



長城環亞控股有限公司

GREAT WALL PAN ASIA HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號 : 583)

長城環亞

年度報告



2019 Annual Report

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CORPORATE INFORMATION

公司資料

Board of Directors

Chairman of the Board

Mr. Chen Zenan

Executive Directors

Mr. Huang Hu (*Chief Executive Officer*)

Mr. Meng Xuefeng (*Deputy Chief Executive Officer*)

Non-executive Directors

Mr. Chen Zenan

Ms. Lv Jia

Independent Non-executive Directors

Dr. Song Ming

Dr. Sun Mingchun

Ms. Liu Yan

Audit Committee

Ms. Liu Yan (*Chairlady*)

Dr. Song Ming

Mr. Chen Zenan

Remuneration Committee

Dr. Song Ming (*Chairman*)

Mr. Meng Xuefeng

Dr. Sun Mingchun

Nomination Committee

Mr. Chen Zenan (*Chairman*)

Dr. Song Ming

Dr. Sun Mingchun

董事會

董事會主席

陳澤南先生

執行董事

黃虎先生 (*行政總裁*)

孟雪峰先生 (*副行政總裁*)

非執行董事

陳澤南先生

呂佳女士

獨立非執行董事

宋敏博士

孫明春博士

劉艷女士

審核委員會

劉艷女士 (*主席*)

宋敏博士

陳澤南先生

薪酬委員會

宋敏博士 (*主席*)

孟雪峰先生

孫明春博士

提名委員會

陳澤南先生 (*主席*)

宋敏博士

孫明春博士

CORPORATE INFORMATION

公司資料

Shareholder Information Online

www.gwpaholdings.com

Our website contains up-to-date information about our Company including financial information, corporate communications and other corporate information

Authorised Representatives

Mr. Meng Xuefeng

Mr. Kong Hok Kan

Company Secretary

Mr. Kong Hok Kan (*ACS and ACIS*)

Principal Share Registrar and Transfer Agent in Bermuda

MUFG Fund Services (Bermuda) Limited
4th Floor North, Cedar House, 41 Cedar Avenue
Hamilton HM 12, Bermuda

Hong Kong Branch Share Registrar

Computershare Hong Kong Investor Services Limited
17M Floor, Hopewell Centre
183 Queen's Road East, Wan Chai, Hong Kong

Registered Office in Bermuda

Victoria Place, 5th Floor, 31 Victoria Street
Hamilton HM 10, Bermuda

Head Office and Principal Place of Business in Hong Kong

21st Floor, Bank of America Tower
12 Harcourt Road
Central
Hong Kong

Stock Listing

Listed on the Main Board of the Stock Exchange
Stock Code: 583

網上股東資料

www.gwpaholdings.com

本公司網站已登載有關本公司之最新資料，包括財務資料、公司通訊及其他公司資料

授權代表

孟雪峰先生

江學勤先生

公司秘書

江學勤先生 (*ACS及ACIS*)

於百慕達的主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited
4th Floor North, Cedar House, 41 Cedar Avenue
Hamilton HM 12, Bermuda

香港股份過戶登記分處

香港中央證券登記有限公司
香港灣仔皇后大道東183號
合和中心17M樓

百慕達註冊辦事處

Victoria Place, 5th Floor, 31 Victoria Street
Hamilton HM 10, Bermuda

總辦事處及於香港之主要營業地點

香港
中環
夏慤道12號
美國銀行中心21樓

股份上市資料

在聯交所主板上市
股份代號：583

CORPORATE INFORMATION

公司資料

Principal Bankers

1. The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road Central, Hong Kong
2. Bank of China (Hong Kong) Limited
1 Garden Road, Hong Kong
3. Industrial and Commercial Bank of China (Asia) Limited
33/F, ICBC Tower, 3 Garden Road, Central, Hong Kong
4. China Construction Bank (Asia) Corporation Limited
28/F, CCB Tower, 3 Connaught Road Central, Central
Hong Kong
5. Agricultural Bank of China Limited Hong Kong Branch
25/F., Agricultural Bank of China Tower
50 Connaught Road Central, Hong Kong
6. Bank of China Limited, Macau Branch
Bank of China Building, Avenida Doutor Mario Soares, Macau
7. United Overseas Bank Limited
23/F, 3 Garden Road, Central, Hong Kong

