



SHK 新工投資有限公司
Hong Kong Industries Limited

Stock Code 股份代號 : 666

2019
ANNUAL REPORT
年報

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CORPORATE INFORMATION

公司資料

主席

李華倫*

董事

王大鈞*

狄亞法#

何振林†

李業華†

雷俊傑†

* 執行董事及執行委員會成員

非執行董事

† 獨立非執行董事

投資經理

禹銘投資管理有限公司

核數師

香港立信德豪會計師事務所有限公司

銀行

華僑永亨銀行有限公司

法國巴黎銀行香港分行

大新銀行有限公司

秘書

羅泰安

註冊辦事處

香港灣仔告士打道138號

聯合鹿島大廈18樓1801室

股份過戶登記處

卓佳秘書商務有限公司

香港皇后大道東183號

合和中心54樓

股份代號

香港聯合交易所有限公司：666

網站

<http://www.ymi.com.hk>

Chairman

Warren Lee Wa Lun*

Directors

Mark Wong Tai Chun*

Arthur George Dew#

Albert Ho†

Peter Lee Yip Wah†

Louie Chun Kit†

* Executive Directors and members of the Executive Committee

Non-Executive Director

† Independent Non-Executive Directors

Investment Manager

Yu Ming Investment Management Limited

Auditor

BDO Limited

Bankers

OCBC Wing Hang Bank Limited

BNP Paribas Hong Kong Branch

Dah Sing Bank, Limited

Secretary

Lo Tai On

Registered Office

Room 1801, 18th Floor, Allied Kajima Building

138 Gloucester Road, Wanchai, Hong Kong

Share Registrar and Transfer Office

Tricor Secretaries Limited

Level 54, Hopewell Centre

183 Queen's Road East, Hong Kong

Stock Code

The Stock Exchange of Hong Kong Limited: 666

Website

<http://www.ymi.com.hk>

CHAIRMAN'S STATEMENT

主席報告

概述

新工投資有限公司(「本公司」)及其附屬公司(統稱「本集團」)截至二零一九年十二月三十一日止年度錄得溢利，主要來自投資基金及債券之投資。

財務關鍵表現指標

截至二零一九年十二月三十一日止年度本集團錄得本公司擁有人應佔溢利金額約為14,500,000港元(二零一八年：虧損約43,600,000港元)，包括來自股票相關投資溢利約25,300,000港元(二零一八年：虧損約42,100,000港元)及債券投資貢獻溢利約11,800,000港元(二零一八年：約20,600,000港元)。

於二零一九年十二月三十一日，本公司擁有人應佔本集團之資產淨值增加1.9%至約1,110,000,000港元。作為比較，於二零一九年，恒生指數及恒生中國企業指數分別上升9.1%及10.3%。

由於對中國經濟抱持過於審慎的態度，我們持有相對較少之風險資產淨額，以致業績落後大市。

前景、投資基礎與策略

我們以研究為依據、以公司為基礎，但不會刻意專注於特定產業或行業。一直以來，我們以甄別估值偏低但有望於中長期內上漲之證券為方針。本公司規模相對適中，使我們可利用優勢，投資於交投較少之小型公司。債券組合旨在為應對本公司之股票投資波動提供緩衝，但亦會不時成為重要溢利貢獻因素。

Overview

SHK Hong Kong Industries Limited (the "Company") and its subsidiaries (collectively the "Group") recorded a profit for the year ended 31st December, 2019, primarily arising from its investments in investment funds and bonds.

Financial Key Performance Indicators

The Group recorded a net profit attributable to the owners of the Company in the amount of approximately HK\$14.5 million (2018: loss of approximately HK\$43.6 million) for the year ended 31st December, 2019, comprising profit of approximately HK\$25.3 million from equity related investments (2018: loss of approximately HK\$42.1 million) and profit contribution of approximately HK\$11.8 million from bond investments (2018: approximately HK\$20.6 million).

As at 31st December, 2019, the Group's net assets attributable to the owners of the Company increased by 1.9% to approximately HK\$1.11 billion. In comparison, the Hang Seng Index and the Hang Seng China Enterprises Index advanced by 9.1% and by 10.3% respectively during 2019.

Being over-cautious on the China economy, we had relatively low net exposure to risk assets, causing the underperformance.

Prospects, Investment Basis and Strategy

We are research based, company focused and without sector preference. Our approach has been to identify securities that are undervalued and offer prospects of improvement over the medium to long term. The relatively modest size of our company allows us to take advantage of investing in smaller companies with relatively lower turnover. Our bond portfolio is designed to offer a buffer to counter the volatility of our equities investment, but had from time to time proved to be an important profit contributor.

CHAIRMAN'S STATEMENT

主席報告

前景、投資基礎與策略(續)

二零一九年逆轉二零一八年之情況。美國聯邦儲備及中國政府意識到二零一八年過度收緊貨幣狀況，而隨後於二零一九年推出之貨幣及財政政策轉好，利好風險資產。然而，在二零二零年初，冠狀病毒對中國經濟造成衝擊，預後情況未明。為達到國內生產總值的增長目標，中國政府很可能會加快債務融資公共投資，以於二零二零年上半年為控制病毒所作之全國預防措施導致私人投資及私人消費驟降時，起到緩和作用。因此，全國負債水平及貨幣供應有望上升，並再次對人民幣構成壓力，不利中國相關風險資產。我們預期，香港股市於二零二零年上半年最多持平，而我們只會考慮增持發展前景良好且估值吸引之股票。如二零一九年中期報告所述，我們已增設具中等回報之債券組合並持續增加其分配，至今表現令人滿意。

本集團將會根據上述之基礎與策略以處置其持有之投資。

主席
李華倫

香港，二零二零年三月十九日

Prospects, Investment Basis and Strategy (continued)

2019 is a reversal of 2018. The Federal Reserve of the United States and the China governments realized that they had over-tightened monetary conditions in 2018. The subsequent monetary and fiscal policies turned benign in 2019 and favourable towards risk assets. At the start of 2020, however, the coronavirus has dealt a blow to the China economy with a low visibility on prognosis. To meet the growth target of gross domestic product, it is likely that the China government will accelerate debt-financed public investments to mitigate the sudden drop in the private investments and private consumption caused by the nationwide preventive measures to contain the virus in first half of 2020. Therefore, the national debt level and money supply is likely to rise and put a strain on the Renminbi again, which is unkind to China related risk assets. We expect the stock market of Hong Kong will be flat at best in first half in 2020 and we will only consider accumulating stocks with decent growth profile and attractive valuations. As said in the interim report of 2019, we had started our bond portfolio with medium yield and have been increasing its allocation. Its performance has been satisfactory so far.

The Group will consider to dispose of its investments held in accordance with the abovementioned basis and strategy.

Warren Lee Wa Lun
Chairman

Hong Kong, 19th March, 2020

MANAGEMENT DISCUSSION AND ANALYSIS

管理層的討論及分析

投資回顧

於二零一九年十二月三十一日，本集團之主要投資項目如下：

Investment Review

As at 31st December, 2019, the Group's major investments were as follows:

Investments 投資項目	Description 詳情
Listed Equities 上市股本	HK\$583.8 million of a portfolio of listed shares in 23 companies 由23家公司之上市股份構成之一個投資組合，價值為583,800,000港元
Fixed Income 固定收益	HK\$235.6 million of fixed income instruments issued and/or guaranteed by an overseas government, 13 listed in Hong Kong and overseas companies and unlisted companies 由一個海外政府及13家香港及海外上市公司及非上市公司發行及／或擔保之固定收益金融工具，價值為235,600,000港元
Investment Funds 投資基金	HK\$133.7 million in 7 investment funds 7個投資基金，價值為133,700,000港元
Sub-participation in Unlisted Investment 於非上市投資之附屬參與	Sub-participation of HK\$54.1 million in an unlisted investment 一項於非上市投資之附屬參與，價值為54,100,000港元
Direct Investments in Unlisted Equities 於非上市股本之直接投資	HK\$23.4 million in one direct investment in unlisted equities 一項於非上市股本之直接投資，價值為23,400,000港元

本集團之投資組合主要包括於香港、台灣、美國和馬來西亞之證券。

The Group's portfolio of investments comprised mainly securities in Hong Kong, Taiwan, United States and Malaysia.

本集團之固定收入投資及非上市股本投資(包括基金投資)貢獻二零一九年之大部份溢利，雖然其上市股本投資之價值於年內下降。

The Group's fixed income investments and unlisted equities investments, including funds investment, contributed most of the profit in 2019 notwithstanding the value of its listed equities investments declined during the year.

年內，證券投資組合中盈利最豐厚的五大投資為新東方教育科技集團有限公司(在中國提供民辦教育培訓服務)、Kovan Limited之附屬參與(一家參與融資活動公司)、Springs China Opportunities Feeder Fund(一家主要投資於中國及香港上市公司及於海外上市之中國公司之基金)、花旗集團(世界級之銀行)及CVC Capital Partners Asia IV Associates L.P.(一家投資於亞太地區私人股本證券的基金)。

The five most profitable investments in our securities portfolio during the year were New Oriental Education & Technology Group Inc. (provision of private educational services in China), sub-participation in Kovan Limited (a company participating in financial activities), Springs China Opportunities Feeder Fund (a fund investing in companies listed in Mainland China and in overseas listed Chinese companies), Citigroup Inc. (global bank) and CVC Capital Partners Asia IV Associates L.P. (an Asia Pacific region private equity investment fund).

年內，證券投資組合中五大虧損為南方東英恒生指數每日反向(-1x)產品(以期貨為基礎的產品)、大同股份有限公司(綜合企業)、優越集團控股有限公司(提供財經印刷服務)、太興集團控股有限公司(從事餐廳經營及管理業務)及中國聯合網絡通信(香港)股份有限公司(提供電信服務)。

The five biggest losses in our securities portfolio during the year were CSOP Hang Seng Index Daily (-1x) Inverse Product (a futures-based product), Tatung Co., Ltd (comprehensive enterprise), A.Plus Group Holdings Limited (provision of financial printing services in Hong Kong), Tai Hing Group Holdings Limited (operation and management of restaurants) and China Unicom (Hong Kong) Limited (provision of telecommunications services).

MANAGEMENT DISCUSSION AND ANALYSIS

管理層的討論及分析

持有之重大投資及前景

於二零一九年十二月三十一日，本集團持下以下重大投資：

1. 大同股份有限公司(「大同」)

於二零一九年十二月三十一日，大同之市值佔本集團資產總額14.64%。年內自大同並無錄得變現收益／虧損但確認未變現虧損約為9,500,000港元。

表現：截至二零一九年九月三十日止九個月(「二零一九年首九個月」)，與去年同期相比，大同集團之收入減少49%至約24,750,000,000新台幣，主要由於二零一九年首九個月來自光電部收入由去年同期約20,205,000,000新台幣跌至約1,498,000,000新台幣所致。大同由去年同期產生之虧損淨額約4,035,000,000新台幣升至於二零一九年首九個月應佔純利約1,004,000,000新台幣。大同應佔純利增加歸因於大同集團少數股東權益產生之虧損由約7,771,000,000新台幣增加至約11,867,000,000新台幣所致。

前景：冠狀病毒疫情爆發可能會對大同於二零二零年之業務造成不利影響。首先，大同集團於中國之生產線延遲重投運作。其次，對大同集團產品之需求將會因經濟環境及前景轉差而下挫。然而，基於過往相若事件，經濟不利影響屬短期及可控。我們認為，大同集團將克服短暫困難並重拾正軌。

投資策略：作為股本投資，本公司一般採取整體價值投資邏輯：持有投資直至其市價超逾內在價值。

Significant Investments Held and Prospects

As at 31st December, 2019, the Group held the following significant investments:

1. Tatung Co., Limited ("Tatung")

Market value of Tatung as at 31st December, 2019 amounted to 14.64% of the Group's total assets. No realised gain/loss was recorded but unrealised loss of approximately HK\$9.5 million from Tatung were recognized during the year.

Performance: for the nine months ended 30th September, 2019 ("9M 2019"), the revenue of Tatung group decreased by 49% to approximately NTD24,570 million, compared with the corresponding period of last year. The decrease was primarily because of the drop in revenue from photoelectric department to approximately NTD1,498 million during 9M 2019 from approximately NTD20,205 million during the corresponding period of last year. The net profit attributable to Tatung rose to approximately NTD1,004 million for 9M 2019, from net loss incurred by Tatung of approximately NTD4,035 million for the corresponding period of last year. The improvement in net profit attributable to Tatung is due to the loss incurred by minority interests of Tatung group increased to approximately NTD11,867 million from approximately NTD7,771 million.

Prospects: the coronavirus outbreak might adversely affect the business of Tatung in 2020. Firstly, the operation resumption of production lines of the Tatung group in China was delayed. Secondly, the demand for products of Tatung group would drop due to the worsening economic environment and outlook. However, based on the comparable historical precedents, the negative impact on economy is short-lived and manageable. We are of the view that the Tatung group will overcome the temporary setbacks and get back to the right track.

Investment strategy: as an equity investment, the Company generally adopts the general value-investment thesis: hold the investments until its market price exceeds its intrinsic value.

MANAGEMENT DISCUSSION AND ANALYSIS

管理層的討論及分析

持有之重大投資及前景(續)

2. 佳明集團控股有限公司(「佳明」)

於二零一九年十二月三十一日，佳明之市值佔本集團資產總額6.11%。年內自佳明確認變現虧損約100,000港元及未變現虧損約3,300,000港元。

表現：截至二零一九年九月三十日止六個月(「二零一九／二零年上半年」)，與去年同期相比，佳明集團之收入增加35%至約368,000,000港元，主要受明寓於期內售出三個單位確認收入所帶動。毛利下跌11%至約101,000,000港元。於二零一九／二零年上半年，純利約為44,000,000港元，與去年同期相比下跌14%。撇除投資物業公平值變動，佳明集團於二零一九／二零年上半年錄得基本溢利約26,000,000港元，較去年同期減少51%。基本純利下跌之原因為(i)去年同期確認一個建築項目之額外工程，而二零一九／二零年上半年期間並無錄得有關額外工程；及(ii)二零一九／二零年上半年之銷售開支由約12,000,000港元增至約29,000,000港元。

前景：於二零一九／二零年上半年後，位於青衣之明翹滙項目之銷售反應理想，為佳明集團奠下良基，以物色機會補充土地儲備支持其物業發展業務。

投資策略：作為股本投資，本公司一般採取整體價值投資邏輯：持有投資直至其市價超逾其內在價值。

除上文所披露，有關本集團持有之重大投資及十大投資之其他價值表現及前景詳情分別載於綜合財務報表附註29及本年報第3頁至第4頁之主席報告。

有關上市重大投資之表現及未來前景之詳情，請參閱於香港聯合交易所有限公司(「香港聯交所」)披露易所示之各上市公司已刊發年度／中期報告。

本集團重要投資之其他資料載於綜合財務報表附註29。

Significant Investments Held and Prospects (continued)

2. Grand Ming Group Holdings Limited ("Grand Ming")

Market value of Grand Ming as at 31st December, 2019 amounted to 6.11% of the Group's total assets. Realised loss of approximately HK\$0.1 million and unrealised loss of approximately HK\$3.3 million from Grand Ming were recognized during the year.

Performance: for the six months ended 30th September 2019 ("FH 2019/20"), the revenue of Grand Ming group increased by 35% to approximately HK\$368 million, compared with the corresponding period of last year. The increase was primarily driven by revenue recognition of the sales of three units of Cristallo during the period. Gross profit was down by 11% to approximately HK\$101 million. Net profit was approximately HK\$44 million for the FH 2019/20, representing a decrease of 14% compared to the corresponding period of last year. Excluding the fair value change of investment properties, Grand Ming group recorded an underlying profit of approximately HK\$26 million in FH 2019/20, representing a decrease of 51% as compared with the corresponding period of last year. The drop in underlying net profit is because (i) additional work from a construction project was recognized during the corresponding period of last year, while no such additional work was recorded during FH 2019/20; and (ii) the selling expenses rose to approximately HK\$29 million during FH 2019/20 from approximately HK\$12 million.

Prospects: the sales of the Grand Marine project in Tsing Yi were well received subsequent to FH 2019/20, providing a solid foundation for Grand Ming group to look for opportunities to replenish its land bank to substantiate its property development business.

Investment strategy: as an equity investment, the Company adopts the general value-investment thesis: hold the investments until its market price exceeds its intrinsic value.

Saved as disclosed above, details of the value performance and prospects of significant investments held by the Group are set out in Note 29 to the consolidated financial statements and in the Chairman's Statement on pages 3 and 4 of this Annual Report respectively.

For a detailed understanding of the performance and future prospects of those listed significant investments, please refer to the published annual/interim reports of the respective listed companies as shown on the HKExnews of The Stock Exchange of Hong Kong Limited (the "Stock Exchange of Hong Kong").

Other details of material investments of the Group are set out in Note 29 to the consolidated financial statements.

MANAGEMENT DISCUSSION AND ANALYSIS

管理層的討論及分析

股息

本公司董事會提議保留現金用於投資，不建議派發截至二零一九年十二月三十一日止年度任何股息(二零一八年：無)。

暫停辦理股份過戶登記

本公司應屆股東週年大會(「股東週年大會」)定於二零二零年五月十九日(星期二)舉行。本公司將由二零二零年五月十四日(星期四)至二零二零年五月十九日(星期二)暫停辦理本公司股份過戶登記，在此期間本公司股份之轉讓手續將不予辦理。股東為符合資格出席股東週年大會並於會上投票，須於二零二零年五月十三日(星期三)下午四時三十分前將所有過戶文件連同有關股票送交本公司之股份過戶登記處卓佳秘書商務有限公司(地址為香港皇后大道東183號合和中心54樓)辦理股份過戶登記手續。

財務回顧

收入

截至二零一九年十二月三十一日止年度，本集團之收入增加7.8%至約30,300,000港元(二零一八年：28,100,000港元)，主要由於投資所得股息收入增加約2,500,000港元及永續證券分派約1,600,000港元所致。

其他收入淨額

截至二零一九年十二月三十一日止年度，其他收入淨額增至約12,200,000港元(二零一八年：其他虧損淨額36,500,000港元)，原因為於二零一九年錄得投資淨收益約11,400,000港元(二零一八年：淨虧損37,700,000港元)所致。

行政及其他經營費用

截至二零一九年十二月三十一日止年度，本集團之行政及其他經營費用減少11.8%至約25,100,000港元(二零一八年：28,400,000港元)。減少主要歸因於本年度i)向投資經理支付管理費下降1,500,000港元及ii)證券投資產生之交易成本下降2,100,000港元。

溢利及全面收益總額

基於上述因素，本公司擁有人應佔本年度溢利增加至14,500,000港元(二零一八年：虧損43,600,000港元)。除債券投資之公平值變動及變現調整約6,000,000港元外，本公司擁有人應佔本年度全面收益總額增至20,400,000港元(二零一八年：虧損48,600,000港元)。

Dividend

The board of Directors of the Company proposes to preserve cash for investment activities and does not recommend any dividend for the year ended 31st December, 2019 (2018: Nil).

Closure of Register of Members

The forthcoming annual general meeting of the Company is scheduled to be held on Tuesday, 19th May, 2020 (the "AGM"). The register of members of the Company will be closed from Thursday, 14th May, 2020 to Tuesday, 19th May, 2020, during which period no transfer of shares of the Company will be registered. To be eligible to attend and vote at the AGM, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Secretaries Limited of Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 13th May, 2020.

Financial Review

Revenue

Revenue of the Group increased by 7.8% to approximately HK\$30.3 million for the year ended 31st December, 2019 (2018: HK\$28.1 million) is mainly due to the increase in dividend income from investments of approximately HK\$2.5 million and distribution from perpetual securities of approximately HK\$1.6 million.

Other Net Income

Other net income increased to approximately HK\$12.2 million for the year ended 31st December, 2019 (2018: other net loss of HK\$36.5 million) because net investment gain of approximately HK\$11.4 million was recorded in 2019 (2018: net loss of HK\$37.7 million).

Administrative and Other Operating Expenses

The Group's administrative and other operating expenses decreased by 11.8% to approximately HK\$25.1 million for the year ended 31st December, 2019 (2018: HK\$28.4 million). The decrease is mainly attributable to i) management fee paid to the investment manager dropped by HK\$1.5 million and ii) transaction costs incurred for securities investments dropped by HK\$2.1 million during the year.

Profit and Total Comprehensive Income

Due to the abovementioned factors, profit for the year attributable to owners of the Company increased to HK\$14.5 million (2018: loss of HK\$43.6 million). In addition to the fair value change and realization adjustments for bond investments of approximately HK\$6.0 million, total comprehensive income for the year attributable to owners of the Company increased to HK\$20.4 million (2018: loss of HK\$48.6 million).

MANAGEMENT DISCUSSION AND ANALYSIS

管理層的討論及分析

財務資源、流動資金及資本與負債比率

於二零一九年十二月三十一日，本集團持有現金及現金等價物約86,100,000港元(二零一八年：約387,100,000港元)，投資約1,030,600,000港元(二零一八年：約735,000,000港元)及於二零一九年及二零一八年十二月三十一日並無銀行貸款。本集團之流動性資金狀況使我們可以對更多預期可為股東帶來更佳回報之投資機會作出反應。本集團之資本與負債比率(乃根據於二零一九年十二月三十一日之貸款總額與本公司擁有人應佔權益總額之比率計算)為0%(二零一八年：0%)。

外匯風險

於二零一九年十二月三十一日，本集團的大部份投資均以港元或美元計值。外幣匯率風險來自本集團之海外投資及現金結存，包括新台幣、人民幣、馬來西亞林吉特、泰銖及日圓。本集團目前無任何合同對沖其外匯風險。如本集團認為其外匯風險波動情況適宜進行對沖，本集團可能使用遠期或對沖合同來降低風險。

擔保

於二零一九年十二月三十一日，本公司就一間全資附屬公司所獲一間財務機構提供不超過62,300,000港元(二零一八年：40,000,000港元)的銀行融資額提供擔保。

員工成本

本集團於截至二零一九年十二月三十一日止年度之員工成本(包括董事酬金)總額合共約3,400,000港元(二零一八年：約3,300,000港元)。

資產抵押

於二零一九年十二月三十一日，本集團並無任何抵押資產。

僱員

於二零一九年十二月三十一日，本集團之僱員總人數(包括董事)為6名(於二零一八年十二月三十一日：6名)。本集團之酬金政策在於確保所有僱員(包括董事)為本集團貢獻之能力及時間均獲得充份之酬勞，而所提供之酬金乃與其職責相符及與市場水平相若。概無董事或其任何聯繫人士或行政人員參與決定其本身酬金。

Financial Resources, Liquidity and Gearing Ratio

As at 31st December, 2019, the Group had cash and cash equivalents of approximately HK\$86.1 million (2018: approximately HK\$387.1 million), investments of approximately HK\$1,030.6 million (2018: approximately HK\$735.0 million) and no bank borrowings as at 31st December, 2019 and 2018. The liquidity position of the Group enables us to respond to further investment opportunities that are expected to generate better returns for the Shareholders. The Group's gearing ratio, calculated by reference to the ratio of total borrowings to total equity attributable to the owners of the Company as at 31st December, 2019, was 0% (2018: 0%).

Foreign Exchange Exposure

As at 31st December, 2019, the majority of the Group's investments were either denominated in Hong Kong dollars or United States dollars. Exposure to foreign currency exchange rates arises out of the Group's overseas investments and cash balances, including New Taiwan dollars, Renminbi, Malaysian ringgit, Thai baht and Japanese yen. The Group at present does not have any contracts to hedge against its foreign exchange risks. Should the Group consider that its exposure to foreign currency risk justifies hedging, the Group may use forward or hedging contracts to reduce the risks.

Guarantee

As at 31st December, 2019, the Company has given guarantee to a financial institution to secure banking facilities available to a wholly-owned subsidiary in the amount not exceeding HK\$62.3 million (2018: HK\$40.0 million).

Staff Costs

The Group's total staff costs (including Directors' emoluments) for the year ended 31st December, 2019 amounted to approximately HK\$3.4 million (2018: approximately HK\$3.3 million).

Pledge of Assets

As at 31st December, 2019, the Group had no assets under pledge.

Employees

The total number of staff of the Group, including Directors, at 31st December, 2019 was 6 (at 31st December, 2018: 6). The remuneration policy of the Group is to ensure that all employees, including Directors, are sufficiently compensated for their efforts and time dedicated to the Group and remuneration offered is appropriate for their duties and in line with market practice. No Director, or any of his associates, or executive is involved in deciding his own remuneration.

MANAGEMENT DISCUSSION AND ANALYSIS

管理層的討論及分析

風險及不確定因素

市場風險

本集團面對因所持投資的價格不利變動導致盈利或資本縮減的風險。

為妥善管理市場風險，本集團已制定投資政策及程序並定期審閱及更新。執行委員會（「執行委員會」）獲給予董事會的所有權力，負責制定及修訂本集團的投資策略及政策。此外，投資經理負責就投資事宜向執行委員會作出建議，就投資概念進行研究及落實執行委員會批准的投資決定。投資政策及程序亦詳列投資過程及各項限制。投資經理每日須向執行委員會提交報告，闡述市場價格變動對投資的影響。

根據此項完善的管治架構，本集團可適時找到有關風險，並可評估、監控及向上下人員匯報有關風險。

流動資金風險

本集團面對即使有償付能力但其礙於無充足財務資源，於責任到期時履行其責任，或在付出過量成本後方能獲得該等資源的風險。

本集團旨在於任何時間維持正數的流動資產淨值。就此，呈列自由現金結餘的報告每日會提交執行委員會，以供參考。另外亦會與主要來往銀行維持融資額度，以確保需要時有充足資金可用。

經營風險

本集團面對人為因素、內部流程及系統不足或故障或外來事件造成的直接或間接影響所導致的風險。

由於本集團的管理已委託投資經理管理，故管理經營風險的主要責任由投資經理產生風險的相關部門負責。投資經理的各有關部門主管須識別風險、評估主要監控措施的成效、評價是否已有效處理有關風險，並由投資經理按特別匯報基準通知董事會。

Principal Risks and Uncertainties Facing the Company

Market Risks

The Group faces the risk of a reduction in earnings or capital caused by the adverse price movements of its investments held.

To properly manage the market risks, the Group had established investment policies and procedures which were reviewed and updated regularly. The Executive Committee (“Exco”) has been given the full power of the Board and is responsible for setting up and modifying investment strategies and policies of the Group. On the other hand, the investment manager is responsible for advising the Exco on investments, carrying out research on investment ideas and execution of investment decisions approved by the Exco. The investment policies and procedures also detail the investment processes and restrictions. Report showing the effects on the investments due to changes in market prices is submitted to the Exco daily by the investment manager.

Under this well-established governance structure, the relevant risks can be identified, assessed, controlled and reported throughout the Group on a timely basis.

Liquidity Risks

The Group faces the risks that it, although solvent, either does not have sufficient financial resources to meet its obligations as they fall due, or can secure such resources only at excessive cost.

The Group aims at maintaining positive net current assets at all times. In this regard, report showing free cash balances is sent to the Exco daily for reference. Facility line is also maintained with banker, so as to ensure sufficient funds are available once needed.

Operational Risks

The Group faces the risk of direct or indirect impacts resulting from human factors, inadequate or failed internal processes and systems or external events.

Since the management of the Group has been delegated to the investment manager, the prime responsibility for the management of operational risk rests with the relevant departmental units of the investment manager where the risk arises. Each relevant department head of the investment manager has to identify risks, evaluate the effectiveness of key controls in place, assess whether the risks are effectively managed and to notify the Board on an exceptional reporting basis by investment manager.

MANAGEMENT DISCUSSION AND ANALYSIS

管理層的討論及分析

本公司面對的主要風險及不確定因素(續)

遵守法例及法規

本集團的主要業務為投資於香港及其他地區的上市及非上市金融工具。本公司的投資須遵守其組織章程細則所述的限制(詳情可參照本公司網站本公司之組織章程細則中第178條)。此外，本公司為香港的上市公司。本集團亦須遵守香港聯交所證券上市規則的規定。截至二零一九年十二月三十一日止年度及截至本報告日期，據董事所深知及確信，本集團就其投資事務已遵守香港及其他司法權區的相關法例及法規。

重要關係

投資經理

根據一份投資管理協議，本集團由投資經理禹銘投資管理有限公司(「禹銘投資管理」)管理，包括日常管理及行政工作。董事會(尤其是執行委員會)會密切及定期與禹銘投資管理代表溝通以確保投資經理會緊貼跟隨本集團之使命及目標。

Principal Risks and Uncertainties Facing the Company (continued)

Compliance with Laws and Regulations

The Group's principal activities are investments in listed or unlisted financial instruments in Hong Kong and elsewhere. The Company has to invest in accordance with the restrictions stated in its articles of association (details can be referred to Article 178 of The Article of Association of the Company in the Company's website). Meanwhile, the Company is a company listed in Hong Kong. The Group also has to comply with the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong. During the year ended 31st December, 2019 and up to the date of this report and to the best of the Directors' knowledge and belief, the Group has complied with the relevant laws and regulations in Hong Kong and other jurisdictions as far as its investments are concerned.

Key Relationships

Investment Manager

Under an investment management agreement, the Group is managed by the investment manager, Yu Ming Investment Management Limited ("YMIM"), including day-to-day management and administration. The Board, in particular, the Exco has close and regular communication with representatives of YMIM to ensure that the Group's missions and objectives are closely followed by the investment manager.

DIRECTORS' REPORT

董事會報告

本公司董事會(「董事會」)謹此提呈彼等之報告及本公司及其附屬公司(統稱為「本集團」)截至二零一九年十二月三十一日止年度之經審核財務報表。

主要業務

本集團於年內之主要業務包括投資於上市及非上市之金融工具。

業務回顧

本年報第3頁至第4頁主席報告、第5至第11頁管理層的討論及分析及第42至第46頁之環境、社會及管治報告(「環社管報告」)對有關本集團業務、投資及財務活動的回顧，包括按照公司條例(香港法例第622章)附表5規定使用財務表現關鍵指標對業務作出的公平審閱，本集團日後可能出現的業務發展，對公司所面臨的主要風險和不確定性及公司之重要關係的描述，以及環境政策，表現及遵守相關法律及法規。主席報告、管理層的討論及分析及環社管報告亦構成本董事會報告的一部分。

財務報表及分配

本集團截至二零一九年十二月三十一日止年度之財務表現及本集團於該日的財務狀況載於綜合財務報表第54頁至第147頁。

董事會已議決不派發截至二零一九年十二月三十一日止年度之股息。

儲備

有關本集團及本公司之儲備於本年度之變動詳情分別載於綜合權益變動表及綜合財務報表附註22。

可供分派儲備

本公司於二零一九年十二月三十一日之可供分派儲備載於綜合財務報表附註22。

The board of Directors of the Company (the "Board") submit their report together with the audited financial statements of the Company and its subsidiaries (together referred to as the "Group") for the year ended 31st December, 2019.

Principal Activities

The principal activities of the Group during the year include the investments in listed and unlisted financial instruments.

Business Review

A review of the Group's business, investment and financial activities, including a fair review of the business using financial key performance indicators, an indication of likely future development in the Group's business, a description of the principal risks and uncertainties facing the Company and the Company's key relationship as well as environmental policies, performance and compliance with the relevant laws and regulations, as required by Schedule 5 of the Companies Ordinance (Chapter 622 of Laws of Hong Kong), is shown in the Chairman's Statement on pages 3 to 4, the Management Discussion and Analysis on pages 5 to 11 and the Environmental, Social and Governance Report ("ESG Report") on pages 42 to 46 of this Annual Report. The Chairman's Statement, the Management Discussion and Analysis and ESG Report also form part of this Directors' Report.

Financial Statements and Appropriations

The financial performance of the Group for the year ended 31st December, 2019 and the financial position of the Group at that date are set out in the consolidated financial statements on pages 54 to 147.

The Board has resolved not to declare a dividend for the year ended 31st December, 2019.

Reserves

Details of the movements in the reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity and Note 22 to the consolidated financial statements respectively.

Distributable Reserves

Distributable reserves of the Company at 31st December, 2019 are shown in Note 22 to the consolidated financial statements.

DIRECTORS' REPORT

董事會報告

股本

有關本公司股本之變動詳情載於綜合財務報表附註21。

五年財政概要

有關本集團過去五個財政年度之業績及資產與負債概要載於第148頁。

董事

年內及截至本報告日期之董事如下：

李華倫
王大鈞
狄亞法
何振林
李業華
雷俊傑

何振林先生及王大鈞先生將遵照本公司組織章程細則第101條規定在本公司應屆股東週年大會(「股東週年大會」)上輪值退任。各位即將退任董事惟願於股東週年大會上膺選連任。

本公司已取得本公司全體獨立非執行董事根據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」)第3.13條發出之獨立確認書，並認為彼等乃獨立身份。

董事服務合約

有意於股東週年大會上連任之董事均無與本公司訂立本公司不可於一年內免付補償(法例賠償除外)而終止之服務合約。

Share Capital

Details of the movements in share capital of the Company are shown in Note 21 to the consolidated financial statements.

Five Year Financial Summary

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 148.

Directors

The Directors during the year and up to the date of this report were as follows:

Warren Lee Wa Lun
Mark Wong Tai Chun
Arthur George Dew
Albert Ho
Peter Lee Yip Wah
Louie Chun Kit

In accordance with article 101 of the articles of association of the Company, Mr. Albert Ho and Mr. Mark Wong Tai Chun will retire by rotation at the forthcoming annual general meeting of the Company (the "AGM"). Each of the retiring Directors, being eligible, will offer himself for re-election at the AGM.

The Company has received confirmations of independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange of Hong Kong") from all Independent Non-Executive Directors of the Company, and considers them to be independent.

Directors' Service Contracts

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

DIRECTORS' REPORT

董事會報告

董事個人簡歷

各董事之簡歷載列如下：

執行董事

李華倫，56歲，於一九九二年七月加入本公司當經理。彼於二零零四年九月首次出任本集團董事。彼於二零零九年三月起獲委任為董事會之主席並不再擔任本公司董事總經理。李先生於二零一九年十二月獲委任為麗年國際控股有限公司(「麗年」)之獨立非執行董事。彼亦於二零一九年七月獲委任為大禹金融控股有限公司(「大禹」)之執行董事並擔任董事總經理。麗年及大禹均為香港聯合交易所有限公司(「香港聯交所」)主板上市公司。彼亦為本公司之投資經理—禹銘投資管理之董事，禹銘投資管理有限公司(「禹銘投資管理」)為大禹之全資附屬公司。於二零零七年十一月至二零一五年三月期間，李先生曾出任Rotol Singapore Ltd(「Rotol」)之非執行主席。Rotol於二零一一年八月止於新加坡證券交易所有限公司主板上市。彼於二零一三年六月退任為非凡中國控股有限公司之執行董事，該公司為香港聯交所創業板上市公司。於二零零八年十二月，彼獲委任為第一天然食品有限公司(臨時清盤人已於二零一二年九月四日被撤銷)(「第一天然食品」)之執行董事及已於二零一二年九月調任為第一天然食品之非執行董事及於二零一三年十一月辭任非執行董事。第一天然食品為香港聯交所主板上市公司。於二零一三年二月至四月期間，他曾出任中國金石礦業控股有限公司(「中國金石」)之非執行董事。中國金石為香港聯交所主板上市公司。於二零零六年十二月至二零零七年五月期間，他曾出任Nam Tai Electronics, Inc.(「NTEI」)(其於紐約證券交易所上市之電子製造服務供應商)之行政總裁。於二零零四年三月至二零零六年二月期間，他曾出任Nam Tai Electronic & Electrical Products Limited(「NTEEP」)之獨立非執行董事，並於二零零六年二月至二零零七年四月期間轉任非執行董事。於二零零七年一月至二零零七年四月期間，彼亦曾出任J.I.C. Technology Company Limited(「JIC」)之非執行董事。於彼出任董事期間，NTEEP及JIC均於香港聯交所主板上市並為NTEI之附屬公司。李先生於一九八六年畢業於英國The University of East Anglia並取得理學學士學位，以及於一九八八年以優異成績取得倫敦The City University Business School之理學碩士學位。

Biographical Details of Directors

The biographical details of the Directors are set out below:

Executive Directors

Warren Lee Wa Lun, aged 56, joined the Company as manager in July 1992. He first became a Director of the Group in September 2004. He was appointed the Chairman of the Board and ceased to act as the Managing Director of the Company in March 2009. Mr. Lee is appointed as an independent non-executive director of Wise Ally International Holdings Limited (“Wise Ally”) in December 2019. He is also appointed as the executive director and acts as the managing director of Da Yu Financial Holdings Limited (“Da Yu”) in July 2019. Wise Ally and Da Yu are the companies listed on the main board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange of Hong Kong”). He is also a director of Yu Ming Investment Management Limited (“YMIM”), the investment manager of the Company and a wholly owned subsidiary of Da Yu. From November 2007 to March 2015, Mr. Lee was a non-executive chairman of Rotol Singapore Ltd (“Rotol”). Rotol was listed on the main board of the Singapore Exchange Limited until August 2011. He retired as an executive director of Viva China Holdings Limited, a company listed on the growth enterprise market of the Stock Exchange of Hong Kong, in June 2013. He was appointed an executive director of First Natural Foods Holdings Limited (provisional liquidators have been discharged with effect from 4th September, 2012) (“FNF”) in December 2008 and was re-designated as a non-executive director of FNF in September 2012 and resigned as a non-executive director in November 2013. FNF is listed on the main board of the Stock Exchange of Hong Kong. From February 2013 to April 2013, he was a non-executive director of China Kingstone Mining Holdings Limited (“CKM”). CKM is listed on the main board of the Stock Exchange of Hong Kong. From December 2006 to May 2007, he was the chief executive officer of Nam Tai Electronics, Inc. (“NTEI”), an electronics manufacturing services provider listed on the New York Stock Exchange. From March 2004 to February 2006, he was an independent non-executive director of Nam Tai Electronic & Electrical Products Limited (“NTEEP”), and from February 2006 to April 2007, he was re-designated as a non-executive director. From January 2007 to April 2007, he was also a non-executive director of J.I.C. Technology Company Limited (“JIC”). At the time of his directorship, both NTEEP and JIC were listed on the main board of the Stock Exchange of Hong Kong and subsidiaries of NTEI. Mr. Lee graduated with a Bachelor of Science Degree from The University of East Anglia in England in 1986 and obtained a distinction in Master of Science Degree from The City University Business School in London in 1988.

