



唐宮(中國)控股有限公司

TANG PALACE (CHINA) HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號: 1181

ANNUAL REPORT 年報

2019

Altruistic operation
Relentless efforts
Conveying happiness

唐宮
Tang Palace

HONG KONG 香港
TANG PALACE 唐宮
FOOD & BEVERAGE 唐宮飲食集團
GROUP



Altruistic operation
Relentless efforts
Conveying happiness

The emblem features a central circular design with a gold border. Inside, the Chinese characters '樂善好施' (Altruistic operation) and '勤勞不懈' (Relentless efforts) are written in a stylized font. Below them, the English phrase 'Conveying happiness' is written in a cursive script. The background of the emblem is a light beige color with a subtle pattern of small gold dots. The emblem is set against a larger background of stylized white clouds and gold stars on a light beige background.

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Corporate Information

公司資料

DIRECTORS

Executive Directors

Mr. YIP Shu Ming (*Chairman*)
Mr. CHAN Man Wai (*Vice-Chairman*)
Mr. KU Hok Chiu
Ms. WENG Peihe (*Chief Executive Officer*)

Independent Non-Executive Directors

Mr. KWONG Chi Keung
Mr. KWONG Ping Man
Mr. CHEUNG Kin Ting Alfred

COMPANY SECRETARY

Mr. WONG Chung Yeung, *CPA*

AUTHORISED REPRESENTATIVES

Mr. CHAN Man Wai
Mr. WONG Chung Yeung, *CPA*

MEMBERS OF AUDIT COMMITTEE

Mr. KWONG Ping Man (*Chairman*)
Mr. KWONG Chi Keung
Mr. CHEUNG Kin Ting Alfred

MEMBERS OF NOMINATION COMMITTEE

Mr. CHEUNG Kin Ting Alfred (*Chairman*)
Mr. KWONG Chi Keung
Mr. KWONG Ping Man

MEMBERS OF REMUNERATION COMMITTEE

Mr. KWONG Chi Keung (*Chairman*)
Mr. KWONG Ping Man
Mr. CHEUNG Kin Ting Alfred

董事

執行董事

葉樹明先生(*主席*)
陳文偉先生(*副主席*)
古學超先生
翁培禾女士(*行政總裁*)

獨立非執行董事

鄭志強先生
鄭炳文先生
張堅庭先生

公司秘書

黃忠揚先生 · *CPA*

授權代表

陳文偉先生
黃忠揚先生 · *CPA*

審核委員會成員

鄭炳文先生(*主席*)
鄭志強先生
張堅庭先生

提名委員會成員

張堅庭先生(*主席*)
鄭志強先生
鄭炳文先生

薪酬委員會成員

鄭志強先生(*主席*)
鄭炳文先生
張堅庭先生

REGISTERED OFFICE

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 3, 10th Floor
Greenfield Tower
Concordia Plaza
No. 1 Science Museum Road
Kowloon
Hong Kong

CAYMAN ISLANDS SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

註冊辦事處

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

總辦事處及香港主要營業地點

香港
九龍
科學館道一號
康宏廣場南座
10樓3室

開曼群島股份過戶處

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心54樓



Corporate Information

公司資料

PRINCIPAL BANKERS

Bank of China Limited
Industrial and Commercial Bank of China Limited
Hang Seng Bank Limited

AUDITORS

Ernst & Young
Certified Public Accountants

LEGAL ADVISOR

As to Hong Kong law:
CFN Lawyers in association
with Broad & Bright

As to the People's Republic of China's law:
Beijing Bairui (Shenzhen) Law Firm

STOCK CODE

The Stock Exchange of Hong Kong Limited:
1181

WEBSITE

www.tanggong.cn

主要往來銀行

中國銀行股份有限公司
中國工商銀行股份有限公司
恒生銀行有限公司

核數師

安永會計師事務所
執業會計師

法律顧問

香港法律：
陳馮吳律師事務所
與世澤律師事務所聯營

中華人民共和國法律：
北京市百瑞(深圳)律師事務所

股份代號

香港聯合交易所有限公司：
1181

網站

www.tanggong.cn

Calendar

日誌

EVENT	DATE	事項	日期
Announcement of interim results	<i>26 August 2019</i>	中期業績公告	二零一九年八月二十六日
Interim special dividend at HK3.4 cents per share paid	<i>15 November 2019</i>	已派發中期特別股息每股3.4港仙	二零一九年十一月十五日
Announcement of annual results	<i>30 March 2020</i>	全年業績公告	二零二零年三月三十日
Despatch of annual report to shareholders	<i>24 April 2020</i>	向股東派發年報	二零二零年四月二十四日
Closure of register of members for ascertaining shareholders' right to attend and vote at annual general meeting	<i>9 June 2020 to 15 June 2020 (both days inclusive)</i>	暫停辦理股份過戶登記以確定股東出席股東週年大會並在會上投票的權利	二零二零年六月九日至二零二零年六月十五日 (包括首尾兩日)
Annual general meeting	<i>15 June 2020</i>	股東週年大會	二零二零年六月十五日

Chairman's Statement
主席報告

*Nurturing
All-Round Talent
Expanding
Multi-Dimension Future*

多元 培養 全才
全面 開拓 未來

On behalf of the Board, I would like to present the annual report of the Group for the year ended 31 December 2019.

2019 represented a challenging year for us, and it has also been a year where we could profoundly review our internal management system and our crisis response capabilities. The Sino-US trade war and the economic uncertainties in Europe had affected the economy of Mainland China and Hong Kong, both of which were recording slower growth. In the second half of the year, months of social activities in Hong Kong had dealt a direct blow to the retail and food and beverage industries. At the end of 2019, the unexpected and unforeseen outbreak of the novel coronavirus disease had put the world in an even more precarious situation.

Looking back on 2019, the Group had achieved many goals. First of all, during the year, we focused on brand promotion — a common goal for our store opening, sales strategies and overseas expansion. The two self-owned brand restaurants commencing operation in Mainland China are both set up in traffic hubs, one of them located in an international airport for the first time, which signifies that the Group's brand has been more widely promoted at home and abroad. Moreover, in anticipation of a more challenging business environment in the future, a relatively prudential development strategy has been adopted. In addition to a more cautious plan for opening stores in Mainland China, this year's marketing strategy was also focused on brand enhancement. The marketing for dine in, takeout services, electronic membership cards, and souvenirs are all aimed at expanding brand awareness and strengthen customer base. In the same year, we exported our self-developed brands by way of joint venture, opening our first "Social Place" restaurant in Singapore; meanwhile, we introduced overseas brands again by bringing well-known Japanese restaurants brands to Hong Kong market, so as to further expand the Group's customer base.

本人謹代表董事會呈報本集團截至二零一九年十二月三十一日止年度的年報。

二零一九年對我們是極具挑戰而又能深切檢視內部管理體系、危機應對能力的一年。中美貿易戰及歐洲的經濟不穩定令中國內地及香港的經濟均受影響而令增長放緩，下半年於香港持續多月的社會事件更是讓零售、餐飲等行業直接面對衝擊；而於二零一九年年底突如其來、始料未及的新冠狀病毒肺炎更是讓全球面臨巨大的危機。

回顧二零一九年，集團達成了不少目標。首先，本年度我們集中以推廣品牌為重心，不論在開店、銷售策略、海外拓展等都以此目標貫穿。於中國內地開業的兩家自家品牌餐廳均具有地點優勢，其中一家更是首次進駐國際機場內，可謂讓集團品牌更廣泛地推向海內外的一個標誌。另外，預見未來將更具挑戰的營商環境而採取較審慎的發展策略，除了在中國內地的開店計劃更為謹慎，本年度的營銷策略也是側重於品牌提昇，不論是堂食、外賣、電子會員卡及伴手禮推廣都是圍繞擴大品牌認知度鞏固客群而設定。同年，我們以合營模式將自家品牌輸出，首次以「唐宮小聚」於新加坡開設門店；同時亦再次引入海外品牌，將日本知名餐廳品牌引進香港，讓集團的客源更為廣闊。

Chairman's Statement

主席報告

We regard “nurturing positive minded and professional catering talents” as our mission. During the year, apart from usual technical trainings on data application, mental methodology for service and management skill so as to uplift shop management ability, and to create an energetic team with same morale and goal, we had also held dozens of high-quality physical, spiritual and loyalty training courses featuring “leadership with modesty”, “filial piety” and “mental methodology for management”, which benefited countless employees and peers, and improving the quality of catering personnel from the aspect of cognitive model. Our relentless efforts on continuous contribution of employee training over the years enabled us to form a united team which responded positively and swiftly amidst severe epidemic. I am deeply proud of the team’s positive attitude to cope with emergencies, its ability of taking risks as opportunities, and its dedicated commitment to society.

At the end of January 2020, we took the initiative to temporarily close stores in the mainland in support of the prevention and control efforts of the Mainland China’s government. Nevertheless, the entire team did not stand still, but instead stood fast on their own posts. Adhering to the business philosophy of “operating for others, devoting relentless efforts, and spreading happiness”, we provided customers with services such as takeout family feast, fresh seafood delivery and others, which allowed customers to enjoy their meals at safe home environment, and strictly control quality to provide contactless and safe delivery. By virtue of the high standards of food safety that we have upheld over the years, we were selected as a “guaranteed catering unit for epidemic prevention and control” by many cities. At the onset of the epidemic, we have formed a crisis management unit comprising various core management of the operation, food production, human resources, procurement and finance departments, which is led by our Chief Executive Officer and responsible for all-round strategic coordination and communication on the overall strategic direction, practical contingent measures and emergency plans, as well as consistently supervising their implementation. We spontaneously organized volunteer teams in various regions to support epidemic prevention works in communities and provide meals to healthcare staff. We made donations to Hubei Province to assist in medical material purchase, as our modest contribution

我們以培養「具有正面心態的專業餐飲人才」為使命，本年度除了在一貫的技術培訓上增加數據應用、服務心法、管理技巧的課程，從而提昇管理人員的門店掌握能力，打造目標一致、士氣一致的活力團隊；更舉辦了數十次從「謙德領導力」、「孝福之道」、「管理心法」等身心靈及增加員工歸屬感的公益課程，惠及無數員工及業界人士，從改變認知模式提昇餐飲人的素養。正是我們多年不斷投資員工訓練成就團隊的凝聚力，在疫情嚴峻時可以積極面對並且迅速應變。本人深為團隊視危為機的正面心態、審時度勢的應變能力及義無反顧的承擔社會責任感到驕傲。

二零二零年一月底我們配合中國內地政府的防控工作，主動暫停內地門店業務，雖然如此，整個團隊不單沒有停下來，反而更加堅守崗位，秉承「利他經營，用心做事，傳遞幸福」的經營理念，為顧客提供外帶家宴、鮮活海鮮等方便客人在家安心用餐的服務，並且嚴格控制品質並達成無接觸安全配送，而我們多年堅持的食品安全高標準讓我們於多個城市均被選為「疫情防控配餐保障單位」。疫情初期我們設立危機處理小組，由行政總裁領導營運、出品、人事、採購及財務等各部門核心管理人員，對策略方向、應變措施及應急預案進行全方位部署、協調及溝通，並持續監察執行情況；我們於各地所在城市自發組織義工團隊，義務協助社區防疫工作、為醫護人員送上愛心餐；我們主動捐款協助湖北省購買醫療物資，為社會略盡綿力。我們更不忘人才為企業最大資本的理念，為不能返鄉的員工組織健康活動，如文

to society. On the other hand, we are always mindful that talents are the greatest asset of an enterprise, so we organized health activities such as entertainment activities, talent competitions for employees who were unable to return home, with a view to ensuring they are being taken care of during the time of epidemic. We also set up a “CEO Scholarship”, under which employees were encouraged to continue learning in face of adversity. We also vigorously promoted professional trainings, inspirational courses on online platforms in preparation for a new start. During the current special time, we, as members of Tang Palace, have demonstrated limitless capabilities, as well as the Tang Palace culture, which we take pride in, to the outside world.

2020 is bound to be more challenging than ever before. In the face of the impact of the epidemic, I believe that our business will definitely be back on track rapidly with the solid foundation of the Group, the healthy financial condition and the capability of the management team.

On behalf of the Board, I would like to express my sincere gratitude to the management and staff for their contribution during 2019. I hope to extend my special thanks to all staff for their perseverance and dedication in fighting the epidemic during 2020. I would also like to express my sincere appreciation to all of our supportive suppliers, business partners and government authorities as well as our customers and shareholders for their trust.

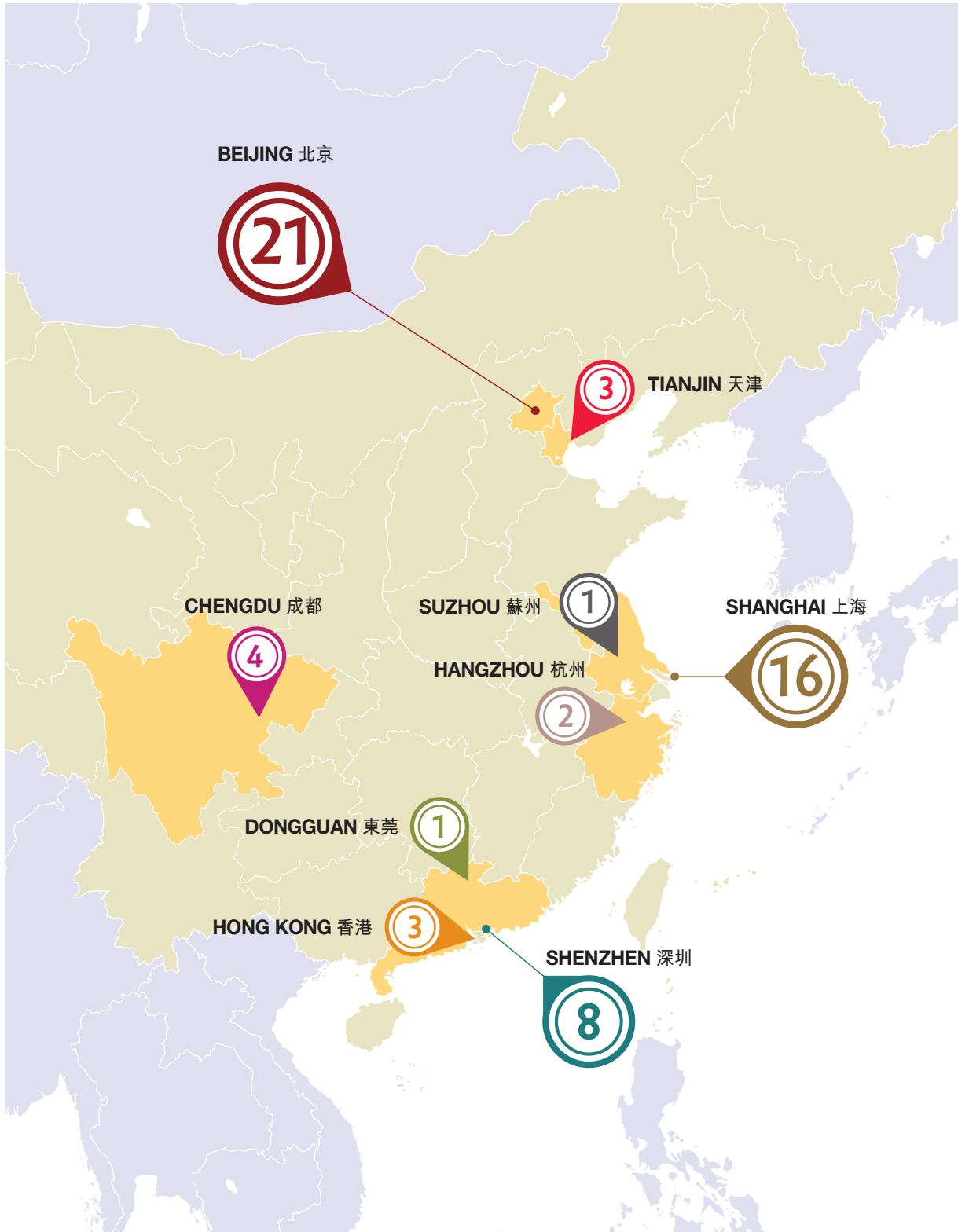
娛節目、才藝比賽等，讓員工們在疫情期仍能獲得生活上的關心及照顧；同時也設立「總裁獎學金」鼓勵員工在逆境堅持不斷學習；我們更大力推動線上的各種專業培訓、勵志課程，為重新出發作好準備。這段特殊時期不單展現了唐宮人無限的能力，同時向外界展現我們引以為傲的企業文化。

二零二零年定必是有史以來的大挑戰，面對疫情帶來的衝擊，本人相信以集團的堅固穩扎根基、健康的財務狀況、管理團隊的能力，定必能讓業務迅速重回正軌。

在此本人謹代表董事會感謝管理層及員工在二零一九年的貢獻，特別希望感謝集團所有員工於二零二零年疫情爆發期間堅韌不拔的意志及無私奉獻的精神；同時藉此向所有支持我們的供應商、業務夥伴、政府機構，以及給予我們信任的客戶與股東致上萬分感激。

Management Discussion and Analysis

管理層討論及分析



21	BEIJING 北京	唐宮海鮮舫 THE TANG PALACE SEAFOOD RESTAURANT	4
		唐宮 Tang Palace	6
		唐宮 Tang Palace	11
3	TIANJIN 天津	唐宮 Tang Palace	3
4	CHENGDU 成都	唐宮 Tang Palace	2
		唐宮 Tang Palace	2
1	SUZHOU 蘇州	唐宮海鮮舫 THE TANG PALACE SEAFOOD RESTAURANT	1
16	SHANGHAI 上海	唐宮海鮮舫 THE TANG PALACE SEAFOOD RESTAURANT	4
		唐宮 Tang Palace	7
		唐宮壹號 TANG'S CUISINE	1
		唐宮(茶)點 CANTON TEA ROOM	4
2	HANGZHOU 杭州	唐宮 Tang Palace	2
1	DONGGUAN 東莞	唐宮海鮮舫 THE TANG PALACE SEAFOOD RESTAURANT	1
8	SHENZHEN 深圳	唐宮 Tang Palace	4
		唐宮 Tang Palace	1
		唐宮 Tang Palace	3
3	HONG KONG 香港	唐宮 Tang Palace	3



INDUSTRY ANALYSIS

The prolonged Sino-US trade war from 2018 to 2019 has led to a decline in the PRC's economic growth. According to the economic data of 2019 released by the National Bureau of Statistics of the PRC, the PRC's overall economic growth for the year remained steady and was even higher than the global economic growth rate, reaching an annual GDP increase of 6.1% over the same period last year. However, compared with the year-on-year growth of 6.3% in the first half of 2019 and 6.6% in 2018, the annual GDP growth for 2019 experienced a further slowdown in the second half of the year, marking the slowest pace of economic growth since the 1990s. According to the analysis of Ning Jizhe, director of the National Bureau of Statistics of the PRC, "there is a genuine downward pressure in the current economy." However, under various initiatives to stabilize economic development, the PRC remains on pace to reach the overall expected target. Based on the data in 2019, currently, there is still a significant contribution from final consumption to economic growth with a share of nearly 60%, albeit a level much lower than over 76% in 2018. Coupled with the fact that the actual growth rate of per capita disposable income of residents is, excluding the price factor, lower than that of GDP, it is observed that the consumer sentiment is affected by internal and external factors. Nevertheless, domestic demand and consumption, in particular, has played a fundamental role in the PRC's economic development as the primary driving force of the PRC's economic growth, of which the food and beverage industry is a significant part. According to data from the National Bureau of Statistics, the food and beverage income of the PRC reached RMB4,672.1 billion in 2019, representing an increase of 9.4% over the same period last year, which was the same as the 9.4% year-on-year increase in the first half of the year and slightly lower than the 9.5% year-on-year increase in 2018.

行業分析

從二零一八年開始延續至二零一九年的中美貿易戰使中國經濟的增長下滑，從中國國家統計局公布有關二零一九年的經濟數據可知，全年中國經濟總體雖然保持穩定增長，甚至高於全球經濟增速，達到全年國內生產總值同比上升6.1%，但對比二零一九年上半年的同比增長6.3%以及二零一八年全年的6.6%增長，二零一九年的全年國內生產總值增幅在下半年進一步放緩，而且經濟增速降至1990年代以來的最低水平。據中國國家統計局局長寧吉喆分析：「當前經濟確實存在下行壓力」，然而中國在各項穩定經濟發展的工作令整體維持預期目標。從二零一九年資料看，目前最終消費對經濟增長的貢獻仍然大，比率達到近60%，對比二零一八年超過76%的比率卻有顯著下降，加上居民人均可支配收入在扣除價格因素後實際增速低於國內生產總值的增長，可見人民的消費意欲受內外因素影響。儘管如此，內需特別是消費在中國經濟發展中發揮了基礎性作用，是中國經濟增長的第一拉動力。而餐飲是消費的其中一個重要部份，根據國家統計局資料，二零一九年全國餐飲收入達人民幣46,721億元，同比增長9.4%，與上半年的同比增長9.4%一樣，與二零一八年的同比增長9.5%則略為減少。

BUSINESS REVIEW

In the face of the Sino-US trade war, Brexit and social movements in Hong Kong, in 2019, we met all kinds of market challenges arising from economic uncertainties with a cautious and positive attitude and focuses on the following four major directions: 1) to carefully examine investment plans; 2) to strengthen and stabilize existing businesses; 3) to insist on refining internal management as the long-term development objective; and 4) to cultivate ethical and professional food and beverage managerial staff. With continuous efforts to implement a strategy that emphasizes such long-term development goals, the Group was able to maintain stable business development. The revenue for 2019 was RMB1,495.1 million, representing an increase of RMB3.0 million or 0.2% as compared with the same period in 2018. The Group's development in the two new first-tier cities in the PRC, Chengdu and Hangzhou, remained satisfactory. Two local Chinese restaurants had entered their second year of business operation and recorded a double-digit increase in revenue, while the revenue of the second self-owned casual dining restaurant in Chengdu also continued to rise. As at 31 December 2019, the Group was operating 45 self-owned restaurants, 14 franchised restaurants and 14 joint venture restaurants. During the year, the Group opened one Chinese restaurant, one self-owned casual dining restaurants and six joint venture restaurants and one franchised restaurant. As mentioned in the year, the Group's strategy in relation to expansion had slightly changed. Except for the opening of a Chinese restaurant in Beijing in the first half of the year, business development consists mainly of casual dining restaurants, franchised restaurants and joint venture restaurants with smaller investment size. The Group's reputation and management scale had given itself confidence to pave the way for development in new commercial districts, cities and countries. During the year, the Group expanded our business into an international airport for the first time by opening the first restaurant in Shanghai Pudong International Airport. In addition, the Group partnered with different F&B operators and opened six joint venture restaurants,

業務回顧

二零一九年受中美貿易戰、英國脫歐、香港社會運動等影響，經濟不穩定衍生各種市場挑戰，集團以謹慎正面的態度迎接，主要以四大方向為中心目標：一) 慎重考慮投資計劃；二) 強化穩定現有業務；三) 貫徹以提煉優化內部管理作為長遠發展目標及；四) 以培養具道德的專業餐飲管理人為目標。在圍繞這些長遠發展目標的策略並且堅持努力下，集團業務得以維持平穩發展。於二零一九年全年的收益錄得人民幣1,495.1百萬元，對比二零一八年同期增加人民幣3.0百萬元，上升0.2%。當中集團於中國內地新一線城市成都及杭州的發展保持理想，2家中式正餐餐廳開業已踏入第二年，收益均錄得雙位數升幅，位於成都的第二家自創休閒餐餐廳收益亦持續上升。截至二零一九年十二月三十一日止，集團合共經營45家自營餐廳、14家特許經營餐廳及14家合營餐廳。年內，集團開設了1家中式正餐餐廳、1家自營休閒餐餐廳、6家合營餐廳以及1家特許經營餐廳。誠如本年度提及，集團在拓展方面的策略稍有不同，除於上半年在北京開設了一家中式正餐餐廳外，業務拓展均以投資額較小的休閒餐、特許經營及合營餐廳為主。透過集團的知名度及管理規模，讓集團有信心在新商圈、城市及國家爭取發展，當中包括於本年度首次進駐國際機場，第一家設於上海浦東國際機場的餐廳。另外，集團通過與不同的優秀餐飲集團合作，於本年度開設了6家合營餐廳，包括在深圳及台灣的2家「金爸爸」以及1家「唐點小聚」；集團亦成功夥拍新加坡資深餐飲集團輸出自家品牌，於該地開

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including two “PappaRich” in Shenzhen and Taiwan and one “Social Place”; the Group also successfully collaborated with an experienced catering group in Singapore and opened one “Social Place” restaurant there, thereby exporting its self-owned brand. Apart from outbound development of our brands, the Group also kept exploring overseas brands with potential, as we opened two well-known Japanese restaurants in Hong Kong during the year. In terms of franchised restaurants, we opened one “Pepper Lunch” restaurant during the year. One Chinese restaurant and two franchise restaurants were closed during the year after the end of their lease period.

Stabilizing existing business was our chief mission for the year, and the membership system implemented by the Group in Chinese restaurants has always been an effective way to secure customers and increase loyalty. In line with the rapid development of e-commerce, after the launch of the electronic membership cards in the second half of 2018, the Group successfully converted existing members to electronic members in 2019. At the same time, the Group attracted new members and encouraged topping up through various measures, such as reward points for registration, members’ day/birthday discount, membership rewards, top up rewards and membership points redemption. As at 31 December 2019, the number of the Group’s members increased over 168% as compared with that in 2018, and the amount of top-up value for the year reached RMB356.3 million, representing an increase of 16.5% as compared with that in 2018. Stored value consumption for the year reached RMB347.5 million, representing an increase of nearly 25% as compared with the same period last year. Takeaway markets are also important for the food and beverage industry in Mainland China. As shown in the results for the year of 2019 issued by the market leader Meituan Delivery, there was a year-on-year increase of over 36% in its average number of food delivery transactions per day, underlying a robust market demand. The Group considered this an important means to achieve stable revenue. Statistics show that major consumers of the takeaway market in

設1家「唐宮小聚」；除向外拓展品牌，集團也在發掘具潛質的海外品牌，當中包括本年度於香港開設的2家日本知名餐廳；在特許經營方面，本年度也增設了1家「胡椒廚房」。年內因合約期滿而結束經營的有1家中式正餐及2家特許經營餐廳。

穩定現有業務是本年度首要任務，集團在中文式正餐推行的會員制度一直是有效鎖定顧客、提高忠誠度的方法。配合電商的高速發展，二零一八年下半年推出電子會員卡後，二零一九年已成功將現有會員轉化為電子會員。同時透過各種優惠如獎賞積分登記、會員日／生日優惠、會員價優惠、充值優惠、積分兌換等吸納新會員及鼓勵充值。截至二零一九年十二月三十一日，集團會員數對比二零一八年已增長超過168%，年內的充值金額達人民幣356.3百萬元，對比二零一八年升幅達16.5%。年內的儲值金額消費也達到人民幣347.5百萬元，對比去年同期增加接近25%。外賣市場於中國內地餐飲而言相當重要，擁有市場領導地位的美團外賣在二零一九年全年業績中顯示餐飲外賣日均交易筆數同比有超過36%的增長，可見市場需求強勁。集團亦視此為穩定收益的重要來源，從市場數據得知在內地外賣市場的主要消費群為20至35歲年青人，並且主要消費項目為飯及麵食類。本年度，集團的外賣策略也是針對市場需求作出調整，從產品差異化著手，特意加入適合白領的方便外賣餐單如單人用

Mainland China are young people at the ages of 20 to 35, and rice and noodles are most consumed items. During the year, the Group's takeaway strategies were adjusted based on market demands. In particular, we differentiate our products by adding convenient takeaway menus for white-collar workers, such as one-person meal boxes; and value for money dishes such as clay pot rice that are different from others. Meanwhile, the Group also concentrated its promotion resources on brand exposure and advertising. On the other hand, it also improved packaging details so as to heighten customer experience and satisfaction. During the year, the overall takeaway revenue increased by 18.8% over that in the same period in 2018, and its proportion in the overall revenue increased from 5.9% in 2018 to 7.0% in 2019.

During the year, the Group optimized and designed products for sales in WeChat Mall, adding variety to family food products and package portfolio. We also introduced set meals for one and healthy food which were in rising demand in the current market. In 2019, revenue from WeChat Mall increased significantly as compared with that in 2018.

The Group's casual dining business remained stable. As at 31 December 2019, the Group was operating a total of 12 self-developed casual dining restaurants in Hong Kong, Shenzhen, Shanghai and Chengdu. The overall turnover in Hong Kong was influenced due to the social movement in the second half of 2019. In this circumstance, the overall revenue of casual dining business for the year was RMB247.3 million, representing a slight increase of 0.3% over the same period last year. The Group has also been expanding "Social Place" to overseas markets in recent years, with 3 joint venture outlets currently in operation in Taiwan and Singapore. Other than exporting "Social Place", the Group also introduced different famous restaurant brands with experienced partners who share the same operating philosophies with us. Currently, we have joint venture specialty restaurants from Malaysia, Korea, Japan and Sichuan, continuing to develop diversely. During the year, the Group has a total of 14 joint venture restaurants, including the exported "Social Place".

飯盒；以及與別不同及高性價比的餐點如煲仔飯等；同時不忘精細化管理提升效益，也集中推廣資源重點提高品牌曝光率及宣傳度，另一方面也持續優化包裝細節提升顧客體驗感及滿意度。本年度的外賣收益整體收益對比二零一八年同期增加18.8%，佔集團整體收益的百分比從二零一八年的5.9%增加至二零一九年的7.0%。

集團於本年度亦優化了微商城銷售定位及產品結構，令家宴品種及套餐組合更豐富多樣，更引入針對現時市場需求漸多的1人套餐、健康食品等。二零一九年微商城收益對比二零一八年有顯著增長。

集團的休閒餐業務保持穩定，截至二零一九年十二月三十一日止集團於香港、深圳、上海及成都合共經營12家自營休閒餐廳，當中香港區業務由於二零一九年下半年的社會運動原因影響整區的營業額，在此環境下本年整體休閒餐業務收益為人民幣247.3百萬元，較去年輕微增長0.3%。集團近年亦已將「唐宮小聚」拓展至海外市場，現時在台灣及新加坡以合營方式合共擁有3家門店。除了輸出的「唐宮小聚」外，集團還持續透過與理念一致的資深合作伙伴引入不同的知名餐飲品牌，目前已經以合營方式擁有包括馬來西亞、韓國、日本及四川各地的風味餐廳，繼續多元化發展。連同輸出外地的「唐宮小聚」，集團於本年度合共擁有14家合營餐廳。

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The Group's profit margin for the year was 62.7%, representing a slight decrease of 0.4% over the same period last year, which was mainly due to the impact of downward adjustment of value-added taxes in Mainland China. Although the labor costs continued to rise as a result of social policies made by the Chinese government, which has become an unavoidable challenge, the Group managed to stabilize labor costs by continuously optimizing manpower structure, combining procedures and positions, as well as making flexible shift arrangements. The increase of labor costs has been narrowed to 5.4% in 2019 from 16.8% in 2018.

集團於本年度的毛利率為62.7%，對比去年同期輕微下跌0.4%，主要受內地增值稅率於年內下調影響。雖然隨著中國政府的社會政策而導致人力成本不斷上升並且成為不可避免的挑戰，集團透過持續優化人員結構組合、流程與崗位的合併、靈活排班應對策略穩定人力成本。人力成本的上升幅度已從二零一八年度的16.8%收窄至二零一九年度的5.4%。

FINANCIAL REVIEW

As at 31 December 2019, the Group was operating 59 restaurants and 14 other restaurants under joint ventures. The table below illustrates the number of restaurants by major brands, together with the average spending per customer and percentage of revenue to the Group:

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於二零一九年十二月三十一日，本集團經營59家餐廳，另以合營方式經營14家餐廳。下表列示主要品牌的餐廳數目，連同食客人均消費及佔本集團收益百分比：

Brand	品牌	No. of restaurants as at 31 December 於十二月三十一日之餐廳數目		Average spending per customer as at 31 December 於十二月三十一日之食客人均消費		Percentage of revenue contributed to the Group as at 31 December 於十二月三十一日佔本集團收益百分比	
		2019 二零一九年	2018 二零一八年	2019 RMB 人民幣	2018 RMB 人民幣	2019 二零一九年	2018 二零一八年
Tang's Cuisine	唐宮壹號	1	1	360.3	339.4	1.8%	1.8%
Tang Palace*	唐宮*	31	30	193.2	181.7	77.5%	76.7%
Social Place	唐宮小聚	8	8	138.0	126.3	11.4%	11.8%
Canton Tea Room	唐宮茶點	4	4	84.3	81.3	4.5%	4.7%
Pepper Lunch	胡椒廚房	14	15	63.4	64.7	4.3%	4.5%

* including Tang Palace Seafood Restaurant and Tang Palace

* 包括唐宮海鮮舫及唐宮

As mentioned above, the Group's overall revenue for the year increased by 0.2% to RMB1,495.1 million and the overall gross profit margin has decreased by 0.4%. During the year, the Group's share award plan expense calculated at market price amounted to approximately RMB6.1 million (2018: RMB8.1 million). By excluding this expense item, the Group's percentage of staff costs on revenue is 31.2% (2018: 29.5%). An overall increase in staff costs was because the Group has adjusted its employee wages and benefits according to relevant social policies resulting in an increment of 1.7% in the Group's percentage of staff costs on revenue. During the year, majority part of rental and related expenses were categorized as depreciation of right-of-use assets and finance costs according to HKFRS 16. During the year, percentage of depreciation of right-of-use assets on revenue was 6.3% (2018: nil), percentage of finance costs on revenue was 1.9% (2018: 0.1%) and percentage of rental and related expenses on revenue was 1.7% (2018: 9.4%). Except the relatively large increase in percentage of staff costs on revenue and the changes in percentage of rental and related expenses on revenue as a result of the adoption of HKFRS 16, the remaining percentage of other expenses on revenue have fluctuated within a narrow range during the year. In which, percentage of depreciation of items of property, plant and equipment, utilities and consumables costs and other expenses on revenue are 3.2% (2018: 3.4%), 5.5% (2018: 5.2%) and 6.0% (2018: 6.0%) respectively. During the year, effective tax rate was 32.8% (2018: 30.3%), which included withholding tax on dividend income of RMB5.3 million and deferred tax expense of RMB2.1 million. The profit attributable to owners of the Company for the year decreased by 20.7% from RMB115.2 million to RMB91.3 million. The Group's net profit margin decreased from 7.8% for 2018 to 6.2% for the year.

Cash flow

Cash and cash equivalents decreased by RMB17.9 million from RMB400.4 million as at 31 December 2018 to RMB382.5 million as at 31 December 2019.

誠如上文所述，本集團年內整體收益增加0.2%至人民幣1,495.1百萬元，整體毛利率下跌0.4%。在年內，本集團以市場價計價之股份獎勵計劃開支約為人民幣6.1百萬元（二零一八年：人民幣8.1百萬元）。剔除該開支後，本集團員工成本佔收益百分比為31.2%（二零一八年：29.5%）。整體員工成本上升主要是由於本集團依照相關政策調整員工的工資及福利，使人員成本佔收益百分比上升1.7%。於年內，大部份租金及相關開支根據香港財務報告準則第16號分類為使用權資產折舊及融資成本，年內使用權折舊的收益百分比為6.3%（二零一八年：零）、融資成本佔收益百分比為1.9%（二零一八年：0.1%）、租金及相關開支佔收益百分比為1.7%（二零一八年：9.4%）。除了員工成本有較大的升幅及租金及相關開支因受採納香港財務報告準則第16號而做成變動外，其他開支佔收益百分比的波動比較輕微。當中，物業、廠房及設備項目折舊佔收益百分比為3.2%（二零一八年：3.4%），公共設施開支及消耗品佔收益百分比為5.5%（二零一八年：5.2%），及其他開支佔收益百分比為6.0%（二零一八年：6.0%）。在年內，有效稅率為32.8%（二零一八年：30.3%），當中包含中國股息收入預扣稅共人民幣5.3百萬元及遞延稅金共人民幣2.1百萬元。本公司擁有人應佔年內溢利由人民幣115.2百萬元下跌20.7%至人民幣91.3百萬元。而本集團的純利率則由二零一八年的7.8%下跌至二零一九年的6.2%。

現金流

現金及現金等價物減少人民幣17.9百萬元，由二零一八年十二月三十一日的人民幣400.4百萬元減少至二零一九年十二月三十一日的人民幣382.5百萬元。

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Net cash of RMB260.5 million was generated from operating activities during the year. Net cash used in investing activities amounted to RMB62.9 million during the year, of which RMB59.3 million was related to the purchase of property, plant and equipment. Net cash used in financing activities amounted to RMB218.7 million for the year.

Impact of Coronavirus

In response to the mass proliferation of the novel coronavirus pneumonia (the “COVID-19”) epidemic in the People’s Republic of China (the “PRC”) and other countries (the “Epidemic”), most of our dine-in services in our restaurants in PRC have been temporarily suspended since late January 2020 and gradually resume business since mid-March 2020. The Group continues to monitor the development of the Epidemic and assess its impact on the market situation and our business operation, diligently and cautiously plan the resumption of services in accordance with further notice from the local government.

Liquidity and Financial Resources

The Group’s funding and treasury activities are managed and controlled by the senior management. The Group maintained cash and cash equivalents and time deposits, in aggregate, of RMB496.5 million as at 31 December 2019 (31 December 2018: RMB544.4 million). As at 31 December 2019, the Group’s total assets, net current assets and net assets were RMB1,142.6 million (31 December 2018: RMB893.1 million), RMB122.6 million (31 December 2018: RMB272.6 million) and RMB429.0 million (31 December 2018: RMB502.6 million), respectively.

As at 31 December 2019, the Group had bank borrowings of RMB80.0 million (31 December 2018: RMB79.2 million). The gearing ratio (calculated as bank borrowings divided by total equity) was 18.6% as at 31 December 2019 (31 December 2018: 15.8%).

於本年間，經營活動產生人民幣260.5百萬元現金淨額。於本年間，投資活動所用現金淨額為人民幣62.9百萬元，當中包括購置物業、廠房及設備共人民幣59.3百萬元。本年間融資活動所用現金淨額為人民幣218.7百萬元。

冠狀病毒的影響

為應對新型冠狀病毒肺炎(「COVID-19」)疫情於中華人民共和國(「中國」)及其他國家廣泛蔓延(「疫情」)，我們於中國的餐廳大部分已於二零二零年一月起暫停堂食服務及自二零二零年三月中起逐步恢復業務。本集團繼續監察疫情的發展及評估其對市場狀況及自身業務營運的影響，並根據地方政府的進一步通知致力審慎規劃服務恢復。

流動資金及財務資源

本集團的資金及庫務活動由高級管理層管理及控制。本集團於二零一九年十二月三十一日有現金及現金等值及定期存款合共人民幣496.5百萬元(二零一八年十二月三十一日：人民幣544.4百萬元)。於二零一九年十二月三十一日，本集團的資產總值、流動資產淨值及資產淨值分別為人民幣1,142.6百萬元(二零一八年十二月三十一日：人民幣893.1百萬元)、人民幣122.6百萬元(二零一八年十二月三十一日：人民幣272.6百萬元)及人民幣429.0百萬元(二零一八年十二月三十一日：人民幣502.6百萬元)。

於二零一九年十二月三十一日，本集團有銀行借貸人民幣80.0百萬元(二零一八年十二月三十一日：人民幣79.2百萬元)。於二零一九年十二月三十一日的資本負債比率(以銀行借貸除以權益總額計算)為18.6%(二零一八年十二月三十一日：15.8%)。

As at 31 December 2019, the current ratio (calculated as current assets divided by current liabilities) was 1.3 (31 December 2018: 1.7).

The directors are of the opinion that the Group has sufficient working capital for the Group's operations and expansion in the near future.

Foreign Currency Exposure

The business operations of the Group's subsidiaries were conducted mainly in the Mainland China with revenues and expenses of the Group's subsidiaries denominated mainly in RMB. The Group's cash and bank deposits were denominated mainly in RMB, with some denominated in Hong Kong dollars. Any significant exchange rate fluctuations of Hong Kong dollars against RMB as the functional currency may have a financial impact to the Group.

As at 31 December 2019, the directors considered the Group's foreign exchange risk to be insignificant. During the year, the Group did not use any financial instruments for hedging purposes.

Prospects and Outlook

The food and beverage industry is one of the industries which reflect the economic environment most quickly. Having gone through the rapid transformation in society and the enormous change in the consumption mode of the food and beverage industry over the years, the Group is more convinced that the strategic thought of having internal management enhancement as the long-term development goal is the pillar of the Group's progress. Facing unforeseen challenges gave an opportunity for the Group to showcase its ability to react. The Group immediately applied sophisticated management in every store and made the best analyses and possible arrangement with operation data, clients' feedback and market information. Due to our emphasis on internal refinement, the Group's business in 2019 remained stable, and was able to stabilize staff, quickly change strategy and enhance training so as to prepare for a safe and orderly business

於二零一九年十二月三十一日，流動比率（以流動資產除以流動負債計算）為1.3（二零一八年十二月三十一日：1.7）。

董事認為，本集團有足夠營運資金供本集團於可見將來之營運及擴展所需。

外匯風險

本集團附屬公司主要於中國內地經營業務，其收入及開支主要以人民幣列值。本集團之現金及銀行結餘大部分以人民幣列值，部分則以港元列值。由於人民幣為本集團之功能貨幣，港元兌人民幣的匯率若出現大幅波動，可能會對本集團構成財務影響。

於二零一九年十二月三十一日，董事認為本集團的外匯風險並不重大。本集團於本年間並無採用任何金融工具作對沖用途。

前景及展望

餐飲業一直是經濟環境最直接而快速反映現況的行業之一，歷經多年社會的急速變化及餐飲市場消費模式的巨大轉變，集團更加堅信以強化內部管理為中心的長遠發展目標是支撐集團一直向前的戰略思維，面對突如其來的變化，正是考驗和展現集團應變能力的機會，立即將更為精細化的管理普及至門店各部門，通過營運數據、顧客反饋、市場信息等各樣分析，從而快速作出最佳安排。正是集團重視內部管理和企業文化的建設，使二零一九年的業務保持穩定，並且有能力在二零二零年首季因新型冠狀病毒肺炎（COVID-19）疫情爆發時能穩定人員、迅速改變策略、加強培訓從而安全有序地為重新開業做好各種準備。培養具道德的專業餐飲

Management Discussion and Analysis

管理層討論及分析

resumption in mid of outbreak of coronavirus (COVID-19) during the first quarter of 2020. Nurturing ethical and professional food and beverage managers has been the goal of the Group. In recent years, the Group introduced multi-disciplinary training to develop multi-functional talents in terms of knowledge and skills, management talents in terms of management problem solving and humble and ethical talents in terms of morality and culture. These internal and external trainings have established our corporate culture and bound our team together, giving the Group the confidence to move forward in our long-term development with our growing management team.

OTHER INFORMATION

Number and Remuneration of Employees

As at 31 December 2019, the Group had around 4,500 employees in Hong Kong and the PRC. The Group recognises the importance of human resources to its success, therefore qualified and experienced personnel are recruited for expansion of new restaurants. Remuneration is maintained at competitive levels with discretionary bonuses payable on a merit basis, which is in line with industrial practice. Other staff benefits provided by the Group include mandatory provident fund, insurance schemes, share options, share awards and performance related bonus.

Capital Commitment

The Group's capital commitment was approximately RMB3.0 million and RMB11.1 million as at 31 December 2019 and 31 December 2018, respectively.

Charge on Group's Assets

As at 31 December 2019, the Group had pledged time deposits of RMB80.0 million (31 December 2018: RMB80.0 million) for banking facilities amounting to RMB80.0 million (31 December 2018: RMB79.2 million).

管理人是集團努力的目標，近年亦積極引入多樣化培訓課程從管理理念、思維模式、知識技巧上培養多功能人才，從管理解決問題中培養管理人才，從道德文化裡培育德才兼備的優秀品格人才，各種內外培訓更加強化企業文化、凝聚團隊，讓集團有信心透過日益強大的管理團隊在長遠發展的路上昂首闊步前行。

其他資料

僱員數目及薪酬

於二零一九年十二月三十一日，本集團於香港及中國僱用約4,500名僱員。本集團認同人力資源對其成就的重要性，因此聘用具有合適資格及經驗的人員，以擴展餐館網絡。僱員薪酬維持於具競爭力水平，本集團會按表現發放酌情花紅，此乃符合業內慣例。本集團亦會提供其他員工福利，包括強制性公積金、保險計劃、購股權、股份獎勵及與表現掛鉤的花紅。

資本承擔

於二零一九年十二月三十一日及二零一八年十二月三十一日，本集團的資本承擔分別約為人民幣3.0百萬元及人民幣11.1百萬元。

本集團資產質押

於二零一九年十二月三十一日，本集團抵押人民幣80.0百萬元(二零一八年十二月三十一日：人民幣80.0百萬元)之定期存款，以獲取人民幣80.0百萬元(二零一八年十二月三十一日：人民幣79.2百萬元)之銀行融資。

Contingent Liabilities

As at 31 December 2019, the Group did not have any material contingent liabilities.

Material Acquisitions and Disposal of Subsidiaries, Associates and Joint Ventures

During the year, there was no material acquisition or disposal of subsidiaries, associates and joint ventures of the Company.

Purchase, Sale or Redemption of Listed Securities of the Company

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

或然負債

於二零一九年十二月三十一日，本集團並無任何重大或然負債。

附屬公司、聯營公司或合營公司的重大收購及出售

於本年度內，本公司並沒就其附屬公司、聯營公司或合營公司進行重大收購或出售。

購買、出售或贖回本公司已上市證券

截至二零一九年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

Biographies of Directors and Senior Management

董事及高級管理人員履歷

DIRECTORS

Executive Directors

Mr. YIP Shu Ming, aged 64, is one of the founders of our Group and joined our Group in July 1992. Mr. Yip, also the chairman of the Group, has been appointed as an executive director of the Company since 25 March 2011. He is responsible for our Group's overall corporate operations, planning and business development. Mr. Yip is also a director of certain subsidiaries of our Group. Mr. Yip has rich experience in restaurant business. He worked as general manager at Fortune City Restaurant, which operated in Hong Kong, from 1986 to 1995. Mr. Yip is a honorary founding president of Shenzhen Overseas Chinese International Association. Mr. Yip is a honorary president of The Hong Kong Federation of Restaurants & Related Trades Limited. He is a part-time consultant of the China Hotel Management Company Limited and a permanent honorary committee member of The Chinese General Chamber of Commerce. Mr. Yip is currently appointed as the 14th CPPCC member of Changning District, Shanghai. Apart from his interest in our Group, Mr. Yip is also one of the direct or indirect owners of Meco Group and Dongguan Well Excellent, two entities held by him for property investment and property leasing businesses and the lessors under CCT Tenancy Agreements as disclosed under the section headed "Directors' Report – Continuing Connected Transactions" in this annual report.