Hong Kong Legal Adviser

Iu, Lai & Li Solicitors & Notaries
Rooms 2201, 2201A & 2202
22nd Floor, Tower I
Admiralty Centre
No. 18 Harcourt Road
Hong Kong

主要往來銀行

1. 香港上海滙豐銀行有限公司
香港皇后大道中1號
2. 中國銀行(香港)有限公司
香港花園道1號
3. 中國工商銀行(亞洲)有限公司
香港中環花園道3號中國工商銀行大廈33樓
4. 中國建設銀行(亞洲)股份有限公司
香港中環干諾道中3號中國建設銀行大廈
28樓
5. 中國農業銀行香港分行
香港中環干諾道中50號中國農業銀行大廈
25樓
6. 中國銀行股份有限公司澳門分行
澳門蘇亞利斯博士大馬路中國銀行大廈
7. 大華銀行有限公司
香港中環花園道3號23樓

香港法律顧問

姚黎李律師行
香港
夏慤道18號
海富中心
一座22樓
2201室, 2201A室及2202室

CORPORATE INFORMATION

公司資料

Auditor

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor
22/F, Prince's Building
Central, Hong Kong

核數師

羅兵咸永道會計師事務所
香港執業會計師
註冊公眾利益實體核數師
香港中環
太子大廈22樓

CHAIRMAN'S STATEMENT

主席報告書

Dear Shareholders,

On behalf of the Board of Directors of the Company, I am pleased to report that we continued to successfully execute our strategic objectives in year 2019.

Financial Results

For the year ended 31 December 2019, the Group recorded a total revenue of approximately HK\$168.4 million and a consolidated net profit attributable to Shareholders of approximately HK\$487.0 million, which included fair value gain on investment properties of approximately HK\$169.2 million.

Carving out this exceptional item, the consolidated net profit attributable to Shareholders for the year ended 31 December 2019 amounted to approximately HK\$317.8 million, representing an increase of 73.9% as compared with HK\$182.8 million in 2018. The increase in net profit was mainly due to the share of profits of associates for the year ended 31 December 2019 of approximately HK\$427.4 million, representing an increase of 52.8% as compared with HK\$279.7 million in 2018. Earnings per share were HK31.1 cents in 2019, based on weighted average of 1,567,745,596 Shares in issue, compared with HK37.2 cents in 2018.

Property Investment

During the year 2019, the Group's property investment segment continued to contribute stable rental income and profit to the Group by maintaining satisfactory occupancy rates of and income from the investment properties in Hong Kong, comprising of Kwai Fong Plaza, certain floors of the Bank of America Tower in Central, Yue King Building in Causeway Bay (including the outdoor billboards at the exterior wall), Ko Fai Industrial Building in Yau Tong and Sea View Estate in North Point. These investment properties generated segment operating revenue of HK\$120.9 million and recorded an aggregate property revaluation gain of HK\$169.2 million during the year, which were benefited from the stable property market in Hong Kong.

各位股東：

本人謹代表本公司董事會欣然報告，我們於二零一九年繼續成功實行戰略目標。

財務業績

截至二零一九年十二月三十一日止年度，本集團錄得收益總額約168.4百萬港元，而股東應佔綜合淨盈利為約487.0百萬港元，其中包括約169.2百萬港元之投資物業公平值收益。

倘撇除此特別項目，截至二零一九年十二月三十一日止年度之股東應佔綜合淨盈利約為317.8百萬港元，較二零一八年之182.8百萬港元增長73.9%。淨盈利增加乃主要由於二零一九年應佔聯營公司盈利較二零一八年應佔聯營公司盈利279.7百萬港元增加52.8%至427.4百萬港元所致。按1,567,745,596股加權平均已發行股份，二零一九年每股盈利為31.1港仙，而二零一八年每股盈利則為37.2港仙。