DIRECTORS' REPORT

董事會報告

董事個人簡歷(續)

執行董事(續)

王大鈞，55歲，於二零零八年十二月起獲委任為本公司之執行董事。彼持有工商管理碩士學位，亦為香港會計師公會及特許公認會計師公會之資深會員，以及英國特許公司治理公會(前稱英國特許秘書及行政人員公會)及香港特許秘書公會之資深會士。彼曾任香港其他上市公司之財務總監。彼亦為聯合地產(香港)有限公司(「聯合地產」)(本公司之同系附屬公司)之執行董事及聯合集團有限公司(「聯合集團」)之投資總監，以及為狄亞法先生於亞太資源有限公司(「亞太資源」)、Tanami Gold NL(「Tanami Gold」)、龍資源有限公司(「龍資源」)及 Tian An Australia Limited(「Tian An Australia」)之替任董事。聯合地產、聯合集團、亞太資源及龍資源均為香港聯交所主板上市公司。Tanami Gold及Tian An Australia均為於澳洲證券交易所上市之公司。

非執行董事

狄亞法，78歲，於二零零七年十一月起獲委任為本公司非執行董事。彼畢業於澳洲雪梨大學法律系，並取得澳洲新南威爾斯最高法院之律師資格，其後更取得大律師資格。彼現時為非執業大律師。彼於企業及商業方面具豐富經驗，曾於澳洲、香港及各地多間上市公司擔任董事，並出任若干公司之董事會主席。彼亦為聯合集團、聯合地產、亞太資源及龍資源之主席及非執行董事，以及Tian An Australia之非執行董事。彼亦為Tanami Gold之非執行主席及非執行董事。聯合集團、聯合地產、亞太資源及龍資源均為香港聯交所主板上市公司。Tian An Australia及Tanami Gold均為於澳洲證券交易所上市之公司。

獨立非執行董事

何振林，62歲，於一九九九年加入本集團，為獨立非執行董事的替任董事，並於二零零四年獲委任為獨立非執行董事。何先生畢業於澳洲悉尼麥克里大學，持有經濟學學士學位，並獲得香港大學工商管理學碩士學位。彼為香港會計師公會會計師及英國特許公認會計師公會資深會員。何先生亦為珠海控股投資集團有限公司之獨立非執行董事，該公司為香港聯交所主板上市公司。

李業華，77歲，於一九九八年加入本集團，並於二零一五年六月調任為本公司獨立非執行董事。李先生為香港退休律師。彼亦為招商局港口控股有限公司之獨立非執行董事(該公司為香港聯交所主板上市公司)。他曾出任中外運航運有限公司(「中外運航運」)之獨立非執行董事，中外運航運將其股份於二零一九年一月十六日從香港聯交所除牌之後，彼不再擔任中外運航運之獨立非執行董事。

Biographical Details of Directors (continued)

Executive Directors (continued)

Mark Wong Tai Chun, aged 55, was appointed as an Executive Director of the Company in December 2008. He has a Master's Degree in Business Administration and is a fellow of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants, The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators) and The Hong Kong Institute of Chartered Secretaries. He was the financial controller of other listed companies in Hong Kong. He is also an executive director of Allied Properties (H.K.) Limited ("APL"), a fellow subsidiary of the Company, and the director of investment of Allied Group Limited ("AGL"), and an alternate director to Mr. Arthur George Dew in APAC Resources Limited ("APAC"), Tanami Gold NL ("Tanami Gold"), Dragon Mining Limited ("Dragon Mining") and Tian An Australia Limited ("Tian An Australia"). APL, AGL, APAC and Dragon Mining are companies listed on the main board of the Stock Exchange of Hong Kong. Tanami Gold and Tian An Australia are companies listed on the Australian Securities Exchange.

Non-Executive Director

Arthur George Dew, aged 78, was appointed a Non-Executive Director of the Company in November 2007. He graduated from the Law School of the University of Sydney, Australia, and was admitted as a solicitor and later as a barrister of the Supreme Court of New South Wales, Australia. He is currently a non-practising barrister. He has a broad range of corporate and business experience and has served as a director, and in some instances chairman of the board of directors, of a number of public companies listed in Australia, Hong Kong and elsewhere. He is the chairman and a non-executive director of each of AGL, APL, APAC and Dragon Mining, and a non-executive director of Tian An Australia. He is also the non-executive chairman and a non-executive director of Tanami Gold. AGL, APL, APAC and Dragon Mining are companies listed on the main board of the Stock Exchange of Hong Kong. Tian An Australia and Tanami Gold are companies listed on the Australian Securities Exchange.

Independent Non-Executive Directors

Albert Ho, aged 62, joined the Group as an Alternate Director to an Independent Non-Executive Director in 1999 and became an Independent Non-Executive Director in 2004. Mr. Ho graduated from the Macquarie University, Sydney, Australia with a Bachelor of Economics and MBA from the University of Hong Kong. He is a Certified Public Accountant of Hong Kong Institute of Certified Public Accountants and fellow member of the Association of Chartered Certified Accountants. Mr. Ho is also an independent non-executive director of Zhuhai Holdings Investment Group Limited, a company listed on the main board of the Stock Exchange of Hong Kong.

Peter Lee Yip Wah, aged 77, joined the Group in 1998 and was re-designated as an Independent Non-Executive Director of the Company in June 2015. Mr. Lee is a retired solicitor in Hong Kong. He is also an independent non-executive director of China Merchants Port Holdings Company Limited, a company listed on the main board of the Stock Exchange of Hong Kong. He was an independent non-executive director of Sinotrans Shipping Limited ("Sinotrans Shipping"). He ceased to act as independent non-executive director of Sinotrans Shipping following the delisting of its shares from the Stock Exchange of Hong Kong on 16th January, 2019.

DIRECTORS' REPORT

董事會報告

董事個人簡歷(續)

獨立非執行董事(續)

雷俊傑，55歲，於二零一零年八月起獲委任為本公司獨立非執行董事。彼為一執業會計師。彼亦為香港會計師公會及特許公認會計師公會資深會員。彼在禹銘投資管理擔任首席會計師逾10年，並在香港的一間國際會計師行進行審計實習約五年。彼於一九八八年獲嶺南學院會計文憑，並於二零零五年獲Monash University of Australia商業系統碩士學位。於二零一零年六月至二零一二年四月期間，彼亦曾出任鵬程亞洲有限公司(前稱為敏達控股有限公司)之獨立非執行董事，該公司為香港聯交所主板上市公司。

董事酬金

根據薪酬委員會建議，董事會批准調整二零一九年財政年度各非執行董事(包括獨立非執行董事)董事袍金之建議。李華倫先生及王大鈞先生(執行董事)，其各人之董事袍金將由每年30,000港元調整至35,000港元，狄亞法先生(非執行董事)及李業華先生及雷俊傑先生(獨立非執行董事)均為本公司審核委員會，提名委員會及薪酬委員會成員，其各人之董事袍金將由每年80,000港元調整至85,000港元，而何振林先生(獨立非執行董事)為本公司審核委員會，提名委員會及薪酬委員會主席，其董事袍金將由每年130,000港元調整至138,000港元，須待2019股東週年大會本公司股東(「股東」)批准。

主席及執行董事李華倫先生之最低報酬上調7.6%至2,960,000港元自二零一九年生效。

董事於交易、安排或之合約之權益

本年度內，禹銘投資管理(李華倫先生為該公司董事)有權就本集團與禹銘投資管理簽訂之管理協議向本集團收取應付之16,335,000港元之管理費用。

除上文所披露者及本報告中「關連交易及持續關連交易」並「管理協議」兩段所載外，本年度內或年結時，本公司、其控股公司、其共同系附屬公司或其附屬公司概無其他簽訂任何涉及本集團之業務而本公司董事或其有關連實體直接或間接在其中擁有重大權益之重要交易、安排或合約。

Biographical Details of Directors (continued)

Independent Non-Executive Directors (continued)

Louie Chun Kit, aged 55, was appointed as an Independent Non-Executive Director of the Company in August 2010. He is a practising accountant. He is a fellow member of Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. He spent over 10 years as the chief accountant in YMIM and around 5 years in the audit practice with an international accounting firm in Hong Kong. He holds a diploma in accounting from Lingnan College in 1988 and a master degree in business systems from Monash University of Australia in 2005. From June 2010 to April 2012, he was also an independent non-executive director of Eagle Legend Asia Limited (formerly known as Manta Holdings Company Limited), a company listed on the main board of the Stock Exchange of Hong Kong.

Director's Emoluments

With the recommendation of the Remuneration Committee, the Board approved the proposal for adjustment of director's fee of each executive director and each non-executive director (including independent non-executive directors) for the financial year of 2019. Subject to approval by shareholders of the Company (the "Shareholders") at 2019 AGM, the director's fee for each of Mr. Warren Lee Wa Lun and Mr. Mark Wong Tai Chun (executive directors) would be adjusted from HK\$30,000 to HK\$35,000 per annum, and each of Mr. Arthur George Dew (non-executive Director) and Mr. Peter Lee Yip Wah and Mr. Louie Chun Kit (independent non-executive Directors), all being members of audit, nomination and remuneration committees of the Company, would be adjusted from HK\$80,000 to HK\$85,000 per annum while the director's fee of Mr. Albert Ho (independent non-executive Director), being chairman of audit, nomination and remuneration committees of the Company) would be adjusted from HK\$130,000 to HK\$138,000 per annum.

The minimum annual remuneration of the Chairman and Executive Director, Mr. Warren Lee Wa Lun was increased by 7.6% to HK\$2,960,000 with effect since 2019.

Directors' Interest in Transactions, Arrangements or Contracts

During the year, YMIM, of which Mr. Warren Lee Wa Lun is a director, was entitled to receive a management fee of HK\$16,335,000 payable by the Group in accordance with a management agreement signed between the Group and YMIM.

Save as disclosed above and in the paragraphs headed "Connected Transactions and Continuing Connected Transaction" and "Management Agreement" of this report, no other transactions, arrangements or contracts of significance in relation to the Group's business to which the Company, its holding companies, any of its fellow subsidiaries or its subsidiaries were a party and in which a Director of the Company or his connected entities had a material interest, either directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' REPORT

董事會報告

關連交易及持續關連交易

本集團於截至二零一九年十二月三十一日止年度進行之重大與有關連人士之交易(其根據上市規則亦可能構成關連交易或持續關連交易)，已載於綜合財務報表附註26。

年內，上述關連交易或持續關連交易均於符合上市規則第14A章之相關規定下進行及披露。

董事於本公司及相聯法團之股份、相關股份及債券之權益及淡倉

於二零一九年十二月三十一日，本公司董事於本公司及其相聯法團(定義見香港證券及期貨條例(「證券及期貨條例」)第XV部)之任何股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及香港聯交所之權益及淡倉(包括根據證券及期貨條例之該等條文本公司董事及最高行政人員被視為或被當作擁有之權益及淡倉)，或須列入而已列入按證券及期貨條例第352條存置之登記冊內，或根據上市規則之上市發行人董事進行證券交易之標準守則(「標準守則」)須知會本公司及香港聯交所之權益及淡倉如下：

於本公司股份權益

Name of Directors	Capacity	Nature of interests	Number of shares held	% of the total relevant issued shares as at 31st December, 2019
董事姓名	身份	權益性質	持有股份數目	於二零一九年十二月三十一日佔有關已發行股份總數百分比
Peter Lee Yip Wah 李業華	Beneficial owner 實益擁有人	Personal 個人	3,410,000	0.08%
Albert Ho 何振林	Beneficial owner 實益擁有人	Personal 個人	2,296,000	0.06%

除上述披露外，於截至二零一九年十二月三十一日止年度內之任何時間，本公司、任何其控股公司、其共同系附屬公司、其附屬公司或其相聯法團概無訂立任何安排，令本公司之董事可藉購入本公司或其他公司之股份或債券而獲益。

Connected Transactions and Continuing Connected Transaction

Significant related party transactions entered into by the Group during the year ended 31st December, 2019, which may also constitute connected transactions or continuing connected transaction under the Listing Rules, are disclosed in Note 26 to the consolidated financial statements.

During the year, the above-mentioned connected transactions or continuing connected transaction are carried out and disclosed in compliance with the relevant requirements under Chapter 14A of the Listing Rules.

Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Associated Corporations

The interests and short positions of the Directors of the Company in any shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Hong Kong Securities and Futures Ordinance (the "SFO")) as at 31st December, 2019, which were notified to the Company and the Stock Exchange of Hong Kong pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and the Chief Executives of the Company were deemed or taken to have under such provisions of the SFO) or which were required to be and were recorded in the register required to be kept pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange of Hong Kong pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") in the Listing Rules were as follows:

Interests in shares of the Company

Save as disclosed above, at no time during the year ended 31st December, 2019 was the Company, any of its holding companies, its fellow subsidiaries, its subsidiaries or its associated corporations, a party to any arrangement to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' REPORT

董事會報告

董事於本公司及相聯法團之股份、相關股份及債券之權益及淡倉(續)

於本公司股份權益(續)

除上述披露外，本公司各董事或最高行政人員概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之任何股份、相關股份或債券擁有須登記於根據證券及期貨條例第352條規定須存置之登記冊內，或根據標準守則須知會本公司及香港聯交所之任何權益及淡倉。

董事在構成競爭業務中之權益

年內及截至本報告日期，根據上市規則，以下董事(獨立非執行董事除外)被視為與本集團業務競爭或有可能的競爭業務中持有權益：

- (i) 狄亞法先生為聯合集團、聯合地產及亞太資源之董事，該等公司透過其若干附屬公司從事金融工具投資；及
- (ii) 王大鈞先生為聯合地產之董事及為狄亞法先生於亞太資源之替任董事，該等公司透過其若干附屬公司從事金融工具投資。

上述董事雖因彼等各各自同時於其他公司出任董事而持有競爭性權益，彼等仍會履行其受託人的責任，以確保彼等於任何時候均以股東及本公司之整體最佳利益行事。故此，本集團能在公平情況下，於該等公司之業務中獨立地經營其本身業務。

附屬公司董事

除載於第13頁「董事」一節所提及的董事姓名外，於截至二零一九年十二月三十一日止年度至本報告日止期間擔任本公司附屬公司董事的人士包括勞景祐先生、羅泰安先生、余偉彥先生、Matthew Jarrod Hackett先生、家利投資有限公司及City Power (Nominee) Limited。

獲准許之彌償條文

根據章程細則，本公司每名董事在其執行職責或其他方面與此有關之情況下可能蒙受或產生之所有損失或責任，有權獲得從本公司之資產中撥付彌償。此外，本公司已就董事可能面對之有關法律行動安排適當的董事及高級職員責任保險。

Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and Associated Corporations (continued)

Interests in shares of the Company (continued)

Save as disclosed above, none of the Directors or the Chief Executives of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange of Hong Kong pursuant to the Model Code.

Directors' Interests in Competing Business

During the year and up to the date of this report, the following Directors (not being the Independent Non-Executive Directors) are considered to have interests in the businesses listed below which compete or are likely to compete with the businesses of the Group pursuant to the Listing Rules:

- (i) Mr. Arthur George Dew is a director of each of AGL, APL and APAC which, through certain of their subsidiaries, are involved in the investment in financial instruments; and
- (ii) Mr. Mark Wong Tai Chun is a director of APL and an alternate director to Mr. Arthur George Dew in APAC which, through certain of its subsidiaries, are involved in the investment in financial instruments.

Although the above-mentioned Directors have competing interests in other companies by virtue of their respective common directorship, they will fulfill their fiduciary duties in order to ensure that they will act in the best interest of the Shareholders and the Company as a whole at all times. Hence, the Group is capable of carrying on its businesses independently of, and at arm's length from, the businesses of such companies.

Directors of Subsidiaries

Other than the Directors named in the section headed "Directors" on page 13, the persons who have served on the boards of the subsidiaries of the Company during the year ended 31st December, 2019 and up to the date of this report included Mr. Edwin Lo King Yau, Mr. Lo Tai On, Mr. Jonathan Weiyang Seah, Mr. Matthew Jarrod Hackett, Contana Investment Limited and City Power (Nominee) Limited.

Permitted Indemnity Provision

The Articles of Association of the Company provides that every Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he or she may sustain or incur in or about the execution of the duties of his or her office otherwise in relation thereto. In addition, the Company has maintained appropriate directors and officers liability insurance in respect of relevant legal actions against the Directors of the Group.

DIRECTORS' REPORT

董事會報告

主要股東

於二零一九年十二月三十一日，根據本公司按證券及期貨條例第XV部第336條規定而設置之主要股東權益及淡倉登記冊紀錄，並由以下人士或公司通知本公司持有本公司已發行股本及相關股份5%或以上之股份權益：

Substantial Shareholders

As at 31st December, 2019, the following persons or corporations, having interest in 5% or more in the shares and underlying shares of the Company have been notified to the Company and recorded in the register of substantial shareholders' interests in shares and short positions required to be kept under Section 336 of Part XV of the SFO:

Name of Substantial Shareholders	Notes	Capacity	Nature of interests	Number of shares held	% of total relevant issued shares as at 31st December, 2019
主要股東名稱	附註	身份	權益性質	持有股份數目	於二零一九年十二月三十一日佔有關發行股份總數百分比
AGL	1	Interest of controlled corporation	Corporate interest	3,082,889,606	74.97%
聯合集團		受控制公司的權益	公司權益		
Lee and Lee Trust	2	Interest of controlled corporation	Corporate interest	3,082,889,606	74.97%
		受控制公司的權益	公司權益		
Many Merit Asia Limited ("MMA")	3	Beneficial owner	Beneficial interest	329,160,000	8.01%
		實益擁有人	實益權益		
Lin Wan Qaing	3	Interest of controlled corporation	Corporate interest	329,160,000	8.01%
林萬強		受控制公司的權益	公司權益		

附註：

1. 聯合集團透過其全資附屬公司持有本公司3,082,889,606股股份。
2. 李成輝先生、李淑慧女士及李成煌先生均為全權信託Lee and Lee Trust之信託人。Lee and Lee Trust控制聯合集團之74.95%權益(當中包括李成輝先生之個人權益)及因此被視作擁有該等由聯合集團擁有之股份。
3. MMA持有本公司329,160,000股股份。MMA由林萬強先生全資擁有。因此，林萬強先生被視為擁有該等由MMA擁有之股份權益。

Notes:

1. AGL held 3,082,889,606 shares of the Company through its wholly-owned subsidiaries.
2. Mr. Lee Seng Hui, Ms. Lee Su Hwei and Mr. Lee Seng Huang are the trustees of Lee and Lee Trust, being a discretionary trust. The Lee and Lee Trust controlled 74.95% interest in AGL (inclusive of Mr. Lee Seng Hui's personal interests) and were therefore deemed to have an interest in the said shares in which AGL was interested.
3. MMA holds 329,160,000 shares of the Company. MMA is wholly-owned by Mr. Lin Wan Qaing. Therefore, Mr. Lin Wan Qaing is deemed to have an interest in the said shares in which MMA is interested.

除上述披露外，於二零一九年十二月三十一日，董事並不知悉有任何其他人士於本公司或任何相聯法團(定義見證券及期貨條例第XV部)之股份、股本衍生工具之相關股份或債券中擁有根據證券及期貨條例第XV部之規定，須向本公司作出披露之權益或淡倉。

Save as disclosed above, as at 31st December, 2019, the Directors are not aware of any other persons, who have interests or short positions in the shares, underlying shares of equity derivatives or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which would be required to be disclosed to the Company pursuant to Part XV of the SFO.

DIRECTORS' REPORT

董事會報告

管理協議

於二零一八年七月二十六日，本公司與禹銘投資管理訂立一份投資管理協議（「投資管理協議」），並於二零一八年九月十二日獲獨立股東批准。根據投資管理協議，禹銘投資管理同意協助董事會執行本集團之日常管理，有效期由二零一九年一月一日至二零二一年十二月三十一日。禹銘投資管理可享有相等於可歸屬本公司擁有人之本集團綜合資產淨值1.5%之年管理費（乃參考每季內各曆月最後一日之可歸屬本公司擁有人之已發表之本集團綜合資產淨值之平均數計算及於每季期末時支付）；及相等於截至十二月三十一日止各年可歸屬本公司擁有人之本集團經審核綜合資產淨值超出本公司於禹銘投資管理享有履約費用之最後財政年度年結日可歸屬本公司擁有人之本集團經審核綜合資產淨值數額之20%之履約費用。

於二零一九年十二月三十一日，李華倫先生為本公司及禹銘投資管理之共同董事。

截至二零一九年十二月三十一日止年度，本集團已付或應付禹銘投資管理之管理費用為16,335,000港元。

此項交易構成一項持續關連交易，並須根據上市規則第14A章之規定作出披露。

本公司獨立非執行董事已檢討上述持續關連交易及確認該交易為：

- (a) 在本集團一般及日常業務範圍內訂立；
- (b) 按一般商業條款或更佳條款進行；及
- (c) 根據規管該等交易的相關協議、按公平合理且符合股東整體利益的條款訂立。

除上文所披露者外，年內概無訂立或存在對本公司整體或任何重大部份業務之管理及行政有關之其他合約。

Management Agreement

On 26th July, 2018, an investment management agreement (the "Investment Management Agreement") was entered into by the Company and YMIM, which was approved by the independent Shareholders on 12th September, 2018. Under the Investment Management Agreement, YMIM agreed to assist the Board with the day-to-day management of the Group from 1st January, 2019 to 31st December, 2021. YMIM is entitled to a management fee equal to 1.5% per annum of the consolidated net asset value of the Group attributable to the owners of the Company, calculated and payable in arrears on a quarterly basis by reference to the arithmetical average of the published consolidated net asset value of the Group attributable to the owners of the Company on the last day of each calendar month during each quarter; and a performance fee equal to 20% of the amount by which the audited consolidated net asset value of the Group attributable to the owners of the Company of each year ending 31st December, exceeds the audited consolidated net asset value of the Group attributable to the owners of the Company as at the end of the latest financial year in which YMIM was entitled to a performance fee.

As at 31st December, 2019, Mr. Warren Lee Wa Lun was common director of the Company and YMIM.

For the year ended 31st December, 2019, management fee of HK\$16,335,000 was paid or payable to YMIM by the Group.

This transaction constitutes a continuing connected transaction and is required to be disclosed in accordance with Chapter 14A of the Listing Rules.

The Company's Independent Non-Executive Directors had reviewed the above continuing connected transaction and confirmed that the said transaction had been entered into:

- (a) in the ordinary and usual course of business of the Group;
- (b) on normal commercial terms or better; and
- (c) in accordance with the relevant agreement governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

Save as disclosed above, no other contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

DIRECTORS' REPORT

董事會報告

持續關連交易確認書

本公司之核數師已向董事會發出上市規則第14A.56條所規定之函件以確認第14A.56條關於以上持續關連交易所管理協議事項。

股票掛鈎協議

本公司於本年度終結日或年內任何時間概無訂立任何股票掛鈎協議。

與有關連人士之交易

與有關連人士之交易的詳情載於綜合財務報表附註26。

退休福利計劃

本集團根據強制性公積金計劃條例設有定額供款之退休福利計劃(「強積金計劃」)，以供其全體合資格參與強積金計劃之僱員參加。供款乃按僱員基本薪金以某一百分比作出，供款於年內僱員提供服務時於損益確認為開支。本集團於此計劃項下的責任僅限於應付的固定百分比供款。

審核委員會

本公司已遵照上市規則第3.21條成立審核委員會，現由三名獨立非執行董事何振林先生、李業華先生及雷俊傑先生及一名非執行董事狄亞法先生組成。

審核委員會已與管理層檢討本集團所採用之會計原則及慣例，並討論風險管理，內部監控及財務報告事宜，其中包括審閱截至二零一九年十二月三十一日止之年度年報。

提名委員會

本公司已成立提名委員會，以檢討董事會的架構、人數、多元化及組成並評核獨立非執行董事的獨立性。提名委員會現由三名獨立非執行董事何振林先生、李業華先生及雷俊傑先生及一名非執行董事狄亞法先生組成。

Confirmation for Continuing Connected Transaction

A letter pursuant to Rule 14A.56 of the Listing Rules has been issued to the Board by the auditor of the Company confirming the matters stated in Rule 14A.56 in respect of the above continuing connected transaction for management agreement.

Equity-Linked Agreements

No equity-linked agreements were entered into during the year or subsisted at the end of the year.

Related Party Transactions

Details of the related party transactions are set out in Note 26 to the consolidated financial statements.

Retirement Benefits Scheme

The Group operates a defined contribution retirement benefits scheme under the Mandatory Provident Fund Schemes Ordinance (the "MPF Scheme"), for all of its employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries. Contributions are recognised as an expense in profit or loss as employees render services during the year. The Group's obligation under this plan is limited to the fixed percentage contributions payable.

Audit Committee

The Company has established an audit committee in accordance with Rule 3.21 of the Listing Rules, and now comprises three Independent Non-Executive Directors, namely Mr. Albert Ho, Mr. Peter Lee Yip Wah and Mr. Louie Chun Kit and one Non-Executive Director, namely Mr. Arthur George Dew.

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed risk management, internal controls and financial reporting matters, including review of the annual report for the year ended 31st December, 2019.

Nomination Committee

A Nomination Committee has been established by the Company to review the structure, size, diversity and composition of the Board and assess the independence of Independent Non-Executive Directors. The Nomination Committee now comprises three Independent Non- Executive Directors, namely, Mr. Albert Ho, Mr. Peter Lee Yip Wah and Mr. Louie Chun Kit and one Non-Executive Director, namely Mr. Arthur George Dew.

DIRECTORS' REPORT

董事會報告

薪酬委員會

本公司已成立薪酬委員會，以審議本集團董事及高級管理人員之薪酬。薪酬委員會現由三名獨立非執行董事何振林先生、李業華先生及雷俊傑先生及一名非執行董事狄亞法先生組成。

公眾持股量

根據本公司於本報告日期可得悉之公開資料及就眾董事所知悉，本公司於截至二零一九年十二月三十一日止年度一直遵守上市規則之公眾持股量規定。

購買、出售或贖回上市股份

本公司及其附屬公司於年內概無購買、出售或贖回本公司任何上市股份。

捐款

本集團於本年度內之慈善捐款為152,000港元。

報告期後事項

新型冠狀病毒疫情對本集團的影響

自二零二零年一月起，新型冠狀病毒(「COVID-19」)疫情的爆發對全球營商環境產生了影響。在編製綜合財務報表時，本集團採用公平值計量其按公平值計入其他全面收益之金融資產以及按公平值計入損益之金融資產。在二零二零年，本集團金融資產的公平價值可能因COVID-19疫情出現波動。取決於COVID-19在本年報日後的發展及蔓延情況，如經濟狀況出現進一步變動，則本集團的業績或會受到影響，惟於本年報日無法估計有關影響程度。本集團會繼續監察COVID-19的疫情發展，亦會積極應對有關情況對本集團財務狀況及經營業績的影響。

核數師

香港立信德豪會計師事務所有限公司(「香港立信德豪」)為本公司核數師。在過去三年並無核數師變動。

截至二零一九年十二月三十一日止年度之財務報表經由香港立信德豪審核。香港立信德豪服務期滿，惟將合資格重選並願意獲重新委任。關於其繼任本公司核數師之決議案將於股東週年大會上提呈。

承董事會命
新工投資有限公司
公司秘書
羅泰安

香港，二零二零年三月十九日

Remuneration Committee

A Remuneration Committee has been established by the Company to consider the remuneration of the Directors and senior management of the Group. The Remuneration Committee now comprises three Independent Non-Executive Directors, namely, Mr. Albert Ho, Mr. Peter Lee Yip Wah and Mr. Louie Chun Kit and one Non-Executive Director, namely Mr. Arthur George Dew.

Public Float

On the basis of information that is publicly available to the Company and within the knowledge of the Directors as at the date of this report, the Company has complied with the public float requirements of the Listing Rules for the year ended 31st December, 2019.

Purchase, Sale or Redemption of Listed Shares

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed shares during the year.

Donations

The Group made charitable donations of HK\$152,000 during the year.

Event After the Reporting Period

Impact of Novel Coronavirus Outbreak to the Group

Since January 2020, the outbreak of Novel Coronavirus ("COVID-19") has dealt a big blow on the global business environment. In preparing the consolidated financial statements, the Group applies fair value to measure its financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss. In 2020, fair value of the Group's financial assets at fair value may be subject to fluctuations due to the COVID-19 outbreak. In view of the development and spread of COVID-19 subsequent to the date of this annual report, further changes in economic conditions arising thereof may have negative impact on the financial results of the Group, the extent of which could not be estimated as at the date of this annual report. The Group will keep monitoring to the situation of the COVID-19 and react actively to its impact on the financial position and operating results of the Group.

Auditor

BDO Limited ("BDO") is the auditor of the Company. There has been no change of auditor in the past three years.

The accompanying financial statements for the year ended 31st December, 2019 were audited by BDO who will retire and, being eligible, offer itself for re-appointment. A resolution for its re-appointment as auditor of the Company will be proposed at the AGM.

By order of the Board
SHK Hong Kong Industries Limited
Lo Tai On
Company Secretary

Hong Kong, 19th March, 2020

CORPORATE GOVERNANCE REPORT

企業管治報告

本公司認為，於本公司及其附屬公司(統稱為「本集團」)內維持良好企業管治準則，乃為讓本公司管理風險之有效工具。本公司董事會(「董事會」)盡職地憑著公司在業務策略方面以及按照高水平之企業管治標準而執行之營運策劃及程序之使命，帶領本集團以有效方式取得增長。

企業管治

董事會深信企業管治為本公司成功的關鍵，並已採取各項措施，以確保維持高標準的企業管治。自二零零五年一月一日起，本公司已採用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」)附錄14所載之企業管治守則及企業管治報告(「企管守則」)的原則及採納守則條文為其企業管治常規。本公司將定期檢討及更新現行的常規，以追隨企業管治的最新發展。

董事會認為本公司於截至二零一九年十二月三十一日止年度內一直遵守企管守則之守則條文。

董事進行證券交易之標準守則

本公司已採納上市規則附錄10所載之上市發行人董事進行證券交易的標準守則(「標準守則」)作為董事進行證券交易之行為守則。經向全體董事個別作出查詢後，本公司確認全體董事在本年內已遵守標準守則所載的規定。

The Company recognises that good corporate governance standards maintained throughout the Company and its subsidiaries (together referred to as the “Group”) serve as an effective risk management tool for the Company. The board of Directors of the Company (the “Board”) is committed to lead the Group growing in an efficient manner followed by corporate missions in terms of business strategies and improved operational planning and procedures which are enforced under high corporate governance standard.

Corporate Governance

The Board believes that corporate governance is essential to the success of the Company and has adopted various measures to ensure that a high standard of corporate governance is maintained. With effect from 1st January, 2005, the Company has applied the principles and adopted code provisions set out in the Corporate Governance Code and Corporate Governance Report (the “CG Code”) in Appendix 14 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange of Hong Kong”) as its own code on corporate governance practices. The current practices will be reviewed and updated regularly to follow the latest practices in corporate governance.

In the opinion of the Board, the Company has complied with the code provisions of the CG Code during the year ended 31st December, 2019.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Listing Rules as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, the Company confirmed that all Directors have complied with the required standards as set out in the Model Code during the year.

CORPORATE GOVERNANCE REPORT

企業管治報告

企業管理

i. 董事會

董事會現由兩名執行董事，一名非執行董事及三名獨立非執行董事組成：

執行董事

李華倫先生(主席)
王大鈞先生

非執行董事

狄亞法先生

獨立非執行董事

何振林先生
李業華先生
雷俊傑先生

獨立非執行董事之人數為董事會成員之50%。兩名獨立非執行董事何振林先生及雷俊傑先生具備適當之專業會計經驗及專業知識。另一名獨立非執行董事李業華先生具備適當之法律經驗。董事會成員包括具有專業資格及豐富經驗的人士，藉以為本公司帶來寶貴之貢獻，以及就本公司之發展提供各類專業建議及意見。逾100%之董事會成員擁有認可的專業法律或會計資格。董事會成員間並無關係(包括財務、業務、家族或其他重大／相關關係)。

董事會已成立四個董事會委員會，即執行委員會(「執行委員會」)、審核委員會、提名委員會及薪酬委員會，以監察本公司不同範圍之事務。

Corporate Management

i. Board of Directors

The Board currently consists of 2 Executive Directors, 1 Non-Executive Director and 3 Independent Non-Executive Directors:

Executive Directors

Mr. Warren Lee Wa Lun (*Chairman*)
Mr. Mark Wong Tai Chun

Non-Executive Director

Mr. Arthur George Dew

Independent Non-Executive Directors

Mr. Albert Ho
Mr. Peter Lee Yip Wah
Mr. Louie Chun Kit

The number of Independent Non-Executive Directors is 50% of the Board membership. Two of the Independent Non-Executive Directors, namely Mr. Albert Ho and Mr. Louie Chun Kit, have the appropriate professional accounting experiences and expertise. Another Independent Non-Executive Director, Mr. Peter Lee Yip Wah, has the appropriate legal experiences. The Board membership is covered by professionally qualified and widely experienced personnel so as to bring in valuable contribution and different professional advices and consultancy for the development of the Company. 100% of the Board members have recognised professional legal or accounting qualification. There is no relationship (including financial, business, family or other material/relevant relationship) among Board members.

The Board has established four Board Committees, namely the Executive Committee ("Exco"), the Audit Committee, the Nomination Committee and the Remuneration Committee to oversee different areas of the Company's affairs.

CORPORATE GOVERNANCE REPORT

企業管治報告

企業管理(續)

i. 董事會(續)

公司秘書負責定期為董事會更新有關管治及監管事宜，全體董事均可獲取有關資料。本公司任何董事及審核委員會成員、提名委員會成員及薪酬委員會成員如欲獲取獨立專業建議，可由本公司負責有關費用，並透過公司秘書安排下進行。

董事會已依從企管守則之規定舉行董事會定期會議。

二零一九年董事會會議個別董事的出席率：

Number of meetings

會議次數

4

Executive Directors

執行董事

Warren Lee Wa Lun (Chairman)

李華倫(主席)

4/4 100%

Mark Wong Tai Chun

王大鈞

4/4 100%

Non-Executive Director

非執行董事

Arthur George Dew

狄亞法

4/4 100%

Independent Non-Executive Directors

獨立非執行董事

Albert Ho

何振林

4/4 100%

Peter Lee Yip Wah

李業華

4/4 100%

Louie Chun Kit

雷俊傑

4/4 100%

於二零一九年度內舉行四次董事會定期會議，大約每季一次。董事會定期會議前須向所有董事發出至少14日之通知，讓彼等有機會出席會議，而所有董事均有機會在例會議程內加入事項。董事會文件須於會議前至少3天送交董事，以確保彼等擁有足夠時間審閱文件及為會議作出充份準備。

主席和所有獨立非執行董事的私人會議已於二零一九年舉行。

Corporate Management (continued)

i. Board of Directors (continued)

All Directors have access to the services of the company secretary who regularly updates the Board on governance and regulatory matters. Any Director and member of the Audit Committee, Nomination Committee and Remuneration Committee of the Company may take independent professional advice if they so wish at the expense of the Company, as arranged by the company secretary.

The Board has had regular Board meetings in accordance with the CG Code.

Attendance of individual Directors at Board meetings in 2019:

Four regular Board meetings had been held in 2019 at approximately quarterly intervals. At least 14 days' notice of a regular Board meeting is given to all Directors to provide them with an opportunity to attend and all Directors are given an opportunity to include matters in the agenda for a regular meeting. Board papers are despatched to the Directors at least 3 days before the meeting to ensure that they have sufficient time to review the papers and be adequately prepared for the meeting.

A private meeting of the Chairman and all independent non-executive directors had been held in 2019.

CORPORATE GOVERNANCE REPORT

企業管治報告

企業管理(續)

i. 董事會(續)

(a) 董事會及管理層之角色及職責

董事會致力為其業務各個層面建立本集團的策略性方針、訂立目標及業務發展計劃、維持企業管治及有效之問責機制。以承擔社會責任及誠實態度開展業務，為本集團及其股東提供長期之利益。

董事會將全部權力及職權交予執行委員會，包括本集團之一般業務經營、制定業務政策及作出投資決策，以及執行董事會訂立之策略及計劃。團隊就本集團之經營活動向董事會全權負責。

本公司由投資經理禹銘投資管理有限公司(「禹銘投資管理」)管理，包括日常管理及行政工作。

以下事項須交由董事會作決定：

- 本公司之末期及中期業績之公告；
- 股息分派或其他分派(如有)；
- 董事會組成之變動；或
- 須予公佈的交易及不獲豁免的關連交易／持續關連交易。

於董事會定期會議上，董事會討論及為本集團制定整體策略、監察財務及投資表現、討論及批准年度及中期業績，討論及決策其他重大事項(如需)。

本公司已就本公司董事及高級職員的責任作出適當之投保安排。

Corporate Management (continued)

i. Board of Directors (continued)

(a) Roles and Responsibilities of the Board and Management

The Board is committed to establishing the strategic direction of the Group, setting objectives and business development plans, maintaining corporate governance and effective accountability mechanisms in every aspect of its business. Conducting business in a socially responsible and honest manner serves both the Group's and its shareholders' long-term interests.

The Board delegated its full power and authorities to the Exco including operation of normal course of business of the Group; formulating business policies and making investment decision; and implementing the strategies and plans established by the Board. The team assumes full accountability to the Board for the operations of the Group.

The Company is being managed by the investment manager, Yu Ming Investment Management Limited ("YMIM"), including day-to-day management and administration.

The following matters must be reserved to the Board:

- announcement of final and interim results of the Company;
- dividend distribution or other distributions, if any;
- changes to Board composition; or
- notifiable transactions and non-exempted connected transactions/continuing connected transactions.

During regular meetings of the Board, the Board discusses and formulates the overall strategies of the Group, monitors financial and investment performances and discusses and approves the annual and interim results, discusses and decides on other significant matters, if necessary.

The Company has arranged appropriate directors and officers liability insurance coverage for the Directors and officers of the Company.

