	—
	100,000	—	—	—	—	100,000	02/07/2015 二零一五年 七月二日	10 years 十年	1.78	—
Dr. LEE Delman 李國本博士	200,000	—	—	—	—	200,000	30/06/2014 二零一四年 六月三十日	10 years 十年	1.90	—
	100,000	—	—	—	—	100,000	02/07/2015 二零一五年 七月二日	10 years 十年	1.78	—
Mr. YING Tze Man, Kenneth 英子文先生	200,000	—	—	—	—	200,000	30/06/2014 二零一四年 六月三十日	10 years 十年	1.90	—
	100,000	—	—	—	—	100,000	02/07/2015 二零一五年 七月二日	10 years 十年	1.78	—
Mr. CHAK Hubert 翟迪強先生	900,000	—	—	—	—	900,000	30/06/2014 二零一四年 六月三十日	10 years 十年	1.90	—
	100,000	—	—	—	—	100,000	02/07/2015 二零一五年 七月二日	10 years 十年	1.78	—
Mr. CHAU Tak Hay 周德熙先生	500,000	—	—	—	—	500,000	30/06/2014 二零一四年 六月三十日	10 years 十年	1.90	—
	100,000	—	—	—	—	100,000	02/07/2015 二零一五年 七月二日	10 years 十年	1.78	—
Mr. CHUNG Wai Kwok, Jimmy 鍾維國先生	800,000	—	—	—	—	800,000	30/06/2014 二零一四年 六月三十日	10 years 十年	1.90	—
	100,000	—	—	—	—	100,000	02/07/2015 二零一五年 七月二日	10 years 十年	1.78	—
Mr. HO Lap Kee, Sunny, M.H., J.P. 何立基先生 · M.H., J.P.	900,000	—	—	—	—	900,000	30/06/2014 二零一四年 六月三十日	10 years 十年	1.90	—
	100,000	—	—	—	—	100,000	02/07/2015 二零一五年 七月二日	10 years 十年	1.78	—

Share Option Scheme (Continued)

購股權計劃(續)

No. of options outstanding as at 1 January 2019 於二零一九年一月一日尚未行使的購股權數目	No. of options granted during the year 年內授出的購股權數目	No. of options exercised during the year 年內行使的購股權數目	No. of options cancelled during the year 年內註銷的購股權數目	Effect of options lapsed upon termination of employment/ expiry of the 10-year exercise period 因終止受僱/十年行使期屆滿而失效的購股權的影響	No. of options outstanding as at 31 December 2019 於二零一九年十二月三十一日尚未行使的購股權數目	Date granted 授出日期	Exercise period 行使期	Exercise price per share 每股行使價 HK\$ 港元	Market value per share on exercise of options^ 購股權行使時每股股份的市值^ HK\$ 港元
Mr. TSE Kam Keung 謝錦強先生	200,000	—	—	—	200,000	30/06/2014 二零一四年六月三十日	10 years 十年	1.90	—
	100,000	—	—	—	100,000	02/07/2015 二零一五年七月二日	10 years 十年	1.78	—
	1,200,000	—	—	—	1,200,000	04/07/2016 二零一六年七月四日	10 years 十年	1.57	—
	2,400,000	—	—	—	2,400,000	28/04/2017 二零一七年四月二十八日	10 years 十年	1.592	—
	2,400,000	—	—	—	2,400,000	04/05/2018 二零一八年五月四日	10 years 十年	1.34	—
	—	2,400,000	—	—	2,400,000	12/04/2019 二零一九年四月十二日	10 years 十年	1.406	—
Mr. CHENG Chun Chung, Andrew 鄭俊聰先生	1,200,000	—	—	—	1,200,000	30/06/2014 二零一四年六月三十日	10 years 十年	1.90	—
	1,000,000	—	—	—	1,000,000	02/07/2015 二零一五年七月二日	10 years 十年	1.78	—
	900,000	—	—	—	900,000	04/07/2016 二零一六年七月四日	10 years 十年	1.57	—
	500,000	—	—	—	500,000	28/04/2017 二零一七年四月二十八日	10 years 十年	1.592	—
	900,000	—	—	—	900,000	04/05/2018 二零一八年五月四日	10 years 十年	1.34	—
	—	1,000,000	—	—	1,000,000	12/04/2019 二零一九年四月十二日	10 years 十年	1.406	—
Ms. CHUNG Shun Kwan, Emily 鍾順群女士	500,000	—	—	—	500,000	30/06/2014 二零一四年六月三十日	10 years 十年	1.90	—
	700,000	—	—	—	700,000	02/07/2015 二零一五年七月二日	10 years 十年	1.78	—
	900,000	—	—	—	900,000	04/07/2016 二零一六年七月四日	10 years 十年	1.57	—
	1,000,000	—	—	—	1,000,000	28/04/2017 二零一七年四月二十八日	10 years 十年	1.592	—
	1,000,000	—	—	—	1,000,000	04/05/2018 二零一八年五月四日	10 years 十年	1.34	—
	—	1,000,000	—	—	1,000,000	12/04/2019 二零一九年四月十二日	10 years 十年	1.406	—

Share Option Scheme (Continued)

購股權計劃(續)

	No. of options outstanding as at 1 January 2019 於二零一九年 一月一日 尚未行使的 購股權數目	No. of options granted during the year 年內授出的 購股權數目	No. of options exercised during the year 年內行使的 購股權數目	No. of options cancelled during the year 年內註銷的 購股權數目	Effect of options lapsed upon termination of employment/ expiry of the 10-year exercise period 因終止受僱/ 十年行使期 屆滿而失效的 購股權的影響	No. of options outstanding as at 31 December 2019 於二零一九年 十二月三十一日 尚未行使的 購股權數目	Date granted 授出日期	Exercise period 行使期	Exercise price per share 每股 行使價 HK\$ 港元	Market value per share on exercise of options [^] 購股權 行使時每股 股份的市值 [^] HK\$ 港元
Employees 僱員	2,300,000	—	—	—	(300,000)	2,000,000	30/06/2014 二零一四年 六月三十日	10 years 十年	1.90	—
	2,100,000	—	—	—	(200,000)	1,900,000	02/07/2015 二零一五年 七月二日	10 years 十年	1.78	—
	2,300,000	—	—	—	(200,000)	2,100,000	04/07/2016 二零一六年 七月四日	10 years 十年	1.57	—
	2,400,000	—	—	—	(100,000)	2,300,000	28/04/2017 二零一七年 四月二十八日	10 years 十年	1.592	—
	3,100,000	—	—	—	(200,000)	2,900,000	04/05/2018 二零一八年 五月四日	10 years 十年	1.34	—
	—	3,500,000	—	(200,000)	(200,000)	3,100,000	12/04/2019 二零一九年 四月十二日	10 years 十年	1.406	—
Ex-employees 前僱員	2,900,000	—	—	—	—	2,900,000	30/06/2014 二零一四年 六月三十日	10 years 十年	1.90	—
	2,900,000	—	—	—	—	2,900,000	02/07/2015 二零一五年 七月二日	10 years 十年	1.78	—
	2,100,000	—	—	—	—	2,100,000	04/07/2016 二零一六年 七月四日	10 years 十年	1.57	—
	500,000	—	—	—	—	500,000	28/04/2017 二零一七年 四月二十八日	10 years 十年	1.592	—
Total 總計	40,600,000	7,900,000	—	(200,000)	(1,200,000)	47,100,000				

[^] Being the weighted average closing price of the Company's ordinary shares immediately before the dates on which the options were exercised.

[^] 即本公司普通股於緊接購股權行使日期前的加權平均收市價。

The options granted to the Directors are registered under the names of the Directors who are also the beneficial owners.

授予董事的購股權乃以董事的姓名登記，而彼等亦為實益擁有人。

Information on the accounting policy for share options granted and the weighted average value per option is provided in Notes 1(q)(ii) and 24(a) to the "Notes to the Financial Statements" respectively.

有關已授出購股權的會計政策及每份購股權加權平均價值的資料分別載於「財務報表附註」的附註1(q)(ii)及附註24(a)。

Apart from the foregoing, at no time during the year was the Company, or its subsidiaries, a party to any arrangement to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in the Company or any other body corporate.

除上文所述外，於年內任何時間，本公司或其附屬公司概無訂立任何安排，致使本公司董事可藉購買本公司或任何其他法人團體的股份而取得利益。

Equity-Linked Agreements

No equity-linked agreements were entered into during the year or subsisted at the end of the year, save for the share option schemes described in this report.

Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares

The Company has been notified of the following interest in the Company's issued shares as at 31 December 2019 amounting to 5% or more of the ordinary shares in issue:

股權掛鈎協議

除本報告所述的購股權計劃外，於年內任何時間或本年度終結日，並無訂立任何股權掛鈎協議。

主要股東於股份及相關股份的權益及淡倉

本公司獲悉於二零一九年十二月三十一日擁有本公司已發行股份的權益達已發行普通股5%或以上的股東如下：

		Ordinary shares 普通股			
	Registered shareholders 登記股東	Corporate/ individual interests 公司/ 個人權益	Number of shares 股份數目	% of total issued shares 佔已發行股份總數百分比	
Substantial Shareholders	主要股東				
South China (Jersey) Holdings Ltd.	South China (Jersey) Holdings Ltd.	—	101,125,000	12.73%	
TAL Apparel Limited	聯業製衣有限公司	101,125,000	—	12.73%	
Dr. LEE Nai Shee, Harry, S.B.S., J.P.	李乃熿博士 · S.B.S., J.P.	—	95,673,000	12.04%	
Eastex (HK) Limited	Eastex (HK) Limited	95,673,000	—	12.04%	

The register of interest in shares and short positions kept under Section 336 of the SFO indicates that the interest disclosed by South China (Jersey) Holdings Ltd. is the same as the 101,125,000 shares disclosed by TAL Apparel Limited, its 100% owned subsidiary; and the interest disclosed by Dr. LEE Nai Shee, Harry, S.B.S., J.P. is the same as the 95,673,000 shares disclosed by Eastex (HK) Limited, his 100% wholly owned company.

Apart from the above, the Company had not been notified by any person who had interests or short positions in the shares and underlying shares of the Company as at 31 December 2019, which was recorded in the register required to be kept under Section 336 of the SFO.

根據證券及期貨條例第336條備存的股份權益及淡倉登記冊所示，South China (Jersey) Holdings Ltd.所披露的權益與聯業製衣有限公司(其全資附屬公司)所披露的101,125,000股股份屬同一批股份；及李乃熿博士 · S.B.S., J.P.所披露的權益與Eastex (HK) Limited(其全資擁有的公司)所披露的95,673,000股股份屬同一批股份。

除上文所述外，於二零一九年十二月三十一日，概無任何人士知會本公司，表示其擁有本公司股份及相關股份的權益或淡倉，並已記錄於根據證券及期貨條例第336條的規定須予備存的登記冊內。

Sufficiency of Public Float

Based on the information that is publicly available to the Company and within the knowledge of the Directors of the Company as at the date of this Annual Report, the Company has maintained the prescribed public float under the Listing Rules.

Connected Transactions and Continuing Connected Transactions

There are no connected transactions or continuing connected transactions pursuant to the Listing Rules during the year of 2019.

Bank Loans and Other Borrowings

The Company did not have any bank loans and borrowings as at 31 December 2019.

Summary of Financial Information

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 198 to 199 of the Annual Report.

Retirement Scheme

The Group operates a Mandatory Provident Fund Scheme (the "MPF Scheme") for all qualifying employees. Particulars of this retirement scheme are set out in *Note 23* to the "Notes to the Financial Statements".

Independence of Independent Non-executive Directors

The Company has received from each of the Independent Non-executive Directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and considers all the Independent Non-executive Directors to be independent.

足夠的公眾持股量

根據本公司公開取得的資料，以及就本公司董事所知，於本年報刊發日期，本公司維持上市規則所規定的公眾持股量。

關連交易及持續關連交易

於二零一九年內，概無訂立任何上市規則界定的關連交易或持續關連交易。

銀行貸款及其他借款

於二零一九年十二月三十一日，本公司並無任何銀行貸款及借款。

財務資料概要

本集團過去五個財政年度的業績與資產及負債概要，載於年報第198頁至第199頁。

退休計劃

本集團為全體合資格僱員設立強制性公積金計劃（「強積金計劃」）。有關退休計劃詳情載於「財務報表附註」的附註23。

獨立非執行董事的獨立性

本公司已接獲各獨立非執行董事根據上市規則第3.13條就彼等的獨立性而發出的年度確認書。本公司認為全體獨立非執行董事均屬獨立。

Auditors

The Company's auditor, KPMG, will retire at the forthcoming AGM and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of KPMG as auditors of the Company is to be proposed at the forthcoming AGM.

By Order of the Board

Dr. LEE Nai Shee, Harry, S.B.S., J.P.
Chairman

Hong Kong, 24 March 2020

核數師

本公司核數師畢馬威會計師事務所將於即將舉行的股東週年大會任滿告退，惟其符合資格並願意膺選連任。本公司將於即將舉行的股東週年大會上提呈決議案，藉以續聘畢馬威會計師事務所為本公司核數師。

承董事會命

主席
李乃熿博士，S.B.S., J.P.

香港，二零二零年三月二十四日

Other Information 其他資料

Purchase, Sales or Redemption of the Company's Listed Securities

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

Closure of Register of Members

The register of members will be closed from Tuesday, 5 May 2020 to Friday, 8 May 2020, both days inclusive, during which period no transfer of shares will be registered to determine the shareholders' entitlement to attend and vote at the annual general meeting ("AGM") to be held on Friday, 8 May 2020. In order to qualify to attend and vote at the AGM, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration, no later than 4:30 p.m. on Monday, 4 May 2020.

The register of members will also be closed from Thursday, 14 May 2020 to Monday, 18 May 2020, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the final dividend, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration, no later than 4:30 p.m. on Wednesday, 13 May 2020.

購買、出售或贖回本公司的上市證券

年內，本公司或其任何附屬公司概無購買、出售或贖回本公司的任何上市證券。

暫停辦理股份過戶登記

本公司將於二零二零年五月五日(星期二)至二零二零年五月八日(星期五)(包括首尾兩日)期間，暫停辦理股份過戶登記手續，以便釐定出席二零二零年五月八日(星期五)舉行之股東週年大會(「股東週年大會」)並於會上投票的股東資格。為符合出席股東週年大會及於會上投票的資格，所有填妥的股份過戶表格連同有關股票必須於二零二零年五月四日(星期一)下午四時三十分前，送達本公司的股份過戶登記處香港中央證券登記有限公司登記，地址為香港灣仔皇后大道東183號合和中心17樓1712至1716室。

本公司亦將於二零二零年五月十四日(星期四)至二零二零年五月十八日(星期一)(包括首尾兩日)期間，暫停辦理股份過戶登記手續。為符合收取末期股息的資格，所有填妥的股份過戶表格連同有關股票必須於二零二零年五月十三日(星期三)下午四時三十分前，送達本公司的股份過戶登記處香港中央證券登記有限公司登記，地址為香港灣仔皇后大道東183號合和中心17樓1712至1716室。

Report of the Auditors

核數師報告書



**Independent auditor's report to the members of
Tradelink Electronic Commerce Limited**
(Incorporated in Hong Kong with limited liability)

Opinion

We have audited the consolidated financial statements of Tradelink Electronic Commerce Limited and its subsidiaries ("the Group") set out on pages 102 to 197, which comprise the consolidated statement of financial position as at 31 December 2019, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

Basis of opinion

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

獨立核數師報告
致貿易通電子貿易有限公司成員
(於香港註冊成立的有限公司)

意見

本核數師(以下簡稱「我們」)已審核列載於第102頁至第197頁的貿易通電子貿易有限公司及其附屬公司(以下簡稱「貴集團」)的綜合財務報表。此財務報表包括於二零一九年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了貴集團於二零一九年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》妥為擬備。

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(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。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

Key audit matters

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

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

Revenue recognition in respect of the provision of front-end Government Electronic Trading Services

提供前端政府電子貿易服務的收益確認

Refer to notes 3 and 4 to the consolidated financial statements and the accounting policies on pages 115 to 117.

請參閱綜合財務報表附註3及4以及於第115頁至第117頁的會計政策。

The Key Audit Matter

關鍵審計事項

Revenue of the Group is derived from the provision of front-end Government Electronic Trading Services ("GETS") for processing certain official trade-related documents and from project and other service income. Revenue from GETS constitutes a major portion of the E-Commerce segment, which accounted for 73% of the Group's revenue for the year ended 31 December 2019.

Revenue is recognised when the customer obtains control of the promised service in the contract.

The Group uses complex information technology ("IT") systems to track the point of service provision for GETS. The calculation of the GETS charge is automatically performed by the IT systems based on pre-defined key parameters, including unit price and transaction volume.

貴集團的收益來自提供處理若干政府官方貿易相關文件的前端政府電子貿易服務(「GETS」)及來自項目和其他服務收入。GETS的收入構成電子商貿分部的主要部分，而電子商貿分部佔貴集團截至二零一九年十二月三十一日止年度收益的73%。

收益乃於客戶獲取合約協定的服務控制權後確認。

貴集團使用複雜的資訊科技(「資訊科技」)系統來跟蹤GETS的提供服務的時點。GETS費用的計算由資訊科技系統基於預先界定的關鍵參數(包括單位價格及交易量)自動執行。

How the matter was addressed in our audit

我們的審計如何處理該事項

Our audit procedures to assess the recognition of revenue in respect of GETS included the following:

- with the assistance of our internal IT specialists, identifying and evaluating the key relevant IT systems and the design, implementation and operating effectiveness of key internal controls, with particular emphasis on the capturing and recording of GETS transactions.
- with the assistance of our internal IT specialists, assessing the calculation logic of the pre-defined formulae built into the IT systems and the related parameters (including unit price and transaction volume) used in the calculation of GETS charges;
- comparing the details of the monthly manual journal entries relating to the input into the accounting system of aggregate GETS revenue with the reports generated by the IT systems, on a sample basis;

我們用於評估GETS收益確認的審計程序包括：

- 在我們內部資訊科技專家的協助下，識別及評估相關的關鍵資訊科技系統以及關鍵的內部控制設計、實施及運行效益，並特別強調GETS交易的捕捉及記錄；
- 在我們內部資訊科技專家的協助下，評估資訊科技系統中內置的預先界定算式的運算邏輯以及計算GETS費用時使用的相關參數(包括單位價格及交易量)；
- 將輸入會計系統有關GETS總收益的每月人工記錄詳情，與資訊科技系統產生的報告進行抽樣比較；

Key audit matters (Continued)

關鍵審計事項(續)

Revenue recognition in respect of the provision of front-end Government Electronic Trading Services (Continued)

提供前端政府電子貿易服務的收益確認(續)

Refer to notes 3 and 4 to the consolidated financial statements and the accounting policies on pages 115 to 117.

請參閱綜合財務報表附註3及4以及於第115頁至第117頁的會計政策。

The Key Audit Matter 關鍵審計事項

How the matter was addressed in our audit 我們的審計如何處理該事項

A record of GETS transactions is generated by the IT systems from which the GETS charges, in an aggregate amount, are manually input into the accounting system on a monthly basis.

We identified revenue recognition in respect of GETS as a key audit matter because of its significance to the Group's total revenue and because the reliance on complex IT systems with the subsequent manual input into the accounting system increases the risk of error in recording revenue.

GETS的交易記錄是由資訊科技系統產生，GETS費用的總金額按月將以人手輸入會計系統。

我們將GETS的收益確認識別為關鍵審計事項，因為其佔貴集團總收益的重要部分，並且由於依賴複雜的資訊科技系統以及後續手動輸入會計系統增加了記錄收益的錯誤風險。

- comparing the unit price for each GETS charge as recorded in the IT systems with details in contracts signed with customers, on a sample basis, and to test the operating effectiveness of internal controls in respect of the authorization of and input of the unit price changes;

- comparing cash receipts from customers during the year and subsequent to the financial year end with invoices issued to customers during the year, on a sample basis; and

- inspecting underlying documentation for other manual journal entries relating to revenue which were considered to be material or met other specific risk-based criteria.

- 抽樣將在資訊科技系統所記錄的每項GETS費用的單位價格與客戶簽訂的合約詳情進行比較，並測試就單位價格變動授權及輸入的內部控制的運行效益；

- 抽樣將年內及財政年度末後收取自客戶的現金與年內向客戶發出的發票進行比較；及

- 檢查與收益相關被認為的其他重大或符合其他特定風險特徵的其他人工記錄的相關文件。

Key audit matters (Continued)

關鍵審計事項(續)

Loss allowance of debt securities measured at fair value through other comprehensive income

透過其他全面收益按公允價值計量的債務證券虧損撥備

Refer to note 18 to the consolidated financial statements and the accounting policies on pages 122 to 123.

請參閱綜合財務報表附註18及於第122頁至第123頁的會計政策。

The Key Audit Matter 關鍵審計事項

How the matter was addressed in our audit 我們的審計如何處理該事項

The Group invests in corporate bonds to earn interest income as part of the Group's cash management strategy, which is governed by the investment guidelines approved by the investment committee of the Group. As at 31 December 2019, the Group held a portfolio of debt securities measured at fair value through other comprehensive income ("FVOCI") with a fair value of HK\$318 million.

Our audit procedures to assess the loss allowance for debt securities measured at FVOCI included the following:

The Group measures loss allowance of debt securities using the expected credit loss ("ECL") model, which requires an ongoing measurement of credit risk associated with a financial asset. It is subject to a number of key parameters and assumptions, including the estimates of probability of default, loss given default and discount rate, adjustments for forward-looking information and other adjustment factors. Management judgment is involved in the selection of those parameters and the application of the assumptions.

- obtaining an understanding on the key parameters and assumptions of the ECL model adopted by management, including the basis of the segmentation of the debt securities based on credit risk characteristics, the historical default data, and the assumptions involved in management's estimated loss rate;
- evaluating the appropriateness of the key parameters and assumptions adopted in the calculation of loss allowances by comparing against historical default data and seeking collaborative evidence from external sources;

貴集團投資企業債券以賺取利息收入，作為 貴集團現金管理策略的一部分，該策略受 貴集團投資委員會批准的投資指引所規管。於二零一九年十二月三十一日， 貴集團持有透過其他全面收益按公允價值計量（「FVOCI」）的組合債務證券，其公允價值為港幣318,000,000元。

我們用於評估透過其他全面收益按公允價值計量的債務證券虧損撥備的審計程序包括：

貴集團透過預期信貸虧損（「ECL」）模式計量債務證券的虧損撥備，有關模式要求持續計量與財務資產相關的信貸風險，其中牽涉多項主要參數及假設，包括違約機率、違約虧損及貼現率、前瞻性資料的調整及其他調整因素。篩選該等參數及應用假設涉及管理層判斷。

- 瞭解管理層採用預期信貸虧損模式的主要參數及假設，包括根據信貸風險特性分類債務證券的基準、歷史違約數據以及管理層預測虧損率所用的假設；
- 比較歷史違約數據，以評估計算虧損撥備所採用的主要參數及假設的合適度，並自外部資源蒐集佐證；

Key audit matters (Continued)

關鍵審計事項(續)

Loss allowance of debt securities measured at fair value through other comprehensive income (Continued)

透過其他全面收益按公允價值計量的債務證券虧損撥備(續)

Refer to note 18 to the consolidated financial statements and the accounting policies on pages 122 to 123.

請參閱綜合財務報表附註18及於第122頁至第123頁的會計政策。

The Key Audit Matter 關鍵審計事項

How the matter was addressed in our audit 我們的審計如何處理該事項

We identified the loss allowance of debt securities measured at FVOCI as a key audit matter because of the significance of these financial assets to the Group's total assets and because the recognition of ECLs is inherently subjective and requires the exercise of significant management judgement.

我們已識別透過其他全面收益按公允價值計量的債務證券虧損撥備為關鍵審計事項，因為該等財務資產對貴集團總資產的重要性及預期信貸虧損的確認存在固有的主觀性和涉及管理層的重大判斷。

- evaluating the validity of management's assessment on whether the credit risk of the debt securities has, or has not, increased significantly since initial recognition and whether the debt securities is credit-impaired by selecting samples based on specific risk criteria; and

- assessing whether the disclosures in the consolidated financial statements on loss allowance of debt securities is appropriate with reference to the requirements of the prevailing accounting standards.

- 根據特定風險準則選取樣本，審核管理層評估以下方面的有效性：債務證券的信貸風險有否自初步確認後大幅增加，以及債務證券是否信貸減值；及

- 參考現行會計準則，評估綜合財務報表有關債務證券虧損撥備的披露事項是否合適。

Information other than the consolidated financial statements and our auditor's report thereon

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the consolidated financial statements

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

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

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

綜合財務報表及我們的核數師報告以外的信息

董事需對其他信息負責。其他信息包括刊載於年報內的全部信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所瞭解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

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頒佈的《香港財務報告準則》及香港《公司條例》擬備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擬備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。

審核委員會協助董事履行監督貴集團的財務報告過程的責任。

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibilities towards or accept liability to any other person for the contents of this report.

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

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

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

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們是按照香港《公司條例》第405條的規定，僅向整體成員報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審核的過程中，我們運用了專業判斷，保持專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 瞭解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

Auditor's responsibilities for the audit of the consolidated financial statements (Continued)

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

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

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

核數師就審計綜合財務報表承擔的責任(續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審核憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審核憑證。然而，未來事項或情況可能導致貴集團不能繼續持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係及其他事項，以及在適用的情況下，相關的防範措施。

Auditor's responsibilities for the audit of the consolidated financial statements (Continued)

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

The engagement partner on the audit resulting in this independent auditor's report is Sylvene Fong.

KPMG

Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

24 March 2020

核數師就審計綜合財務報表承擔的責任(續)

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或於極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是方思穎。

畢馬威會計師事務所

執業會計師
香港中環
遮打道十號
太子大廈八樓

二零二零年三月二十四日

Consolidated Statement of Profit or Loss

綜合損益表

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

			2019 二零一九年	2018 二零一八年 (Note) (附註)
		Note 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Revenue	收益	3	337,175	271,930
Interest income	利息收入		14,985	15,152
Other net income	其他收益淨額	5	1,611	405
Cost of purchases	採購成本		(87,916)	(29,283)
Staff costs	僱員成本	6(a)	(119,143)	(114,142)
Depreciation	折舊		(8,022)	(6,893)
Other operating expenses	其他經營開支		(37,471)	(32,403)
Profit from operations	經營溢利		101,219	104,766
Impairment loss on other financial assets	其他財務資產減值虧損	26(a)	(1,303)	(156)
Impairment loss on interest in an associate	於一間聯營公司權益的減值虧損	16	(4,500)	—
Share of results of associates	所佔聯營公司業績		798	1,540
Profit before taxation	除稅前溢利	6	96,214	106,150
Taxation	稅項	7(a)	(14,013)	(16,382)
Profit for the year	本年度溢利		82,201	89,768
Earnings per share (HK cents)	每股盈利(港仙)	13		
Basic	基本		10.3	11.3
Diluted	攤薄		10.3	11.3

Note: The Group has initially applied HKFRS 16 as at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See Note 1(c).

附註：本集團已於二零一九年一月一日使用經修訂追溯法首次採納《香港財務報告準則》第16號。根據此方法，並無重列比較資料。見附註1(c)。

The notes on pages 109 to 197 form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in Note 11.

第109頁至第197頁的附註構成財務報表的一部分。由本年度溢利分配並應派付予本公司股權持有人的股息詳情載於附註11。

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

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

		2019 二零一九年	2018 二零一八年 (Note) (附註)
	Note 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Profit for the year	本年度溢利	82,201	89,768
Other comprehensive income for the year (after tax and reclassification adjustments):	本年度其他全面收益 (除稅及重新分類調整後):		
Items that may be reclassified subsequently to profit or loss:	其後或會重新分類至損益表的項目:		
Exchange differences on translation of financial statements of the operations outside Hong Kong	換算香港境外業務的財務報表所得匯兌差額	(477)	(880)
Debt securities measured at fair value through other comprehensive income ("FVOCI") — net movement in fair value reserve	透過其他全面收益按公允價值計量 (「FVOCI」) 的債務證券 — 公允價值儲備變動淨額	11,511	(15,648)
	12		
Total comprehensive income for the year	本年度全面收益總額	93,235	73,240

Note: The Group has initially applied HKFRS 16 as at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See Note 1(c).

附註：本集團已於二零一九年一月一日使用經修訂追溯法首次採納《香港財務報告準則》第16號。根據此方法，並無重列比較資料。見附註1(c)。

The notes on pages 109 to 197 form part of these financial statements.