物業投資

於二零一九年，本集團之物業投資分部繼續透過維持其位於香港的投資物業之理想出租率及收入，為本集團貢獻穩定之租金收入及盈利，該等物業包括葵芳廣場、中環美國銀行中心、銅鑼灣愉景樓（包括外牆的戶外廣告牌）、油塘高輝工業大廈及北角海景大廈之若干樓層。受益於香港穩健之物業市場，該等投資物業於年內產生分部經營收益120.9百萬港元，並錄得物業重估收益總額169.2百萬港元。

CHAIRMAN'S STATEMENT

主席報告書

The Group had made substantial steps in improving its existing positions within the property industry in Hong Kong by completing the investment, through a joint venture, in a diversified retail portfolio in Hong Kong in February 2018. The portfolio comprises a number of strategically-located commercial properties and shopping centres, plazas and carparks across Hong Kong that sit in the heart of densely-populated communities and in close proximity to Mass Transit Railway stations. The Group subsequently completed the acquisition of one of the commercial properties in the portfolio, namely Kwai Fong Plaza in June 2018, which enabled the Group to further expand its property investment business, thereby creating additional source of revenue and enhancing its profitability. These transactions mark a new milestone for the Group in gaining sizeable retail presence in Hong Kong.

Financial Services

The Company, through its wholly-owned subsidiaries, holds license under the SFO to carry out Type 1 (dealing in securities) (restricted by certain conditions), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities in Hong Kong. The asset management business generates revenue by charging management fees based on the amount of assets under management and the scope of services of corporate finance services includes advising on corporate finance transactions, advising on deal structure and financing strategies in the context of mergers and acquisitions, takeovers and other notifiable transactions. The revenue and profit generated from financial services segment decreased by approximately 10% and 50% respectively, from HK\$52.5 million and HK\$13.9 million in prior year to approximately HK\$47.5 million and HK\$6.9 million in the current year. The decreases were mainly due to the unfavourable economic environment and fluctuating capital markets during the year.

The 2020 fiscal year is expected to be full of challenges in view of the global macroeconomy. We expect the operating performance of relevant assets and businesses and the estimation of changes in the fair value of investment properties will be temporarily affected by the unrelenting trade disputes between China and the United States, the local social political events and the recent outbreak of COVID-19, yet we believe the current epidemic and disputes will soon be resolved, and remains confident of the long-term economic prospects of Hong Kong.

本集團於二零一八年二月透過完成於一家合資企業的投資，投資位於香港之多元化零售組合，為提升其於香港物業行業的現有地位採取了重要的舉措。該項囊括位於香港戰略位置的多座商業物業及購物中心、商場及停車場之物業組合，均坐落於人口稠密之社區及毗鄰港鐵站。本集團其後於二零一八年六月完成收購投資組合內其中一項商業物業，葵芳廣場，令本集團進一步擴大其物業投資業務，並從而創造額外之收入來源並提高其盈利能力。此等交易標誌本集團於香港獲得大型零售市場份額之新里程碑。

金融服務

本公司，透過其全資附屬公司，持有證券及期貨條例項下牌照，獲准在香港從事第1類（證券交易）（受若干條件限制）、第4類（就證券提供意見）、第6類（就機構融資提供意見）及第9類（提供資產管理）受規管活動。資產管理業務之收益來源為按管理資產金額收取管理費，而企業融資業務服務範疇包括就機構融資交易提供意見、就併購、收購及其他須予公佈交易之交易結構及融資策略提供意見。由金融服務分部產生之收益及盈利分別減少約10%及50%，由上一年度約52.5百萬港元及約13.9百萬港元減少至本年度約47.5百萬港元及約6.9百萬港元。收益及盈利減少乃主要由於本年度不利的經濟環境及波動的資本市場所致。