CORPORATE GOVERNANCE REPORT

企業管治報告

企業管理(續)

i. 董事會(續)

(a) 董事會及管理層之角色及職責(續)

董事培訓為持續進行的過程。本年度內，管理層已向董事會全體成員提供每月更新，就本公司之表現、狀況及前景作出平衡及容易理解的詳細評估，讓董事會全體成員及每名董事根據上市規則履行其職務。本公司年內曾安排培訓課程，如董事要求，本公司將繼續安排及／或資助有關董事之角色、功能及職務的培訓機會。本公司已接獲各董事有關發展及更新其知識及技能的培訓記錄。下表列出個別董事於年內參與持續專業發展的記錄：

Corporate Management (continued)

i. Board of Directors (continued)

(a) Roles and Responsibilities of the Board and Management (continued)

Director's training is an ongoing process. During the year, the management had provide all members of the Board with monthly updates giving a balanced and understandable assessment of the Company's performance, position and prospects in sufficient detail to enable the Board as a whole and each Director to discharge their duties under the Listing Rules. The Company had arranged training course during the year and will continue to arrange and/or funding training opportunities in respect of the roles, functions and duties of Directors upon requested by Directors. The Company had received record of trainings from each Director relating to development and refreshment of their knowledge and skills. The participation by individual Directors in the continuous professional development during the year is recorded in the table below:

	Reading regulatory or monthly updates/ attending in-house briefings	Attending expert briefings/seminars/conferences relevant to the business or directors' duties or risk management or taxation or financial reporting
Directors	閱覽法規最新資訊或每月更新資料／出席內部簡介會	參與有關業務或董事職責或風險管理或稅務或財務匯報之專家簡介會／座談會／會議
董事		
Executive Directors		
執行董事		
Warren Lee Wa Lun 李華倫	✓	✓
Mark Wong Tai Chun 王大鈞	✓	✓
Non-Executive Director		
非執行董事		
Arthur George Dew 狄亞法	✓	✓
Independent Non-Executive Directors		
獨立非執行董事		
Albert Ho 何振林	✓	✓
Peter Lee Yip Wah 李業華	✓	✓
Louie Chun Kit 雷俊傑	✓	✓

CORPORATE GOVERNANCE REPORT

企業管治報告

企業管理(續)

i. 董事會(續)

(a) 董事會及管理層之角色及職責(續)

董事會亦須根據企管守則之規定履行企業管治責任。董事會就企業管治之主要角色及職能為：

- 發展及檢討本公司政策及企業管治常規；
- 檢討及監察董事及高級管理人員之培訓及持續專業發展；
- 檢討及監察本公司政策及常規符合法例及監管規定的情況；
- 發展、檢討及監察適用於員工及董事之行為守則及遵例手冊；及
- 檢討本公司符合企管守則及企業管治報告之披露情況。

董事會就二零一九年財政年度已審議以下企業管治事項：

- 審閱本集團持續關連交易之年度上限之運用情況；
- 檢討本公司採納的所有政策及常規其中包括，股東通訊政策等；
- 檢討符合企管守則之情況；及
- 透過審核委員會檢討風險管理及內部監控系統之成效。

Corporate Management (continued)

i. Board of Directors (continued)

(a) Roles and Responsibilities of the Board and Management (continued)

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

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

The Board had considered the following corporate governance matters for the financial year 2019:

- review of the usage of annual caps on the continuing connected transactions of the Group;
- review of all policies and practices adopted by the Company including, inter alia, shareholders communication policy, etc;
- review of the compliance with the CG Code; and
- review of the effectiveness of the risk management and internal control systems of the Company through the Audit Committee.

CORPORATE GOVERNANCE REPORT

企業管治報告

企業管理(續)

i. 董事會(續)

(b) 主席及董事總經理

董事會主席負責領導及有效管理董事會。

董事總經理一職獲授予職權以有效方式管理本集團業務之所有方面、執行重要策略、作出日常決定及協調整體業務運作。本公司目前並無委任個人董事總經理，本公司現由其投資經理管理。

(c) 董事之委任年期及重選董事

本公司之非執行董事(包括獨立非執行董事)獲委任為期一年半之指定任期，惟須根據本公司組織章程細則退任及接受重選。於每屆股東週年大會上，當時三分之一人數之董事或(倘其人數並非三或三之倍數)最接近三分之一人數應輪值退任，惟每名董事須至少每三年退任一次。

本公司有正式之董事委任書，訂明有關委任之主要條款及條件。

ii. 執行委員會

由本公司執行董事李華倫先生及王大鈞先生組成之執行委員會由董事會成立，負責代表本集團作出投資決策及經營本集團之一般業務。

Corporate Management (continued)

i. Board of Directors (continued)

(b) Chairman and Managing Director

The Chairman of the Board is responsible for the leadership and effective running of the Board.

The position of Managing Director is delegated with the authorities to manage the Group's business in all aspects effectively, implement major strategies, make day-to-day decision and coordinate overall business operation. The Company currently has not appointed an individual managing director as the Company is being managed by the investment manager.

(c) Terms of appointment and re-election of Directors

Non-Executive Directors (including Independent Non-Executive Directors) of the Company have a specific term of appointment for one and a half years, subject to retirement and re-election in accordance with the articles of association of the Company. At each AGM, one-third of the Directors for the time being or, if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years.

The Company has formal letters of appointment for Directors setting out the key terms and conditions of their appointment.

ii. Exco

The Exco is established by the Board, comprising Mr. Warren Lee Wa Lun and Mr. Mark Wong Tai Chun, being the Executive Directors of the Company, which has been authorised to make investment decisions on behalf of the Group and operates normal course of business of the Group.

CORPORATE GOVERNANCE REPORT

企業管治報告

企業管理(續)

iii. 審核委員會

審核委員會已成立，目前由四名非執行董事組成，其中三名為獨立非執行董事。為保持獨立性及客觀性，審核委員會由一名具備合適專業資格或會計或相關財務管理專業知識之獨立非執行董事擔任主席。審核委員會之現任成員為何振林先生(委員會主席)、狄亞法先生、李業華先生及雷俊傑先生。審核委員會獲提供充裕資源以履行其職務，並可按本公司政策在有需要時尋求獨立專業意見。

審核委員會之主要角色及職能為：

- (a) 向董事會提出建議有關外聘核數師之委任、重新委任及罷免，以及批准外聘核數師之薪酬及聘用條款，並考慮任何有關該核數師辭任或辭退該核數師之問題；
- (b) 考慮及與外聘核數師討論每年核數之性質及範疇；
- (c) 檢討及監察外聘核數師之獨立性及客觀性；
- (d) 於中期及全年綜合財務報表提交董事會前先行審閱；
- (e) 商議就中期審閱及年終審核而產生之任何問題及保留事項，及外聘核數師擬商討之任何事宜；
- (f) 審閱外聘核數師致管理層之函件(如有)及管理層之回應；及
- (g) 檢討本集團之財務監控、風險管理及內部監控系統。

審核委員會之職權範圍已於本公司及香港聯交所網站內登載。

Corporate Management (continued)

iii. Audit Committee

The Audit Committee has been established and currently consists of four Non-Executive Directors, three of whom are Independent Non-Executive Directors. To retain independence and objectivity, the Audit Committee is chaired by an Independent Non-Executive Director with appropriate professional qualifications or accounting or related financial management expertise. The current members of the Audit Committee are Mr. Albert Ho (Chairman of the Committee), Mr. Arthur George Dew, Mr. Peter Lee Yip Wah and Mr. Louie Chun Kit. The Audit Committee is provided with sufficient resources to discharge its duties and has access to independent professional advice according to the Company's policy if considered necessary.

The major roles and functions of the Audit Committee are:

- (a) to recommend to the Board on the appointment, re-appointment and removal of the external auditor, to approve the remuneration and terms of engagement of the external auditor, and to consider any questions of resignation or dismissal of the auditor;
- (b) to consider and discuss with external auditor the nature and scope of each year's audit;
- (c) to review and monitor the external auditor's independence and objectivity;
- (d) to review the interim and annual consolidated financial statements before submission to the Board;
- (e) to discuss any problems and reservation arising from the interim review and final audit, and any matters the external auditor may wish to discuss;
- (f) to review the external auditor's management letters (if any) and management's response; and
- (g) to review the Group's financial controls, risk management and internal control systems.

The terms of reference of the Audit Committee are available on the websites of the Company and the Stock Exchange of Hong Kong.

CORPORATE GOVERNANCE REPORT

企業管治報告

企業管理(續)

iii. 審核委員會(續)

審核委員會於回顧年內之工作包括：

- (a) 審閱本集團之二零一八年全年業績及二零一九年中期業績；
- (b) 在編製二零一八年全年及二零一九年中期財務報表時，與本公司管理層討論本集團之會計準則及政策是否完整、公平及足夠；
- (c) 與外聘核數師審閱及討論本公司之財務報告事宜；
- (d) 檢討及批准二零一九年審核範疇及費用；
- (e) 向董事會推薦重新委任外聘核數師，以待本公司股東(「股東」)批准；
- (f) 審閱舉報政策之安排(包括調查及跟進行動，如有)；
- (g) 審閱本年內本集團參與的持續關連交易(如有)；
- (h) 審閱內部審核報告及計劃；及
- (i) 檢討風險管理及內部監控系統之成效。

於二零一九年十二月三十一日，已有透過舉報政策之安排，讓本集團員工可就財務報告、內部監控及其他事項可能存在不妥之處提出關注之部署。年內，審核委員會並無接獲任何舉報。

於二零一九年，審核委員會成員與外聘核數師共召開二次會議並與內部核數師召開一次會議。每次委員會會議均獲提供必須之本集團財務資料，供成員考慮、檢討及評審工作中涉及之重大事宜。

Corporate Management (continued)

iii. Audit Committee (continued)

The works of the Audit Committee during the year under review included:

- (a) reviewing the 2018 annual results and 2019 interim results of the Group;
- (b) discussing with the management of the Company over the completeness, fairness and adequate accounting standards and policies of the Group in the preparation of the 2018 annual financial statements and 2019 interim financial statements;
- (c) reviewing and discussing with the external auditor over the financial reporting of the Company;
- (d) reviewing and approving the 2019 audit scope and fees;
- (e) recommending to the Board, for the approval by the shareholders of the Company (the "Shareholders"), of the re-appointment of the external auditor;
- (f) reviewing the arrangement (including investigation and following up action, if any) under the whistle blower policy;
- (g) reviewing the continuing connected transactions entered into by the Group during the year (if any);
- (h) reviewing internal audit report and plan; and
- (i) reviewing the effectiveness of risk management and internal control systems.

As at 31st December, 2019, the arrangement for employees of the Group to raise concerns about possible improprieties in financial reporting, internal control and other matters through whistle blower policy is in place. No reporting had been received by Audit Committee during the year.

In 2019, the Audit Committee members met 2 times with external auditor and met 1 time with internal auditor. Each committee meeting was supplied with the necessary financial information of the Group for enabling the members to consider, review and assess matters of significance arising from the work conducted.

CORPORATE GOVERNANCE REPORT

企業管治報告

企業管理(續)

iii. 審核委員會(續)

二零一九年審核委員會會議個別審核委員會成員的出席率：

Number of meetings 會議次數

Albert Ho (Chairman) 何振林(主席)	3/3	100%
Arthur George Dew 狄亞法	3/3	100%
Louie Chun Kit 雷俊傑	3/3	100%
Peter Lee Yip Wah 李業華	3/3	100%

iv. 提名委員會

董事會已成立提名委員會以符合上市規則及由一名獨立非執行董事擔任主席。提名委員會現由四名成員組成，即獨立非執行董事何振林先生(委員會主席)、李業華先生及雷俊傑先生，以及非執行董事狄亞法先生。提名委員會獲提供充裕資源以履行其職務。

提名委員會之主要角色及職能為：

- 至少每年檢討董事會的架構、人數及組成(包括技能、知識及經驗方面)，並就任何為配合本公司的公司策略而擬對董事會作出的變動提出建議；
- 物色具備合適資格可擔任董事會成員的人士，並挑選提名有關人士出任董事或就此向董事會提供意見；
- 評核獨立非執行董事的獨立性；及
- 就董事委任或重新委任以及董事(尤其是主席及最高行政人員)繼任計劃向董事會提出建議。

提名委員會之職權範圍已於本公司及香港聯交所網站內登載。

Corporate Management (continued)

iii. Audit Committee (continued)

Attendance of individual members of Audit Committee at audit committee meetings in 2019:

iv. Nomination Committee

The Nomination Committee has been established by the Board to comply with the Listing Rules and is chaired by an Independent Non-Executive Director. The Nomination Committee currently comprises four members, namely Mr. Albert Ho (Chairman of the Committee), Mr. Peter Lee Yip Wah and Mr. Louie Chun Kit, being Independent Non-Executive Directors and Mr. Arthur George Dew, being Non-Executive Director. The Nomination Committee is provided with sufficient resources to discharge its duties.

The major roles and functions of the Nomination Committee are:

- to review the structure, size and composition (including the skill, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorship;
- to assess the independence of Independent Non-Executive Directors; and
- to make recommendations to the Board on the appointment or re-appointment of the Directors and succession planning for Directors, in particular the chairman and the chief executive.

The terms of reference of the Nomination Committee are available on the websites of the Company and the Stock Exchange of Hong Kong.

CORPORATE GOVERNANCE REPORT

企業管治報告

企業管理(續)

iv. 提名委員會(續)

提名委員會已製定並於職權範圍書設置提名政策(「提名政策」)。提名政策目標確保董事會應根據本公司業務而具備適當所需技巧、經驗及多樣的觀點與角度。為確保董事會組成人員的變動不會帶來不適當的干擾，本公司應設有正式、經審慎考慮並具透明度的董事甄選、委任及重新委任程序，並設定有秩序的董事繼任計劃(如認為有需要)，包括定期檢討此類計劃。委任新董事(作為新增董事或填補所出現的臨時空缺)或重新委任任何董事乃經委員會推薦候選人後由董事會作出決定。

用於考慮候選人是否符合資格的標準，應視乎候選人是否能投入足夠時間及精神以處理本公司事務，並促進董事會成員多元化，使董事會能有效履行其職責。有關甄選標準及程序的進一步詳情，請參閱登載於香港聯交所及本公司網站內的提名委員會職權範圍書。

於本年度內並無任何董事變更。

年內曾舉行一次提名委員會會議並100%出席率得何振林先生，狄亞法先生，李業華先生及雷俊傑先生出席以(i)檢討董事會的架構、人數及組成，(ii)評核獨立非執行董事的獨立性，(iii)檢討應屆股東週年大會上膺選即將退任董事，(iv)檢討多元化政策，及(v)向董事會提出建議。除上述會議外，提名委員會於年內亦以傳閱方式處理有關事宜，以檢討非執行董事(包括獨立非執行董事)的委任條款，並向董事會提出建議。

Corporate Management (continued)

iv. Nomination Committee (continued)

The Nomination Committee has formulated and set out the nomination policy ("Nomination Policy") in its terms of reference. The objective of the Nomination Policy is to ensure that the Board should have a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. To ensure changes to the Board composition can be managed without undue disruption, there should be a formal, considered and transparent procedure for selection, appointment and re-appointment of Directors, as well as plans in place for orderly succession (if considered necessary), including periodical review of such plans. The appointment of a new Director (to be an additional Director or fill a casual vacancy as and when it arises) or any re-appointment of Directors is a matter for decision by the Board upon the recommendation of the proposed candidate by the Nomination Committee.

The criteria to be applied in considering whether a candidate is qualified shall be his or her ability to devote sufficient time and attention to the affairs of the Company and contribute to the diversity of the Board as well as the effective execution by the Board of the responsibilities. Further details of the selection criteria and the procedure are set out in the terms of reference of the Nomination Committee which are available on the websites of the Stock Exchange and the Company.

There was no change in directorship during the year.

One nomination committee meeting was held during the year with 100% attendance rate in the presence of Mr. Albert Ho, Mr. Arthur George Dew, Mr. Peter Lee Yip Wah and Mr. Louie Chun Kit to (i) review the structure, size and composition of the Board, (ii) assess the independence of Independent Non-Executive Directors, (iii) review the re-election of retiring directors at the forthcoming AGM, (iv) review the board diversity policy, and (v) make recommendations to the Board. In addition to the above meeting, the nomination committee also dealt with matters by way of circulation during the year to review the terms of appointment of non-executive directors (including independent non-executive directors), and make recommendation to the Board.

CORPORATE GOVERNANCE REPORT

企業管治報告

企業管理(續)

v. 薪酬委員會

薪酬委員會已經成立及由一名獨立非執行董事擔任主席。年內，該委員會現由四名成員組成，即獨立非執行董事何振林先生(委員會主席)、李業華先生及雷俊傑先生以及非執行董事狄亞法先生。薪酬委員會獲提供充裕資源以履行其職務，並可按本公司政策在有需要時尋求獨立專業意見。

薪酬委員會之主要角色及職能為：

- (a) 就本公司董事及高級管理人員之全體薪酬政策及架構向董事會提出建議；
- (b) 就個別執行董事及高級管理人員的特定薪酬待遇向董事會提出建議；
- (c) 透過參照董事會不時批准之公司宗旨及目標，以檢討並批准按表現釐定之薪酬；
- (d) 檢討並批准向執行董事支付予任何喪失或終止其職務或委任有關之賠償；
- (e) 檢討並批准因董事行為失當而解僱或罷免有關董事所涉及之賠償安排；及
- (f) 確保概無董事參與釐定其本身之薪酬。

薪酬委員會之職權範圍已於本公司及香港聯交所網站內登載。

二零一九年曾舉行一次薪酬委員會會議並以100%出席率得何振林先生，狄亞法先生，李業華先生及雷俊傑先生出席。薪酬委員會已討論及檢討執行董事酬金及董事會全體成員之董事袍金，並向董事會提出建議以及本集團薪金政策等。

Corporate Management (continued)

v. Remuneration Committee

The Remuneration Committee has been established and is chaired by an Independent Non-Executive Director, currently comprising four members, namely Mr. Albert Ho (Chairman of the Committee), Mr. Peter Lee Yip Wah and Mr. Louie Chun Kit, being Independent Non-Executive Directors and Mr. Arthur George Dew, being Non-Executive Director during the year. The Remuneration Committee is provided with sufficient resources to discharge its duties and has access to independent professional advice according to the Company's policy if considered necessary.

The major roles and functions of the Remuneration Committee are:

- (a) to recommend to the Board on the Company's policy and structure for all remuneration of Directors and senior management;
- (b) to recommend to the Board on the remuneration packages of individual Executive Directors and senior management;
- (c) to review and approve performance-based remuneration by reference to corporate goals and objectives approved by the Board from time to time;
- (d) to review and approve the compensation payable to Executive Directors relating to any loss or termination of their office or appointment;
- (e) to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct; and
- (f) to ensure that no Director is involved in deciding his own remuneration.

The terms of reference of the Remuneration Committee are available on the websites of the Company and the Stock Exchange of Hong Kong.

One remuneration committee meeting was held in 2019 with 100% attendance rate in the presence of Mr. Albert Ho, Mr. Arthur George Dew, Mr. Peter Lee Yip Wah and Mr. Louie Chun Kit. The Remuneration Committee had discussed and reviewed remuneration of Executive Directors and Directors' fee of all members of the Board and made recommendation to the Board as well as the Group remuneration policy, etc.

CORPORATE GOVERNANCE REPORT

企業管治報告

企業管理(續)

vi. 酬金政策

本公司之酬金政策為確保所有僱員(包括董事)為本公司貢獻之能力及時間均獲充份之酬勞補償，而所提供之酬金乃與其職責相符及與市場水平相若。概無董事或其任何聯繫人士及行政人員參與決定其本身酬金。

vii. 董事會多元化政策

本公司董事會多元化政策載有董事會多元化之目標及原則，旨在考量於技能與經驗以及觀點方面具有適當多元化以達致本公司戰略目標。經考慮本公司之業務及需求，董事會將任人唯賢，並根據可行目標考慮候選人。

甄別人選將按一系列多元化準則為基準，包括但不限於性別、年齡、文化及教育背景、知識、專業經驗及技能。最終將按人選的長處及可為董事會提供的貢獻而作決定。

董事將考慮及審閱董事會之多元化並根據本公司自身之業務模式及特定需求設立可行目標(如適用)。

viii. 股息政策

董事會由二零一九年一月一日起採納股息政策。本公司之股息政策旨在為股東提供合理持續回報，同時維持財務穩定，使本公司得以把握任何可能不時出現之投資及擴充機遇。

董事會可按年宣派或建議派付股息及／或可宣派中期股息或特別股息。董事會提出之股息建議或宣派涉及多項考慮因素，包括本公司及本集團之經營業績、累計及未來盈利、資本與負債、流動資金狀況、資本承擔需求及未來擴充計劃，以及整體經濟狀況及或會對本公司及本集團財務表現及狀況構成影響之外在因素。此外，由於本公司為一間控股公司，董事會亦將考慮自其附屬公司、聯營公司及合營企業收取的股息，原因是本公司派付股息的能力取決於該等附屬公司、聯營公司及合營企業收取的股息。

董事會將定期檢討股息政策並在必要時修訂及／或修改股息政策。

Corporate Management (continued)

vi. Remuneration policy

The remuneration policy of the Company is to ensure that all employees, including Directors, are sufficiently compensated for their efforts and time dedicated to the Company and remuneration offered is appropriate for their duties and in line with market practice. No Director, or any of his associates, and executive is involved in deciding his own remuneration.

vii. Board diversity policy

The board diversity policy of the company sets out the objectives and principles regarding board diversity for the benefits of achieving the Company's strategic objectives with a view of having a balanced diversity of both skills and experience and of perspective. Board appointments will be based on merit and candidates will be considered against measurable objectives, taking into account the Company's business and needs.

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

The Directors will consider and review the diversity of the Board and to set up, if appropriate, measurable objectives according to the Company's own business model and specific needs.

viii. Dividend Policy

The Board has adopted the dividend policy effective on 1st January 2019. The Company's dividend policy aims at providing reasonable and sustainable returns to its shareholders whilst maintaining a position of financial stability which allows the Company to take advantage of any investment and expansion opportunities that may arise from time to time.

The Board may declare or propose dividend on an annual basis and/or may declare interim dividends or special dividends. Proposal or declaration of dividends by the Board is subject to consideration of the Company's and the Group's operating results, accumulated and future earnings, gearing, liquidity position, capital commitment requirement and future expansion plan as well as general economic conditions and external factors that may have impact on the financial performance and position of the Company and the Group. In addition, as the Company is a holding company, the Board will also consider the dividends received from its subsidiaries, associates and joint ventures as the ability to pay dividends by the Company is dependent on the dividends received from those subsidiaries, associates and joint ventures.

The Board will regularly review the dividend policy and will amend and/or modify the dividend policy if necessary.

CORPORATE GOVERNANCE REPORT

企業管治報告

董事及高級管理人員酬金

各執行董事積極參與及直接負責本集團各項事務，而本公司由投資經理管理。董事會認為彼等執行董事為高級管理人員。

根據上市規則附錄16須予披露有關高級管理人員及其他董事酬金及五名最高薪酬僱員之詳情載於綜合財務報表第96頁至第98頁附註12。

公司秘書

本公司向外聘秘書服務機構聘用及委任一名代表為本公司公司秘書。公司秘書的主要聯絡人士為李華倫先生(董事會主席)。本公司公司秘書已適當遵守上市規則第3.29條有關培訓規定。

企業通訊

本公司已訂立股東通訊政策，並將定期檢討及確保其成效。

本公司與股東主要以下列方法溝通：(i)舉行股東週年大會及就特定目的舉行特別股東大會(「特別股東大會」)(如有)，藉以提供機會讓股東直接與董事會溝通；(ii)於公司及香港聯交所網站刊載公告、年報、中期報告及通函；及(iii)於本公司網站提供本集團之最新資料。

重大事項(包括重選退任董事)均會於股東大會上提呈個別決議案。

本公司於二零一九年舉行之股東週年大會舉行前至少足20個營業日或足21日(以時間最長為準)向股東發送有關通告。

若干董事(包括董事會主席、審核委員會、提名委員會及薪酬委員會之主席及成員)以及外聘核數師代表均有出席於二零一九年五月二十一日舉行之股東週年大會，以回答股東之提問。董事會主席於大會期間已解釋進行投票之程序。於股東週年大會上提呈之所有決議案均以獨立投票方式表決。於股東週年大會上之所有投票數目已適當點算及記錄。

Remuneration of Directors and Senior Management

The Executive Directors are closely involved in and are directly responsible for all activities of the Group and the Company was managed by the investment manager. The Board considers that the senior management comprise the Executive Directors.

Particulars regarding senior management and other Directors' remuneration and the five highest paid employees as required to be disclosed pursuant to Appendix 16 to the Listing Rules are set out in Note 12 to the consolidated financial statements on pages 96 to 98.

Company Secretary

The Company has engaged and appointed a representative from an external secretarial services provider as the company secretary of the Company. The primary contact person with the company secretary is Mr. Warren Lee Wa Lun, Chairman of the Board. The company secretary of the Company has duly complied with the relevant training requirement under Rule 3.29 of the Listing Rules.

Corporate Communication

The Company had established a shareholders' communication policy and shall review it on a periodic basis to ensure its effectiveness.

The Company communicates with the Shareholders mainly in the following ways: (i) the holding of the AGM and extraordinary general meetings ("EGM"), if any, which may be convened for specific purposes and provide opportunities for the Shareholders to communicate directly to the Board; (ii) the publication of announcements, annual reports, interim reports, circulars on the websites of the Company and the Stock Exchange of Hong Kong; and (iii) the availability of latest information of the Group on the website of the Company.

Separate resolutions are proposed at the general meetings for substantial issues, including the re-election of retiring Directors.

The Company's notice to the Shareholders for the AGM held in 2019 were sent to the Shareholders at least 20 clear business days or 21 clear days whichever is the longest.

Certain Directors, including the Chairman of the Board, chairman and members of the Audit Committee, Nomination Committee and Remuneration Committee, and the representative of external auditor were available at the AGM held on 21st May, 2019 to answer questions from the Shareholders. The Chairman of the Board explained the procedures for conducting a poll during the meeting. All resolutions proposed at the AGM were voted separately by way of poll. All the votes cast at the said meeting were properly counted and recorded.

CORPORATE GOVERNANCE REPORT

企業管治報告

企業通訊(續)

二零一九年股東大會個別董事的出席率：

Corporate Communication (continued)

Attendance of individual Directors at general meetings in 2019:

Number of meetings 會議次數	AGM 股東週年大會	
<hr/>		
Executive Directors		
執行董事		
Warren Lee Wa Lun (<i>Chairman</i>) 李華倫(主席)	1/1	100%
Mark Wong Tai Chun 王大鈞	1/1	100%
Non-Executive Director		
非執行董事		
Arthur George Dew 狄亞法	1/1	100%
Independent Non-Executive Directors		
獨立非執行董事		
Albert Ho 何振林	1/1	100%
Peter Lee Yip Wah 李業華	1/1	100%
Louie Chun Kit 雷俊傑	1/1	100%

本公司應屆股東週年大會將於二零二零年五月十九日舉行，在會上提呈的議案將以獨立投票方式進行表決。

The forthcoming AGM of the Company will be held on 19th May, 2020 and resolutions to be proposed thereat will be voted separately by way of poll.

CORPORATE GOVERNANCE REPORT

企業管治報告

舉行特別股東大會

本公司亦可於適當時候透過特別股東大會與股東溝通。

根據公司條例(香港法例第622章)(「香港公司條例」)第566條，佔有於股東大會上全體股東總投票權最少5%投票權之本公司股東可要求董事召開股東大會。有關要求必需列明將於大會處理的事宜的整體性質，及可包括可能妥為提呈並擬於大會上提呈之決議案文本。該要求可能包括若干形式相同之文件，可以打印文件或電子文檔形式寄發予本公司，惟須獲提出要求之人士認可。

倘董事在該要求書存放日期起計二十一天內，未有在召開股東大會通知書發出日期後二十八天內安排召開一次股東大會，則該等請求人或佔全體請求人一半以上總表決權的請求人，可自行召開股東大會，但如此召開的股東大會不得在上述請求日期起計三個月屆滿後舉行。

由有關股東召開的股東大會，須盡可能以接近董事召開股東大會的方式召開。

股東提呈決議案之程序

股東可於股東大會上提呈決議案作出審議。根據香港公司條例第615條，本公司股東可要求本公司向有權收取股東週年大會通告之本公司股東寄發可能妥為提呈並擬於大會上提呈之決議案通告。有關要求可以打印文件或電子文檔形式寄發予本公司，及須確認將刊發通告之決議案，獲提出要求之一名或多名人士認可，並由本公司於舉行與該要求相關之股東週年大會之前至少六週；或(以較遲者為準)刊發該大會通告之時間收取。

倘已接獲以下人士之要求：(a)佔有權就決議案與該要求相關投票之全體股東總投票權至少2.5%之股東；或(b)至少50名具有相關要求決議案投票權之股東，則本公司將發出決議案通告。

就推選任何人士為董事之事宜，本公司網站已登載細則及程序。

Convening of EGM

The Company may also communicate with its members through EGM, if and when appropriate.

Pursuant to Section 566 of the Companies Ordinance (Chapter 622 of Laws of Hong Kong) (the "Hong Kong Companies Ordinance"), the members of the Company representing at least 5% of the total voting rights of all the members having a right to vote at general meetings may request the Directors to call a general meeting. The request must state the general nature of 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 may consist of several documents in like form and may be sent to the Company in hard copy form or in electronic form and must be authenticated by the person(s) making it.

If the Directors do not within 21 days from the date of the deposit of the request proceed duly to convene a general meeting for a day not more than 28 days after the date on which the notice convening a general meeting is given, the members concerned or any of them representing more than one-half of the total voting rights of all of them, may themselves convene a general meeting, provided that the general meeting so convened shall not be held after the expiration of 3 months from such date.

The general meeting convened by such members shall be convened in the same manner, as nearly as possible, as that in which general meetings are to be convened by the Directors.

Procedures for Members Putting Forward Proposals

Members may put forward proposals for consideration at a general meeting. Pursuant to Section 615 of the Hong Kong Companies Ordinance, the members of the Company may request the Company to give, to members of the Company entitled to receive notice of the AGM, notice of a resolution that may properly be moved and is intended to be moved at that meeting. The request may be sent to the Company in hard copy form or in electronic form and must identify the resolution of which notice is to be given, be authenticated by the person or persons making it and be received by the Company not later than 6 weeks before the AGM to which the requests relates; or if later, the time at which notice is given of that meeting.

The Company will give notice of a resolution if it has received the requests from (a) members representing at least 2.5% of the total voting rights of all the members who have a right to vote on the resolution to which the request relate; or (b) at least 50 members who have a relevant right to vote on the resolution to which the request relate.

As regards proposing a person for election as a director, details and procedures are available on the website of the Company.

CORPORATE GOVERNANCE REPORT

企業管治報告

股東向董事會查詢之程序

股東有權向董事會作出查詢。所有查詢均需以書面方式郵寄至本公司位於香港之註冊辦事處或電郵至info@ymi.com.hk，註明李華倫先生收。

以上程序須符合本公司組織章程細則及適用法例及法規之規定。

憲章文件

截至二零一九年十二月三十一日止年度，本公司組織章程細則並無變動。

本公司之組織章程細則已於本公司及香港聯交所網站內登載。

風險管理及內部監控

本集團之風險管理及內部監控系統涉營運及／或指導及董事會、執行委員會、審核委員會、投資經理及內部核數主管。本集團已確立主要特點及主要程序以審閱該等系統的充足性及有效性並載列如下。

董事會負責監督本集團風險管理及內部監控系統。然而，該系統的設計旨在將本集團的風險控制在可接受的風險範圍內(而並非能完全消除失誤風險)，並達至本集團業務目標。因此，對於防止管理層及財務資料及紀錄的重大誤述，或財務損失或欺詐，它只能提供合理的保證而非絕對的保證。

董事會整體上負責監察本集團內企業匯報及控制系統之進行。董事會已把責任交予投資經理禹銘投資管理適當地定期檢討資源調配及財務匯報系統、企業管治常規，以及符合上市規則、香港證券及期貨條例及其他適用法規等事宜。投資經理至少每年一次與審核委員會檢討及簡述匯報系統。

董事會透過執行委員會之建議已確立既定程序，以確定、評估及管理本集團所面對的重大風險，程序包括當營商環境或規例指引變更時，更新風險管理及內部監控系統。風險管理及內部監控系統之有效性及其效率均每年檢討。用以確定、評估及管理重大風險之程序亦已載於本年報第10頁及第11頁。

Procedures for Members Putting Enquiries to the Board

Members have the right to put enquiries to the Board. All enquiries shall be in writing and sent by post to the registered office of the Company in Hong Kong or by e-mail to info@ymi.com.hk for the attention of Mr. Warren Lee Wa Lun.

The above procedures are subject to the articles of association of the Company and applicable laws and regulations.

Constitutional Documents

There was no change in the articles of association of the Company during the year ended 31st December, 2019.

The articles of association of the Company are available on the websites of the Company and the Stock Exchange of Hong Kong.

Risk Management and Internal Control

The Group's systems of risk management and internal control involve the operation and/or supervision of the Board, the Exco, the Audit Committee, the investment manager and the internal auditor. The main features and the key processes that have been established in reviewing the adequacy and effectiveness of such systems are stated below.

The Board is responsible for overseeing the Group's systems of risk management and internal control. However, such systems are designed to manage the Group's risks within an acceptable risk profile, rather than to eliminate the risk of failure to achieve the business objectives of the Group. Accordingly, it can only provide reasonable assurance but not absolute assurance against material misstatement of management and financial information and records or against financial losses or fraud.

The Board has overall responsibility in monitoring the process of corporate reporting and control system throughout the Group. It delegates the duties of proper and regular reviews on the deployment of resources and financial reporting systems, the corporate governance practices and compliance with the Listing Rules, the Hong Kong Securities and Futures Ordinance and other applicable regulations to the investment manager, YMIM. The investment manager reviews and briefs the reporting systems with the Audit Committee at least annually.

The Board, through the recommendations from the Exco, has established an on-going process for identifying, evaluating and managing the significant risks faced by the Group and this process includes updating the systems of risk management and internal control when there are changes to business environment or regulatory guidelines. The effectiveness and efficiency of the risk management and internal control systems are reviewed annually. The process for identifying, evaluating and managing significant risks is also set out on pages 10 and 11 of this Annual Report.

CORPORATE GOVERNANCE REPORT

企業管治報告

風險管理及內部監控(續)

於截至二零一九年十二月三十一日止年度，董事會透過審核委員會及獲得控股公司聯合集團有限公司內部審核主管(「內部審核功能」)與本公司之高級管理人員之協助，對本集團的風險管理及內部監控系統(包括考慮本公司在會計、內部審核及財務匯報功能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算是否足夠)作出檢討。經考慮認為該等系統內之監控有效及足夠，亦無發現任何可能影響集團財務、營運及合規監控、內部審核、風險管理及內部監控職能的重要事項。

禹銘投資管理協助董事會推行董事會之風險及控制的政策及措施，確定及評估所面對的風險，並參與設計、運作及監察合適的內部監控措施，以減少及控制此等風險。

本集團已確立主要程序以審閱風險管理及內部監控系統的充足性及完整性，該等程序包括：

- 董事會成立執行委員會，確保日常運作有效率，及是根據企業目標及策略。
- 審核委員會審閱內部審核功能、外聘核數師、監管機構及高級管理人員所確定的風險管理及內部監控事項(如有)，並評估本集團風險管理及內部監控系統的充足性及有效性。

內部審核功能檢查是否符合法定要求，內部政策及程序。彼等以其日常審核方式評核風險管理及內部監控系統運作之有效性及效率。審核範疇及頻率均按評估風險水平釐定及須由審核委員會檢討及批准。

本集團已訂立內幕消息政策。該政策已清楚描述決策樹以區別內幕消息及必要行動。

僱員均須絕對保密所有內幕消息。如需披露內幕消息，必須以平等、適時及有效的方式披露。

Risk Management and Internal Control (continued)

For the year ended 31st December, 2019, the Board, through the Audit Committee with the assistance of internal auditor from the holding company, Allied Group Limited ("IA Function") and the senior management of the Company, reviewed the risk management and internal control systems of the Group (including the consideration of the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit and financial reporting function). The controls within these systems were considered effective and adequate. No significant areas of concern that may affect financial, operational, compliance controls, internal audit, risk management and internal control functions of the Group were identified.

YMIM assists the Board in the implementation of the Board's policies and procedures on risk and control by identifying and assessing the risks faced, and involving in the design, operation and monitoring of suitable internal control to mitigate and control these risks.

The key processes that have been established in reviewing the adequacy and integrity of the systems of risk management and internal control include the following:

- The Exco is established by the Board to ensure the effectiveness of the daily operations and that the operations are in accordance with the corporate objectives and strategies.
- The Audit Committee reviews risk management and internal control issues (if any) identified by IA Function, external auditor, regulatory authorities and senior management, and evaluates the adequacy and effectiveness of the Group's risk management and internal control systems.

The IA Function checks for compliance with statutory requirement, internal policies and procedures. They assess the operating effectiveness and efficiency of the risk management and internal control systems in the course of their audit. The audit scope and frequency are determined by the level of assessed risks and have to be reviewed and approved by the Audit Committee.

The Group has already established the Inside Information Policy. It depicts clearly the decision trees to distinguish inside information and the necessary actions.

Employees are required to keep all inside information in strict confidence. Once the inside information needs disclosure, the manner must be equal, timely and effective.