第109頁至第197頁的附註構成財務報表的一部分。

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2019 於二零一九年十二月三十一日

			2019 二零一九年	2018 二零一八年 (Note) (附註)
		Note 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14(a)	23,710	26,587
Goodwill	商譽	15(b)	9,976	9,976
Interest in associates	所佔聯營公司權益	16	13,977	18,078
Other financial assets	其他財務資產	18	279,118	305,499
Deferred tax assets	遞延稅項資產	8(b)	1,230	3,719
			328,011	363,859
Current assets	流動資產			
Trade receivables and contract assets	應收賬款及合約資產	19	63,587	44,117
Other receivables, prepayments and other contract costs	其他應收款項、預付款項及其他合約成本	20	18,749	15,918
Other financial assets	其他財務資產	18	38,524	42,233
Deposits with bank	銀行存款		12,238	4,222
Cash and cash equivalents	現金及現金等值		131,184	82,253
			264,282	188,743
Current liabilities	流動負債			
Trade creditors, contract liabilities and other payables	應付賬款、合約負債及其他應付款項	21	204,893	194,222
Taxation	稅項	8(a)	11,859	3,241
			216,752	197,463
Net current assets/(liabilities)	流動資產/(負債)淨值		47,530	(8,720)
Total assets less current liabilities	資產總額減流動負債		375,541	355,139
Non-current liabilities	非流動負債			
Provision for long service payments	長期服務金撥備	22	3,120	3,179
Deferred tax liabilities	遞延稅項負債	8(b)	1,030	1,203
Other payables	其他應付款項	21	464	—
			4,614	4,382
NET ASSETS	資產淨值		370,927	350,757

Consolidated Statement of Financial Position (Continued)
綜合財務狀況表(續)

As at 31 December 2019 於二零一九年十二月三十一日

			2019 二零一九年	2018 二零一八年 (Note) (附註)
		Note 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Capital and Reserves	資本及儲備			
Share capital	股本	25(b)(i)	296,093	296,093
Reserves	儲備		74,834	54,664
TOTAL EQUITY	權益總額		370,927	350,757

Note: The Group has initially applied HKFRS 16 as at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See Note 1(c).

附註：本集團已於二零一九年一月一日使用經修訂追溯法首次採納《香港財務報告準則》第16號。根據此方法，並無重列比較資料。見附註1(c)。

Approved and authorised for issue by the Board of Directors on 24 March 2020.

經董事會於二零二零年三月二十四日批准及授權刊發。

Dr. LEE Nai Shee, Harry, S.B.S., J.P.
Chairman

主席
李乃熿博士，S.B.S., J.P.

TSE Kam Keung
Executive Director

執行董事
謝錦強

The notes on pages 109 to 197 form part of these financial statements.

第109頁至第197頁的附註構成財務報表的一部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

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

		Share capital	Capital reserve	Exchange reserve	Fair value reserve	Other reserve	Retained profits	Total equity
		股本	資本儲備	匯兌儲備	價值儲備	其他儲備	(Note)	權益總額
	Note	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	(附註)	HK\$'000
	附註	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
As at 1 January 2018	於二零一八年一月一日	296,039	5,028	1,795	(1,506)	—	53,042	354,398
Changes in equity for 2018	二零一八年的股本權益變動							
Dividends approved in respect of the previous year	上年度已批准股息	11	—	—	—	—	(50,062)	(50,062)
Issue of new shares	發行新股份	25(b)(ii)	54	(5)	—	—	—	49
Equity-settled share-based transactions	以股權結算並以股份為基礎的交易		—	944	—	—	—	944
Lapse of share options	購股權失效		—	(16)	—	—	16	—
Profit for the year	本年度溢利		—	—	—	—	89,768	89,768
Other comprehensive income for the year	本年度其他全面收益		—	—	(880)	(15,648)	—	(16,528)
Total comprehensive income for the year	本年度全面收益總額		—	—	(880)	(15,648)	89,768	73,240
Transfer to other reserve	轉至其他儲備		—	—	—	12	(12)	—
Dividends declared in respect of the current year	本年度已決議派發的股息	11	—	—	—	—	(27,812)	(27,812)
As at 31 December 2018	於二零一八年十二月三十一日	296,093	5,951	915	(17,154)	12	64,940	350,757
Changes in equity for 2019	二零一九年的股本權益變動							
Dividends approved in respect of the previous year	上年度已批准股息	11	—	—	—	—	(47,678)	(47,678)
Equity-settled share-based transactions	以股權結算並以股份為基礎的交易		—	836	—	—	—	836
Lapse of share options	購股權失效		—	(37)	—	—	37	—
Profit for the year	本年度溢利		—	—	—	—	82,201	82,201
Other comprehensive income for the year	本年度其他全面收益		—	—	(477)	11,511	—	11,034
Total comprehensive income for the year	本年度全面收益總額		—	—	(477)	11,511	82,201	93,235
Dividends declared in respect of the current year	本年度已決議派發的股息	11	—	—	—	—	(26,223)	(26,223)
As at 31 December 2019	於二零一九年十二月三十一日	296,093	6,750	438	(5,643)	12	73,277	370,927

Note: The Group has initially applied HKFRS 16 as at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See Note 1(c).

附註：本集團已於二零一九年一月一日使用經修訂追溯法首次採納《香港財務報告準則》第16號。根據此方法，並無重列比較資料。見附註1(c)。

The notes on pages 109 to 197 form part of these financial statements.

第109頁至第197頁的附註構成財務報表的一部分。

Consolidated Cash Flow Statement

綜合現金流量表

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

			2019 二零一九年	2018 二零一八年 (Note) (附註)
		Note 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Operating activities	經營業績			
Profit before taxation	除稅前溢利		96,214	106,150
<i>Adjustments for:</i>	<i>調整：</i>			
Depreciation	折舊	6(b)	8,022	6,893
Net loss on disposals of property, plant and equipment	出售物業、廠房及設備虧損淨額	6(b)	6	10
Interest income on debt securities measured at FVOCI	透過其他全面收益按公允價值計量的債務證券的利息收入		(12,364)	(13,841)
Interest income on deposits with banks	銀行存款的利息收入		(2,621)	(1,311)
Share of results of associates	所佔聯營公司業績		(798)	(1,540)
Equity-settled share-based payment	以股權結算並以股份為基礎的支付	6(a)	836	944
Net foreign exchange loss/(gain)	匯兌虧損/(收益)淨額	6(b)	2,071	(1,023)
Net gain on disposal of debt securities measured at FVOCI	出售透過其他全面收益按公允價值計量的債務證券的收益淨額	5	(218)	—
Gain on disposal of an associate	出售一間聯營公司收益	5	—	(405)
Impairment loss on interest in an associate	於一間聯營公司權益的減值虧損	16	4,500	—
Impairment loss on trade receivables and contract assets	應收賬款及合約資產減值虧損	6(b)	1,751	791
Impairment loss on other financial assets	其他財務資產減值虧損	26(a)	1,303	156
Operating profit before changes in working capital	未計營運資金變動前的經營溢利		98,702	96,824
Increase in trade receivables, contract assets, other receivables, prepayments and other contract costs	應收賬款、合約資產、其他應收款項、預付款項及其他合約成本增加		(24,328)	(10,890)
Increase/(decrease) in trade creditors, contract liabilities and other payables	應付賬款、合約負債及其他應付款項增加/(減少)		16,501	(855)
Decrease in customer deposits received	已收客戶按金減少		(6,339)	(5,921)
Cash generated from operations	經營產生的現金		84,536	79,158
Hong Kong Profits Tax paid	已繳香港利得稅		(3,043)	(13,003)
Tax outside Hong Kong paid	已繳香港境外稅項		(36)	—
Net cash generated from operating activities	經營活動產生的現金淨額		81,457	66,155

Consolidated Cash Flow Statement (Continued)
綜合現金流量表 (續)

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

	Note	2019 二零一九年	2018 二零一八年
	附註	HK\$'000 港幣千元	(Note) (附註) HK\$'000 港幣千元
Investing activities	投資活動		
Proceeds from disposal of debt securities measured at FVOCI	出售透過其他全面收益按公允價值計量的債務證券所得款項	66,214	3,981
Payment for purchase of debt securities measured at FVOCI	購入透過其他全面收益按公允價值計量的債務證券所支付款項	(27,885)	—
Payment for purchase of property, plant and equipment	購入物業、廠房及設備所支付款項	(3,593)	(6,512)
Interest received	已收利息	15,804	16,222
Proceeds from disposal of an associate	出售聯營公司所得款項	—	405
Placement of deposits with bank	存入銀行存款	(8,521)	(33)
Net cash generated from investing activities	投資活動所產生現金淨額	42,019	14,063
Financing activities	融資活動		
Capital element of lease rentals paid	已付租賃租金的資本元素	(606)	—
Interest element of lease rentals paid	已付租賃租金的利息元素	(38)	—
Proceeds from shares issued under share option schemes	根據購股權計劃發行股份所得款項	—	49
Dividends paid to equity shareholders of the Company	已付本公司股權持有人的股息	(73,901)	(77,874)
Net cash used in financing activities	融資活動所用的現金淨額	(74,545)	(77,825)
Net increase in cash and cash equivalents	現金及現金等值增加淨額	48,931	2,393
Cash and cash equivalents as at 1 January	於一月一日的現金及現金等值	82,253	79,860
Cash and cash equivalents as at 31 December	於十二月三十一日的現金及現金等值	131,184	82,253
Analysis of cash and cash equivalents	現金及現金等值分析		
Deposits with banks and other financial institutions	銀行及其他金融機構存款	114,958	68,092
Cash at bank and on hand	銀行及手頭現金	16,226	14,161
		131,184	82,253

Note: The Group has initially applied HKFRS 16 as at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See Note 1(c).

附註：本集團已於二零一九年一月一日使用經修訂追溯法首次採納《香港財務報告準則》第16號。根據此方法，並無重列比較資料。見附註1(c)。

The notes on pages 109 to 197 form part of these financial statements.

第109頁至第197頁的附註構成財務報表的一部分。

Notes to the Financial Statements

財務報表附註

1 Significant accounting policies

(a) Statement of compliance

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

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. *Note 1(c)* provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2019 comprise the Group and the Group’s interest in associates and a joint venture.

The measurement basis used in the preparation of the financial statements is the historical cost basis, except for debt securities measured at their fair value (*Note 1(i)*).

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

1 主要會計政策

(a) 遵守聲明

該等財務報表是按照香港會計師公會（「香港會計師公會」）頒佈的所有適用《香港財務報告準則》（「香港財務報告準則」）（該統稱包括所有適用的單獨的《香港財務報告準則》、《香港會計準則》（「香港會計準則」）及詮釋、香港公認會計原則及香港《公司條例》規定而編製。該等財務報表亦已遵照香港聯合交易所有限公司（「香港聯交所」）證券上市規則（「上市規則」）中適用的披露規定。本公司及其附屬公司（合稱「本集團」）所採用的主要會計政策載列如下。

香港會計師公會頒佈若干新訂及經修訂的《香港財務報告準則》，有關準則自本集團的本會計期間開始生效或可供提前採用。於本期間及過往會計期間，由於初次運用上述與本集團有關的新訂及經修訂《香港財務報告準則》而導致會計政策變動的影響已反映於此等財務報表中。有關資料載於財務報表附註1(c)內。

(b) 財務報表的編製基準

截至二零一九年十二月三十一日止年度的綜合財務報表，包括本集團及本集團所佔聯營公司及合營公司權益。

編製財務報表所使用的計算基準為歷史成本法，但以公允價值計量的債務證券除外（附註1(i)）。

編製此等符合《香港財務報告準則》的財務報表需要管理層作出判斷、估計及假設，而該等判斷、估計及假設會影響政策的應用及所申報資產、負債、收入及開支的數額。該等估計及相關假設乃根據過往經驗及管理層相信於該等情況下乃屬合理的各項其他因素而作出，所得結果構成管理層在無法依循其他來源得知資產及負債的賬面值時作出判斷的基準。實際數字或會有別於估計數字。

1 Significant accounting policies (Continued)

(b) Basis of preparation of the financial statements (Continued)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Major sources of estimation uncertainty are disclosed in *Note 2*.

(c) Changes in accounting policies

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

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

HKFRS 16, *Leases*

HKFRS 16 replaces HKAS 17, *Leases*, and the related interpretations, HK(IFRIC) 4, *Determining whether an arrangement contains a lease*, HK(SIC) 15, *Operating leases — incentives*, and HK(SIC) 27, *Evaluating the substance of transactions involving the legal form of a lease*. It introduces a single accounting model for lessees, which requires a lessee to recognise a right-of-use asset and a lease liability for all leases, except for leases that have a lease term of 12 months or less ("short-term leases") and leases of low value assets. The lessor accounting requirements are brought forward from HKAS 17 substantially unchanged.

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

The Group has initially applied HKFRS 16 as from 1 January 2019. The Group has elected to use the modified retrospective approach and there was no impact to the opening balance of equity at 1 January 2019 upon the initial application of HKFRS 16. Comparative information has not been restated and continues to be reported under HKAS 17.

1 主要會計政策(續)

(b) 財務報表的編製基準(續)

本集團持續就所作估計及相關假設作出評估。會計估計的變動如僅影響當期，則有關會計估計變動將於當期確認。如該項會計估計變動影響當期及以後期間，則有關會計估計變動將於當期及以後期間確認。導致估算出現不確定性的主要緣由將於附註2披露。

(c) 會計政策變動

香港會計師公會頒佈了一項新《香港財務報告準則》，《香港財務報告準則》第16號，*租賃*及多項《香港財務報告準則》的修訂，該等準則及修訂於本集團的本會計期間首次生效。

除《香港財務報告準則》第16號，*租賃*外，該等變動對當前或過往期間本集團已編製或呈列的業績及財務狀況並無重大影響。本集團並無提早採納於本會計期間仍未生效的任何新訂準則或詮釋。

《香港財務報告準則》第16號，*租賃*

《香港財務報告準則》第16號取代《香港會計準則》第17號，*租賃*及相關詮釋、香港(國際財務報告詮釋委員會)詮釋第4號，*釐定安排是否包括租賃*、香港(詮釋常務委員會)詮釋第15號，*經營租賃 — 優惠*及香港(詮釋常務委員會)詮釋第27號，*評估涉及租賃法律形式交易的內容*。其就承租人引入單一會計模式，並規定承租人就所有租賃確認使用權資產及租賃負債，惟租期為12個月或以下的租賃(「短期租賃」)及低價值資產的租賃除外。出租人的會計規定則大致保留《香港會計準則》第17號的規定。

《香港財務報告準則》第16號亦引入額外定性及定量披露規定，旨在使財務報表使用者評估租賃對實體的財務狀況、財務表現及現金流量的影響。

本集團已自二零一九年一月一日起首次採納《香港財務報告準則》第16號。本集團已選用經修訂追溯法，於首次採納《香港財務報告準則》第16號後，並無對二零一九年一月一日的期初權益結餘造成影響。比較資料未被重列且繼續根據《香港會計準則》第17號呈報。

1 Significant accounting policies (Continued)

(c) Changes in accounting policies (Continued) HKFRS 16, Leases (Continued)

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

a. *New definition of a lease*

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

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

1 主要會計政策(續)

(c) 會計政策變動(續)

《香港財務報告準則》第16號，租賃(續)

有關過往會計政策變動的性質和影響及所採用的過渡性選擇的進一步詳情載列如下：

a. *租賃的新定義*

租賃定義的變動主要與控制權的概念有關。《香港財務報告準則》第16號根據客戶是否在某一時段內控制已識別資產的使用(其可由指定使用量釐定)而對租賃作出定義。當客戶有權指示可識別資產的用途以及從該用途中獲得絕大部分經濟利益時，即表示擁有控制權。

本集團僅將《香港財務報告準則》第16號租賃的新定義應用於二零一九年一月一日或之後訂立或更改的合約。就於二零一九年一月一日前訂立的合約而言，本集團已採用過渡實際權宜方法融入現有安排屬或包含租賃的先前評估。因此，先前根據《香港會計準則》第17號評估為租賃的合約繼續作為《香港財務報告準則》第16號項下租賃入賬，而先前評估為非租賃服務安排的合約繼續入賬為執行合約。

1 Significant accounting policies (Continued)

(c) Changes in accounting policies (Continued) HKFRS 16, Leases (Continued)

b. Lessee accounting and transitional impact

HKFRS 16 eliminates the requirement for a lessee to classify leases as either operating leases or finance leases, as was previously required by HKAS 17. Instead, the Group is required to capitalise all leases when it is the lessee, including leases previously classified as operating leases under HKAS 17, other than those short-term leases and leases of low-value assets. As far as the Group is concerned, these newly capitalised leases are primarily in relation to property, plant and equipment as disclosed in Note 14. For an explanation of how the Group applies lessee accounting, see Note 1(j).

At the date of transition to HKFRS 16 (i.e. 1 January 2019), the Group determined the length of the remaining lease terms and measured the lease liabilities for the leases previously classified as operating leases at the present value of the remaining lease payments, discounted using the relevant incremental borrowing rates as at 1 January 2019. The weighted average of the incremental borrowing rates used for determination of the present value of the remaining lease payments was 3.56%.

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

- (i) the Group elected not to apply the requirements of HKFRS 16 in respect of the recognition of lease liabilities and right-of-use assets to leases for which the remaining lease term ends within 12 months from the date of initial application of HKFRS 16, i.e. where the lease term ends on or before 31 December 2019; and
- (ii) when measuring the lease liabilities at the date of initial application of HKFRS 16, the Group applied a single discount rate to a portfolio of leases with reasonably similar characteristics (such as leases with a similar remaining lease term for a similar class of underlying asset in a similar economic environment).

1 主要會計政策(續)

(c) 會計政策變動(續)

《香港財務報告準則》第16號，租賃(續)

b. 承租人會計處理方法及過渡影響

《香港財務報告準則》第16號剔除先前《香港會計準則》第17號要求承租人將租賃分類為經營租賃或融資租賃的規定。反之，當本集團為承租人，其須將所有租賃資本化，包括先前根據《香港會計準則》第17號分類為經營租賃的租賃，惟該等短期租賃及低價值資產租賃除外。就本集團而言，誠如附註14所披露，該等新資本化租賃主要涉及物業、廠房及設備。有關本集團應用承租人會計處理方法的闡釋，見附註1(j)。

於過渡至《香港財務報告準則》第16號當日(即二零一九年一月一日)，本集團就先前分類為經營租賃的租賃按餘下租賃付款現值釐定餘下租期及計量租賃負債，並已使用二零一九年一月一日的相關遞增借款利率進行貼現。用於釐定餘下租賃付款現值的遞增借款利率的加權平均數為3.56%。

為緩解《香港財務報告準則》第16號的過渡，本集團於首次應用《香港財務報告準則》第16號當日採用下列確認豁免及可行權宜方法：

- (i) 本集團已選擇不就租賃(其餘下租期於首次採納《香港財務報告準則》第16號當日起計12個月內屆滿(即租期於二零一九年十二月三十一日或之前完結))確認租賃負債及使用權資產採納《香港財務報告準則》第16號的規定；及
- (ii) 於計量首次應用《香港財務報告準則》第16號當日的租賃負債時，本集團對具有合理類似特徵的租賃組合使用單一貼現率(例如，在類似經濟環境下就類似分類的相關資產採用與餘下租期類似的租賃)。

1 Significant accounting policies (Continued)

(c) Changes in accounting policies (Continued) HKFRS 16, Leases (Continued)

b. Lessee accounting and transitional impact (Continued)

The following table reconciles the operating lease commitments as disclosed in Note 27(b) as at 31 December 2018 to the opening balance for lease liabilities recognised as at 1 January 2019:

1 主要會計政策(續)

(c) 會計政策變動(續)

《香港財務報告準則》第16號，租賃(續)

b. 承租人會計處理方法及過渡影響(續)

下表載列於附註27(b)披露於二零一八年十二月三十一日的經營租賃承擔與於二零一九年一月一日確認的租賃負債的年初結餘的對賬：

1 January 2019
二零一九年
一月一日
HK\$'000
港幣千元

Operating lease commitments at 31 December 2018	於二零一八年十二月三十一日的經營租賃承擔	1,015
Less: commitments relating to leases exempt from capitalisation:	減：有關豁免資本化租賃的承擔：	
— short-term leases and other leases with remaining lease term ending on or before 31 December 2019	— 短期租賃及剩餘租期於二零一九年十二月三十一日或之前結束的其他租賃	(178)
		837
Less: total future interest expenses	減：未來利息開支總額	(23)
Present value of remaining lease payments, discounted using the incremental borrowing rate at 1 January 2019 and total lease liabilities recognised at 1 January 2019	剩餘租賃付款的現值(使用於二零一九年一月一日的遞增借款利率貼現)及於二零一九年一月一日確認的租賃負債總額	814

1 Significant accounting policies (Continued)

(c) Changes in accounting policies (Continued) HKFRS 16, Leases (Continued)

b. Lessee accounting and transitional impact (Continued)

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

As at 31 December 2018, the Group had no leases previously classified as finance leases.

The following table summarises the impact of the adoption of HKFRS 16 on the Group's consolidated statement of financial position:

1 主要會計政策(續)

(c) 會計政策變動(續)

《香港財務報告準則》第16號，租賃(續)

b. 承租人會計處理方法及過渡影響(續)

與先前分類為經營租賃的租賃相關的使用權資產已確認，其金額相等於餘下租賃負債的已確認金額，並於二零一八年十二月三十一日通過財務狀況表內確認的與該租賃相關的任何預付或應計租賃付款金額進行調整。

於二零一八年十二月三十一日，本集團並無先前分類為融資租賃的租賃。

下表概述於本集團綜合財務狀況表採納《香港財務報告準則》第16號的影響：

	Carrying amount as at 31 December 2018 於二零一八年十二月三十一日的賬面值 HK\$'000 港幣千元	Capitalisation of operating lease contracts 經營租賃合約資本化 HK\$'000 港幣千元	Carrying amount as at 1 January 2019 於二零一九年一月一日的賬面值 HK\$'000 港幣千元
Line items in the consolidated statement of financial position impacted by the adoption of HKFRS 16:	受採納《香港財務報告準則》第16號影響的綜合財務狀況表項目：		
Property, plant and equipment	物業、廠房及設備	26,587	27,401
Total non-current assets	非流動資產總值	363,859	364,673
Trade creditors, contract liabilities and other payables (current)	應付賬款、合約負債及其他應付款項(流動)	194,222	194,716
Total current liabilities	流動負債總值	197,463	197,957
Net current liabilities	流動負債淨值	(8,720)	(9,214)
Total assets less current liabilities	資產總值減流動負債	355,139	355,459
Other payables (non-current)	其他應付款項(非流動)	—	320
Total non-current liabilities	非流動負債總值	4,382	4,702
Net assets	資產淨值	350,757	350,757

1 Significant accounting policies (Continued)

(c) Changes in accounting policies (Continued) HKFRS 16, Leases (Continued)

c. Impact on the financial result, segment results and cash flows of the Group

After the initial recognition of right-of-use assets and lease liabilities as at 1 January 2019, the Group as a lessee is required to recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the previous policy of recognising rental expenses incurred under operating leases on a straight-line basis over the lease term. This does not result in significant impacts on the reported profit from operations in the Group's consolidated statement of profit or loss and segment results, as compared to the results if HKAS 17 had been applied during the year.

In the cash flow statement, the Group as a lessee is required to split rentals paid under capitalised leases into their capital element and interest element. These elements are classified as financing cash outflows, similar to how leases previously classified as finance leases under HKAS 17 were treated, rather than as operating cash outflows, as was the case for operating leases under HKAS 17. Although total cash flows are unaffected, the adoption of HKFRS 16 therefore results in a change in presentation of cash flows within the consolidated cash flow statement.

(d) Revenue and other income

Income is classified by the Group as revenue when it arises from the sale of goods or the provision of services in the ordinary course of the Group's business.

Revenue is recognised when control over a product or service is transferred to the customer, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

1 主要會計政策(續)

(c) 會計政策變動(續)

《香港財務報告準則》第16號，租賃(續)

c. 對本集團之財務業績、分部業績及現金流量造成之影響

於二零一九年一月一日初步確認使用權資產及租賃負債後，本集團(作為承租人)須確認租賃負債的未償還結餘中產生的利息開支以及使用權資產的折舊，而非過往以直線基準確認租期內經營租賃產生的租賃開支的政策。與假設已於年內應用《香港會計準則》第17號的業績相比，這不會對本集團於綜合損益表及分部業績呈報的經營溢利產生重大影響。

於現金流量表中，本集團(作為承租人)須將根據資本化租賃支付的租金分為其資本要素及利息要素。該等要素分類為融資現金流出，與《香港會計準則》第17號項下的經營租賃類似，於先前根據《香港會計準則》第17號分類為融資租賃的租賃處理方式，而非經營現金流出。因此，儘管現金流量總額不受影響，採納《香港財務報告準則》第16號會導致現金流量表內現金流量呈列的變動。

(d) 收益及其他收入

本集團將其一般業務過程中銷售貨品或提供服務而產生收入分類為收益。

於貨品或服務的控制權轉移予客戶時，本集團按其預期有權收取的承諾代價金額確認收益，惟不包括代表第三方收取的該等金額。收益不包括增值稅項或其他銷售稅項，並扣除任何貿易折扣後確認。

1 Significant accounting policies (Continued)

(d) Revenue and other income (Continued)

Where the contract contains a financing component which provides a significant financing benefit to the customer for more than 12 months, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction with the customer, and interest income is accrued separately under the effective interest method. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method. The Group takes advantage of the practical expedient in paragraph 63 of HKFRS 15 and does not adjust the consideration for any effects of a significant financing component if the period of financing is 12 months or less.

Further details of the Group's revenue and other income recognition policies are as follows:

- (i) Transaction fees, handling fees and registration fees**
Revenue is recognised when the control over the services have been transferred to customers.
- (ii) Annual subscription fees**
Revenue is recognised on a time-apportioned basis by reference to the period of the subscription.
- (iii) Sale of goods**
Revenue from sale of goods is recognised when the control of the goods have been transferred to customers and is after deduction of any trade discounts.
- (iv) Dividends**
Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.

1 主要會計政策(續)

(d) 收益及其他收入(續)

倘合約載有超過12個月提供重大融資利益予客戶的融資部分，收益則按應收款項的現行價值計量，並透過可能於與客戶的個別融資交易中反映的折扣貼現，而利息收入則透過實際利率法個別累計。倘合約載有提供重大融資利益予本集團的融資部分，該合約下確認的收益包括透過實際利率法於合約義務中計算的利息開支。本集團善用《香港財務報告準則》第15號第63段的可行權宜方法的優勢，倘融資期為12個月或以下，並無調整重大融資部分下任何影響的代價。

有關本集團收益及其他收入確認政策的進一步詳情如下：

- (i) 交易費、處理費及登記費**
有關收益乃於服務的控制權已轉至客戶後確認。
- (ii) 年費**
有關收益乃參考登記年期而按時間比例確認。
- (iii) 貨品銷售**
貨品銷售收益於貨品的控制權已轉至客戶，並扣除任何交易折扣後確認。
- (iv) 股息**
來自非上市投資的股息收入乃於股東收取股息的權利獲確立時確認。

1 Significant accounting policies (Continued)

(d) Revenue and other income (Continued)

(v) Interest income

Interest income is recognised as it accrues using the effective interest method. For financial assets measured at FVOCI that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset (see Note 1(k)(i)).

(vi) Services income

Services income is recognised when the control of the relevant services have been transferred to customers and is after deduction of any trade discounts.

When the outcome of a contract can be reasonably measured, revenue from the contract is recognised progressively over time using the cost-to-cost method, i.e. based on the proportion of the actual costs incurred relative to the estimated total costs.

When the outcome of the contract cannot be reasonably measured, revenue is recognised only to the extent of contract costs incurred that are expected to be recovered.

If at any time the costs to complete the contract are estimated to exceed the remaining amount of the consideration under the contract, then a provision is recognised in accordance with the policy set out in Note 1(o).

(e) Property, plant and equipment

The following items of property, plant and equipment are stated in the statement of financial position at cost less accumulated depreciation (or amortisation) and impairment losses (Note 1(k)):

- buildings held for own use which are situated on leasehold land, where the fair value of the building could be measured separately from the fair value of the leasehold land at the inception of the lease (see Note 1(j));
- interest in leasehold land; and
- other items of plant and equipment, including right-of-use assets arising from leases of underlying plant and equipment (see Note 1(j)).