董事

執行董事

葉樹明先生，64歲，本集團創始人之一，於一九九二年七月加入本集團。葉先生亦為本集團主席，自二零一一年三月二十五日起獲委任為本公司執行董事。彼全面負責本集團的整體企業營運、規劃及業務發展。葉先生亦為本集團若干附屬公司之董事。葉先生於餐廳業務方面擁有豐富經驗。彼自一九八六年至一九九五年擔任富城火鍋海鮮酒家（於香港經營）的總經理。葉先生為深圳市僑商國際聯合會創會名譽會長。葉先生為香港餐飲聯業協會有限公司榮譽會長。彼現任中國飯店管理有限公司兼職顧問及中華總商會永遠名譽會董。葉先生目前獲委任為上海市長寧區第十四屆政協委員。除彼於本集團的權益外，葉先生亦為美高集團及東莞維華的直接或間接擁有人之一，該兩間公司乃由彼持有用於物業投資及物業租賃業務，並為本年報「董事會報告－持續關連交易」一節所披露的CCT租賃協議項下的出租方。

Mr. CHAN Man Wai, aged 65, is one of the founders of our Group and has been with our Group since its establishment in July 1992. Mr. Chan, also the vice chairman of the Group, has been appointed as an executive director of the Company since 11 March 2010. He is responsible for our Group's overall corporate strategic development. Mr. Chan is also a director of certain subsidiaries of the Group. He has rich experience in restaurant business. Prior to the establishment of Meco Petrochemical Limited in 1992, he co-owned and operated with others the restaurants Fortune Flower Grill and Lounge and Fortune City Restaurant in Hong Kong between 1983 and 1996. Apart from his interest in the Group, Mr. Chan is also one of the direct or indirect owners of Meco Group and Dongguan Well Excellent, two entities held by him for property investment and property leasing businesses and the lessors under the CCT Tenancy Agreements as disclosed under the section headed "Directors' Report – Continuing Connected Transactions" in this annual report.

Mr. KU Hok Chiu, aged 74, is one of the founders of our Group, and has been appointed as an executive director of the Company since 25 March 2011. Mr. Ku joined our Group as a shareholder of Meco Petrochemical Limited since May 1996. He is responsible for our Group's overall corporate strategic development. Mr. Ku has rich experience in restaurant business. Prior to joining the Group, he was one of the indirect owners of Datong Restaurant, which operated in China, from 1985 to 1997.

Mr. Ku is also engaged in kitchen equipment business in China through Chiu Kwun, involving manufacture, sale, installation and maintenance of kitchen equipment and provision of consultancy services related to kitchen equipment and kitchen layout. Apart from his interest in the Group, Mr. Ku is also (i) one of the shareholders of Meco Group and Dongguan Well Excellent respectively, two entities held by him for property investment and property leasing and the lessors under the CCT Tenancy Agreements as disclosed under the section headed "Directors' Report – Continuing Connected Transactions" in this annual report; and (ii) the indirect sole owner of Chiu Kwun, an entity held by him as the supplier and service provider as disclosed within the related party transactions in the notes to the financial statements in this annual report.

陳文偉先生，65歲，本集團創始人之一，自本集團於一九九二年七月成立以來一直任職於本集團。陳先生亦為本集團副主席，自二零一零年三月十一日起獲委任為本公司執行董事。彼負責本集團的整體企業策略發展。陳先生亦為本集團若干附屬公司的董事。彼於餐廳業務方面擁有豐富經驗。於一九九二年成立美高石油化工有限公司前，彼於一九八三年至一九九六年期間與他人在香港共同擁有及經營 Fortune Flower Grill and Lounge 及富城火鍋海鮮酒家。除彼於本集團的權益外，陳先生亦為美高集團及東莞維華的直接或間接擁有人之一，而美高集團及東莞維華乃由彼持有用於物業投資及物業租賃業務，並為本年報「董事會報告－持續關連交易」一節所披露的 CCT 租賃協議項下的出租方。

古學超先生，74歲，本集團創始人之一，自二零一一年三月二十五日獲委任為本公司執行董事。古先生自一九九六年五月起加入本集團作為美高石油化工有限公司股東。彼負責本集團的整體企業策略發展。古先生於餐廳業務方面擁有豐富經驗。加入本集團前，彼於一九八五年至一九九七年為大同酒家（於中國經營）之間接擁有人之一。

古先生亦透過超群在中國從事廚房設備業務，該公司涉及製造、銷售、安裝及保養廚房設備及提供有關廚房設備及廚房佈局。除彼於本集團的權益外，古先生亦為(i)美高集團及東莞維華的股東之一，該兩家公司為古先生用於物業投資及物業租賃的兩家公司及「董事會報告－持續關連交易」一節所披露 CCT 租賃協議項下的出租方；及(ii)超群的間接唯一擁有人，該公司為古先生持有的公司及本年報之財務報表附註中的關聯方交易內所披露的賣方及服務供應商。

Biographies of Directors and Senior Management

董事及高級管理人員履歷

Ms. WENG Peihe, aged 49, has been appointed as an executive director of the Company since 25 March 2011 and has been the chief executive officer of our Group since March 2000. She joined our Group in January 1997 and worked as senior manager to general manager from January 1997 to February 2000. Ms. Weng is primarily responsible for overseeing our Group's business development, market development, human resources, administration and logistics management. Ms. Weng has rich experience in the restaurant industry. Prior to joining the Group, she was engaged by Dragon Hotel, managed by New World Hotels International in 1988.

Ms. Weng was awarded Excellent Female Entrepreneur in China Hospitality Industry by the China Hotel Association in 2004. She was elected as one of the 2009–2010 China Hotel Industry 100 Elites and awarded the Platinum Five-Star Medal by the China Hotel Industry Annual Conference in March 2010. Ms. Weng was awarded as one of the Outstanding Entrepreneur in China Brand Development for 2010 jointly by China United Business News, Brand Magazine, China Wisdom Engineering Association, China Academy of Management Science, China International Brand Academy and National High Technology Industry Brand Academy in January 2011. Ms. Weng was also awarded as one of the Outstanding Female Entrepreneur in Shanghai Restaurant Industry, jointly by China Hotel Association and Shanghai Restaurant Association in December 2011. Ms. Weng was awarded 100 Outstanding Female Entrepreneur by China Outstanding Female Entrepreneur Association in 2012 and 2015. She was selected as one of the Top Ten Female CEOs by Forbes China in 2018 and was chosen as one of the Most Outstanding Women in Commerce by Forbes China in 2019. Ms. Weng completed the Certificate in Chinese Restaurant Management Course at the Hong Kong Institute of Vocational Education in 2002 and the International Business Management CEO course at the Center for Overseas Academic and Cultural Exchanges, Tsinghua University in November 2005, and completed the Executive Master of Business Administration Program organized by Peking University HSBC Business School in 2012.

翁培禾女士，49歲，自二零一一年三月二十五日起獲委任為本公司執行董事，並自二零零零年三月起擔任本集團行政總裁。彼於一九九七年一月加入本集團，一九九七年一月至二零零零年二月間歷任高級經理及總經理。翁女士主要負責監察本集團的業務發展、市場發展、人力資源、行政及物流管理。翁女士於餐飲業擁有豐富經驗。加入本集團前，彼於一九八八年受聘於杭州新世界酒店管理的黃龍酒店。

翁女士於二零零四年獲中國飯店協會授予全國飯店業優秀女企業家獎項。彼獲選入二零零九至二零一零年中華英才百福榜，並於二零一零年三月獲中國飯店業年會授予中華英才白金五星勳章。翁女士於二零一一年一月獲中國聯合商報社、品牌雜誌社、中國智慧工程研究會、中國管理科學研究院、中國國際品牌學會及全國高科技產業品牌推進委員會聯合推選為二零一零年度中國品牌建設十大傑出企業家。翁女士亦於二零一一年十二月獲中國飯店協會及上海餐飲行業協會聯合推選為上海餐飲業傑出女企業家之一。翁女士於二零一二年及二零一五年獲中國傑出女企業家聯誼會頒發中國百名傑出女企業家獎；於二零一八年獲福布斯中國選為十大女性總裁(CEO)之一；二零一九年入選福布斯中國最傑出商界女性排行榜。翁女士於二零零二年完成香港專業教育學院酒樓管理課程；於二零零五年十一月修畢清華大學對外學術文化交流中心企業管理國際化總裁(CEO)班，並於二零一二年修畢北京大學滙豐商學院高級管理人員工商管理碩士課程。

Independent Non-Executive Directors

Mr. KWONG Chi Keung, JP (Justice of the Peace), aged 65, has been appointed as an independent non-executive director, chairman of remuneration committee, member of audit committee and of nomination committee of the Company since 25 March 2011. Mr. Kwong is qualified as a solicitor in Hong Kong, England, Australia (Victoria) and Singapore. He is a senior partner of Messrs. Sit Fung Kwong and Shum.

Mr. Kwong was an independent non-executive director of (i) Sparkle Roll Group Limited (formerly known as Global Food Culture Group Limited, Jade Dynasty Food Culture Group Limited and Jade Dynasty Group Limited respectively) (Stock Code: 970), a company listed on the Main Board of the Stock Exchange, from August 2002 to October 2007 and (ii) Hang Ten Group Holdings Limited (Stock Code: 448), a company which was listed on the Main Board of the Stock Exchange since October 2002 until it was privatized and delisted with effect from 20 March 2012.

Mr. Kwong was a former Deputy Chairman of the Copyright Tribunal of Hong Kong and a member of the Administrative Appeals Board and Panel of Inland Revenue Board of Review. Mr. Kwong is a Past President of the Asian Patent Attorneys Association, a World Intellectual Property Organization appointed Neutral for Alternative Dispute Resolution and Uniform Domain Name Dispute Resolution Policy Panelist, fellow of the Chartered Institute of Arbitrators (London) and Hong Kong Institute of Arbitrators, a Chartered Arbitrator, Center for Effective Dispute Resolution (CEDR) Accredited Mediator, and a Notary Public. He is a listed Arbitrator and Adjudicator of the Hong Kong International Arbitration Center. Mr. Kwong is a member of the Advisory Committee on Review of Patent System in Hong Kong and Convenor of its Working Group on Interim Regulatory Measures of Patent Practitioners, member of Working Group on Intellectual Property Trading and Convenor of its subgroup on IP Arbitration and Mediation. He is also a member of the Steering Committee on Mediation, Vice-Chairman of its Regulatory Framework Sub-committee and Special Committee on Evaluative Mediation set up by the Department of Justice. He is also a Director of Applied Science and Technology Research Institute (ASTRI).

Mr. Kwong obtained a bachelor's degree in laws (LLB) in November 1976 and a postgraduate certificate in laws (PCLL) in July 1977, both from the University of Hong Kong.

獨立非執行董事

鄭志強先生，JP(太平紳士)，65歲，自二零一一年三月二十五日起獲委任為本公司獨立非執行董事、薪酬委員會主席及審核委員會及提名委員會成員。鄭先生為香港、英格蘭、澳洲(維多利亞)及新加坡的合資格事務律師。彼為薛馮鄭岑律師行的高級合夥人。

鄭先生(i)自二零零二年八月至二零零七年十月擔任聯交所主板上市公司耀萊集團有限公司(之前曾分別稱為環球飲食文化集團有限公司、玉皇朝飲食文化集團有限公司及玉皇朝集團有限公司)(股份代號：970)的獨立非執行董事及(ii)漢登集團控股有限公司(股份代號：448)(該公司自二零零二年十月起一直於聯交所主板上市，直至其於二零一二年三月二十日私有化並除牌)的獨立非執行董事。

鄭先生曾為香港版權審裁處的前任副主席以及行政上訴委員會成員及稅務上訴委員會小組成員。鄭先生為亞洲專利律師協會前任總裁並獲世界知識產權組織委任為替代性爭議解決的中立人員及統一域名爭議解決政策專家組成員，亦為英國倫敦特許仲裁學會及香港仲裁司學會資深會員、特許仲裁員、Centre for Effective Dispute Resolution (CEDR)認可調解員及國際公證人。彼名列香港國際仲裁中心的仲裁員及審裁員名冊。鄭先生為香港專利制度改革諮詢委員會成員及其臨時措施工作小組召集人，知識產權貿易工作小組成員及其轄下知識產權仲裁與調解分組召集人。他亦為由律政司成立的調解督導委員會成員及其轄下的規管架構小組委員會和評估式調解特別委員會副主席。彼亦是香港應用科技研究院董事局成員。

鄭先生於一九七六年十一月取得香港大學法學士學位及於一九七七年七月取得香港大學法學專業證書。

Biographies of Directors and Senior Management

董事及高級管理人員履歷

Mr. KWONG Ping Man, aged 55, has been appointed as an independent non-executive director, chairman of audit committee, member of nomination committee and of remuneration committee of the Company since 25 March 2011.

Mr. Kwong has rich experience in accounting and administration and is currently a director of O'Park Corporate Services Limited. He had previously worked as accountant, company secretary and chief financial officer at various private companies and main board listed companies.

Mr. Kwong currently is the independent non-executive director of Dragon King Group Holdings Limited (Stock Code: 8493), Royal Deluxe Holdings Limited (Stock Code: 3789) and Rare Earth Magnesium Technology Group Holdings Limited (formerly known as Group Sense (International) Limited) (Stock Code: 601).

Besides, Mr. Kwong had been an independent non-executive director of the following companies until he retired from his office: Century Sunshine Group Holdings Limited (Stock Code: 509) until June 2019, Elegance Optical International Holdings Limited (Stock Code: 907) until April 2017, Clear Lift Holdings Limited (now known as Hao Tian International Construction Investment Group Limited) (Stock Code: 1341) until March 2017, Yat Sing Holdings Limited (Stock code: 3708) until March 2016 and China Candy Holdings Limited (Stock Code: 8182) until February 2016.

Mr. Kwong obtained a bachelor's degree in commerce accounting from Curtin University of Technology in Australia in August 1996, a postgraduate diploma in corporate administration (part-time) from the Hong Kong Polytechnic University in November 1998 and a master's degree in professional accounting from the Hong Kong Polytechnic University in November 2003. He is a member of the Australian Society of Certified Practicing Accountants (now known as CPA Australia), a fellow member of the Hong Kong Institute of Certified Public Accountants, and an associate member of the Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries & Administrators respectively.

鄭炳文先生，55歲，自二零一一年三月二十五日起獲委任為本公司獨立非執行董事、審核委員會主席及提名委員會及薪酬委員會成員。

鄭先生於會計及行政方面擁有豐富經驗。彼現任澳柏企業服務有限公司董事。彼曾於多間私人公司及聯交所主板上市公司擔任會計師、公司秘書及財務總監。

鄭先生目前為龍皇集團控股有限公司(股份代號：8493)、御佳控股有限公司(股份代號：3789)及稀鎂科技集團控股有限公司(前稱為權智(國際)有限公司)(股份代號：601)之獨立非執行董事。

此外，鄭先生也曾於以下上市公司擔任獨立非執行董事直至其退任：世紀陽光集團控股有限公司(股份代號：509)(至二零一九年六月)、高雅光學國際集團有限公司(股份代號：907)(至二零一七年四月)、焯陸企業控股有限公司(現稱為昊天國際建設投資集團有限公司)(股份代號：1341)(至二零一七年三月)、日成控股有限公司(股份代號：3708)(至二零一六年三月)及中國糖果控股有限公司(股份代號：8182)(至二零一六年二月)。

鄭先生於一九九六年八月獲得澳洲科廷科技大學商業會計學士學位、於一九九八年十一月獲得香港理工大學企業管理學研究生文憑(兼讀)及於二零零三年十一月獲得香港理工大學專業會計學碩士學位。鄭先生為澳洲會計師公會的認可執業會計師、香港會計師公會資深會計師及香港特許秘書公會及英國特許秘書及行政人員公會的附屬會員。

Mr. CHEUNG Kin Ting Alfred, aged 64, has been appointed as an independent non-executive director, Chairman of nomination committee, member of audit committee and of remuneration committee of the Company since 25 March 2011. Mr. Cheung has rich experience in the Chinese style fast food restaurant industry in Hong Kong. From 2002 to 2009, he co-owned and operated with others the Chinese-style fast food restaurants Cousin Cousin Cafe in Hong Kong. Currently, Mr. Cheung has licensed the trade name of aforesaid Chinese-style fast food restaurants to other independent third parties in the PRC at no charge. Since 2004, Mr. Cheung has been engaged in the provision of corporate training on communication skills, interpersonal skills and team building to corporations, including corporations in the restaurant industry. He is also a film director, script-writer and producer.

He obtained a diploma of Arts in Chinese Language Literature from the Hong Kong Baptist College (now known as Hong Kong Baptist University) in June 1979 and an Executive Master of Business Administration from The Hong Kong University of Science and Technology in May 2009.

SENIOR MANAGEMENT

Mr. WONG Chung Yeung, aged 42, is the chief financial officer and company secretary of the Company. Mr. Wong joined our Group in January 2012 and is responsible for the overall management of the Group's finance and accounting, taxation, information technology, investor relations and listing rules compliance functions. He graduated from the Hong Kong University of Science and Technology in 1999 with a bachelor's degree of business administration in accounting and is a member of the Hong Kong Institute of Certified Public Accountants. Mr. Wong has rich experience in finance and accounting profession. Prior to joining the Group, Mr. Wong worked in Ernst & Young from June 2000 to December 2011. Mr. Wong was appointed as a non-executive director of Goal Forward Holdings Limited (Stock Code: 1854) since May 2016.

張堅庭先生，64歲，自二零一一年三月二十五日起獲委任為本公司獨立非執行董事、提名委員會主席及審核委員會及薪酬委員會成員。張先生於中式快餐餐廳業擁有豐富經驗。二零零二年至二零零九年，彼與他人在香港共同擁有及經營中式快餐連鎖店表哥茶餐廳。目前，張先生無償將上述中式快餐連鎖店商號許可予其他獨立第三方在中國經營餐廳。自二零零四年起，張先生一直為各類公司(包括餐廳業公司)提供溝通技巧、人際關係技能以及團隊建設等公司培訓。彼亦為電影導演、編劇及製片人。

彼於一九七九年六月獲香港浸會學院(現稱香港浸會大學)中國語言文學文科文憑，並於二零零九年五月獲香港科技大學行政人員工商管理碩士學位。

高級管理層

黃忠揚先生，42歲，是本公司的首席財務官兼公司秘書。黃先生於二零一二年一月加入本集團，負責本集團的財務及會計、稅務、資訊科技、投資者關係及上市規則合規之整體管理。彼於一九九九年畢業於香港科技大學，取得工商管理(會計)學士學位，並為香港會計師公會會員。黃先生於財務及會計專業擁有豐富工作經驗。於加入本集團前，黃先生自二零零零年六月至二零一一年十二月任職於安永會計師事務所。黃先生自二零一六年五月獲委任為展程控股有限公司的非執行董事(股份代號: 1854)。

Biographies of Directors and Senior Management

董事及高級管理人員履歷

Mr. CHEN Zhi Xiong, aged 49, is the Vice President of our Group. He has been with our Group since May 2000. Since January 2013, Mr. Chen has become the Vice President of our Group. He was an editor on the China Hotel and Catering Industry Book Series Editorial Board from May 2005, honorary consultant to the Provincial and Hong Kong Gourmet Weekly from March 2006 and chairman of the Expert Committee of Zhuhai Food & Beverage Association from June 2006. He was accredited as China Cooking Master by China Hotel Association in 2003 and accredited National Judge Qualification (Hotel) – First Class from China Hotel Association in 2004. Mr. Chen was also awarded the group silver award in the 5th National Cooking Skills Competition in 2003 by The Organizing Committee of the 5th National Cooking Skills Competition, the Hong Kong, Guangdong and Macau Top Ten Chefs 2004 – Gold Award by the Editorial Board of the Hong Kong, Guangdong and Macau Chefs Ceremony and the Quan Guo Shi Jia Jin Shao Jiang in the China Hotel System Service Skill Competition by the China Hotel System Service Skill Competition (Zhongnan District) Organizing Committee in 2005. He obtained a certificate from the Nutritional Occupational Skills Testing Authority of the Ministry of Labor and Social Security for passing the tests for nutritionist and Chinese cook in December 2005 and June 2007 respectively. In 2006, he was awarded a Diploma of Membership by Les Amis d'Escoffier Society, Inc. (now known as Les Amis d'Escoffier Society of New York, Inc.) as Honorary Chairman. Mr. Chen completed the ERS 5S Management Certificate Course from the Hong Kong Environmental Resource and Safety Institute in April 2009.

陳志雄先生，49歲，本集團副總裁。彼自二零零零年五月任職於本集團。自二零一三年一月起，陳先生升任本集團副總裁。彼自二零零五年五月起擔任中國飯店與餐飲業系列叢書編輯委員會的編輯，自二零零六年三月起擔任省港美食週刊的名譽顧問，並自二零零六年六月起擔任珠海市餐飲協會的主席。彼於二零零三年獲中國飯店協會評為中國烹飪大師，並於二零零四年獲中國飯店協會授予飯店業國家壹級評委資格。陳先生亦於二零零三年榮獲第五屆全國烹飪技術比賽組織委員會頒發的第五屆全國烹飪技術比賽團體賽團體銀獎，粵港澳名廚大典編輯委員會頒發的二零零四年度粵港澳餐飲業十佳名廚金獎，並於二零零五年榮獲首屆全國飯店系統服務技能比賽(中南賽區)組委會頒發的首屆全國飯店系統服務技能比賽全國十佳金勺獎。彼於二零零五年十二月及二零零七年六月分別通過營養配餐員及中式烹調師的考試，取得勞動和社會保障部營養職業技能鑒定中心頒發的證書。於二零零六年，彼獲Les Amis d'Escoffier Society, Inc. (現稱為Les Amis d'Escoffier Society of New York, Inc.) 頒發會員證書，出任名譽會長。陳先生於二零零九年四月完成香港環境資源及安全學會的ERS 5S管理證書課程。

Corporate Governance Report

企業管治報告

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Board is committed to maintaining a high standard of corporate governance practices to safeguard the interests of the Company and its shareholders and to enhance corporate value and accountability. These can be achieved by an effective Board, segregation of duties with clear responsibility, sound internal control, appropriate risk assessment procedures and transparency to all the shareholders.

The Company has complied with all the code provisions as set out in Appendix 14 (Corporate Governance Code and Corporate Governance Report) to the Listing Rules throughout the year.

BOARD OF DIRECTORS

The Board is in charge of the task of maximizing the financial performance of the Group and making decisions in the best interest of the Company. The Board is responsible for formulating business policies and strategies, monitoring the performance of the senior management of the Company, adopting and monitoring internal business and management control, approving and monitoring annual budgets and business plans, reviewing operational and financial performance, considering dividend policy, reviewing and monitoring the Company's systems of financial control and risk management. The Board has delegated the day-to-day management, administration and operation of the Group and implementation and execution of Board policies and strategies to the executive directors and management of the Company.

企業管治守則之遵守

董事會致力維持高水平的企業管治常規，以保障本公司及股東利益，提升企業價值及問責性。此目標可透過有效的董事會、分明的職責、穩定的內部監控、恰當的風險評估程序及對全體股東的透明度來實現。

本公司於本年度內已遵守上市規則附錄14企業管治守則及企業管治報告所載的所有守則條文。

董事會

董事會肩負持續優化本集團的財務表現及以本公司的最佳利益進行決策的責任。董事會亦負責制訂業務政策及策略、監督本公司高級管理人員的表現、採納及監察內部業務及管理監控、批准及監察年度預算及業務計劃、審閱經營及財務表現、考慮股息政策、檢討及監察本公司的財務監控及風險管理系統。董事會將本集團日常管理、行政、運作及董事會政策及策略的實施及推行委託予本公司的執行董事及管理人員負責。

Corporate Governance Report

企業管治報告

As at 31 December 2019, the Board consists of seven members, including four executive directors, Mr. YIP Shu Ming (Chairman), Mr. CHAN Man Wai (Vice-Chairman), Mr. KU Hok Chiu, Ms. WENG Peihe (Chief Executive Officer), and three independent non-executive directors, Mr. KWONG Chi Keung, Mr. KWONG Ping Man and Mr. CHEUNG Kin Ting Alfred. For the Board's composition under major diversified perspectives, one member is female, one of them aged between 40 and 49, one aged between 50 and 59 and five aged 60 or above. All members are Chinese with more than five years of service. Biographical details of each of the directors are set out on pages 22 to 28 of this annual report. Save as disclosed in this annual report, there is no financial, business, family or other material/relevant relationship among members of the Board.

Service contract of each of the executive directors expired on 24 March 2020 and was renewed for a specific term commencing from 25 March 2020 and expiring on 24 March 2023, which could be terminated by either party by giving not less than three months' written notice.

In compliance with Rule 3.10 of the Listing Rules, the Company has appointed three independent non-executive directors (representing more than one-third of the Board), one of whom has appropriate professional qualifications in accounting and financial management. All the independent non-executive directors have confirmed in writing to the Company that they have met all the guidelines for assessing their independence as set out in rule 3.13 of the Listing Rules. Letter of appointment of each of the independent non-executive directors expired on 24 March 2020 and was renewed for a specific term commencing from 25 March 2020 and expiring on 24 March 2023, which could be terminated by either party by giving not less than one month's written notice.

於二零一九年十二月三十一日，董事會由七名成員組成，包括四名執行董事葉樹明先生（主席）、陳文偉先生（副主席）、古學超先生、翁培禾女士（行政總裁）；三名獨立非執行董事為鄺志強先生、鄺炳文先生和張堅庭先生。以多元角度為大前提而組成的董事會，成員包括一名女性、一名年齡介乎40至49歲、一名年齡介乎50至59歲，以及五名年齡為60歲或以上人士。所有成員均為中國籍，而且服務年期多於五年。各董事履歷的詳情載於本年報第22至28頁。除本年報披露外，董事會成員間並無財務、業務、家族或其他重大／有關關係。

各執行董事的服務合同已於二零二零年三月二十四日屆滿，並已獲更新特定年期，由二零二零年三月二十五日起，並於二零二三年三月二十四日屆滿，可由其中一方發出不少於三個月的書面通知予以終止。

本公司已根據上市規則第3.10條委任三名獨立非執行董事（佔董事會超過三分之一的人數），其中一人擁有合適的會計及財務管理專業資格。各獨立非執行董事已向本公司書面確認彼等已符合上市規則第3.13條所載有關評估彼等獨立性的所有指引。各獨立非執行董事的委任函已於二零二零年三月二十四日屆滿，並已獲更新特定年期，由二零二零年三月二十五日起，並於二零二三年三月二十四日屆滿，可由其中一方發出不少於一個月的書面通知予以終止。

Not less than one-third of the Board are subject to retirement from office by rotation at the annual general meeting provided that every director shall be subject to retirement by rotation at least once every three years in accordance with the Articles of Association.

All directors, including independent non-executive directors, have given sufficient time and effort to the affairs of the Group. Independent non-executive directors have provided the Board with their diversified expertise, experience and professional advice. The Board believes that the ratio between executive directors and independent non-executive directors is reasonable and adequate to provide sufficient checks and balances in order to safeguard the interests of shareholders of the Company and of the Group. The Board also believes that the views and participation of the independent non-executive directors in the Board and committee meetings provide independent judgment on the issues relating to strategy, performance, conflict of interest and management process to ensure that the interests of all shareholders of the Company are considered and safeguarded.

All directors have full and timely access to all relevant information in relation to the Group's businesses and affairs as well as unrestricted access to the advice and services of the company secretary, who is responsible for providing directors with board papers and related materials. The directors may seek independent professional advice at the Company's expenses in carrying out their duties and responsibilities.

The Company has subscribed appropriate and sufficient insurance coverage on directors' liabilities in respect of legal actions taken against directors arising out of corporate activities.

不少於三分之一的董事須於股東週年大會上輪值退任，惟每名董事須按組織章程細則至少每三年輪值退任。

各董事（包括獨立非執行董事）已投放充足時間及努力於本集團的事務上。獨立非執行董事已向董事會提供其多方面的專業知識、經驗及專業意見。董事會相信執行董事與獨立非執行董事的比例為合理，足以提供充分的制衡，以保障本公司股東及本集團的利益。董事會亦相信獨立非執行董事於董事會及委員會會議的意見及參與能於有關策略、表現、利益衝突及管理過程的事宜上提供獨立判斷，以確保本公司各股東的利益得到考慮及保障。

公司秘書負責向董事提供董事會文件及有關材料，各董事可全面及時掌握與本集團業務及事務有關的所有相關資料，並在無限制的情況下得到公司秘書的意見及服務。本公司負責董事於履行職務及職責時或須徵詢獨立專業意見的有關費用。

本公司已對董事在履行公司事務期間產生對董事所提出法律訴訟的責任購買合適及充足的保險。

Corporate Governance Report

企業管治報告

During the year ended 31 December 2019, the Board held four regular board meetings. At these regular board meetings, directors discussed and exchanged their views on significant issues and general operations of the Group, formulated business policies and strategies, reviewed the financial performance, budget plan and approved the annual results for the year ended 31 December 2018 and the interim results of the Company for the six months ended 30 June 2019.

The Board is responsible for performing the corporate governance duties set out in paragraph D.3.1 of the Corporate Governance Code, and in this regard the duties of the Board shall include:

- (a) to develop and review the Company's policies and practices on corporate governance;
- (b) to review and monitor the training and continuous professional development of directors and the senior management;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors of the Company; and
- (e) to review the Company's compliance with the code and disclosure in the Corporate Governance Report.

於截至二零一九年十二月三十一日止年度，董事會舉行四次董事會定期會議。於該等董事會定期會議上，董事就本集團的重要議題及一般營運討論及交換意見，制訂業務政策及策略，檢討財務表現，預算計劃以及批准本公司截至二零一八年十二月三十一日止年度的年度業績及截至二零一九年六月三十日止六個月之中期業績。

董事會負責履行載於企業管治守則第D.3.1條一段的企業管治職責，就此而言董事會之職責包括：

- (a) 制定及檢討本公司的企業管治政策及常規；
- (b) 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- (c) 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- (d) 制定、檢討及監察適用於本公司僱員及董事的操守準則及合規手冊(如有)；及
- (e) 檢討本公司遵守守則的情況及在企業管治報告內的披露。

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for ensuring that sound and effective risk management and internal control systems are maintained within the Group. It is achieved by ongoing reviews through 2 committees, namely Audit Committee and risk management and internal control committee (the “Risk and Control Committee”). Risk and Control Committee comprises the chief executive officer and chief financial officer of the Company, an external PRC legal advisor engaged by the Company, and Mr. KWONG Ping Man (the independent non-executive director, who possesses relevant experience to review and assess the effectiveness and adequacy of the Company’s internal control measures). Such reviews cover all material controls, including financial, operational and compliance controls.

The Company has also established an internal audit department in which the internal audit manager is professionally qualified with relevant experience to monitor and oversee daily operation of internal control matters. The Risk and Control Committee is responsible for i) the implementation of the remedial plans recommended by the internal audit department and ii) ensuring the compliance with the Listing Rules and applicable laws, rules and regulations in various business locations. The internal audit department and Risk and Control Committee facilitate the annual review of the risk management and internal control systems and directly report to the Audit Committee. Any deficiencies and risks identified during the review process will be evaluated and addressed in the Audit Committee and be reported to the Board if the impact is considered as significant.

Pursuant to the paragraph C.2.4 of the Corporate Governance Code, the process described above and the main feature of the Group’s risk management and internal control systems is through effective communications with various business units and functional departments so as to identify, evaluate and manage significant risks. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss.

風險管理及內部監控

董事會負責於本集團維持完善及有效之風險管理及內部監控系統。此乃透過兩個委員會之持續檢討實現，即審核委員會及風險管理及內部監控委員會（「風險及監控委員會」）。風險及監控委員會之成員包括本公司行政總裁及首席財務官、本公司外聘之中國法律顧問及鄭炳文先生（獨立非執行董事，擁有相關經驗以檢討及評估本公司內部監控措施是否有效及充分）。有關檢討涵蓋全部重大監控，包括財務、運作及合規監控。

本公司亦已成立內審部門，當中內審經理為具備相關經驗的專業人士以監管及監察內部監控事宜之日常運作。風險及監控委員會負責 i) 執行內審部門建議的改善計劃及 ii) 確保遵守上市規則及不同業務地點之適用法例、規則及規例。內審部門及風險及監控委員會協調風險管理及內部監控系統之年度檢討工作並直接向審核委員會報告。檢討過程中辨認之任何不足及風險將由審核委員會評估及處理，倘事件影響重大，則向董事會報告。

根據企業管治守則第C.2.4條，上述提及之本集團風險管理與內部監控系統程序及其主要特點為透過與不同業務單位及職能部門的有效溝通，以辨認、評估及管理重大風險。有關系統乃旨在管理而非消除未能達成業務目標的風險，而且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

Corporate Governance Report

企業管治報告

Besides, the Company has according to the requirement under part XIVA of the Securities and Futures Ordinance, established written procedures for the handling and dissemination of inside information and circulated to all staff and management who may due to their roles and duties, be in possession of these potential price sensitive information.

The Board, through the Audit Committee and Risk and Control Committee, reviewed the effectiveness of the Group's risk management and internal control systems for the year ended 31 December 2019 in accordance to the requirement set out in paragraph C.2.1 of the Corporate Governance Code, and discussed with the management of the Company and its external and internal auditors. It is considered that i) no material change in the nature and extent of significant risks was noted since last annual review, ii) no significant control failure or weakness that may have a material impact on the Company's financial performance has been identified during the year, and iii) the systems cover all material controls: including financial, operational and compliance controls and risk management functions, are effective and adequate to safeguard the Group's assets and shareholders' interest.

此外，本公司已根據證券及期貨條例第XIVA部之規定成立處理及發佈內幕消息的書面程序，並分發至該等可能因其職位及職責而擁有股價敏感資料的員工及管理層。

透過審核委員會及風險及監控委員會，董事會根據企業管治守則第C.2.1段所載規定檢討本集團截至二零一九年十二月三十一日止年度的風險管理及內部監控系統之有效性，並與本公司管理層及其外部及內部核數師進行討論。董事會認為i)自上一次年度檢討起，並無發現重大風險於其性質上及程度上之重大變更；ii)年內並無辨認出對本集團財務表現有重大影響的重大監控失誤或缺陷；及iii)系統涵蓋所有重大監控：包括財務、運作及合規監控及風險管理職能為有效及能充分保障本集團之資產及股東權益。

Attendance of the individual directors at the regular board meetings and general meetings for the year ended 31 December 2019 is set out as follows:

截至二零一九年十二月三十一日止年度個別董事出席定期董事會會議及股東大會之出席率列載如下：

	Regular Board Meetings Attended/Total 董事會定期會議 出席次數／總數	Annual General Meeting Attended/Total 股東週年大會 出席次數／總數	Extraordinary General Meeting Attended/Total 股東特別大會 出席次數／總數
Executive directors			
執行董事			
Mr. YIP Shu Ming (<i>Chairman</i>) 葉樹明先生(主席)	4/4	1/1	1/1
Mr. CHAN Man Wai (<i>Vice-chairman</i>) 陳文偉先生(副主席)	4/4	1/1	1/1
Mr. KU Hok Chiu 古學超先生	4/4	1/1	1/1
Ms. WENG Peihe (<i>Chief Executive Officer</i>) 翁培禾女士(行政總裁)	4/4	1/1	1/1
Independent non-executive directors			
獨立非執行董事			
Mr. KWONG Chi Keung 鄭志強先生	4/4	1/1	1/1
Mr. KWONG Ping Man 鄭炳文先生	4/4	1/1	1/1
Mr. CHEUNG Kin Ting Alfred 張堅庭先生	4/4	1/1	1/1

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At least 14 days' notice prior to the date of regular board meeting is given to all directors and an agenda together with board papers are sent to all directors no less than three days before the date of regular board meeting (or other agreed period). All directors are given opportunity to include in the agenda any other matter that they would like to discuss in the meeting. With respect to the board committee meeting, reasonable prior notice is given to all committee members. All directors and committee members of the board committee are urged to attend the board meeting and board committee meeting in person. For the directors and committee members, who are unable to attend the meeting, participation through electronic means are arranged and available.

Should a director has a potential conflict of interest in a matter being considered in the board meeting, he will abstain from voting. Independent non-executive directors with no conflict of interest will be present at meetings dealing with such conflict of interest issues.

The company secretary assists the chairman of the Board in preparation of the agenda for the board meeting and board committee meeting and ensures that all applicable rules and regulations regarding the board meeting are followed. He also prepares and keeps detailed minutes of each board meeting and board committee meeting. Within a reasonable time after each meeting, the draft minutes is circulated to all directors or committee members for comment and the final and approved version of minutes is sent to all directors or committee members for their records. Board committees, including the audit committee, nomination committee and remuneration committee, all follow the applicable principles, practices and procedures used in board meetings.

各董事於董事會定期會議日期前最少十四日獲發會議通知，亦於董事會定期會議日期前最少三日（或其他協定的期間）獲派議程連同會議文件。各董事有機會於議程中加入其欲於會議上討論的任何其他事項。各董事委員會成員於會議前獲合理的預先通知。各董事及董事委員會成員應親身出席董事會及董事委員會會議，若未能出席，則會安排董事及委員會成員以電子方式參與。

倘董事與董事會會議上討論的事項有潛在的利益衝突，其將放棄投票，而無利益衝突的獨立非執行董事則出席會議，處理該等利益衝突的事項。

公司秘書協助董事會主席預備董事會及董事委員會會議議程，確保遵守所有有關董事會會議的適用規則及法規。彼亦就董事會及董事委員會會議作出詳細會議記錄。會議記錄的草稿將於每次會議結束後的合理時間內發給所有董事或委員會成員查閱，以供董事或委員會成員提供意見，而會議記錄最終獲批准的版本將發給所有董事或委員會成員作記錄。董事委員會，包括審核委員會、提名委員會及薪酬委員會，均遵守董事會會議採用的適用原則、常規及程序。

The Company has received from all directors records of their continuous professional development training for the year ended 31 December 2019. Details of which are set out in below table:

本公司已收到截至二零一九年十二月三十一日止年度所有董事的持續專業發展培訓紀錄，詳情載列如下：

	Type of Continuous Professional Development	
	Attending training/ seminar on regulatory development and directors' duties	Reading regulatory updates or information relevant to the Company or its business
	出席有關監管發展及董事職責的培訓／研討會	閱讀最新監管資料或有關本公司或其業務的資料
Mr. YIP Shu Ming 葉樹明先生	✓	✓
Mr. CHAN Man Wai 陳文偉先生	✓	✓
Mr. KU Hok Chiu 古學超先生	✓	✓
Ms. WENG Peihe 翁培禾女士	✓	✓
Mr. KWONG Chi Keung 鄭志強先生	✓	✓
Mr. KWONG Ping Man 鄭炳文先生	✓	✓
Mr. CHEUNG Kin Ting Alfred 張堅庭先生	✓	✓

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Mr. YIP Shu Ming is the chairman of the Board and Ms. WENG Peihe is the chief executive officer of the Company, in compliance with the Code Provision A.2.1 of Appendix 14 to the Listing Rules. The divisions of responsibilities between the chairman of the Board and the chief executive officer of the Company are clearly divided to ensure a balance of power and authority and to reinforce their independence and accountability.

Mr. YIP Shu Ming, being the chairman of the Company, is responsible for providing leadership to the Board and ensuring that the Board functions effectively; that directors receive in timely manner adequate information which is complete and reliable and that all directors are properly briefed on issues arising at board meetings. The chairman also encourages directors to participate actively in and to make a full contribution to the Board's affairs so that the Board can act in the best interest of the Company.

Ms. WENG Peihe, being the chief executive officer of the Company, is responsible for the daily operations of the Company, execution of business policies, strategies, objectives and plans as formulated and adopted by the Board and leading the management of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS (THE "MODEL CODE")

The Company has adopted its own code for securities transactions by directors on terms no less exacting than the Model Code as set out in Appendix 10 to the Listing Rules. The Company has made specific enquiries to all of the directors and all of the directors confirmed that they have complied with the required standards set out in the Model Code during the year.

主席及行政總裁

葉樹明先生為董事會主席，翁培禾女士為本公司行政總裁，符合上市規則附錄十四守則條文第A.2.1條。本公司董事會主席及行政總裁的職責清楚劃分，確保權力及職權得到平衡，以及加強獨立性及問責性。

本公司主席葉樹明先生負責領導董事會及確保董事會有效運作，並確保董事準時收到充足、完整及可靠的資料，亦確保各董事均適當知悉董事會議討論的議題。主席亦鼓勵各董事積極參與及全力投入董事會事務，務求令董事會能以本公司的最佳利益為依歸。

本公司行政總裁翁培禾女士負責本公司的日常運作，落實由董事會制定及採納的業務政策、策略、目標及計劃以及領導本公司管理人員。

上市發行人董事進行證券交易的標準守則（「標準守則」）

本公司已為董事進行證券交易採納其本身的守則，當中條款的嚴謹程度不遜於上市規則附錄10所載標準守則。本公司已向全體董事作出特定查詢，全體董事已確認彼等於年內已遵守標準守則之規定準則。

COMPLIANCE WITH NON-COMPETE UNDERTAKING

The Company has received confirmation from the Controlling Shareholders in respect of their compliance with the terms of the Non-compete Undertaking for the year under review.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors acknowledge their responsibility for preparation of the financial statements for the financial year ended 31 December 2019 which are to give a true and fair view of the state of affairs of the Company and of the Group as at that date and of the Group's results and cash flows for the year then ended and are properly prepared on the going concern basis in accordance with the applicable statutory requirements and accounting standards. The directors, having made appropriate enquiries, confirm that they are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The statement of the external auditors of the Company acknowledging their reporting responsibilities on the financial statements is set out in the "Independent Auditors' Report" contained in this annual report.

BOARD COMMITTEES

The Board has established three board committees, namely audit committee, remuneration committee and nomination committee, to oversee particular aspects of the Company's affairs. The board committees are provided with sufficient resources to discharge their duties.

The Board adopted a set of written terms of reference of each of the board committees of the Company which are in line with the Listing Rules requirements. The written terms of reference of each of the board committees of the Company are posted on the websites of the Stock Exchange and the Company.

遵守不競爭承諾

本公司已接獲控股股東就彼等於回顧年度遵守不競爭承諾條款而發出的確認書。

董事對財務報表的責任

董事知悉彼等編製截至二零一九年十二月三十一日止財政年度的財務報表的責任，財務報表如實公平反映本公司及本集團截至該日的狀況及本集團截至該日期止年度的業績及現金流，並根據適用的法定規定及會計準則按持續經營基準妥為編製。董事於作出所有適當查詢後，確認彼等並不知悉任何可能會對本公司持續經營能力造成重大疑慮之事件或情況之重大不確定因素。

本公司外聘核數師確認其就財務報表所承擔的申報責任聲明已載於本年報「獨立核數師報告」內。

董事委員會

董事會已成立三個董事委員會，分別為審核委員會、薪酬委員會及提名委員會，以監察本公司特定範疇的事務。董事委員會得到充足資源履行其責任。

董事會採納了本公司各董事委員會的書面職權範圍。該等書面職權範圍符合上市規則要求。本公司各董事委員會的書面職權範圍已刊載於聯交所及本公司網站。

AUDIT COMMITTEE AND ACCOUNTABILITY

The Company has established an Audit Committee since 25 March 2011 with written terms of reference (as amended or supplemented) in compliance with Rule 3.21 of the Listing Rules. The terms of reference of the Audit Committee are available on the websites of the Stock Exchange and the Company. The Audit Committee comprises three members who are all independent non-executive directors, namely Mr. KWONG Ping Man (the Chairman), Mr. KWONG Chi Keung and Mr. CHEUNG Kin Ting Alfred. The Audit Committee reports to the Board and is delegated by the Board to assess matters related to the financial statements. Under its terms of reference, the Audit Committee is required to perform, amongst the others, the following duties:

- making recommendation to the Board on appointment, re-appointment and removal of external auditor and approving the remuneration and terms of engagement of that external auditor, and any questions of its resignation or dismissal;
- reviewing and monitoring the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards;
- reviewing the Company's financial controls, risk management and internal control procedures and systems;
- reviewing the Group's financial and accounting policies and practices;
- facilitating the communication between external auditors, internal audit department and management;
- ensuring that management has performed its duty to have an effective internal control and risk management systems; and
- monitoring the integrity of the Company's financial statements and annual reports and accounts and half-year reports.

審核委員會及問責性

本公司已於二零一一年三月二十五日根據上市規則第3.21條成立審核委員會，並以書面列出其職權範圍(經修訂或補充)。審核委員會的職權範圍載於聯交所及本公司網站。審核委員會由三名獨立非執行董事組成，分別為鄭炳文先生(主席)、鄭志強先生及張堅庭先生。審核委員會乃向董事會匯報及獲董事會授權評估與財務報表有關的事宜。根據職權範圍，審核委員會須履行(其中包括)以下職責：

- 向董事會提供委任、重新委任、罷免外聘核數師之建議、批准外聘核數師的薪酬及聘用條款，以及處理任何有關該核數師辭職或辭退的問題；
- 根據適用準則檢討及監察外聘核數師的獨立性及客觀性及核數程序的成效；
- 檢討本公司的財務監控、風險管理及內部監管措施及系統；
- 檢討本集團的財務及會計政策及常規；
- 協調外聘核數師、內審部門及管理層之間的溝通；
- 確保管理人員履行職責建立有效的內部監控及風險管理系統；及
- 監察本公司的財務報表、年報及賬目及中期報告的完整性。

For the year ended 31 December 2019, four Audit Committee meetings were held and all minutes were kept by the company secretary. The Audit Committee has reviewed the accounting policies and practices adopted by the Company, annual results and annual report of the Company for the year ended 31 December 2018, and the unaudited interim results and interim report of the Company for the six months ended 30 June 2019, assessed the effectiveness of the Company's internal control and risk management systems, reviewed the renewal of the continuing connected transactions. The Audit Committee reported that there was no material uncertainty relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

Attendance of individual members of the Audit Committee at meetings for the year ended 31 December 2019 is set out as follows:

截至二零一九年十二月三十一日止年度內審核委員會舉行了四次審核委員會會議，所有會議記錄由公司秘書保存。審核委員會檢討本公司採納的會計政策及常規、本公司截至二零一八年十二月三十一日止年度的年度業績和年報及本公司截至二零一九年六月三十日止六個月的未經審核中期業績及中期報告，評估本公司內部監控及風險管理系統的成效，審閱持續關連交易之重續。審核委員會報告沒有重大不明朗事件或情況可能嚴重影響本公司的持續經營的能力。

截至二零一九年十二月三十一日止年度審核委員會個別成員出席會議的記錄載列如下：

Committee Members 委員會成員	Meetings Attended/Total 出席次數／總數
Mr. KWONG Ping Man (<i>Chairman</i>) 鄭炳文先生(主席)	4/4
Mr. KWONG Chi Keung 鄭志強先生	4/4
Mr. CHEUNG Kin Ting Alfred 張堅庭先生	4/4

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AUDITOR'S REMUNERATION

The remuneration paid to the Company's external auditor is set out as follows:

核數師薪酬

支付予本公司外聘核數師之薪酬載列如下：

		Fee paid/payable 已付／應付費用	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Type of service:	服務種類：		
Audit services	審核服務	1,144	1,224
Non-audit services (Including tax advisory and tax compliance services)	非審核服務(包括稅務諮詢及稅務遵規服務)	23	25
Total	總計	1,167	1,249

REMUNERATION COMMITTEE

The Company has established a Remuneration Committee since 25 March 2011 with written terms of reference in accordance with Rule 3.25 of the Listing Rules. The terms of reference of the Remuneration Committee are available on the websites of the Stock Exchange and the Company. The principal responsibilities of the Remuneration Committee include but not limited to make recommendations to the Board on the overall remuneration policy and structure and remuneration packages relating to all directors and senior management of our Group and ensure none of the directors determine their own remuneration. The Remuneration Committee comprises three members who are all independent non-executive directors, namely Mr. KWONG Chi Keung (the Chairman), Mr. KWONG Ping Man and Mr. CHEUNG Kin Ting Alfred.