CORPORATE GOVERNANCE REPORT

企業管治報告

核數師酬金

回顧年內，本公司已付／應付核數師香港立信德豪會計師事務所有限公司(「香港立信德豪」)(彼亦為本公司附屬公司之核數師)的酬金如下：

Services rendered 提供的服務

Fees paid/payable

已付／應付費用

HK\$'000

千港元

BDO	
香港立信德豪	
– Audit services	
– 核數服務	314
– Other non-audit services	
– 其他非核數服務	103
	417

董事及核數師編製及滙報綜合財務報表之責任

董事會確認編製綜合財務報表乃彼等之責任。核數師就綜合財務報表作出報告之責任聲明載於第47頁至第53頁之獨立核數師報告。

Auditor's Remuneration

During the year under review, the remunerations paid/payable to the Company's auditor, BDO Limited ("BDO"), also auditor of subsidiaries of the Company, are set out as follows:

Directors' and Auditor's Responsibilities in Preparing and Reporting the Consolidated Financial Statements

The Board acknowledges that it is their responsibilities in preparing the consolidated financial statements. The statement of the auditor about their reporting responsibilities on the consolidated financial statements is set out in the Independent Auditor's Report on pages 47 to 53.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

方針及策略

新工投資有限公司相信要為股東創造長期及可持續的價值。於此過程中，我們明白到，我們所作的選擇將對我們開展業務的社區產生影響，因此我們應令此影響成為正面。我們致力促進社會和環境的可持續發展，並努力將該等原則作為我們實踐及管治的一部分。本公司於二零一六年十一月採用一套可持續發展政策，其中包括我們於就業及勞工實務、商業誠信、環境及社會各方面之原則。

本報告概述集團的可持續發展舉措及選定的關鍵績效指標，這些指標於截至二零一九年十二月三十一日止年度在環境、社會及管治（「環社管」）議題方面對集團及其持分者具有重要意義。本報告是對集團本年報內披露資料的補充。

報告範圍

所涉範疇及層面乃根據香港聯合交易所有限公司所頒佈的上市發行人《環境、社會及管治報告指引》（「環社管報告指引」）而編製。

重要性評估及持分者參與

根據環社管報告指引所提出的多個環境及社會議題作為基準，以下是被認為對集團而言具重要性和相關性的議題清單。依照管理層的意見以及持分者參與的若干結論設定優先次序。根據管理層的意見，本報告披露的相關層面及關鍵績效指標載列如下：

重大相關議題：

供應鏈管理（層面B5）一般披露，關鍵績效指標B5.1、B5.2

反貪污（層面B7）一般披露，關鍵績效指標B7.2

其他相關議題：

排放物（層面A1）一般披露

資源使用（層面A2）一般披露，關鍵績效指標A2.1

環境及天然資源（層面A3）一般披露，關鍵績效指標A3.1

僱傭（層面B1）一般披露

健康與安全（層面B2）一般披露

發展及培訓（層面B3）一般披露，關鍵績效指標B3.1、B3.2

勞工準則（層面B4）一般披露

產品責任（層面B6）一般披露，關鍵績效指標B6.2、B6.5

社區投資（層面B8）一般披露，關鍵績效指標B8.1、B8.2

Approach and Strategy

SHK Hong Kong Industries Limited believes in delivering long term, sustainable value creation to our shareholders. In doing so, we recognize that the choices we make will have an impact on the communities in which we carry on our business and we should make such impact a positive one. We are committed to contributing to the sustainable development of society and the environment, and endeavour to embrace these principles as part of our practice and governance. The Company has adopted a Sustainability Policy in November 2016 which covers our principles in the area of employment and labour practices, business integrity, the environment and the community.

This report outlines the Group's sustainability initiatives and selected Key Performance Indicators ("KPI") that are material to the Group and its stakeholders on Environmental, Social and Governance ("ESG") issues for the year ended 31st December, 2019. This report supplements information disclosed in this Annual Report.

Reporting Scope

The subject areas and aspects are presented based on the "Environmental, Social and Governance Reporting Guide" for listed issuers published by The Stock Exchange of Hong Kong Limited (the "ESG Reporting Guide").

Materiality Assessment and Stakeholder Engagement

Amongst various environmental and social issues based on the ESG Reporting Guide, the following is the list of issues that are considered to be material and relevant to the Group. The priorities are set based on management's view as well as certain conclusions from our stakeholders' engagement. Based on management's view, the aspects and KPIs relevant to this report's disclosure are set out as follows:

Material and relevant issues:

Supply chain management (Aspect B5) general disclosure, KPI B5.1, B5.2

Anti-corruption (Aspect B7) general disclosure, KPI B7.2

Other relevant issues:

Emissions (Aspect A1) general disclosure

Use of resources (Aspect A2) general disclosure, KPI A2.1

The environment and natural resources (Aspect A3) general disclosure, KPI A3.1

Employment (Aspect B1) general disclosure

Health and safety (Aspect B2) general disclosure

Development and training (Aspect B3) general disclosure, KPI B3.1, B3.2

Labour standards (Aspect B4) general disclosure

Product responsibility (Aspect B6) general disclosure, KPI B6.2, B6.5

Community investment (Aspect B8) general disclosure, KPI B8.1, B8.2

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

重要性評估及持分者參與(續)

上文未提及的其他所有關鍵績效指標被認為無需詳細披露。

以下環社管議題乃根據環社管報告指引的分類條款呈列。

A. 環境議題

集團的可持續發展政策包括我們對環境議題的一貫方針。我們致力：

- 遵守相關法律及法規並致力超越最低要求；
- 防止／盡量減少廢氣及溫室氣體排放，向水土排污，以及產生有害及無害廢棄物；
- 有效利用資源，包括能源及水；
- 盡量減少對環境及自然資源做成影響的集團活動；及
- 邀請我們的員工及合作夥伴宣揚環境性可持續營商常規，不斷重新評估我們的流程，以盡量減少對環境的影響。

排放物(層面A1)

集團並無參與任何製造業活動。集團在偶爾出差期間所產生的其他排放物基本上屬於「次要的」影響。

因應我們盡量減少廢氣及溫室氣體排放的政策，主要經營場地均設有語音會議設備，以盡量減少直接會面需要，使差旅保持在最低水平。

在這方面並無適用於我們業務的相關法律及法規。

資源使用(層面A2)及環境及天然資源(層面A3)

我們高度重視資源的有效使用。本公司內只有六名董事(其中包括一名員工)，我們消耗電力及紙張有限。耗水量僅限於與員工個人衛生消耗有關，故與我們的業務並非重要。

Materiality Assessment And Stakeholder Engagement (continued)

All other KPIs not mentioned above were considered not relevant for detailed disclosure.

The following ESG issues are presented based on the classification of provisions by the ESG Reporting Guide.

A. Environmental Issues

The Group's Sustainability Policy encompasses our general approach towards environmental issues. We endeavour to:

- observe relevant laws and regulations and aim to go beyond minimum requirements;
- prevent/minimize air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste;
- make efficient use of resources, including energy and water;
- minimise the impact of the Group's activities on the environment and natural resources; and
- engage our staff and partners to promote environmentally sustainable business practices and constantly re-assess our processes to minimize environmental impact.

Emissions (Aspect A1)

The Group is not involved in any manufacturing activities. Emissions produced are mostly on a "second degree" basis as incurred during occasional business travels.

In line with our policy to minimize air and greenhouse gas emissions, major operations are equipped with audio conferencing facilities to minimize the need for face to face meetings and keep business travelling to a minimum.

There are no relevant laws and regulations applicable to our business on this aspect.

Use of Resources (Aspect A2) and The Environment and Natural Resources (Aspect A3)

We place a high priority on the efficient use of resources. With only 6 Directors (including 1 staff member) across the Company, we consume limited amounts of electricity and paper. Water consumption is not material to our business as it relates only to the personal consumption of our staff for their personal hygiene.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

A. 環境議題(續)

資源使用(層面A2)及環境及天然資源(層面A3)(續)

我們向全體員工及投資經理發放關於節能及減少紙張消耗的環保指引。例如，提醒員工在工作後、午休時間或在辦公室外工作的時間內，盡可能關閉燈光及設備。在決定購置設備時總會首選節能辦公設備。於二零一九年，集團的總用電量與二零一八年相近約5,000千瓦時。

本集團於可能情況下盡量貫徹實施以下業務過程，以提高效率及減少用紙：

- 銀行及經紀電子報表
- 辦公設備及用品循環計劃
- 內部電子管理及溝通平台

紙張循環計劃已於本集團內部推行。

除上文所述外，本集團業務對環境及自然資源並無直接影響。

B. 社會議題

僱傭、健康與安全及勞工準則(層面B1、B2、B4)

身處金融服務業，員工是我們最重要的資產，是推動本集團長期發展及可持續發展的動力。集團關於僱傭方面的政策如下：

- 遵守有關法律及法規；
- 作為一個平等機會的僱主，我們在員工薪酬及解僱、招聘與晉升、工時與假期、平等機會、多元化、反歧視以及其他待遇方面實施公平的做法；
- 提供安全、健康及優質的工作場所，保護員工免受職業性危害；
- 提倡員工工作與生活的適當平衡；
- 為提升員工履行工作職責的知識及技能，投放資源於員工培訓及其專業發展；及
- 與我們的員工公開對話，促進透明而雙向的溝通。

A. Environmental Issues (continued)

Use of Resources (Aspect A2) and The Environment and Natural Resources (Aspect A3) (continued)

Environmental protection guidelines in relation to energy savings and reduction in paper consumption are circulated to all staff and the investment manager. For instance, staff are reminded to switch off lights and equipment after work, during lunch break or during the time working outside the office and wherever possible. Energy efficient office equipment is always preferred in making purchase decisions. During 2019, the Group's total electricity consumption was around 5,000 kwh and similar to 2018.

Throughout the Group, the following business processes were implemented whenever possible to improve efficiency and to reduce paper usage:

- Electronic bank and broker statements
- Recycling schemes of office equipment and supplies
- Internal electronic administration and communication platform

Recycling scheme for paper has been launched within the Group.

Except for the abovementioned, the Group's businesses have no direct impact on the environment and natural resources.

B. Social Issues

Employment, Health and Safety and Labour Standards (Aspect B1, B2, B4)

Being in the financial services industry, our people are our most important assets that drive the long-term development and sustainability of the Group. The Group's policy on employment is as follows:

- observing relevant laws and regulations;
- being an equal-opportunity employer, implementing fair practices relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits for our staff;
- providing a safe, healthy and quality workplace and protecting employees from occupational hazards;
- promoting a good work-life balance for staff;
- investing in training and professional development of our staff for the purpose of improving their knowledge and skills for discharging duties at work; and
- maintaining an open dialogue with our staff, facilitating a transparent two way communication.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

B. 社會議題(續)

僱傭、健康與安全及勞工準則(層面B1、B2、B4)(續)

在香港，集團聘用員工需受《僱傭條例》、《最低工資條例》及《僱員補償條例》所規限。集團並不知悉任何不遵守上述有關規例的情況。

我們的薪酬及福利(包括工作時數、假期和福利)需在金融服務業界中具備一定的競爭力，所以在一般情況下超過相關法規規定的最低要求。由於我們的業務性質，工傷、職業健康問題及發生僱用童工的情況並非重大風險因素。

有關集團人力資源的其他資料亦載於本年報的第9頁主席報告。

集團致力為員工提供安全舒適的工作環境。除此之外，為著服務社會，本集團亦參與由婦女基金會，柬埔寨兒童基金會及童協基金會組織的不同捐獻活動。

截至二零一九年十二月三十一日，本集團共有六名董事。按性別劃分，100%為男性。按年齡劃分，50%及50%分別為年齡由46歲至55歲及55歲以上。

發展及培訓(層面B3)

集團致力建立持續學習文化，極力提倡為員工提供適合培訓，使他們擁有與工作相關的所需知識及技能，同時培養人才。高級管理人員聯同專業培訓人員參與設計符合工作環境所需的培訓課程。二零一九年內培訓內容包括上市規則及企業管治守則的最新資訊。

供應鏈管理(層面B5)

本集團與律師事務所、證券經紀、稅務顧問及諮詢公司等若干業務夥伴有互動。我們並不認為彼等會對我們的業務構成重大社交風險，而且採購決策乃根據供應商的定價、合適性和聲譽作出。

B. Social Issues (continued)

Employment, Health and Safety and Labour Standards (Aspect B1, B2, B4) (continued)

In Hong Kong, the Group's employment of staff is governed by the Employment Ordinance, the Minimum Wage Ordinance, as well as the Employees' Compensation Ordinance. The Group has no known non-compliance with the above relevant regulations.

Our compensation and benefits (including working hours, rest periods, welfare) need to be competitive with other peers in the financial services sector and in general exceeds the minimum as required by the relevant regulations. Owing to the nature of our businesses, work related injuries, occupational health issues and the incurrence of child labour are not significant risk factors.

Further information on the Group's human resources is also detailed in the Chairman's Statement on page 9 of this Annual Report.

The Group endeavours to provide a safe and pleasant working environment for our staff. On top of this, for community service purposes, the Group also participates in various donation activities organised by The Women's Foundation, Cambodian Children's Fund and Kids4Kids.

As at 31st December, 2019, the Group has a total of 6 Directors. By gender, 100% male. By age group, 50% and 50% between age group of 46 to 55 and over 55 respectively.

Development and Training (Aspect B3)

The Group is committed to fostering a culture of continuous learning in our organisation. Heavy emphasis is placed on staff training which is tailored to equip our workforce with the necessary knowledge and skills relevant to their work, as well as to build our talent pool. Senior management is involved, together with professional trainers, in designing training programmes that meet the demands of the work place. Training content during 2019 includes an update of listing rules and corporate governance code.

Supply Chain Management (Aspect B5)

The Group interacts with a number of business partners such as law firms, securities brokers, tax advisors and consulting companies. These are not considered to pose significant social risks for our business and procurement decisions are based on pricing, suitability as well as the reputation of suppliers.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

B. 社會議題(續)

產品責任(層面B6)

我們已實施全面的政策及程序，以推動可信賴及有效的投資程序。我們於收購前期、持有及退出階段進行嚴格評估及監控，旨在識別、評估及降低相關投資風險及達致目標回報。投資機會須由投資經理及執行委員會(由經驗豐富的專業人才組成)根據我們的程序嚴格篩選，確保我們的投資決策乃謹慎、一致及公平。

我們對非公開重大資料嚴格保密。投資經理及本公司之所有員工須知悉保密本公司業務任何方面的重要性及遵守保密規定的需要。於合適時，我們會與對手方簽署不披露協議，避免洩露及遺失保密資料。

反貪污(層面B7)

集團已設立舉報者政策，以便本公司或投資經理之僱員直接向高級管理人員報告任何非法行為、任何貪污事件、逃避內部監控、不正確或不當的財務或其他報告。此政策會定期發送給本公司或投資經理之僱員或設於本集團之公司電子平台，以便該僱員使用及進行報告。

社區投資(層面B8)

我們致力精益求精，並透過鼓勵員工參加慈善及社會服務，承擔作為良好企業公民貢獻社區的責任。

在二零一九年，本集團贊助婦女基金會及柬埔寨兒童基金會舉辦的活動，皆因我們與這些機構肩負相似的使命。無論其性別或背景如何，每個人都應得到平等對待。婦女基金會致力於通過挑戰性別固有觀念，賦予貧困婦女權力並推動女性領導人，改善香港婦女的生活。柬埔寨兒童基金會提供協助給兒童及年輕人令他們都有能力為社會作出貢獻。

B. Social Issues (continued)

Product Responsibility (Aspect B6)

Comprehensive policies and procedures have been implemented to facilitate a responsible and efficient investment process. We perform rigorous assessments and monitoring during pre-acquisition, hold and exit phases with an aim to identify, assess and mitigate relevant investment risks and achieve the targeted returns. Investment opportunities are subject to stringent screening in line with our procedures by the investment manager and Executive Committee, comprised of experienced professionals, to ensure our investment decisions are prudent, consistent and impartial.

We strictly protect the confidentiality of non-public material information. All staff members of investment manager and the Company are reminded of the importance of keeping confidential any aspects of the Company's business and the need to comply with the requirements of confidentiality. Non-disclosure agreements are signed with the counterparty where applicable to prevent leakage and loss of confidential information.

Anti-Corruption (Aspect B7)

A Whistle Blower Policy has been established to facilitate the Company's or investment manager's employees' direct reporting of any unlawful conduct, any incident of corruption, avoidance of internal control, incorrect or improper financial or other reporting to senior management. This policy is either circulated in the Company's or investment manager's employees periodically or placed on the corporate electronic platform of the Group to facilitate their easy access and reporting.

Community Investment (Aspect B8)

We strive to excel and undertake the responsibility of a good corporate citizen contributing to the community by encouraging our staff to enroll in charity and social services.

During 2019, the Group sponsored the activities organized by The Women's Foundation and Cambodian Children's Fund because we share the similar missions with these organisations. Everyone deserves to be treated equally no matter their gender or background. The Women's Foundation strives to improve the lives of women in Hong Kong by challenging gender stereotypes, empowering women in poverty and advancing women leaders. Cambodian Children's Fund provide support to kids and young people to ignite their power to develop social responsibility.

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



Tel: +852 2218 8288
 Fax: +852 2815 2239
 www.bdo.com.hk

25th Floor Wing On Centre
 111 Connaught Road Central
 Hong Kong

電話：+852 2218 8288
 傳真：+852 2815 2239
 www.bdo.com.hk

香港干諾道中111號
 永安中心25樓

致新工投資有限公司全體股東

(在香港註冊成立之有限公司)

意見

本核數師已審核列載於第54頁至第147頁新工投資有限公司(「公司」)及其附屬公司(統稱為「本集團」)的綜合財務報表，此綜合財務報表包括於二零一九年十二月三十一日的綜合財務狀況表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、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註包括主要會計政策概要。

吾等認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而公平地反映 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貴集團的綜合財務表現及其綜合現金流量，並已按照香港公司條例妥為編製。

意見基礎

吾等已根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審核。根據該等準則，吾等的責任於本報告「核數師就審計綜合財務報表的責任」一節中詳述。根據香港會計師公會「國際職業會計師道德守則」(「守則」)，吾等獨立於 貴集團，並已遵循守則履行其他道德責任。吾等相信，吾等所獲得的審核憑證足夠及能適當地為吾等的意見提供基礎。

To the members of

SHK Hong Kong Industries Limited

(incorporated in Hong Kong with limited liability)

Opinion

We have audited the consolidated financial statements of SHK Hong Kong Industries Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 54 to 147, which comprise the consolidated statement of financial position as at 31st December, 2019, and the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31st 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 for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAAs") 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.

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

關鍵審核事項

關鍵審核事項為吾等的專業判斷中，審核本期綜合財務報表中最重要的事項。吾等於審核整體綜合財務報表處理此等事項及就此形成意見，而不會就此等事項單獨發表意見。

按公平值計入其他全面收益(「按公平值計入其他全面收益」)之財務資產之估值

於二零一九年十二月三十一日，按公平值計入其他全面收益之財務資產約165,478,000港元，包括若干上市債務證券約53,000,000港元。

按公平值計入之上述上市債務證券之估值已由管理層在獨立專業估值師協助下釐定。有關估值涉及由管理層及獨立專業估值師釐定估值模型及挑選應用於估值模型之不同輸入數據及假設，特別是於估價日上市債務證券發行人之適用貸款利率。如採納估值模型及應用之輸入數據及假設有任何變動，則會導致於綜合財務報表所呈報之公平值金額出現重大變動。

我們確定該等按公平值計入其他全面收益之財務資產估值為一項主要審核事項，因為在交投活躍市場中無報價之金融工具估值乃屬於複雜層面且涉及較高程度估計、不確定性及判斷。該等金融工具對本集團而言屬重大。

請參閱綜合財務報表附註3.6、4、15及30。

Key Audit Matters

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

Valuations of financial assets at fair value through other comprehensive at income ("FVOCI")

Financial assets at FVOCI of approximately HK\$165,478,000 included certain listed debt securities which amounted to approximately HK\$53 million as at 31st December, 2019.

The valuations of the aforesaid listed debt securities carried at fair value had been determined by management with assistance of an independent professional valuer. Such valuations involve the determination of the valuation models and the selection of different inputs and the assumptions made in the valuation models by management and the independent professional valuer, in particular the applicable borrowing rates of the issuers of the listed debt securities as at the valuation date. Any changes in valuation models adopted and inputs and assumptions applied could lead to significant changes in amounts reported as fair value in the consolidated financial statements.

We identified valuations of these financial assets at FVOCI as a key audit matter because the valuation of financial instruments without a quoted price in an active market is a complex area and involves a higher degree of estimation, uncertainty and judgment. These financial instruments are material to the Group.

Refer to notes 3.6, 4, 15 and 30 to the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

關鍵審核事項(續)

我們的回應：

我們就該等上市債務證券有關之按公平值計入其他全面收益之財務資產之估值程序包括：

- 評估就金融工具所應用之估值方法；
- 根據我們所知就估值中主要假設之合理性提出質疑；
- 估值所用的輸入數據與支持憑證作對賬；及
- 評估本集團委任之獨立專業估值師之範圍、專長及獨立性。

非上市股本證券估值

於二零一九年十二月三十一日，按公平值計入損益之財務資產約為841,770,000港元，包括若干非上市股本證券約96,000,000港元。

按公平值列賬之上述非上市股本證券之估值已由管理層在獨立專業估值師協助下釐定。有關估值涉及管理層及獨立專業估值師釐定估值模型及挑選應用於估值模型之不同輸入數據及假設。如採納估值模型及應用之輸入數據及假設有任何變動，則會導致於綜合財務報表所呈報之公平值金額出現重大變動。

我們確定該等按公平值計入損益之財務資產估值為一項主要審核事項，因為在交投活躍市場中無報價之金融工具估值乃屬於複雜層面且涉及較高程度估計、不確定性及判斷。該等金融工具對本集團而言屬重大。

請參閱綜合財務報表附註3.6、4、16及30。

我們的回應：

我們就該等非上市債務證券有關按公平值計入損益之財務資產之估值程序包括：

- 評估就金融工具所應用之估值方法；
- 根據我們所知就估值中主要假設之合理性提出質疑；
- 估值所用之輸入數據與支持憑證作對賬；及
- 評估本集團委任之獨立專業估值師之範圍、專長及獨立性。

Key Audit Matters (continued)

Our response:

Our procedures on valuation of financial assets at FVOCI relating to these listed debt securities included:

- Assessing the valuation methodology applied on the financial instruments;
- Challenging the reasonableness of key assumptions in the valuation based on our knowledge;
- Reconciling input data used in the valuation to supporting evidence; and
- Assessing the scope, expertise and independence of the independent professional valuer appointed by the Group.

Valuation of unlisted equity securities

Financial assets at fair value through profit or loss of approximately HK\$841,770,000 included certain unlisted equity securities which amounted to approximately HK\$96 million as at 31st December, 2019.

The valuations of the aforesaid unlisted equity securities carried at fair value had been determined by management with the assistance of an independent professional valuer. Such valuations involve the determination of the valuation models and the selection of different inputs and the assumptions made in the valuation models by management and the independent professional valuer. Any changes in valuation models adopted and inputs and assumptions applied could lead to significant changes in amounts reported as fair values in the consolidated financial statements.

We identified valuations of these financial assets at FVPL as a key audit matter because the valuation of financial instruments without a quoted price in active market is a complex area and involves a higher degree of estimation uncertainty and judgment. These financial instruments are material to the Group.

Refer to notes 3.6, 4, 16 and 30 to the consolidated financial statements.

Our response:

Our procedures on valuation of financial assets at FVPL relating to these unlisted equity securities included:

- Assessing the valuation methodology applied on the financial instruments;
- Challenging the reasonableness of key assumptions in the valuation based on our knowledge;
- Reconciling input data used in the valuation to supporting evidence; and
- Assessing the scope, expertise and independence of the independent professional valuer appointed by the Group.

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

年報的其他資料

董事負責其他資料。其他資料包括 貴公司年報所載資料，但不包括綜合財務報表及相關核數師報告。

吾等對綜合財務報表的意見並不涵蓋其他資料，吾等亦不對其他資料發表任何形式的鑒證結論。

審核綜合財務報表時，吾等的責任為閱讀其他資料，於此過程中，考慮其他資料是否與綜合財務報表或吾等於審計過程中所瞭解的情況有重大抵觸，或者似乎有重大錯誤陳述。基於吾等已執行的工作，倘吾等認為其他資料有重大錯誤陳述，吾等須報告該事實。於此方面，吾等沒有任何報告。

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實行香港公司條例編製綜合財務報表，以就綜合財務報表作出真實而公平的反映及落實其認為編製綜合財務報表所必要的內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

編製綜合財務報表時，董事負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及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。

董事亦負責監督集團之財務報告過程。審核委員會協助董事履行這方面的責任。

Other Information in the Annual Report

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include 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.

Directors' Responsibilities 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 also responsible for overseeing the Group's financial reporting process. The Audit Committee assists the directors in discharging their responsibility in this regard.

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

核數師就審計綜合財務報表的責任

吾等的目標為合理確定整體綜合財務報表是否不存在由於欺詐或錯誤而導致的任何重大錯誤陳述，並發出載有吾等意見的核數師報告。吾等僅向閣下(作為整體)按照香港公司條例第405條報告，除此之外本報告別無其他目的。吾等不會就本報告內容向任何其他人士負上或承擔任何責任。

合理確定屬高層次核證，但不能擔保根據香港審計準則進行的審核工作總能發現所有存在的重大錯誤陳述。錯誤陳述可源於欺詐或錯誤，倘個別或整體於合理預期情況下可影響使用者根據綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

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

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

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 responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 judgment and maintain professional skepticism throughout the audit. We also:

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

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

核數師就審計綜合財務報表的責任(續)

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

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

吾等亦向審核委員會提交聲明，說明吾等已遵守有關獨立性的道德要求，並就所有被合理認為可能影響吾等的獨立性的關係及其他事宜及相關防範措施(如適用)與負責管治的人員溝通。

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

核數師就審計綜合財務報表的責任(續)

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

From the matters communicated with the directors, 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.

香港立信德豪會計師事務所有限公司
執業會計師
張珂屏
執業證書編號：P05412

香港，二零二零年三月十九日

BDO Limited
Certified Public Accountants
Cheung Or Ping
Practising Certificate Number: P05412

Hong Kong, 19th March, 2020

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

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

	Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue 收入	5	30,320	28,128
Other net income/(loss) 其他收入／(虧損)淨額	6	12,160	(36,493)
Administrative and other operating expenses 行政及其他經營費用		(25,084)	(28,434)
Impairment losses on financial assets at fair value through other comprehensive income ("FVOCI") 按公平值計入其他全面收益(「按公平值計入其他全面收益」)財務資產之減值		(1,949)	–
Share of loss of associates 應佔聯營公司虧損		(763)	(104)
Finance costs 融資成本		(212)	–
Profit/(loss) before income tax 所得稅前溢利／(虧損)	7	14,472	(36,903)
Income tax expense 所得稅開支	8	–	–
Profit/(loss) for the year 本年度溢利／(虧損)		14,472	(36,903)
Profit/(loss) for the year attributable to: 本年度溢利／(虧損)應佔方：			
Owners of the Company 本公司擁有人		14,472	(43,567)
Non-controlling interests 非控股權益		–	6,664
		14,472	(36,903)
Earnings/(loss) per share attributable to the owners of the Company (HK cents) 本公司擁有人應佔每股盈利／(虧損)(港仙)	10		
– Basic – 基本		0.35	(1.06)
– Diluted – 攤薄		0.35	(1.06)
Turnover – gross proceeds and revenue 營業額 – 所得款項總額及收入	5	272,084	731,400

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

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

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit/(loss) for the year 本年度溢利／(虧損)	14,472	(36,903)
Other comprehensive income/(expenses) 其他全面收益／(費用)		
<i>Items that may be reclassified subsequently to profit or loss:</i> <i>其後可能會重新分類至損益之項目：</i>		
Change in fair value of financial assets at FVOCI offset by impairment losses 按公平值計入其他全面收益財務資產之公平值變動與減值互抵	4,883	(2,060)
Reclassification adjustment for realisation upon disposal/redemption of financial assets at FVOCI 因出售／贖回按公平值計入其他全面收益財務資產時變現而重新分類調整	1,076	(2,994)
Reclassification adjustment for realisation upon disposal of an associate 因出售一間聯營公司變現而重新分類調整	-	(19)
Other comprehensive income/(expenses) for the year, net of tax 除稅後之本年度其他全面收益／(費用)	5,959	(5,073)
Total comprehensive income/(expenses) for the year 本年度全面收益／(費用)總額	20,431	(41,976)
Total comprehensive income/(expenses) for the year attributable to: 本年度全面收益／(費用)總額應佔方：		
Owners of the Company 本公司擁有人	20,431	(48,640)
Non-controlling interests 非控股權益	-	6,664
	20,431	(41,976)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

於二零一九年十二月三十一日 As at 31st December, 2019

	Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
ASSETS AND LIABILITIES			
資產及負債			
Non-current assets			
非流動資產			
Interests in associates 於聯營公司權益	14	23,417	10,544
Financial assets at FVOCI 按公平值計入其他全面收益財務資產	15	157,448	102,869
Financial assets at fair value through profit or loss ("FVPL") 按公平值計入損益(「按公平值計入損益」)財務資產	16	257,966	157,555
		438,831	270,968
Current assets			
流動資產			
Financial assets at FVOCI 按公平值計入其他全面收益財務資產	15	8,030	–
Trade and other receivables and prepayment 貿易及其他應收款及預付款項	17	1,016	489
Financial assets at FVPL 按公平值計入損益財務資產	16	583,804	464,035
Cash and cash equivalents 現金及現金等價物	18	86,132	387,053
		678,982	851,577
Current liabilities			
流動負債			
Trade and other payables and accrued expenses 貿易及其他應付款及應計費用	19	1,548	19,334
Amount due to a related company 欠一間關聯公司款項	20	4,902	–
Amount due to a holding company 欠一間控股公司款項	20	319	341
Amount due to a fellow subsidiary 欠一間同系附屬公司款項	20	–	4,575
		6,769	24,250
Net current assets 流動資產淨值		672,213	827,327
Total assets less current liabilities 資產總額減流動負債		1,111,044	1,098,295
Net assets 資產淨值		1,111,044	1,098,295

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

於二零一九年十二月三十一日 As at 31st December, 2019

	Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
EQUITY			
權益			
Equity attributable to the owners of the Company			
本公司擁有人應佔權益			
Share capital			
股本	21	918,978	918,978
Reserves			
儲備	22	192,066	171,635
		1,111,044	1,090,613
Non-controlling interests			
非控股權益		–	7,682
Total equity		1,111,044	1,098,295
權益總額		1,111,044	1,098,295
Net asset value per share attributable to the owners of the Company (HK\$)			
本公司擁有人應佔每股資產淨值(港元)	23	0.27	0.27

第54頁至第147頁之綜合財務報表經本公司董事會(「董事會」)於二零二零年三月十九日批准及授權刊發，並由下列董事代表簽署：

The consolidated financial statements on pages 54 to 147 were approved and authorised for issue by the board of Directors of the Company (the "Board") on 19th March, 2020 and are signed on its behalf by:

Warren Lee Wa Lun
李華倫
Chairman
主席

Mark Wong Tai Chun
王大鈞
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

	Equity attributable to the owners of the Company					Non-controlling interests	Total equity
	本公司擁有人應佔權益					非控股權益	權益總額
	Share capital	Capital contribution reserve	Investment revaluation reserve	Retained earnings	Total		
	股本	資本繳入儲備	投資重估儲備	保留盈利	總額		
	(Note 21)	(Note 22)	(Note 22)				
	(附註21)	(附註22)	(附註22)				
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1st January, 2019 二零一九年一月一日結算	918,978	367	(1,542)	172,810	1,090,613	7,682	1,098,295
Profit for the year 本年度溢利	-	-	-	14,472	14,472	-	14,472
Other comprehensive income 其他全面收益	-	-	5,959	-	5,959	-	5,959
Total comprehensive income for the year 本年度全面收益總額	-	-	5,959	14,472	20,431	-	20,431
Disposal of a subsidiary 出售一間附屬公司	-	-	-	-	-	(7,682)	(7,682)
Transactions with owners 與擁有人之交易	-	-	-	-	-	(7,682)	(7,682)
At 31st December, 2019 二零一九年十二月三十一日結算	918,978	367 [#]	4,417 [#]	187,282 [#]	1,111,044	-	1,111,044

[#] 於二零一九年十二月三十一日，此等結餘總額192,066,000港元構成於綜合財務狀況表之儲備。

[#] The aggregate amount of these balances of HK\$192,066,000 represents the reserves in the consolidated statement of financial position as at 31st December, 2019.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

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

	Equity attributable to the owners of the Company 本公司擁有人應佔權益							Non- controlling interests 非控股權益	Total equity 權益總額
	Share capital 股本 (Note 21) (附註21) HK\$'000 千港元	Capital contribution reserve 資本繳入儲備 (Note 22) (附註22) HK\$'000 千港元	Investment revaluation reserve 投資重估儲備 (Note 22) (附註22) HK\$'000 千港元	Translation reserve 匯兌儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Dividend reserve 股息儲備 HK\$'000 千港元	Total 總額 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1st January, 2018 二零一八年一月一日結算	918,978	367	3,512	19	216,377	205,585	1,344,838	1,018	1,345,856
Loss for the year 本年度虧損	-	-	-	-	(43,567)	-	(43,567)	6,664	(36,903)
Other comprehensive expenses 其他全面費用	-	-	(5,054)	(19)	-	-	(5,073)	-	(5,073)
Total comprehensive (expenses)/income for the year 本年度全面(費用)/收益總額	-	-	(5,054)	(19)	(43,567)	-	(48,640)	6,664	(41,976)
Interim dividend paid (Note 9) 已付中期股息(附註9)	-	-	-	-	-	(205,585)	(205,585)	-	(205,585)
At 31st December, 2018 二零一八年十二月三十一日結算	918,978	367*	(1,542)*	-*	172,810*	-*	1,090,613	7,682	1,098,295

* 於二零一八年十二月三十一日，此等結餘總額171,635,000港元構成於綜合財務狀況表之儲備。

* The aggregate amount of these balances of HK\$171,635,000 represents the reserves in the consolidated statement of financial position as at 31st December, 2018.

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

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

	Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cash flows from operating activities			
經營業務之現金流量			
Profit/(loss) before income tax 所得稅前溢利/(虧損)		14,472	(36,903)
Adjustments for: 就下列項目作出調整：			
Interest income from financial assets at FVOCI 按公平值計入其他全面收益財務資產之利息收入	5	(11,575)	(12,886)
Realised loss/(gain) on disposal/redemption of financial assets at FVOCI 出售/贖回按公平值計入其他全面收益財務資產之變現虧損/(收益)	6	37	(7,017)
Reversal of impairment loss on interest in an associate 撥回於一間聯營公司之權益之減值虧損	6	-	(15,398)
Dividend income 股息收入	5	(15,895)	(13,387)
Distribution from perpetual securities 分派自永續證券	5	(1,646)	-
Finance costs 融資成本		212	-
Interest income from bank deposits 銀行存款利息收入	5	(1,204)	(1,855)
Net (gain)/loss including interest income on financial assets at FVPL 按公平值計入損益財務資產之淨(收益)/虧損(包括利息收益)	6	(11,398)	60,156
Exchange loss/(gain) 匯兌虧損/(收益)		470	(73)
Share of loss of associates 應佔聯營公司虧損		763	104
Gain on disposal of a subsidiary 出售一間附屬公司之收益	6	(162)	-
Impairment losses on financial assets at FVOCI 按公平值計入其他全面收益財務資產之減值	7	1,949	-

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

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

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Operating loss before working capital changes 未計營運資金變動前之經營虧損	(23,977)	(27,259)
Increase in trade and other receivables and prepayment 貿易及其他應收款項及預付款項增加	(491)	(443)
(Decrease)/increase in trade and other payables and accrued expenses 貿易及其他應付款及應計費用(減少)/增加	(27,507)	16,986
Decrease in amount due to a holding company 欠一間控股公司款項減少	(22)	-
Decrease in amount due to a fellow subsidiary 欠一間同系附屬公司款項減少	(4,575)	(2,887)
Increase in amount due to a related party 欠一間關聯公司款項增加	4,902	-
Change in financial assets at FVPL 按公平值計入損益之財務資產變動	(135,361)	65,007
Cash (used in)/generated from operations 經營業務(耗用)/產生之現金	(187,031)	51,404
Interest paid 已付利息	(212)	-
Dividend received 已收股息	15,895	13,387
Bank interest received 已收銀行利息	1,204	1,855
Net cash (used in)/generated from operating activities 經營業務(耗用)/產生之現金淨額	(170,144)	66,646

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

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

	Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cash flows from investing activities			
投資業務之現金流量			
Distribution from perpetual securities 分派自永續證券		1,646	–
Purchase of financial assets at FVOCI 購入按公平值計入其他全面收益財務資產		(105,430)	(93,658)
Purchase of non-current financial assets at FVPL 購入非流動按公平值計入損益財務資產		(73,844)	(2,797)
Proceeds from redemption of financial assets at FVPL 贖回按公平值計入損益財務資產		–	11,882
Proceeds from disposal/redemption of financial assets at FVOCI 出售／贖回按公平值計入其他全面收益財務資產		47,073	123,449
Net proceeds from disposal of a subsidiary 出售一間附屬公司淨所得款項	25	2,165	–
Proceeds from disposal of an associate 出售一間聯營公司所得款項	14	–	17,600
Interests received from financial assets at FVOCI 按公平值計入其他全面收益財務資產之已收利息		10,465	5,400
Increase in amount due from an associate 應收一間聯營公司款項增加		(12,852)	(92)
Net cash (used in)/generated from investing activities 投資業務(耗用)／產生之現金淨額		(130,777)	61,784
Cash flows from financing activities			
融資業務之現金流量			
Proceeds from bank borrowings 銀行借貸所得款		49,178	–
Repayment of bank borrowings 償還銀行借貸		(49,178)	–
Dividend paid 已付股息		–	(205,585)
Net cash used in financing activities 融資業務耗用之現金淨額		–	(205,585)
Net decrease in cash and cash equivalents 現金及現金等價物減少淨額		(300,921)	(77,155)
Cash and cash equivalents at 1st January 於一月一日之現金及現金等價物		387,053	464,208
Cash and cash equivalents at 31st December 於十二月三十一日之現金及現金等價物	18	86,132	387,053

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

1. 一般資料

新工投資有限公司(「本公司」)乃於香港註冊成立及位於香港之有限責任公司。本公司註冊辦事處及本公司主要營業地址為香港灣仔告士打道138號聯合鹿島大廈18樓1801室。本公司之股份於香港聯合交易所有限公司(「香港聯交所」)上市。

截至二零一九年十二月三十一日止年度，本公司之母公司為英屬處女群島註冊成立之晴輝有限公司及本公司之最終控股公司為聯合集團有限公司(「聯合集團」)，聯合集團為一間在香港註冊成立之公眾上市有限公司。本公司之最終控制方為Lee and Lee Trust之信託人。Lee and Lee Trust之信託人之主要營業地址為香港灣仔告士打道138號聯合鹿島大廈24樓。

本公司及其附屬公司(統稱為「本集團」)於年內之主要業務包括投資於上市及非上市之金融工具。

2. 採用新訂或經修訂之香港財務報告準則(「香港財務報告準則」)

2.1 採納新訂／經修訂香港財務報告準則－二零一九年一月一日起生效

於本年度，本集團已首次應用下列由香港會計師公會(「香港會計師公會」)所頒佈之新訂／經修訂香港財務報告準則，其與本集團於二零一九年一月一日開始之年度期間之財務報表相關並有效。

香港財務報告準則之修訂	香港財務報告準則二零一五年至二零一七年週期之年度改進
香港會計準則第28號(修訂本)	聯營及合營公司的長期權益
香港財務報告準則第9號(修訂本)	具有負補償的提早還款特性
香港財務報告準則第16號	租賃
香港(國際財務報告詮釋委員會)詮釋第23號	所得稅處理之不確定性

採納該等新訂／經修訂香港財務報告準則對本集團之財務報表並無重大影響。有關會計政策變動之詳情於下文論述。此外，於二零一九年一月一日開始之年度期間生效之香港財務報告準則第16號—租賃並無對本集團之財務報表造成影響。

1. General Information

SHK Hong Kong Industries Limited (the "Company") is a limited liability company incorporated and domiciled in Hong Kong. The address of the Company's registered office and principal place of business of the Company is Room 1801, 18th Floor, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong. The Company's shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange of Hong Kong").