1 主要會計政策(續)

(d) 收益及其他收入(續)

(v) 利息收入

利息收入乃採用實際利率法於累計時確認。就透過其他全面收益按公允價值計量且非信貸減值的金融資產而言，實際利率應用於資產的賬面總值。就信貸減值的金融資產而言，實際利率應用於資產的攤銷成本(即虧損撥備的賬面總值)(見附註1(k)(i))。

(vi) 服務收入

服務收入乃於相關服務的控制權已轉至客戶，並扣除任何交易折扣後確認。

倘合約的結果可合理計量，合約的收益透過成本法隨時間續步確認，即根據相關估計總成本產生的實際成本比例確認。

倘合約的結果不可合理計量，收益僅確認預期可收回的合約成本。

倘完成合約的成本於任何時候估計超過合約代價的餘額，則根據附註1(o)載列的政策確認撥備。

(e) 物業、廠房及設備

下列物業、廠房及設備項目於財務狀況表按成本值減去累計折舊(或攤銷)及減值虧損(附註1(k))列賬：

- 持作自用並建於租賃土地上的樓宇，而其公允價值在租賃開始時可與租賃土地的公允價值分開計量(見附註1(j))；
- 租賃土地權益；及
- 其他廠房及設備項目，包括相關廠房及設備租賃所產生的使用權資產(見附註1(j))。

1 Significant accounting policies (Continued)

(e) Property, plant and equipment (Continued)

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

Leasehold improvements	lower of 5 years or the remaining term of the lease
Platform hardware and software, computer and office equipment	3–5 years
Motor vehicles	3 years
Furniture and fixtures	5 years
Building	20 years
Leasehold land	unexpired term of the lease

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

(f) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. 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. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to extent that there is no evidence of impairment.

1 主要會計政策(續)

(e) 物業、廠房及設備(續)

報廢或出售物業、廠房及設備項目所產生的盈虧，按出售所得款項淨額與有關項目賬面值之間的差額釐定，並於報廢或出售日期在損益表中確認。

物業、廠房及設備項目乃使用直線法按其估計可使用年期減去估計剩餘價值(如有)以撇銷其成本值計算折舊，詳情如下：

租賃物業裝修	5年或剩餘租期 (以較短者為準)
平台硬件及軟件、電腦以及辦公室設備	3–5年
汽車	3年
傢俬及裝置	5年
樓宇	20年
租賃土地	未屆滿租約年期

當一項物業、廠房及設備項目的部分有不同的可使用年期，此項目部分的成本將按合理基礎分配，而每部分將作個別折舊。資產的可使用年期及其剩餘價值(如有)會每年進行檢討。

(f) 附屬公司及非控股權益

附屬公司為本集團控制的實體。倘本集團透過參與實體的業務而對其可變回報承擔風險或享有權利，並可使用對該實體的權力影響該等回報，則本集團控制該實體。於評估本集團是否有權力時，僅考慮(本集團及其他各方所持的)實際權利。

於附屬公司的投資會自控制開始日期起合併入賬綜合財務報表內，直至控制結束日期為止。集團內公司間的結餘及交易和現金流量和集團內公司間的交易所產生的任何未變現溢利於編製綜合財務報表時悉數抵銷。如並無出現減值跡象，集團內公司間的交易所產生的未變現虧損按照未變現收益的相同方式抵銷。

1 Significant accounting policies (Continued)

(f) Subsidiaries and non-controlling interests (Continued)

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with *Note 1(n)* depending on the nature of the liability.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see *Note 1(i)*) or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture (see *Note 1(g)*).

1 主要會計政策(續)

(f) 附屬公司及非控股權益(續)

非控股權益指非直接或間接歸屬於本公司的附屬公司權益，且本集團就此並無與該等權益持有人協定任何額外條款，致使本集團整體須就該等符合財務負債定義的權益承擔合約責任。就各業務合併而言，本集團可選擇按公允價值或按非控股權益佔附屬公司可識別淨資產的比例而計量任何非控股權益。

非控股權益於綜合財務狀況表的權益內呈列，獨立於本公司權益持有人應佔的權益。本集團業績的非控股權益乃於綜合損益表及綜合損益及其他全面收益表列作本公司非控股權益及權益持有人之間的本年度溢利或虧損總額及全面收益總額的分配結果。非控股權益持有人提供的貸款及向該等持有人承擔的其他合約責任乃根據附註1(n)及視乎負債的性質於綜合財務狀況表列作財務負債。

本集團所佔附屬公司權益的變動(不會導致失去控制權)計作股權交易，而綜合權益內的控股及非控股權益金額將會作出調整，以反映相關權益的變動，但不會對商譽作出調整，亦不會確認任何損益。

在本集團失去附屬公司控制權的情況下，有關交易將會當作出售有關附屬公司的全部權益入賬，而所得盈虧將於損益表中確認入賬。於失去控制權當日在該前附屬公司仍然保留的任何權益將按公允價值確認入賬，而此金額將被視為財務資產於首次確認時的公允價值(見附註1(i))或(如適用)於聯營公司或合營公司的投資在首次確認時的成本值(見附註1(g))。

1 Significant accounting policies (Continued)

(f) Subsidiaries and non-controlling interests (Continued)

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less any impairment losses (see *Note 1(k)*), unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

(g) Associates and joint ventures

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

A joint venture is an arrangement whereby the Group or Company and other parties, contractually agree to share control of the arrangement and have rights to the net assets of the arrangement.

An investment in an associate or a joint venture is accounted for in the consolidated financial statements under the equity method, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). The cost of the investment includes purchase price, other costs directly attributable to the acquisition of the investment, and any direct investment into the associate or joint venture that forms part of the group's equity investment. Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see *Notes 1(h) and (k)*). Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated statement of profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of profit or loss and other comprehensive income.

When the Group's share of losses exceeds its interest in the associate or the joint venture, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with any other long-term interests that in substance form part of the Group's net investment in the associate or the joint venture.

1 主要會計政策(續)

(f) 附屬公司及非控股權益(續)

在本公司的財務狀況表內，於附屬公司的投資按成本減去任何減值虧損(見附註1(k))列賬，但如有關投資已被分類持作銷售投資(或計入分類為持作銷售的出售集團)則除外。

(g) 聯營公司及合營公司

聯營公司是指本集團或本公司可以對其管理層發揮重大影響力(但並非控制或共同控制其管理層)的公司，包括參與財務及經營政策的決定。

合營公司指一項安排，本集團或本公司及其他訂約方訂約同意對該安排有共同控制權及對該安排的資產淨值擁有權利。

於聯營公司或合營公司的投資根據權益法入賬綜合財務報表，但如有關投資已被列作持作銷售投資(或計入分類為持作銷售的出售集團)則除外。根據權益法，有關投資首先按成本值入賬，並就本集團所佔被投資公司可辨別資產淨值於收購日期的公允價值超過投資成本之數(如有)作出調整。投資成本包括購入價、收購投資直接應佔的其他成本以及構成本集團股本投資一部分的聯營公司或合營公司的任何直接投資。有關投資其後按本集團所佔被投資公司資產淨值於收購後的變動及任何關乎有關投資的減值虧損作出調整(見附註1(h)及(k))。於收購日期超過成本值之數、本集團所佔被投資公司於本年度的收購後稅後業績及任何減值虧損將於綜合損益表確認，而本集團所佔被投資公司的收購後稅後其他全面收益項目則於綜合損益及其他全面收益表確認。

如本集團所佔的虧損超過其所佔聯營公司或合營公司權益，則本集團的權益將會減至零，並毋須確認其他虧損，但如本集團需對該被投資公司承擔法定或推定責任或代表該被投資公司作出付款則除外。就此而言，本集團所佔權益為根據權益法所得的投資賬面值，連同實際構成於聯營公司或合營公司的投資淨額的任何其他長期權益。

1 Significant accounting policies (Continued)

(g) Associates and joint ventures (Continued)

Unrealised profits and losses resulting from transactions between the Group and its associates and joint venture are eliminated to the extent of the Group's interest in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method.

In all other cases, when the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence or joint control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see Note 1(i)).

In the Company's statement of financial position, its investments in associates and joint venture are stated at cost less impairment losses (see Note 1(k)), unless classified as held for sale (or included in a disposal group that is classified as held for sale).

(h) Goodwill

Goodwill represents the excess of

- (i) the aggregate of the fair value of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the Group's previously held equity interest in the acquiree; over
- (ii) the net fair value of the acquiree's identifiable assets and liabilities measured as at the acquisition date.

When (ii) is greater than (i), then this excess is recognised immediately in profit or loss as a gain on a bargain purchase.

1 主要會計政策(續)

(g) 聯營公司及合營公司(續)

本集團及其聯營公司及合營公司之間的交易所產生的未變現盈虧均在本集團所佔被投資公司權益中沖銷，但如未變現虧損是由已轉讓資產的減值產生，則須立刻在損益表中確認。

倘於聯營公司的投資轉為於合營公司的投資，則保留權益不會重新計量，反之亦然，而該投資繼續按權益法列賬。

在所有其他情況下，倘本集團對聯營公司不再具有重大影響力時或對合營公司不再具有共同控制權時，將會當作出售有關被投資公司的全部權益入賬，而所得盈虧將於損益表中確認入賬。於不再具有重大影響力或共同控制權當日在該前被投資公司仍然保留的任何權益將按公允價值確認入賬，而此金額將被視為財務資產於首次確認時的公允價值(見附註1(i))。

在本公司的財務狀況表內，於聯營公司及合營公司的投資按成本值減去減值虧損(見附註1(k))列賬，但如有關投資已被列作持作銷售投資(或計入分類為持作銷售的出售集團)則除外。

(h) 商譽

商譽指

- (i) 已轉移代價的公允價值、所佔被收購公司的任何非控股權益金額及本集團早前所持被收購公司股權的公允價值的總金額；超出
- (ii) 於收購日期計算所得被收購公司的可辨別資產及負債的公平淨值的金額。

如(ii)的金額大於(i)，則超出的金額即時在損益表確認入賬作為議價購入的收益。

1 Significant accounting policies (Continued)

(h) Goodwill (Continued)

Goodwill is stated at cost less accumulated impairment losses. Goodwill arising on a business combination is allocated to each cash-generating unit, or groups of cash generating units, that is expected to benefit from the synergies of the combination and is tested annually for impairment (see *Note 1(k)*).

On disposal of a cash generating unit during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

(i) Other investments in debt and equity securities

The Group's policies for investments in debt and equity securities, other than investments in subsidiaries, associates and joint ventures, are set out below.

Investments in debt and equity securities are recognised/derecognised on the date the Group commits to purchase/sell the investment. The investments are initially stated at fair value plus directly attributable transaction costs, except for those investments measured at fair value through profit or loss ("FVPL") for which transaction costs are recognised directly in profit or loss. For an explanation of how the Group determines fair value of financial instruments, see *Note 26(e)*. These investments are subsequently accounted for as follows, depending on their classification.

(i) Investments other than equity investments

Debt securities held by the Group are classified into one of the following measurement categories:

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method (see *Note 1(d)(v)*).
- fair value through other comprehensive income ("FVOCI"), if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.

1 主要會計政策(續)

(h) 商譽(續)

商譽按成本值減去累計減值虧損列賬。業務合併所產生的商譽會被分配至各個現金產生單位或各組現金產生單位(預期會產生合併協同效益者)，並會每年作減值測試(見附註1(k))。

於年內出售單一現金產生單位時，其應佔已收購商譽金額會於計算出售交易的盈虧時計入其中。

(i) 其他債務及股本證券投資

本集團的債務及股本證券投資(於附屬公司、聯營公司及合營公司的投資除外)政策載於下文。

債務及股本證券投資於本集團承諾購買/出售投資當日確認/終止確認。投資初步按公允價值呈列另加直接應佔交易成本，惟不包括透過損益按公允價值計量(「FVPL」)的該等投資，該等交易成本直接於損益中確認。有關本集團釐定金融工具的公允價值的方式於附註26(e)中闡明。該等投資其後根據其分類，以下列方式處理。

(i) 非股本投資的投資

本集團持有的債務證券歸入以下其中一個計量類別：

- 按攤銷成本，投資為持作收取合約現金流量，即純粹為本金及利息付款。投資所得利息收入乃使用實際利率法計算(見附註1(d)(v))。
- 按公允價值計入其他全面收益(「FVOCI」)，倘投資的合約現金流量僅為本金及利息付款，且投資乃於目的為同時收取合約現金流量及出售的業務模式中持有。公允價值變動於其他全面收益確認，惟預期信貸虧損、利息收入(使用實際利率法計算)及匯兌盈虧於損益表中確認。當投資被取消確認，於其他全面收益累計的金額從權益劃轉至損益。

1 Significant accounting policies (Continued)

(i) Other investments in debt and equity securities (Continued)

(i) Investments other than equity investments (Continued)

- fair value at profit or loss (“FVPL”) if the investment does not meet the criteria for being measured at amortised cost or FVOCI. Changes in the fair value of the investment (including interest) are recognised in profit or loss.

(ii) Equity investments

An investment in equity securities is classified as FVPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the group makes an election to designate the investment at FVOCI such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer’s perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the fair value reserve until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve is transferred to retained earnings. It is not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVPL or FVOCI, are recognised in profit or loss as other income in accordance with the policy set out in Note 1(d)(iv).

1 主要會計政策(續)

(i) 其他債務及股本證券投資(續)

(i) 非股本投資的投資(續)

- 按公允價值計入損益(「FVPL」)，倘投資不符合按攤銷成本計量或按公允價值計入其他全面收益的標準。投資的公允價值變動(包括利息)於損益中確認。

(ii) 股本投資

於股本證券的投資分類為按公允價值計入損益，除非股本投資並非持作買賣用途，且於初次確認投資時，本集團選擇指定投資為按公允價值計入其他全面收益，以致公允價值的後續變動於其他全面收益確認。有關選擇乃按工具個別作出，惟僅當發行人認為投資符合權益定義時方可作出。於作出有關選擇後，於其他全面收益累計的金額繼續保留於公允價值儲備，直至投資被出售為止。出售時，於公允價值儲備累計的金額轉撥至保留盈利，而非透過損益賬劃轉。來自股本證券(不論分類為按公允價值計入損益或按公允價值計入其他全面收益)投資的股息，均根據附註1(d)(iv)所載的政策於損益中確認為其他收入。

1 Significant accounting policies (Continued)

(j) Leased assets

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

(i) As a lessee

(A) Policy applicable from 1 January 2019

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets which, for the Group are primarily office equipment. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

1 主要會計政策(續)

(j) 租賃資產

於合約起始時，本集團評估合約是否屬於或包含租賃。倘合約賦予權利於一段時間控制使用已識別資產以換取代價，則該合約屬於或包含租賃。倘客戶具有權利指示使用已識別資產，並自該使用取得絕大部分經濟利益時，則獲賦予控制權。

(i) 作為承租人

(A) 自二零一九年一月一日起適用的政策

當合約包含租賃部分及非租賃部分，本集團選擇不區分非租賃部分及將各租賃部分及任何關聯非租賃部分入賬列為所有租賃的單一租賃部分。

於租賃開始日期，本集團確認使用權資產及租賃負債，惟租期為12個月或以下的短期租賃及低值資產的租賃除外，就本集團而言主要為辦公室設備。倘本集團就低值資產訂立租賃，則本集團決定是否按個別租賃基準將租賃資本化。與該等未資本化租賃相關的租賃付款於租期按系統基準確認為開支。

當租賃已資本化，租賃負債初步按租期應付租賃付款現值確認，並按租賃中所隱含的利率貼現，或倘該利率不能輕易釐定，則以相關遞增借款利率貼現。於初步確認後，租賃負債按攤銷成本計量，而利息開支則採用實際利率法計算。並非取決於指數或費率的可變租賃付款不會納入租賃負債計量，故於其產生的會計期間自損益扣除。

1 Significant accounting policies (Continued)

(j) Leased assets (Continued)

(i) As a lessee (Continued)

(A) Policy applicable from 1 January 2019 (Continued)

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses (see Notes 1(e) and 1(k)(ii)).

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets in 'property, plant and equipment' and presents lease liabilities in "other payables" in the statement of financial position.

1 主要會計政策(續)

(j) 租賃資產(續)

(i) 作為承租人(續)

(A) 自二零一九年一月一日起適用的政策(續)

於資本化租賃時確認的使用權資產初步按成本計量，其中包括租賃負債的初始金額，加上於開始日期或之前作出的任何租賃付款以及任何所產生的初始直接成本。倘適用，使用權資產的成本亦包括拆卸及移除相關資產或還原相關資產或該資產所在工地而產生的估計成本，按其現值貼現並扣減任何所收的租賃優惠。使用權資產隨後按成本減累計折舊及減值虧損列賬(見附註1(e)及1(k)(ii))。

倘指數或利率變化引致未來租賃付款出現變動，或本集團預期根據剩餘價值擔保應付的估計金額產生變化，或就本集團是否合理確定將行使購買、續租或終止選擇權的有關重新評估產生變化，則租賃負債將重新計量。倘以這種方式重新計量租賃負債，則應當對使用權資產的賬面值進行相應調整，而倘使用權資產的賬面值已調減至零，則應於損益列賬。

本集團於財務狀況表內「物業、廠房及設備」呈列使用權資產，並於「其他應付款項」呈列租賃負債。

1 Significant accounting policies (Continued)

(j) Leased assets (Continued)

(i) As a lessee (Continued)

(B) Policy applicable prior to 1 January 2019

In the comparative period, as a lessee the Group classified leases as finance leases if the leases transferred substantially all the risks and rewards of ownership to the Group. Leases which did not transfer substantially all the risks and rewards of ownership to the Group were classified as operating leases.

Where the Group had the use of assets held under operating leases, payments made under the leases were charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis was more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received were recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals were charged to profit or loss in the accounting period in which they were incurred.

(k) Credit losses and impairment of assets

(i) Credit losses from financial instruments and contract assets

The Group recognises a loss allowance for expected credit losses ("ECLs") on the following items:

- financial assets measured at amortised cost (including cash and cash equivalents and trade and other receivables);
- contract assets as defined in HKFRS 15 (see Note 1(l)); and
- debt securities measured at FVOCI.

1 主要會計政策(續)

(j) 租賃資產(續)

(i) 作為承租人(續)

(B) 於二零一九年一月一日前適用的政策

於比較期間，作為承租人，如租賃將絕大部分擁有權的風險及利益轉移至本集團，則本集團將租賃分類為融資租賃。不會轉移絕大部分擁有權的風險及利益予本集團的租賃乃分類為經營租賃。

如屬本集團根據經營租賃使用所持資產的情況，則根據租賃作出的付款會在租賃期所涵蓋的會計期間內，以等額方式計入損益表中，但如有其他基準能更清楚地反映租賃資產所產生的收益模式則除外。已收取的租賃獎勵於損益表中確認為總租賃付款淨額的一部分。或然租金於其產生的會計期間自損益表中扣除。

(k) 信貸虧損及資產減值

(i) 自金融工具及合約資產的信貸虧損

本集團就下列項目確認預期信貸虧損("ECL")減值撥備：

- 按攤銷成本計量的金融資產(包括現金及現金等值以及應收賬款及其他應收款項)；
- 《香港財務報告準則》第15號界定的合約資產(見附註1(l))；及
- 透過其他全面收益按公允價值計量的債務證券。

1 Significant accounting policies (Continued)

(k) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

The expected cash shortfalls of fixed-rate financial assets, trade and other receivables and contract assets are discounted using effective interest rate determined at initial recognition or an approximation thereof where the effect of discounting is material.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

1 主要會計政策(續)

(k) 信貸虧損及資產減值(續)

(i) 自金融工具及合約資產的信貸虧損(續)

計量預期信貸虧損

預期信貸虧損是一個信貸虧損的概率加權估計。信貸虧損按所有預期現金差額(即按合約應付本集團現金流與本集團預期可收取現金流之間的差額)的現值計量。

倘折讓影響重大，固定利率財務資產、應收賬款及其他應收款項以及合約資產的預期現金差額會以初步確認時釐定或與之相若的實際利率折讓。

估計預期信貸虧損時所考慮的最長期間為本集團所面臨信貸風險的最長合約期間。

在計量預期信貸虧損時，本集團會考慮在毋需付出過多成本或努力下即可獲得的合理可靠的資料，當中包括有關過去事件、當前狀況及未來經濟狀況預測的資料。

預期信貸虧損按下列其中一種基準計量：

- 12個月的預期信貸虧損：因報告日期後12個月內發生的可能違約事件導致的預期虧損；及
- 整個存續期的預期信貸虧損：因預期信貸虧損模式適用的項目於預期存續期內所有可能發生的違約事件導致的預期虧損。

貿易應收款項及合約資產的虧損撥備一直按等同於整個有效期的預期信貸虧損的金額計量。於報告日期，該等財務資產的預期信貸虧損乃根據本集團的過往信貸虧損經驗使用撥備矩陣進行評估，根據債務人的特定因素及對當前及預計一般經濟狀況的評估進行調整。

1 Significant accounting policies (Continued)

(k) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

Measurement of ECLs (Continued)

For all other financial instruments, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when the financial asset is 90 days past due. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor;
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group; and
- significant changes in external market indicators of credit risk for a particular financial instrument or similar financial instruments with the same expected life.

1 主要會計政策(續)

(k) 信貸虧損及資產減值(續)

(i) 自金融工具及合約資產的信貸虧損(續)

計量預期信貸虧損(續)

至於所有金融工具，本集團確認相等於12個月預期信貸虧損的虧損撥備，除非金融工具的信貸風險自初步確認以來顯著增加，在此情況下，虧損撥備按相等於整個存續期預期信貸虧損的金額計量。

信貸風險大幅增加

為評估金融工具的信貸風險自初步確認以來有否顯著增加，本集團將報告日期評估的金融工具違約風險與初步確認日期所作評估進行比較。進行是項重新評估時，本集團認為財務資產逾期90日將導致違約事件。本集團考慮合理可靠的定量及定性資料，包括毋須付出過多成本或努力即可獲得的過往經驗及前瞻性資料。

評估信貸風險自初步確認以來有否顯著增加時，尤其考慮以下資料：

- 未能在合約到期日支付本金或利息；
- 金融工具的外部或內部信貸評級(如有)實際或預期顯著惡化；
- 債務人的經營業績實際或預期顯著惡化；
- 技術、市場、經濟或法律環境的現有或預測變化對債務人向本集團履行責任的能力構成重大不利影響；及
- 特定金融工具或具有相同預期年期的類似金融工具的信貸風險外圍市場指標出現重大變動。

1 Significant accounting policies (Continued)

(k) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

Significant increases in credit risk (Continued)

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognised as an impairment gain or loss in profit or loss. The Group recognises an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt securities that are measured at FVOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve.

1 主要會計政策(續)

(k) 信貸虧損及資產減值(續)

(i) 自金融工具及合約資產的信貸虧損(續)

信貸風險大幅增加(續)

就信貸風險有否顯著增加所作評估按個別基準或集體基準進行，視乎金融工具的性質而定。當評估以集體基準進行時，金融工具按共同信貸風險特徵(例如逾期狀況及信貸風險評級)歸類。

預期信貸虧損於各報告日期重新計量，以反映金融工具信貸風險自初步確認以來的變動。預期信貸虧損金額的任何變動均於損益確認為減值盈虧。本集團確認所有金融工具的減值盈虧，並透過虧損撥備賬相應調整其賬面值，惟透過其他全面收益按公允價值計量的債務證券投資除外，其虧損撥備於其他全面收益確認，並於公允價值儲備累計。

1 Significant accounting policies (Continued)

(k) Credit losses and impairment of assets (Continued)

(i) Credit losses from financial instruments and contract assets (Continued)

Basis of calculation of interest income

Interest income recognised in accordance with Note 1(d)(v) is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset.

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the borrower will enter into bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

Write-off policy

The gross carrying amount of a financial asset or contract asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

1 主要會計政策(續)

(k) 信貸虧損及資產減值(續)

(i) 自金融工具及合約資產的信貸虧損(續)

利息收入計算基準

根據附註1(d)(v)確認的利息收入按財務資產的賬面總值計算，除非財務資產出現信貸減值，在此情況下，利息收入按財務資產的攤銷成本(即賬面總值減虧損撥備)計算。

於各報告日期，本集團評估財務資產有否出現信貸減值。當發生一項或多項對財務資產估計未來現金流產生不利影響的事件時，財務資產即被視為出現信貸減值。

財務資產出現信貸減值的證據包括以下可觀察事件：

- 債務人面對重大財務困難；
- 違反合約，如拖欠或逾期償還利息或本金；
- 借款人可能將會破產或進行其他財務重組；
- 技術、市場、經濟或法律環境的重大變動對債務人構成不利影響；或
- 發行人陷入財困導致證券失去活躍市場。

撇銷政策

若日後回收不可實現時，財務資產或合約資產的賬面總值將撇銷(部分或全部)。該情況通常出現在本集團釐定債務人並無資產或收入來源可產生足夠現金流以償還撇銷金額。

過往撇銷資產的後續收回於收回期間在損益確認為減值撥回。

1 Significant accounting policies (Continued)

(k) Credit losses and impairment of assets (Continued)

(ii) Impairment of other non-current assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment, including right-of-use assets;
- goodwill; and
- investments in subsidiaries, associates and joint ventures in the Company's statement of financial position.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, intangible assets that are not yet available for use and intangible assets that have indefinite useful lives, the recoverable amount is estimated annually whether or not there is any indication of impairment.

— Calculation of recoverable amount

The recoverable amount of an asset is the greater of its 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. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).

1 主要會計政策(續)

(k) 信貸虧損及資產減值(續)

(ii) 其他非流動資產的減值

本集團會於每個報告期末審閱內部及外界所得資料，以確定下列資產(商譽除外)是否出現減值或先前已確認的減值虧損不再存在或已經減少：

- 物業、廠房及設備(包括使用權資產)；
- 商譽；及
- 本公司財務狀況表中的於附屬公司、聯營公司及合營公司的投資。

如出現任何該等跡象，則估計資產的可收回數額。此外，就商譽、待用的無形資產及無限可使用年期的無形資產而言，其可收回數額會每年估計(不論有否出現減值跡象)。

— 計算可收回數額

資產的可收回數額乃指公允價值減去出售成本與使用價值兩者中的較高者。在評估使用價值時，估計日後現金流量乃根據除稅前貼現率貼現至現值，而該貼現率須能反映市場現行對款項的時間價值及資產獨有風險的評估。如資產並不可在近乎獨立於其他資產的情況下產生現金流量，可收回數額則指可獨立產生現金流入的最小資產組別(即現金產生單位)的可收回數額。

1 Significant accounting policies (Continued)

(k) Credit losses and impairment of assets (Continued)

(ii) Impairment of other non-current assets (Continued)

— Recognition of impairment losses

An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

— Reversals of impairment losses

In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

(iii) Interim financial reporting and impairment

Under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, the Group is required to prepare an interim financial report in compliance with HKAS 34, Interim financial reporting, in respect of the first six months of the financial year. At the end of the interim period, the Group applies the same impairment testing, recognition, and reversal criteria as it would at the end of the financial year (see *Notes 1(k)(i)*).

Impairment losses recognised in an interim period in respect of goodwill are not reversed in a subsequent period. This is the case even if no loss, or a smaller loss, would have been recognised had the impairment been assessed only at the end of the financial year to which the interim period relates.

1 主要會計政策(續)

(k) 信貸虧損及資產減值(續)

(ii) 其他非流動資產的減值(續)

— 確認減值虧損

如資產或其所屬的現金產生單位的賬面值超過其可收回數額，則在損益表中確認減值虧損。就現金產生單位確認的減值虧損而言，其首先用作減少已分配至現金產生單位(或單位類別)的任何商譽的賬面值，其後按比例基準用作減少單位(或單位類別)內其他資產的賬面值，但資產的賬面值將不得減少至低於其個別公允價值減去出售成本(如可計量)或使用價值(如可釐定)。

— 撥回減值虧損

就商譽以外的資產而言，如用作釐定可收回數額的估計出現有利變動，則須撥回減值虧損。商譽的減值虧損不會撥回。

減值虧損撥回之數以該資產並未計算過往年度所確認的減值虧損時的賬面值為限。減值虧損撥回之數於確認有關撥回的年度計入損益表內。

(iii) 中期財務報告及減值

根據香港聯合交易所有限公司證券上市規則，本集團須按照《香港會計準則》第34號，中期財務報告的規定就有關財政年度首六個月編製中期財務報告。於中期期末，本集團採用其於財政年度結束時將會採用的同一減值測試、確認及撥回標準(見附註1(k)(i))。

於中期期間就商譽確認的減值虧損不會於其後的期間撥回。假設有關於中期期間的減值評估於財政年度結束時進行，即使沒有確認虧損，或虧損屬輕微，均採用以上相同處理方法。

1 Significant accounting policies (Continued)

(l) Contract assets and contract liabilities

A contract asset is recognised when the Group recognises revenue (see Note 1(d)) before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for expected credit losses ("ECL") in accordance with the policy set out in Note 1(k) and are reclassified to receivables when the right to the consideration has become unconditional (see Note 1(m)).