鑒於全球宏觀經濟狀況，預期二零二零財政年度將充滿挑戰。我們預期有關資產及業務的營運表現，以及投資物業公平值變動的估算將暫時受到持續緊張的中美貿易摩擦、本地社會政治事件及近期爆發的新型冠狀病毒疫情所影響，惟我們相信，當前疫情及紛爭不久將獲解決，故對香港長遠經濟前景仍然充滿信心。

CHAIRMAN'S STATEMENT

主席報告書

Moreover, the Group will actively seize the investment opportunities, especially the development opportunities arising from the China's Guangdong-Hong Kong-Macao Greater Bay Area strategic plan, in expanding its scope of businesses and exploring potential investment projects by continuously leveraging on the brand of GWAMCC. With the support and experience of the Group's controlling Shareholders, the Board and the management of the Company are committed to expanding prudently and thoroughly the Group's businesses to generate favourable investment returns to our Shareholders.

On behalf of the Board, I would like to express the Board's sincere gratitude to all our Shareholders, investors, customers and business partners for their continuous support and to express my appreciation to my fellow Directors, management and all the staff of the Company, who have contributed substantially to our success, for their hard work, dedication and contribution throughout the year.

Mr. Chen Zenan

Chairman of the Board

18 March 2020

此外，本集團將積極抓緊投資機會，特別是國家「粵港澳大灣區」戰略部署的發展機遇，以拓展其業務領域，並透過持續地充份利用中國長城資產之品牌發掘潛在可發展項目。憑藉本集團控股股東的支持和經驗，本公司董事會及管理層致力於審慎且周全地擴展本集團業務，從而為我們的股東帶來優厚的投資回報。

本人謹代表董事會向全體股東、投資者、客戶及商業夥伴致以衷心之謝意，感謝彼等的持續支持，並對為我們之成功作出巨大貢獻的本公司各董事、管理層及全體員工於年內之辛勞、付出及貢獻表示感謝。

陳澤南先生

董事會主席

二零二零年三月十八日

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Executive Directors

Mr. Huang Hu, aged 56, was born in Ledong County, Hainan Province, and graduated from postgraduate course. He has engaged in finance-related work since August 1983, and obtained the title of senior economist in 1998. He holds a Master degree in Business Administration from Cheung Kong Graduate School of Business, and has investigated and studied asset management and investment banking business in the United States of America, United Kingdom, Germany and Japan. He served as a non-executive Director and a member of the Audit Committee of the Company from 5 November 2016 until 15 March 2019. He was subsequently re-designated as an executive Director and was appointed as the Chief Executive Officer of the Company on 15 March 2019. From August 1983 to October 1995, Mr. Huang served as deputy division chief, division chief of human resources department, assistant to director and deputy director of human resources department (in charge of comprehensive work) in Guangdong branch of Agricultural Bank of China (“**ABChina**”). From October 1995 to October 1996, he served as deputy governor and Party member in Guangdong Province Jiangmen branch of ABChina, and governor of Jiangmen Waihai sub-branch. From October 1996 to June 1998, he served as Party member in Guangzhou branch and Party secretary in Guangzhou Suixi sub-branch of ABChina. From June 1998 to December 1999, he served as Party secretary to the governor in Guangdong Province Shaoguan branch. From December 1999 to January 2007, he served as deputy general manager, Party member and secretary of the Commission for discipline inspection of the Guangzhou office of GWAMCC. From January 2007 to January 2014, Mr. Huang served as general manager and Party secretary of the Haikou office of GWAMCC. Since January 2014, Mr. Huang has served as supervisor and chief supervisor of Great Wall Financing Assurance Co., Ltd.* (長城融資擔保有限公司), while also holding the positions of supervisor and vice chairman of the supervisory committee of Great Wall Xinsheng Trust Co., Ltd. (長城新盛信託有限責任公司). Since May 2015, he has served as director of Great Wall Guofu Real Estate Co., Ltd.* (長城國富置業有限公司). Since June 2015, he has served as director of Great Wall International.