As at and for the year ended 31st December, 2019, the parent of the Company is Bright Clear Limited which is incorporated in the British Virgin Islands and the ultimate holding company of the Company is Allied Group Limited ("AGL"), a listed public limited company, which is incorporated in Hong Kong. The ultimate controlling party of the Company is the trustees of Lee and Lee Trust. The address of the principal place of business of the trustees of Lee and Lee Trust is 24th Floor, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong.

The principal activities of the Company and its subsidiaries (together referred to as the "Group") during the year include the investments in listed and unlisted financial instruments.

2. Adoption of New or Revised Hong Kong Financial Reporting Standards ("HKFRSs")

2.1 Adoption of new/revised HKFRSs – effective on 1st January, 2019

In the current year, the Group has applied for the first time the following new/revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are relevant to and effective for the Group's financial statements for the annual period beginning on 1st January, 2019.

Amendments to HKFRSs	Annual Improvements to HKFRSs 2015-2017 Cycle
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
HKFRS 16	Leases
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments

The adoption of these new/revised HKFRSs has no significant impact on the Group's financial statements. Details of the changes in accounting policies are discussed as below. In addition, HKFRS 16 – Leases which is effective for the annual period beginning on 1st January, 2019 has no impact on the Group's financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

2. 採用新訂或經修訂之香港財務報告準則(「香港財務報告準則」)(續)

2.2 已頒佈惟尚未生效的新訂／經修訂香港財務報告準則

下列可能與本集團財務報表有關的新訂／經修訂香港財務報告準則經已頒佈，惟尚未生效亦未經本集團提早採納。

香港財務報告準則第3號 (修訂本)	業務的定義 ¹
香港財務報告準則第10號 及香港會計準則第28號 (修訂本)	投資者與其聯營公司或 合營公司之間出售或 注入資產 ³
香港會計準則第1號及 香港會計準則第8號 (修訂本)	重大的定義 ¹
香港財務報告準則第9號、 香港會計準則第39號及 香港財務報告準則第7號 (修訂本)	利率基準改革 ¹
香港財務報告準則第17號	保險合約 ²
1	於二零二零年一月一日或之後開始之年度期間生效
2	於二零二一年一月一日或之後開始之年度期間生效
3	該等修訂原定於二零一八年一月一日或之後開始期間生效。生效日期現已被遞延／移除。提早應用該等修訂仍獲准許

香港財務報告準則第10號及香港會計準則第28號(修訂本) – 投資者與其聯營公司或合營公司之間出售或注入資產

該等修訂澄清實體向其聯營公司或合營公司出售或注入資產時，將予確認之收益或虧損程度。當交易涉及一項業務，則須確認全數收益或虧損。反之，當交易涉及不構成一項業務之資產，則僅須就不相關投資者於合營公司或聯營公司之權益確認收益或虧損。

本集團正評估該等新訂／經修訂香港財務報告準則的可能影響，迄今為止董事會的結論為：採用該等新訂／經修訂香港財務報告準則不會對本集團的財務報表產生重大影響。

2. Adoption of New or Revised Hong Kong Financial Reporting Standards (“HKFRSs”) (continued)

2.2 New/revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, potentially relevant to the Group’s financial statements, have been issued, but are not yet effective and have not been early adopted by the Group.

Amendments to HKFRS 3	Definition of a Business ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKAS 1 and HKAS 8	Definition of Material ¹
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform ¹
HKFRS 17	Insurance Contracts ²
1	Effective for annual periods beginning on or after 1st January, 2020
2	Effective for annual period beginning on or after 1st January, 2021
3	The amendments were originally intended to be effective for periods beginning on or after 1st January, 2018. The effective date has now been deferred/removed. Early application of the amendments continues to be permitted

Amendments to HKFRS 10 and HKAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments clarify the extent of gains or losses to be recognised when an entity sells or contributes assets to its associate or joint venture. When the transaction involves a business the gain or loss is recognised in full, conversely when the transaction involves assets that do not constitute a business the gain or loss is recognised only to the extent of the unrelated investors’ interests in the joint venture or associate.

The Group is in the process of making an assessment of the potential impact of these new/revised HKFRSs and the Board so far concluded that the application of these new/revised HKFRSs will have no material impact on the Group’s financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

3. 重大會計政策概要

3.1 編製基準

第54頁至第147頁之綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則(其為包括所有適用之香港財務報告準則、香港會計準則及詮釋之統稱)及公司條例(香港法例第622章)編製。綜合財務報表亦包括香港聯交所之證券上市規則(「上市規則」)之適用披露規定。

編製此等財務報表時採用之重大會計政策概述如下。除另有說明外，該等政策已於所有呈列年度貫徹應用。採用新／經修訂香港財務報告準則及其對本集團之財務報表構成之影響已於附註2披露(如有)。

綜合財務報表乃按照歷史成本法編製，除：

- 分類為按公平值計入損益及按公平值計入其他全面收益財務資產之金融工具，及
- 衍生金融工具

按公平值列賬。計量基準於以下會計政策內詳述。

務請注意，編製綜合財務報表時須採用會計估計及假設。儘管此等估計乃按管理層對現行事件及行動所深知及判斷而作出，惟實際結果最終或會有別於該等估計。涉及較高度判斷或複雜性之範圍或於綜合財務報表作出重大假設及估計之範圍均於附註4詳述。

3. Summary of Significant Accounting Policies

3.1 Basis of preparation

The consolidated financial statements on pages 54 to 147 have been prepared in accordance with HKFRSs which collective term includes all applicable HKFRSs, Hong Kong Accounting Standards and Interpretations issued by the HKICPA and the Companies Ordinance (Chapter 622 of Laws of Hong Kong). The consolidated financial statements also include the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong (the "Listing Rules").

The significant accounting policies that have been used in the preparation of these financial statements are summarised below. These policies have been consistently applied to all the years presented unless otherwise stated. The adoption of the new/revised HKFRSs and the impact on the Group's financial statements, if any, are disclosed in Note 2.

The consolidated financial statements have been prepared on the historical cost basis except for:

- financial instruments classified as financial assets at FVPL and FVOCI, and
- derivative financial instruments

which are stated at fair values. The measurement bases are fully described in the accounting policies below.

It should be noted that accounting estimates and assumptions are used in preparation of the consolidated financial statements. Although these estimates are based on management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are described in Note 4.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

3. 重大會計政策概要(續)

3.2 綜合賬目及業務合併之基準

綜合財務報表載有本集團截至每年十二月三十一日止之財務報表。

附屬公司自其控制權被轉讓予本集團之日起納入綜合財務報表，並自控制權終止之日起不再納入本集團綜合財務報表。於年內購入或售出之附屬公司，其業績由收購生效日起計或計至出售生效日止(如適用)列入綜合損益表內。

所有集團內公司間進行交易時之公司間交易、結餘及未變現收益已於編製綜合財務報表時抵銷。當集團內公司間資產銷售產生之未變現虧損於綜合入賬時回撥，本集團亦會對有關資產作減值測試。附屬公司財務報表所報金額作出調整(倘需要)，以確保與本集團採納之會計政策相符一致。

收購附屬公司或業務採用收購法入賬。收購成本按本集團(作為收購方)所轉讓資產、所產生負債以及所發行股本權益於收購日期的公平值總額計算。收購的可識別資產及承擔負債主要按於收購日的公平值計算。本集團以往持有收購方的股本權益按收購日的公平值重新計量並將因此而產生的盈利或虧損於損益賬內確認。本集團可選擇以當時交易作基準按公平值或收購方可識別資產淨值所佔比例來計算現時於附屬公司的擁有權權益的非控股權益。除非香港財務報告準則有規定，否則所有其他非控股權益均按公平值計量。收購所產生的相關成本列作支出，除非該等成本乃於發行股本工具時產生，在該情況下，有關成本乃從權益中扣除。

3. Summary of Significant Accounting Policies (continued)

3.2 Basis of consolidation and business combination

The consolidated financial statements incorporate the financial statements of the Group made up to 31st December, each year.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are excluded from consolidation from the date that control ceases. The results of the subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss from the effective date of acquisition or up to the effective date of the disposal, as appropriate.

All intra-group transactions, balances and unrealised gains and losses on transactions between group companies are eliminated in preparing the consolidated financial statements. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from the Group's perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Acquisition of subsidiaries or businesses is accounted for using the acquisition method. The cost of an acquisition is measured at the aggregate of the acquisition-date fair value of assets transferred, liabilities incurred and equity interests issued by the Group, as the acquirer. The identifiable assets acquired and liabilities assumed are principally measured at acquisition-date fair value. The Group's previously held equity interest in the acquiree is re-measured at acquisition-date fair value and the resulting gains or losses are recognised in profit or loss. The Group may elect, on a transaction-by-transaction basis, to measure the non-controlling interests that represent present ownership interests in the subsidiary either at fair value or at the proportionate share of the acquiree's identifiable net assets. All other non-controlling interests are measured at fair value, unless another measurement basis is required by HKFRSs. Acquisition-related costs incurred are expensed unless they are incurred in issuing equity instruments in which case the costs are deducted from equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

3. 重大會計政策概要(續)

3.2 綜合賬目及業務合併之基準(續)

由收購方將予轉讓的任何或然代價於收購日期按公平值確認。其後對代價之調整僅於調整源自於計量期(最長為收購日期起12個月)內所取得有關於收購日期之公平值之新資料時方與商譽確認。分類為資產或負債之或然代價之所有其他其後調整均於損益確認。

本集團於附屬公司權益變動如不喪失控制權，入賬列為權益交易。本集團權益及非控股權益之賬面值予以調整，反映各自附屬公司權益比例變動。經調整後非控股股東權益金額與所付或所收代價公平值之任何差額，直接於權益確認，並計入本公司擁有人。

倘本集團失去對一間附屬公司之控制權，則於出售時之損益乃以下列兩項之差額計算：(i)所收取代價之公平值及所釐定之任何保留權益公平值之總和，及(ii)附屬公司先前之資產(包括商譽)及負債及任何非控股權益之賬面值。以往於其他全面收入確認與附屬公司有關的金額，入賬方式相同，猶如相關資產或負債已經出售。

收購後，現時於附屬公司的擁有權權益的非控股權益之賬面值之金額為該等權益於初步確認時之金額加非控股權益應佔權益其後變動之部份。全面收益總額乃歸屬於非控股權益，即使這會導致非控股權益出現虧絀餘額亦屬如此。

3. Summary of Significant Accounting Policies (continued)

3.2 Basis of consolidation and business combination (continued)

Any contingent consideration to be transferred by the acquirer is recognised at acquisition-date fair value. Subsequent adjustments to consideration are recognised against goodwill only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. All other subsequent adjustments to contingent consideration classified as an asset or a liability are recognised in profit or loss.

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

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of.

Subsequent to acquisition, the carrying amount of non-controlling interests that represent present ownership interests in the subsidiary is the amount of those interests at initial recognition plus such non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to such non-controlling interests even if this results in those non-controlling interests having a deficit balance.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

3. 重大會計政策概要(續)

3.3 附屬公司

附屬公司為本集團可行使控制權的被投資方。如以下三個因素全部滿足時，本集團控制被投資方：對被投資方的權力，來自被投資方可變回報的風險或權利及利用其權力影響該等可變回報的能力。當有事實或情況顯示任何該等控制因素可能出現變動時，控制權會被重新評估。

於本公司之財務狀況表中，於附屬公司投資乃按成本值減去任何耗蝕虧損(附註3.9)列賬，惟該附屬公司為持作出售或已包括於一個出售集團之內除外。附屬公司之業績由本公司按於報告日已收及應收股息之基準列賬。所有股息(不論由投資對象收購前後的溢利分派)將於本公司損益內確認。

3.4 聯營公司

聯營公司為本集團能對其行使重大影響力，一般擁有附帶20%至50%投票權之股權，惟並非附屬公司或合營安排。重大影響力乃有權參與被投資公司之財務及經營政策決定而非控制或共同控制該等政策。

3. Summary of Significant Accounting Policies (continued)

3.3 Subsidiaries

Subsidiaries are investees over which the Group is able to exercise control. The Group controls investees if all three of the following elements are present: power over the investees, exposure, or rights, to variable returns from the investees and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

In the Company's statement of financial position, investments in subsidiaries are carried at cost less any impairment loss (Note 3.9) unless the subsidiary is held for sale or included in a disposal group. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable at the reporting date. All dividends whether received out of the investee's pre or post-acquisition profits are recognised in the Company's profit or loss.

3.4 Associates

Associates are those entities over which the Group is able to exert significant influence, generally accompanying a shareholding of between 20% and 50% of voting rights but which are neither subsidiaries nor joint arrangements. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

3. 重大會計政策概要(續)

3.4 聯營公司(續)

在綜合財務報表中，於聯營公司的投資初步按成本確認，其後採用權益法入賬。任何收購成本超逾本集團於收購日期確認聯營公司之已識別資產、負債及或然負債中分佔之公平值淨額，均確認為商譽。商譽包括投資之賬面款額，並就評估耗蝕，作為投資之一部分。收購成本乃按本集團於交換日期給予之資產、產生或承擔之負債及發行之權益工具之公平值總額計量，另加投資應佔之任何直接應佔成本。於重估後，任何本集團分佔之已識別資產、負債及或然負債之公平淨額超逾收購成本，均即時確認損益，用作決定本集團於收購投資時分佔聯營公司於期內之損益。

按照權益法，本集團於聯營公司的權益按成本列賬，並就本集團應佔聯營公司的資產淨值減任何已識別耗蝕虧損於收購後的變動作出調整，惟有關聯營公司被列為持作出售(或計入出售集團乃列作持作出售)除外。本期損益包括本集團年內應佔聯營公司的收購後及稅後業績，包括有關年內已確認於聯營公司的投資的任何耗蝕虧損。

3. Summary of Significant Accounting Policies (continued)

3.4 Associates (continued)

In consolidated financial statements, investments in associates are initially recognised at cost and subsequently accounted for using the equity method. Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associates recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investments and is assessed for impairment as part of the investments. The cost of acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed and equity instruments issued by the Group, plus any costs directly attributable to the investments. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss in the determination of the Group's share of the associates' profit or loss in the period in which the investments are acquired.

Under the equity method, the Group's interests in the associates are carried at cost and adjusted for the post-acquisition changes in the Group's share of the associates' net assets less any identified impairment loss, unless it is classified as held for sale (or included in a disposal group that is classified as held for sale). The profit or loss for the period includes the Group's share of the post-acquisition, post-tax results of the associates for the year, including any impairment loss on the investments in associates recognised for the year.

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3. 重大會計政策概要(續)

3.4 聯營公司(續)

本集團與其聯營公司間交易之未變現收益將予抵銷，惟以本集團所擁有聯營公司權益為限。集團與其聯營公司資產銷售之未變現虧損按權益會計撥回，而相關資產亦會從本集團之角度進行減值測試。倘聯營公司所用會計政策並非本集團於同類情況下就類似交易及事件所採用者，本集團為應用權益法使用聯營公司之財務報表時會作出調整(如屬必要)，以使該聯營公司之會計政策與本集團所採用者相一致。

當本集團所佔聯營公司之虧損等同或超過其所佔聯營公司之權益時，本集團不會進一步確認虧損，除非其擁有法定或推定責任或代表聯營公司付款。就此而言，本集團於聯營公司的權益為按照權益法計算的投資賬面值，連同實質上構成本集團於該聯營公司的投資淨額一部份的本集團長期權益。

於應用權益法後，本集團決定是否必須就本集團於聯營公司之投資確認額外耗蝕虧損。於各報告日，本集團決定是否有任何客觀憑證顯示於聯營公司之投資出現耗蝕。倘已識別該等跡象，則本集團所計算之耗蝕款額為於聯營公司之可收回款額(使用價值與公平值減出售成本兩者間之較高者)與其賬面值之差額。於釐定投資之使用價值時，本集團估計預期將由該聯營公司產生之估計未來現金流量的現值，包括該聯營公司之營運所產生以及最終出售該投資的所得款項之現金流量。

3. Summary of Significant Accounting Policies (continued)

3.4 Associates (continued)

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interests in the associates. Where unrealised losses on assets sales between the Group and its associates are reversed on equity accounting, the underlying asset is also tested for impairment from the Group's perspective. Where the associates use accounting policies other than those of the Group for like transactions and events in similar circumstances, adjustments are made, where necessary, to conform the associates' accounting policies to those of the Group when the associates' financial statements are used by the Group in applying the equity method.

When the Group's share of losses in associates equals or exceeds its interests in the associates, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associates. For this purpose, the Group's interests in the associates are the carrying amount of the investments under the equity method together with the Group's long-term interests that in substance form part of the Group's net investments in the associates.

After the application of equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investments in its associates. At each reporting date, the Group determines whether there is any objective evidence that the investments in associates are impaired. If such indications are identified, the Group calculates the amount of impairment as being the difference between the recoverable amount (higher of value in use and fair value less costs to sell) of the associates and their carrying amounts. In determining the value in use of the investment, the Group estimates its share of the present value of the estimated future cash flows expected to be generated by the associates, including cash flows arising from the operations of the associates and the proceeds on ultimate disposal of the investments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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3. 重大會計政策概要(續)

3.5 外幣換算

綜合財務報表以香港元(「港元」)呈列，港元亦為本公司之功能貨幣。

於綜合企業之個別財務報表內，外幣交易按交易當日之主要匯率換算為個別企業之功能貨幣。於報告日，以外幣為單位之貨幣資產及負債均按該日適用之匯率換算。因結算該等交易及報告日重新換算貨幣資產及負債所產生外匯收益及虧損，乃於損益內確認。

按公平值列賬並以外幣為單位之非貨幣項目乃按釐定公平值日期之匯率重新換算，並報告為公平值收益或虧損之一部份。以歷史成本並以外幣為單位計量之非貨幣項目不會重新換算。

於綜合財務報表內，海外業務原先以有別於本集團呈報貨幣之貨幣呈列之所有個別財務報表，已折算為港元。資產及負債已按報告日之收市匯率換算為港元。收入及支出已按交易日期之適用匯率或於申報期間之平均匯率折算為港元，惟匯率不得出現大幅波動。自此步驟產生之任何差額已於其他全面收益確認並且於權益內之貨幣換算儲備另行累計。

3. Summary of Significant Accounting Policies (continued)

3.5 Foreign currency translation

The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is also the functional currency of the Company.

In the individual financial statements of the consolidated entities, foreign currency transactions are translated into the functional currency of the individual entity using the exchange rates prevailing at the dates of the transactions. At reporting date, monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the reporting date retranslation of monetary assets and liabilities are recognised in profit or loss.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined and are reported as part of the fair value gain or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

In the consolidated financial statements, all individual financial statements of foreign operations, originally presented in a currency different from the Group's presentation currency, have been converted into HK\$. Assets and liabilities have been translated into HK\$ at the closing rates at the reporting date. Income and expenses have been converted into HK\$ at the exchange rates ruling at the transaction dates, or at average rates over the reporting period provided that the exchange rates do not fluctuate significantly. Any differences arising from this procedure have been recognised in other comprehensive income and accumulated separately in the translation reserve in equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

3. 重大會計政策概要(續)

3.6 金融工具

(i) 財務資產

分類

本集團按以下計量類別分類其財務資產：

- 按公平值(計入其他全面收益或計入損益)的財務資產；及
- 按攤銷成本列賬的財務資產。

財務資產的分類一般基於兩個準則：

- 受管理財務資產的業務模式；及
- 財務資產的合約現金流量特徵。

計量

所有透過正常方式買賣財務資產按交易日期確認，即本集團承諾買賣資產當日。按正常方式買賣為按照市場規則或慣例所制定之時限內須交付資產之財務資產買賣。

倘財務資產並非按公平值計入損益，於初步確認時，本集團按財務資產的公平值另加因收購該財務資產而直接產生的交易成本計量該財務資產。按公平值計入損益的財務資產於損益支銷。

3. Summary of Significant Accounting Policies (continued)

3.6 Financial instruments

(i) Financial assets

Classification

The Group classifies its financial assets in the following measurement categories:

- Financial assets at fair value (either through other comprehensive income or through profit or loss); and
- Financial assets at amortised cost.

The classification is generally based on two criteria:

- the business model under which the financial asset is managed; and
- the contractual cash flow characteristics of the financial asset.

Measurement

All regular way purchases or sales of financial assets are recognised on a trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

3. 重大會計政策概要(續)

3.6 金融工具(續)

(i) 財務資產(續)

計量(續)

在釐定含有嵌入式衍生工具的財務資產的現金流是否僅為本金及未償付金額的利息付款時，按整體考慮。

財務資產按以下分類其後計量：

債務工具

債務工具的其後計量視乎本集團管理有關財務資產的業務模式以及該財務資產的現金流特點而定。本集團按三個計量類別分類其債務工具：

— 攤銷成本

持有財務資產的業務模式旨在通過持有財務資產收取合約現金流量，且有關財務資產的合約條款導致於指定日期，僅為本金及未償付本金利息付款的現金流使用實際利率法按攤銷成本計量。利息收入、匯兌收益及虧損及減值於損益中確認。

3. Summary of Significant Accounting Policies (continued)

3.6 Financial instruments (continued)

(i) Financial assets (continued)

Measurement (continued)

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest on the principal amount outstanding.

The subsequent measurement of financial assets depends on their classification as follows:

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the financial asset and the cash flow characteristics of the financial asset. There are three measurement categories into which the Group classifies its debt instruments:

— Amortised cost

Financial assets that are held within a business model whose objective is to hold the financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost using the effective interest method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

3. 重大會計政策概要(續)

3.6 金融工具(續)

(i) 財務資產(續)

計量(續)

債務工具(續)

- 按公平值計入其他全面收益

持有財務資產的業務模式旨在收取合約現金流及出售財務資產，且有關財務資產的合約條款導致於指定日期，僅為本金及未償付本金利息付款的現金流按公平值計入其他全面收益計量。使用實際利率法計算的利息收入、匯兌收益及虧損以及減值於損益中確認。其他淨收益及虧損於其他全面收益確認。於取消確認時，於其他全面收益累計的收益及虧損轉回至損益。

- 按公平值計入損益

並不符合按攤銷成本列賬或按公平值計入其他全面收益的準則的財務資產按公平值計入損益計量。公平值、利息收入及分派的變動於損益中確認。

3. Summary of Significant Accounting Policies (continued)

3.6 Financial instruments (continued)

(i) Financial assets (continued)

Measurement (continued)

Debt instruments (continued)

- FVOCI

Financial assets that are held within a business model whose objective is to be achieved by both collecting contractual cash flows and selling the financial assets and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at FVOCI. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are recycled to profit or loss.

- FVPL

Financial assets that do not meet the criteria for amortised cost or financial assets at FVOCI are measured at FVPL. Changes in fair value, interest income and distribution are recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

3. 重大會計政策概要(續)

3.6 金融工具(續)

(i) 財務資產(續)

計量(續)

股本工具

— 按公平值計入損益

按公平值計入損益的股本投資其後按公平值計量。公平值、股息收入、利息收入及分派的變動於損益中確認。

— 按公平值計入其他全面收益

就並非持有買賣的股本投資及本集團於初步確認已選擇指定有關投資為按公平值計入其他全面收益時，有關投資其後按公平值計量及公平值變動於其他全面收益確認。有關選擇按個別工具作出，惟僅可在有關投資符合發行人認為的股本定義時，方可作出。倘作出選擇，於其他全面收益累計的金額保留於公平值儲備(非轉回)，直至出售該投資。於出售時，於公平值儲備(非轉回)的金額轉撥至保留溢利，而不會轉撥至損益。股息收入於損益中確認，除非股息收入明確是部分投資成本的收回金額。其他淨收益及虧損於其他全面收益中確認，且不會重新分類至損益。按公平值計入其他全面收益的股本工具毋須進行減值評估。

3. Summary of Significant Accounting Policies (continued)

3.6 Financial instruments (continued)

(i) Financial assets (continued)

Measurement (continued)

Equity instruments

— FVPL

Equity investments at FVPL are subsequently measured at fair value. Changes in fair value, dividend income, interest income and distribution are recognised in profit or loss.

— FVOCI

For equity investment which is not held for trading purposes and on initial recognition of the investment the Group makes an election to designate the investment at FVOCI, they are subsequently measured at fair value and changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained profits. It is not recycled through profit or loss. Dividend income is recognised in profit or loss unless the dividend income clearly represents a recovery of part of the cost of the investments. Other net gains and losses are recognised in other comprehensive income and are not reclassified to profit or loss. Equity instruments at FVOCI are not subject to impairment assessment.

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綜合財務報表附註

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

3. 重大會計政策概要(續)

3.6 金融工具(續)

(ii) 財務資產減值

本集團按前臆性基準評估其按攤銷成本(包括貿易及其他應收賬款及現金及銀行結餘)列賬的財務資產相關的預期信貸虧損(「預期信貸虧損」)，及按公平值計入其他全面收益之債務投資。

預期信貸虧損是對金融工具預期可用年期內按所有現金差額(即根據合約應付予本集團的現金流與本集團預期收取的現金流之間的差額)現值計量的信貸虧損的概率加權估算。計量預期信貸虧損時考慮的最長期間是實體承擔信貸風險的最長合約期間。

預期信貸虧損於各報告期末計量，以反映財務資產的信貸風險自初步確認起的變動。預期信貸虧損金額的任何變動於損益中確認為減值收益或虧損。按攤銷成本計量的財務資產的虧損撥備自有關資產的總賬面值中扣除。就按公平值計入其他全面收益的債務投資而言，虧損撥備於其他全面收益確認，並於公平值儲備(重撥)中累計，而非自財務資產的賬面值中扣減。

財務資產的總賬面值在未來不可能收回金額的情況下部分或全部撇銷。此情況一般為本集團釐定債務人並無資產或收入來源可產生充足現金流，以償還可能獲撇銷的金額時發生。

3. Summary of Significant Accounting Policies (continued)

3.6 Financial instruments (continued)

(ii) Impairment of financial assets

The Group assesses the expected credit losses (“ECLs”) associated with its financial assets carried at amortised cost (including trade and other receivables and cash and bank balances) and debt investments measured at FVOCI on a forward looking basis.

ECLs are a probability-weighted estimate of credit losses which are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive) over the expected life of the financial instrument. The maximum period to consider when measuring ECLs is the maximum contractual period over which the entity is exposed to credit risk.

ECLs are measured at the end of each reporting period to reflect changes in the financial assets’ credit risk since initial recognition. Any change in the amount of ECLs is recognised as an impairment gain or loss in profit or loss. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt investments at FVOCI, loss allowance is recognised in other comprehensive income and accumulated in fair value reserve (recycling), instead of reducing the carrying amount of the financial assets.

The gross carrying amount of a financial 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.

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綜合財務報表附註

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

3. 重大會計政策概要(續)

3.6 金融工具(續)

(ii) 財務資產減值(續)

就按攤銷成本計量之財務資產及按公平值計入其他全面收益之債務投資而言，本集團按12個月預期信貸虧損或年限內預期信貸虧損計量虧損撥備，視乎自初步確認起信貸風險是否有大幅增加而定。

然而，自發生以來信貸風險顯著增加時，撥備將以年限內預期信貸虧損為基準。

當釐定財務資產的信貸風險是否自初步確認後大幅增加，並於估計預期信貸虧損時，本集團考慮到相關及毋須付出過多成本或努力後即可獲得的合理及可靠資料。此包括根據本集團的過往經驗及已知信貸評估得出定量及定性之資料及分析，並包括前瞻性資料。

由於債務人近期並無拖欠記錄及與本集團有良好還款記錄，故本集團以攤銷成本計量之財務資產被認為具有較低的信貸風險。

本集團假設，倘逾期超過30日，財務資產的信貸風險會大幅增加。

本集團認為財務資產於下列情況下為違約：(1) 借款人不可能在本集團無追索權(例如：實現擔保)(如持有)下向本集團悉數支付其信貸義務；或(2) 該財務資產逾期超過90日。

3. Summary of Significant Accounting Policies (continued)

3.6 Financial instruments (continued)

(ii) Impairment of financial assets (continued)

For financial assets at amortised cost and debt investments at FVOCI, the Group measures the loss allowance either based on 12-month ECLs or lifetime ECLs, depending on whether there has been a significant increase in credit risk since initial recognition.

However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group's financial assets at amortised cost are considered to have low credit risk since there was no recent history of default of the debtor and it has good settlement record with the Group.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 90 days past due.

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綜合財務報表附註

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3. 重大會計政策概要(續)

3.6 金融工具(續)

(ii) 財務資產減值(續)

於估計預期信貸虧損時所考慮的最長期間為本集團面臨信貸風險的最長合約期間。

信貸減值財務資產的利息收入乃根據財務資產的攤銷成本(即總賬面值減虧損撥備)計算。非信貸減值財務資產的利息收入則根據總賬面值計算。

(iii) 財務負債

財務債務分類為(i)按攤銷成本列賬的財務負債；或(ii)按公平值計入損益的金融負債。

按公平值計入損益的財務負債

倘屬以下情況，財務負債可不可撤回地指定為按公平值計入損益：

- 有關指定消除或大幅減低按不同基準計量資產或負債，或確認該等資產或負債的收益及虧損所產生的計量或確認不一致性；或
- 根據已記錄存檔的風險管理或投資策略，該財務負債構成按公平值管理及評估表現的一組財務負債一部分，而有關該組別的資料按公平值基準向本集團的主要管理人員內部提供。

倘該財務負債構成包含一個或多個嵌入式衍生工具的合約的一部分，整份合併合約可指定為按公平值計入損益。

3. Summary of Significant Accounting Policies (continued)

3.6 Financial instruments (continued)

(ii) Impairment of financial assets (continued)

The maximum period considered when estimating ECL is the maximum contractual period over which the Group is exposed to credit risk.

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For non credit-impaired financial assets interest income is calculated based on the gross carrying amount.

(iii) Financial liabilities

A financial liability is classified as (i) financial liabilities at amortised cost; or (ii) financial liabilities at FVPL.

Financial liabilities at FVPL

A financial liability may be designated irrevocably as at FVPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases; or
- the financial liability forms part of a group of financial liabilities, which is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the Group is provided internally on that basis to the Group's key management personnel.

If a financial liability forms part of a contract containing one or more embedded derivatives, the entire combined contract is allowed to be designated as at FVPL.

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綜合財務報表附註

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

3. 重大會計政策概要(續)

3.6 金融工具(續)

(iii) 財務負債(續)

按攤銷成本列賬的財務負債

按攤銷成本列賬的財務負債包括貿易及其他應付款及應計費用及欠一間關聯公司，控股公司及一間同系附屬公司款項，均按公平值及扣除所產生的直接相關成本初步計量，其後使用實際利率法按攤銷成本計量。相關利息開支根據附註3.8所載的會計政策入賬。

(iv) 實際利率法

實際利率法為計算有關期間內財務資產或財務負債的攤銷成本及利息收入或利息支出分配的方法。實際利率是準確地將財務負債或資產在預期可用年期(或(如適用)較短期間)內，貼現預期未來現金收入或付款的比率。

(v) 股本投資工具

本公司發行的股本投資工具按已收取所得款項(扣除直接發行成本)入賬。

(vi) 財務擔保合約

財務擔保合約是要求發行人根據債務工具的原先或經修訂條款，就因特定債務人未能償付到期債務而令持有人所產生的虧損，向持有人作出指定付款作為還款的合約。

3. Summary of Significant Accounting Policies (continued)

3.6 Financial instruments (continued)

(iii) Financial liabilities (continued)

Financial liabilities at amortised cost

Financial liabilities at amortised cost including trade and other payables and accrued expenses, amounts due to a related company, a holding company and a fellow subsidiary, are initially measured at fair value, net of directly attributable costs incurred and subsequently measured at amortised cost using the effective interest method. The related interest expense is accounted for in accordance with the accounting policy as set out in Note 3.8.

(iv) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

(v) Equity instruments

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

(vi) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

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3. 重大會計政策概要(續)

3.6 金融工具(續)

(vi) 財務擔保合約(續)

本集團發行及並非指定為按公平值計入損益的財務擔保合約按公平值減發行該財務擔保合約直接產生的交易成本初步確認。初步確認後，本集團按以下較高者計量財務擔保合約：(i)根據香港財務報告準則第9號的預期信貸虧損的虧損撥備金額；及(ii)初步確認的金額減(如適用)根據香港財務報告準則第15號確認的累計收入金額。

本集團監察特定債務人違反合約的風險，並在財務擔保的預期信貸虧損釐定為高於有關擔保的賬面值時確認撥備。為釐定預期信貸虧損，本集團考慮自發行擔保起，指定債務人的違約風險變動。除非特定債務人將違約的風險自發行擔保起大幅增加，在該情況下計量年限內預期信貸虧損，否則計量12個月預期信貸虧損。由於本集團根據獲擔保的工具條款，僅須要在特定債務人違約時作出付款，預期信貸虧損按就持有人所產生的信貸虧損向其作出還款的預期付款金額，減去本集團預期自該擔保持有人、特定債務人或任何其他方收取得任何金額估算。有關金額隨後使用已就現金流特定的風險作出調整的當前無風險比率貼現。

3. Summary of Significant Accounting Policies (continued)

3.6 Financial instruments (continued)

(vi) Financial guarantee contracts (continued)

A financial guarantee contract issued by the Group and not designated as at FVPL is recognised initially at its fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the loss allowance being ECL provision in accordance with HKFRS 9; and (ii) the amount initially recognised less, when appropriate, cumulative amount of income recognised in accordance with HKFRS 15.

The Group monitors the risk that the specified debtor will default on the contract and recognises a provision when ECLs on the financial guarantees are determined to be higher than the carrying amount of the guarantees. To determine ECLs, the Group considers changes in the risk of default of the specified debtor since the issuance of the guarantee. A 12-month ECL is measured unless the risk that the specified debtor will default has increased significantly since the guarantee is issued, in which case a lifetime ECL is measured. As the Group is required to make payments only in the event of a default by the specified debtor in accordance with the terms of the instrument that is guaranteed, an ECL is estimated based on the expected payments to reimburse the holder for a credit loss that it incurs less any amount that the Group expects to receive from the holder of the guarantee, the specified debtor or any other party. The amount is then discounted using the current risk-free rate adjusted for risks specific to the cash flows.

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3. 重大會計政策概要(續)

3.6 金融工具(續)

(vii) 取消確認

當及僅會於自財務資產收取現金流量的合約權利屆滿，或根據香港財務報告準則第9號已轉移財務資產且有關於轉移符合取消確認的準則時，本集團方會取消確認財務資產。

當相關合約訂明的責任已解除、註銷或屆滿時，本集團取消確認財務負債。

3.7 收入確認

收入乃按已收或應收代價之公平值計量。

在經濟利益將流入本集團及收入能夠可靠計量之情況下，收入乃確認如下：

利息收入採用實際利率法按時間比例基準確認。

股息收入及分派在收取股息之權利及分派確定時確認。

3.8 貸款成本

衍生自收購、建設或生產任何合資格資產的貸款成本於資產規定完成並預備作擬定用途期間資本化。合資格資產乃一項必須利用長時間預備其擬定用途或出售的資產。其他貸款成本在產生時列作開支。

當資產開支產生時、貸款成本產生時及進行預備資產作擬定用途或出售的活動時，貸款成本被資本化為合資格資產的成本部份。在大致上完成預備合資格資產作擬定用途或出售的所有必須活動後，貸款成本不會再被資本化。

3. Summary of Significant Accounting Policies (continued)

3.6 Financial instruments (continued)

(vii) Derecognition

The Group derecognises a financial asset when, and only when the contractual rights to the cash flows from the financial asset expire, or the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKFRS 9.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

3.7 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Provided it is probable that the economic benefits will flow to the Group and the revenue can be measured reliably, revenue is recognised as follows:

Interest income is recognised on a time-proportion basis using the effective interest method.

Dividend and distribution are recognised when the right to receive payment is established.

3.8 Borrowing costs

Borrowing costs incurred for the acquisition, construction or production of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. Other borrowing costs are expensed when incurred.