薪酬委員會

本公司已於二零一一年三月二十五日根據上市規則第3.25條成立薪酬委員會，並以書面列出其職權範圍。薪酬委員會的職權範圍載於聯交所及本公司網站。薪酬委員會的主要職責包括但不限於就本集團全體董事及高級管理人員整體薪酬政策及架構及薪酬待遇向董事會提供建議，以及確保董事概無釐訂本身的薪酬。薪酬委員會包括三名成員，均為獨立非執行董事，分別為鄭志強先生(主席)、鄭炳文先生及張堅庭先生。

For the year ended 31 December 2019, two Remuneration Committee meetings were held to review the remuneration packages of the directors and senior management. The Remuneration Committee has made recommendation to the board on the remuneration package of senior management of the Company. No director or his associate is involved in deciding his own remuneration.

截至二零一九年十二月三十一日止年度內薪酬委員會舉行了兩次薪酬委員會會議，審閱董事及高級管理人員的薪酬待遇。薪酬委員會就本公司高級管理人員的薪酬待遇向董事會提出建議。沒有董事或其任何聯繫人參與釐定其本身的薪酬。

Attendance of individual members of the Remuneration Committee at meeting for the year ended 31 December 2019 is set out as follows:

截至二零一九年十二月三十一日止年度薪酬委員會個別成員出席會議的記錄載列如下：

Committee Members 委員會成員	Meetings Attended/Total 出席次數／總數
Mr. KWONG Chi Keung (<i>Chairman</i>) 鄭志強先生(主席)	2/2
Mr. KWONG Ping Man 鄭炳文先生	2/2
Mr. CHEUNG Kin Ting Alfred 張堅庭先生	2/2

For the year ended 31 December 2019, the remuneration of the members of the senior management by band is set out below:

截至二零一九年十二月三十一日止年度高級管理人員之薪酬組別載列如下：

Remuneration band (RMB)	薪酬組別(人民幣)	Number of persons 人數
1,500,001 to 2,000,000	1,500,001至2,000,000	2
4,000,001 to 4,500,000	4,000,001至4,500,000	1

Further particulars regarding the directors' and chief executive's emoluments and the five highest paid employees as required to be disclosed pursuant to Appendix 16 of the Listing Rules are set out in notes 8 and 9 to the financial statements.

根據上市規則附錄十六須就董事及行政總裁之酬金以及五名最高薪酬僱員披露之進一步詳情載列於財務報表附註8及9。

NOMINATION COMMITTEE

The Company has established a Nomination Committee since 25 March 2011 with written terms of reference (as amended or supplemented) in accordance with A.5 of Appendix 14 to the Listing Rules. The terms of reference of the Nomination Committee are available on the websites of the Stock Exchange and the Company. The Nomination Committee is responsible for, including but not limited to, making recommendations to the Board regarding candidates to fill vacancies of the Board. The Nomination Committee comprises three members who are all independent non-executive directors, namely Mr. CHEUNG Kin Ting Alfred (the Chairman), Mr. KWONG Chi Keung and Mr. KWONG Ping Man.

As the Company sees the importance of the Board's diversity in achieving a sustainable and balanced development. The Company adopted board diversity policy. Therefore, while the Board's appointment will be based on meritocracy, a range of diversity perspectives will also be considered, including but not limited to cultural and educational background, professional experience, skills, knowledge, gender, age, ethnicity and length of service.

During the year ended 31 December 2019, two Nomination Committee meetings were held by the Nomination Committee, members of the Nomination Committee have reviewed the composition of the Board which is determined by directors' skills and experience appropriate to the Company's business and the nomination policy of the Company.

提名委員會

本公司已於二零一一年三月二十五日根據上市規則附錄十四第A.5條成立提名委員會，並以書面列出其職權範圍(經修訂或補充)。提名委員會的職權範圍載於聯交所及本公司網站。提名委員會負責(包括但不限於)就提名人選填補董事會空缺向董事會提供建議。提名委員會包括三名成員，均為獨立非執行董事，張堅庭先生(主席)、鄭志強先生及鄭炳文先生。

鑑於本公司意識到董事會多元化的重要性並可達至一個可持續及平衡的發展，本公司採納董事會成員多元化政策。因此，聘任董事會成員將除以用人唯才為原則外，亦同時考慮一系列體現多元化之角度，包括但不限於文化及教育背景、專業經驗、技能、知識、性別、年齡、種族及服務年資。

於截至二零一九年十二月三十一日止年度內提名委員會舉行了兩次提名委員會會議，提名委員會成員已根據董事於本公司業務適用的技能及經驗而對董事會的成員組合作出檢討，以及對本公司提名政策作出檢討。

Attendance of individual members of the Nomination Committee at meeting for the year ended 31 December 2019 is set out as follows:

截至二零一九年十二月三十一日止年度提名委員會個別成員出席會議的記錄載列如下：

Committee Members 委員會成員	Meetings Attended/Total 出席次數／總數
Mr. CHEUNG Kin Ting Alfred (<i>Chairman</i>) 張堅庭先生(主席)	2/2
Mr. KWONG Chi Keung 鄭志強先生	2/2
Mr. KWONG Ping Man 鄭炳文先生	2/2

NOMINATION POLICY

Pursuant to the Nomination Policy, the Nomination Committee has been delegated to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships. The Board is ultimately responsible for selection and appointment of new Directors.

The Nomination Committee should utilize various methods for identifying candidates for directorship, including recommendations from Board members, management, and professional search firms. In addition, the Nomination Committee will consider candidates for directorship properly submitted by the shareholders of the Company.

提名政策

根據提名政策，提名委員會已獲委派物色具備合適資格成為董事會成員的人士，並就甄選獲提名擔任董事職位的人士作出選擇或向董事會提出建議。董事會負責最終挑選及任命新董事。

提名委員會應使用各種方法物色董事候選人，包括董事會成員、管理層及專業獵頭公司的推薦。此外，提名委員會將考慮本公司股東正式提交的董事候選人。

Corporate Governance Report

企業管治報告

The evaluation of candidates for directorship by the Nomination Committee may include, without limitation, review of resume and job history, personal interviews, verification of professional and personal references and performance of background checks. The Board will consider the recommendations of the Nomination Committee and is responsible for designating the candidates for directorship to be considered by the Shareholders for their election at the general meeting of the Company, or appointing the suitable candidate to act as Director to fill the Board vacancies or as an additional to the Board members, subject to compliance of the constitutional documents of the Company. All appointments of Director should be confirmed by letter of appointment and/or service contract setting out the key terms and conditions of the appointment of the Directors.

The Nomination Committee should consider the following qualifications as a minimum criteria to be required for a candidate in recommending to the Board to be a potential new Director, or the continued service of existing Director:

- the highest personal and professional ethics and integrity;
- proven achievement and competence in the nominee's field and the ability to exercise sound business judgment;
- skills that are complementary to those of the existing Board;
- the ability to assist and support management and make significant contributions to the Company's success;
- an understanding of the fiduciary responsibilities that is required for a member of the Board and the commitment of time and energy necessary to diligently carry out those responsibilities;
- independence: the candidates for independent non-executive directorship should meet the "independence" criteria as required under the Listing Rules and the composition of the Board is in conformity with the provisions of the Listing Rules.

The Nomination Committee may also consider such other factors as it may deem are in the best interests of the Company and its Shareholders as a whole.

提名委員會對董事候選人的評估可能包括(但不限於)審閱簡歷及工作經驗、個人面試、查核專業及個人履歷以及進行背景調查。董事會將考慮提名委員會的建議，並負責指定董事候選人以供股東在本公司股東大會上選出，或委任合適人選擔任董事以填補董事會空缺或作為額外董事會成員(在遵守本公司的組織章程文件的規限下)。董事的所有委任均須由委任書及／或服務合約確認，當中列明委任董事的主要條款及條件。

提名委員會應考慮以下資格，作為向董事會推薦候選人成為潛在新董事或現任董事續任所需的最低資格：

- 最高個人及職業操守及誠信；
- 提名人於個人領域的傑出成就及能力以及作出合理商業判斷的能力；
- 與現有董事會相輔的技能；
- 協助及支持管理層的能力以及為本公司成功作出重大貢獻；
- 了解董事會成員所需受信責任及勤勉履行該等責任所需的時間及精力投入；
- 獨立性：獨立非執行董事候選人應符合上市規則所定「獨立性」標準，而董事會的組成符合上市規則的條文。

提名委員會亦可考慮其認為符合本公司及其股東整體最佳利益的其他因素。

SHAREHOLDERS' RIGHTS

Convening EGM

The following procedures for shareholders to convene an EGM of the Company are prepared in accordance with Articles 64 of the Articles of Association:

- (1) One or more shareholders ("Requisitionist(s)") holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings, shall have the right, by written notice, to require an EGM to be called by the directors for the transaction of any business specified in such requisition.
- (2) Such requisition shall be made in writing to the directors or the company secretary of the Company and lodged with (i) the head office and (ii) the registered office of the Company in the Cayman Islands at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.
- (3) The EGM shall be held within two months after the deposit of such requisition.
- (4) If the directors fail to proceed to convene the EGM within twenty-one (21) days of such deposit, the Requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the Requisitionist(s) as a result of the failure of the directors shall be reimbursed to the Requisitionist(s) by the Company.

Procedures for putting forward proposals at general meetings by shareholders

There are no provisions under the Articles of Association or the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands regarding procedures for shareholders to put forward proposals at general meetings other than a proposal of a person for election as director. Shareholders may follow the procedures set out above to convene an extraordinary general meeting for any business specified in such written requisition.

股東權利

召開股東特別大會

以下為股東根據組織章程細則第64條召開本公司股東特別大會的程序：

- (1) 須於一名或多名於遞呈要求當日持有不少於本公司有權於股東大會上投票的繳足股本十分之一的股東(「遞呈要求人士」)要求時召開，彼等將有權以書面形式向董事會就有關要求中指明的任何業務交易召開股東特別大會。
- (2) 該項要求須以書面形式向本公司董事會或公司秘書呈交，並遞交至(i)總辦事處及(ii)本公司於開曼群島之註冊辦事處，地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。
- (3) 股東特別大會須於該項要求遞呈後兩個月內舉行。
- (4) 倘董事未有於有關遞呈後二十一(21)日內召開股東特別大會，則遞呈要求人士可自行以相同方式召開大會，而本公司須向遞呈要求人士償付所有由遞呈要求人士因董事未能召開大會而產生的所有合理開支。

股東於股東大會提出正式建議之程序

組織章程細則或開曼群島第22章公司法(一九六一年第三號法律，經合併及修訂)概無條文涉及股東於股東大會上提出建議之程序(除提名董事候選人之建議)。股東可依照上述程序召開股東特別大會，處理該書面要求列明之任何事宜。

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

The following procedures for a shareholder of the Company to propose a person for election as a director of the Company are prepared in accordance with article 110 of the Articles of Association:

A shareholder may propose a person (“Candidate”) for election as a director at a general meeting by lodging the following documents within the period mentioned below at the head office and principle place of business of the Company in Hong Kong at Unit 3 on 10th Floor, Greenfield Tower, Concordia Plaza, No. 1 Science Museum Road, Kowloon, Hong Kong or the branch share registrar and transfer office (“Hong Kong Share Registrar”) of the Company in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong:

- (a) a written notice (“Proposal Notice”) of the intention to propose the Candidate for election as a Director, which must (i) state the information of the Candidate as required by Rule 13.51(2) of the Listing Rules, which is available on the Stock Exchange’s website (www.hkex.com.hk); and (ii) must be signed by the nominating shareholder; and
- (b) a written notice (“Consent Notice”) by the Candidate, which must (i) indicate his/her willingness to be elected as a Director and consent to the publication of his/her personal information as required by Rule 13.51(2) of the Listing Rules; and (ii) must be signed by the Candidate.

The Proposal Notice and the Consent Notice shall be lodged with the head office or the Hong Kong Share Registrar of the Company for a period of at least seven (7) clear days commencing no earlier than the day after the despatch of the notice of the general meeting and ending no later than seven (7) clear days before the date of such general meeting.

To enable the shareholders to make an informed decision on their election at a general meeting, the Company shall publish an announcement or issue a supplemental circular as soon as practicable after the receipt of the Proposal Notice and the Consent Notice. The Company shall include particulars of the Candidate in the announcement or the supplementary circular.

股東提名人選參選董事的程序

以下為根據組織章程細則第110條，以供本公司股東提名人選參選本公司董事的程序：

倘股東有意於股東大會上提呈一名人選（「候選人」）參選董事，其應於下文所述限期內將以下文件遞交予本公司於香港總辦事處及主要營業地點，地址為香港九龍科學館道一號康宏廣場南座10樓3室，或本公司香港股份過戶登記分處（「香港股份過戶登記分處」）卓佳證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心54樓：

- (a) 提呈候選人參選董事的書面通知（「提名通知」）必須(i)根據上市規則第13.51(2)條載有候選人的資料，其可見於聯交所網站(www.hkex.com.hk)；及(ii)必須經提名人簽署；及
- (b) 候選人的書面通知（「同意通知」）必須(i)表明其願意當選為董事的意向，以及同意根據上市規則第13.51(2)條刊登其個人資料；及(ii)必須經候選人簽署。

提名通知及同意通知應於寄發股東大會通告當日起至少七(7)個完整日及不遲於有關股東大會日期前七(7)個完整日期間，遞交至本公司總辦事處或香港股份過戶登記分處。

為使股東於股東大會上就選舉事項作出知情決定，本公司須於接獲提名通知及同意通知後在實際可行情況下儘快刊登公告或發出補充通函。本公司應於該公告或補充通函載列候選人資料。

The Company shall assess whether or not it is necessary to adjourn the general meeting of the election to give shareholders at least ten (10) business days to consider the relevant information disclosed in the announcement or supplemental circular.

The aforesaid procedures have been uploaded to the Company's website.

Procedures for Directing Shareholders' Enquiries to the Board

To direct enquiries to the Board, the shareholders should submit his/her enquiries in writing with his/her detailed contact information to the company secretary at the following:

By post to the head office
Tel: (852) 2180-7055
Fax: (852) 2180-7056
Email: info@tanggong.cn
Website: <http://www.tanggong.cn>

INVESTOR RELATIONS AND SHAREHOLDERS' COMMUNICATIONS

The Company understands the importance of maintaining effective mutual communication with its shareholders and values every opportunity to communicate with them. The Company has adopted a policy of disclosing clear and relevant information to shareholders through various channels in a timely manner. Annual and interim reports are printed and sent to all shareholders by post as requested. The Company has also complied with provisions of the Listing Rules by posting announcements, notices, annual reports, interim reports and shareholders' circulars on the websites of the Stock Exchange and the Company (<http://www.tanggong.cn>). Apart from these documents, press releases and newsletters are posted on the Company's website to enhance its transparency. Being constantly updated in a timely manner, the website also contains a wide range of additional information on Company's business activities.

如屬適當，本公司可能會押後選舉股東大會，令股東最少有十(10)個營業日考慮公告或補充通函所披露的有關資料。

上述程序已上載至本公司網站內。

股東向董事會提出查詢之程序

如需向董事會提出查詢，股東應按以下途徑向公司秘書提交書面查詢連同聯絡詳情：

郵寄至總辦事處
電話：(852) 2180-7055
傳真：(852) 2180-7056
電郵：info@tanggong.cn
網頁：<http://www.tanggong.cn>

投資者關係及股東溝通

本公司明白與股東保持有效相互溝通的重要性，並重視每個與股東溝通的機會。本公司已採納政策，透過多種渠道及時向股東清楚披露有關資料。刊發的年報及中期報告會因應要求以郵寄方式寄發予所有股東。本公司亦遵守上市規則的規定，在聯交所及本公司網站(<http://www.tanggong.cn>)刊載公告、通告、年報、中期報告及股東通函。除此等文件外，新聞稿及通訊亦會在本公司網站內發佈，以增加其透明度。本公司持續及時更新網站，當中亦載有本公司業務活動的其他詳盡資料。

Corporate Governance Report

企業管治報告

In addition to publication of information, the annual general meeting of the Company provides a forum for communication between shareholders and directors. The chairman of the Board in person chairs the annual general meeting to ensure shareholders' views are communicated to the Board. Moreover, the briefing on the Company's business and the questions and answer session at the annual general meeting allow shareholders to stay informed of the Group's strategies and goals.

In addition to the chairman of the Board, the chairman of the board committees, or in their absence, other members of the respective committees and the external auditors of the Company, are available to answer any queries that shareholders may have. The chairman of the Board will propose separate resolutions for each issue to be considered at the annual general meeting.

The annual general meeting proceedings are reviewed from time to time to ensure that the Company follows best corporate governance practices and shareholders' rights are preserved. Notice of annual general meeting is delivered to all shareholders at least 20 clear business days prior to the date of the annual general meeting, setting out details of each proposed resolution, voting procedures and other relevant information. The procedures for demanding and conducting a poll will be explained by the chairman of the Board at the annual general meeting. Poll results are released by way of publication of an announcement.

CONSTITUTIONAL DOCUMENTS

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

除刊發資料外，本公司的股東週年大會作為提供股東及董事溝通的平台。董事會主席親自主持股東週年大會，以確保股東的意見切實傳達予董事會。此外，在股東週年大會上概述本公司的業務及問答環節均可讓股東瞭解本集團的最新策略及目標。

除董事會主席外，董事委員會的主席或(倘其缺席)個別委員會的其他成員及本公司外聘核數師亦會回答股東的提問。董事會主席將於股東週年大會討論的各項議題提呈個別的決議案。

本公司不時檢討股東週年大會的程序，確保本公司奉行最佳的企業管治常規，以及保障股東的權利。所有股東於股東週年大會日期前最少足二十個營業日獲發股東週年大會通告，通告載有各項提呈的決議案、投票程序及其他相關資料詳情。董事會主席於股東週年大會上解釋要求及進行投票表決的程序。投票結果以刊登公告方式公佈。

組織章程文件

年內，本公司之組織章程文件並無重大變動。

Directors' Report

董事會報告

The board of directors present their report and the audited financial statements for the year ended 31 December 2019.

PRINCIPAL ACTIVITY

The Company acts as an investment holding company. Principal activities of its principal subsidiaries are set out in note 1 to the financial statements. There were no significant changes in the nature of the Group's principal activities during the year.

BUSINESS REVIEW

The Group's fair review of the business during the year, discussion on the future business development of the Group and the descriptions of important events affecting the Group that have occurred since the end of 31 December 2019 (if any) are set out in the "Chairman's Statement" and "Management Discussion and Analysis" from pages 6 to 9 and pages 10 to 21 respectively of this annual report.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's financial condition, results of operations, businesses and prospects would be affected by a number of risks and uncertainties including business risks, operational risks and financial management risks.

The details of financial risk management objectives and practices of the Group is set out in note 33 to the financial statements.

There may be other risks and uncertainties in addition to those mentioned above which are not known to the Group or which may not be material now but could turn out to be material in the future.

董事會提呈其報告及截至二零一九年十二月三十一日止年度的經審核財務報表。

主要業務

本公司為一家投資控股公司。其主要附屬公司的主要業務載於財務報表附註1。年內，本集團的主要業務性質並無重大變動。

業務審視

本集團年內的業務中肯審視，本集團未來業務發展之討論及於二零一九年十二月三十一日終結後發生對本集團有影響的重大事件描述(如有)分別載於本年報第6至9頁之「主席報告」及10至21頁之「管理層討論及分析」。

主要風險及不確定因素

本集團之財務狀況、經營業績、業務及前景將受眾多風險及不確定因素影響，包括業務風險、營運風險及金融管理風險。

本集團之金融風險管理目標及政策載於財務報表附註33內。

除於上述提及外，亦可能存在其他本集團未知之風險及不確定因素，或目前未必屬於重大但日後可能變成重大之其他風險及不確定因素。

Directors' Report

董事會報告

RELATIONSHIP WITH SUPPLIERS, CUSTOMERS AND OTHER STAKEHOLDERS

The Group understands the importance of maintaining a good relationship with its suppliers and customers to meet its immediate and long-term goals. The management will continue to develop efficient communication platform to enhance relationships with individual and corporate customers, which enjoys good relationship with suppliers and customers. During the year of 2019, there were no material and significant dispute between the Group and its suppliers and/or customers. The Group also recognises the importance of human resources to its success. Details are disclosed on page 20 in this annual report.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to the long term sustainability of the environment and communities in which it operates. Acting in an environmentally responsible manner, the Group endeavours to comply with laws and regulations regarding environmental protection and continue to adopt effective measures to achieve efficient use of resources, energy saving and waste reduction, and review its effectiveness from time to time. Green initiatives and measures have been adopted in the Group's managed restaurants. Such initiatives include recycling of recyclable waste, various energy saving measures, water saving practices and promote the awareness of customers and employees. The Group will disclose further details in its Environmental, Social and Governance report which will be published subsequent to this annual report in accordance with the requirement of Rule 13.91 and the reporting framework of Appendix 27 of the Listing Rules.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group's operations are mainly carried out by the Company's subsidiaries established in the Mainland China while the Company itself is incorporated in the Cayman Islands with its shares listed on the Stock Exchange. Our establishment and operations accordingly shall comply with relevant laws and regulations in the Cayman Islands, Mainland China and Hong Kong. During the year ended 31 December 2019 and up to the date of this report, we have complied with all the relevant laws and regulations in the Mainland China, Hong Kong and the Cayman Islands that have a significant impact on the Group.

與供應商、客戶及其他持份者之關係

本集團瞭解與其供應商及客戶保持良好關係對達到其短期及長期目標之重要性。管理層會持續發展有效之溝通平台以提升與個人及公司客戶之關係。其享有與供應商及客戶之良好關係。於二零一九年年度，本集團與其供應商及／或客戶之間概無嚴重及重大糾紛。本集團亦認同人力資源對其興盛的重要性。詳情載於本年報第20頁。

環境政策及表現

本集團致力於其經營所在環境及社區之長期可持續性。本集團以對環境負責之方式行事，盡力遵守有關環保之法律及法規，並持續採取有效措施達致資源有效利用、能源節約及廢物減少，及不時檢討其有效性。本集團管理之餐廳已採納綠色倡議及措施。該等倡議包括可回收廢物之回收、各項節約能源措施、節約用水行動以及提高客戶與員工的相關意識。本集團將於本年報後，根據上市規則第13.91條及附錄27匯報框架之要求發佈環境、社會及管治報告，當中會作進一步詳情披露。

遵守法律及法規

本集團的業務主要由本公司於中國內地成立的附屬公司進行，而本公司本身於開曼群島註冊成立，其股份於聯交所上市。因此，本集團之成立及營運須遵守開曼群島，中國內地及香港的有關法律及法規。於截至二零一九年十二月三十一日止年度及直至本報告日期，本集團已遵守所有中國內地、香港及開曼群島的對本集團有重大影響的法律及法規。

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2019 are set out in the consolidated statement of profit or loss on page 88 of this annual report.

An interim special dividend of HK3.40 cents per ordinary share amounting to approximately RMB32,130,000 in total was paid to the shareholders of the Company during the year.

In order to preserve sufficient working capital for the impact of the Epidemic on the Group and the Group's future development opportunities, the Board does not recommend the payment of final dividend for the year ended 31 December 2019.

DIVIDEND POLICY

The Board of the Company approved and adopted a dividend policy (the "Dividend Policy") which became effective since 1 January 2019. According to the Dividend Policy, the Company considers stable and sustainable returns to shareholders of the Company to be its goal and endeavours to maintain a dividend policy to achieve such goal. In deciding whether to propose a dividend and in determining the dividend amount, the Board would take into account the Group's results of operations, earnings performance, cashflows, financial condition, future prospects and other factors that the Board may consider relevant. Whilst the Board will review from time to time for determination on proposed dividend with the above factors taken into account, there can be no assurance that dividends will be declared or paid in any particular amount for any given period.

業績及股息

本集團截至二零一九年十二月三十一日止年度之業績載於本年報第88頁之綜合損益表內。

本公司股東於本年度獲派發中期特別股息每股普通股3.40港仙，總值相當於約人民幣32,130,000元。

為保存充足流動資金供本集團應對疫情的影響及把握日後的發展機遇，董事會不建議就截至二零一九年十二月三十一日止年度派發末期股息。

股息政策

本公司董事會所通過及採納的股息政策（「股息政策」）於二零一九年一月一日生效。根據股息政策，本公司視本公司股東的穩定及可持續回報為其目標，並致力維持股息政策以達致該目標。在決定是否建議股息及釐定股息金額時，董事會將計及本集團的經營業績、盈利表現、現金流量、財務狀況、未來前景，以及董事會可能認為相關的其他因素。雖然董事會將不時考慮上述因素檢討建議股息的釐定，但概不保證將於任何指定期間內宣派或派付任何特定金額的股息。

Directors' Report

董事會報告

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the entitlement of the Shareholders to attend and vote at the AGM, the register of members of the Company will be closed from 9 June 2020 to 15 June 2020 (both days inclusive), during which period no transfer of share(s) will be effected. In order to be eligible to attend and vote at the AGM, all transfers documents, accompanied by the relevant share certificates, must be lodged with Tricor Investor Services Limited, the branch share registrar and transfer office of the Company in Hong Kong, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 8 June 2020.

SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets, liabilities and non-controlling interests of the Group for the last five financial years is set out on pages 216 to 217 of this annual report. This summary does not form part of the audited financial statements of the Group for the year ended 31 December 2019.

暫停辦理股東登記手續

為釐定股東出席股東週年大會及於會上投票的權利，本公司將由二零二零年六月九日至二零二零年六月十五日止（包括首尾兩日）暫停辦理股東登記手續，期間暫停辦理股份過戶登記手續。為確保符合資格出席的本公司股東週年大會及於會上投票，所有股份過戶文件連同有關股票最遲須於二零二零年六月八日下午四時三十分前送達本公司於香港之股份過戶登記分處卓佳證券登記有限公司，地址為香港皇后大道東183號合和中心54樓，以辦理登記手續。

財務資料摘要

本集團過去五個財政年度之已公佈業績和資產、負債及非控股股東權益之摘要載於本年報第216至217頁。本概要並不構成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之任何部分。

SHARE CAPITAL

Details of the movements in the share capital of the Company during the year are set out in note 25 to the financial statements.

DISTRIBUTABLE RESERVES OF THE COMPANY

The Company's distributable reserves as at 31 December 2019, as calculated in accordance with the provisions of the Companies Law of the Cayman Islands, amounted to RMB25,798,000, which included the share premium account of the Company amounting to RMB15,686,000. Under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and retasted) of the Cayman Islands and the provisions of the Company's Articles of Association, the share premium account of the Company, is distributable to its shareholders provided that immediately following the distribution or the payment of dividends, the Company is able to pay its debts as they fall due in the ordinary course of business.

CHARITABLE CONTRIBUTIONS

During the year, the Group made charitable contributions amounting to RMB111,000.

股本

本公司股本於年內的變動詳情載於財務報表附註25。

本公司之可分派儲備

於二零一九年十二月三十一日，根據開曼群島公司法之規定所計算之本公司可供分派儲備為人民幣25,798,000元，當中包括本公司之股份溢價賬金額為人民幣15,686,000元。根據開曼群島第22章公司法（一九六一年第三號法律，經合併及修訂）及本公司組織章程細則之規定，如果在進行分派或派付股息後，本公司能在正常業務經營期間償還到期債務之情況下，本公司之股份溢價賬可分派予其股東。

慈善捐款

年內，本集團已作出慈善捐款人民幣111,000元。

Directors' Report

董事會報告

DIRECTORS

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

Executive Directors

Mr. YIP Shu Ming
Mr. CHAN Man Wai
Mr. KU Hok Chiu
Ms. WENG Peihe

Independent Non-Executive Directors

Mr. KWONG Chi Keung
Mr. KWONG Ping Man
Mr. CHEUNG Kin Ting Alfred

In accordance with the provisions of the Company's Articles of Association, Mr. YIP Shu Ming, Mr. KWONG Ping Man and Mr. CHEUNG Kin Ting Alfred will retire as directors by rotation and, being eligible, will offer themselves for re-election as directors at the forthcoming AGM.

The Company has received annual confirmations of independence pursuant to Rule 3.13 of the Listing Rules from Mr. KWONG Chi Keung, Mr. KWONG Ping Man and Mr. CHEUNG Kin Ting Alfred. As at the date of this report, the Company still considers these independent non-executive directors to be independent.

董事

下列為本年度及截至本報告日期止的董事：

執行董事

葉樹明先生
陳文偉先生
古學超先生
翁培禾女士

獨立非執行董事

鄭志強先生
鄭炳文先生
張堅庭先生

根據本公司組織章程細則之條文，葉樹明先生、鄭炳文先生及張堅庭先生將輪值退任為董事，並將於應屆股東週年大會合資格膺選連任董事。

本公司已按照上市規則第3.13條的規定接獲鄭志強先生、鄭炳文先生及張堅庭先生的年度獨立身分確認書。於本報告日期，本公司仍認為該等獨立非執行董事具有獨立身分。

DIRECTORS' SERVICE CONTRACTS

Each of Mr. YIP Shu Ming, Mr. CHAN Man Wai, Mr. KU Hok Chiu and Ms. WENG Peihe, all being executive directors, has entered into a service contract with the Company for a specific term of three years that expired on 24 March 2020 and was renewed for a specific term commencing from 25 March 2020 and expiring on 24 March 2023, which could be terminated by either party by giving not less than three months' written notice.

Each of Mr. KWONG Chi Keung, Mr. KWONG Ping Man and Mr. CHEUNG Kin Ting Alfred, all being independent non-executive directors, has been appointed for a specific term of three years that expired on 24 March 2020 and was renewed for a specific term commencing from 25 March 2020 and expiring on 24 March 2023, which could be terminated by either party by giving not less than one month's written notice. The appointments are subject to the provisions of the Articles of Association with regard to vacation of office of directors, removal and retirement by rotation of directors.

No director proposed for re-election at the forthcoming AGM has a service contract with the Company or any of our subsidiaries which is not terminable by the employer within one year without payment of compensation (other than statutory compensation).

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

The biographical details of directors of the Company and senior management of the Group are disclosed in the section headed "Biographies of Directors and Senior Management" on pages 22 to 28 of this annual report.

ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

Other than the Share Option Scheme and Share Award Plan disclosed below, at no time during the year was the Company, its holding company, or any of its subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

董事的服務合約

葉樹明先生、陳文偉先生、古學超先生及翁培禾女士(均為執行董事)各自與本公司訂立特定年期的服務合約，為期三年，已於二零二零年三月二十四日屆滿並已獲更新特定年期，由二零二零年三月二十五日起及於二零二三年三月二十四日屆滿，可由其中一方發出不少於三個月的書面通知予以終止。

鄭志強先生、鄭炳文先生及張堅庭先生(均為獨立非執行董事)各自的特定委任期為期三年已於二零二零年三月二十四日屆滿並已獲更新特定年期，由二零二零年三月二十五日起，並於二零二三年三月二十四日屆滿，可由其中一方發出不少於一個月的書面通知予以終止。委任須遵守組織章程細則中關於董事離職、罷免及董事輪流退任的規定。

於應屆股東週年大會上建議膺選連任的董事概無與本公司或我們任何附屬公司訂立僱主不可於一年內免付賠償(法定賠償除外)而予以終止的服務合約。

董事及高級管理人員履歷

本公司董事及本集團高級管理人員之履歷詳情於本年報第22至28頁「董事及高級管理人員履歷」一節內披露。

購買股份或債權證之安排

除下文所披露之購股權計劃及股份獎勵計劃外，本公司、其控股公司或其任何附屬公司，概無於年內任何時間訂立任何安排，使本公司董事可藉購入本公司或任何其他法人團體之股份或債權證而獲得利益。

Directors' Report

董事會報告

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

董事及主要行政人員於股份及相關股份及債權證中的權益及淡倉

As at 31 December 2019, the interests and short positions of the directors and chief executive of the Company in the shares and underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register maintained by the Company under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code as follows:

於二零一九年十二月三十一日，本公司董事及主要行政人員於本公司及其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債權證中，擁有記錄於本公司須根據證券及期貨條例第352條存置之登記冊內之權益及淡倉，或根據標準守則須知會本公司及聯交所的權益及淡倉，詳情載列如下：

Name of Director 董事姓名	Number of ordinary shares ^(Note 1) 普通股數目 ^(附註1)		Total 總計	Approximate percentage of shareholding as at 31 December 2019 於二零一九年十二月三十一日 股權概約百分比
	Beneficial owners 實益擁有人	Held by controlled corporation 由受控制法團持有		
Ordinary shares of HK\$0.05 each of the Company 本公司每股面值0.05港元之普通股				
Mr. YIP Shu Ming ("Mr. YIP") 葉樹明先生(「葉先生」)	—	246,750,000 (L) <i>(Note 2) (附註2)</i>	246,750,000 (L)	22.97%
Mr. CHAN Man Wai ("Mr. CHAN") 陳文偉先生(「陳先生」)	9,298,000 (L)	352,500,000 (L) <i>(Note 3) (附註3)</i>	361,798,000 (L)	33.69%
Mr. KU Hok Chiu ("Mr. KU") 古學超先生(「古先生」)	—	105,850,000 (L) <i>(Note 4) (附註4)</i>	105,850,000 (L)	9.85%
Ms. WENG Peihe ("Ms. WENG") 翁培禾女士(「翁女士」)	26,870,000 (L)	—	26,870,000 (L)	2.50%

Notes:

- (1) The letter "L" denotes the directors' long position in the shares of the Company or the relevant associated corporation.
- (2) These shares were held by Current Success Investments Limited, which was wholly-owned by Mr. YIP Shu Ming. By virtue of the SFO, Mr. YIP is taken to be interested in the shares held by Current Success Investments Limited.
- (3) These shares were held by Best Active Investments Limited, which was wholly-owned by Mr. CHAN Man Wai. By virtue of the SFO, Mr. CHAN is taken to be interested in the shares held by Best Active Investments Limited.
- (4) These shares were held by Bright Mind Investments Limited, which was wholly-owned by Mr. KU Hok Chiu. By virtue of the SFO, Mr. KU is taken to be interested in the shares held by Bright Mind Investments Limited.

Save as disclosed above, as at 31 December 2019, none of the directors or chief executive of the Company had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

附註：

- (1) 字母「L」表示董事於本公司或有關相聯法團股份的好倉。
- (2) 此等股份由Current Success Investments Limited(由葉樹明先生全資擁有)持有。根據證券及期貨條例，葉先生被視為於Current Success Investments Limited所持有的股份中擁有權益。
- (3) 此等股份由Best Active Investments Limited(由陳文偉先生全資擁有)持有。根據證券及期貨條例，陳先生被視為於Best Active Investments Limited所持有的股份中擁有權益。
- (4) 此等股份由Bright Mind Investments Limited(由古學超先生全資擁有)持有。根據證券及期貨條例，古先生被視為於Bright Mind Investments Limited所持有的股份中擁有權益。

除上文所披露者外，於二零一九年十二月三十一日，董事及本公司主要行政人員概無登記於本公司或其任何相聯法團的股份、相關股份或債權證中，擁有須根據證券及期貨條例第352條須知會本公司及聯交所的權益或淡倉之權益及淡倉，或根據標準守則須知會本公司及聯交所的權益及淡倉。

Directors' Report

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 December 2019, the interests or short positions of the persons (other than a director or chief executive of the Company) in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO ("SFO Register") were as follows:

主要股東於股份及相關股份的權益

於二零一九年十二月三十一日，於本公司股份或相關股份中根據證券及期貨條例第336條本公司須予存置之登記（「證券及期貨條例登記冊」）所記錄擁有權益或淡倉之各方（本公司董事或主要行政人員除外）如下：

Name of Shareholders 股東姓名	Capacity/nature of interest 身分／權益性質	Number and class of securities 證券數目及分類	Approximate percentage of shareholding as at 31 December 2019 於二零一九年十二月三十一日股權概約百分比
Current Success Investments Limited (Note 2) (附註2)	Beneficial owner 實益擁有人	246,750,000 shares (L) 股份(L)	22.97%
Ms. WONG Sau Mui 黃秀枚女士 (附註2)	Interest of spouse 配偶權益	246,750,000 shares (L) 股份(L)	22.97%
Best Active Investments Limited (Note 3) (附註3)	Beneficial owner 實益擁有人	352,500,000 shares (L) 股份(L)	32.82%
Ms. AU Yim Bing 區艷冰女士 (附註3)	Interest of spouse 配偶權益	361,798,000 shares (L) 股份(L)	33.69%
Bright Mind Investments Limited (Note 4) (附註4)	Beneficial owner 實益擁有人	105,850,000 shares (L) 股份(L)	9.85%
Ms. KU Wai Man 古惠民女士 (附註4)	Interest of spouse 配偶權益	105,850,000 shares (L) 股份(L)	9.85%
Orchid Asia IV, L.P. (Note 5) (附註5)	Beneficial owner 實益擁有人	82,705,000 shares (L) 股份(L)	7.70%



Name of Shareholders 股東姓名	Capacity/nature of interest 身分／權益性質	Number and class of securities <i>(Note 1)</i> 證券數目及 分類 <i>(附註1)</i>	Approximate percentage of shareholding as at 31 December 2019 於二零一九年 十二月三十一日 股權概約百分比
OAIV Holdings, L.P. <i>(Note 5)(附註5)</i>	Interest of a controlled corporation 受控制法團權益	82,705,000 shares (L) 股份(L)	7.70%
Orchid Asia IV Group Management, Limited <i>(Note 5)(附註5)</i>	Interest of a controlled corporation 受控制法團權益	82,705,000 shares (L) 股份(L)	7.70%
Orchid Asia IV Group, Limited <i>(Note 5)(附註5)</i>	Interest of a controlled corporation 受控制法團權益	82,705,000 shares (L) 股份(L)	7.70%
Orchid Asia IV Investment, Limited <i>(Note 5)(附註5)</i>	Interest of a controlled corporation 受控制法團權益	82,705,000 shares (L) 股份(L)	7.70%
YM Investment Limited <i>(Note 5)(附註5)</i>	Interest of a controlled corporation 受控制法團權益	84,115,000 shares (L) 股份(L)	7.83%
Ms. LAM Lai Ming <i>(Note 5)</i> 林麗明女士 <i>(附註5)</i>	Founder of a discretionary trust 全權信託創辦人	84,115,000 shares (L) 股份(L)	7.83%
Mr. LI Gabriel <i>(Note 5)</i> 李基培先生 <i>(附註5)</i>	Founder of a discretionary trust 全權信託創辦人	84,115,000 shares (L) 股份(L)	7.83%
The LI Family (PTC) Limited <i>(Note 5)(附註5)</i>	Trustee 受託人	84,115,000 shares (L) 股份(L)	7.83%



Directors' Report

董事會報告

Notes:

- (1) The letter "L" denotes the shareholder's long position in the shares of the Company.
- (2) These shares were beneficially owned by Current Success Investments Limited, which was wholly-owned by Mr. YIP Shu Ming. By virtue of the SFO, Mr. YIP is taken to be interested in the shares held by Current Success Investments Limited. Ms. WONG Sau Mui is the spouse of Mr. YIP. Under the SFO, Ms. WONG is taken to be interested in the shares in which Mr. YIP is interested.
- (3) These shares were beneficially owned by Best Active Investments Limited, which was wholly-owned by Mr. CHAN Man Wai. By virtue of the SFO, Mr. CHAN is taken to be interested in the shares held by Best Active Investments Limited. Ms. AU Yim Bing is the spouse of Mr. CHAN. Under the SFO, Ms. AU is taken to be interested in the shares in which Mr. CHAN is interested.
- (4) These shares were beneficially owned by Bright Mind Investments Limited, which was wholly-owned by Mr. KU Hok Chiu. By virtue of the SFO, Mr. KU is taken to be interested in the shares held by Bright Mind Investments Limited. Ms. KU Wai Man is the spouse of Mr. KU. Under the SFO, Ms. KU is taken to be interested in the shares in which Mr. KU is interested.

附註：

- (1) 字母「L」代表股東於本公司股份中的好倉。
- (2) 該等股份由Current Success Investments Limited實益擁有，而Current Success Investments Limited乃由葉樹明先生全資擁有。按照證券及期貨條例，葉先生被視為於Current Success Investments Limited所持股份中擁有權益。黃秀枚女士為葉先生的配偶。根據證券及期貨條例，黃女士被當作於葉先生擁有權益的股份中擁有權益。
- (3) 該等股份由Best Active Investments Limited實益擁有，而Best Active Investments Limited乃由陳文偉先生全資擁有。按照證券及期貨條例，陳先生被視為於Best Active Investments Limited所持股份中擁有權益。區艷冰女士是陳先生的配偶。根據證券及期貨條例，區女士被視為於陳先生擁有權益的股份中擁有權益。
- (4) 該等股份由Bright Mind Investments Limited實益擁有，而Bright Mind Investments Limited乃由古學超先生全資擁有。按照證券及期貨條例，古先生被視為於Bright Mind Investments Limited所持股份中擁有權益。古惠民女士為古先生的配偶。根據證券及期貨條例，古女士被視為於古先生擁有權益的股份中擁有權益。

(5) So far as the directors are aware of, these shares were beneficially owned as to 82,705,000 shares by Orchid Asia IV, L.P. and as to 1,410,000 shares by Orchid Asia IV Co-investment, Limited. Orchid Asia IV, L.P. was wholly controlled by OAIV Holdings, L.P., which was in turn wholly controlled by Orchid Asia IV Group Management, Limited, which was in turn wholly controlled by Orchid Asia IV Group, Limited, which was in turn wholly controlled by Orchid Asia IV Investment, Limited, which was approximately 92.61% controlled by YM Investment Limited. Orchid Asia IV Co-investment, Limited was wholly controlled by YM Investment Limited. Under the SFO, OAIV Holdings, L.P., Orchid Asia IV Group Management, Limited, Orchid Asia IV Group, Limited, Orchid Asia IV Investment, Limited and YM Investment Limited were taken to be interested in the shares beneficially owned by Orchid Asia IV, L.P., and YM Investment Limited was taken to be interested in the shares beneficially owned by Orchid Asia IV Co-investment, Limited. Ms. Lam Lai Ming and Mr. Li Gabriel were also interested in YM Investment Limited through The LI Family (PTC) Limited as Trustee and were taken to be interested in the shares in which YM Investment Limited was interested.

Save as disclosed above, as at 31 December 2019, no person (other than a director or chief executive of the Company) had registered an interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

(5) 據董事所悉，該等股份分別由Orchid Asia IV, L.P.及Orchid Asia IV Co-investment, Limited實益擁有82,705,000股及1,410,000股。Orchid Asia IV, L.P.由OAIV Holdings, L.P.單獨控制，而OAIV Holdings L.P.由Orchid Asia IV Group Management, Limited單獨控制，而Orchid Asia IV Group Management Limited則由Orchid Asia IV Group, Limited單獨控制。Orchid Asia IV Group, Limited由Orchid Asia IV Investment, Limited單獨控制，而Orchid Asia IV Investment, Limited則由YM Investment Limited擁有約92.61%權益。Orchid Asia IV Co-investment, Limited由YM Investment Limited單獨控制。根據證券及期貨條例，OAIV Holdings, L.P.、Orchid Asia IV Group Management, Limited、Orchid Asia IV Group, Limited、Orchid Asia IV Investment, Limited及YM Investment Limited被視為於Orchid Asia IV, L.P.實益擁有的股份中擁有權益，而YM Investment Limited被視為於Orchid Asia IV Co-investment, Limited實益擁有的股份中擁有權益。林麗明女士及李基培先生亦於YM Investment Limited通過The LI Family (PTC) Limited作為受託人擁有權益，並被視為於YM Investment Limited擁有權益的股份中擁有權益。

除上文所披露者外，於二零一九年十二月三十一日，概無任何人士（本公司董事或主要行政人員除外）擁有記錄於本公司根據證券及期貨條例第336條須予存置的登記冊的權益或淡倉。

SHARE OPTION SCHEMES AND SHARE AWARD PLAN

(a) Share Option Scheme

Up to and as at 31 December 2019, no options have been granted or agreed to be granted pursuant to the Share Option Scheme. Summary of some of the principal terms of the Share Option Scheme are as follows:

(i) Purposes

The purpose of the Share Option Scheme is to enable the Company to grant options to selected participants as incentives or rewards for their contribution to the Company. The directors consider the Share Option Scheme, with its broadened basis of participation, will enable the Company to reward the employees, the directors and other selected participants for their contributions to the Company.

(ii) Qualifying participants

The directors may, at its absolute discretion, invite any person belonging to any of the following classes of participants, to take up options to subscribe for shares:

- (aa) any employee (whether full-time or part-time including any executive director but excluding any non-executive director) of the Company, any of its subsidiaries or any entity ("Invested Entity") in which any member of the Company holds an equity interest;
- (bb) any non-executive directors (including independent non-executive directors) of the Company, any of its subsidiaries or any Invested Entity;

購股權計劃及股份獎勵計劃

(a) 購股權計劃

截至及於二零一九年十二月三十一日，本公司概無根據購股權計劃授出或同意授出購股權。購股權計劃的部分主要條款概要如下：

(i) 目的

購股權計劃旨在讓本公司授出購股權予經篩選參與者，作為給予其對本公司所作貢獻的獎勵或報酬。董事認為，以購股權計劃廣泛的參與基準，將使本公司能夠獎賞對本公司作出貢獻的僱員、董事及其他經篩選的參與者。

(ii) 參與人士資格

董事可按其絕對酌情權，邀請屬於下列類別參與者的任何人士接受購股權認購股份：

- (aa) 本公司、其任何附屬公司或本公司任何成員公司持有股本權益的任何實體（「受投資實體」）的任何僱員（不論屬全職或兼職，包括執行董事惟不包括任何非執行董事）；
- (bb) 本公司、其任何附屬公司或任何受投資實體的任何非執行董事（包括獨立非執行董事）；

- (cc) any supplier of goods or services to any member of the Company or any Invested Entity;
- (dd) any customer of any member of the Company or any Invested Entity;
- (ee) any person or entity that provides research, development or other technological support to any member of the Company or any Invested Entity;
- (ff) any shareholder of any member of the Company or any Invested Entity or any holder of any securities issued by any member of the Company or any Invested Entity;
- (gg) any advisor (professional or otherwise) or consultant to any area of business or business development of any member of the Company or any Invested Entity;
- (hh) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Company;

and, for the purposes of the Share Option Scheme, the offer for the grant of option may be made to any company wholly owned by one or more persons belonging to any of the above classes of participants.

- (cc) 本公司任何成員公司或任何受投資實體的貨物或服務的供應商；
- (dd) 本公司任何成員公司或任何受投資實體的客戶；
- (ee) 向本公司任何成員公司或任何受投資實體提供研發或其他科技支援的任何人士或實體；
- (ff) 本公司任何成員公司或任何受投資實體的任何股東或本公司任何成員公司或任何受投資實體所發行或擬獲發行任何證券的任何持有人；
- (gg) 本公司任何成員公司或任何受投資實體任何業務範圍或業務開發的任何顧問（專業或其他方面）或專家顧問；
- (hh) 以合資商業機構、業務聯盟或其他業務安排對本公司的發展及增長有貢獻或可能貢獻的任何其他集團或類別參與者；

以及就購股權計劃而言，可向屬於任何上述類別參與者的人士或多名人士全資擁有的任何公司建議授出購股權。

(iii) *Maximum number of shares*

- (aa) The maximum number of shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme adopted by the Company must not in aggregate exceed 30% of the share capital of the Company in issue from time to time.
- (bb) The total number of the shares which may be allotted and issued upon the exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme and any other share option scheme of the Company) to be granted under the Share Option Scheme and any other share option scheme of the Company must not in aggregate exceed 10% of the shares in issue on the Listing Date ("General Scheme Limit"), being 80,000,000 shares (after pro-rata adjustments upon the Share Subdivision which effective on 5 June 2018).