* For identification purpose only

執行董事

黃虎先生，56歲，生於海南省樂東縣，研究生畢業。一九八三年八月起參加金融工作，一九九八年獲得高級經濟師職稱，擁有長江商學院工商管理碩士學位，曾經赴美國、英國、德國及日本考察和學習進修金融資產管理和投資銀行業務。彼於二零一六年十一月五日至二零一九年三月十五日期間出任本公司非執行董事及審核委員會成員。彼隨後於二零一九年三月十五日獲調任為執行董事及獲委任為行政總裁。黃先生曾經於一九八三年八月至一九九五年十月任中國農業銀行（「**農行**」）廣東省分行人事處幹部科副科長、科長、人事處處長助理、副處長（主持全面工作）；一九九五年十月至一九九六年十月任農行廣東省江門市分行副行長、黨組成員兼江門市外海支行行長；一九九六年十月至一九九八年六月任農行廣州分行黨委委員、廣州穗西支行行長黨組書記；一九九八年六月至一九九九年十二月任農行廣東省韶關市分行行長黨組書記；一九九九年十二月至二零零七年一月任中國長城資產廣州辦事處副總經理、黨委委員兼紀委書記；二零零七年一月至二零一四年一月任中國長城資產海口辦事處總經理、黨委書記；二零一四年一月至今，黃先生擔任長城融資擔保有限公司監事及監事長，同期兼任長城新盛信託有限責任公司監事及監事會副主席；二零一五年五月至今擔任長城國富置業有限公司董事；二零一五年六月至今擔任長城國際董事。

* 僅供識別

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. Meng Xuefeng, aged 49, has been an executive Director and a member of the Remuneration Committee of the Company since 5 November 2016, and a Deputy Chief Executive Officer since 22 March 2017. Mr. Meng is also currently a director of various subsidiaries and associates of the Company. Mr. Meng holds a Master degree in economics from Jinan University. From 2000 to June 2006, Mr. Meng worked in Guangzhou office of GWAMCC, and served as deputy director of the business development department of Guangzhou office of GWAMCC from May 2005 to June 2006. From June 2006 to July 2010, Mr. Meng served as director of Guangdong Zhongchangxin Investment Management Co., Ltd.* (廣東中長信投資管理有限公司). From July 2010 to February 2012, Mr. Meng held the position of senior deputy manager and senior manager of the assets operation department of Guangzhou office of GWAMCC. From February 2012 to March 2015, Mr. Meng served as senior manager of the intermediary business department of Guangzhou office of GWAMCC, where he also once acted as senior manager of the second intermediary business department. From March 2015 to July 2017, Mr. Meng served as senior manager of Great Wall International and has served as deputy general manager of Great Wall International since July 2017.

孟雪峰先生，49歲，自二零一六年十一月五日起為本公司執行董事及薪酬委員會成員，並自二零一七年三月二十二日起為本公司副行政總裁。孟先生目前亦為本公司若干附屬公司及聯營公司的董事。孟先生擁有暨南大學經濟學碩士學位。自二零零零年至二零零六年六月，孟先生任職於中國長城資產廣州辦事處，並於二零零五年五月至二零零六年六月擔任中國長城資產廣州辦事處業務拓展部副處長。於二零零六年六月至二零一零年七月，孟先生擔任廣東中長信投資管理有限公司董事。於二零一零年七月至二零一二年二月，孟先生曾擔任中國長城資產廣州辦事處資產經營部高級副經理及高級經理。於二零一二年二月至二零一五年三月，孟先生擔任中國長城資產廣州辦事處中間業務部高級經理，並曾兼任中間業務二部高級經理。於二零一五年三月至二零一七年七月，孟先生任長城國際高級經理。彼自二零一七年七月起任長城國際副總經理。