Borrowing costs are capitalised as part of the cost of a qualifying asset when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are being undertaken. Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

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3. 重大會計政策概要(續)

3.9 非財務資產減值

附屬公司及聯營公司之權益須進行耗蝕測試。

所有非財務資產則在出現未必能收回有關資產賬面值之跡象時進行耗蝕測試。

耗蝕虧損按資產賬面值超過其可收回款額之差額即時確認為支出。可收回款額為反映市況之公平值減銷售成本與使用價值兩者之較高者。於評估使用價值時，估計未來現金流量乃採用稅前貼現率貼現至其現值，以反映現時市場對金錢時間值及有關資產特有風險之評估。

就評估耗蝕而言，倘資產產生之現金流入大致上不獨立於其他資產，則可收回款額乃按可獨立產生現金流入之最小組別資產(即現金產生單位)釐定。因此，部分資產按個別方式進行耗蝕測試，另有部分資產則按現金產生單位水平進行測試。

除資產賬面值將不會調減至低於其個別公平值減銷售成本或使用價值(如可釐定)外，耗蝕虧損乃按比例自該現金產生單位之資產中扣除。

倘用於釐定資產可收回款額之估計出現有利改變，則撥回耗蝕虧損，惟以資產之賬面值不得超出於並無確認耗蝕虧損之情況下原應釐定之賬面值。

3. Summary of Significant Accounting Policies (continued)

3.9 Impairment of non-financial assets

Interests in subsidiaries and associates are subject to impairment testing.

All non-financial assets are tested for impairment whenever there are indications that the asset's carrying amount may not be recoverable.

An impairment loss is recognised as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, 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 assessment of time value of money and the risk specific to the asset.

For the purposes of assessing impairment, where an asset does not generate cash inflows largely independent from those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e. a cash-generating unit). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Impairment losses recognised for cash-generating units are charged pro rata to the assets in the cash generating unit, except that the carrying value of an asset will not be reduced below its individual fair value less cost to sell, or value in use, if determinable.

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the asset's recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

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3. 重大會計政策概要(續)

3.10 所得稅之會計方法

所得稅包括本期稅項及遞延稅項。

本期所得稅資產及／或負債包括於報告日尚未繳付並與本期或先期申報期有關應向財金當局履行之稅務責任或稅收機關發出之申索。該等稅務責任乃根據其相關財政期間之適用稅率及稅法，按年度應課稅溢利計算。本期稅務資產或負債所有變動於損益內確認為稅項開支之一部份。

遞延稅項乃採用負債法就綜合財務報表之資產及負債賬面值與彼等各自之課稅基準於報告日之暫時差額計算。遞延稅項負債一般就所有應課稅暫時差額確認。所有可扣稅暫時差額、可供結轉稅務虧損及其他未用稅項抵免產生之遞延稅項資產，只會在很可能有應課稅溢利(包括現存應課稅暫時差額)用作抵銷該等可扣稅暫時差額、未用稅務虧損及未用稅項抵免之情況下，才予以確認。

倘暫時差額因商譽或初步確認(業務合併除外)一項不影響應課稅或會計損益交易之資產及負債而產生，則遞延稅項資產及負債不予確認。

遞延稅項負債乃就投資於附屬公司、聯營公司及合營公司所產生應課稅暫時差額而予以確認，惟本集團能夠控制暫時差額之撥回及暫時差額有可能不會於可見將來撥回則除外。

3. Summary of Significant Accounting Policies (continued)

3.10 Accounting for income taxes

Income tax comprises current tax and deferred tax.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the reporting date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognised as a component of tax expense in profit or loss.

Deferred tax is calculated using the liability method on temporary differences at the reporting date between the carrying amounts of assets and liabilities in the consolidated financial statements and their respective tax bases. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, tax losses available to be carried forward as well as other unused tax credits, to the extent that it is probable that taxable profit, including existing taxable temporary differences, will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither taxable nor accounting profit or loss.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

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3. 重大會計政策概要(續)

3.10 所得稅之會計方法(續)

遞延稅項乃按照預期於償還債務或變現資產期間適用之稅率計算(不予折現)，惟有關稅率須於報告日已訂立或大致上已訂立。

遞延稅項資產或負債之變動於損益或其他全面收益確認，或如有關變動涉及於其他全面收益或權益直接扣除或計入之項目，則直接於權益確認。

本期稅項資產及本期稅項負債僅在以下情況下方會以淨額呈列，

- (a) 本集團依法有強制執行權可以將已確認金額對銷；及
- (b) 有意按淨額基準結算或同時變現資產及結付負債。

本集團僅在以下情況下方會以淨額呈列遞延稅項資產及遞延稅項負債，

- (a) 該企業依法有強制執行權可以將本期稅項資產與本期稅項負債對銷；及
- (b) 遞延稅項資產與遞延稅項負債與同一課稅機關就以下任何一項徵收之所得稅有關：
 - (i) 同一應課稅企業；或
 - (ii) 有意於各段未來期間(而預期在有關期間內將結清或收回大額的遞延稅項負債或資產)以淨額基準結算本期稅項負債與資產或同時實現資產及結清負債的不同應課稅企業。

3. Summary of Significant Accounting Policies (continued)

3.10 Accounting for income taxes (continued)

Deferred tax is calculated, without discounting, at tax rates that are expected to apply in the period the liability is settled or the asset is realised, provided they are enacted or substantively enacted at the reporting date.

Changes in deferred tax assets or liabilities are recognised in profit or loss, or in other comprehensive income or directly in equity if they relate to items that are charged or credited to other comprehensive income or directly in equity.

Current tax assets and current tax liabilities are presented in net if, and only if,

- (a) the Group has the legally enforceable right to set off the recognised amounts; and
- (b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Group presents deferred tax assets and deferred tax liabilities in net if, and only if,

- (a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
 - (i) the same taxable entity; or
 - (ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

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3. 重大會計政策概要(續)

3.11 現金及現金等價物

就綜合現金流量表而言，現金及現金等價物指可隨時轉換為已知數額現金，並承受價值變動風險甚微之手頭現金及活期存款，及短期高流通性投資，一般於購入時三個月內到期，減除須應要求償還之銀行透支及組成本集團現金管理整體一部份。

就財務狀況表而言，現金及現金等價物包括手頭現金及銀行及其他金融機構存款(包括定期存款)，其用途並無限制。

3.12 股本

普通股乃分類為權益。

與發行股份有關之任何交易成本乃於股本扣除(不計任何相關所得稅收益)，惟以股本交易直接應佔之遞延成本為限。

3.13 僱員福利

退休福利

向僱員提供之退休福利乃透過定額供款計劃提供。

本集團根據強制性公積金計劃條例設有定額供款之退休福利計劃(「強積金計劃」)，以供其全體合資格參與強積金計劃之僱員參加。供款乃按僱員基本薪金之某一百分比作出。

供款於年內僱員提供服務時於損益確認為開支。本集團於該等計劃項下的責任僅限於應付的固定百分比供款。

3. Summary of Significant Accounting Policies (continued)

3.11 Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short-term highly liquid investments that are readily convertible into known amount of cash, and are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the statements of financial position, cash and cash equivalents comprise cash on hand and at banks and other financial institutions, including term deposits, which are not restricted as to use.

3.12 Share capital

Ordinary shares are classified as equity.

Any transaction costs associated with the issuing of shares are deducted from share capital (net of any related income tax benefits) to the extent they are incremental costs directly attributable to the equity transaction.

3.13 Employee benefits

Retirement benefits

Retirement benefits to employees are provided through a defined contribution plan.

The Group operates a defined contribution retirement benefits scheme under the Mandatory Provident Fund Schemes Ordinance (the "MPF Scheme"), for all of its employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries.

Contributions are recognised as an expense in profit or loss as employees render services during the year. The Group's obligation under this plan is limited to the fixed percentage contributions payable.

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3. 重大會計政策概要(續)

3.13 僱員福利(續)

短期僱員福利

僱員享有之年假權利於應計入僱員權利時確認。本公司已就截至報告日由僱員所提供服務而產生之年假估計責任作出撥備。

非累計補償如病假及產假於提出休假時方予確認。

3.14 關連人士

- (a) 倘適用下列情況，該名人士或該名人士的近親家屬成員便被視為與本集團有關聯：
- (i) 對本集團有控制權或共同控制權；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本公司母公司主要管理人員。
- (b) 倘適用下列情況，該實體便被視為與本集團有關聯：
- (i) 該實體及本集團屬同一集團的成員(即各母公司、附屬公司及同系附屬公司互相關聯)。
 - (ii) 一個實體為另一實體的聯繫人或合營公司(或為某一集團的成員的聯繫人或合營公司，而該另一實體為此集團的成員)。

3. Summary of Significant Accounting Policies (continued)

3.13 Employee benefits (continued)

Short-term employee benefits

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

Non-accumulating compensated absences such as sick leave and maternity leave are not recognised until the time of leave.

3.14 Related parties

- (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 of the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of key management personnel of the Group or the Company's parent.
- (b) An entity is related to the Group if any of the following conditions apply:
- (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).

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3. 重大會計政策概要(續)

3.14 關連人士(續)

- (b) 倘適用下列情況，該實體便被視為與本集團有關聯：(續)
- (iii) 兩個實體皆為相同第三方的合營公司。
 - (iv) 一個實體為第三實體的合營公司及另一實體為第三實體的聯繫人。
 - (v) 該實體為本集團或與本集團有關聯的實體的僱員福利而設的離職後福利計劃。
 - (vi) 該實體受(a)部所識別的人士控制或共同控制。
 - (vii) 於(a)(i)所識別對實體有重大影響的人士，或是實體(或實體的母公司)高級管理人員。
 - (viii) 向本集團或向本集團的母公司提供主要管理人員服務的實體或其所屬集團的任何成員公司。

某一人士的近親家屬成員指預期可影響該人士與實體進行買賣或於買賣時受該人士影響的有關家屬成員並包括：

- (i) 該名人士子女及配偶或家庭夥伴；
- (ii) 該名人士的配偶或家庭夥伴的子女；及
- (iii) 該名人士或該名人士的配偶或家庭夥伴的受養人。

3. Summary of Significant Accounting Policies (continued)

3.14 Related parties (continued)

- (b) An entity is related to the Group if any of the following conditions apply: (continued)
- (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 the employees of the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of 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 parent of the Group.

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 and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

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3. 重大會計政策概要(續)

3.15 分部報告

根據香港財務報告準則第8號，分部資料的呈報乃以內部管理呈報資料為基準，內部管理呈報資料由執行董事定期檢討。執行董事採用經營溢利的計量方法評估分部業務盈虧。本集團根據香港財務報告準則第8號就分部報告所採用的計量政策與其香港財務報告準則財務報表內所採用者一致。

採納香港財務報告準則第8號時，根據定期呈報予本集團執行董事的內部財務資料以供本集團執行董事決定本集團各業務組成的資源分配並審閱該等組成的表現，本集團識別僅有金融工具投資這一個經營分部，故將不會呈列分部披露。

4. 關鍵會計估計及判斷

估計及判斷會不斷進行評估，並根據過往經驗及其他因素(包括於具體情況下相信將屬於合理之未來事件預期)達致。

本集團就日後作出估計及假設。因此而作出之會計估計按定義大多有別於相關實際結果。下文詳述有重大風險或會導致下一個財政年度內資產及負債賬面值作出重大調整之有關估計及假設：

財務資產及負債之公平值

公平值之最佳證據為交投活躍市場公開價格之報價。在缺乏該等資料之情況下，公平值由獨立專業估值師釐定。有關估值受所採納之估價模型之限制及管理層在假設中使用之估計之不確定性而規限。如估計(包括股價、存款利率、現貨利率、無風險比率、波動性及有關估價模型之參數)有任何變動，在無報價情況下若干金融工具之公平值將會有重大變動。

3. Summary of Significant Accounting Policies (continued)

3.15 Segment reporting

Under HKFRS 8, reported segment information is based on internal management reporting information that is regularly reviewed by the Executive Directors. The Executive Directors assess segment profit or loss using a measure of operating profit. The measurement policies the Group uses for segment reporting under HKFRS 8 are the same as those used in its HKFRS financial statements.

On adoption of HKFRS 8, based on the regular internal financial information reported to the Group's Executive Directors for their decisions about resources allocation to the Group's business components and review of these components' performance, the Group has identified only one operating segment, financial instrument investments. Accordingly, segment disclosures are not presented.

4. Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Fair value of financial assets and liabilities

The best evidence of fair value is the published price quotations in an active market. In the absence of such information, the fair value is determined by an independent professional valuer. Such valuation is subject to limitations of the valuation models adopted and the uncertainty in estimates used by management in the assumptions. Should the estimates including share prices, deposit rates, spot rates, risk-free rates, volatility and the relevant parameters of the valuation model be changed, there would be material changes in the fair value of certain financial instruments without quoted prices.

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4. 關鍵會計估計及判斷(續)

應收附屬公司及一間聯營公司款項減值

本集團管理層釐定是否有必要考慮應收附屬公司及一間聯營公司款項減值。此估計乃依據附屬公司及一間聯營公司之資產淨值及經營業績。管理層於報告日重新評估備抵情況。

計量預期信貸虧損

就財務資產投資以及按攤銷成本及按公平值計入其他全面收益計量之債務工具計量預期信貸虧損撥備，是需要使用複雜模式及有關未來經濟狀況及信貸行為(如客戶違約及因而錄得虧損之可能性)之重大假設之範圍。計量預期信貸虧損所用輸入數據、假設及估計技術之解釋，於附註30.7進一步詳述。

就計量預期信貸虧損應用會計規定時需要多項重大判斷，例如：

- 釐定信貸風險大幅增加之準則；
- 選擇計量預期信貸虧損之合適模式及假設；
- 確立各類產品／市場及相關預期信貸虧損之前瞻性情況數目及相對比重。

有關本集團於以上範圍所作判斷及估計之詳細資料載於附註30.7。

4. Critical Accounting Estimates and Judgements (continued)

Impairment of amounts due from subsidiaries and an associate

The Group's management determines the need to make allowance for impairment of amounts due from subsidiaries and an associate. This estimate is based on the subsidiaries' and an associate's net asset values and operating results. Management reassesses the allowance at the reporting date.

Measurement of ECLs

The measurement of the ECL allowance for the investment in financial assets and debt instruments measured at amortised cost and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation techniques used in measuring ECLs is further detailed in Note 30.7.

A number of significant judgements are required in applying the accounting requirements for measuring ECLs, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECLs;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECLs.

Detailed information about judgements and estimates made by the Group in the above areas is set out in Note 30.7.

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4. 關鍵會計估計及判斷(續)

於聯營公司之權益減值

本集團管理層於報告日期透過評估本集團可能出現資產減值的特定情況評估於聯營公司之權益減值。倘存在導致減值的因素，則會釐定資產的可收回金額。評估可收回金額時計算的使用價值，會納入多項有關未來事件的主要估計及假設，有關未來事件涉及不確定因素，並可能與實際結果極為不同。作出此等主要估計及判斷時，管理層考慮主要基於報告日期現時市況，適當市場貼現比率及自聯營公司可取得之資訊的假設。本集團會定期比較此等估計與實際市場數據及本集團訂立的實際交易。

遞延稅項

在釐定遞延稅項金額時須作出重大判斷。在一般業務過程中最終稅項釐定因有許多交易及計算而變得不明朗。如該等事項之最終稅項結果與初始入賬金額有所不同，該差額將會影響作出決定期間之遞延稅項。

交投活躍市場之釐定

香港財務報告準則第13號界定，交投活躍市場乃該資產或負債的交易頻率及數額足以持續提供定價信息。管理層須評估金融工具市場是否活躍，以期釐定金融工具之公平值。

4. Critical Accounting Estimates and Judgements (continued)

Impairment of interests in associates

The Group's management assesses impairment of interests in associates at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amounts of the assets are determined. Value in use calculations performed in assessing recoverable amounts incorporate a number of key estimates and assumptions about future events, which are subject to uncertainty and might materially differ from the actual results. In making these key estimates and judgements, the management takes into consideration assumptions that are mainly based on market condition existing at the reporting date, appropriate market and discount rates and what information it can obtain from the associates. These estimates are regularly compared to actual market data and actual transactions entered into by the Group.

Deferred taxes

Significant judgement is required in determining the amount of deferred taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the deferred taxes in the period in which such determination is made.

Determination of active market

HKFRS 13 defines an active market as one in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The management has to assess whether the market for the financial instruments is active or not in order to determine the fair value of the financial instruments.

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5. 營業額與收入

本集團之主要業務已於本綜合財務報表附註1披露。

營業額指本集團之收入30,320,000港元(二零一八年：28,128,000港元)及本集團出售持作買賣投資所得款項總額241,764,000港元(二零一八年：703,272,000港元)。

於年內確認來自本集團主要業務之收入如下：

5. Turnover and Revenue

The Group's principal activities are disclosed in Note 1 to the consolidated financial statements.

Turnover represents revenue of the Group of HK\$30,320,000 (2018: HK\$28,128,000) and the gross proceeds from disposal of held-for-trading investments of the Group of HK\$241,764,000 (2018: HK\$703,272,000).

Revenue from the Group's principal activities recognised during the year is as follows:

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Interest income from financial assets at FVOCI 按公平值計入其他全面收益財務資產之利息收入	11,575	12,886
Interest income from bank deposits 銀行存款利息收入	1,204	1,855
Total interest income derived from financial assets not at FVPL 來自非按公平值計入損益之財務資產之總利息收入	12,779	14,741
Distribution from perpetual securities 分派自永續證券	1,646	-
Dividend income 股息收入		
– Listed investments – 上市投資	12,999	13,378
– Unlisted investments – 非上市投資	2,896	9
	30,320	28,128

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6. 其他收入／(虧損)淨額

6. Other Net Income/(Loss)

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Net gain/(loss) including interest income on financial assets at FVPL (Note)	11,398	(60,156)
按公平值計入損益之財務資產之淨收益／(虧損)(包括利息收益)(附註)		
Realised (loss)/gain on disposal/redemption of financial assets at FVOCI	(37)	7,017
因出售／贖回按公平值計入其他全面收益財務資產之變現(虧損)／收益		
Exchange (loss)/gain, net	(641)	590
匯兌(虧損)／收益淨額		
Sundry income	1,278	658
雜項收入		
Gain on disposal of a subsidiary (Note 25)	162	-
出售一間附屬公司之收益(附註25)		
Reversal of impairment loss on interest in an associate	-	15,398
撥回於一間聯營公司之權益之減值虧損		
	12,160	(36,493)

附註：

Note:

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Realised (loss)/gain on disposal of listed financial assets at FVPL	(10,310)	2,268
出售上市公平值計入損益之財務資產之變現(虧損)／收益		
Realised gain/(loss) on disposal of unlisted financial assets at FVPL	1,427	(2,502)
出售非上市公平值計入損益之財務資產之變現收益／(虧損)		
Unrealised loss of listed financial assets at FVPL	(7,462)	(57,960)
上市之按公平值計入損益財務資產之未變現虧損		
Unrealised gain/(loss) of unlisted financial assets at FVPL	27,743	(1,962)
非上市之按公平值計入損益財務資產之未變現收益／(虧損)		
	11,398	(60,156)

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7. 所得稅前溢利／(虧損)

7. Profit/(Loss) before Income Tax

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit/(loss) before income tax is arrived at after charging/(crediting): 所得稅前溢利／(虧損)已扣除／(列入)下列各項：		
Auditor's remuneration 核數師酬金	314	299
Employee benefit expense (including Directors' emoluments (Note 12)) (Note 11) 僱員福利開支(包括董事酬金(附註12))(附註11)	3,410	3,261
Management fee (Note 26) 管理費用(附註26)	16,335	17,824
Impairment losses on financial assets at FVOCI 按公平值計入其他全面收益財務資產之減值	1,949	-
Reversal of impairment loss on interest in an associate 撥回於一間聯營公司之權益之減值虧損	-	(15,398)

附註： 行政及其他經營費用主要包括以上之僱員福利開支及管理費用。

Note: Administrative and other operating expenses consist mainly of employee benefit expense and management fee included above.

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8. 所得稅開支

由於截至二零一九年十二月三十一日止年度本集團若干附屬公司並無估計應課稅溢利及本集團若干附屬公司有足夠稅項虧損結轉用作抵銷估計應課稅溢利，故並無就香港利得稅計提撥備。

截至二零一八年十二月三十一日止年度並無香港利得稅計提撥備因本集團並無估計應課稅溢利。

所得稅開支與按適用稅率計算之會計溢利／(虧損)之對賬如下：

8. Income Tax Expense

No Hong Kong profits tax had been provided for the year ended 31st December, 2019 as certain subsidiaries of the Group had no estimated assessable profits and certain subsidiaries of the Group had sufficient tax losses brought forward to set off the estimated assessable profits.

No Hong Kong profits tax had been provided for the year ended 31st December, 2018 as the Group had no estimated assessable profits.

Reconciliation between income tax expense and accounting profit/(loss) at applicable tax rate is as follows:

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Profit/(loss) before income tax 所得稅前溢利／(虧損)	14,472	(36,903)
Tax calculated at the applicable rate of 16.5% (2018: 16.5%) 按適用稅率16.5%(二零一八年：16.5%)計算之稅項	2,388	(6,089)
Tax effect of non-deductible expenses 不可扣減開支之稅務影響	3,427	5,967
Tax effect of non-taxable income 毋須課稅收入之稅務影響	(15,171)	(5,920)
Tax effect of unused tax losses not recognised 未確認之未使用稅務虧損之稅務影響	9,500	6,042
Utilisation of previously unrecognised tax losses 動用先前未確認之稅務虧損	(144)	-
Income tax expense 所得稅開支	-	-

於二零一九年十二月三十一日，本集團有未動用稅務虧損約242,677,000港元(二零一八年：約185,995,000港元)，可用作與產生該等虧損之公司之未來應課稅溢利互相抵銷。由於無法預測未來溢利流向，因此並無就該等稅務虧損確認遞延稅項資產。根據現行稅務法例，該等稅務虧損不會屆滿。於此亦無重大未確認遞延稅項負債。

As at 31st December, 2019, the Group has unused tax losses of approximately HK\$242,677,000 (2018: approximately HK\$185,995,000) available to offset against future taxable profits of the companies which incurred these losses. Deferred tax assets are not recognised in respect of these tax losses due to the unpredictability of future profit stream. These tax losses do not expire under current tax legislation. There were no material unrecognised deferred tax liabilities.

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9. 股息

9. Dividend

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Dividend recognised as distributions during the year: 年內確認分派之股息：		
Nil (2018: interim dividend (in lieu of a final dividend) of HK\$0.05 per share) 無(二零一八年：中期股息(代替末期股息)每股0.05港元)	-	205,585

董事會提議保留現金用於投資，不建議派發截至二零一九年及二零一八年十二月三十一日止年度任何股息。

The Board proposes to preserve cash for investment activities and does not recommend any dividend for the years ended 31st December, 2019 and 2018.

10. 本公司擁有人應佔每股盈利／(虧損)

10. Earnings/(Loss) per Share Attributable to the Owners of the Company

每股基本盈利／(虧損)乃根據本公司擁有人應佔溢利約14,472,000港元(二零一八年：虧損約43,567,000港元)及本年度本公司已發行普通股4,111,704,320股(二零一八年：4,111,704,320股)計算。

The calculation of basic earnings/(loss) per share is based on the profit attributable to the owners of the Company of approximately HK\$14,472,000 (2018: loss of approximately HK\$43,567,000) and on the ordinary shares of the Company in issue during the year of 4,111,704,320 (2018: 4,111,704,320).

截止二零一九年及二零一八年十二月三十一日止年度，由於本公司並無潛在普通股，故截至二零一九年及二零一八年十二月三十一日止年度之每股攤薄盈利／(虧損)相等於每股基本盈利／(虧損)。

Diluted earnings/(loss) per share for the years ended 31st December, 2019 and 2018 is the same as the basic earnings/(loss) per share as the Company had no potential ordinary shares during the years ended 31st December, 2019 and 2018.

11. 僱員福利開支(包括董事酬金)

11. Employee Benefit Expense (including Directors' Emoluments)

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Salaries, other benefits, incentive fee and Directors' fee 薪金、其他福利、獎金及董事袍金	3,309	3,157
Retirement benefits scheme contributions 退休福利計劃供款	101	104
	3,410	3,261

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12. 董事酬金及五名最高薪酬人士酬金

12.1 董事酬金

已付或應付董事之酬金如下：

12. Directors' Emoluments and Five Highest Paid Individuals' Emoluments

12.1 Directors' emoluments

The emoluments paid or payable to the Directors were as follows:

	Directors' fees	Salaries and other benefits	Retirement benefits scheme contributions	Total
	董事袍金	薪金及其他福利	退休福利計劃供款	總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元
2019				
二零一九年				
<i>Executive Directors</i>				
<i>執行董事</i>				
Warren Lee Wa Lun (Chairman)				
李華倫(主席)	30	2,879	101	3,010
Mark Wong Tai Chun				
王大鈞	30	–	–	30
<i>Non-Executive Director</i>				
<i>非執行董事</i>				
Arthur George Dew				
狄亞法	80	–	–	80
<i>Independent Non-Executive Directors</i>				
<i>獨立非執行董事</i>				
Albert Ho				
何振林	130	–	–	130
Peter Lee Yip Wah				
李業華	80	–	–	80
Louie Chun Kit				
雷俊傑	80	–	–	80
	430	2,879	101	3,410

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12. 董事酬金及五名最高薪酬人士酬金(續)

12. Directors' Emoluments and Five Highest Paid Individuals' Emoluments (continued)

12.1 董事酬金(續)

12.1 Directors' emoluments (continued)

	Directors' fees	Salaries and other benefits	Retirement benefits scheme contributions	Total
	董事袍金	薪金及其他福利	退休福利計劃供款	總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元
2018				
二零一八年				
<i>Executive Directors</i>				
<i>執行董事</i>				
Warren Lee Wa Lun (Chairman)				
李華倫(主席)	30	2,727	104	2,861
Mark Wong Tai Chun				
王大鈞	30	–	–	30
<i>Non-Executive Director</i>				
<i>非執行董事</i>				
Arthur George Dew				
狄亞法	80	–	–	80
<i>Independent Non-Executive Directors</i>				
<i>獨立非執行董事</i>				
Albert Ho				
何振林	130	–	–	130
Peter Lee Yip Wah				
李業華	80	–	–	80
Louie Chun Kit				
雷俊傑	80	–	–	80
	430	2,727	104	3,261

於本年度內並無訂立安排致使董事放棄或同意放棄任何酬金。

上表所示執行董事，非執行董事及獨立非執行董事之酬金主要為彼等作為本公司或其附屬公司董事之服務。

There was no arrangement under which a Director waived or agreed to waive any remuneration during the year.

The Executive Directors', the Non-Executive Director's and the Independent Non-Executive Directors' emoluments shown above were mainly for their services as directors of the Company or its subsidiaries.

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12. 董事酬金及五名最高薪酬人士酬金(續)

12.2 五名最高薪酬人士

本年度本集團五名最高薪酬人士包括五名董事(二零一八年：五名)，其酬金已反映在上述分析內。

於截至二零一九年及二零一八年十二月三十一日止年度內，本集團並無向董事或最高薪酬人士支付酬金，作為加入或於加入本集團後之獎勵或離職補償。

13. 於附屬公司投資

本集團擁有重大非控股權益的非全資附屬公司的詳情

年內，分配予非控股權益之綜合損益及於年結日之綜合財務狀況表內累計之非控股權益如下：

12. Directors' Emoluments and Five Highest Paid Individuals' Emoluments (continued)

12.2 Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year included five (2018: five) Directors whose emoluments are reflected in the analysis presented above.

During the years ended 31st December, 2019 and 2018, no emoluments were paid by the Group to the Directors or highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

13. Investments in Subsidiaries

Details of non wholly-owned subsidiaries of the Group that have material non-controlling interests

The consolidated profit or loss allocated to non-controlling interests during the year and the accumulated non-controlling interests in the consolidated statement of financial position as at the year end are as follows:

	Profit allocated to non-controlling interests 分配予非控股權益之溢利		Accumulated non-controlling interests 累計非控股權益	
	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Charm Force Investment Limited ("Charm Force") 耀科投資有限公司(「耀科投資」)	–	6,664	–	7,682

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13. 於附屬公司投資(續)

下表為擁有非控股權益附屬公司的財務資料概要，該等資料為集團公司間對銷前資料。

13. Investments in Subsidiaries (continued)

The following tables provide summarised financial information of the subsidiary that has non-controlling interests. The information is before inter-company eliminations.

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current assets 流動資產	-	17,342
Non-current assets 非流動資產	-	-
Current liabilities 流動負債	-	(45)
Revenue 收入	-	-
Profit for the year 本年度溢利	-	15,965
Total comprehensive income for the year 本年度全面收益總額	-	15,965

截至二零一九年十二月三十一日止年度內，耀科投資已被出售(附註25)。

Charm Force was disposed of during the year ended 31st December, 2019 (Note 25).

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13. 於附屬公司投資(續)

以下為主要附屬公司於二零一九年十二月三十一日之詳情：

13. Investments in Subsidiaries (continued)

Particulars of the principal subsidiaries at 31st December, 2019 are as follows:

Name of Companies 公司名稱	Place of incorporation 註冊地點	Place of operation 業務地點	Particulars of issued share capital 已發行股本詳情	Percentage of issued capital held by the Company 本公司持有之已發行股本百分比				Principal activities 主要業務
				Directly 直接		Indirectly 間接		
				2019 二零一九年	2018 二零一八年	2019 二零一九年	2018 二零一八年	
Capital Sharp Investment Limited	Hong Kong	Hong Kong	HK\$2 divided into 2 ordinary shares	100%	100%	-	-	Investment holding
昌鍵投資有限公司	香港	香港	2港元分為2股普通股					投資控股
CMS Investments Limited	Hong Kong	Hong Kong	HK\$1 divided into 1 ordinary share	100%	100%	-	-	Investment holding
	香港	香港	1港元分為1股普通股					投資控股
The Hong Kong Equity Guarantee Corporation Limited	Hong Kong	Hong Kong	HK\$2 divided into 2 ordinary shares	100%	100%	-	-	Investment holding
	香港	香港	2港元分為2股普通股					投資控股
Long Rainbow Limited	Hong Kong	Hong Kong	HK\$2 divided into 2 ordinary shares	100%	100%	-	-	Investment holding
大利標有限公司	香港	香港	2港元分為2股普通股					投資控股
Long Set Investments Limited	Hong Kong	Hong Kong	HK\$2 divided into 2 ordinary shares	100%	100%	-	-	Investment holding
朗式投資有限公司	香港	香港	2港元分為2股普通股					投資控股
Long Portfolio Limited	Hong Kong	Hong Kong	HK\$1 divided into 1 ordinary share	100%	100%	-	-	Investment holding
	香港	香港	1港元分為1股普通股					投資控股

董事會認為，上表列出之本公司附屬公司對本集團之本年度業績有重要影響或構成資產淨值之主要部份。董事會認為，列出其他附屬公司詳情將導致資料過於冗長。

The above table lists the subsidiaries of the Company which, in the opinion of the Directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

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14. 於聯營公司權益

14. Interests in Associates

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Share of net assets 分佔資產淨值	45	808
Goodwill 商譽	35,964	35,964
	36,009	36,772
Less: Impairment loss 減：耗蝕虧損	(35,964)	(35,964)
	45	808
Amount due from an associate (Note) 應收一間聯營公司款項(附註)	23,372	9,736
	23,417	10,544

附註：應收一間聯營公司款項為無抵押、免息及須按聯營公司董事會決議償還及被分類為於聯營公司權益。

Note: The amount due from an associate is unsecured, interest free and repayable upon resolution of directors of that associate and accordingly is classified as interests in associates.

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14. 於聯營公司權益(續)

於二零一九年十二月三十一日，所有聯營公司為非上市公司實體，其股份沒有市場所報之市價及其資料如下：

14. Interests in Associates (continued)

Particulars of the associates, all of which are unlisted corporate entities whose shares do not have quoted market price at 31st December, 2019 are as follows:

Name of associates 聯營公司名稱	Particulars of issued shares held 持有已發行股份之詳情	Place of incorporation 註冊地點	Place of operation 業務地點	Principal activities 主要業務	Equity interest held by the Group 本集團所持之股本權益		Equity interest attributable to the owners of the Company 本公司擁有人應佔股本權益	
					2019	2018	2019	2018
					二零一九年	二零一八年	二零一九年	二零一八年
Oriental Cashmere Limited ("OCL")	2,000 ordinary shares of 1 United States dollar ("USD") each 2,000股普通股，每股面值1美元	British Virgin Islands 英屬處女群島	Hong Kong 香港	Manufacturing and trading of cashmere products 羊絨產品生產及貿易	25%	25%	25%	25%
Purple Link Investment Limited ("Purple Link") 紫聯投資有限公司 (「紫聯」)	HK\$12 divided into 12 ordinary shares 12港元分為12股普通股	Hong Kong 香港	Hong Kong 香港	Investment in properties 投資於物業	25%	25%	25%	25%

各聯營公司之報告日期均為十二月三十一日。

以上各聯營公司乃以權益法計入綜合財務報表。

截至二零一八年十二月三十一日年內，耀科投資(本集團之一間間接非全資附屬公司)以現金代價(該「代價」)17,600,000港元出售一間聯營公司Learning Ark之全部權益，並且該代價已全數付清。因此，本集團撥回於一間聯營公司之權益之減值虧損約15,398,000港元。

All associates have a reporting date of 31st December.

All of the above associates are accounted for using the equity method in the consolidated financial statements.

During the year ended 31st December, 2018, Charm Force, an indirect non wholly-owned subsidiary of the Group, disposed of its entire interest in an associate, Learning Ark at a cash consideration of HK\$17,600,000 (the "Consideration") and the Consideration was fully settled. Accordingly, the Group reversed the impairment loss on interest in an associate of approximately HK\$15,398,000.

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14. 於聯營公司權益(續)

重大聯營公司紫聯概要財務資料，已就會計政策差異作出調整，並與綜合財務報表賬面值之對賬，披露如下：

14. Interests in Associates (continued)

Summarised financial information of Purple Link, the material associate, adjusted for any differences in accounting policies, and reconciled to the carrying amount in the consolidated financial statements, are disclosed below:

	2019 二零一九年 HK\$'000 千港元
Current assets 流動資產	94,209
Non-current assets 非流動資產	-
Current liabilities 流動負債	94,028
Non-current liabilities 非流動負債	-
Nets assets 淨資產	181
Group's effective interest 本集團之實際權益率	25%
Group's share of the net assets of the associate 本集團分佔聯營公司之淨資產	45
Included in the above assets and liabilities: 計入以上資產及負債：	
Cash and cash equivalents 現金及現金等價物	1,116
Current financial liabilities (excluding trade and other payables and provisions) 流動財務負債(不包括貿易及其他應付款及撥備)	94,028
Revenue 收入	115
Loss from continuing operations 持續經營業務之虧損	(3,052)
Other comprehensive expenses 其他全面費用	-
Total comprehensive expenses 全面費用總額	(3,052)
Included in the above loss: 計入以上虧損：	
Interest income 利息收入	115

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14. 於聯營公司權益(續)

於二零一八年十二月三十一日，紫聯為非個別重大聯營公司。資料總匯如下披露：

14. Interests in Associates (continued)

As at 31st December 2018, Purple Link is not individually material associate. Aggregate information is disclosed below:

	2018 二零一八年 HK\$'000 千港元
Aggregate carrying amount of individually immaterial associates in the consolidated financial statements 個別非重大聯營公司於綜合財務報表之賬面值總額	808
Aggregate amounts of the Group's share of those associates: 本集團分佔該聯營公司總額：	
Loss from continuing operations 持續經營業務之虧損	(104)
Other comprehensive income 其他全面收益	-
Total comprehensive expenses 全面費用總額	(104)

本集團已終止確認其應分佔OCL虧損。本集團於OCL權益之賬面值35,964,000港元在以往年度已作全額耗蝕。未確認應佔OCL虧損額為摘錄自OCL相關未經審核管理帳目，如下：

The Group has discontinued recognition of its share of loss of OCL. The carrying amount of the Group's interest in OCL of HK\$35,964,000 was fully impaired in a previous financial year. The amounts of unrecognised share of loss of OCL extracted from the relevant unaudited management accounts of OCL, are as follows:

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Unrecognised share of loss of OCL: 未確認應佔OCL虧損		
The unrecognised share of loss of OCL for the year 本年度未確認應佔OCL虧損	-	-
Cumulative unrecognised share of loss of OCL 累計未確認應佔OCL虧損	(33,974)	(33,974)

本集團並無產生與其投資於聯營公司有關之任何或然負債或其他承擔。

The Group has not incurred any contingent liabilities or other commitments relating to its investments in associates.

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15. 按公平值計入其他全面收益財務資產

15. Financial Assets at FVOCI

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Non-current		
非流動		
Listed debt securities (Notes 30.7(b) and 30.7(c))		
上市債務證券(附註30.7(b)及30.7(c))		
– Listed outside Hong Kong	112,434	56,185
– 香港以外上市		
– Listed in Hong Kong	45,014	38,937
– 香港上市		
Unlisted debt securities (Note 30.7(b))	–	7,747
非上市債務證券(附註30.7(b))		
	157,448	102,869
Current		
流動		
Listed debt securities (Note 30.7(b))		
上市債務證券(附註30.7(b))		
– Listed in Hong Kong	8,030	–
– 香港上市		
	165,478	102,869

該等證券之公平值已按附註30.7詳述之計量。

Fair values for these securities have been measured as described in Note 30.7.

按公平值計入其他全面收益財務資產以美元計值。

Financial assets at FVOCI are denominated in USD.

此等按公平值計入其他全面收益財務資產須承受涉及信貸、價格、利率及貨幣風險之財務風險。

These financial assets at FVOCI are subject to financial risk exposure in terms of credit, price, interest rate and currency risks.

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16. 按公平值計入損益財務資產

16. Financial Assets at FVPL

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Non-current		
非流動		
Listed debt securities (Note 30.7(b)) 上市債務證券(附註30.7(b))	8,851	–
Listed perpetual securities (Note 30.7(b)) 上市永續證券(附註30.7(b))	61,280	–
Unlisted equity securities (Note 30.7(c)) 非上市股本證券(附註30.7(c))	187,835	157,555
Current		
流動	257,966	157,555
Equity securities held for trading 持有作買賣之股本證券		
– Listed outside Hong Kong – 香港以外上市	296,431	60,484
– Listed in Hong Kong – 香港上市	287,373	403,551
Market value of listed equity securities held for trading 持有作買賣之上市股本證券之市值	583,804	464,035
	841,770	621,590

按公平值計入損益財務資產以下列貨幣計值：

Financial assets at FVPL are denominated in the following currencies:

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
HK\$ 港元	287,373	403,551
USD 美元	363,992	191,840
Malaysian ringgit (“MYR”) 馬來西亞林吉特(「馬幣」)	18,777	19,325
Japanese yen (“JP¥”) 日圓	6,492	5,712
Renminbi (“RMB”) 人民幣	1,434	1,162
New Taiwan dollars (“NTD”) 新台幣	163,702	–
	841,770	621,590

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16. 按公平值計入損益財務資產(續)

上述非流動上市股本證券指就發行人而言分類為權益之若干上市永續債券，分派率(發行人可遞延分派)介乎年率5.50%至6.88%。

上述流動上市股本證券分類為持作買賣。流動上市股本證券之公平值乃參考活躍市場於報告日之掛牌競價釐定。

該等工具之公平值已按附註30.7詳述之計量。

此等股本證券須承受涉及價格、利率及貨幣風險之財務風險。

此等債務證券須承受涉及信貸、價格、利率及貨幣風險之財務風險。

17. 貿易及其他應收款及預付款項

16. Financial Assets at FVPL (continued)

The above non-current listed equity securities represent certain listed perpetual bonds which are classified as equity from the issuers' perspective with distribution rate, which are deferrable by the issuers, ranging from 5.50% to 6.88% per annum.