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue (see Note 1(d)). A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised (see Note 1(m)).

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method (see Note 1(d)).

(m) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset (see Note 1(l)).

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses (see Note 1(k)(i)).

(n) Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

1 主要會計政策(續)

(l) 合約資產及合約負債

於無條件有權根據合約載列的付款條款收取代價前，本集團會確認收益(見附註1(d))，則合約資產會獲確認。合約資產會根據附註1(k)載列的政策評估預期信貸虧損(「ECL」)，並於代價權利成為無條件後重新分類為應收款項(見附註1(m))。

合約負債於本集團確認相關收益前，客戶支付代價時確認(見附註1(d))。倘本集團在確認相關收益前有無條件權利收取代價，則亦確認合約負債。於此情況下，相應應收款項亦將獲確認(見附註1(m))。

對於與客戶簽訂一份單一合約，應以合約資產淨額或合約負債淨額呈列。對於與客戶簽訂的多份合約，不相關合約的合約資產與合約負債不能以淨額基準呈列。

當合約包括重大融資部分，合約結餘包括根據實際利率法所累計的利息(見附註1(d))。

(m) 應收賬款及其他應收款項

應收賬款於本集團擁有無條件權利收取代價時確認。收取代價的權利僅須待時間過去代價即須到期支付方為無條件。倘收益於本集團獲得無條件權利收取代價前確認，有關金額則呈列為合約資產(見附註1(l))。

應收款項透過實際利率法按攤銷成本減信貸虧損撥備列賬(見附註1(k)(i))。

(n) 應付賬款及其他應付款項

應付賬款及其他應付款項初步按公允價值確認，其後則按攤銷成本列賬，但如貼現影響甚微則除外。在此情況下，則按成本值列賬。

1 Significant accounting policies (Continued)

(o) Provisions and contingent liabilities

Provisions are recognised when the Group has a 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 expenditure 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 of economic benefits 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 of economic benefits is remote.

(p) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

1 主要會計政策(續)

(o) 撥備及或有負債

當本集團因過往事件而須負上法律或推定的責任，且可能須就履行該等責任而導致經濟效益流出，並能夠就此作出可靠估計，方始確認撥備。當數額涉及重大的時間價值時，則按預期用以履行責任的開支的現值作出撥備。

如不一定需要流出經濟效益履行責任或未能可靠估計款額，則該等責任將披露作或有負債，但如出現經濟效益流出的可能性極微則除外。可能出現的責任(僅可於一項或多項未來事件發生或不發生的情況下確定)亦披露為或有負債，但如出現經濟效益流出的可能性極微則除外。

(p) 所得稅

本年度所得稅包括本期稅項及遞延稅項資產及負債的變動。本期稅項及遞延稅項資產及負債的變動均在損益表內確認，但如其與於其他全面收益中或直接於權益中確認的項目有關，則有關稅項金額須分別於其他全面收益中確認或直接於權益中確認。

本期稅項是按本年度應課稅收入，以報告期末採用或主要採用的稅率計算的預期應繳稅項，以及任何有關以往年度應繳稅項的調整。

遞延稅項資產及負債乃因作財務報告用途的資產及負債賬面值與作稅基用途的資產及負債賬面值兩者的可予扣減及應課稅的暫時差異所產生。遞延稅項資產亦可由未經使用的稅務虧損及未經使用的稅項優惠所產生。

1 Significant accounting policies (Continued)

(p) Income tax (Continued)

All deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

1 主要會計政策(續)

(p) 所得稅(續)

所有遞延稅項負債及所有遞延稅項資產(僅限於將來很可能取得應課稅溢利而令該項資產得以運用的部分)均予確認。容許確認由可予扣減暫時差異所產生的遞延稅項資產的未來應課稅溢利包括其將由目前的應課稅暫時性差異撥回的部分,而此等應課稅暫時差異應由同一稅務當局向同一應課稅單位徵收,並預期在可予扣減暫時差異預期撥回的同一期間內撥回或在由遞延稅項資產產生的稅務虧損能轉回或轉入的期間內撥回。在評定目前的應課稅暫時差異是否容許確認由未經使用的稅務虧損及優惠所產生的遞延稅項資產時採用上述相同的標準,即該等暫時差異由同一稅務當局向同一應課稅單位徵收,並預期在稅務虧損或優惠能應用的期間內撥回方計算在內。

應確認的遞延稅項數額是按照資產及負債賬面值的預期變現或清償方式,以報告期末採用或主要採用的稅率計算。遞延稅項資產及負債均不作貼現計算。

本集團會在每個報告期末評估遞延稅項資產的賬面值。如果不再可能取得足夠的應課稅溢利以運用有關的稅務利益,賬面金額則予以調低。如日後可能取得足夠的應課稅溢利時,已扣減金額則予以撥回。

1 Significant accounting policies (Continued)

(p) Income tax (Continued)

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the Company or the Group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the Company or the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or
- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
 - the same taxable entity; or
 - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

(q) Employee benefits

(i) Short term employee benefits and contributions to defined contribution retirement plans

Short term employee benefits are employee benefits that are due to be settled within twelve months after the end of the period in which the employees render the related service. Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

1 主要會計政策(續)

(p) 所得稅(續)

本期稅項結餘及遞延稅項結餘及其變動，乃各自分開列示及並無相互抵銷。如本公司或本集團在法律上擁有抵銷本期稅項資產及本期稅項負債的行使權利及能符合下列額外條件，則本期稅項資產可抵銷本期稅項負債，及遞延稅項資產可抵銷遞延稅項負債：

- 如為本期稅項資產及負債：本公司或本集團計劃以淨額清償，或計劃同時變現資產和清償負債；或
- 如為遞延稅項資產及負債：如其與同一稅務當局向下述者徵收的所得稅有關：
 - 同一應課稅單位；或
 - 如為不同的應課稅單位，預期在未來每一個週期將清償或追償顯著數目的遞延稅項負債或資產及計劃以淨額基準變現本期稅項資產及清償本期稅項負債或計劃同時變現本期稅項資產及清償本期稅項負債。

(q) 僱員福利

(i) 短期僱員福利及界定供款退休計劃的供款

短期僱員福利指僱員提供相關服務的期間結束後十二個月內須結付的僱員福利。薪金、年度花紅、年度有薪假期、界定供款退休計劃供款及非金錢福利的成本於僱員提供服務的年度提取。如因遞延付款或償付而造成重大分別，有關數額則按現值列賬。

1 Significant accounting policies (Continued)

(q) Employee benefits (Continued)

(ii) Share based payments

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to those share options, the total estimated fair value of the share options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of share options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the capital reserve until either the option is exercised (when it is included in the amount recognised in share capital for the shares issued) or the option expires (when it is released directly to retained profits).

(iii) Provision for long service payments

Provision is made for potential long service payment obligations that may arise upon cessation of employment of the Group's employees in the future, to the extent that there is a reasonable probability that the amounts are likely to become payable. Such provisions are made on a systematic basis, taking into consideration the salary and years of service of the employees who may qualify for such payments in the future based on their past services rendered.

1 主要會計政策(續)

(q) 僱員福利(續)

(ii) 以股份為基礎的支付

僱員獲授予的購股權的公允價值乃確認為僱員成本，而權益中的資本儲備亦會相應增加。公允價值乃於授出日期採用柏力克舒爾斯模式，並經考慮購股權的授出條款及條件計算。當僱員須符合歸屬條件方可無條件享有該等購股權時，在考慮購股權歸屬的或然率後，購股權的估計公允價值總額在歸屬期內攤分入賬。

於歸屬期內，預期可歸屬的購股權數目會作出檢討。已於過往年度確認的累計公允價值的任何調整須在檢討年內的損益表中扣除／計入（但如原先的僱員開支合乎資格可確認為資產則除外），並在資本儲備作相應調整。在歸屬日期，除非因未能符合歸屬條件引致權利喪失純粹與本公司股份的市價有關，否則確認為支出的金額會作出調整，以反映歸屬購股權的實際數目（並在資本儲備作相應調整）。股權款額在資本儲備中確認，直至購股權獲行使（屆時會計入就已發行股份於股本所確認的金額），或購股權屆滿（直接轉入保留溢利）為止。

(iii) 長期服務金撥備

本集團會就僱員於未來停止受僱而可能產生的潛在長期服務金義務作出撥備，但以有合理可能須予支付者為限。該等撥備乃根據未來合資格收取長期服務金的僱員在過往提供服務時的薪酬及服務年期，以有系統的方式計算釐定。

1 Significant accounting policies (Continued)

(r) Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the company initially recognises such non-monetary assets or liabilities. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was measured.

The results of foreign operations are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items, including goodwill arising on consolidation of foreign operations acquired on or after 1 January 2005, are translated into Hong Kong dollars at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

1 主要會計政策(續)

(r) 外幣換算

年內的外幣交易按交易當日的匯率換算。以外幣計值的貨幣資產及負債均按報告期末的匯率換算。匯兌盈虧於損益表內確認。

以歷史成本計算的外匯非貨幣資產及負債乃按交易日的匯率折算。交易日期為本公司初步確認該等非貨幣資產或負債的日期。以公允價值列賬的外匯非貨幣資產及負債乃以計量公允價值日期的匯率換算。

外國業務的業績乃按交易日的概約匯率換算為港幣。財務狀況表項目(包括因合併二零零五年一月一日或之後購入的外國業務的賬目所產生的商譽)則按報告期末的收市匯率換算為港幣。匯兌差額於其他全面收益中確認,並單項累計呈列於權益中的匯兌儲備。

於出售外國業務時,與該外國業務有關的累計匯兌差額將於確認出售盈虧時,由權益重新分類至損益表核算。

1 Significant accounting policies (Continued)

(s) Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if:

- (a) A person, or a close member of that person's family, is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
 - (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in *Note 1(s)(a)*.
 - (vii) A person identified in *Note 1(s)(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 Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

1 主要會計政策(續)

(s) 關聯人士

就此等財務報表而言，在下列情況下，有關人士會被視為本集團的關聯人士：

- (a) 某人士或其近親家庭成員為與本集團有關聯，如該人士：
 - (i) 擁有本集團之控制權或共同控制權；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司的主要管理人員。
- (b) 如符合下列任何條件，則某實體為與本集團有關聯：
 - (i) 該實體及本集團為同一集團的成員公司(即各母公司、附屬公司及同系附屬公司為互相關聯)。
 - (ii) 一個實體為另一實體的聯營公司或合營企業(或另一實體為成員公司的集團旗下成員公司的聯營公司或合營企業)。
 - (iii) 兩個實體均為相同第三方的合營企業。
 - (iv) 一個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) 該實體為提供福利予本集團僱員或與本集團關聯的實體的僱員離職後福利計劃。
 - (vi) 該實體受附註1(s)(a)所識別的人士控制或共同控制。
 - (vii) 於附註1(s)(a)(i)所識別對實體有重大影響力的人士，或是該實體(或該實體的母公司)的主要管理人員。
 - (viii) 該實體或該實體所屬集團的任何成員公司為本集團或本集團母公司提供主要管理人員服務。

某人士的近親家庭成員指預期可影響該人士與該實體交易的家庭成員，或受該人士與該實體交易影響的家庭成員。

1 Significant accounting policies (Continued)

(t) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Cash and cash equivalents are assessed for ECL in accordance with the policy set out in Note 1(k).

(u) 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 purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

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

(v) Other contract costs

Other contract costs are either the incremental costs of obtaining a contract with a customer or the costs to fulfil a contract with a customer which are not capitalised as inventory, property, plant and equipment (see Note 1(e)) or intangible assets.

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained e.g. an incremental sales commission. Incremental costs of obtaining a contract are capitalised when incurred if the costs relate to revenue which will be recognised in a future reporting period and the costs are expected to be recovered. Other costs of obtaining a contract are expensed when incurred.

1 主要會計政策(續)

(t) 現金及現金等值

現金及現金等值包括銀行及手頭現金、於銀行及其他財務機構的活期存款及可隨時兌換為已知金額現金的短期及高流通性投資，其價值變動風險並不重大，並在購入起計三個月內到期。現金及現金等值根據附註1(k)所載的政策評估預期信貸虧損。

(u) 分部報告

經營分部及財務報表所呈報的各分部項目金額，乃根據就分配資源予本集團各項業務及地區分部及評估其表現而定期提供予本集團最高層管理人員的財務資料而確定。

就財務申報而言，個別重要經營分部不會加總呈報，但如有關分部具有類似經濟特徵以及在產品及服務性質、生產程序性質、客戶類型或類別、分銷產品或提供服務所採用的方式及監管環境性質方面類似則除外。如獨立而言並非屬重要的經營分部共同擁有上述大部分特徵，則可加總呈報。

(v) 其他合約成本

其他合約成本乃獲取客戶合約的增支成本或客戶履約的成本，有關成本並無如存貨、物業、廠房及設備(見附註1(e))或無形資產資本化。

獲取合約的增支成本乃本集團用以取得與客戶的合約的成本，增支銷售佣金等有關金額將不會於合約確認前產生。倘獲取客戶合約的增支成本與未來報告期間將予確認的收益有關，則該成本於產生時資本化，而成本亦預期將予撥回。獲取合約的其他成本則於產生時確認開支。

1 Significant accounting policies (Continued)

(v) Other contract costs (Continued)

Costs to fulfil a contract are capitalised if the costs relate directly to an existing contract or to a specifically identifiable anticipated contract; generate or enhance resources that will be used to provide goods or services in the future; and are expected to be recovered. Costs that relate directly to an existing contract or to a specifically identifiable anticipated contract may include direct labour, direct materials, allocations of costs, costs that are explicitly chargeable to the customer and other costs that are incurred only because the Group entered into the contract (for example, payments to sub-contractors). Other costs of fulfilling a contract, which are not capitalised as inventory, property, plant and equipment or intangible assets, are expensed as incurred.

Capitalised contract costs are stated at cost less accumulated amortisation and impairment losses. Impairment losses are recognised to the extent that the carrying amount of the contract cost asset exceeds the net of (i) remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates, less (ii) any costs that relate directly to providing those goods or services that have not yet been recognised as expenses.

Amortisation of capitalised contract costs is charged to profit or loss when the revenue to which the asset relates is recognised. The accounting policy for revenue recognition is set out in *Note 1(d)*.

(w) Government grants

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

1 主要會計政策(續)

(v) 其他合約成本(續)

履約成本於成本直接與現有合約或特定識別的預測合約有關時資本化；產生或增加資源將於未來用作提供貨品或服務；並預期收回。與現有合約或特定識別的預測合約直接相關的成本或包括直接勞工、直接物料、成本分配、客戶明確應付的成本及僅因本集團訂立合約(如承包商付款)而產生的成本。其他未如存貨、物業、廠房及設備或無形資產資本化的履約成本則於產生時確認開支。

資本化合約成本按成本減累計攤銷及減值虧損列賬。減值虧損於合約成本資產的賬面值超出以下項目淨額時確認：(i) 本集團預期換取貨品或服務而收取資產相關的代價的餘額，減(ii)直接與提供該等貨品或服務有關且尚未確認為開支的任何成本。

資本化合約成本的攤銷於資產相關的收益獲確認時於損益中計算。有關收益確認的會計政策載於附註1(d)。

(w) 政府補助金

當合理確認將會收取且本集團將會遵守其所附帶的條件時，則會在財務狀況表內初始確認政府補助金。補償本集團已產生開支的補助金於產生有關開支的同一期間按系統化基準於損益內確認為收入。就資產成本補償本集團的補助金自資產賬面值扣除，其後以扣減折舊開支的方式於資產可使用年期內在損益內實際確認。

2 Accounting estimates and judgements 2 會計估計及判斷

Key sources of estimation uncertainty in relation to the preparation of these financial statements are as follows:

Revenue recognition

As explained in policy *Note 1(d)*, revenue from provision of certain services is recognised over time. Such revenue and profit recognition on uncompleted projects is dependent on estimating the total outcome of the contract, as well as the work done to date. Based on the Group's recent experience and the nature of the services undertaken by the Group, the Group has made estimates of the point at which it considered the work was sufficiently advanced such that the outcome of the contract can be reasonably measured. Until this point is reached the related contract assets disclosed in *Note 19* do not include profit which the Group might eventually realise from the work done to date. In addition, actual outcomes in terms of total cost or revenue may be higher or lower than estimated at the end of the reporting period, which would affect the revenue and profit recognised in future years as an adjustment to the amounts recorded to date.

Goodwill

Note 15(b) discloses management's judgement in relation to the identification of the Group's E-commerce segment as the appropriate cash generating unit for goodwill impairment assessment. Further to that, management takes into consideration the projected volume and activity level and cash flows of the E-commerce businesses, discounted to present value at a risk-adjusted discount rate. These projections are based on assumptions that take into consideration management's knowledge of the business environment and their judgement on future performance. There is inherent uncertainty in the estimation process and the underlying assumptions relating to the future, and accordingly actual performance may differ significantly from the projection.

就編製此等財務報表而言，導致估計產生不確定性的主要緣由如下：

收益確認

誠如政策附註1(d)所述，提供若干服務的收益隨時間確認。該等收益及未完成項目的溢利確認取決於估計合約的總結果，以及屆時已完成的工作。根據本集團最近的經驗及本集團提供服務的性質，本集團已於其認為工作已足夠進度時作出估計，故合約的有關結果可合理計量。到目前為止，相關合約資產已於附註19披露，並不包括本集團最終可能自屆時已完成的工作變現所得溢利。此外，實際結果以總成本或收益計算，有關金額可能高於或低於報告期末估計的金額，並可能影響未來年度確認收益及溢利為當時錄得金額的調整。

商譽

附註15(b)披露管理層就確認本集團電子商貿分部為進行商譽減值評估的合適現金產生單位時所作的判斷。此外，管理層亦考慮到電子商貿業務的預測活動量與水平以及現金流量，並已按風險調整貼現率貼現至現值。上述預測乃基於若干假設而作出，有關假設乃根據管理層對業務環境的認識及其對日後表現的判斷而作出。由於估計的過程及有關未來的相關假設存在固有的不確定性，因此實際表現與所預測者或會出現重大差別。

2 Accounting estimates and judgements (Continued)

Investments in associates

The Group reviews internal and external sources of information at the end of each reporting period to identify indications that the Group's interest in Guangdong Nanfang Haian Science & Technology Service Company Limited ("Nanfang"), an associate of the Group (Note 16), may be impaired or an impairment loss previously recognised no longer exists or may have decreased. The Group estimates the interest in Nanfang's recoverable amount when any such indication exists. The recoverable amount of the interest in Nanfang, or of the cash-generating unit to which it belongs, is the greater of its net selling price and value in use. In assessing whether there is any impairment in the carrying value of the Group's interest in Nanfang, management may take into consideration the projected volume and activity level, future growth rate, and cash flows of the underlying business of Nanfang, discounted to present value at the risk-adjusted discount rate. These projections are based on assumptions that take into consideration management's knowledge of Nanfang's business environment and their judgement on future performance and underlying risks. There is inherent uncertainty in the estimation process and the underlying assumptions relating to the future, and accordingly actual performance may differ significantly from the projection.

Investments in debt securities

For investment in debt securities measured at FVOCI, the Group recognises a loss allowance equal to 12-month ECLs unless there has been a significant increase in credit risk of the debt securities since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs. As explained in Note 1(k)(i), ECL is remeasured at each reporting date to reflect changes in the debt securities' credit risk since initial recognition. In measuring ECL, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

The evaluation of credit risk of a debt security requires analysis of the credit standing of a particular issuer and involves management judgement. When assessing credit risk of debt securities, the Group places emphasis on issuer specific factors, such as significant financial difficulty, default or delinquency on interest or principal payments. A credit rating downgrade, worsened liquidity or decline in fair value below the amortised cost is not by itself considered a loss event, but rather incorporated in the credit risk analysis along with other available information. Particular attention will be on those individual debt securities for which there was a cumulative fair value loss at each reporting date.

2 會計估計及判斷(續)

於聯營公司的投資

本集團於每個報告期末審閱內部及外界所得資料，以確定本集團所持聯營公司廣東南方海岸科技服務有限公司(「南方」)權益(附註16)是否出現減值或先前已確認的減值虧損不再存在或已經減少的跡象。倘出現有關情況，本集團會估計所持南方權益的可收回金額。所持南方權益的可收回金額(或所歸屬的現金產生單位)為售價淨值與使用價值之較高者。於評估本集團於南方的權益賬面值有否出現減值時，管理層亦考慮到南方相關業務的預測活動量及水平、未來增長率以及現金流量，並已按風險調整貼現率貼現至現值。有關預測乃基於若干假設而作出，有關假設乃根據管理層對南方的業務環境的認識以及其對日後表現與相關風險的判斷而作出。由於估計的過程及有關未來的相關假設存在固有的不確定性，因此實際表現與所預測者或會出現重大差別。

於債務證券的投資

就透過其他全面收益按公允價值計量的債務證券的投資而言，本集團確認相等於12個月預期信貸虧損的虧損撥備，惟債務證券的信貸風險自初步確認並無大幅增加則除外，而在該情況下，虧損撥備按相等於全期預期信貸虧損的金額計量。誠如附註1(k)(i)所述，預期信貸虧損按各報告日期計量，反映債務證券自初步確認的信貸風險變動。計量預期信貸虧損時，本集團計及毋須不必要成本或努力可得且合理可靠的資料。此包括過往事件、現行狀況及未來經濟狀況預測的資料。

對債務證券的評估需要分析特定發行人的信用狀況，並涉及管理層的判斷。在評估債務證券的信貸風險時，本集團強調發行人的具體因素，如重大財務困難、逾期或拖欠利息或本金、信用評級下降、流動性惡化或公允價值下降而低於攤餘成本本身不被視為虧損事件，而是與其他可用資料一起納入信貸風險分析。特別注意在每個報告日期有累計公允價值虧損的債務證券。

3 Revenue

The principal activity of the Group is the provision of Government Electronic Trading Services ("GETS") for processing certain official trade-related documents. The principal activities of the subsidiaries are set out in Note 15 to the financial statements.

Revenue represents the value of services provided and goods supplied to customers. All of the Group's revenue is within the scope of HKFRS 15, *Revenue from contracts with customers*. The amount of each significant category of revenue recognised during the year is disclosed in Note 4.

Details of concentrations of credit risk arising from customers are set out in Note 26(a).

4 Segment reporting

The Board of Directors of the Group reviews the internal reporting by segments to assess performance and allocate resources. The Group has identified the following reportable segments:

E-Commerce: This segment generates income from processing government trade-related documents and supply chain solutions.

Identity Management: This segment generates income from the provision of security products, digital certificates, security solutions and biometric-based authentication solutions for identity management.

Other Services: This segment comprises handling fees for the conversion of paper form to electronic messages, income from the provision of technical support and other project services.

Revenue and expenses are allocated to the reportable segments with reference to fees and sales generated and the expenses incurred by those segments. The measure used for reporting segment results is profit before interest, taxation and depreciation.

3 收益

本集團主要業務為提供處理若干政府有關貿易文件的政府電子貿易服務(「GETS」)。附屬公司的主要業務載於財務報表附註15。

收益包括已為客戶提供服務及供應貨品的價值。本集團全部的收入均於《香港財務報告準則》第15號，來自客戶合約的收益範疇內。年內，各主要收入項目的已確認金額於附註4披露。

來自客戶的集中信貸風險詳情載於附註26(a)。

4 分部報告

本集團董事會會按業務分部審閱內部報告，以評估表現及分配資源。本集團已確定下列可呈報分部：

電子商貿： 此分部透過處理政府有關貿易文件及供應鏈應用方案帶來收入。

身份管理： 此分部透過提供保安產品、數碼證書、保安方案及身份管理生物特徵認證解決方案帶來收入。

其他服務： 此分部透過把紙張表格轉換為電子信息帶來處理費，以及透過提供技術支援及其他項目服務帶來收入。

收益及開支乃參考可呈報分部所帶來費用及銷售額以及所產生開支而分配至有關分部。用於可呈報分部業績的計量方式為「除利息、稅項及折舊前溢利」。

4 Segment reporting (Continued)

Disaggregation of revenue from contracts with customers by timing of revenue recognition, as well as information regarding the Group's reportable segments results as provided to the Board of Directors for the purposes of resource allocation and assessment of segment performance for the years ended 31 December 2019 and 2018 are set out below.

4 分部報告(續)

按確認收益時間分列之客戶合約收益，以及提供予董事會以作資源分配及分部表現評估的有關本集團截至二零一九年及二零一八年十二月三十一日止年度可呈報分部業績列載如下。

		31 December 2019 二零一九年十二月三十一日			
		E-Commerce	Identity	Other	Total
		Management	Services		
		電子商貿	身份管理	其他服務	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
Disaggregated by timing of revenue recognition	按確認收益時間分列				
Point in time	即時	207,501	16,748	27,065	251,314
Over time	隨時間	38,830	39,085	7,946	85,861
Revenue from external customers	對外收益	246,331	55,833	35,011	337,175
Inter-segment revenue	分部間收益	—	7,823	9,592	17,415
Reportable segment revenue	可呈報分部收益	246,331	63,656	44,603	354,590
Elimination of inter-segment revenue	抵銷分部間收益				(17,415)
Consolidated revenue	綜合收益				337,175
Reportable segment profit	可呈報分部溢利	69,241	10,630	14,845	94,716
Interest income	利息收入				14,985
Other net income	其他收益淨額				1,611
Depreciation	折舊				(8,022)
Impairment loss on other financial assets	其他財務資產減值虧損				(1,303)
Impairment loss on interest in an associate	於一間聯營公司權益的減值虧損				(4,500)
Share of results of associates	所佔聯營公司業績				798
Unallocated corporate expenses	未分配企業開支				(2,071)
Consolidated profit before taxation	綜合除稅前溢利				96,214

4 Segment reporting (Continued)

4 分部報告(續)

31 December 2018 (Note)
二零一八年十二月三十一日(附註)

		Identity			Total
		E-Commerce	Management	Other Services	
		電子商貿	身份管理	其他服務	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
Disaggregated by timing of revenue recognition	按確認收益時間分列				
Point in time	即時	158,409	27,353	18,378	204,140
Over time	隨時間	33,305	29,990	4,495	67,790
Revenue from external customers	對外收益	191,714	57,343	22,873	271,930
Inter-segment revenue	分部間收益	—	7,823	12,266	20,089
Reportable segment revenue	可呈報分部收益	191,714	65,166	35,139	292,019
Elimination of inter-segment revenue	抵銷分部間收益				(20,089)
Consolidated revenue	綜合收益				271,930
Reportable segment profit	可呈報分部溢利	72,730	7,593	14,756	95,079
Interest income	利息收入				15,152
Other net income	其他收益淨額				405
Depreciation	折舊				(6,893)
Impairment loss on other financial assets	其他財務資產減值虧損				(156)
Share of results of associates	所佔聯營公司業績				1,540
Unallocated corporate income	未分配企業收入				1,023
Consolidated profit before taxation	綜合除稅前溢利				106,150

Note: The Group has initially applied HKFRS 16 as at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See Note 1(c).

附註：本集團已於二零一九年一月一日使用經修訂追溯法首次採納《香港財務報告準則》第16號。根據此方法，並無重列比較資料。見附註1(c)。

4 Segment reporting (Continued)

(i) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

As at 31 December 2019, there is no transaction price allocated to the remaining performance obligations under the Group's existing contracts (2018: HK\$58,162,000). This amount represents revenue expected to be recognised in the future from services contracts entered into by the customers with the Group. The Group will recognise the expected revenue in future when or as the work is completed, which is expected to occur over the next 12 to 24 months.

The Group has applied the following practical expedients in paragraph 121 of HKFRS 15 to its sales contracts for provision of services such that the above information does not include information about the revenue if either of the following conditions is met:

- the performance obligation is part of a contract that has an original expected duration of one year or less; or
- the entity applies the practical expedient in HKFRS 15.B16 such that it recognises revenue at the amount to which it has a right to invoice, which corresponds directly to the value to the customer of the entity's performance completed to date (e.g. a service contract in which the entity bills a fixed amount for each hour of service provided).

(ii) Geographic information

No geographic information is shown as the revenue and operating profit of the Group is substantially derived from activities in Hong Kong.

5 Other net income

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Government grants	政府補助金	967	—
Net gain on disposal of debt securities measured at FVOCI	出售透過其他全面收益按公允價值計量的債務證券的收益淨額	218	—
Other income	其他收入	426	—
Gain on disposal of an associate	出售一間聯營公司的收益	—	405
		1,611	405

In 2019, the Group successfully applied for funding support from the Enterprise Support Scheme and the Research and Development Cash Rebate Scheme under Innovation and Technology Fund ("the Fund"), set up by the Hong Kong Government. The purpose of the Fund is to encourage innovation by granting financial assistance to commercial entities whose research and development projects meet certain criteria.