* For identification purpose only

* 僅供識別

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Non-executive Directors

Mr. Chen Zenan, aged 57, was born in Chaozhou City, Guangdong Province. Mr. Chen holds a postgraduate degree in economics and holds the title of senior economist. Mr. Chen has been a non-executive Director, the Chairman of the Board, the chairman of the Nomination Committee and a member of the Audit Committee of the Company since 15 March 2019. He has engaged in finance-related work since 1979 and has over 40 years of experience in finance field. He served as the vice president and deputy secretary of the Party affairs committee of the Chaozhou Branch of ABChina; the director of the finance department, Party member, deputy general manager, secretary of the Commission for discipline inspection, deputy Party secretary, Party secretary and general manager of the Guangzhou office of GWAMCC; the director and chairman of the board of directors of Guangzhou Zhongchangxin Investment Management Co., Ltd. (廣州中長信投資管理有限公司). He has served as the chief operating officer of GWAMCC since February 2015 and he has served as a director and chairman of the board of directors of Great Wall International since January 2018. Mr. Chen is currently a director of the 15th session of the Board of the Hong Kong Chinese Enterprises Association.

Ms. Lv Jia, aged 45, has been our non-executive Director since 5 November 2016. Ms. Lv holds a Master degree in Management from Beijing Technology and Business University. From December 2007 to January 2011, Ms. Lv served as chief financial officer of Golden Credit Rating International Co., Ltd. (東方金誠國際信用評估有限公司). From January 2011 to December 2011, she served as vice president and chief financial officer of Golden Credit Rating International Co., Ltd. (東方金誠國際信用評估有限公司). From December 2011 to June 2013, Ms. Lv worked as general manager assistant in the subsidiaries management department (formerly known as division synergy department) of GWAMCC, and she has been a deputy general manager of such department since June 2013.

非執行董事

陳澤南先生，57歲，生於廣東省潮州市，經濟學研究生畢業，高級經濟師。陳先生自二零一九年三月十五日起出任本公司非執行董事、董事會主席、提名委員會主席及審核委員會成員。一九七九年參加金融工作，至今擁有金融行業40年經驗。歷任農行潮州分行副行長、機關黨委副書記；中國長城資產廣州辦事處資金財務處處長、黨委委員、副總經理、紀委書記、黨委副書記、黨委書記、總經理；廣州中長信投資管理有限公司董事、董事長。彼自二零一五年二月起任中國長城資產運營總監，二零一八年一月起任中國長城資產(國際)控股有限公司董事、董事長。陳先生目前為香港中國企業協會第15屆會董會會董。

呂佳女士，45歲，自二零一六年十一月五日起為我們的非執行董事。呂女士擁有北京工商大學管理學碩士學位。於二零零七年十二月至二零一一年一月，呂女士就職於東方金誠國際信用評估有限公司，擔任財務總監。二零一一年一月至二零一一年十二月，彼擔任東方金誠國際信用評估有限公司副總裁兼財務總監。二零一一年十二月至二零一三年六月，呂女士於中國長城資產子公司管理部(前稱機構協同部)任總經理助理，並於二零一三年六月至今任該部門副總經理。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Independent Non-executive Directors

Dr. Song Ming, aged 58, was appointed as an independent non-executive Director, the chairman of the Remuneration Committee, a member of the Audit Committee and a member of the Nomination Committee of the Company on 5 November 2016. Dr. Song graduated from Zhejiang University in July 1982 with a bachelor degree in applied mathematics. Dr. Song obtained his master degree in applied mathematics from Huazhong University of Science and Technology (formerly known as Huazhong Institute of Technology), and was awarded a doctorate by Ohio State University. He has over 27 years of experience in the research of bank regulation and management, financial market, derivatives and macroeconomics. Between 1991 and 1997, Dr. Song was the associate professor and assistant professor at the department of economics, Cleveland State University. From 1997 to 2018, Dr. Song was employed by the school of economics and finance of the University of Hong Kong, and he was a professor, the director of Centre for China Financial Research and the associate director of the Institute for China and Global Development at the University of Hong Kong. He is currently the Dean of the Economics and Management School of Wuhan University and the vice chairman of the Chinese Financial Association of Hong Kong. Dr. Song has been heavily involved in various academic conferences, researches and consultation projects. Dr. Song is currently an independent non-executive director of Wuzhou International Holdings Limited (stock code: 1369), The United Laboratories International Holdings Limited (stock code: 3933) and Guotai Junan International Holdings Limited (stock code: 1788), all of which are listed on the Main Board of the Stock Exchange. In addition, Dr. Song is also an independent director of Tande Co., Ltd. (stock code: 600665), a company listed on the Shanghai Stock Exchange.