The above current listed equity securities are classified as held for trading. Fair values of the current listed equity securities have been determined by reference to their quoted bid prices at the reporting date in an active market.

Fair values for these instruments have been measured as described in Note 30.7.

These equity securities are subject to financial risk exposure in terms of price, interest rate and currency risks.

These debt securities are subject to financial risk exposure in terms of credit, price, interest rate and currency risk.

17. Trade and Other Receivables and Prepayment

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade receivable (Note) 貿易應收款(附註)	541	-
Prepayment 預付款項	449	449
Other receivables 其他應收款	26	40
	1,016	489

附註：

本集團並無授出特定信貸條件，且允許信貸期可直至各交易的結算日。以下為貿易應收款於報告日以買賣單據日期計算的賬齡分析：

Note:

There is no specific credit term granted and the Group allows a credit period up to the settlement dates of their respective transactions. The following is an ageing analysis of the trade receivables, based on the date of contract note, at the reporting date:

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within one year 一年內	541	-

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18. 現金及現金等價物

18. Cash and Cash Equivalents

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cash on hand and at banks and other financial institutions 手頭現金及銀行及其他金融機構存款	7,665	31,373
Short-term time deposits with a term within 3 months 於三個月內到期之短期定期存款	78,467	355,680
Cash and cash equivalents 現金及現金等價物	86,132	387,053

包含於本集團之現金及現金等價物之銀行結存以下列外幣計值：

Bank balances, included in cash and cash equivalents of the Group, are denominated in the following foreign currencies:

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
USD 美元	20,278	53,415
RMB 人民幣	9	9

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19. 貿易及其他應付款及應計費用

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade payables 貿易應付款	-	17,973
Other payables and accrued expenses 其他應付款及應計費用	1,548	1,361
	1,548	19,334

全部金額為短期，因此本集團及本公司之貿易及其他應付款及應計費用之賬面值與公平值相若。

以下為貿易應付款於報告日以買賣單據日期計算的賬齡分析：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within one year 一年內	-	17,973

20. 欠一間關聯公司／一間控股公司／同系附屬公司款項

欠一間關聯公司，一間控股公司及同系附屬公司款項為無抵押、免息及須於要求時償還。

19. Trade and Other Payables and Accrued Expenses

All amounts are short term and hence the carrying amounts of the Group's trade and other payables and accrued expenses are considered to be a reasonable approximation of fair value.

The following is an ageing analysis of the trade payables, based on the date of contract note, at the reporting date:

20. Amounts due to a Related Company/a Holding Company/a Fellow Subsidiary

The amounts due to a related company, a holding company and a fellow subsidiary were unsecured, interest free and repayable on demand.

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21. 股本

集團及公司

	2019 二零一九年		2018 二零一八年	
	Number of shares 股份數目	HK\$'000 千港元	Number of shares 股份數目	HK\$'000 千港元
Ordinary shares, issued and fully paid: 普通股，已發行及繳足： At 1st January and 31st December 於一月一日及十二月三十一日	4,111,704,320	918,978	4,111,704,320	918,978

21. Share Capital

Group and Company

22. 儲備

集團

本集團之儲備款額及其於本年度與過往年度之變動情況於綜合財務報表第58頁至第59頁之綜合權益變動表呈列。

資本繳入儲備

根據中華人民共和國(「中國」)之有關法例及法規，本集團聯營公司所控制一間中國實體之部份溢利已轉撥至受到限制使用之儲備基金。

投資重估儲備

投資重估儲備指按公平值計入其他全面收益財務資產。

22. Reserves

Group

The amount of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 58 to 59 of the consolidated financial statements.

Capital contribution reserve

Pursuant to the relevant laws and regulations in the People's Republic of China ("PRC"), a portion of the profits of a PRC entity controlled by the Group's associate has been transferred to reserve funds which are restricted in use.

Investment revaluation reserve

Investment revaluation reserve represents changes in fair value of financial assets at FVOCI.

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22. 儲備(續)

公司	Retained earnings 保留盈利 HK\$'000 千港元	Dividend reserve 股息儲備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1st January, 2018 二零一八年一月一日結算	168,647	205,585	374,232
Profit and total comprehensive income for the year 本年度溢利及全面收益總額	1,556	–	1,556
Interim dividend paid (Note 9) 已付中期股息(附註9)	–	(205,585)	(205,585)
At 31st December, 2018 and 1st January, 2019 於二零一八年十二月三十一日及二零一九年一月一日結算	170,203	–	170,203
Profit and total comprehensive income for the year 本年度溢利及全面收益總額	19,436	–	19,436
At 31st December, 2019 二零一九年十二月三十一日結算	189,639	–	189,639

於二零一九年十二月三十一日，本公司可供分派予本公司擁有人之儲備以189,639,000港元(二零一八年：保留盈利 170,203,000港元)的保留盈利呈列。

The Company's reserves available for distribution to the owners of the Company as at 31st December, 2019 are represented by retained earnings of HK\$189,639,000 (2018: retained earnings of HK\$170,203,000).

23. 本公司擁有人應佔每股資產淨值

每股資產淨值乃根據本公司擁有人應佔綜合資產淨值約1,111,044,000港元(二零一八年：約1,090,613,000港元)及於二零一九年十二月三十一日之已發行普通股4,111,704,320股(二零一八年：4,111,704,320股)計算。

23. Net Asset Value per Share Attributable to the Owners of the Company

The calculation of the net asset value per share is based on the consolidated net assets attributable to the owners of the Company of approximately HK\$1,111,044,000 (2018: approximately HK\$1,090,613,000) and 4,111,704,320 (2018: 4,111,704,320) ordinary shares in issue as at 31st December, 2019.

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24. 財務擔保合約

於二零一九年十二月三十一日，本公司向一間(二零一八年：一間)金融機構作出一個擔保，以供一間全資附屬公司獲提供金額不超過62,300,000港元(二零一八年：40,000,000港元)之融資。於二零一九年及二零一八年十二月三十一日，並無動用融資。

25. 出售一間附屬公司

於二零一九年七月十八日，本集團與獨立第三方訂立一份買賣協議以9,777,000港元代價出售於耀科投資57%股本權益。耀科投資之主要業務為投資控股。該出售於二零一九年七月十八日完成及本集團確認出售耀科投資收益162,000港元。

以下為於出售日耀科投資之淨資產：

24. Financial Guarantee Contracts

As at 31st December, 2019, the Company has executed a guarantee (2018: one) to a financial institution to secure the facilities available to a wholly-owned subsidiary in the amount not exceeding HK\$62.3 million (2018: HK\$40.0 million). No facilities were utilised as at 31st December, 2019 and 2018.

25. Disposal of a subsidiary

On 18th July, 2019, the Group entered into a sale and purchase agreement with an independent third party to dispose of 57% equity interest in Charm Force at consideration of HK\$9,777,000. The principal business of Charm Force is investment holding. The disposal was completed on 18th July, 2019 and the Group recognised a gain on disposal of Charm Force of HK\$162,000.

The net assets of the Charm Force at the date of disposal were as follows:

	Charm Force 耀科投資 HK\$'000 千港元
Amount due from immediate holding company 應收直接控股公司款項	9,721
Amount due to holding company 欠一控股公司款項	(36)
Cash and bank balances 現金及銀行餘額	7,612
Non-controlling interests 非控股權益	(7,682)
	9,615
Gain on disposal of a subsidiary included in profit for the year in the consolidated statement of profit or loss 於綜合損益表內本年度溢利包含出售一間附屬公司之收益	162
Total consideration 總代價	9,777
Satisfied by: 履行： Cash 現金	9,777
Net cash inflow arising on disposal: 自出售之淨現金流入 Cash consideration 現金代價	9,777
Cash and bank balances disposed of 出售之現金及銀行餘額	(7,612)
	2,165

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26. 與有關連人士之交易

除於本綜合財務報表其他部份所披露外，本集團於截至二零一九年十二月三十一日止進行之重大與有關連人士之交易(根據上市規則，其中下述(a)亦構成須予披露的持續關連交易而(b)及(c)皆構成獲豁免之關連交易)如下：

(a)

26. Related Party Transactions

Saved as those disclosed elsewhere in these consolidated financial statements, significant related party transactions entered into by the Group for the year ended 31st December, 2019, of which (a) below also constitutes discloseable continuing connected transactions while (b) and (c) both constitute exempt connected transactions under the Listing Rules, were:

(a)

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Yu Ming Investment Management Limited (“YMIM”) 禹銘投資管理有限公司(「禹銘投資管理」) Management fee 管理費用	16,335	17,824

於二零一八年七月二十六日，本公司與禹銘投資管理訂立一份投資管理協議(「投資管理協議」)，並於二零一八年九月十二日獲獨立股東批准。根據投資管理協議，禹銘投資管理同意協助董事會執行本集團之日常管理，有效期由二零一九年一月一日至二零二一年十二月三十一日。禹銘投資管理可享有相等於可歸屬本公司擁有人之本集團綜合資產淨值1.5%之年管理費(乃參考每季內各曆月最後一日之可歸屬本公司擁有人之已發表之本集團綜合資產淨值之平均數計算及於每季期末時支付)；及相等於截至十二月三十一日止各年可歸屬本公司擁有人之本集團經審核綜合資產淨值超出本公司於禹銘投資管理享有履約費用之最後財政年度年結日可歸屬本公司擁有人之本集團經審核綜合資產淨值數額之20%之履約費用。

On 26th July, 2018, an investment management agreement (the “Investment Management Agreement”) was entered into by the Company and YMIM, which was approved by the independent Shareholders on 12th September, 2018. Under the Investment Management Agreement, YMIM agreed to assist the Board with the day-to-day management of the Group from 1st January, 2019 to 31st December, 2021. YMIM is entitled to a management fee equal to 1.5% per annum of the consolidated net asset value of the Group attributable to the owners of the Company, calculated and payable in arrears on a quarterly basis by reference to the arithmetical average of the published consolidated net asset value of the Group attributable to the owners of the Company on the last day of each calendar month during each quarter; and a performance fee equal to 20% of the amount by which the audited consolidated net asset value of the Group attributable to the owners of the Company of each year ending 31st December, exceeds the audited consolidated net asset value of the Group attributable to the owners of the Company as at the end of the latest financial year in which YMIM was entitled to a performance fee.

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26. 與有關連人士之交易 (續)

(a) (續)

於二零一八年十二月三十一日，(i)禹銘投資管理為本公司之最終控股公司聯合集團之間接全資附屬公司(聯合集團持有74.97%本公司股份權益)；(ii)狄亞法先生為本公司及聯合集團之共同董事；及(iii)李華倫先生為本公司及禹銘投資管理之共同董事。

禹銘投資管理為本集團由二零一九年一月一日至二零一九年七月二十四日之一間同系附屬公司及其後成為本集團關聯公司。李華倫先生為本公司及禹銘投資管理之共同董事。

(b) 本集團按照管理協議補償禹銘投資管理有關佔用辦公室空間及分享辦公室及設備開支。本年度應補償禹銘投資管理開支之金額約1,242,000港元(二零一八年：約999,000港元)。

(c) 年內，聯合集團之聯營公司新鴻基投資服務有限公司就已進行證券交易收取佣金費用約236,000港元(二零一八年：無)。

(d) 於二零一九年十二月三十一日，本集團並無持有同系附屬公司所發行之票據(分類為按公平值計入其他全面收益財務資產及包含於上市債務證券)(二零一八年：賬面淨值30,623,000港元)。年內已確認該票據之總利息收入1,242,000港元(二零一八年：1,490,000港元)。

(e) 年內，聯合集團之聯營公司收取保險費約95,000港元(二零一八年：95,000港元)。

(f) 本集團之主要管理職員指董事會成員。主要管理職員之酬金詳情載於附註12。

26. Related Party Transactions (continued)

(a) (continued)

As at 31st December, 2018, (i) YMIM was an indirect wholly-owned subsidiary of AGL which was the ultimate holding company of the Company holding 74.97% interests in the shares of the Company; (ii) Mr. Arthur George Dew was common director of the Company and AGL; and (iii) Mr. Warren Lee Wa Lun was common director of the Company and YMIM.

YMIM was a fellow subsidiary of the Group for the period from 1st January, 2019 to 24th July, 2019 and became the Group's related company afterwards. Mr. Warren Lee Wa Lun was common director of the Company and YMIM.

(b) The Group reimbursed YMIM in respect of occupying office space and sharing office and equipment expenses in accordance with the management agreement. The reimbursement for the year payable to YMIM was approximately HK\$1,242,000 (2018: approximately HK\$999,000).

(c) During the year, the commission expenses charged by Sun Hung Kai Investment Services Limited, an associate of AGL, was HK\$236,000 (2018: Nil) for securities transactions entered into.

(d) No notes issued by a fellow subsidiary, classified as financial assets at FVOCI and included in listed debt securities, as at 31st December, 2019 was held by the Group (2018: the net carrying value of HK\$30,623,000). Interest income from the note, totalling of HK\$1,242,000 (2018: HK\$1,490,000) was recognised during the year.

(e) During the year, insurance premium of approximately HK\$95,000 were charged by an associate of AGL (2018: HK\$95,000).

(f) Key management personnel of the Group are members of the Board. Details of key management personnel emoluments are set out in Note 12.

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27. 綜合現金流量表附註

融資業務產生之負債對賬：

27. Notes to the Consolidated Statement of Cash Flows

Reconciliation of liabilities arising from financing activities:

	Bank borrowings 銀行借貸 HK\$'000 千港元
At 1st January, 2019 於二零一九年一月一日	–
Changes from financing cash flow: 融資現金流量變動：	
Proceeds from bank borrowings 銀行借貸所得款項	49,178
Repayment of bank borrowings 償還銀行借貸	(49,178)
Interest paid 已付利息	(212)
Total changes from financing cash flows 融資現金流量總變動	(212)
Other changes: 其他變動：	
Accrued interest 應付利息	212
Total other changes 其他變動總額	212
At 31st December, 2019 於二零一九年十二月三十一日	–

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28. 本公司財務狀況表

28. Statement of Financial Position of the Company

	Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
ASSETS AND LIABILITIES			
資產及負債			
Non-current assets			
非流動資產			
Investment in subsidiaries 於附屬公司投資		–	–
Current assets			
流動資產			
Other receivables and prepayment 其他應收款及預付款項		449	449
Amounts due from subsidiaries 應收附屬公司款項		1,113,040	1,093,779
Cash and cash equivalents 現金及現金等價物		1,957	1,291
		1,115,446	1,095,519
Current liabilities			
流動負債			
Other payables and accrued expenses 其他應付款及應計費用		1,544	1,349
Amounts due to subsidiaries 欠附屬公司款項		64	73
Amount due to a holding company 欠一間控股公司款項		319	341
Amount due to a fellow subsidiary 欠一間同系附屬公司款項		–	4,575
Amount due to a related company 欠一間關聯公司款項		4,902	–
		6,829	6,338
Net current assets 流動資產淨值		1,108,617	1,089,181
Total assets less current liabilities 資產總額減流動負債		1,108,617	1,089,181
EQUITY			
權益			
Share capital 股本	21	918,978	918,978
Reserves 儲備	22	189,639	170,203
Total equity 權益總額		1,108,617	1,089,181

本公司財務狀況表經董事會於二零二零年三月十九日批准及授權刊發並由下列董事代表簽署：

Warren Lee Wa Lun
李華倫
Chairman
主席

The statement of financial position of the Company was approved and authorised for issue by the Board on 19th March, 2020 and is signed on its behalf by:

Mark Wong Tai Chun
王大鈞
Director
董事

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29. 重大投資及十大投資

本集團於二零一九年十二月三十一日就各項投資的賬面
值而言屬十大投資之詳情如下：

29. Significant Investments and Top Ten Investments

Particulars of top ten investments of the Group as at 31st
December, 2019, in terms of carrying value of the respective
investments, are set out as follows:

Name of Investment	Number of shares held by the Group	Effective shareholding interest	Carrying book cost up to 31st December, 2019	Market value/fair value as at 31st December, 2019	Dividend received/receivable during the year	Percentage of the Group's net assets attributable to the owners of company as at 31st December, 2019	Classification of financial assets
投資名稱	本集團所持之股份數目	實際股權	截至二零一九年十二月三十一日之賬面成本 HK\$'000 千港元	於二零一九年十二月三十一日之市值/公平值 HK\$'000 千港元	年內已收/應收股息 HK\$'000 千港元	於二零一九年十二月三十一日佔本公司擁有人應佔本集團淨資產的百分比	財務資產類別
(i) Tatung Co., Limited ("Tatung") 大同股份有限公司(「大同」)	29,982,000	1.28%	173,186	163,702	-	14.73%	FVPL 按公平值計入損益
(ii) Grand Ming Group Holdings Limited ("Grand Ming") 佳明集團控股有限公司(「佳明」)	14,380,443	2.03%	8,936	68,307	1,469	6.15%	FVPL 按公平值計入損益
(iii) Sub-participation in Kovan Limited ("Kovan") Kovan Limited之附屬參與(「Kovan」)	Not applicable 不適用	Not applicable 不適用	31,010	54,142	-	4.87%	FVPL 按公平值計入損益
(iv) New Oriental Education & Technology Group Inc. ("New Oriental") 新東方教育科技(集團)有限公司(「新東方」)	56,000	0.04%	39,188	52,878	-	4.76%	FVPL 按公平值計入損益
(v) Springs China Opportunities Feeder Fund ("Springs China")	Not applicable 不適用	Not applicable 不適用	7,800	43,000	-	3.87%	FVPL 按公平值計入損益
(vi) Cheergain Group Limited ("Cheergain") 2021 Bond Cheergain Group Limited(「Cheergain」)2021債券	Not applicable 不適用	Not applicable 不適用	39,140	42,556	-	3.83%	FVOCI 按公平值計入其他全收益
(vii) Seazen Group Limited ("Seazen") 2021 Bond 新城發展控股有限公司(「新城發展」)2021債券	Not applicable 不適用	Not applicable 不適用	38,878	40,423	-	3.64%	FVOCI 按公平值計入其他全收益
(viii) Alibaba Group Holding Limited ("Alibaba") 亞里巴巴集團控股有限公司(「亞里巴巴」)	180,000	less than 0.01% 少於0.01%	31,342	37,163	-	3.34%	FVPL 按公平值計入損益
(ix) CVC Capital Partners Asia IV Associate L.P. ("CVC")	Not applicable 不適用	Not applicable 不適用	30,245	36,198	2,896	3.26%	FVPL 按公平值計入損益
(x) China Unicom (Hong Kong) Limited ("China Unicom") 中國聯合網絡通信(香港)股份有限公司(「中國聯通」)	4,200,000	0.01%	47,125	30,828	588	2.77%	FVPL 按公平值計入損益

於二零一九年十二月三十一日，大同及佳明為本集團重大投資。

Tatung and Grand Ming are significant investments of the Group as at 31st December, 2019.

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29. 重大投資及十大投資(續)

29. Significant Investments and Top Ten Investments (continued)

Name of investment	Number of shares held by the Group	Effective shareholding interest	Carrying book cost up to 31st December, 2018	Market value/ fair value as at 31st December, 2018	Dividend received/ receivable during the year	Percentage of the Group's net assets attributable to the owners of the Company as at 31st December, 2018	Classification of financial assets
投資名稱	本集團所持之股份數目	實際股權	截至二零一八年十二月三十一日之賬面成本 HK\$'000 千港元	於二零一八年十二月三十一日之市值/公平值 HK\$'000 千港元	年內已收/應收股息 HK\$'000 千港元	於二零一八年十二月三十一日佔本公司擁有人應佔本集團淨資產的百分比	財務資產類別
(i) CSOP Hang Seng Index Daily (-1x) Inverse Product 南方東英恒生指數每日反向(-1x)產品	25,000,000	5.32%	147,229	148,000	-	13.57%	FVPL 按公平值計入損益
(ii) Grand Ming 佳明	15,405,443	2.17%	9,573	76,719	1,510	7.03%	FVPL 按公平值計入損益
(iii) Cheergain Cheergain	Not applicable 不適用	Not applicable 不適用	39,140	40,247	-	3.69%	FVOCI 按公平值計入其他全收益
(iv) Kovan Kovan	Not applicable 不適用	Not applicable 不適用	31,010	38,990	-	3.58%	FVPL 按公平值計入損益
(v) China Unicom 中國聯通	4,200,000	0.01%	47,125	34,944	242	3.20%	FVPL 按公平值計入損益
(vi) CVC	Not applicable 不適用	Not applicable 不適用	30,245	33,187	-	3.04%	FVPL 按公平值計入損益
(vii) ASM Term Trust 1	Not applicable 不適用	Not applicable 不適用	26,948	30,640	-	2.81%	FVPL 按公平值計入損益
(viii) Sun Hung Kai & Co. (BVI) 2021 Bond Sun Hung Kai & Co. (BVI) 2021債券	Not applicable 不適用	Not applicable 不適用	31,078	30,623	-	2.81%	FVOCI 按公平值計入其他全收益
(ix) Dream International Limited 德林國際有限公司	7,022,000	1.04%	18,395	29,914	281	2.74%	FVPL 按公平值計入損益
(x) Springs China	Not applicable 不適用	Not applicable 不適用	7,800	29,186	-	2.68%	FVPL 按公平值計入損益

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29. 重大投資及十大投資(續)

(i) 大同

大同於台灣按公司法註冊成立，其普通股股份於台灣證券交易所公開上市(股份代號：2371TT)。大同及其附屬公司主要從事商品銷售，建築合同和提供服務的業務。

截至二零一九年九月三十日止九個月，大同擁有人應佔未經審核綜合溢利為1,004,300,000新台幣，每股基本盈利為0.44新台幣。於二零一九年九月三十日，大同擁有人應佔未經審核綜合權益為34,706,000,000新台幣。

年內，此投資之市價下跌5.5%。

(ii) 佳明

佳明於開曼群島註冊成立，其股份於香港聯交所主板上市(股份代號：01271)。佳明及其附屬公司主要於香港從事建造住宅樓宇、商業樓宇及數據中心。

截止二零一九年九月三十日止六個月，佳明擁有人應佔未經審核綜合溢利為44,000,000港元，每股基本盈利為0.06港元。於二零一九年九月三十日，佳明擁有人應佔未經審核綜合權益為2,818,900,000港元。

年內，此投資之股價下跌4.6%。

29. Significant Investments and Top Ten Investments (continued)

(i) Tatung

Tatung was incorporated under the Company Act of the Republic of China and its common shares were publicly listed on the Taiwan Stock Exchange (stock code: 2371TT). Tatung and its subsidiaries are principally engaged in the business of the sale of goods, construction contract and rendering of services.

For the nine months ended 30th September, 2019, the unaudited consolidated profit attributable to owners of Tatung was NTD1,004.3 million with basic earnings per share of NTD0.44. As at 30th September, 2019, its unaudited consolidated equity attributable to owners of Tatung was NTD34,706.0 million.

The market value of this investment decreased by 5.5% during the year.

(ii) Grand Ming

Grand Ming was incorporated in the Cayman Islands and its shares are listed on the main board of the Stock Exchange of Hong Kong (stock code: 01271). Grand Ming and its subsidiaries are principally engaged in the business of residential buildings, commercial buildings and data centres construction in Hong Kong.

For the six months ended 30th September, 2019, the unaudited consolidated profit attributable to owners of Grand Ming was HK\$44.0 million with basic earnings per share of HK\$0.06. As at 30th September, 2019, its unaudited consolidated equity attributable to owners of Grand Ming was HK\$2,818.9 million.

The share price of this investment decreased by 4.6% during the year.

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29. 重大投資及十大投資(續)

(iii) Kovan

Kovan於英屬處女群島註冊成立，Kovan及其附屬公司主要從事參與融資活動。

(iv) 新東方

新東方於開曼群島註冊成立，其股份於紐約證券交易所上市(股份代號：EDU US)。新東方及其附屬公司於中國提供私人教育服務。

截至二零一九年十一月三十日止六個月，新東方擁有人應佔未經審核綜合溢利為262,400,000美元，每股基本盈利為1.66美元。於二零一九年十一月三十日，新東方擁有人應佔未經審核綜合權益為2,594,500,000美元。

(v) Springs China

Springs China於開曼群島註冊成立。Springs China主要投資於中國及香港上市公司及於海外上市之中國公司。

截止二零一八年十二月三十一日止財政年度，Springs China可贖回可參與優先股持有人應佔經審核淨資產減少104,200,000美元。於二零一八年十二月三十一日，Springs China可贖回可參與優先股持有人應佔經審核淨資產為294,100,000美元。

29. Significant Investments and Top Ten Investments (continued)

(iii) Kovan

Kovan was incorporated in the British Virgin Islands. Kovan and its subsidiaries are principally engaged in participating in financial activities.

(iv) New Oriental

New Oriental was incorporated in the Cayman Islands and its shares are listed on the New York Stock Exchange (stock code: EDU US). New Oriental and its subsidiaries are principally engaged in private educational services in China.

For the six months ended 30th November, 2019, the unaudited consolidated profit attributable to owners of New Oriental was USD262.4 million with basic earnings per share of USD1.66. As at 30th November, 2019, its unaudited consolidated equity attributable to owners of New Oriental was USD2,594.5 million.

(v) Springs China

Springs China was incorporated in the Cayman Islands. The Springs China principally invests in companies primarily listed in Mainland China and Hong Kong, and overseas listed Chinese companies.

For the financial year ended 31st December, 2018, the audited decrease in net assets attributable to holders of participating redeemable preference shares of Springs China was USD104.2 million. As at 31st December, 2018, its audited net assets attributable to holders of participating redeemable preference shares of Springs China was USD294.1 million.

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29. 重大投資及十大投資(續)

(vi) Cheergain

Cheergain於英屬處女群島註冊成立，是China Properties Limited(「China Properties」)之全資附屬公司。China Properties於開曼群島註冊成立，其股份於香港聯交所主板上市(股份代號：01838)。China Properties及其附屬公司主要在中國從事物業發展及物業投資業務。

截止二零一九年六月三十日止六個月，China Properties擁有人應佔未經審核綜合溢利為160,300,000人民幣，每股基本盈利為0.09人民幣。於二零一九年六月三十日，China Properties擁有人應佔未經審核綜合權益為37,709,800,000人民幣。

(vii) 新城發展

新城發展於開曼群島註冊成立，其股份於香港聯交所主板上市(股份代號：01030)。新城發展及其附屬公司主要業務為於中國從事物業開發及物業投資。

截至二零一九年六月三十日止六個月，新城發展擁有人應佔未經審核綜合溢利為1,528,100,000人民幣，每股基本盈利為0.26人民幣。於二零一九年六月三十日，新城發展擁有人應佔未經審核綜合權益為18,815,100,000人民幣。

29. Significant Investments and Top Ten Investments (continued)

(vi) Cheergain

Cheergain was incorporated in the British Virgin Islands, which is wholly-owned subsidiary of China Properties Limited ("China Properties"). China Properties was incorporated in the Cayman Islands and its shares are listed on the main board of the Stock Exchange of Hong Kong (stock code: 01838). China Properties and its subsidiaries are principally engaged in property development and property investment in the PRC.

For the six months ended 30th June, 2019, the unaudited consolidated profit attributable to owners of China Properties was RMB160.3 million with basic earnings per share of RMB0.09. As at 30th June, 2019, its unaudited consolidated equity attributable to owners of China Properties was RMB37,790.8 million.

(vii) Seazen

Seazen was incorporated in the Cayman Islands and its shares are listed on the main board of the Stock Exchange of Hong Kong (stock code: 01030). Seazen and its subsidiaries are principally engaged in property development and property investment in PRC.

For the six months ended 30th June, 2019, the unaudited consolidated profit attributable to owners of Seazen was RMB1,528.1 million with basic earnings per share of RMB0.26. As at 30th June, 2019, its unaudited consolidated equity attributable to owners of Seazen was RMB18,815.1 million.

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29. 重大投資及十大投資(續)

(viii) 亞里巴巴

亞里巴巴於開曼群島註冊成立，其股份於紐約證券交易所上市(股份代號：BABA)。亞里巴巴及其附屬公司主要從事核心電商、雲計算、數字媒體及娛樂以及創新項目和其他業務。

截止二零一九年九月三十日止六個月，亞里巴巴擁有人應佔未經審核綜合溢利為93,792,000,000人民幣，每股基本盈利4.51人民幣。於二零一九年九月三十日，亞里巴巴擁有人應佔未經審核綜合權益為602,799,000,000人民幣。

(ix) CVC

CVC於澤西島註冊為有限責任合夥。CVC聚焦於亞太地區私人股本證券投資。

截止二零一八年十二月三十一日止財政年度，CVC有限責任合夥人應佔經審核溢利為3,500,000美元。於二零一八年十二月三十一日，CVC有限責任合夥人應佔經審核資產淨值為31,900,000美元。

29. Significant Investments and Top Ten Investments (continued)

(viii) Alibaba

Alibaba was incorporated in the Cayman Islands and its shares are listed on the New York Stock Exchange (stock code: BABA). Alibaba and its subsidiaries are principally engaged in core commerce, cloud computing, digital media and entertainment and innovation initiatives and others.

For the six months ended 30th September, 2019, the unaudited consolidated profit attributable to owners of Alibaba was RMB93,792.0 million with basic earnings per share of RMB4.51. As at 30th September, 2019, its unaudited consolidated equity attributable to owners of Alibaba was RMB602,799.0 million.

(ix) CVC

CVC is registered as a limited partnership in Jersey. CVC focuses on Asia Pacific region private equity investing.

For the financial year ended 31st December, 2018, the audited profit attributable to limited partners of CVC was USD3.5 million. As at 31st December, 2018, its audited net asset value attributable to limited partners of CVC was USD31.9 million.

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(x) 中國聯通

中國聯通於香港註冊成立，其股份於香港聯交所主板上市(股份代號：00762)。中國聯通及其附屬公司主要從事在中國提供語音通話、寬帶及移動數據服務、數據及互聯網應用服務、其他增值服務、電路、網元租賃及相關服務，及銷售通信產品。

截止二零一九年六月三十日止六個月，中國聯通擁有人應佔未經審核綜合溢利為6,877,000,000人民幣，每股基本盈利為0.22人民幣。於二零一九年六月三十日，中國聯通擁有人應佔未經審核綜合權益為316,040,000,000人民幣。

30. 財務風險管理及公平值計量

本集團因在日常業務中及投資活動中使用金融工具而承受財務風險。財務風險包括市場風險(包括貨幣風險、利率風險及其他價格風險)、信貸風險及流動資金風險。

財務風險管理主要在本集團總部協調，並定期與董事會緊密合作。整體之財務風險管理目標集中於保障本集團短期至中期之現金流，從而將面對財務市場風險減至最低。在可接受風險水平內，管理長期財務投資以產生持久回報。

(x) China Unicom

China Unicom was incorporated in the Hong Kong and its shares are listed on the main board of the Stock Exchange of Hong Kong (stock code: 00762). China Unicom and its subsidiaries are principally engaged in the provision of voice usage, broadband and mobile data services, data and other internet application services, other value-added services, leased lines and associated services and sales of telecommunications products in the PRC.

For the six months ended 30th June, 2019, the unaudited consolidated profit attributable to owners of China Unicom was RMB6,877.0 million with basic earnings per share of RMB0.22. As at 30th June, 2019, its unaudited consolidated equity attributable to owners of China Unicom was RMB316,040.0 million.

30. Financial Risk Management and Fair Value Measurements

The Group is exposed to financial risks through its use of financial instruments in its ordinary course of operations and in its investment activities. The financial risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

Financial risk management is coordinated at the Group's headquarters, in close co-operation with the Board periodically. The overall objectives in managing financial risks focus on securing the Group's short-to-medium-term cash flows by minimising its exposure to financial markets. Long-term financial investments are managed to generate lasting returns with acceptable risk levels.

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30. 財務風險管理及公平值計量(續)

30.1 財務資產及負債類別

財務狀況表內所呈列之賬面值涉及以下財務資產及負債類別：

30. Financial Risk Management and Fair Value Measurements (continued)

30.1 Categories of financial assets and liabilities

The carrying amounts presented in the statements of financial position relate to the following categories of financial assets and financial liabilities:

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Financial assets		
財務資產		
Non-current assets		
非流動資產		
Financial assets at FVOCI		
按公平值計入其他全面收益財務資產	157,448	102,869
Financial assets at FVPL		
按公平值計入損益財務資產	257,966	157,555
	415,414	260,424
Current assets		
流動資產		
Financial assets at FVOCI		
按公平值計入其他全面收益財務資產	8,030	-
Financial assets at FVPL		
按公平值計入損益財務資產	583,804	464,035
Financial assets at amortised cost:		
按攤銷成本列賬的財務資產：		
– Trade and other receivables		
– 貿易及其他應收款	567	40
– Cash and cash equivalents		
– 現金及現金等價物	86,132	387,053
	678,533	851,128
	1,093,947	1,111,552

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30. 財務風險管理及公平值計量(續)

30. Financial Risk Management and Fair Value Measurements (continued)

30.1 財務資產及負債類別(續)

30.1 Categories of financial assets and liabilities (continued)

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Financial liabilities		
財務負債		
Current liabilities		
流動負債		
Financial liabilities measured at amortised cost:		
財務負債以攤銷成本計量：		
– Trade and other payables and accrued expenses	1,548	19,334
– 貿易及其他應付款及應計費用		
– Amount due to a related company	4,902	–
– 欠一間關聯公司款項		
– Amount due to a holding company	319	341
– 欠一間控股公司款項		
– Amount due to a fellow subsidiary	–	4,575
– 欠一間同聯附屬公司款項		
	6,769	24,250

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30. 財務風險管理及公平值計量(續)

30.2 外幣風險

外幣風險指金融工具之公平值或未來現金流量因外幣匯率變動而波動之風險。

本集團絕大部分交易以港元進行。貨幣匯率風險主要來自本集團之投資，而該等投資主要以美元、人民幣、馬幣、新台幣、日圓及泰銖(「泰銖」)計值。

以外幣計值之財務資產與負債按收盤率換算為港元如下：

30. Financial Risk Management and Fair Value Measurements (continued)

30.2 Foreign currency risk

Foreign currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Most of the Group's transactions are carried out in HK\$. Exposures to currency exchange rates mainly arise from the Group's investments, which are primarily denominated in USD, RMB, MYR, NTD, JP¥ and Thai Baht ("THB").

Foreign currency denominated financial assets and liabilities, translated into HK\$ at the closing rates, are as follows:

	2019 二零一九年 HK\$'000 千港元					
	JP¥ 日圓	MYR 馬幣	NTD 新台幣	USD 美元	THB 泰銖	RMB 人民幣
Financial assets 財務資產	6,492	18,777	163,702	135,768	–	9
Financial liabilities 財務負債	–	–	–	–	–	–
Short-term exposure 短期風險	6,492	18,777	163,702	135,768	–	9
Financial assets 財務資產	–	–	–	413,981	10,274	1,434
Financial liabilities 財務負債	–	–	–	–	–	–
Long-term exposure 長期風險	–	–	–	413,981	10,274	1,434

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30. 財務風險管理及公平值計量(續)

30.2 外幣風險(續)

以外幣計值之財務資產與負債按收盤率換算為港元如下：(續)

30. Financial Risk Management and Fair Value Measurements (continued)

30.2 Foreign currency risk (continued)

Foreign currency denominated financial assets and liabilities, translated into HK\$ at the closing rates, are as follows: (continued)

	JPY 日圓	MYR 馬幣	2018 二零一八年 HK\$'000 千港元 USD 美元	THB 泰銖	RMB 人民幣
Financial assets 財務資產	5,712	19,325	88,862	–	9
Financial liabilities 財務負債	–	–	–	–	–
Short-term exposure 短期風險	5,712	19,325	88,862	–	9
Financial assets 財務資產	–	–	259,262	9,490	1,162
Financial liabilities 財務負債	–	–	–	–	–
Long-term exposure 長期風險	–	–	259,262	9,490	1,162

下表列出因應於報告日本集團有重大風險之有關馬幣、新台幣、日圓、泰銖及人民幣之外幣匯率合理可能變動，本集團稅後溢利(及保留盈利)及綜合權益其他成分之概約變動。

The following table indicates the approximate change in the Group's profit after tax (and retained earnings) and other components of consolidated equity in response to reasonably possible changes in the foreign exchange rates, MYR, NTD, JPY, THB and RMB to which the Group has significant exposure at the reporting date.