4 分部報告(續)

(i) 於報告日與現有客戶簽訂的合約預期在未來將確認的收益

於二零一九年十二月三十一日，概無分配至本集團的現有合約下剩餘履約責任的交易價格(二零一八年：港幣58,162,000元)。此金額指自客戶與本集團訂立的服務合約預期將於未來確認的收益。當完成工作時，本集團將於未來確認預期收益，其預期將於未來12至24個月發生。

本集團已就其提供服務的銷售合約應用下列《香港財務報告準則》第15號第121段的可行權宜方法，致使倘符合下列任何一項條件，則上述資料不會包括收益資料：

- 履約責任屬於原先預期年期為一年或以下的合約的一部分；或
- 實體應用《香港財務報告準則》第15.B16號的可行權宜方法，致使按其有權出具發票的金額確認收益，其直接對應實體至今已完成履約的客戶價值(如實體就每個提供服務小時收取固定金額的服務合約)。

(ii) 地區資料

由於本集團絕大部分收益及經營溢利均來自香港業務，因此並無呈列地區資料。

5 其他收益淨額

於二零一九年，本集團成功自香港政府設立的創新及科技基金(「該基金」)下的企業支援計劃及投資研發現金回贈計劃申請資金支援。該基金旨在透過向研發項目符合若干條件的商業機構提供財務資助，鼓勵創新。

6 Profit before taxation

6 除稅前溢利

Profit before taxation is arrived at after charging/(crediting):

除稅前溢利已扣除/(計入):

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
(a)	Staff costs:		
	Contributions to defined contribution retirement plan	3,258	3,116
	Equity-settled share-based payment expenses	836	944
	Salaries, wages and other benefits	115,049	110,082
		119,143	114,142
(b)	Other items:		
	Auditors' remuneration	1,026	1,033
	Depreciation		
	— interest in leasehold land held for own use (Note 14(a))	142	142
	— other property, plant and equipment (Note 14(a))	7,260	6,751
	— right-of-use assets* (Note 14(b))	620	—
	Impairment loss on trade receivables and contact assets (Note 26 (a))	1,751	791
	Total minimum lease payments for leases previously classified as operating leases under HKAS 17*	—	1,415
	Net foreign exchange loss/(gain)	2,071	(1,023)
	Net loss on disposals of property, plant and equipment	6	10

* The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances as at 1 January 2019 to recognise right-of-use assets relating to leases which were previously classified as operating leases under HKAS 17. After initial recognition of right-of-use assets as at 1 January 2019, the Group as a lessee is required to recognise the depreciation of right-of-use assets, instead of the previous policy of recognising rental expenses incurred under operating leases on a straight-line basis over the lease term. Under this approach, the comparative information is not restated. See Note 1(c).

* 本集團使用經修訂追溯法首次採納《香港財務報告準則》第16號，並調整於二零一九年一月一日的期初結餘，以確認有關以往根據《香港會計準則》第17號分類為經營租賃的租賃之使用權資產。於二零一九年一月一日首次確認使用權資產後，本集團(作為承租人)須確認使用權資產的折舊，而非按以往政策按直線法於租期內確認根據經營租賃產生的租金開支。根據此方法，並無重列比較資料。見附註1(c)。

7 Income tax in the consolidated statement of profit or loss

7 綜合損益表的所得稅

(a) Taxation in the consolidated statement of profit or loss represents:

(a) 綜合損益表的稅項為：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Current tax — Hong Kong Profits Tax	即期稅項 — 香港利得稅		
Provision for the year	本年度撥備	11,760	12,117
Over-provision in respect of prior year	以往年度超額撥備	(40)	(5)
		11,720	12,112
Current tax — outside Hong Kong	即期稅項 — 香港境外		
Provision for the year	本年度撥備	1	35
Over-provision in respect of prior year	以往年度超額撥備	(24)	—
		(23)	35
Deferred taxation	遞延稅項	2,316	4,235
		14,013	16,382

The provision for Hong Kong Profits Tax for 2019 is calculated at 16.5% (2018: 16.5%) of the estimated assessable profits for the year. Taxation for subsidiaries outside Hong Kong is charged at the appropriate current rates of taxation ruling in the relevant countries.

二零一九年的香港利得稅撥備乃按年度估計應課稅溢利的16.5% (二零一八年：16.5%) 計算。香港境外附屬公司的稅項按相關國家的適用現行稅率徵收。

The provision for Hong Kong Profits Tax for 2019 takes into account the enhanced Research and Development tax deductions claimed on staff costs incurred during the year, pursuant to Schedule 45 of the Inland Revenue Ordinance. The qualifying expenditure is entitled to enhanced two-tiered tax deductions, i.e. 300% for the first HK\$2 million and 200% for the remaining amount.

根據《稅務條例》附表45，二零一九年的香港利得稅撥備已計入就年內已產生僱員成本所申索的研究及發展開支的額外稅務扣減。合資格開支有權享有額外兩級制稅務扣減，即首港幣2,000,000元和餘額分別可獲300%及200%稅務扣減。

7 Income tax in the consolidated statement of profit or loss (Continued)

7 綜合損益表的所得稅(續)

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

(b) 按適用稅率計算的稅項支出與會計溢利對賬如下：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Profit before taxation	除稅前溢利	96,214	106,150
Notional tax on profit before taxation, calculated at the rates applicable to profits in the countries concerned	根據相關國家適用的所得稅稅率按除稅前溢利計算的名義稅項	15,695	17,319
Tax effect of non-deductible expenses	不可扣減開支的稅務影響	1,567	929
Tax effect of non-taxable revenue	非課稅收益的稅務影響	(1,693)	(1,529)
Tax effect of unused tax losses not recognised	未確認未動用稅項虧損的稅務影響	2	3
Tax effect of prior years' unrecognised tax losses utilised	使用以往年度未確認稅項虧損的稅務影響	(31)	(206)
Statutory tax concession	法定稅項優惠	(1,463)	(129)
Over-provision in respect of prior years	以往年度超額撥備	(64)	(5)
Actual tax expense	實際稅項支出	14,013	16,382

8 Income tax in the consolidated statement of financial position

8 綜合財務狀況表的所得稅

(a) Current taxation in the consolidated statement of financial position represents:

(a) 綜合財務狀況表的本期稅項為：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Provision for Hong Kong Profits Tax for the year	本年度香港利得稅撥備	11,760	12,117
Provisional Profits Tax paid	已付暫繳利得稅	(34)	(9,068)
		11,726	3,049
Balance of tax provision outside Hong Kong relating to prior years	以往年度香港境外稅項撥備結餘	133	157
Provision for taxes outside Hong Kong for the year	本年度香港境外稅項撥備	—	35
		11,859	3,241

(b) Deferred tax assets and liabilities recognised:

The components of deferred tax assets/(liabilities) recognised in the consolidated statement of financial position and the movements during the year are as follows:

(b) 已確認的遞延稅項資產及負債：

已於綜合財務狀況表確認的遞延稅項資產／(負債)的組成部分及年內變動如下：

		Depreciation allowances in excess of related depreciation 折舊抵免超出相關折舊 HK\$'000 港幣千元	Tax losses 稅項虧損 HK\$'000 港幣千元	Credit loss allowance 信貸虧損撥備 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Deferred tax arising from:	來自下列各項的遞延稅項：				
As at 1 January 2018	於二零一八年一月一日	(223)	6,823	151	6,751
(Charged)/credited to profit or loss	於損益表(計入)／扣除	(980)	(3,323)	68	(4,235)
As at 31 December 2018	於二零一八年十二月三十一日	(1,203)	3,500	219	2,516
Credited/(charged) to profit or loss	於損益表計入／(扣除)	173	(2,798)	309	(2,316)
As at 31 December 2019	於二零一九年十二月三十一日	(1,030)	702	528	200

8 Income tax in the consolidated statement of financial position (Continued)

(b) Deferred tax assets and liabilities recognised: (Continued)

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Representing:	指:		
Deferred tax assets on the consolidated statement of financial position	綜合財務狀況表內的遞延稅項資產	1,230	3,719
Deferred tax liabilities on the consolidated statement of financial position	綜合財務狀況表內的遞延稅項負債	(1,030)	(1,203)
		200	2,516

At the end of the reporting period, the Group has total tax losses of HK\$16,849,000 (2018: HK\$33,977,000). In accordance with the accounting policy set out in *Note 1(p)*, deferred tax assets have been recognised in respect of HK\$4,254,000 (2018: HK\$21,211,000) of such losses. Based on a forecast prepared by management, future taxable profits against which the losses can be utilised will be available in foreseeable future. The tax losses do not expire under current tax legislation.

(c) Deferred tax assets not recognised:

The Group has not recognised deferred tax assets in respect of cumulative tax losses of HK\$12,595,000 (2018: HK\$12,766,000) as it is not probable that future taxable profits against which the losses can be utilised will be available. The tax losses do not expire under current tax legislation.

8 綜合財務狀況表的所得稅 (續)

(b) 已確認的遞延稅項資產及負債：(續)

於報告期末，本集團的稅項虧損總額為港幣16,849,000元(二零一八年：港幣33,977,000元)。根據附註1(p)所載的會計政策，就該等虧損的港幣4,254,000元(二零一八年：港幣21,211,000元)確認遞延稅項資產。根據管理層所編製預測，可見將來將可動用未來應課稅溢利以抵銷虧損。根據現行稅務法規，稅項虧損並無到期日。

(c) 未確認的遞延稅項資產：

本集團並無就累計稅項虧損港幣12,595,000元(二零一八年：港幣12,766,000元)確認遞延稅項資產，因為於未來不大可能取得應課稅溢利而令該項虧損得以運用。根據現行稅務法規，稅項虧損並無到期日。

9 Directors' and chief executive's emoluments

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation is as follows:

9 董事及行政總裁酬金

根據香港《公司條例》第383(1)條及公司(披露董事利益資料)規例第2部披露的董事酬金如下：

		Other emoluments in connection with the management of the affairs of the Company						2019 Total
		Fees	Basic salary, allowances and other benefits	Contributions to retirement schemes	Bonus*	Share-based payments	2019 Total	
		袍金	基本薪金、津貼及其他福利	退休計劃供款	花紅*	以股份為基礎的支付	二零一九年總計	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	
Executive directors	執行董事							
TSE Kam Keung	謝錦強	—	5,032	18	3,615	288	8,953	
CHENG Chun Chung, Andrew	鄭俊聰	—	2,961	18	433	111	3,523	
CHUNG Shun Kwan, Emily	鍾順群	—	2,638	18	627	90	3,373	
Non-executive directors	非執行董事							
LEE Nai Shee, Harry	李乃熾	140	—	—	—	—	140	
LEE Delman	李國本	100	—	—	—	—	100	
YING Tze Man, Kenneth	英子文	130	—	—	—	—	130	
YUEN Wing Sang, Vincent	袁永生	100	—	—	—	—	100	
Independent non-executive directors	獨立非執行董事							
CHAK Hubert	翟迪強	360	—	—	—	—	360	
CHAN Chi Yan	陳紫茵	340	200	—	—	—	540	
CHAU Tak Hay	周德熙	380	—	—	—	—	380	
CHUNG Wai Kwok, Jimmy	鍾維國	390	—	—	—	—	390	
HO Lap Kee, Sunny	何立基	350	—	—	—	—	350	
Total	總計	2,290	200	10,631	54	4,675	18,339	

9 Directors' and chief executive's emoluments (Continued)

9 董事及行政總裁酬金(續)

		Basic salary, allowances and Fees	other benefits 基本薪金、 津貼 袍金 及其他福利 HK\$'000 港幣千元	Contributions to retirement schemes 退休計劃供款 HK\$'000 港幣千元	Bonus*	Share-based payments 以股份為 基礎的支付 HK\$'000 港幣千元	2018 Total 二零一八年 總計 HK\$'000 港幣千元
Executive directors	執行董事						
TSE Kam Keung	謝錦強	—	4,896	18	2,930	286	8,130
CHENG Chun Chung, Andrew	鄭俊聰	—	2,868	18	334	122	3,342
CHUNG Shun Kwan, Emily	鍾順群	—	2,556	18	693	135	3,402
Non-executive directors	非執行董事						
LEE Nai Shee, Harry	李乃熾	110	—	—	—	—	110
LEE Delman	李國本	75	—	—	—	—	75
YING Tze Man, Kenneth	英子文	85	—	—	—	—	85
YUEN Wing Sang, Vincent	袁永生	45	—	—	—	—	45
Independent non-executive directors	獨立非執行董事						
CHAK Hubert	翟迪強	330	—	—	—	—	330
CHAN Chi Yan	陳紫茵	310	—	—	—	—	310
CHAU Tak Hay	周德熙	350	—	—	—	—	350
CHUNG Wai Kwok, Jimmy	鍾維國	370	—	—	—	—	370
HO Lap Kee, Sunny	何立基	330	—	—	—	—	330
Total	總計	2,005	10,320	54	3,957	543	16,879

* Bonus represented actual bonus paid during the year

* 花紅指年內已付的實際花紅

The above emoluments include the value of share options granted to certain directors and chief executive under the Company's share option schemes, as estimated at the date of grant. Details of these benefits in kind are disclosed under the section "Share Option Scheme" in the Directors' Report.

上列酬金包括根據本公司購股權計劃授予若干董事及行政總裁的購股權於授出日期的估計價值。上述實物利益的詳情已於董事會報告書「購股權計劃」一節披露。

10 Individuals with highest emoluments

Of the five individuals with the highest emoluments, three (2018: three) are directors during the year whose emoluments are disclosed in Note 9. The portions of the emoluments that were not attributable to the period during which they were in directorship were disclosed below. The aggregate of the emoluments in respect of the other two (2018: two) individuals are as follows:

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Salaries and other emoluments	薪金及其他酬金	2,773	2,832
Share-based payments	以股份為基礎的支付	66	64
Retirement scheme contributions	退休計劃供款	36	36
		2,875	2,932

The emoluments of the above two (2018: two) individuals with the highest emoluments are within the following bands:

HK\$	港幣元	2019 二零一九年 Number of Individuals 人數	2018 二零一八年 Number of Individuals 人數
1,000,001–1,500,000	1,000,001–1,500,000	—	1
1,500,001–2,000,000	1,500,001–2,000,000	2	1

10 最高薪人士

年內，五名最高薪人士中三名(二零一八年：三名)為董事，彼等的酬金已於附註9披露。不屬於彼等在任董事期間之酬金部分於下文披露。其他兩名(二零一八年：兩名)人士之酬金總額如下：

上述兩名(二零一八年：兩名)最高薪人士的酬金所屬範圍如下：

11 Dividends

(a) Dividends payable to equity shareholders of the Company attributable to the year

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Interim dividend declared and paid of HK3.3 cents per share (2018: HK 3.5 cents per share)	已宣派及派付的中期股息每股3.3港仙(二零一八年：每股3.5港仙)	26,223	27,812
Final dividend proposed after the end of the reporting period of HK 6.5 cents per share (2018: HK 6.0 cents per share) based on issued share capital as at the year end	根據截至年末已發行股本於報告期末擬派的末期股息每股6.5港仙(二零一八年：每股6.0港仙)	51,651	47,678
		77,874	75,490

The final dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

於報告期末後擬派的末期股息未於報告期末確認為負債。

(b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Final dividend in respect of the previous financial year, approved and paid during the year of HK 6.0 cents per share (2018: HK 6.3 cents per share)	屬於上一個財政年度，並於年內批准及派付的末期股息每股6.0港仙(二零一八年：每股6.3港仙)	47,678	50,062

(a) 本年度應付本公司股權持有人的股息

11 股息

(b) 屬於上一個財政年度，並於年內批准及派付予本公司股權持有人的應付股息

12 Other comprehensive income

12 其他全面收益

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Debt securities measured at FVOCI	透過其他全面收益按公允價值計量的債務證券		
Changes in fair value recognised during the year	本年度已確認之公允價值變動	10,426	(16,013)
Reclassification adjustments for amounts transferred to profit or loss:	對轉入損益的款項進行重新分類調整：		
— net gain on disposal transferred to profit or loss	— 轉至損益的出售收益淨額	(218)	—
— impairment loss (Note 26(a))	— 減值虧損(附註26(a))	1,303	365
Net movement in the fair value reserve during the year recognised in other comprehensive income	已於其他全面收益確認的本年度公允價值儲備變動淨額	11,511	(15,648)

There is no tax effect relating to the above components at 31 December 2019 and 2018.

在二零一九年及二零一八年十二月三十一日，上述部分沒有稅務影響。

13 Earnings per share

13 每股盈利

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of HK\$82,201,000 (2018: HK\$89,768,000) and the weighted average number of 794,634,000 ordinary shares (2018: 794,624,000 ordinary shares) in issue during the year, calculated as follows:

Weighted average number of ordinary shares

		2019 二零一九年 '000 千股	2018 二零一八年 '000 千股
Issued ordinary shares as at 1 January	於一月一日的已發行普通股	794,634	794,586
Effect of share options exercised	已行使購股權的影響	—	38
Weighted average number of ordinary shares as at 31 December	於十二月三十一日的普通股加權平均數	794,634	794,624

(a) 每股基本盈利

每股基本盈利乃根據本公司普通股股權持有人應佔溢利港幣82,201,000元(二零一八年：港幣89,768,000元)及本年度已發行普通股的加權平均股數794,634,000股(二零一八年：794,624,000股普通股)計算，方式如下：

普通股加權平均股數

13 Earnings per share (Continued)

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of HK\$82,201,000 (2018: HK\$89,768,000) and the weighted average number of ordinary shares of 794,634,000 (2018: 794,634,000) after adjusting for the effect of the potential dilution from ordinary shares issuable under the Company's share option scheme, calculated as follows:

Weighted average number of ordinary shares (diluted)

		2019 二零一九年 '000 千股	2018 二零一八年 '000 千股
Weighted average number of ordinary shares as at 31 December	於十二月三十一日的普通股加權平均數	794,634	794,624
Effect of deemed issue of shares under the Company's share option schemes for nil consideration	視作根據本公司購股權計劃以零代價發行股份的影響	—	10
Weighted average number of ordinary shares (diluted) as at 31 December	於十二月三十一日的普通股加權平均股數(經攤薄)	794,634	794,634

13 每股盈利(續)

(b) 每股攤薄盈利

每股攤薄盈利乃根據本公司普通股股權持有人應佔溢利港幣82,201,000元(二零一八年：港幣89,768,000元)及普通股的加權平均股數794,634,000股(二零一八年：794,634,000股)(已就本公司購股權計劃下可予發行普通股的潛在攤薄影響作出調整)計算，方式如下：

普通股加權平均股數(經攤薄)

14 Property, plant and equipment

14 物業、廠房及設備

(a) Carrying amount

(a) 賬面值

		Leasehold improvements	Platform hardware and software, computer and office equipment	Motor vehicles	Furniture and fixtures	Building	Subtotal	Ownership interest in leasehold land held for own use	Other properties leased for own use	Total
			Motor vehicles					Building	Ownership interest in leasehold land held for own use	
		租賃物業裝修	平台硬件及軟件、電腦及辦公室設備	汽車	傢俬及裝置	樓宇	小計	持有自用的租賃土地擁有權權益	其他物業，按成本列賬	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Cost:	成本：									
As at 31 December 2018	於二零一八年十二月三十一日	13,678	161,723	1,278	3,226	33,250	213,155	6,018	—	219,173
Impact on initial application of HKFRS 16 (Note)	首次應用《香港財務報告準則》第16號的影響(附註)	—	—	—	—	—	—	—	814	814
As at 1 January 2019	於二零一九年一月一日	13,678	161,723	1,278	3,226	33,250	213,155	6,018	814	219,987
Additions	添置	84	4,228	—	25	—	4,337	—	—	4,337
Disposals	處置	(32)	(539)	—	(7)	—	(578)	—	—	(578)
As at 31 December 2019	於二零一九年十二月三十一日	13,730	165,412	1,278	3,244	33,250	216,914	6,018	814	223,746
Accumulated depreciation:	累計折舊：									
As at 1 January 2019	於二零一九年一月一日	12,153	151,578	1,130	2,906	22,862	190,629	1,957	—	192,586
Charge for the year	年內開支	495	4,932	148	142	1,663	7,380	142	500	8,022
Disposals	處置	(32)	(533)	—	(7)	—	(572)	—	—	(572)
As at 31 December 2019	於二零一九年十二月三十一日	12,616	155,977	1,278	3,041	24,525	197,437	2,099	500	200,036
Net book value:	賬面淨值：									
As at 31 December 2019	於二零一九年十二月三十一日	1,114	9,435	—	203	8,725	19,477	3,919	314	23,710

Note: The Group has initially applied HKFRS 16 using the modified retrospective method and adjusted the opening balances as at 1 January 2019 to recognise right-of-use assets relating to leases which were previously classified as operating leases under HKAS 17. See Note 1(c).

附註：本集團使用經修訂追溯法首次採納《香港財務報告準則》第16號，並調整於二零一九年一月一日的期初結餘，以確認有關以往根據《香港會計準則》第17號分類為經營租賃的租賃之使用權資產。見附註1(c)。

14 Property, plant and equipment (Continued)

(a) Carrying amount (Continued)

		Leasehold improvements	Platform hardware and software, computer and office equipment	Motor vehicles	Furniture and fixtures	Building	Subtotal	Interest in leasehold land held for own use	Total
		租賃物業裝修	平台硬件及軟件、電腦及辦公室設備	汽車	傢俬及裝置	樓宇	小計	持作自用的租賃土地權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Cost:	成本:								
As at 1 January 2018	於二零一八年一月一日	12,459	155,761	1,278	3,291	33,250	206,039	6,018	212,057
Additions	添置	1,219	6,275	—	—	—	7,494	—	7,494
Disposals	處置	—	(313)	—	(65)	—	(378)	—	(378)
As at 31 December 2018	於二零一八年十二月三十一日	13,678	161,723	1,278	3,226	33,250	213,155	6,018	219,173
Accumulated depreciation:	累計折舊:								
As at 1 January 2018	於二零一八年一月一日	11,693	147,602	937	2,815	21,199	184,246	1,815	186,061
Charge for the year	年內開支	460	4,289	193	146	1,663	6,751	142	6,893
Disposals	處置	—	(313)	—	(55)	—	(368)	—	(368)
As at 31 December 2018	於二零一八年十二月三十一日	12,153	151,578	1,130	2,906	22,862	190,629	1,957	192,586
Net book value:	賬面淨值:								
As at 31 December 2018	於二零一八年十二月三十一日	1,525	10,145	148	320	10,388	22,526	4,061	26,587

14 物業、廠房及設備(續)

(a) 賬面值(續)

14 Property, plant and equipment (Continued)

(b) Right-of-use assets

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

14 物業、廠房及設備(續)

(b) 使用權資產

使用權資產按相關資產類別劃分的賬面淨值分析如下：

		31 December 2019 二零一九年 十二月三十一日 HK\$'000 港幣千元	1 January 2019 二零一九年 一月一日 HK\$'000 港幣千元
Ownership interest in leasehold land and building held for own use, carried at depreciated cost in Hong Kong, with remaining lease term between 10 and 50 years	持作自用的租賃土地及樓宇的擁有權權益，按香港折舊成本列賬，剩餘租期介乎10至50年	(i) 12,644	14,449
Other properties leased for own use, carried at depreciated cost	租賃作自用的其他物業，按折舊成本列賬	(ii) 314	814
Platform hardware and software, computer and office equipment, carried at depreciated cost	平台硬件及軟件、電腦及辦公室設備，按折舊成本列賬	(iii) 623	—
		13,581	15,263

14 Property, plant and equipment (Continued)

(b) Right-of-use assets (Continued)

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

14 物業、廠房及設備(續)

(b) 使用權資產(續)

就租賃在損益內確認的開支項目分析如下：

		2019 二零一九年	2018 二零一八年 (Note) (附註)
		HK\$'000 港幣千元	HK\$'000 港幣千元
Depreciation charge of right-of-use assets by class of underlying asset:	使用權資產按相關資產類別劃分的折舊支出：		
Ownership interests in leasehold land and building	租賃土地及樓宇的擁有權益	1,805	1,805
Other properties leased for own use	租賃作自用的其他物業	500	—
Platform hardware and software, computer and office equipment, carried at depreciated cost	平台硬件及軟件、電腦及辦公室設備，按折舊成本列賬	120	—
		2,425	1,805
Interest on lease liabilities	租賃負債利息	38	—
Expense relating to short-term leases and other leases with remaining lease term ending on or before 31 December 2019	有關短期租賃及剩餘租期於二零一九年十二月三十一日或之前結束的其他租賃的開支	235	—
Expense relating to leases of low-value assets, excluding short-term leases of low-value assets	有關低值資產租賃的開支，不包括低值資產的短期租賃	78	—
Total minimum lease payments for leases previously classified as operating leases under HKAS 17	以往根據《香港會計準則》第17號分類為經營租賃的租賃之最低租賃付款總額	—	1,415

Note: The group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances as at 1 January 2019 to recognise right-of-use assets relating to leases which were previously classified as operating leases under HKAS 17. After initial recognition of right-of-use assets as at 1 January 2019, the Group as a lessee is required to recognise the depreciation of right-of-use assets, instead of the previous policy of recognising rental expenses incurred under operating leases on a straight-line basis over the lease term. Under this approach, the comparative information is not restated. See Note 1(c).

附註：本集團使用經修訂追溯法首次採納《香港財務報告準則》第16號，並調整於二零一九年一月一日的期初結餘，以確認有關以往根據《香港會計準則》第17號分類為經營租賃的租賃之使用權資產。於二零一九年一月一日首次確認使用權資產後，本集團(作為承租人)須確認使用權資產的折舊，而非按以往政策按直線法於租期內確認根據經營租賃產生的租金開支。根據此方法，並無重列比較資料。見附註1(c)。

14 Property, plant and equipment (Continued)

(b) Right-of-use assets (Continued)

During the year, additions to right-of-use assets were HK\$743,000. This amount related to the capitalised lease payments payable under new rental agreements.

Details of total cash outflow for leases and the maturity analysis of lease liabilities are set out in the consolidated cash flow statement and *Note 21(d)*, respectively.

(i) Ownership interests in leasehold land and buildings held for own use

The Group holds a building for its office. The Group is the registered owner of the property interest, including part of undivided share in the underlying land. Lump sum payment was made upfront to acquire the property interest from the previous registered owner, and there are no ongoing payments to be made under the terms of the land lease, other than payments based on rateable values set by the relevant government authority. These payments vary from time to time and are payable to the relevant government authority.

(ii) Other properties leased for own use

The Group has obtained the right to use other properties as its warehouse and service centre through tenancy agreements. The leases typically run for an initial period of two to five years.

The leases do not include an option to renew the lease for an additional period after the end of the contract term. None of the leases contains variable lease payments.

(iii) Other leases

The Group leases platform hardware and software, computer and office equipment under leases expiring from two to five years. Leases do not include an option to renew the lease when all terms are renegotiated and do not include an option to purchase the leased equipment at the end of the lease term at a price deemed to be a bargain purchase option. None of the leases includes variable lease payments.