獨立非執行董事

宋敏博士，58歲，於二零一六年十一月五日獲委任為本公司獨立非執行董事、薪酬委員會主席、審核委員會成員及提名委員會成員。宋博士於一九八二年七月畢業於浙江大學，取得應用數學學士學位。宋博士獲華中科技大學（前稱華中工學院）頒授應用數學碩士學位，並取得俄亥俄州立大學博士學位。彼擁有逾27年銀行監管與管理、金融市場、衍生工具及宏觀經濟學研究經驗。一九九一年至一九九七年，宋博士擔任克利夫蘭州立大學經濟系副教授及助理教授。宋博士自一九九七年至二零一八年任職香港大學經濟金融學院，任大學教授並兼任香港大學中國金融研究中心主任及中國與全球發展研究所副主任。宋博士現任武漢大學經濟與管理學院院長及香港中國金融協會副主席，一直積極參與各種學術會議、研究及諮詢課題。宋博士現任五洲國際控股有限公司（股份代號：1369）、聯邦製藥國際控股有限公司（股份代號：3933）及國泰君安國際控股有限公司（股份代號：1788）的獨立非執行董事，該等公司均於聯交所主板上市。此外，宋博士亦為於上海證券交易所上市的天地源股份有限公司（股份代號：600665）的獨立董事。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Dr. Sun Mingchun, aged 49, was appointed as an independent non-executive Director, a member of the Remuneration Committee and a member of the Nomination Committee of the Company on 5 November 2016. He is the Chief Economist of Haitong International Securities Group Limited (stock code: 665), a company listed on the Main Board of the Stock Exchange, since November 2019. During the period from October 2014 to October 2019, Dr. Sun served as the chairman and chief investment officer of Deepwater Capital Limited. Prior to joining Deepwater Capital Limited, Dr. Sun held the positions as the senior partner and chief economist at China Broad Capital Co., Limited, the managing director, head of China research and chief Greater China economist at Daiwa Capital Markets Hong Kong Limited, the chief China economist, head of China equity research and managing director at Nomura International (Hong Kong) Limited and the senior China economist, vice president at Lehman Brothers Asia Limited. During the period from July 1993 to August 1999, Dr. Sun was also an economist of the State Administration of Foreign Exchange of the PRC. Dr. Sun is currently the vice chairman of the Chinese Financial Association of Hong Kong and a member of the China Finance 40 Forum. He is also a guest professor of the Finance EMBA program of Shanghai Advanced Institute of Finance, the School of Economics of Fudan University and the PBC School of Finance of Tsinghua University, and the honorary institute fellow of The Asia-Pacific Institute of Business of The Chinese University of Hong Kong. Dr. Sun received a bachelor's degree in international economics from Fudan University in July 1993. He also obtained a master's degree in engineering economic systems and operations research and a doctoral degree in management science and engineering from Stanford University in June 2001 and June 2006, respectively. Dr. Sun is an independent non-executive director of HJ Capital (International) Holdings Company Limited (stock code: 982) and Weimob Inc. (stock code: 2013), both are listed on the Main Board of the Stock Exchange.