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30. 財務風險管理及公平值計量(續)

30. Financial Risk Management and Fair Value Measurements (continued)

30.2 外幣風險(續)

30.2 Foreign currency risk (continued)

	Increase/ (decrease) in foreign exchange rate	2019	Effect on other components of equity	Increase/ (decrease) in foreign exchange rate	2018	Effect on other components of equity
		二零一九年 Effect on profit after tax and retained earnings (Note)			二零一八年 Effect on profit after tax and retained earnings (Note)	
外幣匯率 增加/ (減少)		對稅後 溢利及保留 盈利之影響 (附註)	對權益 其他成分 之影響	外幣匯率 增加/ (減少)	對稅後 溢利及保留 盈利之影響 (附註)	對權益 其他成分 之影響
		HK\$'000 千港元	HK\$'000 千港元		HK\$'000 千港元	HK\$'000 千港元
MYR 馬幣	1%	188	–	1%	193	–
MYR 馬幣	-1%	(188)	–	-1%	(193)	–
JP¥ 日圓	1%	65	–	1%	57	–
JP¥ 日圓	-1%	(65)	–	-1%	(57)	–
THB 泰銖	3%	308	–	2%	190	–
THB 泰銖	-3%	(308)	–	-2%	(190)	–
RMB 人民幣	1%	–	14	2%	–	23
RMB 人民幣	-1%	–	(14)	-2%	–	(23)
NTD 新台幣	1%	1,637	–	–	–	–
NTD 新台幣	-1%	(1,637)	–	–	–	–

附註：

正數代表溢利及保留盈利增加或虧損減少，然而負數代表溢利及保留盈利減少或虧損增加。

Note:

Positive figure represents increase in profit and retained earnings or decrease in loss whereas negative figure represents decrease in profit and retained earnings or increase in loss as appropriate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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30. 財務風險管理及公平值計量(續)

30.2 外幣風險(續)

於報告日，本集團所面對外幣風險之敏感度分析乃假設外幣匯率變動百分比於財政年度初發生並於整年內維持不變而釐定。假設變動指管理層對外幣匯率變動在直至下一報告日為止期間之合理可能變動評估。此等方法及假設與編製截至二零一八年十二月三十一日止年度綜合財務報表所載敏感度分析所使用者相同。

於未來十二個月美元之外幣匯率之合理變動被評定對本集團之稅後溢利，保留盈利及權益其他成分並無重大變動。

30.3 利率風險

利率風險涉及金融工具之公平值或現金流量因市場利率改變而出現波動之風險。

30. Financial Risk Management and Fair Value Measurements (continued)

30.2 Foreign currency risk (continued)

The sensitivity analysis of the Group's exposure to foreign currency risk at the reporting date has been determined based on the assumed percentage changes in foreign exchange rates taking place at the beginning of the financial year and held constant throughout the year. The assumed changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the next reporting date. These are the same method and assumption used in preparing the sensitivity analysis included in the consolidated financial statements of the year ended 31st December, 2018.

A reasonable change in foreign exchange rates for USD in the next twelve months is assessed to result in immaterial change in the Group's profit after tax, retained earnings and other components of equity.

30.3 Interest rate risk

Interest rate risk relates to the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates.

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綜合財務報表附註

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30. 財務風險管理及公平值計量(續)

30.3 利率風險(續)

公平值利率風險

於二零一九年十二月三十一日，本集團之公平值利率風險主要與債務證券投資有關。本集團目前並無公平值對沖政策。本集團之公平值利率風險概述如下：

30. Financial Risk Management and Fair Value Measurements (continued)

30.3 Interest rate risk (continued)

Fair value interest rate risk

As at 31st December, 2019, the Group's fair value interest rate risk relates primarily to investments in debt securities. The Group currently does not have a fair value hedging policy. The Group's fair value interest rate risk exposure is summarised as follows:

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Financial assets at FVOCI 按公平值計入其他全面收益之財務資產	53,131	40,247

於二零一九年十二月三十一日，倘市場利率上升或下降50個基點(二零一八年：50個基點)，而所有其他變數維持不變，本年度之投資重估儲備減少322,000港元或增加263,000港元(二零一八年：減少399,000港元或增加406,000港元)。

現金流利率風險

本集團通過其存款的浮動利率(視乎可變利率而定)而承受市場利率變動之現金流利率風險。

At 31st December, 2019, if market interest rates had been 50 basis points (2018: 50 basis points) higher or lower with all other variables held constant, investment revaluation reserve would have decreased by HK\$322,000 or increased by HK\$263,000 (2018: decreased by HK\$399,000 or increased by HK\$406,000).

Cash flow interest rate risk

The Group is exposed to cash flow interest rate risk for changes in market interest rates through its deposits at floating interest rates, which are subject to variable interest rates.

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綜合財務報表附註

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

30. 財務風險管理及公平值計量(續)

30.3 利率風險(續)

現金流利率風險(續)

下表列出因應於報告日以可變利率計息之存款之利率合理可能變動，本集團稅後溢利(及保留盈利)之概約變動。

30. Financial Risk Management and Fair Value Measurements (continued)

30.3 Interest rate risk (continued)

Cash flow interest rate risk (continued)

The following table indicates the approximate change in the Group's profit after tax (and retained earnings) in response to reasonably possible changes in the interest rates for deposit at variable interest rates at the reporting date.

	2019 二零一九年		2018 二零一八年	
	Increase/ (decrease) in interest rates	Effect on profit after tax and retained earnings (Note) 對稅後 溢利及保留 盈利之影響 (附註) HK\$'000 千港元	Increase/ (decrease) in interest rates	Effect on profit after tax and retained earnings (Note) 對稅後 溢利及保留 盈利之影響 (附註) HK\$'000 千港元
Deposits 存款	0.5%	431	0.5%	1,935
Deposits 存款	(0.5%)	(431)	(0.5%)	(1,935)

附註：

正數代表溢利及保留盈利增加或虧損減少，然而負數代表溢利及保留盈利減少或虧損增加。

於報告日，本集團所面對利率風險之敏感度分析乃假設利率變動百分比於財政年度初發生並於整年內維持不變而釐定。利率之假設變動乃經觀察現行市場情況後視為合理地可能出現之變動，並指管理層對利率變動在直至下一個報告日為止期間之合理可能變動評估。此等方法及假設與編製截至二零一八年十二月三十一日止年度綜合財務報表所載敏感度分析所使用者相同。

Note:

Positive figure represents increase in profit and retained earnings or decrease in loss whereas negative figure represents decrease in profit and retained earnings or increase in loss as appropriate.

The sensitivity analysis of the Group's exposure to interest rate risk at the reporting date has been determined based on the assumed percentage changes in interest rates taking place at the beginning of the financial year and held constant throughout the year. The assumed changes in interest rates are considered to be reasonably possible based on observation of current market conditions and represents management's assessment of a reasonably possible change in interest rates over the period until the next reporting date. These are the same method and assumption used in preparing the sensitivity analysis included in the consolidated financial statements for the year ended 31st December, 2018.

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

30. 財務風險管理及公平值計量(續)

30.4 價格風險

價格風險涉及金融工具之公平值或未來現金流量因市場股價改變而出現波動之風險。

本集團面對分類為按公平值計入損益財務資產及按公平值計入其他全面收益財務資產之若干債券證券投資及永續證券投資產生之價格變動風險。本集團之價格風險概述如下：

30. Financial Risk Management and Fair Value Measurements (continued)

30.4 Price risk

Price risk relates to the risk that fair values or future cash flows of a financial instrument will fluctuate because of changes in market prices.

The Group is exposed to price changes arising from investments in certain debt securities and investments in perpetual securities classified as financial assets at FVPL or financial assets at FVOCI. The Group's price risk exposure is summarised as follows:

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Financial assets at FVPL 按公平值計入損益財務資產	70,131	-
Financial assets at FVOCI 按公平值計入其他全面收益財務資產	112,347	62,622

於二零一九年十二月三十一日，倘價格上升或下降5%（二零一八年：5%），而所有其他變數維持不變，本年度之稅後溢利會減少3,507,000港元或增加3,507,000港元，而投資重估儲備減少5,617,000港元或增加5,617,000港元（二零一八年：減少／增加3,131,000港元）。

本集團面對分類為列作買賣證券及按公平值計入損益財務資產之股本投資產生之股價變動風險。除策略性持有之非掛牌證券及若干上市永續證券（分類為按公平值計入損益財務資產）外，所有該等投資均為上市。

本集團之持作買賣股本證券主要於香港、馬來西亞、東京、台灣及美國證券交易所上市。投資組合按照本集團設定限額在行業分佈上作分散投資。

下表列出因應於報告日本集團有重大風險之相關股票市價合理可能變動，而引致本集團稅後溢利（及保留盈利）之概約變動。

At 31st December, 2019, if price had been 5% (2018: 5%) higher or lower with all other variables held constant, profit after tax for the year would have decreased by HK\$3,507,000 or increased by HK\$3,507,000 and investment revaluation reserve would have decreased by HK\$5,617,000 or increased by HK\$5,617,000 (2018: decreased/increased by HK\$3,131,000).

The Group is exposed to equity price changes arising from equity investments classified as trading securities and financial assets at FVPL. Other than unquoted securities and certain listed perpetual bonds classified as financial assets at FVPL held for strategic purposes, all of these investments are listed.

The Group's equity security held for trading are primarily listed on the stock exchanges of Hong Kong, Malaysia, Tokyo, Taiwan and United States. The portfolio is diversified in terms of industry distribution, in accordance with the limits set by the Group.

The following table indicates the approximate change in the Group's profit after tax (and retained earnings) in response to the reasonably possible changes in the relevant stock market prices, to which the Group has significant exposure at the reporting date.

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30. 財務風險管理及公平值計量(續)

30.4 價格風險(續)

持作買賣股本證券

因應持作買賣股本證券市價之合理可能變動，本集團於持作買賣股本證券(不包括衍生工具)之投資有以下風險：

30. Financial Risk Management and Fair Value Measurements (continued)

30.4 Price risk (continued)

Equity securities held for trading

In response to the reasonably possible change in the market price of the equity securities held for trading, the Group's investment in equity securities held for trading excluding derivatives has the following exposures:

	Increase/ (decrease) in securities' market price	2019 二零一九年 Effect on profit after tax and retained earnings (Note) 對稅後 溢利及保留 盈利之影響 (附註) HK\$'000 千港元	Effect on other components of equity	Increase/ (decrease) in securities' market price	2018 二零一八年 Effect on profit after tax and retained earnings (Note) 對稅後 溢利及保留 盈利之影響 (附註) HK\$'000 千港元	Effect on other components of equity
	證券市價 增加/ (減少)		對權益 其他成分 之影響	證券市價 增加/ (減少)		對權益 其他成分 之影響
Hong Kong market 香港市場	3%	7,199	—	5%	20,178	—
Hong Kong market 香港市場	-3%	(7,199)	—	-5%	(20,178)	—
Malaysia market 馬來西亞市場	3%	563	—	5%	966	—
Malaysia market 馬來西亞市場	-3%	(563)	—	-5%	(966)	—
US market 美國市場	3%	3,224	—	5%	1,772	—
US market 美國市場	-3%	(3,224)	—	-5%	(1,772)	—
Japan market 日本市場	3%	195	—	5%	286	—
Japan market 日本市場	-3%	(195)	—	-5%	(286)	—
Taiwan market 台灣市場	3%	4,911	—	5%	—	—
Taiwan market 台灣市場	-3%	(4,911)	—	-5%	—	—

附註：

正數代表溢利及保留盈利增加或虧損減少，然而負數代表溢利及保留盈利減少或虧損增加

Note:

Positive figure represents increase in profit and retained earnings or decrease in loss whereas negative figure represents decrease in profit and retained earnings or increase in loss as appropriate.

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30. 財務風險管理及公平值計量(續)

30.4 價格風險(續)

上市證券

於報告日，本集團所面對股價風險之敏感度分析乃假設股票市價或其他相關風險變數變動百分比於財政年度初發生並於整年內維持不變而釐定。假設變動指管理層對相關股市指數或相關風險變數變動在直至下一報告日為止期間之合理可能變動評估。此等方法及假設與編製截至二零一八年十二月三十一日止年度綜合財務報表所載敏感度分析所使用者相同。

30.5 信貸風險

信貸風險指金融工具之對手方未能按金融工具之條款履行其責任，並導致本集團錄得財務虧損之風險。

本集團並無任何重大信貸風險集中於任何單一交易對手或任何一組特質相若之交易對手，倘對手為關連實體。

由於流動資金及衍生金融工具交易對手方乃信譽良好、質素高，且具備高外部信貸評級的金融機構，故相關信貸風險甚低。

30. Financial Risk Management and Fair Value Measurements (continued)

30.4 Price risk (continued)

Listed securities

The sensitivity analysis of the Group's exposure to equity price risk at the reporting date has been determined based on the assumed percentage changes in the stock market price or other relevant risk variables taking place at the beginning of the financial year and held constant throughout the year. The assumed changes represent management's assessment of reasonably possible changes in the relevant stock market index or the relevant risk variables over the period until the next reporting date. These are the same method and assumption used in preparing the sensitivity analysis included in the consolidated financial statements for the year ended 31st December, 2018.

30.5 Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligation under the terms of the financial instrument and cause a financial loss to the Group.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics if they are related entities.

The credit risk for liquid funds and derivative financial instruments is considered negligible as the counterparties are reputable financial institutions with high quality and credit ratings.

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30. 財務風險管理及公平值計量(續)

30.5 信貸風險(續)

本集團採納保守投資策略。通常投資為認可證券交易所所報之流動證券，惟訂立作長期策略性投資除外。就投資債務證券而言，基本上只會考慮由國際信用評級機構分配信貸評級為C級或以上的債務證券。只會與信譽良好的證券經紀開設交易賬戶。董事會基於投資報告監控本集團的整體投資狀況及風險。就分類為按公平值計入其他全面收益財務資產之債務證券投資而言，於二零一九年十二月三十一日，由國際信用評級機構分配信貸評級介乎a-級至b級之總賬面值為165,478,000港元(二零一八年：102,869,000港元)，虧損撥備按相等於12個月預期信貸虧損之金額計量。

本集團於各報告期末評估債務證券投資之信貸風險。本集團按公平值計入其他全面收益之債務工具主要包括上市及非上市債券，該等債券由信用評級機構根據全球公認之定義進行分級。於截至二零一九年十二月三十一日止年度，按公平值計入其他全面收益之債務工具之預期信貸虧損1,949,000港元已在損益中確認。於二零一九年十二月三十一日，按公平值計入其他全面收益之債務工具之減值撥備為1,949,000港元。

截至二零一九年及二零一八年十二月三十一日止年度，按公平值計入其他全面收益之債務工具之虧損撥備金額變動如下：

30. Financial Risk Management and Fair Value Measurements (continued)

30.5 Credit risk (continued)

The Group adopts conservative investment strategies. Usually investments are in liquid securities quoted on recognised stock exchanges, except where entered into for long-term strategic purposes. For investment in debt securities, basically only debt securities with credit ratings of C or above assigned by international credit rating agencies would be considered. Trading accounts are only opened with reputable security brokers. The Board monitors the Group's overall investment position and exposures based on the investment report. For investment in debt securities which are classified as financial assets at FVOCI, the gross carrying amounts with crediting rating between a- and b assigned by international credit rating agencies are HK\$165,478,000 as at 31st December, 2019 (2018: HK\$102,869,000) and the loss allowance is measured at an amount equal to 12-month ECLs.

The Group assesses the credit risk of investments in debt securities at the end of each reporting period. The Group's debt instruments at FVOCI mainly comprise listed and unlisted bonds that are graded by credit-rating agencies as per globally understood definitions. During the year ended 31st December, 2019, expected credit loss on debt instruments at FVOCI amounting to HK\$1,949,000 was recognised in profit or loss. At 31st December, 2019, the impairment allowance for debt instruments at FVOCI amounted to HK\$1,949,000.

Movement in the loss allowance amount in respect of debt instruments at FVOCI during the year ended 31st December, 2019 and 2018 is as follows:

	12-month ECL 12個月之 預期信貸虧損 HK\$'000 千港元
At 1st January, 2018, 31st December, 2018 and 1st January, 2019 於二零一八年一月一日、二零一八年十二月三十一日及二零一九年一月一日	–
Loss allowance recognised 已確認虧損撥備	1,949
At 31st December, 2019 於二零一九年十二月三十一日	1,949

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30. 財務風險管理及公平值計量(續)

30.5 信貸風險(續)

本集團面臨按公平值計入損益計量之永續證券及債務證券之信貸風險，由於其按公平值計入損益計量，故不受香港財務報告準則第9號減值規定之規限。該等資產之賬面值為於二零一九年十二月三十一日，本集團就不受香港財務報告準則第9號減值規定規限之金融工具所面臨之最高信貸風險。因此，不就該等工具之最高信貸風險單獨作出披露(二零一八年：零)。

本集團財務資產概無以抵押品或其他信用加強物作為抵押。

30.6 流動資金風險

流動資金風險涉及與本集團未能履行以交付現金或其他財務資產結算財務負債相關責任之風險有關。本集團在清償貿易及其他應付款及履行融資承擔方面以及在現金流量管理方面承擔流動資金風險。本集團之目標為維持適當之流動資產水平及承諾資金額度，以應付其短期及長期流動資金需要。

本集團主要透過謹慎控制長期財務負債的還款期及日常業務現金流出，以管理其流動資金需要。本集團按日監察其流動資金需求，另每月釐定為期三百六十天的長期流動資金需要。

本集團維持充足的現金，短期定期存款及有價證券以應付未來最多三十天之流動資金需求，另加上充裕數額之已承諾信貸融資及出售長期財務資產之能力來應付長期流動資金需要。

30. Financial Risk Management and Fair Value Measurements (continued)

30.5 Credit risk (continued)

The Group is exposed to credit risk on perpetual securities and debt securities measured at FVPL, which are not subject to HKFRS 9's impairment requirements as they are measured at FVPL. The carrying value of these assets represents the Group's maximum exposure to credit risk on financial instruments not subject to the HKFRS 9 impairment requirements as at 31st December, 2019. Hence, no separate maximum exposure to credit risk disclosure is provided for these instruments (2018: Nil).

None of the Group's financial assets are secured by collateral or other credit enhancements.

30.6 Liquidity risk

Liquidity risk relates to the risk that the Group will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or other financial assets. The Group is exposed to liquidity risk in respect of settlement of trade and other payables and its financing obligations, and also in respect of its cash flow management. The Group's objective is to maintain an appropriate level of liquid assets and committed lines of funding to meet its liquidity requirements in the short and long term.

The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business. Liquidity needs are monitored on a day-to-day basis. Long-term liquidity needs for 360-day lookout period are identified monthly.

The Group maintains cash, short-term bank deposits and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

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30. 財務風險管理及公平值計量(續)

30.6 流動資金風險(續)

以下分析為本集團於二零一九年及二零一八年十二月三十一日之非衍生財務負債之剩餘合約期限。

30. Financial Risk Management and Fair Value Measurements (continued)

30.6 Liquidity risk (continued)

Analysed below is the Group's remaining contractual maturities for its non-derivative financial liabilities as at 31st December, 2019 and 2018.

	On demand/ less than 6 months 按要求/ 少於6個月 HK\$'000 千港元	6 to 12 months 6至12個月 HK\$'000 千港元	1 to 5 years 1至5年 HK\$'000 千港元	Over 5 years 5年以上 HK\$'000 千港元
As at 31st December, 2019 於二零一九年十二月三十一日				
Trade and other payables and accrued expenses 貿易及其他應付款及應計費用	1,548	–	–	–
Amount due to a holding company 欠一間控股公司款項	319	–	–	–
Amount due to a related company 欠一間關聯公司款項	4,902	–	–	–
	6,769	–	–	–
As at 31st December, 2018 於二零一八年十二月三十一日				
Trade and other payables and accrued expenses 貿易及其他應付款及應計費用	19,334	–	–	–
Amount due to a holding company 欠一間控股公司款項	341	–	–	–
Amount due to a fellow subsidiary 欠一間同系附屬公司款項	4,575	–	–	–
	24,250	–	–	–

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30. 財務風險管理及公平值計量(續)

30.7 公平值計量

(a) 公平值計量按公平值列賬的財務資產及財務負債

下表呈列根據公平值架構，於報告日按公平值計量的財務資產之資料。此架構根據計量此等財務資產之公平值所使用的主要資料輸入的相對可靠性，將財務資產及負債劃分為三層的組別。公平值架構分為以下各層：

- 第一層：相同資產及負債於活躍市場的報價(未作調整)；
- 第二層：第一層所包括之報價以外就該資產或負債可觀察之輸入，可為直接(即如價格)或間接(即源自價格)；及
- 第三層：資產或負債並非依據可觀察市場數據之輸入(非可觀察輸入)。

公平值架構乃基於對公平值計量而言屬重大之輸入之最低層次，該分層對財務資產或負債進行整體分類。

截至二零一八年十二月三十一日止年度，若干非上市股本證券已由第二層重新分類為第三層，因管理層認為如此可更佳地反映該項投資之相關投資組合。於二零一八年十二月三十一日，該若干非上市股本證券公平價值為82,949,000港元。本集團之政策為於導致第二層與第三層之間轉撥之事件或環境變動日期確認轉撥。

30. Financial Risk Management and Fair Value Measurements (continued)

30.7 Fair value measurements

(a) Financial assets and financial liabilities carried at fair value

The following table presents financial assets measured at fair value at the reporting date in accordance with fair value hierarchy. The hierarchy groups financial assets into three levels based on the relative reliability of significant inputs used in measuring the fair value of these financial assets and liabilities. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the financial asset is categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement.

During the year ended 31st December, 2018, certain unlisted equity securities were reclassified from level 2 to level 3 as the management considered that this should better reflect the underlying investment portfolio of the investment. At 31st December, 2018, fair value of those certain unlisted equity securities was HK\$82,949,000. The Group's policy is to recognise transfer between level 2 and level 3 as of the date of the event or change in circumstances that caused the transfer.

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30. 財務風險管理及公平值計量(續)

30.7 公平值計量(續)

(a) 按公平值列賬的財務資產(續)

於綜合財務狀況表內按公平值計量之財務資產乃劃分為以下的公平值架構：

30. Financial Risk Management and Fair Value Measurements (continued)

30.7 Fair value measurements (continued)

(a) Financial assets carried at fair value (continued)

The financial assets measured at fair value in the consolidated statement of financial position are grouped into the fair value hierarchy as follows:

	2019 二零一九年			Total 總額 HK\$'000 千港元
	Level 1 第一層 HK\$'000 千港元	Level 2 第二層 HK\$'000 千港元	Level 3 第三層 HK\$'000 千港元	
Assets 資產				
Financial assets at FVOCI 按公平值計入其他全面收益財務資產				
– Listed debt securities (Notes 30.7(b) and 30.7(c)) – 上市債務證券(附註30.7(b)及30.7(c))	–	154,903	10,575	165,478
Financial assets at FVPL 按公平值計入損益財務資產				
– Listed equity securities held for trading – 持有作買賣之上市股本證券	583,804	–	–	583,804
– Listed perpetual securities (Note 30.7(b)) – 上市永續證券(附註30.7(b))	–	61,280	–	61,280
– Listed debt securities (Note 30.7(b)) – 上市債務證券(附註30.7(b))	–	8,851	–	8,851
– Unlisted equity securities (Note 30.7(c)) – 非上市股本證券(附註30.7(c))	–	–	187,835	187,835
Total fair value 公平值總額	583,804	225,034	198,410	1,007,248

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30. 財務風險管理及公平值計量(續)

30.7 公平值計量(續)

(a) 按公平值列賬的財務資產(續)

30. Financial Risk Management and Fair Value Measurements (continued)

30.7 Fair value measurements (continued)

(a) Financial assets carried at fair value (continued)

	2018 二零一八年			Total 總額 HK\$'000 千港元
	Level 1 第一層 HK\$'000 千港元	Level 2 第二層 HK\$'000 千港元	Level 3 第三層 HK\$'000 千港元	
Assets 資產				
Financial assets at FVOCI 按公平值計入其他全面收益財務資產				
– Listed debt securities (Note 30.7(b)) – 上市債務證券(附註30.7(b))	–	95,122	–	95,122
– Unlisted debt securities (Note 30.7(b)) – 非上市債務證券(附註30.7(b))	–	7,747	–	7,747
Financial assets at FVPL 按公平值計入損益財務資產				
– Listed equity securities held for trading – 持有作買賣之上市股本證券	464,035	–	–	464,035
– Unlisted equity securities (Note 30.7(c)) – 非上市股本證券(附註30.7(c))	–	–	157,555	157,555
Total fair value 公平值總額	464,035	102,869	157,555	724,459

截至二零一九年十二月三十一日止年度，公平值架構層之間並無重大轉移。

During the year ended 31st December, 2019, there were no significant transfers between levels of the fair value hierarchy.

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

30. 財務風險管理及公平值計量(續)

30.7 公平值計量(續)

(a) 按公平值列賬的財務資產(續)

截至二零一八年十二月三十一日止年度，3隻非上市股本財務資產歸入第三層及上述30.7(a)解釋非上市股本證券由第二層轉移至第三層外，公平值架構層次之間並無其他重大轉移。

用於計量公平值之方法及估值技術與以往的報告期間並無改變。

除若干非持作買賣之上市債務證券及上市股本證券外，就計量公平值所採用之方法及估值技術與過往報告期間相同。年內，本集團管理層重新評估非持作買賣之上市債務證券及上市股本證券之估值技術，並認為倘可取得活躍市場之市價／報價，則該等市價／報價為其公平值。因此，本集團管理層決定採用活躍市場中之市價／報價對該等非持作買賣之上市債務證券及上市股本證券進行估值，公平值將為最後交易價或市場報價中間值加上應計但未付之利息。就該等於活躍市場並無市價／報價之非持作買賣之上市債務證券及上市股本證券，其公平值基於獨立合資格專業估值師進行之估值。

(b) 估值技術及第二層公平值計量所採納之輸入數據

上市及非上市債務證券及上市永續證券之公平值已由獨立專業估值師漢華評值有限公司用估價技術而釐定。

30. Financial Risk Management and Fair Value Measurements (continued)

30.7 Fair value measurements (continued)

(a) Financial assets carried at fair value (continued)

During the year ended 31st December, 2018, other than 3 unlisted equity financial assets were classified under level 3 and the transfer of unlisted equity securities from level 2 to level 3 explained under 30.7(a) above, there were no other significant transfers between levels of the fair value hierarchy.

The methods and valuation techniques used for the purpose of measuring fair value are unchanged to the previous reporting periods.

Except for certain listed debt securities and listed equity securities not held for trading, the methods and valuation techniques used for the purpose of measuring fair value are unchanged to the previous reporting periods. During the year, management of the Group re-assessed the valuation techniques of listed debt securities and listed equity securities not held for trading and considered that the market prices/quotes in an active market represent their fair values where such market prices/quotes are available. As such, management of the Group decided to value these listed debt securities and listed equity securities not held for trading using the market prices/quotes in an active market, the fair value will be the last trade price or the mid-market quote plus accrued but unpaid interest. For those listed debt securities and listed equity securities not held for trading which do not have market prices/quotes from an active market, the fair value is based on valuation performed by independent qualified professional valuer.

(b) Valuation techniques and inputs used in Level 2 fair value measurements

Fair value of listed and unlisted debt securities and listed perpetual securities have been determined by a firm of independent professional valuer, Greater China Appraisal Limited, using valuation techniques.

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30. 財務風險管理及公平值計量(續)

30.7 公平值計量(續)

(b) 估值技術及第二層公平值計量所採納之輸入數據(續)

債務及股本證券估值時所應用之方法及假設如下：

於活躍市場中具有市場報價之上市債務證券，其公平值為市場報價中間值加上應計但未付之利息。該等債務證券之公平值為121,198,000港元(二零一八年：無)。

債務證券於初步確認日按公平值確認及隨後按各報告日之公平值變動計量並直接於權益確認，直至該工具售出。於二零一九年十二月三十一日，於活躍市場並無市價／報價之債務證券公平值為約42,556,000港元(二零一八年：約102,869,000港元)，此乃按以規定之收益率貼現之未來現金流量根據合約釐定之現值而計算，規定收益率參照類似條款及信貸風險相若之工具釐定。於二零一九年十二月三十一日，債務證券之實際利率為11.24%(二零一八年：介乎3.68%至15.70%)。

於報告日，第二層計入按公平值計入損益之財務資產之上市永續證券公平值根據定價服務之報價得出。股本證券之公平值為約61,280,000港元(二零一八年：無)。

30. Financial Risk Management and Fair Value Measurements (continued)

30.7 Fair value measurements (continued)

(b) Valuation techniques and inputs used in Level 2 fair value measurements (continued)

The methods and assumptions applied for the valuation of the debt and equity securities are as follows:

Listed debt securities with market quote in an active market, the fair value will be the mid-market quote plus accrued but unpaid interest. The fair value of these debt securities is HK\$121,198,000 (2018: Nil).

As at 31st December, 2019, the fair value of the debt securities without market price/quote from an active market is approximately HK\$42,556,000 (2018: approximately HK\$102,869,000) which was calculated based on the present value of contractually determined stream of future cash flows discounted at the required yield, which was determined with reference to instruments of similar terms and similar credit risks. The effective interest rates of the debt securities at 31st December, 2019 of 11.24% (2018: ranging from 3.68% to 15.70%).

The fair values of listed perpetual securities included in financial assets at FVPL under level 2 at the reporting date were derived from quoted prices from pricing services. The fair value of the equity securities is approximately HK\$61,280,000 (2018: Nil).

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30. 財務風險管理及公平值計量(續)

30.7 公平值計量(續)

(c) 估值技術及第三層公平值計量所採納之輸入數據

第三層之若干非上市股本證券之公平值已由獨立專業估值師漢華評值有限公司用估價技術而釐定。

(i) 非上市股本證券

若干非上市股本證券之估值乃採用所報市價、價格倍數及柏力克－舒爾斯模型。該模型之重大不可觀察輸入數據為現有組合價值介乎24,600,000美元至9,972,600,000美元(二零一八年：介乎5,300,000美元至15,200,000美元)，波動性介乎12.30%至49.51%(二零一八年：介乎14.11%至78.36%)，相關系數介乎-0.03至1(二零一八年：介乎-0.03至1)及貼現率1.71%(二零一八年：2.57)。此等股本證券之公平值約為41,710,000港元。

現有組合價值增加會導致公平值增加。波動性增加會導致公平值減少。相關系數增加會導致公平值減少。貼現率上升會導致公平值減少。

30. Financial Risk Management and Fair Value Measurements (continued)

30.7 Fair value measurements (continued)

(c) Valuation Techniques and Inputs used in Level 3 Fair Value Measurements

Fair value of certain unlisted equity securities in level 3, have been determined by a firm of independent professional valuer, Greater China Appraisal Limited, using valuation techniques.

(i) Unlisted Equity Securities

Quoted market price, pricing multiple and black-scholes model are used for valuation of certain unlisted equity securities. Significant unobservable inputs into the model were existing portfolio value ranging from USD24.6 million to USD9,972.6 million (2018: ranging from USD5.3 million to USD15.2 million), volatility ranging from 12.30% to 49.51% (2018: ranging from 14.11% to 78.36%), return correlation ranging from -0.03 to 1 (2018: ranging from -0.03 to 1) and discount rate of 1.71% (2018: 2.57). The fair value of those equity instruments is approximately HK\$41,710,000.

An increase in existing portfolio value would result in an increase in the fair value. An increase in volatility would result in a decrease in the fair value. An increase in return correlation would result in a decrease in the fair value. An increase in discount rate would result in a decrease in the fair value.

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30. 財務風險管理及公平值計量(續)

30.7 公平值計量(續)

(c) 估值技術及第三層公平值計量所採納之輸入數據(續)

(i) 非上市股本證券(續)

若干非上市股本證券以報告期末之公平值計量。根據相關協議，本集團可發出書面贖回通知要求相關投資經理以資產淨值贖回單位。此等非上市股本證券之公平值合共約91,983,000港元由相關投資經理提供。本集團決定呈報之資產淨值作為此等非上市股本證券之公平值。

敏感度分析不適用於上述非上市股本證券，其公平值基於資產淨值而定。

(ii) 附屬參與投資

對基金投資之估值，是使用了信貸風險調整的貼現現金流量。該貼現現金流量之重大不可觀察輸入為無風險比率1.69%（二零一八年：2.6%），隱含的信用利差14.59%（二零一八年：13.68%），實際利率16.28%（二零一八年：16.28%），違約概率39.42%（二零一八年：47.63%）及恢復率38.60%（二零一八年：38.31%）。股本工具之公平值為約54,142,000港元。

30. Financial Risk Management and Fair Value Measurements (continued)

30.7 Fair value measurements (continued)

(c) Valuation Techniques and Inputs used in Level 3 Fair Value Measurements (continued)

(i) Unlisted Equity Securities (continued)

For certain unlisted equity securities which are measured at fair value at the end of the reporting period, based on the relevant agreements, the Group can require the relevant investment manager to redeem the units at net asset value by giving a written redemption notice. The fair values of these unlisted equity securities, totaling approximately HK\$91,983,000, are provided by the relevant investment managers. The Group has determined that the reported net asset values represent fair value of these unlisted equity securities.

Sensitivity analysis is not applicable to the above unlisted equity securities in which the fair value is based on net asset value.

(ii) Investment in Sub-Participation

Discounted cash flow with credit exposure adjustment is used for valuation of investment in sub-participation. Significant unobservable inputs into the discounted cash flow were risk free rate of 1.69% (2018: 2.6%), implied credit spread of 14.59% (2018: 13.68%), effective interest rate of 16.28% (2018: 16.28%), probability of default of 39.42% (2018: 47.63%) and recovery rate of 38.60% (2018: 38.31%). The fair value of the equity instrument is approximately HK\$54,142,000.

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30. 財務風險管理及公平值計量(續)

30.7 公平值計量(續)

(c) 估值技術及第三層公平值計量所採納之輸入數據(續)

(ii) 附屬參與投資(續)

無風險利率上升會導致公平值下降。實際利率上升會導致公平值下降。違約概率上升會導致公平值下降。回收率上升會導致公平值增加。

(iii) 上市債務證券

上市債務證券之公平值約10,575,000港元根據貼現現金流量釐定。未來現金流量根據按計及發行人之信貸風險之利率貼現之預期現金流量估算。

重大不可觀察輸入數據為獨立專業估值師參考S&P Capital IQ信用評級模型並根據發行人母公司最新經審核財務報表估計得出之貼現率。本公司董事認為，不可觀察輸入數據與該投資之公平值間存在負相關關係，即貼現率越高，公平值越低。

30. Financial Risk Management and Fair Value Measurements (continued)

30.7 Fair value measurements (continued)

(c) Valuation Techniques and Inputs used in Level 3 Fair Value Measurements (continued)

(ii) Investment in Sub-Participation (continued)

An increase in risk free rate would result in a decrease in the fair value. An increase in effective interest rate would result in a decrease in the fair value. An increase in probability of default would result in a decrease in the fair value. An increase in recovery rate would result in an increase in the fair value.

(iii) Listed debt securities

The fair value of the listed debt security of approximately HK\$10,575,000 is determined based on discounted cash flows. Future cash flows are estimated based on expected cash flows discounted at rate taking into account the credit risk of the issuer.

The significant unobservable input is the discount rate which is estimated by an independent professional valuer with reference to S&P Capital IQ credit rating model and based on latest audited financial statements of the parent company of the issuer. The directors of the Company considered that the relationship of unobservable inputs to the fair value of such investment is in negative relationship that the higher the discount rate, the lower the fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

30. 財務風險管理及公平值計量(續)

30.7 公平值計量(續)

(c) 估值技術及第三層公平值計量所採納之輸入數據(續)

管理層相信輸入數據值及經營環境或經濟環境之可能變化均不會引致在第三層內之金融資產之公平價值有重大改變。

基於重大不可觀察輸入數據(第3層)按公允值的金融工具之對賬如下：

30. Financial Risk Management and Fair Value Measurements (continued)

30.7 Fair value measurements (continued)

(c) Valuation Techniques and Inputs used in Level 3 Fair Value Measurements (continued)

The management believes that possible changes in the input values and business or economic circumstances would not cause significant change in fair value of the financial assets under level 3.

Reconciliation for financial instruments carried at fair value based on significant unobservable inputs (Level 3) are as follows:

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At 1st January 於一月一日	157,555	—
Transfer from level 2 轉移自第二層	—	106,910
Transfer from available-for-sale financial assets 自可供出售的財務資產轉移	—	61,700
Remeasurement of equity securities measured at FVPL 重新計量按公平值計入損益的股本證券	—	2,379
Additional securities acquired 新購入證券	13,289	2,913
Disposal of securities 出售證券	—	(14,385)
Net change in fair value recognised in other comprehensive income 於其他全面收益確認公平值淨變動	117	—
Net gain/(loss) recognised in profit or loss 在損益中確認之淨收益/(虧損)	27,449	(1,962)
At 31st December 於十二月三十一日	198,410	157,555

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

31. 資本承擔

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Contracted for but not provided in the consolidated financial statements 已簽約但未在綜合財務報表中作出準備		
– Financial assets – 財務資產	6,383	29,494

31. Capital Commitment

32. 資本管理

本集團之資本管理目標為確保本集團有能力以持續經營基準運作及為股東提供足夠回報。

本集團積極及定期審閱其資本結構並因應經濟狀況調整資本結構。本集團以負債與權益比率為基準監控其資本結構。

於報告日之負債與權益比率如下：

32. Capital Management

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to the Shareholders.

The Group actively and regularly reviews its capital structure and makes adjustments to the capital structure in light of changes in economic conditions. The Group monitors its capital structure on the basis of debt to equity ratio.

The debt to equity ratio at reporting date was as follows:

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Borrowings 貸款	-	-
Total equity 權益總額	1,111,044	1,098,295
Debt-to-equity ratio 負債與權益比率	0:1	0:1

FIVE YEAR FINANCIAL SUMMARY

五年財政概要

	Year ended 31st December, 截至十二月三十一日止年度				
	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元

Results:

業績：

Profit/(loss) attributable to the owners
of the Company

本公司擁有人應佔溢利／(虧損)

(103,989)	(73,564)	166,667	(43,567)	14,472
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	As at 31st December, 於十二月三十一日				
	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元

Assets and liabilities:

資產及負債：

Current assets

流動資產

1,072,691	797,272	1,135,668	851,577	678,982
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Total assets

資產總額

1,245,691	1,195,111	1,365,916	1,122,545	1,117,813
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Current liabilities

流動負債

15,718	39,917	22,439	24,250	6,769
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Total liabilities

負債總額

15,718	39,917	22,439	24,250	6,769
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Total equity

權益總額

1,229,973	1,155,194	1,343,477	1,098,295	1,111,044
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SHK Hong Kong Industries Limited

1801, 18/F, Allied Kajima Building

138 Gloucester Road

Wanchai, Hong Kong

Tel : 2877 2340

Fax : 2877 2666

Website : www.ymi.com.hk

新工投資有限公司

香港灣仔

告士打道138號

聯合鹿島大廈

18樓1801室

電話 : 2877 2340

傳真 : 2877 2666

網址 : www.ymi.com.hk