14 物業、廠房及設備(續)

(b) 使用權資產(續)

年內，使用權資產添置港幣743,000元。此金額乃關於根據新租賃協議應付的資本化租賃付款。

租賃的現金流出總額及租賃負債到期日分析的詳情分別載於綜合現金流量表及附註21(d)。

(i) 持作自用租賃土地及樓宇的擁有權權益

本集團持有樓宇作為其辦公室。本集團為物業權益(包括相關土地不可分割業權的一部分)的登記擁有人。一筆過款項已獲預繳，以自過往登記擁有人購入物業權益，且毋須根據地租條款作出持續付款，惟按相關政府機關設定的應課差餉租值作出的付款除外。該等付款不時改變，並須支付予相關政府機關。

(ii) 租賃作自用的其他物業

本集團已透過租賃協議取得權利使用其他物業為其倉庫及服務中心。租賃一般初始為期兩至五年。

租賃並不包括於合約年期結束後重續租賃額外期間的選擇權。概無租賃包含可變租賃付款。

(iii) 其他租賃

本集團根據於兩至五年屆滿的租賃租賃平台硬件及軟件、電腦及辦公室設備。租賃並不包括於重新磋商所有條款時重續租賃的選擇權，且並不包括於租賃年期結束時按被視為議價購買選項的價格購買租賃設備的選擇權。概無租賃包含可變租賃付款。

15 Interest in subsidiaries

15 所佔附屬公司權益

(a) Details of the subsidiaries which principally affected the results, assets or liabilities of the Group are as follows:

(a) 主要影響本集團業績、資產或負債的附屬公司詳情如下：

Name of company 公司名稱	Place of incorporation/ establishment and operation 註冊成立/成立及 營運地點	Particulars of issued and paid up capital 已發行及 繳足股本詳情	Proportion of ownership interest held by the Company 由本公司持有的 擁有權權益百分比	Proportion of ownership interest held by a subsidiary 由附屬公司持有的 擁有權權益百分比	Principal activity 主要業務
Digi-Sign Certification Services Limited 電子核證服務有限公司	Hong Kong 香港	10,000 shares 10,000股股份	100%	—	Certificate authority services 證書核證服務
Trade Facilitation Services Limited	Hong Kong 香港	50,000 shares 50,000股股份	100%	—	Dormant 暫無業務
Digital Trade and Transportation Network Limited 數碼貿易運輸網絡有限公司	Hong Kong 香港	41,000,000 shares 41,000,000股股份	100%	—	Provision of electronic messaging routing and transformation services 提供電子訊息傳送及轉換服務
Up Forward Technology Limited 進德科技有限公司	Hong Kong 香港	1 share 1股股份	100%	—	Investment holding 投資控股
EClink Technology Limited 易通訊達科技有限公司	Hong Kong 香港	99 shares 99股股份	100%	—	Investment holding 投資控股
Tradelink PayTech Solutions Limited (previously known as Tradelink E-Biz Secure Solutions Limited) 貿易通金融支付科技有限公司(前稱貿易通電 子商務資訊保有限公司)	Hong Kong 香港	1,000,000 shares 1,000,000股股份	100%	—	Payment technology solution 支付科技解決方案
iTradelink eMarket Limited	Hong Kong 香港	10,000 shares 10,000股股份	100%	—	Provision of e-commerce services 提供電子商貿服務
VSHIP Limited	Hong Kong 香港	1 share 1股股份	100%	—	Provision of e-commerce services 提供電子商貿服務
貿易通(澳門)一人有限公司	Macau 澳門	MOP25,000 澳門幣25,000	100%	—	Provision of e-commerce services 提供電子商貿服務
北京貿訊易通電子科技服務有限公司**	PRC 中國	HK\$8,400,000 港幣8,400,000元	100%	—	Provision of e-commerce and e-logistics services 提供電子商貿及電子物流服務
天津貿易通科技有限公司*	PRC 中國	RMB500,000 人民幣500,000元	—	100%	Provision of e-commerce and e-logistics services 提供電子商貿及電子物流服務
天津貿信易通電子科技有限公司*	PRC 中國	RMB100,000 人民幣100,000元	—	100%	Provision of e-commerce and e-logistics services 提供電子商貿及電子物流服務
天津貿訊易通科技有限公司*	PRC 中國	RMB100,000 人民幣100,000元	—	100%	Provision of e-commerce and e-logistics services 提供電子商貿及電子物流服務
廣州貿訊易通電子科技有限公司**	PRC 中國	RMB500,000 人民幣500,000元	100%	—	Provision of e-commerce and e-logistics services 提供電子商貿及電子物流服務

Each of these is controlled subsidiaries as defined under Note 1(f) and have been consolidated into the Group's financial statements.

以上均屬於附註1(f)所界定的受控制附屬公司，並已於本集團的財務報表綜合入賬。

* Subsidiaries not audited by KPMG. The financial statements of the subsidiaries not audited by KPMG reflect total net assets and total revenue constituting less than 1% of the respective consolidated totals.

* 有關附屬公司並非由畢馬威會計師事務所核數。該等並非由畢馬威會計師事務所核數的附屬公司財務報表所反映的總資產淨值及總收益相當於各自綜合總額的1%以下。

* Companies registered as a wholly-foreign owned enterprise in the PRC.

* 註冊為中國外商獨資企業的公司。

15 Interest in subsidiaries (Continued)

(b) Goodwill

The goodwill recognised by the Group arose from the acquisition of Digital Trade and Transportation Network Limited (“DTTNC”) in 2009 and is attributable mainly to the technical expertise, intellectual property and the synergies expected to be achieved from integrating DTTNC into the Group’s existing business and customer base. The goodwill has a carrying amount of HK\$9,976,000 since the acquisition date of 26 March 2009.

The E-Commerce segment of the Group is expected to benefit from the synergies of the acquisition of DTTNC in entirety, and there are no other units within the Group that the goodwill can be appropriately allocated to. Accordingly, the E-commerce segment is identified as the cash-generating unit (“CGU”) containing the goodwill for the purpose of impairment evaluation of the goodwill.

The recoverable amount of the CGU is determined based on value-in-use calculations. These calculations use the CGU’s cash flow projections based on financial forecasts covering a six-year period. Cash flows beyond the six-year period are extrapolated using a medium term growth rate adjusted on the basis of management’s best estimates. The growth rates used do not exceed the long-term average growth rates for the business in which the Group operated. The future cash flows are discounted, at a discount rate specific to the Group of 10% (2018: 10%) for the assessment period, to determine the value of the CGU. Based on management’s assessment, there is no impairment recognised in respect of the goodwill for the year (2018: Nil).

15 所佔附屬公司權益(續)

(b) 商譽

本集團確認的商譽乃因於二零零九年收購數碼貿易運輸網絡有限公司(「DTTNC」)所產生並主要源自專業技術、知識產權及預計合併DTTNC至本集團現有業務及客戶基礎後可達致的協同效應。自收購日期二零零九年三月二十六日起，商譽的賬面值為港幣9,976,000元。

由於預期本集團電子商貿分部可受惠於收購DTTNC全部股權所產生的協同效益，加上未能將商譽適當分配至本集團其他單位，故電子商貿分部獲識別為包含上述商譽的現金產生單位(「現金產生單位」)，以便為上述商譽作出減值評估。

現金產生單位的可收回數額乃根據使用價值計算法釐定，其按現金產生單位涵蓋六年期間的財務預測的預測現金流計算。六年期間以後的現金流乃根據管理層最佳估計而調整的中期增長率來推斷。所使用的增長率並無超逾本集團所經營業務的長期平均增長率。未來現金流量以評估期間本集團的特定貼現率10%(二零一八年：10%)貼現，以釐定現金產生單位的價值。根據管理層的評估，於本年度毋須就商譽確認任何減值(二零一八年：零)。

16 Interest in associates

The following list contains the particulars of associates, all of which are unlisted corporate entities whose quoted market price is not available:

Name of associate	Place of Establishment and operation	Particulars of issued and paid up capital	Proportion of Group's effective interest	Proportion of shares held by the Company	Proportion of shares held by a Subsidiary	Principal activity
聯營公司名稱	成立及營運地點	已發行及繳足股本詳情	本集團所佔實際權益百分比	本公司所持股份百分比	附屬公司所持股份百分比	主要業務
Guangdong Nanfang Haian Science & Technology Service Company Limited ("Nanfang") 廣東南方海岸科技服務有限公司(「南方」)	PRC 中國	RMB10,000,000 人民幣10,000,000元	20%	20%	—	Provision of e-commerce services (Note) 提供電子商貿服務(附註)
上海匯通供應鏈技術與運營有限公司 ("U-Link")	PRC 中國	RMB45,000,000 人民幣45,000,000元	26%	—	26%	Supply chain management development and services 供應鏈管理發展及服務
廣州易通威裕物流信息技術有限公司 (「易通威裕」)	PRC 中國	RMB1,000,000 人民幣1,000,000元	49%	49%	—	Provision of e-commerce and e-logistics services 提供電子商貿及電子物流服務

Note: Guangdong Nanfang Haian Science & Technology Service Company Limited, a high-tech company providing advanced e-commerce services in Guangdong area, enables the Group to gain exposure to this market through local expertise.

All of the above associates are accounted for using the equity method in the consolidated financial statements.

16 所佔聯營公司權益

下表載列聯營公司詳情，該等公司均為並無市場報價的非上市企業實體：

附註：廣東南方海岸科技服務有限公司乃於廣東地區提供先進電子商貿服務的高科技公司，能夠通過本地專業知識使本集團有機會接觸該市場。

以上所有聯營公司均採用權益法於綜合財務報表入賬。

16 Interest in associates (Continued)

16 所佔聯營公司權益(續)

(a) Summary of financial information on associates

Summarised financial information of the principal associate, adjusted for any differences in accounting policies, and reconciled to the carrying amount in the consolidated financial statements, are disclosed below:

(a) 聯營公司的財務資料概要

下文披露主要聯營公司的財務資料概要(已就會計政策任何差異作出調整,並已與綜合財務報表中的賬面值對賬):

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Gross amounts of Nanfang's assets and liabilities:	南方資產及負債總額:		
Current assets	流動資產	48,330	38,328
Non-current assets	非流動資產	34,168	42,497
Current liabilities	流動負債	(16,323)	(14,263)
Non-current liabilities	非流動負債	(1,913)	(5,198)
Equity	權益	64,262	61,364
Revenue	收益	66,287	63,220
Profit from continuing operations	持續經營溢利	3,992	7,700
Total comprehensive income	全面收益總額	3,992	7,700
Reconciled to the Group's interests in Nanfang	與本集團於南方權益的對賬		
Gross amounts of net assets of Nanfang	南方資產淨值總額	64,262	61,364
Group's effective interest	本集團實際權益	20%	20%
Group's share of net assets of Nanfang	本集團所佔南方的資產淨值	12,852	12,273
Goodwill	商譽	1,125	5,805
Carrying amount in the consolidated financial statements	於綜合財務報表中的賬面值	13,977	18,078

16 Interest in associates (Continued)

(a) Summary of financial information on associates (Continued)

Aggregate information of associates that are not individually material:

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Aggregate amounts of the Group's share of those associates' loss from continuing operations	本集團所佔該等聯營公司來自持續經營虧損總額	—	—
Total comprehensive income	全面收益總額	—	—

(b) Impairment loss on interest in an associate

At 31 December 2019, the Group carried out an impairment assessment for the recoverable amount of Nanfang. As the recoverable amount of Nanfang was less than the carrying amount, additional provision for impairment loss of HK\$4,500,000 was made for the year ended 31 December 2019. In prior years, provision for impairment loss of HK\$3,000,000 was made. The estimates of the recoverable amount of Nanfang were based on the present values of the budgeted future cash flows, discounted at the market risk-adjusted discount rate of 14% (2018: 14%), by reference to the projected volume, activity level and future growth rates of the underlying business of Nanfang. For the years ended 31 December 2019 and 31 December 2018, same basis of impairment measurement in respect of the interest in Nanfang is performed by management.

16 所佔聯營公司權益(續)

(a) 聯營公司的財務資料概要(續)

非個別重大的聯營公司綜合資料：

(b) 於一間聯營公司權益的減值虧損

於二零一九年十二月三十一日，本集團已就南方的可收回金額進行減值評估。由於南方的可收回金額低於賬面值，故於截至二零一九年十二月三十一日止年度計提額外減值虧損撥備港幣4,500,000元。於以往年度，計提減值虧損撥備港幣3,000,000元。南方可收回金額乃參考南方相關業務的預測規模、業務水平及未來增長率，基於預算未來現金流量的現值，按14%（二零一八年：14%）的市場風險調整貼現率貼現而加以估計。截至二零一九年十二月三十一日及二零一八年十二月三十一日止年度，管理層採用同樣基準計量南方權益的減值。

17 Interest in joint venture

Details of the Group's interest in a joint venture, which is accounted for using the equity method in the consolidated financial statements are as follows:

Name of joint venture	Place of establishment and operation	Particulars of issued and paid up capital	Proportion of Group's effective interest	Proportion of shares held by the Company	Proportion of share held by a Subsidiary	Principal activity
合營公司名稱	成立及營運地點	已發行及繳足股本詳情	所佔實際權益百分比	所持股份百分比	附屬公司所持股份百分比	主要業務
北京工聯環球科技有限公司	PRC 中國	RMB4,920,000 人民幣4,920,000元	49%	—	49%	Provision of e-commerce services 提供電子商貿服務

17 所佔合營公司權益

下表載列本集團於合營公司的權益詳情，乃採用權益法於綜合財務報表入賬如下：

17 Interest in joint venture

As the recoverable amount of the joint venture was less than the carrying amount, provision for impairment loss of HK\$1,280,000 was made in prior years. For the years ended 31 December 2019 and 31 December 2018, there is no improvement in the financial situation of the joint venture and no reversal of provision for impairment of joint venture is recorded.

18 Other financial assets

As at 31 December 2019, 65% (2018: 71%) of the total amount was invested in investment grade corporate bonds. The remaining 35% (2018: 29%) was invested in non-investment grade or non-rated corporate bonds. All corporate bonds held as at 31 December 2019 were tradable in open market.

As at 31 December 2019, the loss allowance of one of the non-investment grade debt securities, which has a gross carrying amount of HK\$12,938,000, was measured at an amount equal to lifetime ECLs as there was an unfavourable change in its external market price during 2019 which indicated that its credit risk had been increased significantly. Other than that, all other debt securities did not have significant credit risk at 31 December 2019. Loss allowance is measured at an amount equal to lifetime ECLs in accordance with the policy set out in Note 1(k)(i).

As at 31 December 2018, the debt securities did not have significant credit risk.

17 所佔合營公司權益

由於合營公司的可收回金額低於賬面值，故已於過往年度計提減值虧損撥備港幣1,280,000元。截至二零一九年十二月三十一日及二零一八年十二月三十一日止年度，合營公司財務狀況並無改善，並無錄得合營公司減值撥備撥回。

18 其他財務資產

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Debt securities measured at FVOCI	透過其他全面收益按公允價值計量的債務證券		
— listed	— 上市	317,642	347,732
Representing:	指：		
— Non-current	— 非流動	279,118	305,499
— Current	— 流動	38,524	42,233
		317,642	347,732

於二零一九年十二月三十一日，總額的65% (二零一八年：71%) 投資於投資級別企業債券，而餘下35% (二零一八年：29%) 則投資於非投資級別或沒有評級的企業債券。於二零一九年十二月三十一日持有的所有企業債券均可於公開市場交易。

於二零一九年十二月三十一日，由於其外圍市價於二零一九年內出現不利變動，顯示其信貸風險已經大幅增加，其中一項賬面總值為港幣12,938,000元的非投資級別債務證券的虧損撥備乃按相等於全期預期信貸虧損的金額計量。除此以外，於二零一九年十二月三十一日，所有其他債務證券並無重大信貸風險。虧損撥備根據附註1(k)(i)所載的政策按相等於全期預期信貸虧損的金額計量。

於二零一八年十二月三十一日，債務證券並無重大信貸風險。

19 Trade receivables and contract assets

19 應收賬款及合約資產

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Trade receivables, net of loss allowance	應收賬款，扣除虧損撥備	35,610	33,554
Contract assets, net of loss allowance	合約資產，扣除虧損撥備	27,977	10,563
		63,587	44,117

(a) Trade receivables, net of loss allowance

Ageing analysis

As of the end of the reporting period, the ageing analysis of trade receivables, based on the invoice date and net of loss allowance, is as follows:

(a) 應收賬款，扣除虧損撥備

賬齡分析

於報告期末，按發票日期及扣除虧損撥備計算，應收賬款的賬齡分析如下：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Less than 1 month	少於一個月	22,734	19,313
1 to 3 months	一至三個月	5,486	7,097
3 to 12 months	三至十二個月	6,990	4,952
Over 12 months	超過十二個月	400	2,192
		35,610	33,554

All the above balances are expected to be recovered within one year and some of them are covered by deposits from customers (see Note 21).

Further details on the Group's credit policy and credit risk arising from trade receivables are set out in Note 26(a).

預期上述結餘均可於一年內收回，且若干得到客戶提供的按金所保證(見附註21)。

有關本集團信貸政策及應收賬款產生的信貸風險的進一步詳情載於附註26(a)。

19 Trade receivables and contract assets (Continued)

(b) Contract assets, net of loss allowance

The Group's contracts include payment schedules which require stage payments over the contract period once milestones are reached. These payment schedules prevent the build-up of significant contract assets.

All of the revenue recognised during the year are from performance obligations satisfied (or partially satisfied) in the current year.

All of the contract assets are expected to be recovered within one year.

19 應收賬款及合約資產(續)

(b) 合約資產，扣除虧損撥備

本集團的合約包括付款時間表，規定當達致里程碑時於合約期間支付階段款項。該等付款時間表防止形成重大合約資產。

年內確認的所有收益均來自於本年度已達成(或部分達成)的履約義務。

所有合約資產預期於一年內收回。

20 Other receivables, prepayments and other contract costs

20 其他應收款項、預付款項及其他合約成本

		31 December 2019 二零一九年 十二月三十一日 HK\$'000 港幣千元	31 December 2018 二零一八年 十二月三十一日 HK\$'000 港幣千元
Other receivables and prepayments	其他應收款項及預付款項	13,717	11,176
Other contract costs	其他合約成本	5,032	4,742
		18,749	15,918

(a) Other receivables and prepayments

All other receivables and prepayments are expected to be recovered or recognised as expenses within one year.

(b) Other contract costs

Other contract costs capitalised as at 31 December 2019 relate to the costs to fulfil contracts with customers at the reporting date. Other contract costs are recognised as part of "cost of purchases" in the statement of profit or loss in the period in which revenue from the related sales or services is recognised. There was no impairment in relation to the costs capitalised during the year (2018: nil).

All other contract costs are expected to be recovered within one year.

(a) 其他應收款項及預付款項

所有其他應收款項及預付款項預期於一年內收回或確認為開支。

(b) 其他合約成本

於二零一九年十二月三十一日資本化的其他合約成本與於報告日期履行與客戶合約的成本有關。其他合約成本於來自相關銷售或服務的收益獲確認期間的損益表內確認為「採購成本」的一部分。年內，概無有關成本資本化的減值(二零一八年：無)。

所有其他合約成本預期於一年內收回。

21 Trade creditors, contract liabilities and other payables 21 應付賬款、合約負債及其他應付款項

			31 December 2019 二零一九年 十二月三十一日	1 January 2019 二零一九年 一月一日 (Note) (附註)	31 December 2018 二零一八年 十二月三十一日
		Note 附註	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Trade creditors	應付賬款	(a)	29,810	11,447	11,447
Customer deposits received	已收客戶按金	(b)	128,511	134,851	134,851
Accrued charges and other payables	應計開支及其他應付款項		33,423	38,358	38,358
Contract liabilities	合約負債	(c)	12,662	9,566	9,566
Lease liabilities	租賃負債	(d)	951	814	—
			205,357	195,036	194,222
Representing	指				
— Non-current	— 非流動		464	320	—
— Current	— 流動		204,893	194,716	194,222
			205,357	195,036	194,222

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. Comparative information as at 31 December 2018 has not been restated. Further details on the impact of the transition to HKFRS 16 are set out in Note 1(c).

附註：本集團使用經修訂追溯法首次採納《香港財務報告準則》第16號，並調整於二零一九年一月一日的期初結餘，以確認有關以往根據《香港會計準則》第17號分類為經營租賃的租賃之租賃負債。並無重列於二零一八年十二月三十一日的比較資料。有關過渡至《香港財務報告準則》第16號的影響的進一步詳情載於附註1(c)。

21 Trade creditors, contract liabilities and other payables (Continued)

(a) Trade creditors

As of the end of the reporting period, the ageing analysis of trade creditors, based on the invoice date, is as follows:

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Less than 1 month	少於一個月	29,658	11,079
1 to 3 months	一至三個月	152	368
		29,810	11,447

(b) Customer deposits received

Deposits received are monies received from customers before they are allowed to make trade transactions through the use of the Group's systems. Generally, customers are only allowed to incur transaction charges up to the amount deposited with the Group. Deposits are refundable to customers on demand.

(c) Contract liabilities

When the Group receives a deposit before the production activity commences this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the project exceeds the amount of the deposit. The amount of the deposit, if any, was negotiated on a case by case basis with customers.

Movements in contract liabilities

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
As at 1 January	於一月一日	9,566	14,295
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the period	合約負債因年內確認於期初計入合約負債的收益而減少	(8,732)	(13,152)
Increase in contract liabilities as a result of billing in advance	合約負債因提前計費而增加	11,828	8,423
As at 31 December	於十二月三十一日	12,662	9,566

As at 31 December 2019, the amount of billings in advance of performance expected to be recognised as income after more than one year is HK\$800,000 (2018: HK\$836,000).

21 應付賬款、合約負債及其他應付款項(續)

(a) 應付賬款

於報告期末，按發票日期計算，應付賬款的賬齡分析如下：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Less than 1 month	少於一個月	29,658	11,079
1 to 3 months	一至三個月	152	368
		29,810	11,447

(b) 已收客戶按金

已收按金為客戶獲准使用本集團的系統進行貿易交易前自客戶收取的款項。一般來說，客戶可以累積的交易費，僅以客戶向本集團支付的按金為限。按金可應客戶要求予以退還。

(c) 合約負債

本集團會於生產活動開始前收取按金，此將於合約開始時導致合約負債，直至已確認的項目收益超過按金額為止。按金的金額(如有)乃按各個案與客戶磋商得出。

合約負債的變動

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
As at 1 January	於一月一日	9,566	14,295
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the period	合約負債因年內確認於期初計入合約負債的收益而減少	(8,732)	(13,152)
Increase in contract liabilities as a result of billing in advance	合約負債因提前計費而增加	11,828	8,423
As at 31 December	於十二月三十一日	12,662	9,566

於二零一九年十二月三十一日，預期將於一年後確認為收入的履約提前計費金額為港幣800,000元(二零一八年：港幣836,000元)。

21 Trade creditors, contract liabilities and other payables (Continued)

(d) Lease liabilities

The following table shows the remaining contractual maturities of the Group's lease liabilities at the end of the current and previous reporting periods and at the date of transition to HKFRS 16:

		As at 31 December 2019 於二零一九年十二月三十一日		As at 1 January 2019 (Note) 於二零一九年一月一日(附註)	
		Present value of the minimum lease payments 最低租賃 付款現值 HK\$'000 港幣千元	Total minimum lease payments 最低租賃 付款總額 HK\$'000 港幣千元	Present value of the minimum lease payments 最低租賃 付款現值 HK\$'000 港幣千元	Total minimum lease payments 最低租賃 付款總額 HK\$'000 港幣千元
Within one year	一年內	487	510	494	513
More than one year but within five years	超過一年但五年內	464	488	320	324
		951	998	814	837
Less: total future interest expenses	減：未來利息開支總額		(47)		(23)
Present value of lease liabilities	租賃負債現值		951		814

Note: The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances as at 1 January 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. None of the leases was previously classified as finance leases. Comparative information as at 31 December 2018 has not been restated. Further details on the impact of the transition to HKFRS 16 are set out in Note 1(c).

21 應付賬款、合約負債及其他應付款項(續)

(d) 租賃負債

下表顯示本集團於當前及上一個報告期間結束時及於過渡至《香港財務報告準則》第16號當日的租賃負債的剩餘合約到期日：

附註：本集團使用經修訂追溯法首次採納《香港財務報告準則》第16號，並調整於二零一九年一月一日的期初結餘，以確認有關以往根據《香港會計準則》第17號分類為經營租賃的租賃之租賃負債。並無租賃以往分類為融資租賃。並無重列於二零一八年十二月三十一日的比較資料。有關過渡至《香港財務報告準則》第16號的影響的進一步詳情載於附註1(c)。

22 Provision for long service payments

22 長期服務金撥備

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
As at 1 January	於一月一日	3,179	3,093
Released/utilised	已發放/已動用	(59)	(20)
Provisions charged to profit or loss	於損益扣除的撥備	—	106
As at 31 December	於十二月三十一日	3,120	3,179

23 Employee retirement benefits

The Group operates a Mandatory Provident Fund Scheme (“the MPF scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees’ relevant income, subject to a cap of monthly relevant income of HK\$30,000. Contributions to the plan vest immediately.

23 僱員退休福利

本集團根據《香港強制性公積金計劃條例》，為根據《香港僱傭條例》僱用的僱員，設立強制性公積金計劃（「強積金計劃」）。強積金計劃為獨立受託人管理的定額供款退休計劃。根據強積金計劃，僱主與僱員須各自向計劃作出相等於僱員有關入息5%的供款，而有關入息以每月港幣30,000元為上限。本集團向計劃作出的供款即時歸屬有關僱員。

24 Equity-settled share-based transactions

24 以股權結算並以股份為基礎的交易

(a) Share option scheme

The Share Option Scheme currently in operation was adopted on 9 May 2014 (the “Share Option Scheme 2014”), whereby options will be granted to eligible persons, including Directors, employees, consultants, business associates or advisers as the Board of the Company may identify from time to time (“Grantees”), entitling them to subscribe for shares of the Company, subject to acceptance of the Grantees and the payment of HK\$1.00 by each of the Grantees upon acceptance of the options. Each option gives the holder the right to subscribe for one ordinary share in the Company.

The share options granted under the Share Option Scheme 2014 vest after 12 months (25%), 24 months (50%), 36 months (75%) and 48 months (100%) respectively from date of grant and then exercisable within a period of 10 years. The Grantee may exercise the share options subject to the conditions in respective option offering letter. The subscription amount payable in respect of each share upon the exercise of an option shall be determined by the board of directors and shall be not less than the greater of:

- the closing price of the shares on the SEHK as stated in the SEHK’s daily quotations sheet on the date of grant of such option; and
- the average closing price of the shares on the SEHK as stated in the SEHK’s daily quotation sheets for the five business days immediately preceding the date of grant of such option.