(iii) 股數上限

- (aa) 因行使根據購股權計劃及本公司採納的任何其他購股權計劃所授出及尚未行使的所有購股權可予發行的股數上限合計不得超過本公司不時已發行股本的30%。
- (bb) 因行使根據購股權計劃及本公司任何其他購股權計劃所授出的所有購股權(就此而言,並不包括根據購股權計劃及本公司任何其他購股權計劃條款而失效者)而須予發行的股份總數合計不得超過於上市日期已發行股份的10%(「一般計劃上限」),即80,000,000股股份(已按比例作出調整以反映於二零一八年六月五日生效之股份分拆)。

(cc) Subject to (aa) above but without prejudice to (dd) below, the Company may seek approval of the shareholders of the Company in general meeting to refresh the General Scheme Limit provided that the total number of shares which may be allotted and issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme of the Company must not exceed 10% of the shares in issue as of the date of approval of the limit and, for the purpose of calculating the limit, options (including those outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme and any other share option scheme of the Company) previously granted under the Share Option Scheme and any other share option scheme of the Company will not be counted. The circular sent by the Company to its shareholders shall contain, among other information, the information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules.

(dd) Subject to (aa) above and without prejudice to (cc) above, the Company may seek separate shareholders' of the Company approval in general meeting to grant options beyond the General Scheme Limit or, if applicable, the extended limit referred to in (cc) above to participants specifically identified by the Company before such approval is sought. In such event, the Company must send a circular to its shareholders containing a generic description of the specified participants, the number and terms of options to be granted, the purpose of granting options to the specified participants with an explanation as to how the terms of the options serve such purpose and such other information required under Rule 17.02(2)(d) of the Listing Rules and the disclaimer required under Rule 17.02(4) of the Listing Rules.

(cc) 受上文(aa)所限及在不影響下文(dd)的情況下，本公司可於股東大會上尋求本公司股東批准更新一般計劃上限，惟因行使根據購股權計劃及本公司任何其他購股權計劃授出的所有購股權而可配發及發行的股份總數不得超過批准上限當日已發行股份的10%，且就計算上限而言，之前根據購股權計劃及本公司任何其他購股權計劃所授的購股權(包括根據購股權計劃及本公司任何其他購股權計劃尚未行使、已註銷、失效或行使者)將不予計算。本公司寄發予其股東之通函須載列(包括其他資料)上市規則第17.02(2)(d)條規定之資料及上市規則第17.02(4)條規定之免責聲明。

(dd) 受上文(aa)所限及在不影響上文(cc)的情況下，本公司須於股東大會上另外尋求本公司股東批准向取得有關批准前經本公司特別確認的參與者授予超逾一般計劃上限或(倘適用)上文(cc)所指經擴大上限的購股權。於該情形下，本公司必須向股東寄發通函，當中須載列特定參與者之整體性簡介、授出購股權之數目及授出條件、向上述特定參與者授出購股權之目的及解釋購股權之條款如何達到有關目的及上市規則第17.02(2)(d)條規定之其他資料及上市規則第17.02(4)條規定之免責聲明。

(iv) *Maximum entitlement of each participant*

The total number of shares issued and which may fall to be issued upon the exercise of the options granted under the Share Option Scheme and any other share option scheme of the Group (including both exercised or outstanding options) to each grantee in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being ("Individual Limit"). Any further grant of options in excess of the Individual Limit in any 12-month period up to and including the date of such further grant must be separately approved by the shareholders of the Company in general meeting of the Company with such grantee and his associates abstaining from voting. The number and terms (including the exercise price) of options to be granted must be fixed before the approval of the shareholders of the Company and the date of the board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price under note (1) to Rule 17.03(9) of the Listing Rules.

(v) *Time of acceptance and exercise of options*

An option may be accepted by a participant within 21 days from the date of the offer of grant of the option.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by the directors to each grantee, which period may commence from the date of the offer for the grant of options is made, but shall end in any event not later than 10 years from the date of grant of the option subject to the provisions for early termination thereof. Unless otherwise determined by the directors and stated in the offer for the grant of options to a grantee, there is no minimum period required under the Share Option Scheme for the holding of an option before it can be exercised.

(iv) *每名參與者可獲購股權的上限*

於任何12個月期間因行使根據購股權計劃及本集團任何其他購股權計劃所授出的購股權(同時包括已行使或尚未行使購股權)已向每名承授人發行及須予發行的股份總數不得超過本公司當時已發行股本1%〔「個別上限」〕。於任何12個月期間直至再授出購股權之日(包括該日)止進一步授予超過個別上限的購股權,須於本公司股東大會上取得本公司股東另行批准,而承授人及其聯繫人須放棄投票。遵照上市規則第17.03(9)條附註(1),將授出之購股權數目及條款(包括行使價)必須在取得本公司股東批准前釐定,就計算行使價而言,提呈再授出購股權之董事會會議之日應被視為授出日期。

(v) *接納及行使購股權期限*

參與者須於授出購股權建議日期起計21日內接納購股權。

購股權可於董事釐定並通知各承授人的期間內隨時根據購股權計劃的條款行使,該期間可由授出購股權建議之日起開始,但無論如何須於授出購股權日期後10年內屆滿期止,惟可根據有關條文提早終止。除非董事另行決定及在向承授人授出購股權的建議中列明,否則購股權計劃並無規定在行使前所需持有購股權的最短期限。

(vi) *Subscription price for the shares and consideration for the option*

The subscription price for the shares under the Share Option Scheme shall be a price determined by the directors, but shall not be less than the highest of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet for trade in one or more board lots of the shares on the date of the offer for the grant, which must be a business day; (ii) the average closing price of shares as stated in the Stock Exchange's daily quotations for the five business days immediately preceding the date of the offer for the grant; and (iii) the nominal value of a Share.

A nominal consideration of HK\$1 is payable on acceptance of the grant of an option within such time as maybe specified in the offer for the grant, which shall not be later than 21 days from the date of the offer for the grant.

(vii) *Period of the Share Option Scheme*

The Share Option Scheme will remain in force for a period of 10 years commencing on 25 March 2011 and will expire on 24 March 2021.

(viii) *Shares available for issue under the Share Option Scheme*

As at 31 December 2019 and at the date of this report, the total number of shares which may be issued pursuant to the exercise of options which may be granted under the Share Option Scheme was 80,000,000 shares (after pro-rata adjustments upon the Share Subdivision which became effective on 5 June 2018), representing about 7.45% and 7.43% of the issued share capital of the Company as at 31 December 2019 and the date of this report respectively.

(vi) *股份認購價及購股權代價*

購股權計劃的股份認購價將由董事釐訂，但不得低於(i)授出購股權建議日期(必須為營業日)在聯交所的每日報價表所示買賣一手或以上股份的收市價；(ii)緊接授出購股權建議日期前5個營業日在聯交所的每日報價表所示股份平均收市價；及(iii)股份面值三者中的最高者。

於接納一份授出的購股權時須繳付1港元的名義代價並於授出購股權的建議中可能列出的期限內支付(該期限不應遲於授出購股權的建議日期後的21天)。

(vii) *購股權計劃的期限*

購股權計劃將於其獲採納當日起計由二零一一年三月二十五日至二零二一年三月二十四日到期為期十年內維持有效。

(viii) *購股權計劃下可予發行之股份*

於二零一九年十二月三十一日及本報告日期，行使根據購股權計劃可能授出之購股權而可予發行之股份總數為80,000,000股股份(已按比例作出調整以反映於二零一八年六月五日生效之股份分拆)，分別佔本公司於二零一九年十二月三十一日及於本報告日期的已發行股本約7.45%及7.43%。

(b) Share Award Plan

The Board may, subject to and in accordance with the rules of the Share Award Plan, make an award of shares to certain classes of eligible participants as specified in the Share Award Plan, as determined by the Board from time to time on the basis of the Board's opinion as to the proposed awardee's contribution and/or future contribution to the development and growth of the Group. The shares and other trust fund for the implementation of the Share Award Plan are administered by a trustee or trustees (the "Share Award Plan Trustee") to be appointed by the Company.

Under the Share Award Plan, the Board shall determine the eligibility of the eligible participants and the number of shares to be awarded (the "Awarded Shares") and notify the Share Award Plan Trustee of the making of awards. The Share Award Plan Trustee shall then set aside the appropriate number of Awarded Shares pending the transfer and vesting to the relevant participants out of a pool of shares which shall comprise of, among others, shares either (1) transferred to it from any person (other than the Group) by way of gift; (2) purchased by the Share Award Plan Trustee out of the funds received by it by way of gift or for nominal consideration; and (3) subscribed for or purchased by the Share Award Plan Trustee out of the funds allocated by the Board out of the Group's resources, subject to the terms and conditions of the rules of the Share Award Plan. The Share Award Plan Trustee may purchase shares on the Stock Exchange at the prevailing market price or off market. In respect of off-market transactions, purchases shall not be made with any connected person, nor shall the purchase price be higher than the lower of (1) the closing market price on the date of such purchase, and (2) the average closing market price for the five preceding trading days on which shares of the Company were traded on the Stock Exchange. In any given financial year of the Company, the maximum numbers of shares to be purchased by the Share Award Plan Trustee shall not exceed 10% of the total number of shares in issue of the Company at the beginning of such financial year. The Share Award Plan Trustee may also subscribe for new shares at par or at such other subscription price as instructed by the Board out of the Group's contribution if the Board considers it appropriate to do so. The Company shall comply with the relevant Listing Rules when granting the Awarded Shares.

(b) 股份獎勵計劃

董事會可於遵守及根據股份獎勵計劃規則的情況下，向股份獎勵計劃列明的若干類別合資格參與者獎勵股份，資格應由董事會不時根據董事會就建議受獎勵人士對本集團發展及增長作出的貢獻及／或將來貢獻給予的意見釐定。就實行股份獎勵計劃而設的股份及其他信託基金，由本公司將予委任的一名或多名受託人（「股份獎勵計劃受託人」）管理。

根據股份獎勵計劃，董事會作出獎勵時，須釐定合資格參與者的資格及作出獎勵的股份數目（「獎勵股份」），並知會股份獎勵計劃受託人。股份獎勵計劃受託人屆時須於獎勵股份轉讓及歸屬前，從股份組合中向相關參與者撥出適當數目的獎勵股份，股份組合包括（其中包括）：(1)任何人士（本集團除外）以饋贈方式轉讓予股份獎勵計劃受託人的股份；(2)股份獎勵計劃受託人動用股份獎勵計劃受託人以饋贈方式或以名義代價獲得的資金所購買的股份；及(3)由股份獎勵計劃受託人動用由董事會從本集團的資源中所撥撥的資金，根據股份獎勵計劃規則的條款及條件而認購或購買的股份。股份獎勵計劃受託人可於聯交所按現行市價或場外購買股份。對於任何場外交易，不得與任何關連人士進行有關購買，且購買價不得高於下列較低者：(1)進行有關購買日期的收市價；及(2)本公司股份於聯交所買賣前五個交易日的平均收市價。在本公司任何財政年度內，本公司可供股份獎勵計劃受託人購買的股份總數，最多不得超逾本公司於該財政年度開始時的已發行股份總數的10%。股份獎勵計劃受託人亦可按面值或董事會指示的其他認購價格認購新股份，認購資金來自本集團的供款，惟董事會須認為是項收購屬適宜之舉。於授出獎勵股份時，本公司須遵守相關上市規則的規定。

The legal and beneficial ownership of the relevant Awarded Shares shall vest in the relevant selected participant within 10 business days after the latest of (1) the date specified on the notice of the award given by the Board to the Share Award Plan Trustee; and (2) where applicable, the date on which the condition(s) or performance target(s) (if any) to be attained by such selected participant as specified in the related notice of award have been attained and notified to the Share Award Plan Trustee by the Board in writing.

Unless early termination by the Board, the Share Award Plan shall be valid and effective for a term of 10 years commencing from the adoption date. During the year, a total number of 5,245,000 new Shares were granted and vested under the Share Award Plan. Taking into account the effect of retrospective adjustment made to the number of shares as a result of Share Subdivision, up to and as at 31 December 2019, 32,004,000 shares had been regarded as awarded and vested to selected grantees under the Share Award Plan. Save as disclosed above, there was no movement of the Awarded Shares during the year.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in note 30(a) to the financial statements and in the sections headed "Directors' Report – Continuing Connected Transactions" in this annual report, no director nor a connected entity of a director had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group to which the Company or any of its subsidiaries was a party subsisted at the end of the year or at any time during the year.

相關獎勵股份的法定及實益擁有權，應於下列最遲日期後十個營業日內歸屬相關選定參與者：(1)董事會發給股份獎勵計劃受託人的獎勵通知載明的日期；及(2)於適用情況下，相關獎勵通知中載列的選定參與者應滿足的條件或業績目標(如有)已滿足且董事會書面通知股份獎勵計劃受託人的日期。

除非董事會提早終止，否則股份獎勵計劃由採納日期起計十年內有效及生效。於本年度內，合共5,245,000股新股份已根據股份獎勵計劃授出及歸屬。考慮到因股份分拆而對股份數目進行追溯性調整的相關影響後，截至及於二零一九年十二月三十一日，根據股份獎勵計劃視作已授出及歸屬予選定承授人之股份為32,004,000股。除上文所披露外，年內並無獎勵股份之變動。

董事於重大交易、安排或合約之權益

除財務報表附註30(a)及本年報「董事會報告 – 持續關連交易」一節所披露者外，各董事或董事的有關連實體概無於本公司或其任何附屬公司作為訂約方，且於年終或於本年內任何時間仍然生效，而對本集團業務而言屬重大的交易、安排或合約當中，直接或間接擁有重大權益。

CONNECTED TRANSACTION AND CONTINUING CONNECTED TRANSACTIONS

During the year, the Group had conducted the following connected transaction and continuing connected transactions which were required to be disclosed pursuant to Rules 14A.71 of the Listing Rules. Such transactions were the related party transactions disclosed in note 30 to the financial statements. The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

(1) Connected Transaction – Grant of Awarded Shares to a connected person

On 24 May 2019, the Board resolved to recommend granting of 3,080,000 Awarded Shares under Share Award Plan (by way of issue and allotment of new Shares under specific mandate) to Ms. Weng Peihe, a director of the Company who accordingly is regarded as a connected person, as an incentive to achieve sustainable and satisfactory returns to the Company. The above constituted a non-exempt connected transaction of the Company under Chapter 14A of the Listing Rules and subject to reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules, which was approved by independent shareholders of the Company at the extraordinary general meeting held on 14 June 2019. Details of which were set out in the announcement and the circular of the Company dated 24 May 2019 and 29 May 2019 respectively.

(2) Continuing Connected Transactions – CCT Tenancy Agreements

Meco Group, a company incorporated in Hong Kong with limited liability, is principally engaged in property investment. It is owned as to 50% by Mr. CHAN Man Wai, 35% by Mr. YIP Shu Ming and 15% by Mr. KU Hok Chiu. Dongguan Well Excellent, a company established in the PRC with limited liability, is principally engaged in property leasing. It is wholly owned by HK Well Excellent, an investment holding company incorporated in Hong Kong with limited liability and owned as to 50% by Mr. CHAN Man Wai, 35% by Mr. YIP Shu Ming and 15% by Mr. KU Hok Chiu. As Mr. CHAN Man Wai, Mr. YIP Shu Ming and Mr. KU Hok Chiu are the controlling shareholders of the Company and executive directors, each of Meco Group and Dongguan Well Excellent is a connected person of the Company under the Listing Rules.

關連交易及持續關連交易

於本年度，本集團曾進行下列根據上市規則第14A.71條須予披露的關連交易及持續關連交易。此等交易乃財務報表附註30中所披露的關聯方交易。本公司已根據上市規則第14A章遵守披露規定。

(1) 關連交易 – 向關連人士授出獎勵股份

於二零一九年五月二十四日，董事會議決建議根據股份獎勵計劃向翁培禾女士（本公司董事，因而視作關連人士）授予3,080,000股獎勵股份（根據特別授權發行及配發），作為為本公司締造及維持理想回報之激勵。根據上市規則第14A章，以上構成本公司之非豁免關連交易，須遵守上市規則第14A章之申報、公告及獨立股東批准規定，並已於二零一九年六月十四日舉行的股東特別大會上獲本公司獨立股東批准。有關授予獎勵股份詳情載於本公司分別日期為於二零一九年五月二十四日以及二零一九年五月二十九日的公告及通函內。

(2) 持續關連交易 – CCT租賃協議

美高集團為一家在香港註冊成立的有限公司，主要從事物業投資。美高集團由陳文偉先生、葉樹明先生及古學超先生分別持有50%、35%及15%。東莞維華為一家在中國成立的有限公司，主要從事物業租賃。東莞維華由香港維華全資擁有。香港維華為一間於香港註冊成立的有限投資控股公司，其由陳文偉先生、葉樹明先生及古學超先生分別擁有50%、35%及15%。由於陳文偉先生、葉樹明先生及古學超先生為本公司控股股東及執行董事，根據上市規則，美高集團及東莞維華為本公司的關連人士。

Pursuant to the CCT Tenancy Agreements entered into between the Group as lessee and Mecco Group or (as the case may be) Dongguan Well Excellent as landlord, the Group agreed to lease the premises set out below for a specific term expiring on 31 December 2021. The leased premises are used for operation of restaurant or ancillary office by the respective Group member.

Further details in relation to the premises leased from Mecco Group and Dongguan Well Excellent are set out below:

根據本集團(作為承租人)與美高集團或(視乎情況而定)東莞維華(作為業主)訂立的CCT租賃協議,本集團同意出租下文所載物業,特定年期於二零二一年十二月三十一日屆滿。各集團成員公司將租賃物業用作經營餐廳或配套辦公室。

有關美高集團及東莞維華的租賃物業的詳情載列如下:

S/N 序號	Date of Agreement 協議日期	(i) Location; and (ii) Use (i) 地點; 及 (ii) 用途	Total rent payable under the CCT Tenancy Agreements (Note 1) 根據CCT租賃協議應付的 租金總額(附註1)	Term of lease 租賃條款	Terms 年期
Leases with Mecco Group: 與美高集團之租賃:					
(1)	21 December 2018 二零一八年十二月三十一日	(i) Units 2101, 2102, 2103, 2105, 2106, 2107 and 2108, Block H, Expo Square, Dongcheng District, Dongguan City, Guangdong Province, the PRC (ii) Restaurant (i) 中國廣東省東莞市東城區世博廣場H座2101、2102、2103、2105、2106、2107及2108室 (ii) 餐廳	1 January 2019 to 31 December 2021: RMB3,960,000 二零一九年一月一日至二零二一年十二月三十一日: 人民幣3,960,000元	Monthly rent of RMB110,000 is payable by the Group to Mecco Group in advance each month. Such rent is inclusive of rental tax and exclusive of water, electricity, telephone, television, heat, gas, property management, cleaning, internet, car park and indoor facilities maintenance fees. 本集團須每月向美高集團提前支付月租人民幣110,000元。該租金包括租金稅但不包括水費、電費、電話費、電視費、暖氣費、燃氣費、物業管理費、清潔費、上網費、停車費及室內設施維護費。	1 January 2019 to 31 December 2021 二零一九年一月一日至二零二一年十二月三十一日
(2)	21 December 2018 二零一八年十二月三十一日	(i) Units, 2058, 2068, 2078, 2088, 2098, 2248, 2258, 2308, 2318, 2348, 2358, 2418, 2428, 2438, 2448, 2458, and 2468, Shenzhen Cinema, Zhonghai Commercial, 1 Xinyuan Road, Luohu District, Shenzhen, the PRC (ii) Restaurant (i) 中國深圳羅湖區新圍路1號中海商城深圳戲院2058、2068、2078、2088、2098、2248、2258、2308、2318、2348、2358、2418、2428、2438、2448、2458及2468室 (ii) 餐廳	1 January 2019 to 31 December 2021: RMB1,656,000 二零一九年一月一日至二零二一年十二月三十一日: 人民幣1,656,000元	Monthly rent of RMB46,000 is payable by the Group to Mecco Group in advance each month. Such rent is inclusive of rental tax and exclusive of water, electricity, telephone, television, heat, gas, property management, cleaning, internet, car park and indoor facilities maintenance fees. 本集團須每月向美高集團提前支付月租人民幣46,000元。該租金包括租金稅但不包括水費、電費、電話費、電視費、暖氣費、燃氣費、物業管理費、清潔費、上網費、停車費及室內設施維護費。	1 January 2019 to 31 December 2021 二零一九年一月一日至二零二一年十二月三十一日

Directors' Report

董事會報告

S/N 序號	Date of Agreement 協議日期	(i) Location; and (ii) Use (i) 地點; 及 (ii) 用途	Total rent payable under the CCT Tenancy Agreements (Note 1) 根據CCT租賃協議應付的 租金總額(附註1)	Term of lease 租賃條款	Terms 年期
(3)	21 December 2018 二零一八年十二月二十一日	(i) Units 3018, 3078, 3088, 3098, 3108, 3118 and 3128 Level 3, Shenzhen Cinema, Zhonghai Commercial, 1 Xinyuan Road, Luohu District, Shenzhen, the PRC (ii) Ancillary office (i) 中國深圳羅湖區新園路1號中海商城深圳戲院3樓3018、3078、3088、3098、3108、3118及3128室 (ii) 配套辦公室	1 January 2019 to 31 December 2021: RMB1,044,000 二零一九年一月一日至二零二一年十二月三十一日: 人民幣1,044,000元	Monthly rent of RMB29,000 is payable by the Group to Meco Group in advance each month. Such rent is inclusive of rental tax and exclusive of water, electricity, telephone, television, heat, gas, property management, cleaning, internet, car park and indoor facilities maintenance fees. 本集團須於每月向美高集團提前支付月租人民幣29,000元。該租金包括租金稅, 但不包括水費、電費、電話費、電視費、暖氣費、燃氣費、物業管理費、清潔費、上網費、停車費及室內設施維護費。	1 January 2019 to 31 December 2021 二零一九年一月一日至二零二一年十二月三十一日
(4)	21 December 2018 二零一八年十二月二十一日	(i) Unit 4001 on Level 4, Shenzhen Cinema, Zhonghai Commercial, 1 Xinyuan Road, Luohu District, Shenzhen, the PRC (ii) Restaurant (i) 中國深圳羅湖區新園路1號中海商城深圳戲院4樓4001室 (ii) 餐廳	1 January 2019 to 31 December 2021: RMB3,960,000 二零一九年一月一日至二零二一年十二月三十一日: 人民幣3,960,000元	Monthly rent of RMB110,000 is payable by the Group to Meco Group in advance each month. Such rent is inclusive of rental tax and exclusive of water, electricity, telephone, television, heat, gas, property management, cleaning, internet, car park and indoor facilities maintenance fees. 本集團須於每月向美高集團提前支付月租人民幣110,000元。該租金包括租金稅, 但不包括水費、電費、電話費、電視費、暖氣費、燃氣費、物業管理費、清潔費、上網費、停車費及室內設施維護費。	1 January 2019 to 31 December 2021 二零一九年一月一日至二零二一年十二月三十一日

S/N 序號	Date of Agreement 協議日期	(i) Location; and (ii) Use (i) 地點；及 (ii) 用途	Total rent payable under the CCT Tenancy Agreements (Note 1) 根據CCT租賃協議應付的 租金總額(附註1)	Term of lease 租賃條款	Terms 年期
(5)	21 December 2018 二零一八年十二月二十一日	(i) Unit 1 on Level 6, Shenzhen Cinema, Zhonghai Commercial, 1 Xinyuan Road, Luohu District, Shenzhen, the PRC (ii) Restaurant (i) 中國深圳羅湖區新園路1號中海商城深圳戲院6樓1室 (ii) 餐廳	1 January 2019 to 31 December 2021 RMB4,104,000 二零一九年一月一日至二零二一年十二月三十一日： 人民幣4,104,000元	Monthly rent of RMB114,000 is payable by the Group to Meco Group in advance each month. Such rent is inclusive of rental tax and exclusive of water, electricity, telephone, television, heat, gas, property management, cleaning, internet, car park and indoor facilities maintenance fees. 本集團須於每月向美高集團提前支付月租人民幣114,000元。該租金包括租金稅，但不包括水費、電費、電話費、電視費、暖氣費、燃氣費、物業管理費、清潔費、上網費、停車費及室內設施維護費。	1 January 2019 to 31 December 2021 二零一九年一月一日至二零二一年十二月三十一日
Lease with Dongguan Well Excellent: 與東莞維華之租賃：					
(6)	21 December 2018 二零一八年十二月二十一日	(i) Units 3106, 3107, 3108, 4106, 4107 and 4108, Block H, Expo Square, Dongcheng District, Dongguan City, Guangdong Province, the PRC (ii) Restaurant (i) 中國廣東省東莞市東城區世博廣場H座3106、3107、3108、4106、4107及4108室 (ii) 餐廳	1 January 2019 to 31 December 2021: RMB3,276,000 二零一九年一月一日至二零二一年十二月三十一日： 人民幣3,276,000元	Monthly rent of RMB91,000 is payable by the Group to Dongguan Well Excellent each month. Such rent is inclusive of rental tax and exclusive of water, electricity, telephone, television, heat, gas, property management, cleaning, internet, car park and indoor facilities maintenance fees. 本集團須於每月向東莞維華提前支付月租人民幣91,000元。該租金包括租金稅，但不包括水費、電費、電話費、電視費、暖氣費、燃氣費、物業管理費、清潔費、上網費、停車費及室內設施維護費。	1 January 2019 to 31 December 2021 二零一九年一月一日至二零二一年十二月三十一日

Note:

- (1) The rent was arrived at after arm's length negotiations between the parties and determined by reference to the prevailing market rent of the premises.

The independent non-executive directors have reviewed and confirmed that the above continuing connected transactions undertaken by the Group were entered into (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms or better; and (iii) in accordance with the relevant agreements governing the transactions on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole, as required in Rule 14A.55 of the Listing Rules.

Ernst & Young, the Company's auditors, was engaged to report on the Group's continuing connected transactions in accordance with the Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. Ernst & Young have issued their unqualified letter containing the findings and conclusions in respect of the continuing connected transactions disclosed in (a) and (b) above by the Group in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Hong Kong Stock Exchange.

附註：

- (1) 該租金經各方公平磋商並參照該等場所的現行市場租金釐定。

獨立非執行董事已按照上市規則第14A.55條規定審閱並確認以上本集團所進行之持續關連交易乃(i)於本集團之日常業務中訂立；(ii)按一般商業條款或更佳條款進行；及(iii)根據監管該等交易之有關協議條款，按對本公司股東整體利益而言乃屬公平合理之條款進行。

本公司已按照香港會計師公會頒佈的香港鑒證業務準則第3000號(經修訂)下之「非審核或審閱過往財務資料之鑒證工作」規定，並參照實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」，委任本公司之核數師安永會計師事務所審查本集團之持續關連交易。根據上市規則第14A.56條，安永會計師事務所已就上述(a)及(b)段所述之持續關連交易之審查的發現及結論，發出無保留意見之函件。本公司已向香港聯交所提交核數師函件全文。

MANAGEMENT CONTRACTS

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

PENSION SCHEMES

The employees employed in the PRC are members of the state-managed retirement benefit schemes operated by the PRC government. The PRC subsidiaries are required to contribute a certain percentage of their payroll to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefit schemes is to make the required contributions under the schemes.

The Group also operates a Mandatory Provident Fund Scheme ("MPF Scheme") for all its qualifying employees in Hong Kong. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of trustees. Under the rule of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rate specified in the rules.

The Group contributed RMB46.6 million to the above mentioned schemes for the year ended 31 December 2019.

MAJOR CUSTOMERS AND SUPPLIERS

Aggregate sales attributable to the Group's five largest customers were less than 30% of the Group's total sales for the year and aggregate purchases attributable to the Group's five largest suppliers were less than 30% of the Group's total purchases for the year.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

管理合約

年內並無訂立或存在關於管理及經營本公司全部或任何重大部分業務之合約。

退休金計劃

本集團於中國聘用之僱員為中國政府設立之國家管理退休福利計劃之參與者。中國附屬公司須向該等退休福利計劃繳納相當於員工薪酬一定百分比之款項，以資助實現有關福利。本集團對該等退休福利計劃之唯一責任為根據該等計劃作出規定供款。

本集團亦為香港所有合資格僱員設立強制性公積金計劃（「強積金計劃」）。強積金計劃之資產存放於基金，與本集團之資產分開，並由受託人託管。根據強積金計劃，僱主及其僱員須各自按規則訂明之比率向該計劃供款。

於截至二零一九年十二月三十一日止年度，本集團向上述計劃供款人民幣46.6百萬元。

主要客戶及供應商

本集團五大客戶年內應佔銷售總額佔本集團銷售總額少於30%，而本集團五大供應商年內應佔採購總額佔本集團採購總額少於30%。

購買、出售及贖回本公司已上市證券

於本年度內，本公司或其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

Directors' Report

董事會報告

EMOLUMENT POLICY

The emolument policy of the employees of the Group is recommended by the Remuneration Committee on the basis of their merit, qualifications and competence. The emoluments of the directors are reviewed by the remuneration committee, having regard to the Company's operating results, individual performance and comparable market statistics. The Company has adopted Share Option Scheme and Share Award Plan as an incentive to directors and eligible employees, details of each of the schemes are set out on pages 64 to 71 in this annual report.

PRE-EMPTIVE RIGHTS

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

TAX RELIEF AND EXEMPTION

The Company is not aware of any tax relief and exemption available to the shareholders of the Company by reason of their holding of the Company's securities.

SUFFICIENCY OF PUBLIC FLOAT

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

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

None of the directors or substantial shareholders of the Company or any of their respective associates has engaged in any business that competes or may compete with the business of the Group.

酬金政策

本集團僱員之酬金政策由薪酬委員會根據彼等之表現、資歷及競爭能力作出建議。董事之酬金乃由薪酬委員會經考慮本公司之經營業績、個人表現及可比較市場數據後作出檢討。本公司已採納購股權計劃及股份獎勵計劃，作為向董事及合資格僱員提供獎勵。各項計劃詳情載於本年報第64至71頁。

優先購買權

本公司之組織章程細則或開曼群島法例並無有關優先購買權之規定，以使本公司必須按股權比例向現有股東發售新股份。

稅務寬減及豁免

本公司概不知悉有任何因本公司股東持有本公司證券而向彼等提供之稅務寬減及豁免。

足夠公眾持股量

根據本公司所獲得的公開資料及據董事所知，於本年報日期，本公司已發行股本總額中最少25%由公眾人士持有。

董事之競爭業務權益

本公司及其各自的聯繫人之董事或主要股東概無參與任何與本集團業務競爭或可能競爭之業務。

NON-COMPETE UNDERTAKING

Mr. CHAN Man Wai, Mr. YIP Shu Ming, Mr. KU Hok Chiu, Best Active Investments Limited, Current Success Investments Limited and Bright Mind Investments Limited, have given an irrevocable non-compete undertaking in favour of the Group pursuant to which each of them irrevocably, unconditionally, jointly and severally undertaken, among other matters, not to, directly or indirectly, carry on, invest in or be engaged in any business which would or may compete with the business of the Group. Details of the Non-compete Undertaking have been set out in the section headed "Relationship with our Controlling Shareholders" in the Prospectus.

The Non-compete Undertaking has become effective from the Listing Date.

The Company has received the confirmation from the Controlling Shareholders in respect of their compliance with the terms of the Non-compete Undertaking from the Listing Date to the date of this report.

The independent non-executive directors had reviewed the compliance with and enforcement of the terms of the Non-compete Undertaking by the Controlling Shareholders from the Listing Date to the date of this report.

PERMITTED INDEMNITY PROVISION

The Articles of Association of the Company provides that the Directors for the time being of the Company shall be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, shall or may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty in their respective office, except such (if any) as they shall incur or sustain through their own fraud or dishonesty.

The Company has taken out insurance against the liabilities and costs associated with defending any proceedings which may be brought against the Directors of the Company.

不競爭承諾

陳文偉先生、葉樹明先生、古學超先生、Best Active Investments Limited、Current Success Investments Limited及Bright Mind Investments Limited已向本集團作出不可撤回的不競爭承諾，各自聯合及個別不可撤回地無條件承諾不會直接或間接進行、投資或從事與本集團業務競爭或可能競爭的任何業務。不競爭承諾詳情載於招股章程「與控股股東的關係」一節。

不競爭承諾自上市日期起生效。

本公司已接獲控股股東就彼等自上市日期起至本報告日期遵守不競爭承諾條款而發出的確認書。

獨立非執行董事已審閱控股股東自上市日期起至本報告日期遵守及強制執行不競爭承諾條款的情況。

獲准許之彌償條文

根據本公司組織章程規定，本公司當時的董事將獲得以本公司資產作為彌償保證及擔保，使其不會因彼等或彼等任何一方於執行其各自的職務的職責或假定職責期間或關於執行職責而作出、同意或遺漏的任何行為而將會或可能招致或蒙受的一切訴訟、費用、收費、損失、損害及開支而蒙受損害，惟因其本身欺詐或不誠實而招致或蒙受者(如有)，則作別論。

本公司已就本公司之董事可能面對任何訴訟時產生的責任和相關的費用購買保險。

Directors' Report

董事會報告

EQUITY-LINKED AGREEMENTS

Save for the share award plan disclosed in note 27 to the financial statements, no equity-linked agreements were entered into during the year or subsisted at the end of the year.

AUDIT COMMITTEE

The Audit Committee has reviewed the accounting policies, accounting standards and practices adopted by the Group and the consolidated financial statements and results of the Group for the year ended 31 December 2019.

AUDITORS

Ernst & Young will retire and a resolution for their re-appointment as auditors of the Company will be proposed at the forthcoming AGM.

On behalf of the Board

YIP Shu Ming

Chairman

Hong Kong

30 March 2020

股票掛鈎協議

除於財務報表附註27披露之股份獎勵計劃外，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。

審核委員會

審核委員會已審閱本集團所採納之會計政策、會計準則及慣例，以及本集團截至二零一九年十二月三十一日止年度之綜合財務報表及業績。

核數師

安永會計師事務所將退任，以及於應屆股東週年大會上將提呈決議案，重新委任安永會計師事務所為本公司核數師。

代表董事會

主席

葉樹明

香港

二零二零年三月三十日

Independent Auditor's Report

獨立核數師報告



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To the shareholders of Tang Palace (China) Holdings Limited
(Incorporated in the Cayman Islands with limited liability)

致唐宮(中國)控股有限公司股東
(於開曼群島註冊成立的有限公司)

OPINION

We have audited the consolidated financial statements of Tang Palace (China) Holdings Limited (the “Company”) and its subsidiaries (the “Group”) set out on pages 88 to 215, which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

審計意見

吾等已審核載於第88至215頁唐宮(中國)控股有限公司(「貴公司」)連同其附屬公司(「貴集團」)之綜合財務報表，包括於二零一九年十二月三十一日之綜合財務狀況表與截至該日止年度的綜合損益表、綜合全面收益表、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，綜合財務報表已按照香港會計師公會(「香港會計師公會」)發佈的香港財務報告準則(「香港財務報告準則」)的規定，真實而公允地反映了貴集團於二零一九年十二月三十一日的綜合財務狀況以及貴集團於本年度的綜合財務表現和綜合現金流量，並已按照香港《公司條例》的披露要求妥善編製。

Independent Auditor's Report

獨立核數師報告

BASIS FOR OPINION

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

KEY AUDIT MATTER

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

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

審計意見的基礎

吾等按照香港會計師公會發佈的香港審計準則（「香港審計準則」）的規定執行了審計工作。吾等的報告的「核數師就綜合財務報表須承擔的責任」部份進一步闡述了吾等在這些準則下的責任。按照香港會計師公會的《專業會計師道德守則》（以下簡稱「守則」），吾等獨立於貴集團，並已履行守則和規定中的其他專業道德責任。吾等相信，吾等獲取的審計證據是充分、適當的，為發表審計意見提供了基礎。

關鍵審計事項

關鍵審計事項是根據吾等的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在對綜合財務報表整體進行審計並形成意見的背景下來進行處理的，吾等不對這些事項提供單獨的意見。吾等對下述每一事項在審計中是如何應對的描述也以此為背景。

吾等已經履行了在吾等的報告的「核數師就綜合財務報表須承擔的責任」部份闡述的責任，包括與這些關鍵審計事項相關的責任。相應地，吾等的審計工作包括執行為應對評估的綜合財務報表重大錯報風險而設計的審計程序。吾等執行審計程序的結果，包括應對下述關鍵審計事項所執行的程序，為綜合財務報表整體發表審計意見提供了基礎。

KEY AUDIT MATTER (Continued)

關鍵審計事項 (續)

Key audit matter	How our audit addressed the key audit matter	關鍵審計事項	該事項在審計中是如何應對的
<p>Revenue recognition</p> <p>The Group generates revenue mainly from its restaurant operations in Hong Kong and the People's Republic of China (the "PRC") at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Majority of the sales of the Group were cash sales and credit card sales. The Group also issued prepaid cards to customers whereby customers would deposit certain amounts of cash in advance in prepaid cards which would be utilised for future food consumption. During the year, revenue recorded under prepaid cards amounted to RMB347,500,000.</p> <p>There is a risk of improper revenue recognition which may lead to a material misstatement on revenue. Accordingly, we identified this matter as a key audit matter.</p> <p>Relevant disclosures are included in note 5 to the financial statements.</p>	<p>We have tested the design, implementation and operating effectiveness of the key controls relating to revenue recognition. We also performed audit procedures including cut-off test for the transactions near the year end, test of transactions by vouching, on a sampling basis, to the sales summary, sales invoices and general ledger postings. In addition, we performed analytical review to consider unusual trends that could indicate material misstatement to revenue. Regarding the prepaid customers, we checked to the utilisation of card balances in the sales system and general ledger postings for proper revenue recognition upon the consumption of food and beverages.</p>	<p>收益確認</p> <p>貴集團的收益主要來自於香港及中華人民共和國(「中國」)的餐廳業務。於資產控制權轉歸予客戶(通常為貨品交付)時確認收益。貴集團主要的銷售為現金銷售及信用卡銷售。貴集團亦有向客戶發行預付卡，據此，客戶可預先將一定金額的現金存入預付卡，以便未來用作食品消費。於本年度內，就預付卡錄得的收益為人民幣347,500,000元。</p> <p>不適當收益確認的風險可能導致收益的重大失實陳述。因此，吾等將此事項列為關鍵審計事項。</p> <p>相關披露資料載於財務報表附註5。</p>	<p>吾等已測試有關收益確認的主要監控措施的設計、實施及運作成效。吾等亦進行包括有關接近年末的交易的截賬測試、根據銷售概要、銷售發票及總賬記錄，以單證核對方式，抽樣測試交易的審計程序。此外，吾等已進行分析性審閱，以考慮可能顯示收益重大失實陳述的不尋常趨勢。就預付卡客戶而言，吾等已檢查銷售系統中預付卡結餘的使用情況，以及於食品及飲料消費後，作出適當的收益確認的總賬記錄。</p>

Independent Auditor's Report

獨立核數師報告

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon.

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

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

In preparing the consolidated financial statements, the directors of the Company 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 of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

包括在年度報告中的其他信息

貴公司董事需對其他信息負責。其他信息包括刊載於年度報告中的信息，但不包括綜合財務報表及吾等的核數師報告。

吾等對綜合財務報表的審計意見並不涵蓋其他信息，吾等也不對其他信息發表任何形式的鑑證結論。

結合吾等對綜合財務報表的審計，吾等的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或吾等在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯報的情況。基於吾等已經執行的工作，如果吾等認為其他信息存在重大錯報，吾等需要報告該事實。在這方面，吾等沒有任何報告。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例之披露規定編製綜合財務報表以令綜合財務報表作出真實而公平的反映，並實施彼等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失實陳述。

在編製綜合財務報表時，貴公司董事負責評估貴集團的持續經營能力，並在適用的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，除非貴公司董事有意將貴集團清算或停止經營，或別無其他實際的替代方案。

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

董事就綜合財務報表須承擔的責任 (續)

審核委員會協助 貴公司董事履行職責監督 貴集團的財務報告過程。

核數師就綜合財務報表須承擔的責任

吾等的目標是對綜合財務報表整體是否不存在由於舞弊或錯誤而導致的重大錯報取得合理保證，並出具包括吾等審計意見的核數師報告。吾等僅向 閣下(作為整體)報告而不作其他用途。吾等概不就本報告之內容向任何其他人士負責或承擔責任。

合理保證是高水平的保證，但並不能保證按照香港審計準則執行的審計在某一重大錯報存在時總能發現。錯報可能由舞弊或錯誤引起，如果合理預期錯報單獨或匯總起來可能影響綜合財務報表使用者依據綜合財務報表作出的經濟決策，則有關的錯報可被視作重大。

在按照香港審計準則執行審計的過程中，吾等運用了專業判斷，保持了專業懷疑態度。吾等同時：

- 識別和評估由於舞弊或錯誤而導致綜合財務報表存在重大錯報的風險，設計及執行審計程序以應對這些風險，以及獲取充分和適當的審計證據，作為吾等審計意見的基礎。由於舞弊可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕於內部控制之上，因此未能發現因舞弊而導致的重大錯報的風險高於未能發現因錯誤而導致的重大錯報的風險。

Independent Auditor's Report

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

核數師就綜合財務報表須承擔的責任(續)

- 了解與審計相關的內部控制，以設計恰當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計證據，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果吾等認為存在重大不確定性，則有必要在吾等的核數師報告中提請使用者注意綜合財務報表中的相關披露。如果有關的披露不充分，則吾等應當發表非無保留意見。吾等的結論是基於截至吾等的核數師報告日止所取得的審計證據。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否公允反映相關交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充分、適當的審計證據，以便對綜合財務報表發表意見。吾等負責貴集團審計的方向、監督和執行。吾等對審計意見承擔全部責任。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

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.

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

The engagement partner on the audit resulting in this independent auditor's report is Lai Ho Yin.

Ernst & Young
Certified Public Accountants
Hong Kong
30 March 2020

核數師就綜合財務報表須承擔的責任 (續)

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

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

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

出具本獨立核數師報告的審計項目合夥人是黎浩賢。

安永會計師事務所
執業會計師
香港
二零二零年三月三十日

Consolidated Statement of Profit or Loss

綜合損益表

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

		Notes 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Revenue	收益	5	1,495,087	1,492,128
Other income	其他收入	5	41,393	38,221
Cost of inventories consumed	已耗存貨成本		(557,020)	(551,109)
Staff costs	員工成本		(472,265)	(448,071)
Depreciation of items of property, plant and equipment	物業、廠房及設備項目折舊		(47,121)	(50,420)
Depreciation of right-of-use assets	使用權資產折舊		(93,709)	—
Utilities and consumables	公共設施開支及消耗品		(81,707)	(77,498)
Rental and related expenses	租金及相關開支		(25,607)	(139,875)
Other expenses	其他開支		(89,405)	(89,722)
Finance costs	融資成本	7	(27,707)	(1,870)
Share of losses of joint ventures	應佔合營公司虧損		(3,817)	(3,803)
PROFIT BEFORE TAX	稅前溢利	6	138,122	167,981
Income tax expense	所得稅開支	10	(45,276)	(50,975)
PROFIT FOR THE YEAR	本年度溢利		92,846	117,006
Attributable to:	歸屬於：			
Owners of the Company	本公司擁有人		91,283	115,173
Non-controlling interests	非控股權益		1,563	1,833
			92,846	117,006
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	本公司普通股權益擁有人應佔之每股盈利	12		
Basic and diluted (RMB cents)	基本及攤薄(人民幣分)		8.52	10.80

Details of the dividends proposed for the year are disclosed in note 11 to the financial statements.

年內建議股息之詳情於財務報表附註11中披露。

Consolidated Statement of Comprehensive Income

綜合全面收益表

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

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
PROFIT FOR THE YEAR	本年度溢利	92,846	117,006
OTHER COMPREHENSIVE INCOME/(LOSS)	其他全面收益／(虧損)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:	於隨後期間可能重新分類至損益的其他全面收益／(虧損)：		
Exchange differences on translation of foreign operations	換算境外業務之匯兌差額	3,511	(3,029)
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:	於隨後期間將不會重新分類至損益的其他全面虧損：		
Financial assets at fair value through other comprehensive income: Changes in fair value	按公平值計入其他全面收益之金融資產：公平值改變	(15,326)	(20,700)
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX	本年度其他全面虧損，稅後	(11,815)	(23,729)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	年內全面收益總額	81,031	93,277
Attributable to:	歸屬於：		
Owners of the Company	本公司擁有人	79,468	91,444
Non-controlling interests	非控股權益	1,563	1,833
		81,031	93,277

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 December 2019

於二零一九年十二月三十一日

	Notes 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
NON-CURRENT ASSETS			
Property, plant and equipment	13	151,047	139,731
Right-of-use assets	14(a)	276,542	—
Intangible assets	15	2,429	3,680
Investments in joint ventures	16	13,354	5,589
Financial assets at fair value through other comprehensive income	17	23,146	38,209
Financial asset at fair value through profit or loss	17	27,456	—
Prepayments and deposits	19	35,090	45,173
Deferred tax assets	24	15,222	4,408
Total non-current assets		544,286	236,790
CURRENT ASSETS			
Inventories	18	51,344	47,075
Trade and other receivables and prepayments	19	46,812	62,148
Due from joint ventures	16	3,733	2,696
Pledged time deposits	20	80,000	80,000
Time deposits	20	34,000	64,000
Cash and cash equivalents	20	382,454	400,354
Total current assets		598,343	656,273
CURRENT LIABILITIES			
Trade and other payables	21	305,348	289,926
Due to related companies	22	404	353
Interest-bearing bank borrowings	23	80,000	79,200
Lease liabilities	14(b)	79,503	—
Tax payable		10,511	14,171
Total current liabilities		475,766	383,650
NET CURRENT ASSETS		122,577	272,623
TOTAL ASSETS LESS CURRENT LIABILITIES		666,863	509,413
NON-CURRENT LIABILITIES			
Lease liabilities	14(b)	230,929	—
Deferred tax liabilities	24	6,895	6,780
Total non-current liabilities		237,824	6,780
NET ASSETS		429,039	502,633
EQUITY			
Equity attributable to owners of the Company			
Issued capital	25	45,726	45,496
Reserves	26	378,167	450,950
Non-controlling interests		423,893	496,446
		5,146	6,187
Total equity		429,039	502,633

YIP Shu Ming
葉樹明
Director
董事

CHAN Man Wai
陳文偉
Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

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

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔									
		Issued capital	Share premium account	Statutory general reserve	Fair value reserve of financial assets at fair value through other comprehensive income ("FVOCI")	Other reserve	Exchange fluctuation reserve	Retained profits	Total	Non-controlling interests	Total equity
		已發行股本	股份溢價	法定一般儲備	公允價值儲備	其他儲備	匯兌波動儲備	保留溢利	總計	非控股權益	總權益
Notes	附註	RMB'000 人民幣千元 (note 25) (附註25)	RMB'000 人民幣千元	RMB'000 人民幣千元 (note 26) (附註26)	RMB'000 人民幣千元	RMB'000 人民幣千元 (note 26) (附註26)	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2018	於二零一八年一月一日	45,276	1,959	33,761	25,107	74,326	1,151	349,056	530,636	3,438	534,074
Profit for the year	年內溢利	-	-	-	-	-	-	115,173	115,173	1,833	117,006
Other comprehensive loss for the year:	年內其他全面虧損:										
Changes in fair value of financial assets at fair value through other comprehensive income, net of tax	按公平值計入其他全面收益的金融資產之公平值改變，稅後	-	-	-	(20,700)	-	-	-	(20,700)	-	(20,700)
Exchange differences on translation of foreign operations	換算境外業務之匯兌差額	-	-	-	-	-	(3,029)	-	(3,029)	-	(3,029)
Total comprehensive income for the year	年內全面收益總額	-	-	-	(20,700)	-	(3,029)	115,173	91,444	1,833	93,277
Issue of shares under share award plan	根據股份獎勵計劃發行股份	25(b) & (c)	220	7,894	-	-	-	-	8,114	-	8,114
Contributions from non-controlling interests	非控股權益貢獻	-	-	-	-	-	-	-	-	1,300	1,300
Dividends paid to non-controlling interests	支付非控股權益股息	-	-	-	-	-	-	-	-	(384)	(384)
Final 2017 dividend declared	宣派二零一七年年末股息	-	-	-	-	-	-	(103,228)	(103,228)	-	(103,228)
Interim 2018 special dividend	二零一八年中特別股息	-	-	-	-	-	-	(30,520)	(30,520)	-	(30,520)
Transfer to retained profits	轉撥至保留溢利	-	-	(605)	-	-	-	605	-	-	-
At 31 December 2018	於二零一八年十二月三十一日	45,496	9,853*	33,156*	4,407*	74,326*	(1,878)*	331,086*	496,446	6,187	502,633

Consolidated Statement of Changes in Equity

綜合權益變動表

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

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

	Notes	Attributable to owners of the Company 本公司擁有人應佔								Total equity 總權益	
		Issued capital 已發行股本	Share premium account 股份溢價	Statutory reserve 法定一般儲備	Fair value reserve of financial assets at FVOCI 按公平值計入其他全面收益之金融資產之公允價值儲備	Other reserve 其他儲備	Exchange fluctuation reserve 匯兌波動儲備	Retained profits 保留溢利	Total 總計		Non-controlling interests 非控股權益
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 31 December 2018		45,496	9,853*	33,156*	4,407*	74,326*	(1,878)*	331,086*	496,446	6,187	502,633
Effect on adoption of HKFRS 16	2.2	-	-	-	-	-	-	(39,014)	(39,014)	(780)	(39,794)
At 1 January 2019 (restated)		45,496	9,853	33,156	4,407	74,326	(1,878)	292,072	457,432	5,407	462,839
Profit for the year		-	-	-	-	-	-	91,283	91,283	1,563	92,846
Other comprehensive loss for the year:											
Changes in fair value of financial assets at fair value through other comprehensive income, net of tax		-	-	-	(15,326)	-	-	-	(15,326)	-	(15,326)
Exchange differences on translation of foreign operations		-	-	-	-	-	3,511	-	3,511	-	3,511
Total comprehensive income for the year		-	-	-	(15,326)	-	3,511	91,283	79,468	1,563	81,031
Issue of shares under share award plan	25(d) & (e)	230	5,833	-	-	-	-	-	6,063	-	6,063
Dividends paid to non-controlling interests		-	-	-	-	-	-	-	-	(1,824)	(1,824)
Final 2018 dividend declared		-	-	-	-	-	-	(86,940)	(86,940)	-	(86,940)
Interim 2019 special dividend		-	-	-	-	-	-	(32,130)	(32,130)	-	(32,130)
Transfer from retained profits		-	-	1,456	-	-	-	(1,456)	-	-	-
At 31 December 2019		45,726	15,686*	34,612*	(10,919)*	74,326*	1,633*	262,829*	423,893	5,146	429,039

* These reserve accounts comprise the consolidated reserves of RMB378,167,000 (2018: RMB450,950,000) in the consolidated statement of financial position.