(a) 購股權計劃

現行購股權計劃於二零一四年五月九日獲採納（「二零一四年購股權計劃」），據此，本公司董事會向不時確定之合資格人士（包括董事、僱員、專業顧問、業務夥伴或諮詢顧問）（「承授人」）授出購股權，賦予彼等權利認購本公司股份，惟須待承授人接納方可作實，且每名承授人於接納購股權時須支付港幣1.00元。每份購股權賦予持有人權利認購一股本公司普通股。

根據二零一四年購股權計劃授出的購股權，在授出日期起計十二個月、二十四個月、三十六個月及四十八個月後，分別歸屬25%、50%、75%及100%，隨後可於十年期內行使。承授人可按照相關購股權要約函件所載條件行使購股權。因行使購股權而須就每股股份支付的認購款項將由董事會釐定，且不得少於下列最高者：

- 於購股權授出日期於香港聯交所每日報價表所列股份於香港聯交所的收市價；及
- 緊接購股權授出日期前五個營業日，於香港聯交所每日報價表所列股份於香港聯交所的平均收市價。

24 Equity-settled share-based transactions (Continued) 24 以股權結算並以股份為基礎的交易(續)

(a) Share option scheme (Continued)

The terms and conditions of the grants that existed during the year are as follows, whereby all share options are settled by physical delivery of shares:

(a) 購股權計劃(續)

下文載列年內存在的購股權的條款及條件，據此，所有購股權以股份實物方式結算交付：

	Number of instruments	Vesting conditions	Contractual life of options
	工具數目	歸屬條件	購股權的合約年期
Options granted to directors:			
已授予董事的購股權：			
— on 30 June 2014 — 於二零一四年六月三十日	4,600,000	12 months (100%) from 30 June 2014 自二零一四年六月三十日起計12個月(100%)	10 years 十年
— on 30 June 2014 — 於二零一四年六月三十日	1,700,000	12 months (25%), 24 months (50%), 36 months (75%) and 48 months (100%) from 30 June 2014 自二零一四年六月三十日起計12個月(25%)、 24個月(50%)、36個月(75%)及48個月 (100%)	10 years 十年
— on 2 July 2015 — 於二零一五年七月二日	800,000	100% on 2 July 2015 於二零一五年七月二日計100%	10 years 十年
— on 2 July 2015 — 於二零一五年七月二日	1,700,000	12 months (25%), 24 months (50%), 36 months (75%) and 48 months (100%) from 2 July 2015 自二零一五年七月二日起計12個月(25%)、24 個月(50%)、36個月(75%)及48個月(100%)	10 years 十年
— on 4 July 2016 — 於二零一六年七月四日	3,000,000	12 months (25%), 24 months (50%), 36 months (75%) and 48 months (100%) from 4 July 2016 自二零一六年七月四日起計12個月(25%)、24 個月(50%)、36個月(75%)及48個月(100%)	10 years 十年
— on 28 April 2017 — 於二零一七年四月二十八日	3,900,000	12 months (25%), 24 months (50%), 36 months (75%) and 48 months (100%) from 28 April 2017 自二零一七年四月二十八日起計12個月 (25%)、24個月(50%)、36個月(75%)及48個 月(100%)	10 years 十年
— on 4 May 2018 — 於二零一八年五月四日	4,300,000	12 months (25%), 24 months (50%), 36 months (75%) and 48 months (100%) from 4 May 2018 自二零一八年五月四日起計12個月(25%)、24 個月(50%)、36個月(75%)及48個月(100%)	10 years 十年
— on 12 April 2019 — 於二零一九年四月十二日	4,400,000	12 months (25%), 24 months (50%), 36 months (75%) and 48 months (100%) from 12 April 2019 自二零一九年四月十二日起計12個月(25%)、 24個月(50%)、36個月(75%)及48個月 (100%)	10 years 十年

24 Equity-settled share-based transactions (Continued)

24 以股權結算並以股份為基礎 的交易(續)

(a) Share option scheme (Continued)

(a) 購股權計劃(續)

	Number of instruments	Vesting conditions	Contractual life of options
	工具數目	歸屬條件	購股權的 合約年期
Options granted to employees:			
已授予僱員的購股權：			
— on 30 June 2014 — 於二零一四年六月三十日	2,300,000	12 months (25%), 24 months (50%), 36 months (75%) and 48 months (100%) from 30 June 2014 自二零一四年六月三十日起計12個月(25%)、 24個月(50%)、36個月(75%)及48個月 (100%)	10 years 十年
— on 2 July 2015 — 於二零一五年七月二日	2,100,000	12 months (25%), 24 months (50%), 36 months (75%) and 48 months (100%) from 2 July 2015 自二零一五年七月二日起計12個月(25%)、24 個月(50%)、36個月(75%)及48個月(100%)	10 years 十年
— on 4 July 2016 — 於二零一六年七月四日	2,300,000	12 months (25%), 24 months (50%), 36 months (75%) and 48 months (100%) from 4 July 2016 自二零一六年七月四日起計12個月(25%)、24 個月(50%)、36個月(75%)及48個月(100%)	10 years 十年
— on 28 April 2017 — 於二零一七年四月二十八日	2,400,000	12 months (25%), 24 months (50%), 36 months (75%) and 48 months (100%) from 28 April 2017 自二零一七年四月二十八日起計12個月 (25%)、24個月(50%)、36個月(75%)及48個 月(100%)	10 years 十年
— on 4 May 2018 — 於二零一八年五月四日	3,100,000	12 months (25%), 24 months (50%), 36 months (75%) and 48 months (100%) from 4 May 2018 自二零一八年五月四日起計12個月(25%)、24 個月(50%)、36個月(75%)及48個月(100%)	10 years 十年
— on 12 April 2019 — 於二零一九年四月十二日	3,500,000	12 months (25%), 24 months (50%), 36 months (75%) and 48 months (100%) from 12 April 2019 自二零一九年四月十二日起計12個月(25%)、 24個月(50%)、36個月(75%)及48個月 (100%)	10 years 十年

24 Equity-settled share-based transactions (Continued) 24 以股權結算並以股份為基礎的交易(續)

(a) Share option scheme (Continued)

(a) 購股權計劃(續)

	Number of instruments 工具數目	Vesting conditions 歸屬條件	Contractual life of options 購股權的合約年期
Options granted to ex-employees: 已授予前僱員的購股權：			
— on 30 June 2014 — 於二零一四年六月三十日	2,400,000	100% on 30 June 2014 於二零一四年六月三十日計100%	10 years 十年
— on 30 June 2014 — 於二零一四年六月三十日	500,000	12 months (25%), 24 months (50%), 36 months (75%) and 48 months (100%) from 30 June 2014 自二零一四年六月三十日起計12個月(25%)、 24個月(50%)、36個月(75%)及48個月 (100%)	10 years 十年
— on 2 July 2015 — 於二零一五年七月二日	2,400,000	100% on 2 July 2015 於二零一五年七月二日計100%	10 years 十年
— on 2 July 2015 — 於二零一五年七月二日	500,000	12 months (25%), 24 months (50%), 36 months (75%) and 48 months (100%) from 2 July 2015 自二零一五年七月二日起計12個月(25%)、24 個月(50%)、36個月(75%)及48個月(100%)	10 years 十年
— on 4 July 2016 — 於二零一六年七月四日	1,600,000	100% on 4 July 2016 於二零一六年七月四日計100%	10 years 十年
— on 4 July 2016 — 於二零一六年七月四日	500,000	12 months (25%), 24 months (50%), 36 months (75%) and 48 months (100%) from 4 July 2016 自二零一六年七月四日起計12個月(25%)、24 個月(50%)、36個月(75%)及48個月(100%)	10 years 十年
— on 28 April 2017 — 於二零一七年四月二十八日	500,000	12 months (25%), 24 months (50%), 36 months (75%) and 48 months (100%) from 28 April 2017 自二零一七年四月二十八日起計12個月 (25%)、24個月(50%)、36個月(75%)及48個 月(100%)	10 years 十年
	48,500,000		

24 Equity-settled share-based transactions (Continued)

24 以股權結算並以股份為基礎 的交易(續)

(a) Share option scheme (Continued)

The number and weighted average exercise prices of share options are as follows:

(a) 購股權計劃(續)

購股權的數目及加權平均行使價如下：

		2019 二零一九年		2018 二零一八年	
		Weighted average exercise price 加權平均 行使價 HK\$ 港幣元	Number of options 購股權數目 '000 千股	Weighted average exercise price 加權平均 行使價 HK\$ 港幣元	Number of options 購股權數目 '000 千股
Outstanding as at 1 January	於一月一日尚未行使	1.66	40,600	1.73	33,398
Granted during the year	年內授出	1.41	7,900	1.34	7,400
Exercised during the year	年內行使	—	—	1.01	(48)
Forfeited during the year	年內沒收	1.62	(1,200)	1.01	(150)
Cancelled during the year	年內註銷	1.41	(200)	—	—
Outstanding as at 31 December	於十二月三十一日 尚未行使	1.62	47,100	1.66	40,600
Exercisable as at 31 December	於十二月三十一日 可行使		29,400		24,125

No share options was exercised during the year ended 31 December 2019. For the year ended 31 December 2018, the weighted average share price at the date the share options were exercised was HK\$1.34.

The options outstanding as at 31 December 2019 had exercise prices ranging from HK\$1.34 to HK\$1.90 (2018: ranging from HK\$1.34 to HK\$1.90) and weighted average remaining contractual life of 6.7 years (2018: 7.3 years).

截至二零一九年十二月三十一日止年度內概無行使任何購股權。截至二零一八年十二月三十一日止年度，於購股權行使日期的加權平均股價為港幣1.34元。

於二零一九年十二月三十一日，尚未行使購股權的行使價介乎港幣1.34元至港幣1.90元(二零一八年：介乎港幣1.34元至港幣1.90元)，其加權平均尚餘合約年期為6.7年(二零一八年：7.3年)。

24 Equity-settled share-based transactions (Continued)

(b) Fair value of share options and assumptions

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on Black Scholes Model. The contractual life of the share option is used as an input into this model.

Fair value of share options and assumptions	購股權的公允價值及假設	2019 二零一九年	2018 二零一八年
Fair value at measurement date	於計量日期的公允價值	HK\$0.113 港幣0.113元	HK\$0.169 港幣0.169元
Share price	股價	HK\$1.39 港幣1.39元	HK\$1.34 港幣1.34元
Exercise price	行使價	HK\$1.406 港幣1.406元	HK\$1.34 港幣1.34元
Expected volatility (expressed as weighted average volatility used in the modelling under Black Scholes Model)	預期波幅(按柏力克舒爾斯模式所用之加權平均波幅呈列)	23.2%	28.7%
Option life (expressed as weighted average life used in the modelling under Black-Scholes model)	購股權有效期(按柏力克舒爾斯模式所用之加權平均年期呈列)	5 years 5年	5 years 5年
Expected dividends	預期股息	6.7%	6.6%
Risk-free interest rate (based on the yield of Hong Kong Government Bonds)	無風險利率(按香港政府債券收益率計算)	1.628%	2.199%

The expected volatility is made with reference to the daily historical volatilities of the Company with period commensurate to the expected option life. Expected dividends are based on historical dividends. Changes in the subjective input assumptions could materially affect the fair value estimate.

Share options were granted under a service condition. This condition has not been taken into account in the grant date fair value measurement of the services received. There were no market conditions associated with the share option grants.

24 以股權結算並以股份為基礎的交易(續)

(b) 購股權的公允價值及假設

作為授出購股權代價而獲得的服務公允價值，乃參照已授出購股權的公允價值計算。已授出購股權的估計公允價值乃根據柏力克舒爾斯模式計算。此模式亦會計及購股權的合約年期。

預期波幅乃參考本公司過往與預期購股權有效期長度相同之期間的每日歷史波幅作出。預期股息乃按過往股息而定。用作計算的主觀假設如有更改，可能重大影響公允價值的估計。

購股權是基於已提供服務的條件授出。計算所獲提供服務於授出日期之公允價值時，並無考慮該項條件。授出購股權與市況無關。

25 Capital and reserves

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out as below:

The Company

		Share capital 股本 HK\$'000 港幣千元	Capital reserve 資本儲備 HK\$'000 港幣千元	Retained profits 保留溢利 HK\$'000 港幣千元	Total equity 權益總額 HK\$'000 港幣千元
As at 1 January 2018	於二零一八年一月一日	296,039	5,028	50,539	351,606
Dividends approved in respect of the previous year (Note 11)	上年度已批准股息 (附註11)	—	—	(50,062)	(50,062)
Issue of shares (Note 25(b)(ii))	發行股份(附註25(b)(ii))	54	(5)	—	49
Equity-settled share-based transactions	以股權結算並以股份為基礎的交易	—	944	—	944
Lapse of share options	購股權失效	—	(16)	16	—
Total comprehensive income for the year	本年度全面收益總額	—	—	75,179	75,179
Dividends declared in respect of the current year (Note 11)	本年度已決議派發的股息(附註11)	—	—	(27,812)	(27,812)
As at 31 December 2018 (Note)	於二零一八年十二月三十一日(附註)	296,093	5,951	47,860	349,904
Dividends approved in respect of the previous year (Note 11)	上年度已批准股息 (附註11)	—	—	(47,678)	(47,678)
Equity-settled share-based transactions	以股權結算並以股份為基礎的交易	—	836	—	836
Lapse of share options	購股權失效	—	(37)	37	—
Total comprehensive income for the year	本年度全面收益總額	—	—	83,650	83,650
Dividends declared in respect of the current year (Note 11)	本年度已決議派發的股息(附註11)	—	—	(26,223)	(26,223)
As at 31 December 2019	於二零一九年十二月三十一日	296,093	6,750	57,646	360,489

Note: The Group, including the Company, has initially applied HKFRS 16 as at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated and there is no net effect on the opening balance of the company's equity as at 1 January 2019. See Note 1(c) and Note 30.

附註：本集團(包括本公司)已於二零一九年一月一日使用經修訂追溯法首次採納《香港財務報告準則》第16號。根據此方法，並無重列比較資料，且對公司於二零一九年一月一日的期初權益結餘並無造成淨影響。見附註1(c)及附註30。

25 資本及儲備

(a) 權益組合之變動

本集團年初及年終各部分的綜合權益結餘的對賬載列於綜合權益變動表。本公司獨立權益部分由年初至年終的變動詳情載列如下：

本公司

25 Capital and reserves (Continued)

25 資本及儲備(續)

(b) Share capital

(b) 股本

(i) Issued share capital

(i) 已發行股本

	2019 二零一九年		2018 二零一八年	
	Number of shares 股份數目 in '000 千股	Amounts 金額 HK\$'000 港幣千元	Number of shares 股份數目 in '000 千股	Amounts 金額 HK\$'000 港幣千元
Ordinary shares, issued and fully paid: 普通股，已發行及繳足：				
As at 1 January 於一月一日	794,634	296,093	794,586	296,039
Shares issued under share option schemes 根據購股權計劃發行的股份	—	—	48	54
As at 31 December 於十二月三十一日	794,634	296,093	794,634	296,093

In accordance with section 135 of the Hong Kong Companies Ordinance, the ordinary shares of the Company do not have a par value.

根據香港《公司條例》第135條，本公司普通股並無面值。

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

普通股持有人有權收取不時決議派發的股息，並有權於本公司大會上就每持有一股股份投一票。所有普通股對本公司餘下資產享有同等權益。

25 Capital and reserves (Continued)

(b) Share capital (Continued)

(ii) Shares issued under share option scheme

During the year, no share options was exercised to subscribe for ordinary shares (2018: 48,000 ordinary shares at a consideration of HK\$49,000) in the Company of which all was credited to share capital in accordance with the Hong Kong Companies Ordinance. No capital reserve (2018: HK\$5,000) has been transferred correspondingly to the share capital account in accordance with the policy set out in Note 1(q)(ii).

(iii) Terms of unexpired and unexercised share options at the end of the reporting period:

25 資本及儲備(續)

(b) 股本(續)

(ii) 根據購股權計劃發行的股份

年內，概無可認購本公司普通股(全部根據香港《公司條例》入賬至股本)的購股權獲行使(二零一八年：48,000股普通股，代價為港幣49,000元)。概無資本儲備(二零一八年：港幣5,000元)已根據附註1(q)(ii)所載政策轉撥至股本賬。

(iii) 於報告期末未到期及未行使購股權的條款：

Exercise period	行使期	Exercise price 行使價	2019 二零一九年 Number of options 購股權數目	2018 二零一八年 Number of options 購股權數目
30 June 2014 to 29 June 2024	二零一四年六月三十日至 二零二四年六月二十九日	HK\$1.90 港幣1.90元	11,500,000	11,500,000
2 July 2015 to 1 July 2025	二零一五年七月二日至 二零二五年七月一日	HK\$1.78 港幣1.78元	7,500,000	7,500,000
4 July 2016 to 3 July 2026	二零一六年七月四日至 二零二六年七月三日	HK\$1.57 港幣1.57元	7,400,000	7,400,000
28 April 2017 to 27 April 2027	二零一七年四月二十八日至 二零二七年四月二十七日	HK\$1.592 港幣1.592元	6,800,000	6,800,000
4 May 2018 to 3 May 2028	二零一八年五月四日至 二零二八年五月三日	HK\$1.34 港幣1.34元	7,400,000	7,400,000
12 April 2019 to 11 April 2029	二零一九年四月十二日至 二零二九年四月十一日	HK\$1.406 港幣1.406元	7,900,000	—
			48,500,000	40,600,000

(c) Nature and purpose of reserves

(i) Capital reserve

The capital reserve comprises the grant date fair value of unexercised share options granted to directors, employees and ex-employees of the Company recognised in accordance with the accounting policies adopted for share based payments set out in Note 1(q)(ii).

(c) 儲備的性質及用途

(i) 資本儲備

資本儲備包括已授予本公司董事、僱員及前僱員並根據載於附註1(q)(ii)就以股份為基礎的支付而採納的會計政策所確認的尚未行使購股權的授出日期公允價值。

25 Capital and reserves (Continued)

(c) Nature and purpose of reserves (Continued)

(ii) Exchange reserve

The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policy set out in Note 1(r).

(iii) Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of debt securities measured at FVOCI under HKFRS 9 held at the end of the reporting period (see Note 1(i)).

(iv) Other reserve

The other reserve is non-distributable and represents transfer from annual profits up to a maximum of 50% of the issued and paid up capital of the Macau subsidiary in accordance with the Macau Commercial Code.

(d) Distributability of reserves

As at 31 December 2019, the aggregate amount of reserves available for distribution to equity shareholders of the Company was HK\$57,646,000 (2018: HK\$47,860,000). After the end of the reporting period, the directors proposed a final dividend of HK 6.5 cents per ordinary share (2018: HK 6.0 cents per share), amounting to HK\$51,651,000 (2018: HK\$47,678,000). This dividend has not been recognised as a liability at the end of the reporting period.

(e) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to enable the Group to meet its liabilities as they fall due for the foreseeable future. The Group has no external borrowing at the end of the reporting period.

The Group's capital structure is regularly reviewed and managed with due regard to the capital management objectives of the Group.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

25 資本及儲備(續)

(c) 儲備的性質及用途(續)

(ii) 匯兌儲備

匯兌儲備包括自換算海外公司財務報表所產生的所有匯兌差額。有關儲備已根據載於附註1(r)的會計政策處理。

(iii) 公允價值儲備

公允價值儲備包括於報告期末所持的根據《香港財務報告準則》第9號透過其他全面收益按公允價值計量的債務證券公允價值累計變動淨額(見附註1(i))。

(iv) 其他儲備

其他儲備為不可分派，並指根據澳門商法典，自澳門附屬公司已發行及繳足股本以最多50%為限的年度溢利轉出。

(d) 可供分派儲備

於二零一九年十二月三十一日，可供分派予本公司股權持有人的儲備總額為港幣57,646,000元(二零一八年：港幣47,860,000元)。於報告期末之後，董事擬派發末期股息每股普通股6.5港仙(二零一八年：每股6.0港仙)，合共為港幣51,651,000元(二零一八年：港幣47,678,000元)。該股息於報告期末並未確認為負債。

(e) 資本管理

本集團管理資本的主要目標為保護本集團持續經營的能力，以及確保本集團可於可見未來支付到期負債。本集團於報告期末並無外部借款。

本集團本著資本管理目標，定期檢討及管理資本架構。

本公司或其任何附屬公司概無受外界施加的資本規定所規限。

26 Financial risk management and fair values

Exposure to credit, liquidity, interest rate and currency risk arises in the normal course of the Group's business. These risks are limited by the Group's financial management policies and practices described below.

(a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's credit risk is primarily attributable to trade receivables, contract assets and investments in debt securities. The Group's exposure to credit risk arising from cash and cash equivalents and deposits with banks is limited because the counterparties are major banks, for which the Group considers to have low credit risk. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

Trade receivables and contract assets

When registering as a subscriber, a customer is automatically assigned with a credit limit based on the amount of its deposit or bank guarantee and is normally given credit periods ranging from one day to one month. Credit terms offered by other companies of the Group are based on individual commercial terms negotiated with customers. The amount of deposit is determined on a customer-by-customer basis, depending on its usage of the Company's services. Generally, if a customer reaches or exceeds its credit limit before the normal billing cycle, an ad hoc bill will be issued to the customers for payment by bank direct debit. However, if a customer is in default of payment for whatever reason, its account is automatically suspended from operation until all outstanding charges have been fully settled. For that reason, customers may also, and often do, place deposits with the Company from time to time to cover their charges.

There is, however, no credit policy for the Company's ad hoc customers who are required to pay the relevant charges (including service charges, service centre handling fees and Government fees) in full when using the Company over-the-counter services.

26 財務風險管理及公允價值

在本集團的日常業務過程中，會遇上信貸、流動資金、利率及外匯風險。該等風險受到本集團於下文載述的財務管理政策及常規所限制。

(a) 信貸風險

信貸風險指對手方將違反合約義務導致本集團蒙受財務虧損的風險。本集團的信貸風險主要源自應收賬款、合約資產及債務證券投資。由於對手方為主要銀行，本集團面臨現金及現金等值及銀行存款產生的信貸風險有限，因此，本集團認為信貸風險低。管理層已訂有一套信貸政策，以持續監控該等信貸風險。

應收賬款及合約資產

當客戶登記為用戶時，本集團會根據客戶的按金或銀行擔保金額，自動為客戶分配一個信貸額度，信貸期通常介乎一日至一個月不等。本集團旗下其他公司所給予的信貸期乃基於有關公司與客戶商訂的個別商業條款而定。本公司會按客戶使用本公司服務的用量，而為客戶個別釐定按金金額。一般而言，如客戶在正常付款週期前達到或超逾本身的信貸額度，將會向有關客戶發出臨時賬單，要求有關客戶以銀行直接付款方式支付。然而，如客戶因任何理由未有付款，則其賬戶將會自動暫停運作，直至尚欠費用獲全數繳付為止。基於上述理由，客戶或會（亦往來會）不時向本公司存入按金，以作支付費用之用。

然而，本公司並未為臨時客戶訂立信貸政策。該等客戶須於使用本公司的櫃檯服務時，全數支付有關費用（包括服務費、服務中心手續費及政府收費）。

26 Financial risk management and fair values (Continued)

(a) Credit risk (Continued)

Trade receivables and contract assets (Continued)

The Group's exposure to credit risk from trade receivables is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of the reporting period, 39.3% (2018: 2.1%) and 66.9% (2018: 25.3%) of the total trade receivables was due from the Group's largest customer and the five largest customers respectively.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade receivables and contract assets are set out in *Note 19*.

The Group measures loss allowances for trade receivables and contract assets at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience indicates different loss patterns for different customer segments, the loss allowance based on past due status is distinguished between the Group's different customer bases.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables and contract assets:

26 財務風險管理及公允價值 (續)

(a) 信貸風險(續)

應收賬款及合約資產(續)

本集團來自應收賬款的信貸風險主要受各客戶的個別特性所影響而非客戶經營業務所在的行業或國家所影響，因此信貸風險高度集中的情況主要發生於本集團對個別客戶有重大風險承擔時產生。報告期末，39.3%（二零一八年：2.1%）及66.9%（二零一八年：25.3%）的應收賬款總額分別為應收本集團的最大客戶及五大客戶的款項。

有關本集團來自應收賬款及合約資產的信貸風險的進一步量化披露資料，載於附註19。

本集團按相當於全期預期信貸虧損的金額(用撥備矩陣計算)來計量應收賬款及合約資產虧損撥備。因本集團的過往信貸虧損經驗顯示不同客戶分部有差異的虧損形態，故按逾期狀態計算的虧損撥備在本集團不同客戶群間區分。

下表提供有關本集團所面臨的信貸風險以及應收賬款及合約資產預期信貸虧損的資料：

		2019 二零一九年				
		Gross carrying amount	Provision on individual basis	ECL		Loss allowance
				rates	ECLs	
				預期信貸虧損率	預期	
		賬面總值	個別撥備	虧損率	信貸虧損	虧損撥備
		HK\$'000	HK\$'000	%	HK\$'000	HK\$'000
		港幣千元	港幣千元	%	港幣千元	港幣千元
Neither past due nor impaired	並無逾期亦無減值	46,410	(367)	—	—	(367)
Less than 1 month past due	逾期少於一個月	8,111	—	—	—	—
1 to 3 months past due	逾期一至三個月	3,997	—	—	—	—
Over 3 months past due	逾期超過三個月	6,589	(695)	7.8%	(458)	(1,153)
		65,107	(1,062)		(458)	(1,520)

26 Financial risk management and fair values (Continued)

(a) Credit risk (Continued)

Trade receivables and contract assets (Continued)

		2018 二零一八年				
		Gross carrying amount	Provision on individual basis	ECL rates	ECLs	Loss allowance
		賬面總值	個別撥備	預期信 貸虧損率	預期 信貸虧損	虧損撥備
		HK\$'000 港幣千元	HK\$'000 港幣千元	%	HK\$'000 港幣千元	HK\$'000 港幣千元
Neither past due nor impaired	並無逾期亦無減值	30,262	—	—	—	—
Less than 1 month past due	逾期少於一個月	4,927	—	—	—	—
1 to 3 months past due	逾期一至三個月	3,165	—	—	—	—
Over 3 months past due	逾期超過三個月	6,098	—	5.5%	(335)	(335)
		44,452	—		(335)	(335)

Expected loss rates are based on actual loss experience over the past three years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Receivables that were neither past due nor impaired relate to a wide range of customers for which allowance is made on an individual basis based on expected loss rate determined on the basis described above.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management considers that (i) no impairment allowance is necessary in respect of those balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable, and (ii) allowance is made in respect of balances over 3 months past due on both individual and collective basis based on expected loss rate determined on the basis as described above.

預期虧損率按過往三年的實際虧損經驗計算。此等比率為反映期內(往績數據已在期間收集)經濟狀況差異、目前狀況及本集團對應收款項預期存續期的經濟狀況之意見，而加以調整。

並無逾期亦無減值的應收款項與大量客戶有關，該等客戶按照根據上述基準釐定的預期虧損率個別計提撥備。

已逾期惟並無出現減值的應收款項與多名獨立客戶有關。該等客戶於本集團的過往信貸記錄良好。根據過往經驗，管理層認為，(i)由於信貸質素並無重大變動，且該等結餘仍被視作可全數收回，故毋須為該等結餘計提減值撥備，及(ii)有關逾期超過三個月的結餘乃個別及集體按根據上述基準釐定的預期虧損率計提撥備。

26 財務風險管理及公允價值 (續)

(a) 信貸風險(續)

應收賬款及合約資產(續)

26 Financial risk management and fair values (Continued)

(a) Credit risk (Continued)

Trade receivables and contract assets (Continued)

Movement in the loss allowance account in respect of trade receivables and contract assets during the year is as follows:

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
As at 1 January	於一月一日	335	163
Amounts written off during the year	年內撇銷金額	(566)	(619)
Impairment losses recognised during the year	年內已確認減值虧損	1,751	791
As at 31 December	於十二月三十一日	1,520	335

Investments in debt securities

Investments in debt securities are normally in liquid securities quoted on a recognised stock exchange, issued by corporate with sound credit standing (Note 18). Given their high credit standing, management does not expect any investment counterparty to fail to meet its obligations. Nevertheless, the Group's financial advisor monitors the situation and will notify the Group of any change. In addition, the Investment Committee undertakes annual reviews of the Group's exposures.

At the end of the reporting period, the Group does not have any significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. The Group does not provide any other guarantees which would expose the Group to credit risk.

The Group measures loss allowances for debt securities at an amount equal to 12-month ECLs unless there has been a significant increase in credit risk since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

26 財務風險管理及公允價值 (續)

(a) 信貸風險(續)

應收賬款及合約資產(續)

年內，有關應收賬款及合約資產的虧損撥備賬目變動如下：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
As at 1 January	於一月一日	335	163
Amounts written off during the year	年內撇銷金額	(566)	(619)
Impairment losses recognised during the year	年內已確認減值虧損	1,751	791
As at 31 December	於十二月三十一日	1,520	335

債務證券投資

債務證券投資一般為於認可證券交易所掛牌買賣，並由信貸評級良好的公司發行的流通證券(附註18)。鑑於投資對手方具有高信貸評級，管理層並不預期任何投資對手方會無法履行責任。然而，本集團財務顧問會監察情況，如有任何變動，將通知本集團。此外，投資委員會每年檢討本集團風險。

於報告期末，本集團並無高度集中的信貸風險。信貸風險的最高金額已於財務狀況表中按各項財務資產的賬面值呈列。本集團並無提供任何其他將會令致本集團承受信貸風險的擔保。

本集團按相等於12個月預期信貸虧損的金額就債務證券計量虧損撥備，惟信貸風險自首次確認以來出現大幅增加則除外，而在該情況下，則按相等於全期預期信貸虧損的金額計量虧損撥備。

26 Financial risk management and fair values (Continued)

(a) Credit risk (Continued)

Investments in debt securities (Continued)

Movement in the loss allowance account in respect of debt securities during the year is as follows:

		2019 二零一九年			2018 二零一八年		
		12-month ECL 12個月 預期 信貸虧損 HK\$'000 港幣千元	Lifetime ECL 全期 預期 信貸虧損 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元	12-month ECL 12個月 預期 信貸虧損 HK\$'000 港幣千元	Lifetime ECL 全期 預期 信貸虧損 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Balance as at 1 January	於一月一日的結餘	2,125	—	2,125	5,863	—	5,863
Amounts written off during the year	年內撇銷金額	—	—	—	(3,894)	—	(3,894)
Transfer to lifetime ECL not credit impaired	轉入並無信貸減值全期預期信貸虧損	(308)	308	—	—	—	—
Impairment losses recognised during the year	年內已確認減值虧損	141	1,220	1,361	365	—	365
Reversal of impairment loss during the year	年內減值虧損撥回	(58)	—	(58)	(209)	—	(209)
Balance as at 31 December	於十二月三十一日的結餘	1,900	1,528	3,428	2,125	—	2,125

26 財務風險管理及公允價值 (續)

(a) 信貸風險(續)

債務證券投資(續)

年內，有關債務證券的虧損撥備賬目變動如下：

26 Financial risk management and fair values (Continued)

(b) Liquidity risk

All cash management of the Group, including the short term investment of cash surpluses and raising of loans, if needed, to cover expected cash demands, are managed centrally by the Company. The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and readily realisable marketable securities and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

At 31 December 2019, the Group's current liabilities was HK\$216,752,000. Except for billings in advance of HK\$800,000, all trade creditors, contract liabilities and other payables of HK\$215,952,000 as indicated in *Note 21*, were due to be repaid or recognised as income during the next financial year or repayable upon demand. The Group will address the short-term liquidity requirement inherent in this contractual maturity date with internal resources.

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises primarily from investments in fixed income debt securities (*Note 18*) and floating rate bank balances, which expose the Group to fair value interest rate risk and cash flow interest rate risk.