* 此等儲備賬戶包含綜合財務報表中的綜合儲備人民幣378,167,000元(二零一八年: 人民幣450,950,000元)。

Consolidated Statement of Cash Flows

綜合現金流量表

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

	Notes 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動所得現金流量		
Profit before tax	稅前溢利	138,122	167,981
Adjustments for:	經調整：		
Finance costs	融資成本	27,707	1,870
Interest income	利息收入	(6,003)	(5,567)
Depreciation of items of property, plant and equipment	物業、廠房及設備項目折舊	47,121	50,420
Depreciation of right-of-use assets	使用權資產折舊	93,709	—
Amortisation of intangible assets	無形資產攤銷	1,255	1,226
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目之虧損	345	603
Impairment of property, plant and equipment	物業、廠房及設備項目減值	589	—
Impairment of right-of-use assets	使用權資產減值	1,372	—
Gain on disposal of financial asset at fair value through profit or loss	出售按公平值計入損益的金融資產的收益	—	(3,992)
Impairment of a loan to a joint venture and an amount due from a joint venture	對一間合營公司的貸款及應收一間合營公司款項之減值	511	2,366
Share of losses of joint ventures	應佔合營公司虧損	3,817	3,803
Equity-settled share award plan expense	股本結算股份獎勵計劃開支	6,063	8,114
		314,608	226,824
Increase in inventories	存貨增加	(4,269)	(2,655)
Decrease/(increase) in trade and other receivables and prepayments	貿易及其他應收款項及預付款項減少／(增加)	10,300	(9,348)
Increase in trade and other payables	貿易及其他應付款項增加	15,422	26,273
Increase in amounts due from joint ventures	應收合營公司款項增加	(1,037)	(2,810)
Increase in amounts due to related companies	應付關連公司款項增加	51	182
Cash generated from operations	經營活動所得現金	335,075	238,466
Interest paid	已付利息	(2,151)	(1,870)
Interest element of lease payments	租賃付款之利息部分	(25,556)	—
Income taxes paid	已付所得稅	(46,819)	(49,658)
Net cash flows from operating activities	經營活動所得現金流量淨額	260,549	186,938

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2019

截至二零一九年十二月三十一日止年度

	Notes 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動所得現金流量		
Interest received	已收利息	6,003	5,567
Purchases of items of property, plant and equipment	購買物業、廠房及設備項目	(59,305)	(57,030)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目之所得款項	—	183
Capital injection to joint ventures	注資合營公司	(12,102)	(2,442)
Loan advance to a joint venture	向一間合營公司墊付貸款	—	(1,500)
Purchases of financial asset at fair value through profit or loss	購買按公平值計入損益的金融資產	(27,456)	—
Proceeds from disposal of financial asset at fair value through profit or loss	出售按公平值計入損益的金融資產的所得款項	—	29,030
Decrease/(increase) in time deposits	定期存款減少/(增加)	30,000	(60,000)
Net cash flows used in investing activities	投資活動所用現金流量淨額	(62,860)	(86,192)
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動所得現金流量		
New bank loans	新增銀行貸款	80,000	79,200
Repayment of bank loans	償還銀行貸款	(79,200)	(70,550)
Dividends paid	已付股息	(119,070)	(133,748)
Contributions from non-controlling interests	非控股權益貢獻	—	1,300
Dividends paid to non-controlling interests	支付非控股權益股息	(1,824)	(384)
Principal portion of lease payments	租賃付款之本金部分	(98,640)	—
Net cash flows used in financing activities	融資活動所用現金流量淨額	(218,734)	(124,182)
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值減少淨額	(21,045)	(23,436)
Cash and cash equivalents at beginning of year	年初之現金及現金等值	400,354	429,804
Effect of foreign exchange rate changes, net	匯率變動之影響淨額	3,145	(6,014)
CASH AND CASH EQUIVALENTS AT END OF YEAR	年末之現金及現金等值	382,454	400,354
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值之分析		
Cash and bank balances	現金及銀行結餘	293,195	275,986
Non-pledged time deposits with original maturity of less than three months when acquired	當收購時原到期日少於三個月的無抵押定期存款	89,259	124,368
Cash and cash equivalents as stated in the consolidated statement of cash flows	於綜合現金流量表列賬的現金及現金等值	382,454	400,354

Notes to the Financial Statements

財務報表附註

31 December 2019

於二零一九年十二月三十一日

1. CORPORATE INFORMATION

Tang Palace (China) Holdings Limited (the “Company”) was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and its principal place of business is located at Unit 3, 10th Floor, Greenfield Tower, Concordia Plaza, No. 1 Science Museum Road, Kowloon, Hong Kong.

During the year, the Group was principally engaged in restaurant operations and food productions.

Information about subsidiaries

Particulars of the Company’s principal subsidiaries are as follows:

Name 名稱	Place of incorporation/ establishment and operations 註冊成立／成立及 營業地點	Issued ordinary/ registered share capital 已發行普通股／ 註冊股本	Percentage of equity interest indirectly attributable to the Company 本公司間接應佔股權 百分比		Principal activities 主要業務
			2019 二零一九年	2018 二零一八年	
Beijing Chaobei Tang Palace Seafood Restaurant F & B Co., Ltd. ^{*/**/▲} 北京朝北唐宮海鮮舫飲食有限公司 ^{*/**/▲}	People’s Republic of China (the “PRC”)/ Mainland China 中華人民共和國(「中國」)/中國內地	HK\$3,000,000 3,000,000港元	100	100	Restaurant operations 經營餐館
Beijing Chaowang Tang Palace Seafood Restaurant Co., Ltd. ^{*/**/▲} 北京朝望唐宮海鮮舫有限公司 ^{*/**/▲}	PRC/Mainland China 中國／中國內地	HK\$3,000,000 3,000,000港元	100	100	Restaurant operations 經營餐館
Beijing Haoyuan Tang Palace Seafood Restaurant Co., Ltd. ^{*/**/▲} 北京好苑唐宮海鮮舫有限公司 ^{*/**/▲}	PRC/Mainland China 中國／中國內地	RMB3,000,000 人民幣3,000,000元	100	100	Restaurant operations 經營餐館

1. 公司資料

唐宮(中國)控股有限公司(「本公司」)為根據公司法於開曼群島註冊成立之獲豁免有限公司，其股份於香港聯合交易所有限公司(「聯交所」)上市。本公司的註冊辦事處位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands，而其主要營業地點位於香港九龍科學館道1號康宏廣場南座10樓3室。

年內，本集團主要從事餐廳營運及食品生產。

附屬公司的資料

主要附屬公司詳情如下：

Notes to the Financial Statements

財務報表附註

31 December 2019

於二零一九年十二月三十一日

1. CORPORATE INFORMATION (Continued)

Information about subsidiaries (Continued)

Particulars of the Company's principal subsidiaries are as follows: (Continued)

Name 名稱	Place of incorporation/ establishment and operations 註冊成立/成立及 營業地點	Issued ordinary/ registered share capital 已發行普通股/ 註冊股本	Percentage of equity interest indirectly attributable to the Company 本公司間接應佔股權百分比		Principal activities 主要業務
			2019 二零一九年	2018 二零一八年	
Beijing Mingzu Tang Palace Seafood Restaurant Co., Ltd. ^{*/**/^\} 北京民族唐宮海鮮舫有限公司 ^{*/**/^\}	PRC/Mainland China 中國/中國內地	RMB5,000,000 人民幣5,000,000元	100	100	Restaurant operations 經營餐館
Beijing New Century Tang Palace Seafood Restaurant Co., Ltd. ^{*/**/^\} 北京新世紀唐宮海鮮舫有限公司 ^{*/**/^\}	PRC/Mainland China 中國/中國內地	RMB3,000,000 人民幣3,000,000元	100	100	Restaurant operations 經營餐館
Beijing Well Excellent Tang Palace F & B Co., Ltd. ^{*/**/^\} 北京維華唐宮飲食有限公司 ^{*/**/^\}	PRC/Mainland China 中國/中國內地	HK\$3,000,000 3,000,000港元	100	100	Restaurant operations 經營餐館
Beijing Well Excellent Tang Palace Seafood Restaurant Co., Ltd. ^{*/**/^\} 北京維華唐宮海鮮舫有限公司 ^{*/**/^\}	PRC/Mainland China 中國/中國內地	RMB5,000,000 人民幣5,000,000元	100	100	Restaurant operations 經營餐館
Cheng Du Tang Palace Social Place Catering Management Co., Ltd. ^{*/^\} 成都唐宮小聚餐飲管理有限公司 ^{*/^\}	PRC/Mainland China 中國/中國內地	RMB100,000 人民幣100,000元	100	100	Restaurant operations 經營餐館
Cheng Du Well Excellent Tang Palace Catering Management Co., Ltd. ^{*/**/^\} 成都維華唐宮餐飲管理有限公司 ^{*/**/^\}	PRC/Mainland China 中國/中國內地	RMB100,000 人民幣100,000元	100	100	Restaurant operations 經營餐館
Dongguan Expo Tang Palace Seafood Restaurant Co., Ltd. ^{*/**/^\} 東莞世博唐宮海鮮舫有限公司 ^{*/**/^\}	PRC/Mainland China 中國/中國內地	HK\$3,000,000 3,000,000港元	100	100	Restaurant operations 經營餐館
Hangzhou Well Excellent Tang Palace Seafood Restaurant Co., Ltd. ^{*/**/^\} 杭州維華唐宮海鮮舫有限公司 ^{*/**/^\}	PRC/Mainland China 中國/中國內地	RMB3,000,000 人民幣3,000,000元	100	100	Restaurant operations 經營餐館

1. 公司資料(續)

附屬公司的資料(續)

主要附屬公司詳情如下:(續)

Notes to the Financial Statements

財務報表附註

31 December 2019

於二零一九年十二月三十一日

1. CORPORATE INFORMATION (Continued)

Information about subsidiaries (Continued)

Particulars of the Company's principal subsidiaries are as follows: (Continued)

1. 公司資料(續)

附屬公司的資料(續)

主要附屬公司詳情如下：(續)

Name 名稱	Place of incorporation/ establishment and operations 註冊成立/成立及 營業地點	Issued ordinary/ registered share capital 已發行普通股/ 註冊股本	Percentage of equity interest indirectly attributable to the Company 本公司間接應佔股權 百分比		Principal activities 主要業務
			2019 二零一九年	2018 二零一八年	
Ninja House Jiangnan Cuisine F & B (Shenzhen) Co., Ltd. ^{*/**/^\} 忍者居江南一號飲食(深圳)有限公司 ^{*/**/^\}	PRC/Mainland China 中國/中國內地	HK\$2,000,000 2,000,000港元	100	100	Restaurant operations 經營餐館
Prosperous Tang F&B Group Limited 盛唐飲食集團有限公司	Hong Kong 香港	HK\$100,000 100,000港元	100	100	Intangible assets holding 持有無形資產
Shanghai Changning Tang Palace Seafood Restaurant Co., Ltd. ^{*/**/^\} 上海長寧唐宮海鮮有限公司 ^{*/**/^\}	PRC/Mainland China 中國/中國內地	HK\$3,000,000 3,000,000港元	100	100	Restaurant operations 經營餐館
Shanghai Hongqiao Tang Palace Seafood Restaurant Co., Ltd. ^{*/**/^\} 上海紅橋唐宮海鮮有限公司 ^{*/**/^\}	PRC/Mainland China 中國/中國內地	RMB6,000,000 人民幣6,000,000元	100	100	Restaurant operations 經營餐館
Shanghai Kang Feng Food Co., Ltd. (Formerly known as Shanghai Tang Palace Food Co., Ltd.) ^{*/**/^\} 上海康豐食品有限公司 (前稱為上海唐宮食品有限公司) ^{*/**/^\}	PRC/Mainland China 中國/中國內地	USD150,000 150,000美元	100	100	Food production 食品生產
Shanghai Minhang Mixc Tang Palace F&B Co., Ltd. ^{*/**/^\} 上海閔行萬象唐宮餐飲有限公司 ^{*/**/^\}	PRC/Mainland China 中國/中國內地	RMB100,000 人民幣100,000元	100	—	Restaurant operations 經營餐館
Shanghai Minhang Tang Palace Seafood Restaurant Co., Ltd. ^{*/**/^\} 上海閔行唐宮海鮮有限公司 ^{*/**/^\}	PRC/Mainland China 中國/中國內地	USD480,000 480,000美元	100	100	Restaurant operations 經營餐館
Shanghai Pudong Tang Palace Seafood Restaurant Co., Ltd. ^{*/**/^\} 上海浦東唐宮海鮮有限公司 ^{*/**/^\}	PRC/Mainland China 中國/中國內地	USD150,000 150,000美元	100	100	Restaurant operations 經營餐館

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財務報表附註

31 December 2019

於二零一九年十二月三十一日

1. CORPORATE INFORMATION (Continued)

Information about subsidiaries (Continued)

Particulars of the Company's principal subsidiaries are as follows: (Continued)

Name 名稱	Place of incorporation/ establishment and operations 註冊成立/成立及 營業地點	Issued ordinary/ registered share capital 已發行普通股/ 註冊股本	Percentage of equity interest indirectly attributable to the Company 本公司間接應佔股權百分比		Principal activities 主要業務
			2019 二零一九年	2018 二零一八年	
Shanghai Putuo Tang Palace F & B Co., Ltd. ^{*/**/^\} 上海普陀唐宮餐飲有限公司 ^{*/**/^\}	PRC/Mainland China 中國/中國內地	RMB500,000 人民幣500,000元	100	100	Restaurant operations 經營餐館
Shanghai Well Excellent Tang Palace F & B Co., Ltd. ^{*/**/^\} 上海維華唐宮餐飲有限公司 ^{*/**/^\}	PRC/Mainland China 中國/中國內地	RMB3,000,000 人民幣3,000,000元	100	100	Restaurant operations 經營餐館
Shanghai Yangpu Tang Palace Seafood Restaurant Co., Ltd. ^{*/**/^\} 上海楊浦唐宮海鮮有限公司 ^{*/**/^\}	PRC/Mainland China 中國/中國內地	HK\$12,000,000 12,000,000港元	100	100	Restaurant operations 經營餐館
Shanghai Yunshang Tang Palace F&B Co., Ltd. ^{*/**/^\} 上海雲上唐宮餐飲有限公司 ^{*/**/^\}	PRC/Mainland China 中國/中國內地	RMB100,000 人民幣100,000元	100	—	Restaurant operations 經營餐館
Shanghai Zhabei Tang Palace Seafood Restaurant Co., Ltd. ^{*/**/^\} 上海閘北唐宮海鮮有限公司 ^{*/**/^\}	PRC/Mainland China 中國/中國內地	HK\$1,000,000 1,000,000港元	100	100	Restaurant operations 經營餐館
Shenzhen Tang Palace Social Place Catering Management Co., Ltd. ^{*/^\} 深圳市唐宮小聚餐飲管理有限公司 ^{*/^\}	PRC/Mainland China 中國/中國內地	RMB50,000 人民幣50,000元	100	100	Restaurant operations 經營餐館
Shenzhen Well Excellent Tang Palace F & B Co., Ltd. ^{*/**/^\} 深圳維華盛世唐宮飲食有限公司 ^{*/**/^\}	PRC/Mainland China 中國/中國內地	HK\$3,000,000 3,000,000港元	100	100	Restaurant operations 經營餐館
Suzhou Well Excellent Tang Palace Seafood Restaurant Co., Ltd. ^{*/**/^\} 蘇州維華唐宮海鮮有限公司 ^{*/**/^\}	PRC/Mainland China 中國/中國內地	HK\$3,000,000 3,000,000港元	100	100	Restaurant operations 經營餐館

1. 公司資料(續)

附屬公司的資料(續)

主要附屬公司詳情如下:(續)

Notes to the Financial Statements

財務報表附註

31 December 2019

於二零一九年十二月三十一日

1. CORPORATE INFORMATION (Continued)

Information about subsidiaries (Continued)

Particulars of the Company's principal subsidiaries are as follows: (Continued)

Name 名稱	Place of incorporation/ establishment and operations 註冊成立/成立及 營業地點	Issued ordinary/ registered share capital 已發行普通股/ 註冊股本	Percentage of equity interest indirectly attributable to the Company 本公司間接應佔股權 百分比		Principal activities 主要業務
			2019 二零一九年	2018 二零一八年	
Tang Dian (Shanghai) Catering Management Co., Ltd. ^{*/^} 唐點(上海)餐飲管理有限公司 ^{*/^}	PRC/Mainland China 中國/中國內地	RMB5,000,000 人民幣5,000,000元	70	70	Restaurant operations 經營餐館
Tang Dian Shayue (Shanghai) Catering Management Co., Ltd. ^{*/^} 唐點沙粵(上海)餐飲管理有限公司 ^{*/^}	PRC/Mainland China 中國/中國內地	RMB100,000 人民幣100,000元	70	—	Restaurant operations 經營餐館
Tang Dian Yueshu (Shanghai) Catering Management Co., Ltd. ^{*/^} 唐點粵樹(上海)餐飲管理有限公司 ^{*/^}	PRC/Mainland China 中國/中國內地	RMB100,000 人民幣100,000元	70	—	Restaurant operations 經營餐館
Tang Palace Social Place Catering Limited* 唐宮小聚餐飲有限公司*	Hong Kong 香港	HK\$10,000,000 10,000,000港元	100	100	Restaurant operations 經營餐館
Tang Palace Trading (Shanghai) Co., Ltd. ^{*/^} 唐宮貿易(上海)有限公司 ^{*/^}	PRC/Mainland China 中國/中國內地	USD2,100,000 2,100,000美元	100	100	Retail and wholesale trading 零售及批發貿易
Vital Pepper (Beijing) Catering Management Co., Ltd. ^{*/^} 活力胡椒(北京)餐飲管理有限公司 ^{*/^}	PRC/Mainland China 中國/中國內地	RMB21,000,000 人民幣21,000,000元	90	90	Restaurant operations 經營餐館

* Not audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network.

** These subsidiaries are registered as wholly-foreign-owned enterprises under Mainland China law.

^ The company names in English of the Company's subsidiaries disclosed above are for identification only.

1. 公司資料(續)

附屬公司的資料(續)

主要附屬公司詳情如下:(續)

* 非安永會計師事務所(香港或其他安永會計師事務所環球網絡成員公司)所審核

** 該等附屬公司根據中國內地法律註冊成立為全外資企業。

^ 上述本公司附屬公司之英文名稱僅供識別。

Notes to the Financial Statements

財務報表附註

31 December 2019

於二零一九年十二月三十一日

1. CORPORATE INFORMATION *(Continued)*

Information about subsidiaries *(Continued)*

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. Details of other subsidiaries had not been included as, in the opinion of the directors, they did not have any material impact on these financial statements.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for certain financial instruments which have been measured at fair value. These financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2019. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

1. 公司資料(續)

附屬公司的資料(續)

董事認為，上表所列為主要影響年度業績或構成本集團資產淨值主要部分的本公司附屬公司。概無載入其他附屬公司之詳情，因為董事認為該等附屬公司對該等財務報表並無任何重大影響。

2.1 編製基準

本財務報表乃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」)(當中亦包括所有香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)、香港公認會計原則及香港《公司條例》之披露規定。本財務報表是根據歷史成本慣例編製，惟若干金融工具按公平值估量外，及以人民幣(「人民幣」)呈列，除另有指明外，所有數值均調整至最接近的千位數。

合併基準

綜合財務報表包括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的財務報表。附屬公司為本公司直接或間接控制的實體(包括結構性實體)。當本集團自參與被投資公司獲得或有權獲得可變回報，並有能力籍其對被投資公司的權力(即目前賦予本集團引導該被投資公司相關業務的能力之現有權利)影響該等回報金額時，方擁有控制權。

31 December 2019

於二零一九年十二月三十一日

2.1 BASIS OF PREPARATION (Continued)

Basis of consolidation (Continued)

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

2.1 編製基準(續)

合併基準(續)

倘本公司於被投資公司直接或間接擁有少於多數的投票權或類似權利，本集團則會考慮所有相關事實及情況以評估其是否對該被投資公司有控制權，包括：

- (a) 與該被投資公司其他投票權持有人的合約安排；
- (b) 其他合約安排所產生之權利；及
- (c) 本集團投票權及潛在投票權。

附屬公司之財務報表乃就與本公司相同之報告期間編製，使用一致之會計政策。附屬公司之業績自本集團取得控制權當日起綜合入賬，並將繼續綜合入賬，直至該控制權終止為止。

損益及於其他全面收益的各組成部分歸屬於本集團母公司擁有人及非控股權益，即使此舉會導致非控股權益之結餘出現虧蝕。所有集團內公司之資產及負債、權益、收入、支出以及與本集團成員公司之間交易有關之現金流量均於綜合賬目時悉數抵銷。

倘事實及情況顯示上文所描述的三項控制權因素其中一項或多項有變，則本集團會重估是否仍然控制投資對象。附屬公司擁有權益之變動(沒有損失控制權)以權益交易入賬。

Notes to the Financial Statements

財務報表附註

31 December 2019

於二零一九年十二月三十一日

2.1 BASIS OF PREPARATION (Continued)

Basis of consolidation (Continued)

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKFRS 9	<i>Prepayment Features with Negative Compensation</i>
HKFRS 16	<i>Leases</i>
Amendments to HKAS 19	<i>Plan Amendment, Curtailment or Settlement</i>
Amendments to HKAS 28	<i>Long-term Interests in Associates and Joint Ventures</i>
HK(IFRIC)-Int 23	<i>Uncertainty over Income Tax Treatments</i>
<i>Annual Improvements to HKFRSs 2015-2017 Cycle</i>	Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23

2.1 編製基準(續)

合併基準(續)

倘集團失去附屬公司的控制權，其終止確認(i)附屬公司之資產(包括商譽)及負債；(ii)任何非控股權益之賬面值及(iii)記錄於權益之累計匯兌差異；及確認(i)已收取之代價公平值；(ii)任何保留投資之公平值及(iii)損益所產生之盈虧。本集團所佔先前於其他全面收益中確認的組成部分，重新歸類至損益或保留溢利(如適合)，按倘本集團直接出售相關資產或負債所要求的相同基準進行。

2.2 會計政策變動

本集團已於本年度的財務報表首次採納以下新訂及經修訂香港財務報告準則。

香港財務報告準則第9號的修訂本	提早還款特性及負補償
香港財務報告準則第16號	租賃
香港會計準則第19號的修訂本	計劃修訂、縮減或結算
香港會計準則第28號的修訂本	於聯營公司及合營公司之長期權益
香港(國際財務報告詮釋委員會)一 詮釋第23號	所得稅處理之不確定性
二零一五年至二零一七年週期之年度改進	香港財務報告準則第3號、香港財務報告準則第11號、香港會計準則第12號及香港會計準則第23號的修訂本

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

Except for the amendments to HKFRS 9 and HKAS 19, and *Annual Improvements to HKFRSs 2015–2017 Cycle*, which are not relevant to the preparation of the Group's financial statements, the nature and the impact of the new and revised HKFRSs are described below:

- (a) HKFRS 16 replaces HKAS 17 *Leases*, HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease*, HK(SIC)-Int 15 *Operating Leases – Incentives* and HK(SIC)-Int 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model to recognise and measure right-of-use assets and lease liabilities, except for certain recognition exemptions. Lessor accounting under HKFRS 16 is substantially unchanged from HKAS 17. Lessors continue to classify leases as either operating or finance leases using similar principles as in HKAS 17.

The Group has adopted HKFRS 16 using the modified retrospective method with the date of initial application of 1 January 2019. Under this method, the standard has been applied retrospectively with the cumulative effect of initial adoption recognised as an adjustment to the opening balance of retained profits at 1 January 2019, and the comparative information for 2018 was not restated and continued to be reported under HKAS 17 and related interpretations.

2.2 會計政策變動 (續)

除了香港財務報告準則第9號(修訂本)及香港會計準則第19號(修訂本)及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與編製本集團財務報表無關之外，新訂及經修訂香港財務報告準則的性質及影響載於下文：

- (a) 香港財務報告準則第16號取代香港會計準則第17號「租賃」、香港(國際財務報告詮釋委員會)－詮釋第4號「釐定安排是否包含租賃」、香港(常務詮釋委員會)－詮釋第15號「經營租賃－優惠」及香港(常務詮釋委員會)－詮釋第27號「評估涉及租賃法律形式交易的內容」。該準則載列確認、計量、呈列及披露租賃的原則，並要求承租人將所有租賃按單一的資產負債表內模式確認，以確認和計量使用權資產和租賃負債，除卻若干確認豁免。香港財務報告準則第16號大致沿用香港會計準則第17號內出租人的會計處理方式。出租人繼續使用與香港會計準則第17號相類似的原則將租賃分類為經營或融資租賃。

本集團自二零一九年一月一日用經修改回溯性方法初次採納香港財務報告準則第16號。在此方法下，初次採納的累計影響確認為二零一九年一月一日的保留盈餘調整，二零一八年的比較資料沒有重列並繼續沿用香港會計準則第17號及相關詮釋。

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(a) (Continued)

New definition of a lease

Under HKFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 at the date of initial application. Contracts that were not identified as leases under HKAS 17 and HK(IFRIC)-Int 4 were not reassessed. Therefore, the definition of a lease under HKFRS 16 has been applied only to contracts entered into or changed on or after 1 January 2019.

2.2 會計政策變動 (續)

(a) (續)

租賃的新定義

根據香港財務報告準則第16號，如果一份合同在一段時間內為換取對價而讓渡一項可識別資產使用的控制權，則該合約是一項租賃或包含了一項租賃。如果客戶有權從可識別資產的使用中獲取幾乎所有的經濟收益及有權主導可識別資產的使用，則控制權是已讓渡。本集團選擇過渡時使用可行權宜方法，允許初次採納時只將準則應用於之前根據香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號識別為租賃的合約。根據香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號沒有識別為租賃的合約並無重新評估。因此，香港財務報告準則第16號的租賃定義只應用於二零一九年一月一日或之後簽訂或修改的合約。

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(a) (Continued)

As a lessee — Leases previously classified as operating leases

Nature of the effect of adoption of HKFRS 16

The Group has lease contracts for various items of properties. As a lessee, the Group previously classified leases as either finance leases or operating leases based on the assessment of whether the lease transferred substantially all the rewards and risks of ownership of assets to the Group. Under HKFRS 16, the Group applies a single approach to recognise and measure right-of-use assets and lease liabilities for all leases, except for two elective exemptions for leases of low-value assets (elected on a lease-by-lease basis) and leases with a lease term of 12 months or less (“short-term leases”) (elected by class of underlying asset). Instead of recognising rental expenses under operating leases on a straight-line basis over the lease term commencing from 1 January 2019, the Group recognises depreciation (and impairment, if any) of the right-of-use assets and interest accrued on the outstanding lease liabilities (as finance costs).

Impact on transition

Lease liabilities at 1 January 2019 were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at 1 January 2019. The right-of-use assets were recognised based on the carrying amount as if the standard had always been applied, except for the incremental borrowing rate where the Group applied the incremental borrowing rate at 1 January 2019.

2.2 會計政策變動(續)

(a) (續)

作為承租人 — 之前分類為經營租賃的租賃

採納香港財務報告準則第16號的影響的性質

本集團就多個物業項目訂有租賃合約。作為一個承租人，本集團之前根據評估租賃是否轉移集團的資產所有權的幾乎所有報酬和風險將租賃分類為融資租賃或經營租賃。根據香港財務報告準則第16號，本集團對所有租賃採納一個單一的方法確認和計量使用權資產和租賃負債，除卻低價值資產租賃(按逐項租賃的基礎選擇)及租賃期為12個月或以下的租賃(「短期租賃」)(按標的資產類別的基礎選擇)這兩項可選擇的租賃確認豁免。本集團並未按直線法確認自二零一九年一月一日開始的租賃期內經營租約下的租金開支，而是確認使用權資產的折舊(和減值(如有))以及未償還租賃負債的應計利息(為融資成本)。

過渡影響

二零一九年一月一日的租賃負債是根據按二零一九年一月一日的遞增借款率折現的餘下租賃付款現值確認。使用權資產已根據賬面值確認，猶如該準則一直獲應用，惟遞增借款利率除外，而本集團在該情況下已於二零一九年一月一日應用遞增借款利率。

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(a) (Continued)

As a lessee — Leases previously classified as operating leases (Continued)

Impact on transition (Continued)

All these assets were assessed for any impairment based on HKAS 36 on that date. The Group elected to present the right-of-use assets separately in the statement of financial position.

The Group has used the following elective practical expedients when applying HKFRS 16 at 1 January 2019:

- Applying the short-term lease exemptions to leases with a lease term that ends within 12 months from the date of initial application
- Using hindsight in determining the lease term where the contract contains options to extend/terminate the lease
- Applying a single discount rate to a portfolio of leases with reasonably similar characteristics when measuring the lease liabilities at 1 January 2019
- Relying on the entity's assessment of whether leases were onerous by applying HKAS 37 immediately before 1 January 2019 as an alternative to performing an impairment review
- Excluding initial direct costs from the measurement of the right-of-use assets at the date of initial application when applying HKFRS 16.C8(b)(i)

2.2 會計政策變動 (續)

(a) (續)

作為承租人 — 之前分類為經營租賃的租賃 (續)

過渡影響 (續)

所有該等資產均根據香港會計準則第36號進行減值評估。本集團選擇於綜合財務狀況表內單獨呈列使用權資產。

本集團在於二零一九年一月一日應用香港財務報告準則第16號時，已使用選擇性可行權宜方法：

- 對租賃期於初始應用日期起計12個月內屆滿的租賃應用短期租賃豁免
- 倘合約包含延長／終止租賃的選擇權，於釐定租賃期時考慮當前情況
- 計量二零一九年一月一日的租賃負債時對一系列擁有合理相似特點的租賃採用單一折現率
- 倚賴緊接二零一九年一月一日前實體採用香港會計準則第37號評估租賃是否為有償的結果，作為減值審閱的替代方式
- 採用香港財務報告準則第16號第C8(b)(i)段不計及初次採用日期計量使用權資產所用的初始直接成本

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)**(a)** (Continued)*Financial impact at 1 January 2019*

Accordingly, the Group recognised right-of-use assets of RMB277,249,000 and lease liabilities of RMB314,739,000 as at 1 January 2019. Prepaid rental of RMB15,119,000 was derecognised, resulting in a decrease in trade and other receivables and prepayments of RMB15,119,000 as at 1 January 2019. Deferred tax assets increased by RMB12,815,000 as at 1 January 2019 because of the tax impact on the change in assets and liabilities, resulting in a net decrease in retained profits of RMB39,014,000 and a decrease in non-controlling interests of RMB780,000. The weighted average incremental borrowing rate applied to the lease liabilities recognised at 1 January 2019 was 7.8%. There is no significant difference between the amount of the operating lease commitments at 31 December 2018 disclosed applying the previous accounting standards, discounted using the incremental borrowing rate at 1 January 2019 and the amount of lease liabilities recognised in the consolidated statement of financial position at 1 January 2019.

2.2 會計政策變動 (續)**(a)** (續)*於二零一九年一月一日之財務影響*

據此，本集團於二零一九年一月一日確認使用權資產人民幣277,249,000元及租賃負債人民幣314,739,000元。預付租金人民幣15,119,000元已取消確認，致使於二零一九年一月一日的貿易及其他應收款項及預付款項減少人民幣15,119,000元。基於資產及負債變動的稅務影響，於二零一九年一月一日的遞延稅項資產增加人民幣12,815,000元，致使保留盈利淨減少人民幣39,014,000元及非控股權益減少人民幣780,000元。於二零一九年一月一日確認的租賃負債的適用加權平均遞增借款率為7.8%。於二零一八年十二月三十一日應用過往會計準則披露的經營租賃承擔金額(使用於二零一九年一月一日的遞增借款率貼現)與於二零一九年一月一日的綜合財務狀況表所確認的租賃負債金額並無重大差異。

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(b) Amendments to HKAS 28 clarify that the scope exclusion of HKFRS 9 only includes interests in an associate or joint venture to which the equity method is applied and does not include long-term interests that in substance form part of the net investment in the associate or joint venture, to which the equity method has not been applied. Therefore, an entity applies HKFRS 9, rather than HKAS 28, including the impairment requirements under HKFRS 9, in accounting for such long-term interests. HKAS 28 is then applied to the net investment, which includes the long-term interests, only in the context of recognising losses of an associate or joint venture and impairment of the net investment in the associate or joint venture. The Group assessed its business model for its long-term interests in associates and joint ventures upon adoption of the amendments on 1 January 2019 and concluded that the long-term interests in associates and joint ventures continued to be measured at amortised cost in accordance with HKFRS 9. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

2.2 會計政策變動(續)

(b) 香港會計準則第28號(修訂本)釐清香港財務報告準則第9號的剔除範圍僅包括適用權益法的聯營公司或合營公司權益及不包括實質上屬於聯營公司或合營公司投資淨額的長期權益，後者不適用權益法。因此，實體採用香港財務報告準則第9號(而不是香港會計準則第28號)(包括香港財務報告準則第9號的減值規定)對有關長期權益進行會計處理。香港會計準則第28號則應用於淨投資，包括長期權益，惟僅在確認聯營公司或合營公司虧損及於聯營公司或合營公司淨投資減值的情況下。本集團於二零一九年一月一日採納修訂本後評估其聯營公司及合營公司長期權益的業務模式及認為於聯營公司及合營公司的長期權益繼續根據香港財務報告準則第9號按攤銷成本計量。因此，該等修訂對本今天的財務狀況或表現並無任何影響。

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(c) HK(IFRIC)-Int 23 addresses the accounting for income taxes (current and deferred) when tax treatments involve uncertainty that affects the application of HKAS 12 (often referred to as “uncertain tax positions”). The interpretation does not apply to taxes or levies outside the scope of HKAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The interpretation specifically addresses (i) whether an entity considers uncertain tax treatments separately; (ii) the assumptions an entity makes about the examination of tax treatments by taxation authorities; (iii) how an entity determines taxable profits or tax losses, tax bases, unused tax losses, unused tax credits and tax rates; and (iv) how an entity considers changes in facts and circumstances. Upon adoption of the interpretation, the Group considered whether it has any uncertain tax positions arising from the transfer pricing on its intergroup sales. Based on the Group’s tax compliance and transfer pricing study, the Group determined that it is probable that its transfer pricing policy will be accepted by the tax authorities. Accordingly, the interpretation did not have any impact on the financial position or performance of the Group.

2.2 會計政策變動 (續)

(c) 香港(國際財務報告詮釋委員會)一 詮釋第23號闡述當處理稅務涉及影響應用香港會計準則第12號之不確定性(俗稱「不確定稅務狀況」)時之(即期及遞延)所得稅之會計處理。該詮釋不適用於香港會計準則第12號範圍以外之稅項或徵費,亦不具體包括與不確定稅務處理相關之利息及罰款之規定。該解釋具體針對(i)實體是否分開考慮不確定稅務處理;(ii)主體對稅務機關審查稅務處理所作假設;(iii)實體如何釐定應課稅溢利或稅項虧損、稅基、未動用稅項虧損、未動用稅項抵免及稅率;及(iv)實體如何考慮事實及情況之變化。本集團已於採納該詮釋時考慮其是否有任何因集團內公司間銷售的轉讓定價導致的不確定稅務狀況。根據本集團的稅務合規及轉讓定價研究,本集團認為其轉讓定價政策可能將獲稅務機關接納。因此,該詮釋對本集團財務狀況或表現概無影響。

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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

Amendments to HKFRS 3	<i>Definition of a Business</i> ¹
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	<i>Interest Rate Benchmark Reform</i> ¹
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ³
HKFRS 17	<i>Insurance Contracts</i> ²
Amendments to HKAS 1 and HKAS 8	<i>Definition of Material</i> ¹

- ¹ Effective for annual periods beginning on or after 1 January 2020
- ² Effective for annual periods beginning on or after 1 January 2021
- ³ No mandatory effective date yet determined but available for adoption

Further information about those HKFRSs that are expected to be applicable to the Group is described below.

2.3 已頒佈但尚未生效的香港財務報告準則

本集團並無於此等財務報表中應用以下已頒佈但尚未生效的新訂及經修訂香港財務報告準則。

香港財務報告準則第3號的修訂本	<i>業務的定義</i> 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號的修訂本	<i>利率基準改革</i> ¹
香港財務報告準則第10號及香港會計準則第28號的修訂本（二零一一年）	<i>投資者與其聯營公司或合營公司之間的資產出售或出資</i> ³
香港財務報告準則第17號	<i>保險合同</i> ²
香港會計準則第1號及香港會計準則第28號的修訂本	<i>重大的定義</i> ¹

- ¹ 於二零二零年一月一日或之後開始的年度期間生效
- ² 於二零二一年一月一日或之後開始的年度期間生效
- ³ 尚未釐定強制生效日期但可供採納

關於預期將對本集團適用的該等香港財務報告準則的更多資料說明如下。

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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

(Continued)

Amendments to HKFRS 3 clarify and provide additional guidance on the definition of a business. The amendments clarify that for an integrated set of activities and assets to be considered a business, it must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create outputs. The amendments remove the assessment of whether market participants are capable of acquiring the business and continue to produce outputs. Instead, the focus is on whether acquired inputs and acquired substantive processes together significantly contribute to the ability to create outputs. The amendments have also narrowed the definition of outputs to focus on goods or services provided to customers, investment income or other income from ordinary activities. Furthermore, the amendments provide guidance to assess whether an acquired process is substantive and introduce an optional fair value concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business. The Group expects to adopt the amendments prospectively from 1 January 2020. Since the amendments apply prospectively to transactions or other events that occur on or after the date of first application, the Group will not be affected by these amendments on the date of transition.

2.3 已頒佈但尚未生效的香港財務報告準則(續)

香港財務報告準則第3號之修訂對業務定義作出澄清，並提供更多指引。該等修訂說明，就被視為業務之一系列綜合活動及資產而言，其須包括最少一項對共同創造產出能力有顯著貢獻之投入及實質程序。業務可以不包括創造產出所需之所有投入及過程而存在。該等修訂取消對市場參與者是否有能力收購業務並繼續創造產出之評估。相反，重點在於獲得之投入及實質性過程是否共同對創造產出能力有顯著貢獻。該等修訂還縮窄產出之定義，重點關注向客戶提供之貨品或服務、投資收入或源自普通活動之其他收入。此外，修訂提供指引，以評估所收購之流程是否具重要性，並引入可選之公平值集中測試，以便簡化評估所獲得之一系列活動及資產是否並非業務。本集團預期即將自二零二零年一月一日起採納該等修訂。由於該等修訂預期適用於首次應用日期或之後發生之交易或其他事件，故本集團於交易日期將不受該等修訂影響。

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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

(Continued)

Amendments to HKFRS 9, HKAS 39 and HKFRS 7 address the effects of interbank offered rate reform on financial reporting. The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the replacement of an existing interest rate benchmark. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The amendments are effective for annual periods beginning on or after 1 January 2020. Early application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKFRS 10 and HKAS 28 (2011) address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 (2011) was removed by the HKICPA in January 2016 and a new mandatory effective date will be determined after the completion of a broader review of accounting for associates and joint ventures. However, the amendments are available for adoption now.

2.3 已頒佈但尚未生效的香港財務報告準則(續)

香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號之修訂旨在解決銀行同業拆息改革對財務申報之影響。該等修訂提供可在替換現有利率基準前之不確定期限內繼續進行對沖會計處理之暫時性補救措施。此外，該等修訂規訂公司須向投資者提供有關直接受該等不確定因素影響之對沖關係之額外資料。該等修訂與二零二零年一月一日或之後開始的年度期間生效，可提早採用。預期該等修訂將不會對本集團財務報表造成任何重大影響。

香港財務報告準則第10號及香港會計準則第28號(二零一一年)之修訂針對香港財務報告準則第10號及香港會計準則第28號(二零一一年)之間有關投資者與其聯營公司或合營公司之間資產出售或注資兩者規定之不一致情況。該等修訂規定，當投資者與其聯營公司或合營公司之間的資產出售或注資構成一項業務時，須確認全數收益或虧損。當交易涉及不構成一項業務之資產時，由該交易產生之收益或虧損於該投資者之損益內確認，惟僅以不相關投資者於該聯營公司或合營公司之權益為限。該等修訂已前瞻應用。香港會計師公會已於二零一六年一月剔除香港財務報告準則第10號及香港會計準則第28號(二零一一年)之修訂的以往強制生效日期，而新的強制生效日期將於對聯營公司及合營公司的會計處理完成更廣泛的檢討後釐定。然而，該等修訂現時可供採納。

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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

(Continued)

Amendments to HKAS 1 and HKAS 8 provide a new definition of material. The new definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments clarify that materiality will depend on the nature or magnitude of information. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. The Group expects to adopt the amendments prospectively from 1 January 2020. The amendments are not expected to have any significant impact on the Group's financial statements.

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investments in joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, where exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting less any impairment losses.

Adjustments are made to bring into line any dissimilar accounting policies that may exist.

2.3 已頒佈但尚未生效的香港財務報告準則(續)

香港會計準則第1號及香港會計準則第8號的修訂本提供重大的新定義。新定義表明倘有關資料被遺漏、錯誤陳述或被遮蔽，會合理地預期將影響一般目的財務報表的主要使用者根據該等財務報表作出的決定，則該等資料屬重大。該等修訂澄清，是否屬重大，取決於資料的性質或幅度。倘被錯誤陳述的資料，合理地預期將影響主要使用者作出的決定，則該等資料屬重大。本集團預期將由二零二零年一月一日起，按未來適用法應用該等修訂。該等修訂並不預期將對本集團的財務報表有任何重大影響。

3.1 主要會計政策概要

於合營公司之投資

合營公司指一種合營安排，對安排擁有共同控制權的訂約方據此對合營公司之資產淨值擁有權利。共同控制指按照合約協定對一項安排所共有之控制，共同控制僅在有關活動要求享有控制權之訂約方作出一致同意的決定時存在。

本集團之合營公司投資根據權益會計法按本集團應佔淨資產減任何減值損失於綜合財務狀況表列賬。

倘若會計政策存在任何不一致，則會作出相應調整。

Notes to the Financial Statements

財務報表附註

31 December 2019

於二零一九年十二月三十一日

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in joint ventures (Continued)

The Group's share of the post-acquisition results and other comprehensive income of joint ventures is included in the consolidated statement of profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its joint ventures are eliminated to the extent of the Group's investments in the joint ventures, except where unrealised losses provide evidence of an impairment of the asset transferred. Goodwill arising from the acquisition of joint ventures is included as part of the Group's investments in joint ventures.

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

3.1 主要會計政策概要(續)

於合營公司之投資(續)

本集團於綜合損益表及綜合其他全面收益分別計入其應佔合營公司收購後業績及其他全面收益。此外，當直接確認合營公司之權益有變動時，則本集團於綜合權益變動表確認其適用之應佔變動。本集團與其合營公司之交易產生之未變現盈虧會對銷，對銷金額以本集團對合營公司之投資為限，除非未變現虧損能證明被轉移資產出現減值。收購合營公司產生之商譽被納入為本集團於合營公司投資之一部份。

倘於聯營公司的投資成為於合營公司的投資，或於合營公司的投資成為於聯營公司的投資，則不會重新計量保留權益。相反，投資繼續按權益法入賬。在所有其他情況下，於喪失對合營公司的共同控制權時，本集團按公平值計量及確認任何保留投資。於喪失共同控制權時合營公司的賬面值與保留投資的公平值及出售所得款項之間的任何差額於損益內確認。

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3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, deferred tax assets and financial assets), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired assets.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises.

3.1 主要會計政策概要(續)

非金融資產之減值

倘若出現任何減值跡象，或當有需要為資產(不包括存貨、遞延稅項資產及金融資產)進行每年減值測試，則會估計資產的可回收金額。除非某類資產產生之現金流入不能大致獨立於其他資產或多項資產所產生之現金流量(在此情況下，可回收金額按資產所屬之現金產生單位釐定)，否則資產的可回收金額按資產或現金產生單位的使用價值與其公平值減銷售成本之較高者計算，並按個別資產釐定。

當資產的賬面值超過可回收金額時，減值虧損方予確認。評估使用價值時，預計未來之現金流量乃以除稅前之折扣率折現至彼等的現值，而該折扣率反映當時市場對貨幣價值之評估及該項資產的特有風險。減值虧損於與減值資產功能一致之開支類別所產生期間自損益表扣除。

各報告期末會評定是否有跡象顯示之前已確認的減值虧損不再存在或減少。倘出現該等跡象，則會估計可回收金額。除非用以釐定資產的可回收金額的假設出現變動，否則之前確認的資產(商譽除外)減值虧損不予撥回，惟撥回金額不得超過倘過往年度並無就資產確認減值虧損而釐定的賬面值(經扣除任何折舊／攤銷)。撥回的減值虧損於產生期間於損益表入賬。

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3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair value measurement

The Group measures its equity and debt investments at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

3.1 主要會計政策概要(續)

公平值計量

本集團於各報告期末按公平值計量其股權和債務投資。公平值為市場參與者間於計量日期進行的有序交易中，出售資產所收取或轉讓負債所支付之價格。公平值計量乃基於假設出售資產或轉讓負債的交易於該資產或負債的主要市場(或在無主要市場的情況下，則於對該資產或負債最有利的市場)進行而作出。該主要或最有利的市場須為本集團可進入的市場。資產或負債的公平值乃採用市場參與者為資產或負債定價時所用的假設計量，即假設市場參與者按其最佳經濟利益行事。

非金融資產的公平值計量計及市場參與者透過使用其資產的最高及最佳用途或透過將資產出售予將使用其最高及最佳用途的另一名市場參與者而產生經濟利益的能力。

本集團採用在各情況下適當的估值技術，而其有足夠資料可計量公平值，以盡量使用相關可觀察輸入數據及盡量避免使用不可觀察輸入數據。

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair value measurement (Continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- | | |
|---------|---|
| Level 1 | — based on quoted prices (unadjusted) in active markets for identical assets or liabilities |
| Level 2 | — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly |
| Level 3 | — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable |

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3.1 主要會計政策概要(續)

公平值計量(續)

所有公平值於財務報表中計量或披露的資產及負債乃按對公平值計量整體而言屬重大的最低層輸入數據按下述公平值層級分類：

- | | |
|-----|--|
| 層級一 | — 基於同類資產或負債在活躍市場上的報價(未經調整) |
| 層級二 | — 基於對公平值計量而言屬重大的可觀察(直接或間接)最低層輸入數據的估值技術 |
| 層級三 | — 基於對公平值計量而言屬重大的不可觀察最低層輸入數據的估值技術 |

就按經常基準於財務報表確認的資產及負債而言，本集團透過於各報告期末重新評估分類(基於對公平值計量整體而言屬重大的最低層輸入數據)釐定各層級之間有否出現轉移。

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3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group 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;

3.1 主要會計政策概要(續)

關聯方

在下列情況下，一方會被視為本集團的關連人士：

- (a) 該方為該名人士家族之人士或直系親屬，而該名人士
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團施加重大影響；或
 - (iii) 為本集團或本集團母公司之主要管理層成員；

或

- (b) 倘符合下列任何條件，該方即屬實體：
 - (i) 該實體與本集團屬同一集團之成員公司；
 - (ii) 一間實體為另一實體之聯營公司或合營公司(或另一實體之母公司、附屬公司或同系附屬公司之旗下)；
 - (iii) 該實體及本集團均為同一第三方之合營公司；
 - (iv) 一間實體為第三方實體之合營公司，而另一實體為該第三方實體之聯營公司；

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties (Continued)

(b) (Continued)

- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (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.

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

3.1 主要會計政策概要(續)

關聯方(續)

(b) (續)

- (v) 該實體為離職後福利計劃，該計劃之受益人為本集團或與本集團有關之實體之僱員；
- (vi) 該實體由(a)項所述人士控制或共同控制；
- (vii) 於(a)(i)項所述人士對該實體有重大影響或屬該實體(或該實體的母公司)主要管理層成員；及
- (viii) 該實體或該實體為組成部分之集團之任何成員公司向本集團或本集團母公司提供主要管理人員服務。

物業、廠房及設備及折舊

物業、廠房及設備乃按成本值減累計折舊和任何減值虧損列賬。物業、廠房及設備之成本值，包括其購買價及使該項資產達至現時營運狀態和地點以用於其擬定用途之任何直接應佔成本。

物業、廠房及設備之項目於運作後產生之支出，包括維修及保養費，一般自產生期間的損益表扣除。倘達到確認標準，則重大檢查之開支會於資產賬面值中資本化作重置成本。倘須定期重置大部分物業、廠房及設備，則本集團會將該等部分確認為有特定可使用年期及折舊之個別資產。

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於二零一九年十二月三十一日

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment and depreciation (Continued)

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Leasehold improvements	The shorter of the period of the respective lease or 5 years
Furniture, fixtures and equipment	20%–33%
Motor vehicles	20%–25%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

3.1 主要會計政策概要(續)

物業、廠房及設備及折舊(續)

折舊乃採用直線法於各項物業、廠房及設備之估計可使用年限內將其成本撇銷至其剩餘價值。就此所採用的年率如下：

租賃裝修	各自租賃期限或五年 (以較短者為準)
傢俱、裝置及設備	20%至33%
汽車	20%至25%

當物業、廠房及設備各部分有不同的使用年限，該項目的成本將按合理基礎在不同部分中作出分配，而每部分將作個別折舊。剩餘價值、使用年限及折舊方法最少於各財政年度末進行檢討及修正(如適用)。

已初步確認之物業、廠房及設備包括任何重大部分當出售或預期不會從其使用或出售而獲取經濟效益時，將不再被確認。於資產不再被確認的年度在損益表確認之處置或報廢收益或損失指出售所得款項淨額與有關資產之賬面值之差額。

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3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Trademarks, franchises, licenses and concession right

Purchased trademarks, licenses and concession right are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of 10 years.

Leases (applicable from 1 January 2019)

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

3.1 主要會計政策概要(續)

無形資產(商譽除外)

個別收購的無形資產於初步確認時按成本計量。無形資產的可使用年期評估為有限或無限。年期有限的無形資產隨後按可使用經濟壽命攤銷，並於有跡象顯示無形資產可能出現減值時作減值評估。可使用年期有限的無形資產的攤銷年期及攤銷方法至少於各財政年度末審閱一次。

商標、特許權、授權及經營權

購買商標、授權及經營權按成本減任何減值虧損列賬，並於十年估計可使用年期按直線法攤銷。

租賃(於二零一九年一月一日起適用)

本集團於合約初始評估合約是否屬於或包含租賃。倘合約包含控制一段時間內已識別資產用途的權利(以交換代價)，則屬於或包含租賃。

本集團作為承租人

本集團就所有租賃使用單一確認及計量方法，惟短期租賃及低價值資產租賃除外。本集團就支付租賃付款及使用權資產(即使用相關資產的權利)確認租賃負債。

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3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (applicable from 1 January 2019)

(Continued)

Group as a lessee (Continued)

(a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Where applicable, the cost of a right-of-use asset also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Buildings	5 years
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If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

3.1 主要會計政策概要(續)

租賃(於二零一九年一月一日起適用)(續)

本集團作為承租人(續)

(a) 使用權資產

使用權資產於租賃開始日期(即相關資產可供使用的日期)確認。使用權資產按成本減去任何累計折舊及任何減值虧損計量並就租賃負債的任何重新計算作出調整。使用權資產的成本包括已確認租賃負債金額、已產生初步直接成本及於開始日期或之前已支付的租賃付款減去任何已收租賃優惠。倘適用,使用權資產的成本亦包括拆除及移除相關資產或將相關資產或資產所在地盤復原的估計成本。使用權資產按直線法於租期及資產估計可使用年期的較短者按以下方式折舊:

物業	5年
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倘租賃資產所有權於租期結束時轉移至本集團或成本反映了行使購買權,則使用資產的估計可使用年期計算折舊。

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3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (applicable from 1 January 2019)

(Continued)

Group as a lessee (Continued)

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in interest-bearing bank and other borrowings.

3.1 主要會計政策概要(續)

租賃(於二零一九年一月一日起適用)(續)

本集團作為承租人(續)

(b) 租賃負債

於租賃開始日期按租賃期內將作出的租賃付款現值確認租賃負債。租賃付款包括定額付款(含實質定額款項)減任何租賃獎勵應收款項、取決於指數或利率的可變租賃款項以及預期根據剩餘價值擔保支付的金額。租賃付款亦包括本集團合理確定行使的購買選擇權的行使價及在租期反映本集團行使終止租賃選擇權時，有關終止租賃的罰款。不取決於指數或利率的可變租賃付款在出現觸發付款的事件或條件的期間內確認為開支。

於計算租賃付款的現值時，倘租賃內含利率無法確定，則本集團應用租賃開始日期的增量借款利率計算。於開始日期後，租賃負債金額的增加反映了利息的增長，其減少則關乎所作出的租賃付款。此外，倘存在租期的修改、租期變動、租賃付款變動(例如由指數或利率變動引起的未來租賃付款變動)或購買相關資產購買權的評估變動，則重新計量租賃負債的賬面值。

本集團的租賃負債計入計息銀行及其他借貸。

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於二零一九年十二月三十一日

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (applicable from 1 January 2019)

(Continued)

Group as a lessee (Continued)

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Leases (applicable before 1 January 2019)

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to the statement of profit or loss on the straight-line basis over the lease terms.

3.1 主要會計政策概要(續)

租賃(於二零一九年一月一日起適用)(續)

本集團作為承租人(續)

(c) 短期租賃及低價值資產租賃

本集團對其機器及設備短期租賃(即自開始日期起租期為12個月或以下且不包含購買選擇權的租賃)使用短期租賃確認豁免,亦對視為低價值的辦公設備及手提電腦租賃使用低價值資產租賃確認豁免。

短期租賃及低價值資產租賃的租賃付款按直線法於租期內確認為開支。

租賃(於二零一九年一月一日前適用)

凡出租人實際上仍保留資產擁有權之絕大部分收益及風險的租賃,均視作經營租賃處理。當本集團為承租人,根據經營租賃的應付租金(扣除已收出租人提供之任何獎勵)於租賃期以直線法自損益表扣除。

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於二零一九年十二月三十一日

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured fair value through profit or loss, irrespective of the business model.

3.1 主要會計政策概要(續)

投資及其他金融資產

首次確認及計量

於首次確認時，金融資產可歸類為其後按攤銷成本計量、按公平值計入其他綜合收益及按公平值計入損益。

於首次確認時，金融資產的分類視乎金融資產的合約現金流量特徵及本集團管理該等資產的業務模式。除不包含重大融資成分或本集團已按照實踐經驗而不調整重大融資成分影響的貿易應收款項之外，倘一項金融資產並非按公平值計入損益，則本集團初步按其公平值加上交易成本計量。按照下文「收入確認」所載政策，香港財務報告準則第15號釐定，不包含重大融資成分或本集團已按照實踐經驗而不調整重大融資成分影響的貿易應收款項乃以交易成本計量。

為將金融資產按攤銷成本或按公平值計入其他綜合收益分類及計量，須就未償還本金產生純粹支付本金及利息（「純粹支付本金及利息」）現金流量。現金流並非純粹支付本金及利息的金融資產分類為按公平值計入損益（無論何種業務模式）。

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3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

Initial recognition and measurement (Continued)

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the 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 period generally established by regulation or convention in the marketplace.

3.1 主要會計政策概要(續)

投資及其他金融資產(續)

首次確認及計量(續)

本集團管理金融資產的業務模式指其如何管理其金融資產以產生現金流量。業務模式確定現金流量是否來自收集合約現金流量、出售金融資產，或兩者兼有。分類為按攤銷成本計量的金融資產按目的為持有金融資產以收取合約現金流量的業務模式持有，而分類為按公平值計入其他全面收益的金融資產按目的為持有以收取合約現金流量及出售兩個用途的業務模式持有。並非按前述兩個業務模式持有的金融資產分類為按公平值計入損益。

所有以常規方式購買及銷售的金融資產於交易日(即本集團承諾購買或出售資產當日)確認。常規買賣指規定於一般由市場規例或慣例確立的期間內交付資產的金融資產買賣。

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3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

Subsequent measurement

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

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets designated at fair value through other comprehensive income (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under HKAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

3.1 主要會計政策概要(續)

投資及其他金融資產(續)

其後計量

金融資產的其後計量取決於以下分類：

按攤銷成本計量的金融資產(債務工具)

按攤銷成本計量的金融資產其後使用實際利率法計量，並可能受減值影響。當資產終止確認、修訂或減值時，收益及虧損於損益中確認。

指定按公平值計入其他綜合收益的金融資產(股本投資)

於首次確認時，本集團可選擇於股本投資符合香港會計準則第32號金融工具：呈報項下的股本定義及並非持作買賣時，將其股本投資不可撤回地分類為指定按公平值計入其他綜合收益的股本投資。分類乃按個別工具基準釐定。

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於二零一九年十二月三十一日

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

Subsequent measurement (Continued)

Financial assets designated at fair value through other comprehensive income (equity investments) (Continued)

Gains and losses on these financial assets are never recycled to the statement of profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value through profit or loss are also recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

3.1 主要會計政策概要(續)

投資及其他金融資產(續)

其後計量(續)

指定按公平值計入其他綜合收益的金融資產(股本投資)(續)

該等金融資產的收益及虧損概不會被重新計入損益表。當確立支付權時，股息於損益表中確認為其他收入，有關該股息的經濟利益可能會流向本集團及股息金額可以可靠計量，惟當本集團於作為收回金融資產一部分成本的所得款項中獲益時則除外，於此等情況下，該等收益於其他綜合收益入賬。指定按公平值計入其他綜合收益的股本投資不受減值評估影響。

按公平值計入損益的金融資產

按公平值計入損益的金融資產按公平值於財務狀況表列賬，而公平值變動淨額於損益表中確認。

該類別包括本集團並無不可撤銷地選擇按公平值計入其他綜合收益進行分類的上市股本投資。上市股本投資的股息在支付權確立時亦於損益表中確認為其他收入，有關該股息的經濟利益可能會流向本集團及股息金額可以可靠計量。

31 December 2019

於二零一九年十二月三十一日

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

3.1 主要會計政策概要(續)

取消確認金融資產

金融資產(或一項金融資產的一部分或一組同類金融資產的一部分,如適用)主要在下列情況將取消確認(即移出本集團綜合財務狀況表):

- 收取該項資產所得現金流量的權利經已屆滿;或
- 本集團已轉讓其收取該項資產所得現金流量的權利,或根據「交付」安排承擔在無重大延遲下向第三方全數支付已收現金流量之責任;及(a)本集團已轉讓該項資產的絕大部分風險及回報;或(b)本集團並無轉讓或保留該項資產絕大部分風險及回報,但已轉讓該項資產的控制權。

本集團凡轉讓其收取該項資產所得現金流量之權利或已訂立交付安排,會評估其有否保留該項資產擁有權之風險及回報,以及其程度。倘本集團並無轉讓或保留該項資產的絕大部分風險及回報,且並無轉讓該項資產之控制權,該項已轉讓資產將按本集團持續涉及部分持續確認入賬。在此情況下,本集團亦會確認相關負債。所轉讓資產與相關負債乃根據反映本集團保留之權利及責任之基準計量。

以經轉讓資產擔保方式的持續參與按資產原始金額與本公司可能被要求償還的對價的最高金額之間的較低者計量。

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於二零一九年十二月三十一日

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

3.1 主要會計政策概要(續)

金融資產減值

本集團對並非按公平值計入損益的所有債務工具預期信貸虧損(「預期信貸虧損」)確認撥備。預期信貸虧損乃基於根據合約到期的合約現金流量與本集團預期收取的所有現金流量之間的差額而釐定，並以原實際利率的近似值貼現。預期現金流量將包括出售所持抵押的現金流量或組成合約條款的其他信貸提升措施。

一般方法

預期信貸虧損分兩個階段進行確認。就自首次確認起未有顯著增加的信貸風險而言，預期信貸虧損提供予由未來12個月內可能發生違約事件而導致的信貸虧損(12個月預期信貸虧損)。就自首次確認起經已顯著增加的信貸風險而言，不論何時發生違約，於餘下風險年期內的預期信貸虧損均須計提虧損撥備(全期預期信貸虧損)。

於各報告日期，本集團自首次確認起評估金融工具的信貸風險是否顯著增加。作出評估時，本集團將於報告日期產生的金融工具違約風險與於首次確認日期產生的金融工具違約風險相比較，當中考慮毋須消耗過多成本或精力可得的可靠及具支持性資料，包括過往及前瞻性資料。

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3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

General approach (Continued)

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets which apply the simplified approach as detailed below.

- Stage 1 — Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs
- Stage 2 — Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs
- Stage 3 — Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

3.1 主要會計政策概要(續)

金融資產減值(續)

一般方法(續)

倘合約已逾期還款90日，則本集團認為金融資產違約。然而，在若干情況下，倘內部或外部資料反映，在計及本集團持有的任何信貸提升措施前，本集團不大可能悉數收到未償還合約款項，則本集團亦可認為金融資產違約。倘無法合理預期收回合約現金流量，則撇銷金融資產。

按公平值計入其他綜合收益的債務投資及按攤銷成本計量的金融資產按照一般方法會受到減值影響，並就計量預期信貸虧損按以下階段分類，惟下文詳述應用簡化方法的貿易應收款項及合約資產除外。

- 第一階段 — 自首次確認以來信貸風險並無顯著增加的金融工具及虧損撥備以等同於12個月預期信貸虧損的金額計量的金融工具
- 第二階段 — 自首次確認以來信貸風險並無顯著增加但並非信貸減值金融資產的金融工具及虧損撥備以等同於全期預期信貸虧損的金額計量的金融工具
- 第三階段 — 於報告日期有信貸減值(但並非購入或源生的未發生信用減值)的金融資產及虧損撥備以等同於全期預期信貸虧損的金額計量的金融資產。

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3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of financial assets (Continued)

Simplified approach

For trade receivables and contract assets that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, amounts due to related companies, lease liabilities and interest-bearing bank borrowings.

3.1 主要會計政策概要(續)

金融資產減值(續)

簡化方法

就不包含重大融資成分或本集團已按照實踐經驗而不調整重大融資成分影響的貿易應收款項而言，本集團應用簡化方法計算預期信貸虧損。根據簡化方法，本集團並無追溯信貸風險變動，而是根據各報告日期的全期預期信貸虧損確認虧損撥備。本集團已設立根據其過往信貸虧損經驗計算之撥備矩陣，並按債務人之特定前瞻性因素及經濟環境作出調整。

金融負債

首次確認及計量

於首次確認時，可歸類為按公平值計入損益的金融負債、貸款及借貸，應付款項或在實際對沖中指定為對沖工具之衍生工具(如適用)。

所有金融負債初步按公平值確認，而如屬貸款及借貸及應付款項，則扣除直接應佔交易成本。

本集團的金融負債包括貿易及其他應付款項、應付關聯公司款項、租賃負債及計息銀行借貸。

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於二零一九年十二月三十一日

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial liabilities (Continued)

Subsequent measurement of financial liabilities at amortised cost (loans and borrowings)

After initial recognition, loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

3.1 主要會計政策概要(續)

金融負債(續)

按攤銷成本列賬的金融負債(貸款及借貸)之其後計量

於首次確認後，銀行及借貸隨後以實際利率法按攤銷成本計量，除非貼現影響為微不足道，在該情況下則按成本列賬。當負債終止確認或按實際利率法進行攤銷程序時，其損益在損益表內確認。

攤銷成本於計及收購事項任何折讓或溢價及屬實際利率不可或缺一部分的費用或成本後計算。實際利率攤銷計入損益表的融資成本內。

取消確認金融負債

當負債項下責任已解除、取消或期滿，即會取消確認金融負債。

如一項現有金融負債被來自同一貸款方且大部分條款不同的另一項金融負債所取代，或現有負債的條款被大幅修改，則該項置換或修改視作取消確認原有負債及確認新負債處理，而兩者的賬面值差額於損益表確認。

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3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

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 amounts of cash, 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 consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

3.1 主要會計政策概要(續)

抵銷金融工具

金融資產及金融負債當有現可執行的法律權利以抵銷已確認金額及有意按淨額基準結付或同時變現資產及結付負債時抵銷，並於財務狀況表內呈報淨額。

存貨

存貨是按成本及可變現淨值兩者之較低者列賬。成本以先入先出基準釐定。可變現淨值按估計售價減預期完成及出售所產生任何估計成本計算。

現金和現金等值

就綜合現金流量表而言，現金和現金等值包括手頭現金、活期存款及可隨時轉換為已知數額現金、價值變動風險極微及一般自購入後三個月內到期的短期高流動性投資，但扣減須按通知即時償還及構成本集團現金管理不可分割部分的銀行透支。

就綜合財務狀況表而言，現金和現金等值包括用途不受限制的手頭及存放於銀行的現金(包括定期存款)及與現金性質相似的資產。

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3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in profit or loss.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the jurisdictions in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

3.1 主要會計政策概要(續)

撥備

如因過往事件導致現有債務(法定或推定)及日後可能需要有資源流出以償還債務,則確認撥備,但必須能可靠估計有關債務金額。

如折現的影響重大,則確認的撥備金額為預期需用作償還債務的未來支出於報告期末的現值。因時間流逝而產生的折現現值增加,列作融資成本計入損益。

所得稅

所得稅包括即期及遞延稅項。與已於損益以外確認項目相關的所得稅於損益以外的其他全面收益或直接在權益確認。

即期稅項資產及負債,乃經考慮本集團經營所在司法權區當時的詮釋及常規後,根據於報告期末時已實施或實際上已實施的稅率(及稅法),按預期自稅務當局退回或付予稅務當局的金額計算。

遞延稅項採用負債法就於報告期末資產及負債的稅基與兩者用作財務報告的賬面值之間的所有暫時差額計提準備。

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3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax (Continued)

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

3.1 主要會計政策概要(續)

所得稅(續)

遞延稅項負債乃就所有應課稅暫時差額而確認，惟下列情況除外：

- 遞延稅項負債乃因在一項並非業務合併的交易中初次確認商譽或資產或負債而產生，且於交易時並不影響會計利潤或應課稅利潤或虧損；及
- 就與於附屬公司及合營公司的投資有關的應課稅暫時差額而言，暫時差額的撥回時間為可控制，且該等暫時差額於可見將來可能不會撥回。

遞延稅項資產乃就所有可扣稅暫時差額、未動用稅項抵免和任何未動用稅項虧損的結轉而確認。遞延稅項資產以將有應課稅利潤以動用可扣稅暫時差額、未動用稅項抵免和未動用稅項虧損的結轉以作對銷為限，惟下列情況除外：

- 與可扣稅暫時差額有關的遞延稅項資產乃因在一項並非業務合併的交易中初次確認資產或負債而產生，且於交易時並不影響會計利潤及應課稅利潤或虧損；及

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax (Continued)

- in respect of deductible temporary differences associated with investments in subsidiaries and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or 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.

3.1 主要會計政策概要(續)

所得稅(續)

- 就與於附屬公司及合營公司的投資有關的可扣稅暫時差額而言，遞延稅項資產僅於暫時差額於可見將來有可能撥回以及將有應課稅利潤以動用暫時差額以作對銷的情況下，方予確認。

於各報告期末審閱遞延稅項資產的賬面值，並在不再可能有足夠應課稅利潤以動用全部或部分遞延稅項資產時，相應扣減該賬面值。未被確認的遞延稅項資產會於各報告期末重新評估，並在可能有足夠應課稅利潤以收回全部或部分遞延稅項資產時予以確認。

遞延稅項資產及負債乃按預期適用於變現資產或清還負債期間的稅率，根據於報告期末已實施或實際上已實施的稅率(及稅法)計算。

僅當本集團有可合法執行權利可將即期稅項資產與即期稅項負債抵銷，且遞延稅項資產與遞延稅項負債與同一稅務機關對同一應稅實體或於各未來期間預期有大額遞延稅項負債或資產需要結算或清償時，擬按淨額基準結算即期稅務負債及資產或同時變現資產及結算負債之不同稅務實體徵收之所得稅相關，則遞延稅項資產與遞延稅項負債可予抵銷。

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3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

Revenue recognition

Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Sale of goods

Revenue from the sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

3.1 主要會計政策概要(續)

政府補助

倘可合理確認將受到政府補助及所有隨附條件將獲遵守，則按公平值確認政府補助。倘補助涉及開支項目，則於預期將補償的成本支銷期間按系統基準確認為收入。

收益確認

客戶合約收益

客戶合約收益按能反映本集團預期就向客戶轉讓貨物或服務而有權在交換中獲取之代價金額進行確認。

當合約中的代價包括可變金額時，代價金額按本集團就向客戶轉讓貨物或服務將有權在交換中獲取的金額估計。可變代價於合約開始時估計，且將受到限制，直至可變代價的關連不確定性其後解除，而所確認累計收入金額不太可能產生大幅收入撥回為止。

銷售貨物

當資產控制權轉移至客戶時(一般為貨物交付時)，銷售貨物所得收益於該時間點確認。

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3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Other income

Commission income is recognised at the later or when: (i) the subsequent sales occurs; and (ii) the performance obligation to which some or all of the sales-based commission has been allocated is satisfied.

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Share-based payments

The Company operates a share award plan for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

3.1 主要會計政策概要(續)

收益確認(續)

其他收入

佣金收入稍遲或當：(i)其後發生銷售；及(ii)達成已分配部分或全部銷售佣金的履約責任。

利息收入以應計方式使用實際利率法將金融工具的估計年期或更短期間(如適用)內未來估計的現金收入貼現至金融資產的賬面淨值。

合約負債

倘於本集團轉移相關商品或服務前已收或應收客戶付款(以較早者為準)，則確認合約負債。當本集團履行合約責任(即將相關商品或服務的控制權轉移至客戶)時，合約負債確認為收入。

以股份為基礎付款

本公司設有股份獎勵計劃，旨在給予為本集團業務成功作出貢獻之合資格參與者鼓勵及獎勵。本集團僱員(包括董事)按以股付款形式收取酬金，而僱員則提供服務作為權益工具之代價(「權益結算交易」)。

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3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payments (Continued)

The cost of equity-settled transactions with employees for grants after 7 November 2002 is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using a binomial model, further details of which are given in note 27 to the financial statements.

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

3.1 主要會計政策概要(續)

以股份為基礎付款(續)

於二零零二年十一月七日後授予而與僱員之權益結算交易之成本，參考購股權授出之日之公平值計算。外聘估值公司利用二項式模型釐訂公平值，有關進一步詳情載於財務報表附註27。

權益結算交易之成本在表現及／或服務條件履行之期間，連同權益之相應升幅一併於僱員福利開支內確認。在權益結算交易於各報告期末至歸屬日期間確認之累計開支，反映歸屬期屆滿以及本集團就最後歸屬之權益工具之數目之最佳估計。期內在損益表扣除或計入之金額，指於該段期初及期終所確認之累計開支變動。

釐定獎勵之授出日公平值並不考慮服務及非市場表現條件，惟能達成條件之可能性則被評定為將最終歸屬為本集團權益工具數目之最佳估計之一部份。市場表現條件將反映在授出日之公平值。附帶於獎勵中但並無相關聯服務要求之其他任何條件皆視為非歸屬條件。反映非歸屬條件之獎勵公平值若當中不包含服務及／或表現條件乃即時予以支銷。

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於二零一九年十二月三十一日

3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payments (Continued)

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

3.1 主要會計政策概要(續)

以股份為基礎付款(續)

因未能達至非市場表現及／或服務條件，而導致最終並無歸屬之獎勵並不會確認支銷，惟包括一項市場或非歸屬條件之獎勵，包括一項市場或非歸屬條件之獎勵，無論市場或非歸屬條件是否達成，其均會被視為已歸屬，前提是所有其他表現及／或服務條件須已達成。

倘權益結算交易之條款被修訂，如原條款獲履行，則確認最低開支，猶如條款未被修改。此外，任何修訂將確認開支，如於修訂日期計算，修訂是增加以股份付款之公平值總額，或對僱員有利。

倘權益結算獎勵被註銷，則被視為已於註銷日期被授予，而未就獎勵確認之開支則即時確認。這包括未能履行在本集團或僱員控制範圍以內之非歸屬條件之獎勵。然而，倘被註銷獎勵被新獎勵所取代，則被視為於授出日替代獎勵處理，而所註銷及新獎勵之處理方法，乃猶如其為前段所述修訂原獎勵。

未行使購股權之攤薄影響反映計算每股盈利時之額外股份攤薄。

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3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payments (Continued)

The cost of cash-settled transactions is measured initially at fair value at the grant date using the Black-Scholes formula, taking into account the terms and conditions upon which the instruments were granted. The fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The liability is measured at the end of each reporting period up to and including the settlement date, with changes in fair value recognised in the statement of profit or loss.

Employee benefits

Pension schemes

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

The employees of the Group’s subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of its payroll costs to the central pension scheme. The contributions are charged to the statement of profit or loss as they become payable in accordance with the rules of the central pension scheme.

3.1 主要會計政策概要(續)

以股份為基礎付款(續)

以現金結付交易的成本初步按授出日期的公平值使用柏力克－舒爾斯公式計量，當中計及授出工具所依據的條款及條件。公平值於有關期間支銷，直至歸屬日期，並確認相關負債。負債於各報告期末計量，直至及包括結付日期，公平值變動於損益表內確認。

僱員福利

退休金計劃

本集團根據強制性公積金計劃條例，為所有合資格僱員設立界定供款的強制性公積金退休福利計劃（「強積金計劃」）。根據強積金計劃的規則，供款額按僱員基本薪酬的一定百分比計算，並於產生時在損益表扣除。強積金計劃的資產乃以獨立管理基金方式與本集團的資產分開持有。本集團向強積金計劃繳納僱主供款後，該等供款即全數歸僱員所有。

本集團於中國內地經營之附屬公司之僱員須參加由當地市政府所運作的中央退休金計劃。該等附屬公司須按其薪金成本的一定百分比向該中央退休金計劃繳納供款。有關供款於根據該中央退休金計劃之規則須支付時計入損益表。

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3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the financial statements.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

3.1 主要會計政策概要(續)

借貸成本

與收購、建築或生產合資格資產(即必須經過長時間準備方可用於擬定用途或銷售的資產)直接相關的借貸成本乃資本化為該等資產成本的一部分。有關借貸成本於資產基本上可用於擬定用途或銷售時不再資本化。就特定借貸(待列作未完成合資格資產開支)的暫時性投資賺取的投資收入於已資本化的借貸成本中扣除。所有其他借貸成本於產生期間支銷。借貸成本包括實體就借貸資金產生的利息及其他成本。

股息

末期股息在股東大會中獲股東批准後會確認為負債。建議末期股息披露於財務報表附註。

中期股息獲同步提呈及宣派，因為本公司之章程大綱及細則授予董事宣派中期股息之權利。因此，中期股息獲提呈及宣派時即時確認為負債。

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3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies

These financial statements are presented in RMB, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

3.1 主要會計政策概要(續)

外幣

本財務報表乃以人民幣呈列，人民幣為本公司的功能及呈報貨幣。本集團旗下各實體自行決定其功能貨幣，而各實體財務報表內的項目均以該功能貨幣計量。由本集團實體列賬之外幣交易初始按交易日期彼等各自的適用功能貨幣匯率入賬。以外幣為單位的貨幣資產及負債按報告期末的適用功能貨幣匯率換算。結算或換算貨幣項目產生之匯兌差額於損益表確認。

按歷史成本以外幣計量的非貨幣項目按最初交易日期適用的匯率換算。按公平值以外幣計量的非貨幣項目按公平值計量當日的適用匯率換算。換算按公平值計量的非貨幣項目產生之收益或虧損按確認該項目之公平值變動產生之收益或虧損處理(即其公平值收益或虧損已於其他全面收益或損益表確認之項目，其換算差額亦分別於其他全面收益或損益表內確認)。

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3.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain subsidiaries are currencies other than the RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into the presentation currency of the Company at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the weighted average exchange rates for the year.

For the purpose of the consolidated statement of cash flows, the cash flows of the subsidiaries operate outside Mainland China are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of the subsidiaries operate outside Mainland China which arise throughout the year are translated into RMB at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the statement of profit or loss.

3.1 主要會計政策概要(續)

外幣(續)

在終止確認與預付代價有關的非貨幣性資產或非貨幣性負債時，為釐定首次確認相關資產、費用或收益時的交換利率，首次交易日是本集團首次確認預付代價產生的非貨幣性資產或非貨幣性負債的日期。倘支付或收取多筆預付款項，則本集團須釐定支付或收取的每一筆預付代價的交易日。

若干附屬公司之功能貨幣乃人民幣以外之貨幣。於報告期末，該些實體之資產及負債乃以報告期末之匯率換算成本公司之呈報貨幣，而損益表則按年內加權平均匯率換算成人民幣。

就綜合現金流量表而言，於中國內地境外經營之附屬公司之現金流量按有關之現金流量產生日期之匯率換算為人民幣。於中國內地境外經營之附屬公司於年內經常出現之現金流量則按該年度之加權平均匯率換算為人民幣。

所產生的匯兌差額於其他全面收入內確認，並於匯兌波動儲備內累計。出售海外業務時，與該海外業務有關的其他全面收入部分於損益表確認。

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3.2 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Impairment of assets

In determining whether an asset is impaired or the event previously causing the impairment no longer exists, the Group has to exercise judgement in the area of asset impairment, particularly in assessing: (1) whether an event has occurred that may affect the asset value or such event affecting the asset value has not been in existence; (2) whether the carrying value of an asset can be supported by the net present value of future cash flows which are estimated based upon the continued use of the asset or derecognition; and (3) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management to determine the level of impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could materially affect the net present value used in the impairment test.

3.2 重要會計判斷及估計

管理層編製本集團的財務報表時，須作出判斷、估計及假設，而該等判斷、估計及假設對所呈報之收入、開支、資產及負債的金額及各自的相關披露事項以及或然負債之披露均會有影響。由於有關假設和估計存在不確定因素，因此可能導致需於將來對受影響的資產或負債的賬面值作出重大調整。

判斷

在應用本集團會計政策過程中，管理層所作之以下判斷(除涉及估計外)乃對財務報表所確認之金額有最重大的影響：

資產之減值

要確定資產是否存在減值，或之前引致減值的事件是否不再存在，本集團須在資產減值方面作出判斷，尤其是評估：(1)是否已發生可能影響資產價值之事件或影響資產價值之事件是否不再存在；(2)按持續使用資產或終止確認而估計未來之現金流量之淨現值能否支持該項資產之賬面值；以及(3)用於現金流量預測之合適主要假設，包括該等現金流量預測是否採用了適當折現率。改變管理層於確定減值水平所選用之假設，包括現金流量預測中採用之折現率或增長率假設，足以對減值測試中使用的淨現值產生重大影響。

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3.2 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Depreciation of property, plant and equipment

The Group depreciates the different classes of property, plant and equipment on a straight-line basis at applicable depreciation rates over the estimated useful life. The useful life is estimated with reference to the wear and tear history of property, plant and equipment. The estimated useful life reflects the directors' estimate of the periods that the Group intends to derive future economic benefits from the use of the Group's property, plant and equipment.

Impairment of property, plant and equipment and right-of-use assets

The Group determines whether property, plant and equipment and right-of-use assets are impaired when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of the property, plant and equipment and right-of-use assets exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair values less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market price less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows. Further details are given in notes 13 and 14 to the financial statements.

3.2 重要會計判斷及估計(續)

估計不確定因素

下文說明於報告期末有關未來的關鍵假設以及其他有極大風險會對下個財政年度資產及負債之賬面值造成重大調整之估計不確定因素的關鍵來源。

物業、廠房及設備之折舊

本集團以直線法按適用折舊率根據估計使用年期對不同類別的物業、廠房及設備計提折舊。使用年期乃參考物業、廠房及設備的損耗歷史予以估計。估計使用年期反映董事對本集團擬透過使用本集團的物業、機器及設備獲取未來經濟利益的期間的估計。

物業、廠房及設備以及使用權資產之減值

倘有跡象顯示賬面值可能無法收回，則本集團會釐定物業、廠房及設備以及使用權資產是否已減值。倘物業、廠房及設備以及使用權資產之賬面值超過其賬面值(即公平值減出售成本及在用價值之較高者)，則存在減值。公平值減出售成本乃根據來自類似資產的公平交易中具約束力的出售交易的可獲得數據或可觀察市價減出售該資產的增量成本計算。當使用價值計算進行時，管理層必須估計來自該資產或現金產生單位的預期未來現金流量，並選擇合適的貼現率，以計算該等現金流量的現值。詳情載於財務報表附註13及14。

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3.2 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Impairment of intangible assets

The Group determines whether intangible assets are impaired whenever there are any indicators of impairment. This requires an estimation of the value in use of the cash-generating units. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of intangible assets at 31 December 2019 was RMB2,429,000 (2018: RMB3,680,000). Further details are given in note 15 to the financial statements.

Fair value of unlisted equity and debt investments

The Group determines the fair values of unlisted equity and debt investments based on quoted market prices whenever possible. If such quoted market prices are not available or an active market does not exist, the Group determines the fair values based on internal developed models which make use of market parameters, such as net assets of the underlying investments. Any changes in these parameters can affect the estimates of the fair values of these investments. The Group classifies the fair values of the unlisted equity and debt investments as Level 3. The fair values of the unlisted equity and debt investments at 31 December 2019 were RMB13,842,000 (2018: RMB15,000,000) and RMB27,456,000 (2018: Nil), respectively. Further details are included in note 17 to the financial statements.

3.2 重要會計判斷及估計(續)

估計不確定因素(續)

無形資產之減值

倘出現任何減值跡象，本集團釐定無形資產是否出現減值。此須估計現金產生之使用價值。估計使用價值要求本集團對來自現金產生單位的預期未來現金流量作出估計，並選擇適當的折現率以計算該等現金流量的現值。於二零一九年十二月三十一日無形資產的賬面值為人民幣2,429,000元(二零一八年：人民幣3,680,000元)。詳情載於財務報表附註15。

非上市股本及債務投資的公平值

本集團於可行情況下根據市場報價釐定非上市股本及債務投資的公平值。倘並無可用的有關市場報價或並不存在活躍市場，則本集團根據內部開發的模式釐定公平值，該模式利用相關投資的資產淨值等市場參數。該等參數的任何變動可以影響該等投資的公平值估計。本集團將非上市股本及債務投資公平值分類為第三級。二零一九年十二月三十一日的非上市股本及債務投資公平值分別為人民幣13,842,000元(二零一八年：人民幣15,000,000元)及人民幣27,456,000元(二零一八年：零)。更多詳情載於財務報表附註17。

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3.2 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Estimation uncertainty (Continued)

Leases — Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in a lease, and therefore, it uses an incremental borrowing rate (“IBR”) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group “would have to pay, which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when it needs to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary’s functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary’s stand-alone credit rating).

3.2 重要會計判斷及估計(續)

估計不確定因素(續)

租賃 — 估算增量借款利率

本集團無法輕易釐定租賃內所隱含的利率，因此，使用增量借款利率（「增量借款利率」）計量租賃負債。增量借款利率為本集團於類似經濟環境中為取得與使用權資產價值相近之資產，而以類似抵押品與類似期間借入所需資金應支付之利率。因此，增量借款利率反映了本集團「應支付」的利率，當無可觀察的利率時（如就並無訂立融資交易之附屬公司而言）或當須對利率進行調整以反映租賃之條款及條件時（如當租賃並非以附屬公司之功能貨幣訂立時），則須作出利率估計。當可觀察輸入數據可用時，本集團使用可觀察輸入數據（如市場利率）估算增量借款利率並須作出若干實體特定的估計（例如附屬公司的單獨信貸評級）。

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4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on geographical areas and has four reportable operating segments as follows:

- (i) the Southern China region;
- (ii) the Eastern China region;
- (iii) the Northern China region; and
- (iv) the Western China region.

Management monitors the results of its operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted operating profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit before tax except that certain interest income, share of losses of joint ventures, unallocated expenses and finance costs (other than interest on lease liabilities) are excluded from such measurement.

Inter-segment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

Information about major customers

There was no revenue from customers individually contributing over 10% to the total revenue of the Group.

4. 經營分部資料

就管理而言，本集團按地區組成業務單位，擁有四個可報告經營分部如下：

- (i) 中國南部地區；
- (ii) 中國東部地區；
- (iii) 中國北部地區；及
- (iv) 中國西部地區。

管理層獨立監察其經營分部之業績，以作出資源分配及表現評估之決策。分部表現的評估依據為可報告之分部溢利／虧損，其為除稅前經調整經營溢利／虧損之計量。除稅前經調整經營溢利／虧損與本集團除稅前溢利一致計量，惟有關計量不包括部份利息收入、應佔合營公司虧損、未分配開支及融資成本(不包括租賃負債利息)。

分部間之銷售及轉讓乃根據當時現行市價，向第三方作出銷售所用之售價進行交易。

主要客戶資料

概無來自單一客戶的收入佔本集團總收入10%以上。

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4. OPERATING SEGMENT INFORMATION

(Continued)

Information about major customers (Continued)

Segment information about the business is presented below:

4. 經營分部資料(續)

主要客戶資料(續)

業務之分部資料呈列如下：

		Northern China		Eastern China		Southern China		Western China		Total	
		中國北部		中國東部		中國南部		中國西部		總計	
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
		二零一九年	二零一八年	二零一九年	二零一八年	二零一九年	二零一八年	二零一九年	二零一八年	二零一九年	二零一八年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Segment revenue (note 5)	分部收益(附註5)										
Sales to external customers	外部客戶銷售	416,331	400,331	576,072	595,751	378,393	390,943	124,291	105,103	1,495,087	1,492,128
Inter-segment sales	分部間銷售	—	—	58,700	60,872	—	—	—	—	58,700	60,872
		416,331	400,331	634,772	656,623	378,393	390,943	124,291	105,103	1,553,787	1,553,000
<i>Reconciliation:</i>	<i>對賬:</i>										
Elimination of inter-segment sales	分部間銷售對銷									(58,700)	(60,872)
Revenue	收益									1,495,087	1,492,128
Segment results	分部業績	52,879	61,695	73,059	69,619	33,577	55,028	25,785	22,089	190,300	208,431
<i>Reconciliation:</i>	<i>對賬:</i>										
Interest income	利息收入									710	1,251
Share of losses of joint ventures	應佔合營公司虧損									(3,817)	(3,803)
Unallocated expenses	未分配開支									(46,920)	(36,028)
Finance costs (other than interest on lease liabilities)	融資成本(不包括租賃負債利息)									(2,151)	(1,870)
Profit before tax	除稅前溢利									138,122	167,981
Other segment information:	其他分部資料:										
Depreciation of items of property, plant and equipment	物業、廠房及設備項目折舊	8,597	7,566	16,930	20,151	15,518	17,722	6,076	4,981	47,121	50,420
Depreciation of items of right-of-use assets	使用權資產項目折舊	28,764	—	32,897	—	27,550	—	4,498	—	93,709	—
Amortisation of intangible assets	無形資產攤銷	124	124	500	500	—	—	—	—	624	624
Capital expenditure*	資本開支*	16,072	4,265	21,685	18,269	21,039	14,599	509	19,890	59,305	57,023

* Capital expenditure represents additions to property, plant and equipment and intangible assets.

* 資本開支指添置物業、廠房及設備及無形資產。

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4. OPERATING SEGMENT INFORMATION

(Continued)

Information about major customers *(Continued)*

For management purposes, segment revenue and segment results are the two key indicators provided to the Group's chief operating decision maker to make decisions about the resource allocation and to assess performance. No segment asset and liability information is presented as, in the opinion of the directors, such information is not a key indicator provided to the Group's chief operating decision maker.

The Group's revenue arises from restaurant operations and food productions.

Geographical information

All of the Group's operations are located in the People's Republic of China (the "PRC"). The Group's revenue from external customers and all of its non-current assets are located in the PRC, including Hong Kong.

4. 經營分部資料(續)

主要客戶資料(續)

就管理而言，分部收益及分部業績為供本集團主要營運決策者作出資源分配及評核分部表現的兩大指標。董事認為，由於分部資產及負債資料並非提供予本集團主要營運決策者之主要指標，因此概無呈報此等資料。

本集團的收益主要來自餐廳營運及食品生產。

地區資料

本集團所有經營業務均位於中華人民共和國(「中國」)。本集團來自外部客戶的收益及其所有非流動資產均位於中國，包括香港。

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5. REVENUE AND OTHER INCOME

5. 收益及其他收入

An analysis of the Group's revenue is as follows:

本集團的收益分析如下：

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<i>Revenue from contracts with customers</i> 客戶合約收益		
Restaurant operations 餐廳營運	1,495,087	1,492,128

Revenue from contracts with customers

客戶合約收益

(i) *Disaggregated revenue information*

(i) 分拆收益資料

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Type of goods or services 貨品或服務類別		
Revenue from restaurant operations and total revenue from contracts with customers 餐廳營運及客戶合約收益總額	1,495,087	1,492,128
Geographical markets 地區市場		
Northern China 中國北部	416,331	400,331
Eastern China 中國東部	576,072	595,751
Southern China 中國南部	378,393	390,943
Western China 中國西部	124,291	105,103
Total revenue from contracts with customers 客戶合約收益總額	1,495,087	1,492,128
Timing of revenue recognition 收益確認時機		
At a point in time 於某一時間點	1,495,087	1,492,128

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5. REVENUE AND OTHER INCOME (Continued)

Revenue from contracts with customers (Continued)

(i) Disaggregated revenue information (Continued)

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Revenue from contracts with customers	客戶合約收益		
External customers	外部客戶	1,495,087	1,492,128
Intersegment sales	分部間銷售	58,700	60,872
		1,553,787	1,553,000
Intersegment adjustments and eliminations	分部間調整及對銷	(58,700)	(60,872)
Total revenue from contracts with customers	客戶合約收益總額	1,495,087	1,492,128

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:	於報告期初包含在合同負債中並已確認的收益金額：		
Restaurant operations	餐廳營運	153,779	124,723

5. 收益及其他收入 (續)

客戶合約收益 (續)

(i) 分拆收益資料 (續)

下表列載客戶合約收益與於分部資料披露的金額的對賬：

下表顯示於報告期初包含在合同負債中確認為本報告期內的收益金額：

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5. REVENUE AND OTHER INCOME (Continued)

Revenue from contracts with customers (Continued)

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

Restaurant operations

The performance obligation is satisfied when the catering services have been provided to customers. The Group's trading terms with its customers are mainly on cash and credit card settlement. The credit period is generally less than one month.

5. 收益及其他收入 (續)

客戶合約收益 (續)

(ii) 履約責任

有關本集團履約責任的資料概述如下：

餐廳營運

履約責任於向客戶提供餐飲服務時完成。本集團與其客戶的交易條款主要為使用現金及信用卡結付。信貸期通常少於一個月。

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Other income	其他收入		
Bank interest income	銀行利息收入	6,003	5,567
Commission income [#]	佣金收入 [#]	25,262	23,765
Gain on disposal of financial assets at fair value through profit or loss	出售按公平值計入損益的 金融資產的收益	—	3,992
Government grants	政府補助	4,554	1,525
Others	其他	5,574	3,372
		41,393	38,221

[#] Commission income represents commission received or receivable in respect of sales of tea related products.