26 財務風險管理及公允價值 (續)

(b) 流動資金風險

本集團的所有現金管理工作(包括現金盈餘的短期投資及籌借貸款(如有需要)以應付預期現金需求)均由本公司中央管理。本集團的政策是定期監察即期及預期流動資金需求以及其對借貸契諾的遵行情況,確保其備有充裕的現金儲備與可變現有價證券,以及從主要財務機構取得足夠的承諾信貸融資,以應付其短期及長期流動資金需求。

於二零一九年十二月三十一日,本集團的流動負債為港幣216,752,000元。除提前計費港幣800,000元外,附註21所示的所有應付賬款、合約負債及其他應付款項港幣215,952,000元,須於下一個財政年度內或按要求償還或確認為收入。本集團將以內部資源處理此合約到期日固有的短期流動資金需要。

(c) 利率風險

利率風險為金融工具的公允價值或未來現金流量將因市場利率變動而波動的風險。本集團的利率風險主要來自其於固定收入債務證券的投資(附註18)及浮息銀行結餘,其令本集團須承受公允價值利率風險及現金流量利率風險。

26 Financial risk management and fair values (Continued)

(c) Interest rate risk (Continued)

Sensitivity analysis

At 31 December 2019, it is estimated that a general increase/decrease of 50 basis points in interest rates, with all other variables held constant, would increase/decrease the Group's profit after tax and retained profits by approximately HK\$489,000 (2018: HK\$376,000). The fair value reserve in the consolidated equity would decrease/increase by approximately HK\$2,526,000 (2018: HK\$3,809,000) in response.

The sensitivity analysis above indicates the instantaneous change in the Group's consolidated equity that would arise assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to re-measure those fixed income debt securities held by the Group which expose the Group to fair value interest rate risk at the end of the reporting period. In respect of the exposure to cash flow interest rate risk arising from floating rate bank balances held by the Group at the end of the reporting period, the impact on the Group's profit after tax (and retained profits) is estimated as an annualised impact on interest income of such a change in interest rates. The analysis is performed on the same basis for 2018 for cash flow interest rate risk.

(d) Foreign currency risk

The Group is exposed to foreign currency risk primarily through debt securities denominated in United States dollars and investments in PRC incorporated entities. Given the fact that the exchange rates of United States dollars and Hong Kong dollars are currently pegged, management does not expect that there will be any significant currency risk associated with the investment in debt securities denominated in United States dollars. The Group has not hedged the foreign exchange exposure in relation to its investments in PRC incorporated entities.

26 財務風險管理及公允價值 (續)

(c) 利率風險(續)

敏感度分析

於二零一九年十二月三十一日，據本集團估計，如利率整體上調／下調50個基點，而所有其他不定因素維持不變，將令本集團的除稅後溢利及保留溢利增加／減少約港幣489,000元(二零一八年：港幣376,000元)。綜合權益內的公允價值儲備將因而減少／增加約港幣2,526,000元(二零一八年：港幣3,809,000元)。

上述敏感度分析指出本集團的綜合權益可能產生的即時變動。敏感度分析假設利率變動於報告期末已經發生，並已用於重新計量本集團所持有並於報告期末使本集團面臨公允價值利率風險的固定收入債務證券。對於由本集團於報告期末所持有的浮息銀行結餘所產生的現金流量利率風險，其對本集團除稅後溢利(及保留溢利)的影響是基於利率變動而產生的利息收入年化影響作估計。有關分析按二零一八年的現金流量利率風險分析的相同基準進行。

(d) 外匯風險

本集團的外匯風險主要源自以美元計值的債務證券及於中國註冊成立實體的投資。鑒於現時美元與港元匯率掛鈎，管理層預期以美元計值的債務證券投資不會附帶任何重大匯率風險。就本集團於中國註冊成立實體的投資而言，本集團並無對沖相關外匯風險。

26 Financial risk management and fair values (Continued)

(e) Fair value measurement

HKFRS 13, *Fair Value Measurement* categorises fair value measurements into a three-level hierarchy. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

At 31 December 2019, the debt securities measured at FVOCI (Note 18) held by the Group fall into Level 1 of the fair value hierarchy described above.

The fair value of corporate bonds traded in active markets is based on quoted market prices at the end of the reporting period and included in Level 1.

During the year ended 2019 and 2018, there were no transfers between levels of fair value hierarchy. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the date of the event or change in circumstances that caused the transfer.

27 Commitments

(a) Capital commitments

Capital commitments outstanding as at 31 December 2019 not provided for in the financial statements amounted to HK\$3,687,000 (2018: HK\$1,513,000). They were mainly in respect of the purchase of leasehold improvements and office equipment for the Group.

In addition, the Group was committed as at 31 December 2019 to enter into a lease of three years that is not yet commenced, the lease payments under which amounted to HK\$1,860,000 per annum.

26 財務風險管理及公允價值 (續)

(e) 公允價值計量

《香港財務報告準則》第13號，公允價值計量將公允價值計量分為三個等級。公允價值計量等級分類乃參考以下估值方法所用輸入數據的可觀察性及重要性釐定：

- 第一級估值：僅使用第一級輸入數據(即於計量日相同資產或負債於活躍市場的未經調整報價)計量的公允價值
- 第二級估值：使用第二級輸入數據(即未能達到第一級的可觀察輸入數據)且並未使用重大不可觀察輸入數據計量的公允價值。不可觀察輸入數據為無市場數據的輸入數據
- 第三級估值：使用重大不可觀察輸入數據計量的公允價值

於二零一九年十二月三十一日，本集團持有的透過其他全面收益按公允價值計量的債務證券(附註18)屬上述公允價值層級的第一級。

於活躍市場買賣的企業債券的公允價值乃根據報告期末的市場報價釐定，並計入第一級。

截至二零一九年及二零一八年止年度內，公允價值等級各級之間並無轉移。本集團的政策為於導致轉移的事件或情況變動當日確認公允價值等級各級之間的轉移。

27 承擔

(a) 資本承擔

於二零一九年十二月三十一日，尚待履行且未於財務報表撥備之資本承擔為港幣3,687,000元(二零一八年：港幣1,513,000元)。該等承擔主要與本集團採購租賃物業裝修及辦公室設備有關。

此外，本集團於二零一九年十二月三十一日承諾訂立為期三年的租賃，其尚未展開，項下的租賃付款為每年港幣1,860,000元。

27 Commitments (Continued)

(b) Operating leases

As at 31 December 2018, the total future minimum lease payments under non-cancellable operating leases in respect of property rentals are payable as follows:

		2018 二零一八年 HK\$'000 港幣千元
Within one year	一年內	688
More than one year but within five years	一年後但五年內	327
		1,015

The Group is the lessee in respect of a number of properties and items of plant and machinery and office equipment held under leases which were previously classified as operating leases under HKAS 17. The Group has initially applied HKFRS 16 using the modified retrospective approach. Under this approach, the group adjusted the opening balances as at 1 January 2019 to recognise lease liabilities relating to these leases (see Note 1(c)). From 1 January 2019 onwards, future lease payments are recognised as lease liabilities in the statement of financial position in accordance with the policies set out in Note 1(j), and the details regarding the group's future lease payments are disclosed in Note 21 (d).

27 承擔(續)

(b) 經營租賃

於二零一八年十二月三十一日，根據不可撤銷經營租賃，就應付物業租金於未來應付的最低租金付款總額如下：

		2018 二零一八年 HK\$'000 港幣千元
Within one year	一年內	688
More than one year but within five years	一年後但五年內	327
		1,015

本集團為有關多項物業及根據以往根據《香港會計準則》第17號分類為經營租賃的租賃持有的廠房及機器以及辦公室設備項目的承租人。本集團已使用經修訂追溯方法首次應用《香港財務報告準則》第16號。根據此方法，本集團調整於二零一九年一月一日的期初結餘，以確認有關該等租賃的租賃負債(見附註1(c))。自二零一九年一月一日起，未來租賃付款乃根據附註1(j)所載的政策於財務狀況表內確認為租賃負債，而有關本集團未來租賃付款的詳情披露於附註21(d)。

28 Material related party transactions

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group entered into the following material related party transactions:

(a) Recurring transactions

During the year ended 31 December 2019, the Group provided security solution services to TAL Apparel Limited ("TAL"), an associate of a substantial shareholder and generated revenue of HK\$463,000 (2018: HK\$64,000). The Group also generated HK\$25,000 (2018: HK\$29,000) from TAL for providing electronic solutions in processing certain government related documents.

(b) Key management personnel remuneration

Remuneration for key management personnel, including amounts paid to the Company's executive directors as disclosed in Note 9 and certain of the highest paid employees as disclosed in Note 10, is as follows:

28 重大關聯人士交易

除此等財務報表其他章節披露的交易及結餘外，本集團亦進行以下重大關聯人士交易：

(a) 經常進行的交易

截至二零一九年十二月三十一日止年度，本集團向聯業製衣有限公司（「TAL」）（為主要股東的聯繫人）提供保安方案服務錄得收益港幣463,000元（二零一八年：港幣64,000元）。本集團所提供處理若干政府相關文件的電子解決方案亦從TAL錄得港幣25,000元（二零一八年：港幣29,000元）。

(b) 主要管理人員酬金

主要管理人員酬金（包括於附註9所披露已向本公司執行董事支付的款項及於附註10所披露已向若干最高薪僱員支付的款項）如下：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Short-term employee benefits	短期僱員福利	18,079	17,109
Post-employment benefits	終止受僱後福利	90	90
Equity compensation benefits	股本補償福利	555	607
		18,724	17,806

Total remuneration is included in "staff costs" (see Note 6(a)).

酬金總額計入「僱員成本」(見附註6(a))。

29 Charges on assets and contingent liabilities

Pursuant to the terms of the contracts with the Government, the Group has obtained two bank guarantees totaling HK\$2,138,000 (2018: three bank guarantees totaling HK\$4,218,000) from banks for the due performance of the contracts by the Group. The bank guarantees and performance bond are secured by a charge over deposit totaling HK\$2,138,000 (2018: HK\$4,218,000).

29 資產押記及或有負債

根據與政府訂立的合約條款，本集團就妥善履行合約自銀行獲得兩項銀行擔保合共港幣2,138,000元（二零一八年：三項銀行擔保合共港幣4,218,000元）。銀行擔保及履約擔保以合共港幣2,138,000元（二零一八年：港幣4,218,000元）存款的押記作為抵押。

30 Company-level statement of financial position

30 公司層面的財務狀況表

		31 December 2019 二零一九年 十二月三十一日	1 January 2019 二零一九年 一月一日 (Note) (附註)	31 December 2018 二零一八年 十二月三十一日 (Note) (附註)
	Note 附註	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	23,078	26,605	25,912
Interest in associates	所佔聯營公司權益	13,977	16,101	16,101
Interest in subsidiaries	所佔附屬公司權益	90,161	91,318	91,318
Deferred tax assets	遞延稅項資產	28	27	27
		127,244	134,051	133,358
Current assets	流動資產			
Trade receivables and contract assets	應收賬款及合約資產	26,741	22,654	22,654
Other receivables, prepayments and other contract costs	其他應收款項、預付款項及其他合約成本	8,681	6,398	6,398
Loans to subsidiaries	給予附屬公司貸款	231,014	245,775	245,775
Amounts due from subsidiaries	應收附屬公司款項	63,358	63,294	63,294
Deposits with bank	銀行存款	12,238	4,222	4,222
Cash and cash equivalents	現金及現金等值	87,919	72,714	72,714
		429,951	415,057	415,057
Current liabilities	流動負債			
Trade creditors, contract liabilities and other payables	應付賬款、合約負債及其他應付款項	167,284	175,699	175,308
Amount due to a subsidiary	應付一間附屬公司款項	14,025	16,399	16,399
Taxation	稅項	11,259	2,869	2,869
		192,568	194,967	194,576
Net current assets	流動資產淨值	237,383	220,090	220,481
Total assets less current liabilities	資產總值減流動負債	364,627	354,141	353,839

30 Company-level statement of financial position (Continued) 30 公司層面的財務狀況表(續)

		31 December 2019 二零一九年 十二月三十一日	1 January 2019 二零一九年 一月一日 (Note) (附註)	31 December 2018 二零一八年 十二月三十一日 (Note) (附註)
	Note 附註	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Non-current liabilities	非流動負債			
Provision for long service payments	長期服務金撥備	2,748	2,819	2,819
Deferred tax liabilities	遞延稅項負債	958	1,116	1,116
Other payables	其他應付款項	432	302	—
		4,138	4,237	3,935
NET ASSETS	資產淨值	360,489	349,904	349,904
Capital and reserves	資本及儲備			
Share capital	股本	296,093	296,093	296,093
Reserves	儲備	64,396	53,811	53,811
TOTAL EQUITY	權益總額	360,489	349,904	349,904

Approved and authorised for issue by the Board of Directors on 24 March 2020.

經董事會於二零二零年三月二十四日批准及授權刊發。

Dr. LEE Nai Shee, Harry, S.B.S., J.P.
Chairman

主席
李乃熺博士，S.B.S., J.P.

TSE Kam Keung
Executive Director

執行董事
謝錦強

Note: The Company has initially applied HKFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. See Note 1(c).

附註：本集團已於二零一九年一月一日使用經修訂追溯法首次採納《香港財務報告準則》第16號。根據此方法，並無重列比較資料。見附註1(c)。

31 Non-adjusting events after the reporting period

After the end of the reporting period, the directors proposed a final dividend of HK 6.5 cents per share (2018: HK 6.0 cents per share) for the year ended 31 December 2019, amounting to HK\$51,651,000 (2018: HK\$47,678,000). This dividend has not been recognised as a liability at the end of the reporting period.

32 Comparative figures

The Group has initially applied HKFRS 16 as at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information is not restated. Further details of the changes in accounting policies are disclosed in *Note 1(c)*.

33 Possible impact of amendments, new standards and interpretations issued but not yet effective for the annual accounting period ended 31 December 2019

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments and a new standard, HKFRS 17, *Insurance contracts*, which are not yet effective for the year ended 31 December 2019 and which have not been adopted in these financial statements. These developments include the following which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to HKFRS 3, <i>Definition of a business</i>	1 January 2020
Amendments to HKAS 1 and HKAS 8, <i>Definition of material</i>	1 January 2020

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

31 報告期後未調整的事項

於報告期末後，董事擬派發截至二零一九年十二月三十一日止年度的末期股息每股6.5港仙(二零一八年：每股6.0港仙)，合共港幣51,651,000元(二零一八年：港幣47,678,000元)。該股息於報告期末並未確認為負債。

32 比較數字

本集團已於二零一九年一月一日使用經修訂追溯法首次採納《香港財務報告準則》第16號。根據此方法，並無重列比較資料。會計政策變動的進一步詳情於附註1(c)披露。

33 截至二零一九年十二月三十一日止年度會計期間已頒佈但尚未生效的修訂、新準則及詮釋可能產生的影響

截至本財務報表刊發日期，香港會計師公會頒佈了若干修訂及一項新準則(《香港財務報告準則》第17號，*保險合約*)，惟於截至二零一九年十二月三十一日止年度尚未生效，亦未於本財務報表中採用，其中可能與本集團有關的準則如下。

	Effective for accounting periods beginning on or after	於下列日期或 之後開始的 會計期間生效
《香港財務報告準則》 第3號(修訂)， <i>業務定義</i>	1 January 2020	二零二零年 一月一日
《香港會計準則》第1號及 《香港會計準則》第8號 (修訂)， <i>重大性定義</i>	1 January 2020	二零二零年 一月一日

本集團現正評估該等發展在首個應用期間將會產生的影響。迄今本集團總結採納該等發展不大可能會對綜合財務報表造成重大影響。

Five-Year Financial Summary

五年財務概要

			2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元	2016 二零一六年 HK\$'000 港幣千元	2015 二零一五年 HK\$'000 港幣千元
		Note 附註					
Results (year ended 31 December)	業績 (截至十二月三十一日止年度)						
Revenue	收益	2	337,175	271,930	241,830	231,302	222,719
Profit from operations	經營溢利	1, 2	101,219	104,766	94,169	91,931	85,982
Impairment loss on other financial assets	其他財務資產減值虧損		(1,303)	(156)	(8,242)	—	—
Impairment loss on interest in an associate	於一間聯營公司權益的減值虧損		(4,500)	—	—	—	—
Share of results of associates	所佔聯營公司業績		798	1,540	2,415	(10,557)	6,596
Profit before taxation	除稅前溢利		96,214	106,150	88,342	81,374	92,578
Taxation	稅項	1, 2, 3	(14,013)	(16,382)	(14,222)	(2,122)	(11,174)
Profit for the year	本年度溢利		82,201	89,768	74,120	79,252	81,404
Attributable to: Equity shareholders of the Company	以下人士應佔： 本公司股權持有人		82,201	89,768	74,120	79,252	81,404
Profit for the year	本年度溢利		82,201	89,768	74,120	79,252	81,404
Assets and Liabilities (as at 31 December)	資產及負債 (於十二月三十一日)						
Total non-current assets	非流動資產總額	1, 3	328,011	363,859	427,254	465,918	293,609
Total current assets	流動資產總額	1, 2, 3	264,282	188,743	134,670	98,706	283,119
Total assets	資產總額		592,293	552,602	561,924	564,624	576,728
Total non-current liabilities	非流動負債總額	1, 2, 3	(4,614)	(4,382)	(3,316)	(3,449)	(3,548)
Total current liabilities	流動負債總額	1, 2	(216,752)	(197,463)	(204,198)	(210,824)	(212,531)
Total liabilities	負債總額		(221,366)	(201,845)	(207,514)	(214,273)	(216,079)
Net assets	資產淨值		370,927	350,757	354,410	350,351	360,649

Notes to the five year summary:

五年概要附註：

- 1 As a result of the adoption of HKFRS 16, Leases, with effect from 1 January 2019, the Group has changed its accounting policies in respect of the lessee accounting model. In accordance with the transitional provisions of the standard, the changes in accounting policies were adopted by way of opening balance adjustments to recognise right-of-use assets and lease liabilities as at 1 January 2019. After initial recognition of these assets and liabilities, the Group as a lessee is required to recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the previous policy of recognising rental expenses incurred under operating leases on a straight-line basis over the lease term. Figures in years earlier than 2019 are stated in accordance with the policies applicable in those years.
 - 2 As a result of the adoption of HKFRS 15, Revenue from contracts with customers, with effect from 1 January 2018, the Group has changed its accounting policies in respect of revenue recognition. In accordance with the transitional provisions of the standard, the changes in accounting policies were adopted by way of opening balance adjustments to equity as at 1 January 2018. Figures in years earlier than 2018 are stated in accordance with the policies applicable in those years.
 - 3 The Group adopted HKFRS 9, Financial instruments from 1 January 2018. As a result, the Group has changed its accounting policies in relation to financial instruments. As allowed by HKFRS 9, the Group has not restated information relating to prior years. Differences in the carrying amounts of the financial assets resulting from the adoption of HKFRS 9 were recognised in retained earnings and reserves at 1 January 2018. There was no difference in the carrying amounts of the financial liabilities. Figures in years earlier than 2018 are stated in accordance with the policies applicable in those years.
- 1 由於採納《香港財務報告準則》第16號，租賃，自二零一九年一月一日起，本集團已更改有關承租人會計處理模式的會計政策。根據準則的過渡條文，會計政策變動以期初結餘調整的方式採納，以確認於二零一九年一月一日的使用權資產及租賃負債。於首次確認該等資產及負債後，本集團（作為承租人）須確認就租賃負債尚未清償結餘累計的利息開支及使用權資產折舊，而非按以往政策按直線法於租期內確認根據經營租賃產生的租金開支。二零一九年以前年度的數字乃根據該等年度適用的政策列示。
 - 2 由於採納《香港財務報告準則》第15號，來自客戶合約的收益，自二零一八年一月一日起，本集團已更改有關收益確認的會計政策。根據準則的過渡條文，會計政策變動以於二零一八年一月一日權益期初結餘調整的方式採納。二零一八年以前年度的數字乃根據該等年度適用的政策列示。
 - 3 自二零一八年一月一日起，本集團已採納《香港財務報告準則》第9號，金融工具。因此，本集團已更改有關金融工具的會計政策。《香港財務報告準則》第9號允許，本集團並無重列相關過往年度的資料。因採納《香港財務報告準則》第9號所導致的財務資產賬面值差異，於二零一八年一月一日的保留盈利及儲備中確認。財務負債的賬面值並無差異。二零一八年一月一日以前年度的數字乃根據該等年度適用的政策列示。

Other Financial Assets 其他財務資產

Other financial assets held as at 31 December 2019 with nominal value at US\$3 million or above are as follows:

以下為於二零一九年十二月三十一日所持有的面值3,000,000美元或以上的其他財務資產：

Issuer 發行人	Principal business 主要業務	Coupon 票面利率	Nominal value 面值 US\$'000 千美元	Maturity date 到期日
Zhaohai Investment (BVI) Limited	Industrial Other 其他工業	4%	3,000	23 Jul 2020 二零二零年七月二十三日
Sunshine Life Insurance Corporation Limited 陽光人壽保險股份有限公司	Life Insurance 人壽保險	3.15%	3,000	20 Apr 2021 二零二一年四月二十日
Chongqing Nan'an Urban Construction & Development (Group) Co., Ltd. 重慶市南岸區城市建設發展(集團)有限公司	Industrial Other 其他工業	3.625%	3,000	19 Jul 2021 二零二一年七月十九日
BOC Aviation Limited 中銀航空租賃有限公司	Commercial Finance 商業金融	2.375%	3,000	15 Sep 2021 二零二一年九月十五日
Union Life Insurance Co., Ltd. 合眾人壽保險股份有限公司	Life Insurance 人壽保險	3%	3,000	19 Sep 2021 二零二一年九月十九日
Bluestar Finance Holdings Limited	Chemicals 化學	3.5%	3,000	30 Sep 2021 二零二一年九月三十日
China Great Wall International Holdings III Limited	Financial Services 金融服務	2.625%	3,000	27 Oct 2021 二零二一年十月二十七日
China Cinda Finance (2017) I Limited	Financial Services 金融服務	3.65%	3,000	09 Mar 2022 二零二二年三月九日
ICBCIL Finance Co. Limited 工銀國際租賃財務有限公司	Commercial Finance 商業金融	3.375%	3,000	05 Apr 2022 二零二二年四月五日

Investor Relations and Key Dates

投資者關係及重要日期

The Company encourages two-way communication with both its institutional and individual investors. Extensive information about the Company's activities is provided in the Annual Report. There is regular communication with institutional and individual investors. Enquiries from individuals on matters relating to their shareholdings and the business of the Company are welcome and are dealt with in an informative and timely manner.

Financial Calendar

Closure of Register of Members:

— to ascertain shareholders entitlement to attend and vote at the 2020 Annual General Meeting 5 May 2020 – 8 May 2020 (both days inclusive)

— to ascertain shareholders qualified for the Final Dividend 14 May 2020 – 18 May 2020 (both days inclusive)

2020 Annual General Meeting 8 May 2020

Final Dividend Payment Date On or about 29 May 2020

本公司一直鼓勵與其機構投資者及個人投資者作出雙向溝通。本公司業務的詳盡資料刊載於年報內。本公司會定期與機構投資者及個人投資者溝通。任何人士如欲查詢個人持股情況及本公司業務等事宜，歡迎與本公司聯絡，本公司將會儘快提供詳盡資料。

財務日誌

暫停辦理股份過戶登記：

— 以釐定有權出席二零二零年股東週年大會並於會上投票之股東 二零二零年五月五日至二零二零年五月八日 (包括首尾兩日)

— 以釐定合乎資格享有末期股息之股東 二零二零年五月十四日至二零二零年五月十八日 (包括首尾兩日)

二零二零年股東週年大會 二零二零年五月八日

末期股息派息日 二零二零年五月二十九日或前後

Listings

The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 28 October 2005.

Annual Report 2019

This Annual Report 2019, in both English and Chinese, is now available in printed form as well as on the Company's website at www.tradelink.com.hk and the website of HKEXnews at www.hkexnews.hk

Stock Code

The Stock Exchange of Hong Kong Limited — 00536

上市

本公司股份自二零零五年十月二十八日起在香港聯合交易所有限公司主板上市。

二零一九年年報

此份二零一九年年報的中英文版本備有印刷本，亦可於本公司的網站www.tradelink.com.hk及披露易網站www.hkexnews.hk下載。

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Share Registrar

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Wan Chai, Hong Kong
Telephone: +852 2862 8555
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Vice President (Investor Relations and Corporate Communications)
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Email: ir@tradelink.com.hk

Website

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網址

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Corporate Information

公司資料

Board of Directors

Chairman and Non-executive Director

Dr. LEE Nai Shee, Harry, S.B.S., J.P.

Executive Directors

Mr. TSE Kam Keung (*Chief Executive Officer*)
Mr. CHENG Chun Chung, Andrew (*Chief Technology Officer*)
Ms. CHUNG Shun Kwan, Emily (*Chief Operations Officer*)

Non-executive Directors

Dr. LEE Delman
Mr. YING Tze Man, Kenneth
Mr. YUEN Wing Sang, Vincent

Independent Non-executive Directors

Mr. CHAK Hubert
Ms. CHAN Chi Yan
Mr. CHAU Tak Hay
Mr. CHUNG Wai Kwok, Jimmy
Mr. HO Lap Kee, Sunny, M.H., J.P.

Board Committees

Audit Committee

Mr. CHUNG Wai Kwok, Jimmy (*Chairman*)
Mr. CHAK Hubert
Ms. CHAN Chi Yan
Mr. CHAU Tak Hay
Mr. HO Lap Kee, Sunny, M.H., J.P.

Remuneration Committee

Mr. CHAU Tak Hay (*Chairman*)
Dr. LEE Nai Shee, Harry, S.B.S., J.P.
Mr. CHUNG Wai Kwok, Jimmy

Nomination Committee

Mr. HO Lap Kee, Sunny, M.H., J.P. (*Chairman*)
Dr. LEE Nai Shee, Harry, S.B.S., J.P.
Mr. CHUNG Wai Kwok, Jimmy

Investment Committee

Mr. CHAK Hubert (*Chairman*)
Ms. CHAN Chi Yan
Mr. CHAU Tak Hay
Mr. YING Tze Man, Kenneth

董事會

主席兼非執行董事

李乃熿博士，S.B.S., J.P.

執行董事

謝錦強先生 (*行政總裁*)
鄭俊聰先生 (*技術總監*)
鍾順群女士 (*營運總監*)

非執行董事

李國本博士
英子文先生
袁永生先生

獨立非執行董事

翟迪強先生
陳紫茵女士
周德熙先生
鍾維國先生
何立基先生，M.H., J.P.

董事會轄下委員會

審核委員會

鍾維國先生 (*主席*)
翟迪強先生
陳紫茵女士
周德熙先生
何立基先生，M.H., J.P.

薪酬委員會

周德熙先生 (*主席*)
李乃熿博士，S.B.S., J.P.
鍾維國先生

提名委員會

何立基先生，M.H., J.P. (*主席*)
李乃熿博士，S.B.S., J.P.
鍾維國先生

投資委員會

翟迪強先生 (*主席*)
陳紫茵女士
周德熙先生
英子文先生

Corporate Governance Committee

Mr. CHUNG Wai Kwok, Jimmy (*Chairman*)
Mr. CHAK Hubert
Ms. CHAN Chi Yan
Mr. CHAU Tak Hay
Mr. HO Lap Kee, Sunny, M.H., J.P.

Senior Management

Mr. TSE Kam Keung (*Chief Executive Officer*)
Mr. CHENG Chun Chung, Andrew (*Chief Technology Officer*)
Ms. CHUNG Shun Kwan, Emily (*Chief Operations Officer*)
Ms. CHU Pik Kwan, Peggie (*Chief Financial Officer*)

Company Secretary

Mr. HO Chi Kin Joseph

Auditor

KPMG
Certified Public Accountants
Public Interest Entity Auditor
registered in accordance with the
Financial Reporting Council Ordinance

Bankers

Dah Sing Bank, Limited
The Hongkong and Shanghai Banking Corporation Limited

Registered Office

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In case of inconsistencies between the English and Chinese versions, the English version shall prevail to the extent of such inconsistencies.

企業管治委員會

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翟迪強先生
陳紫茵女士
周德熙先生
何立基先生 · M.H., J.P.

高級管理人員

謝錦強先生(行政總裁)
鄭俊聰先生(技術總監)
鍾順群女士(營運總監)
朱碧君女士(財務總監)

公司秘書

何志健先生

核數師

畢馬威會計師事務所
執業會計師
於《財務匯報局條例》下的
註冊公眾利益
實體核數師

往來銀行

大新銀行有限公司
香港上海滙豐銀行有限公司

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