[#] 佣金收入指就銷售茶葉相關產品已收或應收之佣金。

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6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/ (crediting):

6. 稅前溢利

本集團之稅前溢利已扣除／(抵免)下列事項：

			2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
	<i>Notes</i>			
	<i>附註</i>			
Depreciation of items of property, plant and equipment	物業、廠房及設備項目之折舊	13	47,121	50,420
Depreciation of right-of-use assets	使用權資產折舊	14(a)	93,709	—
Amortisation of intangible assets	無形資產攤銷	15	1,255	1,226
Minimum lease payments under operating leases	經營租賃之最低租賃款項		—	108,829
Contingent rents under operating leases*	經營租賃之或然租金*		—	7,278
Variable lease payments not included in the measurement of lease liabilities	不包括在租賃負債計算的可變租賃付款	14(c)	7,204	—
Auditor's remuneration	核數師酬金		1,144	1,224
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目之虧損		345	603
Impairment of a loan to a joint venture and an amount due from a joint venture**	對一間合營公司的貸款及應收一間合營公司款項之減值**		511	2,366
Impairment of property, plant and equipment	物業、廠房及設備之減值	13	589	—
Impairment of right-of-use assets	使用權資產之減值	14(a)	1,372	—
Directors' remuneration	董事酬金	8	9,913	10,664
Employee benefit expense (excluding directors' and chief executive's remuneration (note 8)):	僱員福利開支(不包括董事及行政總裁酬金)(附註8)：			
Wages and salaries	工資及薪金		413,076	391,375
Equity-settled share award plan expense	以股本結算股份獎勵計劃開支	27	2,648	3,328
Pension scheme contributions (defined contribution schemes)^	退休計劃供款(定額供款計劃)^		46,628	42,704
			462,352	437,407
Foreign exchange differences, net	匯兌差異淨額		919	(2,748)

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6. PROFIT BEFORE TAX (Continued)

- * The contingent rents under operating leases are included in “Rental and related expenses” in the consolidated statement of profit or loss.
- ** The impairment of a loan to a joint venture and an amount due from a joint venture are included in “Other expenses” in the consolidated statement of profit or loss.
- ^ At 31 December 2019, the Group had no forfeited contributions available to reduce its contributions to the pension schemes in future years (2018: Nil).

6. 稅前溢利(續)

- * 經營租賃之或然租金計入綜合損益表之「租金及相關開支」中。
- ** 對一間合營公司的貸款及應收一間合營公司款項之減值計入綜合損益表之「其他開支」中。
- ^ 於二零一九年十二月三十一日，本集團概無可用作減低其未來就退休計劃之供款之已沒收供款(二零一八年：無)。

7. FINANCE COSTS

An analysis of finance costs is as follows:

7. 融資成本

融資成本分析如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Interest on bank loans	銀行貸款利息	2,151	1,870
Interest on lease liabilities	租賃負債利息	25,556	—
		27,707	1,870

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8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

8. 董事及行政總裁之酬金

年內，董事及行政總裁之酬金根據上市規則、香港公司條例第383(1)(a)、(b)、(c)及(f)條及公司(披露董事利益資料)規例第2部披露如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Fees	袍金	2,839	2,218
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	2,670	2,562
Performance related bonuses	表現掛鈎花紅	948	1,051
Equity-settled share award plan expense (note 27)	以股本結算之股份獎勵計劃開支(附註27)	3,415	4,786
Pension scheme contributions	退休計劃供款	41	47
		7,074	8,446
		9,913	10,664

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8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

8. 董事及行政總裁之酬金(續)

(a) Independent non-executive directors

(a) 獨立非執行董事

The fees paid to independent non-executive directors during the year were as follows:

年內，支付予獨立非執行董事之袍金如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Mr. Kwong Chi Keung	鄭志強先生	251	202
Mr. Kwong Ping Man	鄭炳文先生	251	202
Mr. Cheung Kin Ting, Alfred	張堅庭先生	251	202
		753	606

There were no other emoluments payable to the independent non-executive directors during the year (2018: Nil).

年內，概無其他應付獨立非執行董事的薪酬(二零一八年：零)。

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8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

(b) Executive directors and chief executive

		Fees	Performance related bonuses	Salaries, allowances and benefits in kind	Pension scheme contributions	Equity-settled share award plan expense	Total remuneration
		袍金	之花紅	薪金、津貼及實物利益	退休計劃供款	獎勵計劃開支	酬金總額
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
2019	二零一九年						
Executive directors:	執行董事：						
Mr. Yip Shu Ming ("Mr. Yip")	葉樹明先生(「葉先生」)	541	—	1,247	17	—	1,805
Mr. Chan Man Wai ("Mr. Chan")	陳文偉先生(「陳先生」)	502	—	—	7	—	509
Mr. Ku Hok Chiu ("Mr. Ku")	古學超先生(「古先生」)	502	—	—	—	—	502
Ms. Weng Peihe ("Ms. Weng")*	翁培禾女士(「翁女士」)*	541	948	1,423	17	3,415	6,344
		2,086	948	2,670	41	3,415	9,160
2018	二零一八年						
Executive directors:	執行董事：						
Mr. Yip Shu Ming	葉樹明先生	403	—	1,198	16	—	1,617
Mr. Chan Man Wai	陳文偉先生	403	—	—	15	—	418
Mr. Ku Hok Chiu	古學超先生	403	—	—	—	—	403
Ms. Weng Peihe	翁培禾女士*	403	1,051	1,364	16	4,786	7,620
		1,612	1,051	2,562	47	4,786	10,058

* Ms. Weng is also the chief executive of the Group.

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

8. 董事及行政總裁之酬金(續)

(b) 執行董事及行政總裁

* 翁女士亦為本集團行政總裁。

年內概無安排使董事或主要行政人員放棄或同意放棄任何薪酬。

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9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included two (2018: two) directors, details of whose remuneration are set out in note 8 above. Details of the remuneration for the year of the remaining three (2018: three) highest paid employees who are neither a director nor chief executive of the Company, are as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Basic salaries and other benefits in kind	基本薪金及其他實物利益	3,141	3,093
Performance related bonuses	表現相關之花紅	2,067	2,413
Equity-settled share award plan expense	股本結算股份獎勵計劃開支	2,648	3,328
Pension scheme contributions	退休計劃供款	122	113
		7,978	8,947

The number of non-director and non-chief executive, highest paid employees whose remuneration fell within the following bands is as follows:

		Number of employees 僱員人數	
		2019 二零一九年	2018 二零一八年
RMB1,500,001 to RMB2,000,000	人民幣1,500,001元至 人民幣2,000,000元	2	2
RMB4,000,001 to RMB4,500,000	人民幣4,000,001元至 人民幣4,500,000元	1	—
RMB5,000,001 to RMB5,500,000	人民幣5,000,001元至 人民幣5,500,000元	—	1
		3	3

9. 五名最高薪僱員

於年內，五名最高薪僱員包括兩名(二零一八年：兩名)董事，薪酬詳情載於上述附註8。本年度餘下三名(二零一八年：三名)最高薪僱員(非本公司董事或行政總裁)的薪酬詳情呈列如下：

擁有下列薪酬範圍的非董事或行政總裁的最高薪酬僱員的人數如下：

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10. INCOME TAX

The Company's subsidiaries in Mainland China are subject to income tax at the rate of 25% (2018: 25%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

10. 所得稅

本公司於中國內地之附屬公司須繳納稅率為25% (二零一八年：25%) 之所得稅。其他地方的應課稅溢利稅項乃按本集團經營所在司法權區之現行稅率計算。

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Current — PRC	即期 — 中國		
Charge for the year	本年度開支	37,600	44,488
Underprovision in prior years	往年撥備不足	110	452
Current — Hong Kong	即期 — 香港	164	2,130
PRC withholding tax on dividend income	股息收入之中國預扣稅	5,286	4,447
Deferred (note 24)	遞延(附註24)	2,116	(542)
Total tax charge for the year	本年度稅項開支總額	45,276	50,975

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10. INCOME TAX (Continued)

A reconciliation of the tax expense applicable to profit before tax at the statutory rate for the country in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rate, and a reconciliation of the applicable rate (i.e., the statutory tax rate) to the effective tax rate, are as follows:

10. 所得稅(續)

按適用於本公司及其大部份附屬公司所在國家之法定稅率及其稅前溢利計算之稅項費用與按實際稅率計算之稅項費用之對賬，及適用稅率(即法定稅率)與本年度實際稅率對賬如下：

		2019 二零一九年		2018 二零一八年	
		RMB'000	%	RMB'000	%
		人民幣千元	%	人民幣千元	%
Profit before tax	除稅前溢利	138,122		167,981	
Tax at the statutory tax rate	按法定稅率繳稅	34,531	25.0	41,995	25.0
Lower tax rates enacted by local authority	當地政府較低稅率	(1,238)	(0.9)	(1,055)	(0.6)
Losses attributable to joint ventures	合營公司應佔虧損	1,072	0.8	951	0.6
Adjustments in respect of current tax of previous periods	就先前期間即期稅項所作調整	110	0.1	452	0.3
Effect of withholding tax on the distributable profits of the Group's PRC subsidiaries	本集團中國附屬公司的可分派溢利的預扣稅的影響	5,286	3.8	4,447	2.6
Income not subject to tax	毋須納稅之收入	(186)	(0.1)	(1,164)	(0.7)
Expenses not deductible for tax	不能扣稅之開支	4,862	3.5	1,688	1.0
Tax losses utilised from previous periods	動用過往期間之稅務虧損	—	—	(92)	(0.1)
Tax losses not recognised	未確認之稅務虧損	1,384	1.0	997	0.6
Others	其他	(545)	(0.4)	2,756	1.6
Tax charge at the Group's effective rate for the year	年內按本集團實際利率計算之稅項開支	45,276	32.8	50,975	30.3

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11. DIVIDENDS

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Interim special dividend — HK3.40 cents (2018: HK3.40 cents) per ordinary share 中期特別股息 — 每股普通股3.40港仙 (二零一八年：3.40港仙)	32,130	30,520
Proposed final dividend — Nil (2018: HK9.20 cents per ordinary share) 建議末期股息 — 無(二零一八年： 每股普通股9.20港仙)	—	84,653
	32,130	115,173

11. 股息

12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares of 1,071,760,226 (2018: 1,066,669,870) in issue during the year.

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2019 and 2018.

12. 本公司普通股權益持有人應佔之每股盈利

每股基本盈利金額乃根據本公司普通股權益擁有人應佔本年度溢利及年內已發行普通股加權平均數1,071,760,226股(二零一八年：1,066,669,870股)計算。

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，本集團並無已發行潛在攤薄普通股股份。

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12. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (Continued)

12. 本公司普通股權益持有人應佔之每股盈利(續)

The calculations of basic and diluted earnings per share are based on:

每股基本及攤薄盈利的計算方法依據：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Earnings	盈利		
Profit attributable to ordinary equity holders of the Company, used in the basic and diluted earnings per share calculations	本公司普通股權益擁有人應佔溢利，用於計算每股基本及攤薄盈利	91,283	115,173
		Number of shares 股數	
		2019 二零一九年	2018 二零一八年
Shares	股份		
Weighted average number of ordinary shares in issue during the year used in the basic and diluted earnings per share calculations	用於計算每股基本及攤薄盈利的年內已發行普通股加權平均數	1,071,760,226	1,066,669,870

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13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

		Leasehold improvements	Furniture, fixtures and equipment	Motor vehicles	Total
		租賃裝修	傢俱、裝置及設備	汽車	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
31 December 2019	二零一九年十二月三十一日				
At 31 December 2018 and at 1 January 2019:	於二零一八年十二月三十一日及二零一九年一月一日：				
Cost	成本	463,075	93,325	4,297	560,697
Accumulated depreciation and impairment	累計折舊及減值	(350,671)	(66,965)	(3,330)	(420,966)
Net carrying amount	賬面淨值	112,404	26,360	967	139,731
At 1 January 2019, net of accumulated depreciation and impairment	於二零一九年一月一日，扣除累計折舊及減值	112,404	26,360	967	139,731
Additions	添置	44,756	14,252	297	59,305
Depreciation provided during the year	年內折舊撥備	(37,307)	(9,514)	(300)	(47,121)
Impairment	減值	(369)	(220)	—	(589)
Disposals	出售	(135)	(182)	(28)	(345)
Exchange realignment	匯兌調整	55	11	—	66
At 31 December 2019, net of accumulated depreciation and impairment	於二零一九年十二月三十一日，扣除累計折舊及減值	119,404	30,707	936	151,047
At 31 December 2019:	於二零一九年十二月三十一日：				
Cost	成本	504,887	104,695	4,211	613,793
Accumulated depreciation and impairment	累計折舊及減值	(385,483)	(73,988)	(3,275)	(462,746)
Net carrying amount	賬面淨值	119,404	30,707	936	151,047

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13. PROPERTY, PLANT AND EQUIPMENT

(Continued)

13. 物業、廠房及設備 (續)

		Leasehold improvements	Furniture, fixtures and equipment	Motor vehicles	Total
		租賃裝修 RMB'000 人民幣千元	傢俱、裝置 及設備 RMB'000 人民幣千元	汽車 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
31 December 2018	二零一八年十二月三十一日				
At 1 January 2018:	於二零一八年一月一日:				
Cost	成本	415,252	87,682	4,270	507,204
Accumulated depreciation and impairment	累計折舊及減值	(310,407)	(60,014)	(3,320)	(373,741)
Net carrying amount	賬面淨值	104,845	27,668	950	133,463
At 1 January 2018, net of accumulated depreciation and impairment	於二零一八年一月一日，扣除累計折舊及減值	104,845	27,668	950	133,463
Additions	添置	47,900	8,603	527	57,030
Depreciation provided during the year	年內折舊撥備	(40,548)	(9,550)	(322)	(50,420)
Disposals	出售	(190)	(408)	(188)	(786)
Exchange realignment	匯兌調整	397	47	—	444
At 31 December 2018, net of accumulated depreciation and impairment	於二零一八年十二月三十一日，扣除累計折舊及減值	112,404	26,360	967	139,731
At 31 December 2018:	於二零一八年十二月三十一日:				
Cost	成本	463,075	93,325	4,297	560,697
Accumulated depreciation and impairment	累計折舊及減值	(350,671)	(66,965)	(3,330)	(420,966)
Net carrying amount	賬面淨值	112,404	26,360	967	139,731

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14. LEASES

The Group as a lessee

The Group has lease contracts for various items of properties. The leases generally have lease terms between 2 and 10 years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

		Buildings 物業 RMB'000 人民幣千元
As at 1 January 2019	於二零一九年一月一日	277,249
Additions	添置	93,901
Depreciation charge	折舊開支	(93,709)
Impairment during the year	年內減值	(1,372)
Exchange realignment	匯兌調整	473
As at 31 December 2019	於二零一九年十二月三十一日	276,542

14. 租賃

本集團作為承租人

本集團就多項物業項目訂有租賃合約，該等租賃的租期一般介乎兩至十年。通常而言，本集團在轉讓及分租集團外部租賃資產方面受限。多個租賃合約包括延長及終止選擇權及可變租賃付款，更多詳情於下文討論。

(a) 使用權資產

本集團於年內的使用權資產及變動如下：

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14. LEASES (Continued)

The Group as a lessee (Continued)

(b) Lease liabilities

The carrying amount of lease liabilities and the movements during the year are as follows:

		2019 二零一九年 Lease liabilities 租賃負債 RMB'000 人民幣千元
Carrying amount at 1 January	於一月一日的賬面值	314,739
New leases	新租賃	93,901
Accretion of interest recognised during the year	年內已確認累計利息	25,556
Payments	付款	(124,196)
Exchange realignment	匯兌調整	432
Carrying amount at 31 December	於十二月三十一日的賬面值	310,432
Analysed into:	分析為：	
Current portion	即期部分	79,503
Non-current portion	非即期部分	230,929

The maturity analysis of lease liabilities is disclosed in note 33 to the financial statements.

14. 租賃(續)

本集團作為承租人(續)

(b) 租賃負債

年內租賃負債賬面值及變動如下：

租賃負債的到期日分析披露於財務報表附註33。

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14. LEASES (Continued)

The Group as a lessee (Continued)

(c) The amounts recognised in profit or loss in relation to leases are as follows:

	2019 二零一九年 RMB'000 人民幣千元
Interest on lease liabilities	25,556
Depreciation charge of right-of-use assets	93,709
Variable lease payments not included in the measurement of lease liabilities (included in rental and related expenses)	7,204
Impairment of right-of-use assets	1,372
Total amount recognised in profit or loss	127,841

(d) Variable lease payments

The Group leased a number of restaurants which contains variable lease payment terms that are based on the Group's turnover generated from the restaurants. There are also minimum monthly base rental arrangements for these leases. The amount of the fixed and variable lease payments recognised in profit or loss for the current year for these leases are RMB122,476,000 and RMB7,204,000, respectively.

(e) The total cash outflow for leases are disclosed in note 28(c) to the financial statements.

14. 租賃(續)

本集團作為承租人(續)

(c) 於損益確認的租賃相關款項如下：

(d) 可變租賃付款

本集團租賃多間餐廳，當中包含基於本集團自該等餐廳所產生營業額的可變租賃付款條款。該等租賃亦有最低月租安排。本年度於損益確認的該等租賃固定及可變租賃付款分別為人民幣122,476,000元及人民幣7,204,000元。

(e) 租賃現金流出總額披露於財務報表附註28(c)。

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15. INTANGIBLE ASSETS

15. 無形資產

		Licenses and franchises 授權及特許權 RMB'000 人民幣千元	Trademarks 商標 RMB'000 人民幣千元	Concession right 經營權 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
31 December 2019	二零一九年 十二月三十一日				
At 1 January 2019	於二零一九年 一月一日				
Cost	成本	4,210	4,515	5,000	13,725
Accumulated amortisation	累計攤銷	(3,199)	(3,596)	(3,250)	(10,045)
Net carrying amount	賬面淨值	1,011	919	1,750	3,680
Cost at 1 January 2019, net of accumulated amortisation	於二零一九年 一月一日之成本， 扣除累計攤銷	1,011	919	1,750	3,680
Amortisation provided during the year	年內攤銷撥備	(330)	(425)	(500)	(1,255)
Exchange realignment	匯兌調整	—	4	—	4
At 31 December 2019	於二零一九年 十二月三十一日	681	498	1,250	2,429
At 31 December 2019:	於二零一九年 十二月三十一日：				
Cost	成本	4,233	4,564	5,000	13,797
Accumulated amortisation	累計攤銷	(3,552)	(4,066)	(3,750)	(11,368)
Net carrying amount	賬面淨值	681	498	1,250	2,429
31 December 2018	二零一八年 十二月三十一日				
At 1 January 2018	於二零一八年 一月一日				
Cost	成本	4,086	4,273	5,000	13,359
Accumulated amortisation	累計攤銷	(2,781)	(2,987)	(2,750)	(8,518)
Net carrying amount	賬面淨值	1,305	1,286	2,250	4,841
Cost at 1 January 2018, net of accumulated amortisation	於二零一八年 一月一日之成本， 扣除累計攤銷	1,305	1,286	2,250	4,841
Amortisation provided during the year	年內攤銷撥備	(319)	(407)	(500)	(1,226)
Exchange realignment	匯兌調整	25	40	—	65
At 31 December 2018	於二零一八年 十二月三十一日	1,011	919	1,750	3,680
At 31 December 2018:	於二零一八年 十二月三十一日：				
Cost	成本	4,210	4,515	5,000	13,725
Accumulated amortisation	累計攤銷	(3,199)	(3,596)	(3,250)	(10,045)
Net carrying amount	賬面淨值	1,011	919	1,750	3,680

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16. INVESTMENTS IN JOINT VENTURES

16. 投資合營公司

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Share of net assets	應佔資產淨值	10,505	1,552
Loans to joint ventures	對合營公司的貸款	2,849	4,037
		13,354	5,589

The loans to joint ventures are unsecured, interest-free and repayable on demand. In the opinion of the directors, these loans are unlikely to be repaid in the foreseeable future and are considered as part of the Group's net investments in the joint ventures.

The amounts due from joint ventures are unsecured, interest-free and repayable on demand.

合營公司的貸款為無抵押、免息及按
要求償還。董事認為，該等貸款不大
可能於可見將來償還，並視作本集團於
合營公司的淨投資的一部分。

應收合營公司之款項為無抵押、免息
並按
要求償還。

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16. INVESTMENTS IN JOINT VENTURES

(Continued)

Particulars of the Group's principal joint ventures are as follows:

16. 投資合營公司 (續)

本集團主要合營公司之詳情列載如下：

Name 名稱	Issued share capital 已發行股本	Place of incorporation and business 註冊成立及營業地點	Percentage of 百分比			Principal activities 主要業務
			Ownership interest 擁有權權益	Voting power 投票權	Profit sharing 溢利分成	
Tang & Rich Holdings (I) Limited* 富盛控股(I)有限公司*	US\$1,000 1,000美元	British Virgin Islands 英屬處女群島	56	56	56	Restaurant operations 餐廳業務
Tang & Rich Holdings (II) Limited* 富盛控股(II)有限公司*	US\$10 10美元	British Virgin Islands 英屬處女群島	60	60	60	Restaurant operations 餐廳業務
Shanghai Ben Tang Catering Management Limited* 上海本唐餐飲管理有限公司*	RMB1,000,000 人民幣 1,000,000元	PRC/Mainland China 中國/中國內地	49	49	49	Restaurant operations 餐廳業務
Shenzhen Bao Ma Catering Management Limited* 深圳保馬餐飲管理有限公司*	RMB1,000,000 人民幣 1,000,000元	PRC/Mainland China 中國/中國內地	30	30	30	Restaurant operations 餐廳業務
Taiwan Tang Palace Catering Management Limited* 台灣唐宮餐飲管理顧問有限公司*	TWD60,000,000 新台幣 60,000,000元	Taiwan 台灣	45	45	45	Restaurant operations 餐廳業務
Social Place Singapore Pte Limited*	SGD100,000 新加坡元 100,000元	Singapore 新加坡	40	40	40	Restaurant operations 餐廳業務
Foodmazing Limited* 嚙美餐廳有限公司*	HK\$300,000 300,000港元	Hong Kong 香港	33	33	33	Restaurant operations 餐廳業務

* Not audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network

* 尚未由香港安永或安永全球網絡之另一間成員公司審核

The above investments are indirectly held by the Company.

上述投資由本公司間接持有。

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16. INVESTMENTS IN JOINT VENTURES

(Continued)

The Group had discontinued the recognition of its share of losses of Tang & Rich Holdings (II) Limited and its subsidiaries (collectively, "T&R (II) Group") because the share of losses of T&R(II) Group exceeded the Group's interest in T&R (II) Group and the Group had no obligation to take up further losses.

The amounts of the Group's unrecognised share of losses of T&R (II) Group for the current year and cumulatively were RMB439,000 (2018: RMB99,000) and RMB1,402,000 (2018: RMB963,000), respectively.

The following table illustrates the aggregate financial information of the Group's joint ventures that are not individually material:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Share of the joint ventures' losses for the year	年內應佔合營公司虧損	(3,817)	(3,803)
Share of the joint ventures' other comprehensive (loss)/income	應佔合營公司其他全面(虧損)/收益	(9)	162
Share of the joint ventures' total comprehensive loss	應佔合營公司全面虧損總額	(3,826)	(3,641)
Aggregate carrying amount of the Group's investments in the joint ventures	本集團於合營公司之投資之賬面值總額	13,354	5,589

16. 投資合營公司(續)

本集團已終止確認應佔富盛控股(II)有限公司及其附屬公司(統稱「富盛(II)集團」)，因為應佔富盛(II)集團虧損超出本集團於富盛(II)集團之權益，且本集團並無責任承擔進一步虧損。

本集團於本年度及累計之未確認應佔富盛(II)集團虧損分別為人民幣439,000元(二零一八年：人民幣99,000元)及人民幣1,402,000元(二零一八年：人民幣963,000元)。

下表列載本集團個別屬不重大之合營公司之彙總財務資料：

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17. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME/PROFIT OR LOSS

17. 按公平值計入其他全面收益／損益之金融資產

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Equity investments designated at fair value through other comprehensive income	指定按公平值計入其他全面收益之股本投資		
Listed equity investment, at fair value	按公平值計算的上市股本投資	9,304	23,209
Unlisted equity investment, at fair value	按公平值計算的非上市股本投資	13,842	15,000
		23,146	38,209

The above equity investments were irrevocably designated at fair value through other comprehensive income as the Group considers these investments to be strategic in nature.

上述股本投資不可撤回地指定為按公平值計入其他全面收益表，原因是本集團認為該等投資屬策略性質。

In the prior year, the Group sold its equity interest in a listed investment designated at fair value through profit or loss as this investment no longer coincided with the Group's investment strategy. The gain on derecognition of RMB3,992,000 was recognised in the statement of profit or loss.

於去年，本集團出售指定按公平價值計入損益之上市股本投資，因為該投資不再與本集團的投資策略吻合。取消確認收益人民幣3,992,000元於損益表內確認。

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Debt investment designated at fair value through profit or loss	指定按公平值計入損益之債務投資		
Unlisted debt investment, at fair value	按公平值計算的非上市債務投資	27,456	—

The above debt investment was a convertible loan and was mandatorily classified as financial asset at fair value through profit or loss as its contractual cash flows are not solely payments of principal and interest.

上述債務投資為可換股貸款並強制分類為按公平值計入損益之金融資產，因其合約現金流並非僅為支付本金及利息。

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18. INVENTORIES

18. 存貨

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Food and beverages, and other operating items for restaurant operations 食品及飲料以及酒樓業務的其他經營項目	51,344	47,075

19. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

19. 貿易及其他應收款項及預付款項

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Trade receivables 貿易應收款項	13,571	13,760
Prepayments 預付款項	20,557	28,673
Deposits and other receivables 按金及其他應收款項	47,774	64,888
	81,902	107,321
Less: Prepayments and deposits classified as non-current assets 減：分類為非流動資產之預付款項及按金	(35,090)	(45,173)
	46,812	62,148

The Group's trading terms with its customers are mainly on credit. The credit period is generally 30 days. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

本集團與其客戶之交易條款主要基於信貸。信貸期一般為30日。每名客戶擁有信貸上限。本集團對其未收回應收款項維持嚴格控制。高級管理層會定期審閱逾期結餘。鑑於上述，以及本集團之貿易應收款項與多數分散客戶有關，故並無重大信貸集中風險。本集團並無就其貿易應收款項結餘持有任何抵押品或其他信貸提升措施。貿易應收款項為免息。

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19. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Continued)

An ageing analysis of the trade receivables as at the end of the reporting period, based on invoice date and net of provisions, is as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Within 30 days	30日內	13,072	12,786
31 to 60 days	31至60日	239	254
61 to 90 days	61至90日	59	417
Over 90 days	90日以上	201	303
		13,571	13,760

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written off if past due for more than one year and are not subject to enforcement activity. As at 31 December 2019 and 2018, the Group assessed the loss allowance and the expected credit loss rate under the application of HKFRS 9 were insignificant.

19. 貿易及其他應收款項及預付款項(續)

按發票日期計算，貿易應收款項於報告期末之賬齡分析(扣除撥備)如下：

於各報告日期採用撥備矩陣進行減值分析，以計量預期信貸虧損。撥備率乃基於具有類似虧損模式的多個客戶分部組別的逾期日數釐定(即地區、產品類別、客戶類別及評級)。該計算反映或然率加權結果、貨幣時值及於報告日期可得的有關過往事項、當前狀況及未來經濟條件預測的合理及可靠資料。一般而言，貿易應收賬款如逾期超過一年及毋須受限於強制執行活動則予以撇銷。於二零一九年及二零一八年十二月三十一日，本集團評估應用香港財務報告準則第9號下的虧損撥備及預期信貸虧損率為微不足道。

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19. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Continued)

An ageing analysis of the trade receivables as at the end of the reporting period that were not individually nor collectively considered to be impaired is as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Neither past due nor impaired	未逾期及未減值	13,072	12,786
1 to 30 days past due	逾期1至30日	239	254
31 to 60 days past due	逾期31至60日	59	417
Over 60 days past due	逾期60日以上	201	303
		13,571	13,760

Deposits and other receivables mainly represent rental deposits and deposits with suppliers. Where applicable, an impairment analysis is performed at each reporting date by considering the probability of default of comparable companies with published credit ratings. In the situation where no comparable companies with credit ratings can be identified, expected credit losses are estimated by applying a loss rate approach with reference to the historical loss record of the Group. The loss rate is adjusted to reflect the current conditions and forecasts of future economic conditions, as appropriate. As at 31 December 2019 and 2018, the Group assessed the loss allowance and the expected credit loss rate under the application of HKFRS 9 were insignificant.

19. 貿易及其他應收款項及預付款項(續)

於報告期末並無個別或共同被視作減值的貿易應收款項賬齡分析如下：

按金及其他應收款項主要指租賃按金及與供應商的按金。於各報告日期通過考慮已公佈信貸評級的可比公司違約的可能性進行減值分析(倘適用)。倘無法識別具有信貸評級的可比公司，預期信貸虧損通過參考本集團過往虧損記錄使用虧損率法進行估計。虧損率將於適當時候作出調整以反映現實狀況及預測未來經濟狀況。於二零一九年及二零一八年十二月三十一日，本集團評估應用香港財務報告準則第9號下的虧損撥備及預期信貸虧損率為微不足道。

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20. CASH AND CASH EQUIVALENTS

20. 現金及現金等值

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Cash and bank balances	現金及銀行結餘	293,195	275,986
Time deposits	定期存款	203,259	268,368
		496,454	544,354
Less: Pledged deposits (<i>note 23</i>)	減：已抵押存款 (<i>附註23</i>)	(80,000)	(80,000)
Time deposits with original maturity over 3 months	原到期日超過三個月的定期存款	(34,000)	(64,000)
Cash and cash equivalents	現金及現金等值	382,454	400,354

At the end of the reporting period, the cash and bank balances of the Group held in Mainland China amounted to RMB470,192,000 (2018: RMB461,714,000). The RMB held in Mainland China is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Certain of the Group's cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term time deposits are made for varying periods of between seven days and twelve months (2018: seven days and twelve months) depending on the immediate cash requirements of the Group, and earn interest at the respective short-term time deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

於報告期末，本集團於中國內地持有之現金及銀行結餘及定期存款達人民幣470,192,000元（二零一八年：人民幣461,714,000元）。雖然於中國內地持有之人民幣不可自由轉換為其他貨幣，然而，根據中國內地的外匯管理條例及結匯、售匯及付匯管理規定，本集團獲准透過授權銀行將人民幣匯兌為其他貨幣，以進行外匯業務。

本集團若干銀行現金按基於銀行每日存款利率之浮動息率賺取利息。短期定期存款之期限由七日至十二個月（二零一八年：七日至十二個月）不等，視乎本集團之即時現金需求而定，並按相應之短期定期存款息率賺取利息。銀行結餘乃存置於信譽良好之銀行且過往並無拖欠款項紀錄。

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21. TRADE AND OTHER PAYABLES

21. 貿易及其他應付款項

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Trade payables	貿易應付款項	68,908	73,210
Other payables and accruals	其他應付款項及應計 款項	27,231	29,695
Salary and welfare payables	應付薪金及福利	31,414	33,242
Contract liabilities	合同負債	177,795	153,779
	(a)	305,348	289,926

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

按發票日期計算，貿易應付款項於報告期末之賬齡分析如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Within 30 days	30日內	60,383	59,478
31 to 60 days	31至60日	3,818	7,688
61 to 90 days	61至90日	1,143	2,401
91 to 180 days	91至180日	1,838	2,047
Over 180 days	180日以上	1,726	1,596
		68,908	73,210

The trade and other payables are non-interest-bearing and are normally settled on terms of 30 days to 90 days.

貿易及其他應付款項為不計息及通常於30日至90日期間內償還。

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21. TRADE AND OTHER PAYABLES (Continued)

Note:

(a) Details of contract liabilities are as follows:

	31 December 2019 二零一九年 十二月三十一日 RMB'000 人民幣千元	31 December 2018 二零一八年 十二月三十一日 RMB'000 人民幣千元	1 January 2018 二零一八年 一月一日 RMB'000 人民幣千元
<i>Short-term advances received from customers</i>			
從客戶收到的短期預付款項			
Contract liabilities in relation to customers' advance payments	177,795	153,779	124,723
與客戶預付款項有關的合同負債			

Contract liabilities include short-term advances received to deliver goods. The increase in contract liabilities in 2019 and 2018 was mainly due to the increase in short-term advances received from customers in relation to the restaurant operations at the end of the year.

合同負債包括為交付貨物而收取的短期預付款。二零一九年及二零一八年合約負債增加，主要是由於年底從客戶收到及與餐飲業務有關的短期預付款項增加所致。

22. DUE TO RELATED PARTIES

The amounts due to related companies are unsecured, interest-free and repayable on demand. In the opinion of directors, the directors, shareholders and beneficial owners of the related companies are the common directors and major shareholders of the Company.

21. 貿易及其他應付款項(續)

附註：

(a) 合約負債詳情如下：

22. 應付關聯方款項

應付關連公司之款項為無抵押、免息並須按要求償還。董事認為，該關連公司之董事、股東及實益擁有人為本公司之共同董事及主要股東。

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23. INTEREST-BEARING BANK BORROWINGS

23. 計息銀行借貸

		2019 二零一九年			2018 二零一八年		
		Effective interest rate (%) 實際利率(%)	Maturity 到期日	RMB'000 人民幣千元	Effective interest rate (%) 實際利率(%)	Maturity 到期日	RMB'000 人民幣千元
Current	即期						
Bank loans – secured	銀行貸款 – 有抵押	2.20%-3.83%	on demand 按要求	80,000	2.00%-3.59%	on demand 按要求	79,200

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Analysed into:	分析如下：		
Bank loans:	銀行貸款：		
On demand	按要求	80,000	79,200

(a) The Group's banking facilities amounting to RMB80,000,000 (2018: RMB79,200,000), of which RMB80,000,000 (2018: RMB79,200,000) had been utilised as at the end of the reporting period, are secured by the pledge of certain of the Group's time deposits amounting to RMB80,000,000 (2018: RMB80,000,000) (note 20).

(a) 本集團銀行融資人民幣80,000,000元(二零一八年：人民幣79,200,000元)當中人民幣80,000,000元(二零一八年：人民幣79,200,000元)於報告期末已被動用，由本集團質押若干定期存款人民幣80,000,000元(二零一八年：人民幣80,000,000元)作抵押(附註20)。

(b) All borrowings are in Hong Kong dollars.

(b) 所有借貸為港元款項。

(c) The Group's interest-bearing bank borrowings in the amount of RMB80,000,000 (2018: RMB79,200,000) containing a repayment on demand clause have been classified as current liabilities. For the purpose of the above analysis, the loans are included within current interest-bearing bank borrowings and analysed into bank loans repayable on demand.

(c) 本集團的計息銀行借款金額為人民幣80,000,000元(二零一八年：人民幣79,200,000元)，包括應要求還款條文，分類為流動負債。就上述分析而言，貸款計入流動計息銀行借款及分析為應要求銀行貸款。

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24. DEFERRED TAX

The movements in deferred tax liabilities and assets during the year are as follows:

Deferred tax liabilities

24. 遞延稅項

年內，遞延稅項負債及資產的變動如下：

遞延稅項負債

		Right-of-use assets 使用權資產 RMB'000 人民幣千元	Undistributed profits of the PRC subsidiaries 中國附屬公司 未分派溢利 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2018	於二零一八年一月一日	—	8,899	8,899
Deferred tax credited to the statement of profit or loss during the year (note 10)	年內於損益表抵免之遞延稅項(附註10)	—	(2,119)	(2,119)
At 31 December 2018	於二零一八年十二月三十一日	—	6,780	6,780
Effect of adoption of HKFRS 16	採納香港財務報告準則第16號的影響	65,280	—	65,280
At 1 January 2019 (retated)	於二零一九年一月一日(經重列)	65,280	6,780	72,060
Deferred tax (credited)/charged to the statement of profit or loss during the year (note 10)	年內於損益表(抵免)/扣除之遞延稅項(附註10)	(20,992)	115	(20,877)
At 31 December 2019	於二零一九年十二月三十一日	44,288	6,895	51,183

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24. DEFERRED TAX (Continued)

Deferred tax assets

		Lease liabilities	Losses available for offsetting against future taxable profits	Other temporary differences	Total
		租賃負債	存在可抵銷日後應課稅溢利的虧損	其他暫時差異	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2018	於二零一八年一月一日	—	172	5,813	5,985
Deferred tax charged to the statement of profit or loss during the year (note 10)	年內於損益表扣除之遞延稅項 (附註10)	—	(172)	(1,405)	(1,577)
At 31 December 2018	於二零一八年十二月三十一日	—	—	4,408	4,408
Effect of adoption of HKFRS 16	採納香港財務報告準則第16號的影響	78,095	—	—	78,095
At 1 January 2019 (restated)	於二零一九年一月一日 (經重列)	78,095	—	4,408	82,503
Deferred tax charged to the statement of profit or loss during the year (note 10)	年內於損益表扣除之遞延稅項 (附註10)	(22,232)	—	(761)	(22,993)
At 31 December 2019	於二零一九年十二月三十一日	55,863	—	3,647	59,510

24. 遞延稅項 (續)

遞延稅項資產

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24. DEFERRED TAX (Continued)**Deferred tax assets** (Continued)

For presentation purpose, certain deferred tax assets and liabilities have been offset in the consolidated statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

		2019 二零一九年 RMB'000 人民幣千元
Net deferred tax assets recognised in the consolidated statement of financial position	於綜合財務狀況表確認之遞延稅項資產淨額	15,222
Net deferred tax liabilities recognised in the consolidated statement of financial position	於綜合財務狀況表確認之遞延稅項負債淨額	(6,895)
		8,327

The Group has tax losses arising in Hong Kong of RMB6,360,000 (2018: RMB6,360,000) that are available indefinitely for offsetting against the future taxable profits of the company in which the losses arose. No deferred tax asset has been recognised in respect of the tax losses in Hong Kong of approximately RMB6,360,000 (2018: RMB6,360,000) due to the unpredictability of future profit streams.

本集團於香港產生稅項虧損人民幣6,360,000元(二零一八年: 人民幣6,360,000元), 可無限期用作抵銷本公司日後之應課稅溢利(虧損由此產生)。由於無法預測未來溢利流, 故並未就於香港的稅項虧損餘額約人民幣6,360,000元(二零一八年: 人民幣6,360,000元)確認遞延稅項資產。

24. 遞延稅項 (續)**遞延稅項資產** (續)

就呈報而言, 若干遞延稅項資產及負債已於財務狀況表抵銷。本集團作財務報告用途之遞延稅項結餘分析如下:

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24. DEFERRED TAX (Continued)

Deferred tax assets (Continued)

The Group has tax losses arising in Mainland China of RMB8,293,000 (2018: RMB14,743,000) that will expire in one to five years for offsetting against future taxable profits of the companies in which the losses arose. No deferred tax asset has been recognised in respect of the tax losses of approximately RMB8,293,000 in Mainland China (2018: RMB14,743,000) due to the unpredictability of future profit streams.

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5% or 10%. The Group is therefore liable for withholding taxes when dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

At the end of the reporting period, the aggregate amount of temporary difference associated with undistributed earnings of subsidiaries was approximately RMB347,533,000 (2018: RMB338,304,000). A deferred tax liability has been recognised in respect of approximately RMB137,900,000 (2018: RMB135,600,000) of such undistributed earnings. No deferred tax liability has been recognised in respect of the undistributed earnings of certain subsidiaries of RMB209,633,000 (2018: RMB202,704,000) because the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not be reversed in the foreseeable future.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

24. 遞延稅項(續)

遞延稅項資產(續)

本集團於中國內地產生之將於一至五年內到期之稅項虧損人民幣8,293,000元(二零一八年：人民幣14,743,000元)可用於抵銷產生該等虧損之各公司之未來應課稅溢利。由於無法預測未來溢利流，故並未就於中國內地的稅項虧損約人民幣8,293,000元(二零一八年：人民幣14,743,000元)確認遞延稅項資產。

根據中國企業所得稅法，中國內地成立之外商投資企業向外國投資者宣派之股息須繳納10%之預扣稅。該規定自二零零八年一月一日起生效，並適用於二零零七年十二月三十一日之後產生之盈利。若中國內地和外國投資者之司法權區已達成稅收協議，則可能採用較低之預扣稅稅率。就本集團而言，適用稅率為5%或10%。因此，本集團須對在中國內地成立之附屬公司就二零零八年一月一日起產生之盈利所分派之股息作預扣稅撥備。

於報告期末，附屬公司未分派盈利有關之暫時差異總額約為人民幣347,533,000元(二零一八年：人民幣338,304,000元)。已就約人民幣137,900,000元(二零一八年：人民幣135,600,000元)之該等未分配盈利確認遞延稅項資產。本集團並無就有關若干附屬公司未分派盈利人民幣209,633,000元(二零一八年：人民幣202,704,000元)確認遞延稅項負債，乃由於本集團能夠控制撥回該暫時差異之時間，及該等差異在可預見將來不會撥回所致。

本公司向股東支付股息並無產生任何所得稅。

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25. ISSUED CAPITAL

25. 已發行股本

		As at 31 December 2019 於二零一九年 十二月三十一日		As at 31 December 2018 於二零一八年 十二月三十一日	
		RMB'000 equivalent		RMB'000 equivalent	
		HK\$'000 千港元	等值 人民幣千元	HK\$'000 千港元	等值 人民幣千元
Authorised:	法定：				
4,000,000,000 ordinary shares of HK\$0.05 each	4,000,000,000股 每股面值0.05 港元之普通股	200,000		200,000	
Issued and fully paid:	已發行及繳足：				
1,073,862,500 (2018: 1,068,617,500) ordinary shares of HK\$0.05 each	1,073,862,500股 (二零一八年： 1,068,617,500 股)每股面值 0.05港元之 普通股	53,693	45,726	53,431	45,496

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25. ISSUED CAPITAL (Continued)

A summary of the transactions during the year with reference to the movements in the Company's issued ordinary share capital is as follows:

25. 已發行股本(續)

本年度之交易概要已參考本公司之已發行普通股股本變動，詳情如下：

	Notes 附註	Number of shares in issue 已發行 股份數目	Issued capital	
			HK\$'000 千港元	RMB'000 人民幣千元
Authorised:	法定：			
At 1 January 2018	於二零一八年一月一日	2,000,000,000	200,000	
Effect of share subdivision	股份分拆的影響	(a) 2,000,000,000	—	
At 31 December 2018, 1 January 2019 and 31 December 2019	於二零一八年十二月三十一日、 二零一九年一月一日及 二零一九年十二月三十一日	4,000,000,000	200,000	
Issued and fully paid:	已發行及繳足：			
At 1 January 2018 — before Share Subdivision	於二零一八年一月一日 — 股份 分拆前	531,686,250	53,169	45,276
Issue of shares under share award plan — before Share Subdivision	根據股份獎勵計劃發行股份 — 股份分拆前	(b) 1,082,500	108	91
Immediately before the Share Subdivision	緊接股份分拆前	532,768,750	53,277	45,367
Effect of Share Subdivision	股份分拆之影響	(a) 532,768,750	—	—
Immediately after the Share Subdivision	緊隨股份分拆後	1,065,537,500	53,277	45,367
Issue of shares under share award plan — after Share Subdivision	根據股份獎勵計劃發行股份 — 股 份分拆後	(c) 3,080,000	154	129
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及 二零一九年一月一日	1,068,617,500	53,431	45,496
Issue of shares under share award plan	根據股份獎勵計劃發行股份	(d) 2,165,000	108	95
Issue of shares under share award plan	根據股份獎勵計劃發行股份	(e) 3,080,000	154	135
At 31 December 2019	於二零一九年十二月三十一日	1,073,862,500	53,693	45,726

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25. ISSUED CAPITAL (Continued)

Notes:

- (a) The nominal value of the ordinary shares of the Company was initially at HK\$0.1 per share. With effect from 5 June 2018, each of the then existing issued and unissued share of the Company was subdivided into two subdivided shares of HK\$0.05 each, after a resolution had been passed at the extraordinary general meeting of the Company held on 4 June 2018 and with an approval obtained from the Stock Exchange (the "Share Subdivision"). Upon the Share Subdivision became effective, the authorised share capital of the Company had become HK\$200,000,000, divided into 4,000,000,000 shares of HK\$0.05 each. The other rights and terms of the shares remained unchanged as at 31 December 2018.
- (b) On 16 April 2018, 1,082,500 ordinary shares of HK\$0.1 each of the Company were issued to certain employees pursuant to a share award plan. The shares were deemed to be issued at HK\$3.66 each, being the market price at the date the shares were awarded. The total deemed consideration for the issue of shares was HK\$3,962,000 (equivalent to RMB3,328,000), of which HK\$108,000 (equivalent to RMB91,000) representing the par value of the shares of the Company, was credited to the Company's share capital and the remaining deemed consideration of HK\$3,854,000 (equivalent to RMB3,237,000) before issue expenses was credited to the share premium account.

25. 已發行股本(續)

附註：

- (a) 本公司普通股面值原為每股0.1港元。本公司於二零一八年六月四日舉行的股東特別大會上通過決議案並獲得聯交所批准後，自二零一八年六月五日起，本公司現有的每股已發行及未發行股份均拆細為兩股每股面值0.05港元的拆細股份（「股份分拆」）。股份分拆生效後，本公司的法定股本變為200,000,000港元，分為4,000,000,000股每股面值0.05港元的股份。於二零一八年十二月三十一日，股份的其他權利及條款維持不變。
- (b) 於二零一八年四月十六日，本公司根據股份獎勵計劃向若干僱員發行1,082,500股每股面值0.1港元之普通股。有關股份被視為按每股3.66港元發行，即獎勵股份當日的市價。就股份發行之視作代價總額為3,962,000港元（相當於人民幣3,328,000元），當中108,000港元（相當於人民幣91,000元）為本公司股份面值，已計入本公司股本，餘下視作代價3,854,000港元（相當於人民幣3,237,000元）（未扣除發行開支）計入股份溢價賬。

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25. ISSUED CAPITAL (Continued)

Notes: (Continued)

- (c) Pursuant to an ordinary resolution passed by the shareholders on the extraordinary general meeting of the Company held on 4 June 2018, on 7 June 2018, 3,080,000 ordinary shares of HK\$0.05 each of the Company (after the Share Subdivision became effective) were issued to Ms. Weng Peihe, being an executive director and the chief executive officer of the Company who has abstained from the voting in the related resolution, pursuant to a share award plan. The shares were deemed to be issued at HK\$1.85 each, being the market price at the date the shares were awarded. The total deemed consideration for the issue of shares was HK\$5,698,000 (equivalent to RMB4,786,000), of which HK\$154,000 (equivalent to RMB129,000) representing the par value of the shares of the Company, was credited to the Company's share capital and the remaining deemed consideration of HK\$5,544,000 (equivalent to RMB4,657,000) before issue expenses was credited to share premium account.
- (d) On 25 April 2019, 2,165,000 ordinary shares of HK\$0.05 each of the Company were issued to certain employees pursuant to a share award plan. The shares were deemed to be issued at HK\$1.39 each, being the market price at the date the shares were awarded. The total deemed consideration for the issue of shares was HK\$3,009,000 (equivalent to RMB2,648,000), of which HK\$108,000 (equivalent to RMB95,000) representing the par value of the shares of the Company, was credited to the Company's share capital and the remaining deemed consideration of HK\$2,901,000 (equivalent to RMB2,553,000) before issue expenses was credited to share premium account.

25. 已發行股本(續)

附註：(續)

- (c) 根據股東於二零一八年六月四日舉行之本公司股東特別大會上通過之普通決議案，在二零一八年六月七日，本公司根據股份獎勵計劃向翁培禾女士(彼為本公司之執行董事兼行政總裁，並在有關決議案上放棄投票)發行3,080,000股每股面值0.05港元之普通股(於股份分拆生效之後)。有關股份被視為按每股1.85港元發行，即獎勵股份當日的市價。就股份發行之視作代價總額為5,698,000港元(相當於人民幣4,786,000元)，當中154,000港元(相當於人民幣129,000元)為本公司股份面值，已計入本公司股本，餘下視作代價5,544,000港元(相當於人民幣4,657,000元)(未扣除發行開支)計入股份溢價賬。
- (d) 於二零一九年四月二十五日，本公司根據股份獎勵計劃向若干僱員發行2,165,000股每股面值0.05港元之普通股。有關股份被視為按每股1.39港元發行，即獎勵股份當日的市價。就股份發行之視作代價總額為3,009,000港元(相當於人民幣2,648,000元)，當中108,000港元(相當於人民幣95,000元)為本公司股份面值，已計入本公司股本，餘下視作代價2,901,000港元(相當於人民幣2,553,000元)(未扣除發行開支)計入股份溢價賬。

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25. ISSUED CAPITAL (Continued)

Notes: (Continued)

- (e) Pursuant to an ordinary resolution passed by the shareholders on the extraordinary general meeting of the Company held on 14 June 2019, on 19 June 2019, 3,080,000 ordinary shares of HK\$0.05 each of the Company were issued to Ms. Weng Peihe, being an executive director and the chief executive officer of the Company who has abstained from the voting in the related resolution, pursuant to a share award plan. The shares were deemed to be issued at HK\$1.26 each, being the market price at the date the shares were awarded. The total deemed consideration for the issue of shares was HK\$3,881,000 (equivalent to RMB3,415,000), of which HK\$154,000 (equivalent to RMB135,000) representing the par value of the shares of the Company, was credited to the Company's share capital and the remaining deemed consideration of HK\$3,727,000 (equivalent to RMB3,280,000) before issue expenses was credited to share premium account.

Share awards

Details of the Company's share award plan are included in note 27 to the financial statements.

25. 已發行股本(續)

附註：(續)

- (e) 根據股東於二零一九年六月十四日舉行之本公司股東特別大會上通過之普通決議案，在二零一九年六月十九日，本公司根據股份獎勵計劃向翁培禾女士(彼為本公司之執行董事兼行政總裁，並在有關決議案上放棄投票)發行3,080,000股每股面值0.05港元之普通股。有關股份被視為按每股1.26港元發行，即獎勵股份當日的市價。就股份發行之視作代價總額為3,881,000港元(相當於人民幣3,415,000元)，當中154,000港元(相當於人民幣135,000元)為本公司股份面值，已計入本公司股本，餘下視作代價3,727,000港元(相當於人民幣3,280,000元)(未扣除發行開支)計入股份溢價賬。

股份獎勵

本公司股份獎勵計劃詳情載於財務報表附註27。

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26. RESERVES

The amounts 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 91 and 92 of the financial statements.

Statutory general reserve

The statutory general reserve represents the appropriation of 10% of profit after taxation determined based on the relevant accounting rules and regulations of the PRC as required by the Articles of Association of the Company's PRC subsidiaries. The appropriation may cease to apply if the balance of the statutory general reserve has reached 50% of the PRC subsidiaries' registered capital.

Other reserve

The other reserve includes: (a) the difference between the nominal value of the share capital issued by Tang Palace F&B Enterprise Limited ("Tang Palace BVI") and the nominal value of share capital of the subsidiaries acquired by Tang Palace BVI, (b) the deemed contribution from a controlling shareholder of RMB1,866,000 arising on the acquisition of the remaining 10% equity interest in Meco Petrochemical Limited from Mr. Hui Yui Chuen ("Mr. Hui"), a non-controlling shareholder, by Mr. Chan, a founder shareholder of the Company, on 23 December 2009 and representing the unaudited combined net asset value of Meco Petrochemical Limited attributable to Mr. Hui as at 30 November 2009 reclassified from non-controlling interests as deemed contribution by Mr. Chan, (c) the difference between the subscription price and the nominal value of the shares allotted and issued by Tang Place BVI of RMB35,014,000 and the deemed contribution from controlling shareholders of RMB107,215,000 and (d) the difference between the nominal value of 1,999,999 shares of HK\$0.1 each in the Company's issued share capital and the entire issued share capital of Tang Palace BVI of US\$50,000 eliminated as a result of the Group Reorganisation.

26. 儲備

本集團於本年度及過往年度之儲備金額及當中的變動呈報於財務報表第91及92頁之綜合權益變動表內。

法定一般儲備

本公司中國附屬公司的組織章程細則規定，須根據相關中國會計規則及法規釐定將除稅後溢利10%撥入法定一般儲備。倘法定一般儲備餘額達中國附屬公司註冊資本的50%，則可終止撥備。

其他儲備

其他儲備指(a)唐宮飲食企業有限公司(「Tang Palace BVI」)已發行股本面值與由Tang Palace BVI收購附屬公司股本面值之間的差額，(b)由於本公司創辦人股東陳先生於二零零九年十二月二十三日向一名非控股股東許耀泉先生(「許先生」)收購美高石油化工有限公司剩餘10%股權而產生的來自控股股東視作分派人民幣1,866,000元，即於二零零九年十一月三十日許先生應佔美高石油化工有限公司未經審核合併資產淨值，由非控股權益重新分類作陳先生的視作分派及(c) Tang Palace BVI配發及發行的股份認購價與面值之間的差額人民幣35,014,000元以及自控股股東作出的視作分派人民幣107,215,000元，及(d)本公司已發行股本中每股面值0.1港元共1,999,999股股份面值與由Tang Palace BVI的全部已發行因集團重組撤銷的股本50,000美元面值之間的差額。

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27. SHARE-BASED PAYMENT TRANSACTIONS

Share Award Plan

The Company adopted a share award plan on 25 March 2011 which was revised on 22 March 2013 (“Share Award Plan”) pursuant to which the board of directors may, subject to and in accordance with the rules of the Share Award Plan, make an award of shares to certain classes of eligible participants as specified in the Share Award Plan, as determined by the board of directors from time to time on the basis of the opinion of the board of directors as to the proposed awardee’s contribution and/or future contribution to the development and growth of the Group. The shares and other trust fund for the implementation of the Share Award Plan are administered by a trustee or trustees (the “Share Award Plan Trustee”) to be appointed by the Company.

Under the Share Award Plan, the board of directors shall determine the eligibility of the eligible participants and the number of shares to be awarded (the “Awarded Shares”) and notify the Share Award Plan Trustee of the making of awards. The Awarded Shares are either (1) transferred from any person (other than the Group) by way of gift; (2) purchased by the Share Award Plan Trustee out of the funds received by way of gift or for nominal consideration; (3) subscribed for or purchased by the Share Award Plan Trustee out of the funds allocated by the board of directors out of the Group’s resources, subject to the terms and conditions of the rules of the Share Award Plan. The Share Award Plan Trustee may purchase shares on the Stock Exchange at the prevailing market price or off market, or subscribe for new shares at par or at such other subscription price as instructed by the board of directors out of the Group’s contribution if the board of directors considers it appropriate to do so.

27. 以股份為基礎付款交易

股份獎勵計劃

本公司於二零一一年三月二十五日（於二零一三年三月二十二日經修訂）採納股份獎勵計劃（「股份獎勵計劃」），據此董事會可於遵守及根據股份獎勵計劃規則的情況下，向股份獎勵計劃列明的若干類別合資格參與者獎勵股份，資格應由董事會不時根據董事會就建議受獎勵人士對本集團發展及增長作出的貢獻及／或將來貢獻給予的意見釐定。就實行股份獎勵計劃而設的股份及其他信託基金，由本公司將予委任的一名或多名受託人（「股份獎勵計劃受託人」）管理。

根據股份獎勵計劃，董事會作出獎勵時，須釐定合資格參與者的資格及作出獎勵的股份數目（「獎勵股份」），並知會股份獎勵計劃受託人。獎勵股份為(1)任何人士（本集團除外）以饋贈方式轉讓予股份獎勵計劃受託人的股份；(2)股份獎勵計劃受託人動用股份獎勵計劃受託人以饋贈方式或以名義代價獲得的資金所購買的股份；(3)由股份獎勵計劃受託人動用由董事會從本集團的資源中所劃撥的資金，根據股份獎勵計劃規則的條款及條件而認購或購買的股份。股份獎勵計劃受託人可於聯交所按現行市價或場外購買股份，或按面值或董事會指示的其他認購價格認購新股份，認購資金來自本集團的供款，惟董事會須認為是項收購屬適宜之舉。

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27. SHARE-BASED PAYMENT TRANSACTIONS

(Continued)

Share Award Plan *(Continued)*

On 16 April 2018, 1,082,500 ordinary shares of HK\$0.1 each were awarded to certain employees under the Share Award Plan at HK\$3.66 each, being the market price at the date the shares were awarded. The total deemed consideration of HK\$3,962,000 (equivalent to RMB3,328,000) was recognised as an expense during the year in relation to the shares awarded under the Share Award Plan as further detailed in note 25(b) to the financial statements.

On 7 June 2018, 3,080,000 ordinary shares of HK\$0.05 each were awarded to Ms. Weng Peihe, an Executive Director and the Chief Executive Officer of the Company under the Share Award Plan at HK\$1.85 each, being the market price at the date the shares were awarded. The total deemed consideration of HK\$5,698,000 (equivalent to RMB4,786,000) was recognised as an expense during the year in relation to the shares awarded under the Share Award Plan as further detailed in note 25(c) to the financial statements.

On 25 April 2019, 2,165,000 ordinary shares of HK\$0.05 each of the Company were awarded to certain employees under Share Award Plan at HK\$1.39 each, being the market price at the date the shares were awarded. The total deemed consideration of HK\$3,009,000 (equivalent to RMB2,648,000) was recognised as an expenses during the year in relation to the shares awarded under the Share Award Plan as further detailed in note 25(d) to the financial statements.

On 19 June 2019, 3,080,000 ordinary shares of HK\$0.05 each were awarded to Ms. Weng Peihe, an Executive Director and the Chief Executive Officer of the Company under the Share Award Plan at HK\$1.26 each, being the market price at the date the shares were awarded. The total deemed consideration of HK\$3,881,000 (equivalent to RMB3,415,000) was recognised as an expenses during the year in relation to the shares awarded under the Share Award Plan as further detailed in note 25(e) to the financial statements.

27. 以股份為基礎付款交易(續)

股份獎勵計劃(續)

於二零一八年四月十六日，每股0.1港元的1,082,500股普通股根據股份獎勵計劃以每股3.66港元授出予若干員工，即授出獎勵股份當日的市價。視作代價總額為3,962,000港元(相當於人民幣3,328,000元)就股份獎勵計劃所授出的股份於年內確認為開支，詳情載於財務報表附註25(b)。

於二零一八年六月七日，每股面值0.05港元的3,080,000股的普通股根據股份獎勵計劃以每股1.85港元授予本公司執行董事及行政總裁翁培禾女士，即授出獎勵股份當日的市價。視作代價總額5,698,000港元(相當於人民幣4,786,000元)就股份獎勵計劃所授出之股份於年內確認為開支，詳情載於財務報表附註25(c)。

於二零一九年四月二十五日，本公司每股0.05港元的2,165,000股普通股根據股份獎勵計劃以每股1.39港元授出予若干員工，即授出獎勵股份當日的市價。視作代價總額為3,009,000港元(相當於人民幣2,648,000元)於年內就股份獎勵計劃所授出的股份確認為開支，詳情載於財務報表附註25(d)。

於二零一九年六月十九日，每股面值0.05港元的3,080,000股的普通股根據股份獎勵計劃以每股1.26港元授予本公司執行董事及行政總裁翁培禾女士，即授出獎勵股份當日的市價。視作代價總額3,881,000港元(相當於人民幣3,415,000元)於年內就股份獎勵計劃所授出之股份確認為開支，詳情載於財務報表附註25(e)。

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28. NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

- (i) On 25 April 2019 and 19 June 2019, 2,165,000 and 3,800,000 ordinary shares of HK\$0.05 and HK\$0.05 each of the Company, respectively, were issued under the Share Award Plan to the employees and a director with no consideration received.
- (ii) On 16 April 2018 and 7 June 2018, 1,082,500 and 3,080,000 ordinary shares of HK\$0.1 and HK\$0.05 each of the Company, respectively, were issued under the Share Award Plan to the employees and a director with no consideration received.
- (iii) During the year, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB93,901,000 and RMB93,901,000, respectively, in respect of lease arrangements for buildings (2018: Nil).

28. 綜合現金流量表附註

(a) 重大非現金交易

- (i) 於二零一九年四月二十五日及二零一九年六月十九日，2,165,000股及3,800,000股面值分別為0.05港元的本公司普通股根據股份獎勵計劃向僱員及一名董事發行，並無收取代價。
- (ii) 於二零一八年四月十六日及二零一八年六月七日，1,082,500股及3,080,000股面值分別為0.1港元及0.05港元的本公司普通股根據股份獎勵計劃向僱員及一名董事發行，並無收取代價。
- (iii) 年內，本集團就物業租賃安排之使用權資產及租賃負債非現金添置分別為人民幣93,901,000元及人民幣93,901,000元(二零一八年：無)。

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28. NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

28. 綜合現金流量表附註(續)

(b) Changes in liabilities arising from financing activities

(b) 融資活動產生的負債變動

2019

二零一九年

		Bank loans 銀行貸款 RMB'000 人民幣千元	Lease liabilities 租賃負債 RMB'000 人民幣千元
At 31 December 2018	於二零一八年 十二月三十一日	79,200	—
Effect of adoption of HKFRS 16	採納香港財務報告準則 第16號的影響	—	314,739
At 1 January 2019 (restated)	於二零一九年一月一日 (經重列)	79,200	314,739
Changes from financing cash flows	融資現金流變動	800	(98,640)
New leases	新租賃	—	93,901
Foreign exchange movement	匯率變動	—	432
Interest expense	利息開支	—	25,556
Interest paid classified as operating cash flows	分類為經營現金流量的 已付利息	—	(25,556)
At 31 December 2019	於二零一九年 十二月三十一日	80,000	310,432

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28. NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

28. 綜合現金流量表附註(續)

(b) Changes in liabilities arising from financing activities (Continued)

(b) 融資活動產生的負債變動(續)

2018	二零一八年	Bank loans 銀行貸款 RMB'000 人民幣千元
At 1 January 2018	於二零一八年一月一日	70,550
Changes from financing cash flow	融資現金流量變動	8,650
At 31 December 2018	於二零一八年十二月三十一日	79,200

(c) Total cash outflow for leases

(c) 租賃現金流出總額

The total cash outflow for leases included in the statement of cash flows is as follows:

現金流量表內的租賃現金流出總額如下：

		2019 二零一九年 RMB'000 人民幣千元
Within operating activities	經營活動內	32,760
Within financing activities	融資活動內	98,640
		131,400

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29. COMMITMENTS

- (a) The Group had the following capital commitments at the end of the reporting period:

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Contracted, but not provided for: property, plant and equipment	已訂約但未撥備： 物業、廠房及設備 3,047	11,058

- (b) **Operating lease commitments as at 31 December 2018**

The Group leased certain of its restaurants and office premises under operating lease arrangements. Leases for restaurants were negotiated for terms ranging from two to ten years while lease for office premises was negotiated for terms of two years.

29. 承擔

- (a) 本集團於報告期末有以下資本承擔：

- (b) **於二零一八年十二月三十一日的經營租賃承擔**

本集團透過經營租賃安排出租若干餐廳及辦公室大樓。餐廳租賃年期議定為介乎兩年至十年，而辦公室大樓租賃年期議定為兩年。

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29. COMMITMENTS (Continued)

(b) Operating lease commitments as at 31 December 2018 (Continued)

At 31 December 2018, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		2018 二零一八年 RMB'000 人民幣千元
Within one year	一年內	105,565
In the second to fifth years, inclusive	第二年至第五年(包括首尾兩年)	244,551
After five years	五年後	45,756
		395,872

The operating lease rentals of certain restaurants are based solely on the sales of those restaurants or on the higher of a fixed rental and contingent rent based on the sales of those restaurants. In the opinion of the directors, as the future sales of those restaurants could not be accurately estimated, the relevant rental commitments have not been included above.

29. 承擔(續)

(b) 於二零一八年十二月三十一日的經營租賃承擔(續)

於二零一八年十二月三十一日，本集團就不可撤銷經營租賃按以下到期日於未來應付的最低租金總額載列如下：

若干餐廳經營租賃租金乃僅基於該等餐廳之銷售額，或固定租金及基於該等餐廳銷售額之或然租金之較高者。董事認為，鑒於該等餐廳的未來銷售額無法精確估計，故相關租賃承擔並未包括於上表。

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30. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the year:

			2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Purchase of leasehold improvements and equipment	購置租賃物業裝修及設備	(i)	—	18
Rental payments to a related company	支付予一間關連公司之租賃付款	(ii)	956	1,032
Rental payments to a related company	支付予一間關連公司之租賃付款	(iii)	4,908	4,623
Rental payments to a related party	支付予一間關聯方之租賃付款	(iv)	2,520	2,476
Disposal of partial equity interest in a subsidiary to a related party	出售一家附屬公司之部份股權予一關聯方	(v)	—	1,300

Notes:

- (i) The selling price of the leasehold improvements and equipment was made at pre-determined prices agreed between the Group and Chiu Kwun Engineering (Shenzhen) Co., Ltd. ("Chiu Kwun"). Mr. Ku, a director of the Company, is the beneficial owner of Chiu Kwun.
- (ii) The rental payments were charged by Dongguan Well Excellent Hotel Management Services Co., Ltd. ("Dongguan Well Excellent") at rates agreed between the Group and Dongguan Well Excellent. Mr. Yip, Mr. Chan and Mr. Ku, directors and shareholders of the Company, are also the directors and shareholders of Dongguan Well Excellent.

30. 關聯方交易

- (a) 在本期間，除此財務報告其他部份所述交易外，本集團與關聯方進行了下列重大交易：

附註：

- (i) 租賃物業裝修及設備的售價乃經本集團及超群廚具金屬製品(深圳)有限公司(「超群」)同意的預先釐定價格釐定。本公司董事古先生為超群的實益擁有人。
- (ii) 東莞維華酒店管理服務有限公司(「東莞維華」)按本集團與東莞維華同意的租金收取租賃付款。本公司董事及股東葉先生、陳先生及古先生亦為東莞維華的董事及股東。

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30. RELATED PARTY TRANSACTIONS (Continued)

(a) (Continued)

Notes: (Continued)

- (iii) The rental payments were charged by Mecco Group Company Limited (“Mecco Group”) at rates agreed between the Group and Mecco Group. Mr. Yip, Mr. Chan and Mr. Ku, directors and shareholders of the Company, are also the directors and shareholders of Mecco Group.
- (iv) The rental payments were charged by Mr. Yip and Mr. Yip Ka Fai (the “Related Landlord”) at rates agreed between the Group and the Related Landlord. Mr. Yip is a director and shareholder of the Company, and Mr. Yip Ka Fai is the son of Mr. Yip and thus both of them are related persons of the Company.
- (v) In the prior year, the Group disposed of its partial equity interest in a subsidiary to Mr. Yip Ka Fai for an aggregate consideration of RMB1,300,000 in cash. After the disposal, the Group continued to have control over the subsidiary.

(b) Outstanding balances with related parties:

Details of the Group’s outstanding balances with joint ventures and related companies as at the end of the reporting period are included in note 16 and 22 to the financial statements.

(c) Compensation of key management personnel of the Group:

Details of directors’ and the chief executive’s emoluments and the five highest paid employees are included in notes 8 and 9, respectively.

The related party transactions in respect of items (ii), (iii) and (iv) above also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

30. 關聯方交易 (續)

(a) (續)

附註：(續)

- (iii) 美高集團有限公司(「美高集團」)按本集團與美高集團同意的租金收取租賃付款。本公司董事及股東葉先生、陳先生及古先生亦為美高集團的董事及股東。
- (iv) 葉先生及葉家輝先生(「關連業主」)按本集團與關連業主同意的租金收取租賃付款。葉先生為本公司董事及股東，葉家輝先生為葉先生之兒子，因此彼等均為本公司之關連人士。
- (v) 在去年，本集團以現金總代價人民幣1,300,000元出售一家附屬公司之部份股權予葉家輝先生。出售後，本集團仍繼續對附屬公司擁有控制權。

(b) 與關聯方的未償還結餘：

於報告期末，本集團與合營公司及關連公司的未償還結餘載於財務報表附註16及22。

(c) 本集團主要管理人員之補償：

董事及高級管理人員酬金及五名最高薪僱員的酬金分別載於附註8及9。

就上述(ii)，(iii)及(iv)項的關聯方交易亦構成上市規則第14A條所定的關連交易或持續關連交易。

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31. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

Financial assets

	2019 二零一九年				2018 二零一八年		
	Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit or loss	Financial asset at fair value through profit or loss	Total	Financial assets at fair value through other comprehensive income	Financial assets at fair value through profit or loss	Total
	按攤銷成本列帳的金融資產	按公平值計入其他全面收益的金融資產	按公平值計入損益的金融資產	總計	按攤銷成本列帳的金融資產	按公平值計入其他全面收益的金融資產	總計
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Financial assets at fair value through other comprehensive income	—	23,146	—	23,146	—	38,209	38,209
Financial asset at fair value through profit or loss	—	—	27,456	27,456	—	—	—
Trade receivables (note 19)	13,571	—	—	13,571	13,760	—	13,760
Deposits and other receivables (note 19)	47,774	—	—	47,774	64,888	—	64,888
Due from joint ventures	3,733	—	—	3,733	2,696	—	2,696
Pledged time deposits	80,000	—	—	80,000	80,000	—	80,000
Time deposits	34,000	—	—	34,000	64,000	—	64,000
Cash and cash equivalents	382,454	—	—	382,454	400,354	—	400,354
	561,532	23,146	27,456	612,134	625,698	38,209	663,907

31. 按類別劃分之金融工具

於報告期末，各個類別的金融工具的賬面值如下：

金融資產

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31. FINANCIAL INSTRUMENTS BY CATEGORY

(Continued)

Financial liabilities

31. 按類別劃分之金融工具(續)

金融負債

		Financial liabilities at amortised cost 按攤銷成本列賬之金融負債	
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Trade payables (note 21)	貿易應付款項(附註21)	68,908	73,210
Other payables and accruals (note 21)	計入應計款項及其他應付款項之金融負債(附註21)	27,231	29,695
Due to related companies	應付關連公司	404	353
Interest-bearing bank borrowings	計息銀行借貸	80,000	79,200
Lease liabilities	租賃負債	310,432	—
		486,975	182,458

32. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and cash equivalents, time deposits, pledged time deposits, trade receivables, trade payables, interest-bearing bank borrowings, deposits and other receivables, other payables and accruals and balances with related companies and joint ventures approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

32. 金融工具的公平值及公平值層級

管理層已評估，現金及現金等值、定期存款、已抵押定期存款、貿易應收款項、貿易應付款項、計息銀行借貸、按金及其他應收款項、其他應付款項及應計款項以及與關連公司及合營公司的結餘之公平值，與其賬面值相近，主要是由於該等工具於短期內到期。

金融資產及負債的公平值乃按工具可於當前由自願當事人之間進行交易之金額，而非被迫或清盤銷售之金額計值。估計公平值時使用以下方法及假設：

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32. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(Continued)*

The fair values of listed equity investments are based on quoted market prices. The fair value of unlisted equity investment designated at fair value through other comprehensive income has been estimated using a valuation technique based on assumptions that are not supported by observable inputs. The valuation requires management to calculate an appropriate price multiple.

The fair value of financial asset at fair value through profit or loss has been estimated based on market prices of recent transactions of the investments. The directors believe that the estimated fair value resulting from the recent market prices, which is recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in profit or loss, is reasonable, and that it was the most appropriate value at the end of the reporting period.

32. 金融工具的公平值及公平值層級 (續)

上市可供出售股本投資之公平值乃按市場報價計算。以公平值計入其他綜合收益的非上市股本投資的公平值乃使用根據沒有可觀察輸入數據支持的假設的估值技術估算。估值要求管理層計算適用價格倍數。

按公平值計入損益的金融資產之公平值乃根據近期該投資交易的市場價格估算。董事認為，綜合財務狀況表中記錄的近期市場價格所產生的估計公平值及綜合損益表中記錄的公平值變動為合理，而且是報告期末最合適的價值。

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32. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 31 December 2019

32. 金融工具的公平值及公平值層級(續)

公平值層級

下表列示本集團金融工具之公平值計量層級：

按公平值計量之資產：

於二零一九年十二月三十一日

		Fair value measurement using 公平值計量採用以下基準			Total 總計
		Quoted prices in active markets (Level 1) 於活躍市場之 報價(第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察輸入 數據(第二級) RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察輸 入數據(第三級) RMB'000 人民幣千元	
Financial assets at fair value through other comprehensive income	按公平值計入 其他全面收益 的金融資產	9,304	—	13,842	23,146
Financial asset at fair value through profit or loss	按公平值計入損 益的金融資產	—	—	27,456	27,456

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32. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

Fair value hierarchy (Continued)

As at 31 December 2018

		Fair value measurement using 公平值計量採用以下基準			
		Quoted prices in active markets (Level 1) 公平值計量採用 以下基準於活躍 市場之報價 (第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Financial assets at fair value through other comprehensive income	按公平值計入其他全面收益的金融資產	23,209	—	15,000	38,209

The movements in fair value measurements within Level 3 during the year are as follows:

年內第三級公平值計量變動如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Equity investments at fair value through other comprehensive income — unlisted:	按公平值計入其他綜合收益的股本投資—非上市：		
At 1 January	於一月一日	15,000	—
Addition	新增	—	15,000
Total losses recognised in other comprehensive income	計入其他全面收益的虧損	(1,158)	—
At 31 December	於十二月三十一日	13,842	15,000
Debt investment at fair value through profit or loss — unlisted:	按公平值計入損益的債務投資—非上市：		
At 1 January	於一月一日	—	—
Addition	新增	27,456	—
At 31 December	於十二月三十一日	27,456	—

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32. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(Continued)*

Fair value hierarchy *(Continued)*

Liabilities measured at fair value:

The Group did not have any financial liabilities measured at fair value as at 31 December 2019 and 2018.

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (2018: Nil).

33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise cash and bank balances, short-term deposits and interest-bearing bank borrowings. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables, deposits and other receivables, balances with related companies, trade payables and other payables, which arise directly from the Group's operations.

The main risks arising from the Group's financial instruments are foreign currency risk, credit risk and liquidity risk. The directors meet periodically to analyse and formulate measures to manage each of these risks and they are summarised below.

32. 金融工具的公平值及公平值層級 *(續)*

公平值層級 *(續)*

按公平值計量之負債：

於二零一九年及二零一八年十二月三十一日，本集團並無任何按公平值計量之金融負債。

年內，公平值計量於第一級與第二級之間均無轉撥以及金融資產及金融負債並無第三級轉入或轉出(二零一八年：無)。

33. 金融風險管理目標及政策

本公司主要金融工具包括現金及銀行結餘、短期存款及計息銀行借貸。該等金融工具之主要目的是為本集團業務籌集資金。本集團亦有多項直接於業務產生之其他金融資產及負債，例如貿易應收款項、按金及其他應收款項、與相關公司的結餘、貿易應付款項及其他應付款項。

本集團金融工具之主要風險為外幣風險、信貸風險及流動資金風險。董事定期開會以分析並制定措施以管控各有關風險，有關措施概述如下。

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33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currencies. It is the Group's policy not to enter into forward contracts until a firm commitment is in place.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the Hong Kong dollar exchange rate, with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities) and the Group's equity.

		Increase/ (decrease) in exchange rate 外幣匯率上升 /(下跌) %	Increase/ (decrease) in profit before tax 除稅前溢利增加 /(減少) RMB'000 人民幣千元	Increase/ (decrease) in equity* 權益增加 /(減少)* RMB'000 人民幣千元
2019	二零一九年			
If Renminbi weakens against HK\$	倘人民幣兌港元減值	5	1,398	—
If Renminbi strengthens against HK\$	倘人民幣兌港元升值	(5)	(1,398)	—
2018	二零一八年			
If Renminbi weakens against HK\$	倘人民幣兌港元減值	5	430	—
If Renminbi strengthens against HK\$	倘人民幣兌港元升值	(5)	(430)	—

* Excluding retained profits

* 不包括保留溢利

33. 金融風險管理目標及政策(續)

外幣風險

本集團須承擔交易貨幣風險。運營單位以單位之功能貨幣以外之貨幣進行買賣時，即會產生此等風險。本集團之政策為，確認買賣後才會訂立遠期合約。

下表列示在所有其他變數保持不變之情況下，於報告期末港元匯率合理的可能變動對於本集團之除稅前溢利(由於貨幣資產及負債之公平值變動)及本集團之權益之敏感度。

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33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are closely monitored on an ongoing basis to minimise the Group's exposure to bad debts.

Maximum exposure and year-end staging

The tables below shows the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December 2019 and 2018. The amounts presented are gross carrying amounts for financial assets.

As at 31 December 2019

		12-month	Lifetime ECLs			Total
		ECLs	ECLs			
		十二個月預	全期預期信貸虧損			
		期信貸虧損	Stage 1	Stage 2	Stage 3	Simplified
			第一階段	第二階段	第三階段	簡化方法
			RMB'000	RMB'000	RMB'000	RMB'000
			人民幣千元	人民幣千元	人民幣千元	人民幣千元
Financial assets at fair value through other comprehensive income	按公平值計入其他綜合收益的金融資產	23,146	—	—	—	23,146
Financial asset at fair value through profit or loss	按公平值計入損益的金融資產	27,456	—	—	—	27,456
Trade receivables*	貿易應收款項*	—	—	—	13,571	13,571
Deposits and other receivables	存款及其他應收款項					
— Normal**	— 正常**	47,774	—	—	—	47,774
Due from joint ventures	應收合營公司款項	3,733	—	—	—	3,733
Pledged time deposits	已抵押定期存款					
— Not yet past due	— 未逾期	80,000	—	—	—	80,000
Time deposits	定期存款					
— Not yet past due	— 未逾期	34,000	—	—	—	34,000
Cash and cash equivalents	現金及現金等價物					
— Not yet past due	— 未逾期	382,454	—	—	—	382,454
		598,563	—	—	13,571	612,134

33. 金融風險管理目標及政策(續)

信貸風險

本集團只與認識及有信譽之第三方交易。本集團之政策為，欲以信貸條款交易之客戶須通過信貸核證程序。此外，本集團會持續密切注視應收結餘，盡量減低本集團之壞賬風險。

最高風險及年終階段

下表顯示於二零一九年及二零一八年十二月三十一日的根據本集團信貸政策(主要基於過往到期資料，除非其他資料在無需付出過多成本或努力下即可獲得)的信貸質素及最高信貸風險以及年終階段分類。所呈列金額為金融資產的賬面總值。

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33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk (Continued)

Maximum exposure and year-end staging (Continued)

As at 31 December 2018

		12-month	Lifetime ECLs			Total	
		ECLs	Simplified				
		十二個月預	Stage 1	Stage 2	Stage 3	approach	Total
		期信貸虧損	第一階段	第二階段	第三階段	簡化方法	總計
			RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
			人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Financial assets at fair value through other comprehensive income	按公平值計入其他綜合收益的金融資產		38,209	—	—	—	38,209
Trade receivables*	貿易應收款項*		—	—	—	13,760	13,760
Deposits and other receivables	存款及其他應收款項						
— Normal**	— 正常**		64,888	—	—	—	64,888
Due from joint ventures	應收合營公司款項		2,696	—	—	—	2,696
Pledged time deposits	已抵押定期存款						
— Not yet past due	— 未逾期		80,000	—	—	—	80,000
Time deposits	定期存款						
— Not yet past due	— 未逾期		64,000	—	—	—	64,000
Cash and cash equivalents	現金及現金等價物						
— Not yet past due	— 未逾期		400,354	—	—	—	400,354
			650,147	—	—	13,760	663,907

* For trade receivables to which the Group applies the simplified approach for impairment, information is disclosed in note 19 to the financial statements.

** The credit quality of deposits and other receivables is considered to be “normal” when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be “doubtful”.

33. 金融風險管理目標及政策(續)

信貸風險(續)

最高風險及年終階段(續)

於二零一八年十二月三十一日

* 關於本集團採用簡化方法減值的貿易應收款項，資料披露於財務報表附註19。

** 存款及其他應收款項的信貸質量於未到期及無資料表明自初始確認後該金融資產的信貸風險顯著增加時，被視為「正常」。否則，金融資產的信貸質量被視作「可疑」。

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33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade receivables) and projected cash flows from operations.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and overdrafts, lease liabilities and obligations under finance leases and trust receipt loans. The Group's policy is to maintain the Group at a net current asset position.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

33. 金融風險管理目標及政策(續)

流動資金風險

本集團採用重現經常性流動資金計劃工具監控資金短缺的風險。該工具考慮其涉及金融工具與金融資產(如貿易應收款項)之到期日以及來自營運業務之預期現金流量。

本集團之目標為通過運用銀行貸款及透支、租賃負債及融資租賃責任及信託收據貸款，維持資金持續性與靈活性之間之平衡。本集團之政策是維持本集團處於流動資產淨額之狀況。

於報告期末，本集團金融負債的到期組合乃基於以下的合約未折現款項，呈列如下：

		2019 二零一九年				
		On demand 按要求 償還	Less than 12 months 12個月以下	1 to 5 years 1至5年	Over 5 years 5年以上	Total 總計
		RMB'000 人民幣 千元	RMB'000 人民幣 千元	RMB'000 人民幣 千元	RMB'000 人民幣 千元	RMB'000 人民幣 千元
Trade payables	貿易應付款項	—	68,908	—	—	68,908
Other payables and accruals	其他應付款項及應計款項	—	27,231	—	—	27,231
Due to related companies	應付關連公司款項	404	—	—	—	404
Interest-bearing bank borrowings	計息銀行借貸	80,000	—	—	—	80,000
Lease liabilities	租賃負債	—	117,920	252,983	11,891	382,794
		80,404	214,059	252,983	11,891	559,337

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33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk (Continued)

		2018 二零一八年				
		On demand 按要求償還	Less than 12 months 12個月以下	1 to 5 years 1至5年	Over 5 years 5年以上	Total 總計
		RMB'000 人民幣 千元	RMB'000 人民幣 千元	RMB'000 人民幣 千元	RMB'000 人民幣 千元	RMB'000 人民幣 千元
Trade payables	貿易應付款項	—	73,210	—	—	73,210
Other payables and accruals	其他應付款項及應計款項	—	29,695	—	—	29,695
Due to related companies	應付關連公司	353	—	—	—	353
Interest-bearing bank borrowings	計息銀行借貸	79,200	—	—	—	79,200
		79,553	102,905	—	—	182,458

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2019 and 31 December 2018.

33. 金融風險管理目標及政策(續)

流動資金風險(續)

資本管理

本集團資本管理的主要目標旨在保障本集團有能力持續經營，並維持穩健的資本比率以支持其營運從而盡量提升股東價值。

本集團管理其資本結構並且因應經濟條件的改變及相關資產的風險特點對其作出調整。為了維持或調整資本結構，本集團可能調整支付予股東的股息，向股東退還資本或者發行新股份。截至二零一九年十二月三十一日及二零一八年十二月三十一日止年度內，其資本管理的目標、政策或過程均未發生變化。

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33. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Capital management (Continued)

The capital structure of the Group consists of cash and cash equivalents and equity attributable to owners of the Company, comprising issued capital and reserves as disclosed in the consolidated financial statements.

The directors of the Company review the capital structure periodically. As part of this review, the directors consider the cost of capital and risk associated with each class of capital. Based on recommendations of the directors, the Group will balance the overall capital structure of the Group through the payment of dividends, new share issues as well as the raising of new bank loans.

33. 金融風險管理目標及政策(續)

資本管理(續)

本集團的資本結構包括現金及現金等值及本公司擁有人應佔權益，計有已發行股本及儲備，詳情於綜合財務報表披露。

本公司董事定期審閱資本結構。作為審閱工作的一部份，董事會考慮資本成本及與各類別資本相關的風險。根據董事的建議，本集團將透過派發股息、發行新股份及籌借新銀行貸款平衡本集團整體的資本結構。

Notes to the Financial Statements

財務報表附註

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34. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

34. 本公司的財務狀況

表有關本公司於報告期末的財務狀況表資料載列如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
NON-CURRENT ASSETS	非流動資產		
Investments in subsidiaries	於附屬公司投資	7,097	7,097
Amounts due from subsidiaries	應收附屬公司款項	141,132	147,835
Total non-current assets	非流動資產總額	148,229	154,932
CURRENT ASSETS	流動資產		
Other receivables and prepayments	其他應收款項及預付款項	161	238
Cash and cash equivalents	現金及現金等值	1,217	720
		1,378	958
CURRENT LIABILITIES	流動負債		
Other payables	其他應付款項	80,239	79,448
NET CURRENT LIABILITIES	流動負債淨值	(78,861)	(78,490)
Net assets/(liabilities)	資產/(負債)淨值	69,368	76,442
EQUITY	權益		
Issued capital	已發行股本	45,726	45,496
Reserves (note)	儲備(附註)	23,642	30,946
Total equity	總權益	69,368	76,442

Notes to the Financial Statements

財務報表附註

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34. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

34. 本公司的財務狀況(續)

Note:

附註：

A summary of the Company's reserves is as follows:

本公司儲備之概要如下：

		Share premium account 股份溢價 RMB'000 人民幣千元	Exchange fluctuation reserve 匯兌波動儲備 RMB'000 人民幣千元	Retained profits 保留盈利 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2018	於二零一八年一月一日	1,959	(2,283)	62,412	62,088
Profit for the year	年內溢利	—	—	95,290	95,290
Other comprehensive loss for the year:	年內其他全面虧損：				
Exchange differences on translation of foreign operations	換算境外業務之匯兌差額	—	(578)	—	(578)
Total comprehensive income for the year	年內全面溢利總額：	—	(578)	95,290	94,712
Issue of shares under share award plan	根據股份獎勵計劃發行股份	7,894	—	—	7,894
Final 2017 dividend declared	宣派二零一七年末期股息	—	—	(103,228)	(103,228)
Interim 2018 special dividend	二零一八年中中期特別股息	—	—	(30,520)	(30,520)
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及於二零一九年一月一日	9,853	(2,861)	23,954	30,946
Profit for the year	年內溢利	—	—	105,228	105,228
Other comprehensive income for the year:	年內其他全面收益：				
Exchange differences on translation of foreign operations	換算境外業務之匯兌差額	—	705	—	705
Total comprehensive income for the year	年內全面溢利總額：	—	705	105,228	105,933
Issue of shares under share award plan	根據股份獎勵計劃發行股份	5,833	—	—	5,833
Final 2018 dividend declared	宣派二零一八年末期股息	—	—	(86,940)	(86,940)
Interim 2019 special dividend	二零一九年中中期特別股息	—	—	(32,130)	(32,130)
At 31 December 2019	於二零一九年十二月三十一日	15,686	(2,156)	10,112	23,642

35. APPROVAL OF THE FINANCIAL STATEMENTS

35. 批准財務報表

The financial statements were approved and authorised for issue by the board of directors on 30 March 2020.

本財務報表已獲董事會於二零二零年三月三十日批准及授權刊發。

Summary Financial Information

財務資料概要

A summary of the results and of the assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the published audited financial statements is set out below.

本集團於最近五個財政年度的業績概要，以及資產、負債及非控股權益，乃摘錄自最新刊發的經審核財務報表。

RESULTS

業績

		Year ended 31 December 截至十二月三十一日止年度				
		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Revenue	收益	1,495,087	1,492,128	1,356,142	1,248,455	1,088,147
Other income and gain, net	其他收入及 收益淨額	41,393	38,221	36,734	33,716	29,486
Cost of inventories consumed	已耗存貨成本	(557,020)	(551,109)	(482,112)	(463,580)	(434,745)
Staff costs	員工成本	(472,265)	(448,071)	(383,611)	(337,491)	(302,455)
Depreciation of items of property, plant and equipment	物業、廠房及 設備項目折舊	(47,121)	(50,420)	(51,095)	(55,306)	(57,200)
Depreciation of right-of-use assets	使用權資產折舊	(93,709)	—	—	—	—
Utilities and consumables	公共設施開支 及消耗品	(81,707)	(77,498)	(71,347)	(66,780)	(62,515)
Rental and related expenses	租金及相關開支	(25,607)	(139,875)	(122,078)	(112,815)	(117,226)
Other expenses	其他開支	(89,405)	(89,722)	(82,756)	(92,990)	(75,964)
Share of results of joint ventures	應佔合營公司 業績	(3,817)	(3,803)	(4,304)	(6,961)	(2,435)
Finance costs	融資成本	(27,707)	(1,870)	(1,038)	(978)	(509)
Profit before tax	稅前溢利	138,122	167,981	194,535	145,270	64,584
Income tax expense	所得稅開支	(45,276)	(50,975)	(61,349)	(42,997)	(15,995)
Profit for the year	本年度溢利	92,846	117,006	133,186	102,273	48,589
Attributable to:	歸屬於：					
Owners of the Company	本公司擁有人	91,283	115,173	131,329	100,992	48,589
Non-controlling interests	非控股權益	1,563	1,833	1,857	1,281	—
		92,846	117,006	133,186	102,273	48,589

ASSETS, LIABILITIES AND NON-CONTROLLING INTERESTS

資產、負債及非控股權益

		As at 31 December 於十二月三十一日				
		2019	2018	2017	2016	2015
		二零一九年	二零一八年	二零一七年	二零一六年	二零一五年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Total assets	資產總值	1,142,629	893,063	889,659	773,464	699,417
Total liabilities	負債總值	(713,590)	(390,430)	(355,585)	(294,157)	(277,757)
Non-controlling interests	非控股權益	(5,146)	(6,187)	(3,438)	(1,581)	—
		423,893	496,446	530,636	477,726	421,660

Glossary

詞彙

Abbreviation 簡稱	Definition 釋義
AGM 股東週年大會	annual general meeting of the Company to be held on 15 June 2020 本公司將於二零二零年六月十五日舉行之股東週年大會
Articles of Association 組織章程細則	articles of association of the Company adopted on 25 March 2011 and as amended from time to time 本公司於二零一一年三月二十五日採納及經不時修訂之組織章程細則
Audit Committee 審核委員會	audit committee of the Company established on 25 March 2011 with written terms of reference (as amended and supplemented) 本公司於二零一一年三月二十五日成立之審核委員會，其設有書面職權範圍（經修訂及補充）
Board 董事會	board of directors of Tang Palace (China) Holdings Limited 唐宮(中國)控股有限公司董事會
CCT Tenancy Agreements CCT租賃協議	tenancy agreements entered into between the Group as lessee and Meco Group or Dongguan Well Excellent (as the case may be) as landlord 本集團(作為承租人)與美高集團或東莞維華(視乎情況而定)(作為業主)訂立的租賃協議
Chiu Kwun 超群	Chiu Kwun Engineering (Shenzhen) Co. Ltd., a company established in the PRC with limited liability on 4 April 1990 and indirectly wholly-owned by Mr. KU Hok Chiu, being one of our executive directors and substantial shareholders 超群廚具金屬製品(深圳)有限公司，在一九九零年四月四日在中國成立之有限公司，由執行董事及主要股東古學超先生間接全資擁有
Company 本公司	Tang Palace (China) Holdings Limited 唐宮(中國)控股有限公司
Controlling Shareholders 控股股東	Mr. CHAN Man Wai, Mr. YIP Shu Ming, Mr. KU Hok Chiu, Best Active Investments Limited, Current Success Investments Limited and Bright Mind Investments Limited collectively known as the Controlling Shareholders of the Company 陳文偉先生、葉樹明先生、古學超先生、Best Active Investments Limited、Current Success Investments Limited及Bright Mind Investments Limited，統稱為本公司控股股東
Corporate Governance Code 企業管治守則	Corporate governance code as set out in Appendix 14 of the Listing Rules 上市規則附錄14所載之企業管治守則

Abbreviation 簡稱	Definition 釋義
CPPCC 政協	Chinese People's Political Consultative Conference 中國人民政治協商會議
Dongguan Well Excellent 東莞維華	Dongguan Well Excellent Hotel Management Services Co., Ltd., a company established in the PRC with limited liability on 27 October 2006 and wholly owned by HK Well Excellent 東莞維華酒店管理服務有限公司，一家於二零零六年十月二十七日在中國成立的有限公司，由香港維華全資擁有
EGM 股東特別大會	extraordinary general meeting 股東特別大會
Group 本集團	Tang Palace (China) Holdings Limited, together with its subsidiaries 唐宮(中國)控股有限公司及其附屬公司
HK Well Excellent 香港維華	Well Excellent Development Limited, an investment holding company incorporated in Hong Kong with limited liability and owned as to 50% by Mr. CHAN Man Wai, 35% by Mr. YIP Shu Ming, 15% by Mr. KU Hok Chiu 維華發展有限公司，一家於香港註冊成立的有限投資控股公司，由陳文偉先生、葉樹明先生及古學超先生分別擁有50%、35%及15%
Listing Date 上市日期	date on which the trading of the Company's securities commenced, i.e. 19 April 2011 本公司證券開始買賣之日期，即二零一一年四月十九日
Listing Rules 上市規則	Rules Governing the Listing of Securities on the Stock Exchange 聯交所證券上市規則
Meco Group 美高集團	Meco Group Company Limited, a company incorporated in Hong Kong with limited liability on 14 July 1992 and owned as to 50% by Mr. CHAN Man Wai, 35% by Mr. YIP Shu Ming and 15% by Mr. KU Hok Chiu 美高集團有限公司，一家於一九九二年七月十四日在香港註冊成立的有限公司，由陳文偉先生、葉樹明先生及古學超先生分別擁有50%、35%及15%
Model Code 標準守則	Model code for securities transactions by directors of listed issuers as set out in Appendix 10 to the Listing Rules 上市規則附錄10所載上市發行人董事進行證券交易之標準守則
Nomination Committee 提名委員會	nomination committee of the Company established on 25 March 2011 with written terms of reference 本公司於二零一一年三月二十五日成立之提名委員會，其設有書面職權範圍

Glossary

詞彙

Abbreviation 簡稱	Definition 釋義
Non-compete undertaking 不競爭承諾	an irrevocable non-compete undertaking in favour of the Group pursuant to which each of the Controlling Shareholders will not directly or indirectly, carry on, invest in or be engaged in any business which would or may compete with the business of the Group 向本集團作出之不可撤回不競爭承諾，據此，各控股股東將不會直接或間接進行、投資或從事任何與本集團業務競爭或可能競爭之業務
PRC 中國	People's Republic of China 中華人民共和國
Prospectus 招股章程	the Company's prospectus dated 7 April 2011 for the initial public offering 本公司日期為二零一一年四月七日之首次公開發售招股章程
Remuneration Committee 薪酬委員會	remuneration committee of the Company established on 25 March 2011 with written terms of reference 本公司於二零一一年三月二十五日成立之薪酬委員會，其設有書面職權範圍
SFO 證券及期貨條例	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time 香港法例第571章證券及期貨條例(經不時修訂、補充或以其他方式修改)
Share Award Plan 股份獎勵計劃	share award plan adopted by the Company on 25 March 2011 (as amended or supplemented) 本公司於二零一一年三月二十五日(經修訂或補充)採納之股份獎勵計劃
Share Options Scheme 購股權計劃	share option scheme adopted by the Company on 25 March 2011 本公司於二零一一年三月二十五日採納之購股權計劃
Share Subdivision 股份分拆	the subdivision of the Company's previous ordinary share(s) of HK\$0.10 each in the share capital of the Company (issued and unissued) into two(2) existing ordinary share(s) of HK\$0.05 each that was approved at the extraordinary general meeting of the Company held on 4 June 2018 and became effective on 5 June 2018 將早前本公司股本中每股0.10港元之普通股(已發行及未發行)分拆為兩(2)股現有每股0.05港元之普通股，其於二零一八年六月四日舉行之股東特別大會中獲批准，並於二零一八年六月五日生效
Stock Exchange 聯交所	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司