孫明春博士，49歲，於二零一六年十一月五日獲委任為本公司獨立非執行董事，薪酬委員會成員及提名委員會成員。彼自二零一九年十一月起任於聯交所主板上市之海通國際證券集團有限公司（股份代號：665）的首席經濟學家。孫博士自二零一四年十月至二零一九年十月期間擔任博海資本有限公司主席兼投資總監。於加盟博海資本有限公司前，孫博士曾任職上海博道投資管理有限公司高級合夥人及首席經濟學家、大和資本市場香港有限公司董事總經理、中國研究部主管及首席大中華經濟學家、野村國際（香港）有限公司中國首席經濟學家、中國股票研究部主管及董事總經理，以及美國雷曼兄弟亞洲投資有限公司高級中華經濟學家、副總裁。於一九九三年七月至一九九九年八月期間，孫博士亦曾任中國國家外匯管理局經濟學家。孫博士目前為香港中國金融協會副主席及中國金融四十人論壇成員。彼亦為上海高級金融學院金融EMBA課程、復旦大學經濟學院及清華大學五道口金融學院的客座教授，以及香港中文大學亞太工商研究所名譽教研學人。孫博士於一九九三年七月取得復旦大學國際經濟學士學位，彼亦分別於二零零一年六月及二零零六年六月獲史丹福大學工程經濟系統碩士學位以及管理科學及工程博士學位。孫博士現為華金國際資本控股有限公司（股份代號：982）及微盟集團*（股份代號：2013）的獨立非執行董事，該等公司均於聯交所主板上市。

* For identification purpose only

* 僅供識別

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Ms. Liu Yan, aged 49, was appointed as an independent non-executive Director and the chairlady of the Audit Committee of the Company on 26 November 2018. Ms. Liu obtained a Bachelor degree in Economics from Central University of Finance and Economics in 1992 and a Master degree in Business Administration from University of Rochester in 2005. She is a member of Chinese Institute of Certified Public Accountants (CICPA) and passed all three levels for Chartered Financial Analyst (CFA) Program. Ms. Liu has over 20 years of experience in auditing, financial management, taxation and fund management. From 1992 to 1994, Ms. Liu worked at Brilliance Group Holdings Limited in Shanghai. From 1994 to 2001, she worked at PricewaterhouseCoopers in Guangzhou. From 2005 to 2007, she worked at the Global Financial Risk Management Department at Barclays Capital in New York City. From 2007 to 2010, Ms. Liu served as vice president at Angelo Gordon Asia Limited. From 2010 to 2015, she served as managing director of Investment Management Department and Fund Management Department at China Everbright Limited (Hong Kong). From November 2016 to September 2018, Ms. Liu served as an independent non-executive director of U Banquet Group Holding Limited (stock code: 1483), a company listed on the Stock Exchange. She is currently an independent non-executive director of Tai United Holdings Limited (stock code: 718) and Haitong International Securities Group Limited (stock code: 665), both of which are listed on the Main Board of the Stock Exchange.

劉艷女士，49歲，於二零一八年十一月二十六日獲委任為本公司獨立非執行董事及審核委員會主席。劉女士於一九九二年於中央財經大學取得經濟學學士學位，並於二零零五年取得羅徹斯特大學工商管理碩士學位。彼為中國註冊會計師協會(CICPA)會員及通過特許財務分析師(CFA)三級考試。劉女士於審計、財務管理、稅務及資金管理方面擁有逾20年經驗。於一九九二年至一九九四年期間，劉女士任職於上海華晨集團有限公司。於一九九四年至二零零一年期間，彼任職於廣州普華永道會計師事務所。於二零零五年至二零零七年期間，彼任職於巴克萊資本(紐約)全球金融風險管理部。於二零零七年至二零一零年期間，劉女士任安祖高頓亞洲有限公司副總裁。於二零一零年至二零一五年期間，彼任中國光大控股有限公司(香港)投資管理部及基金管理部董事總經理。劉女士於二零一六年十一月至二零一八年九月期間曾於聯交所主板上市之譽宴集團控股有限公司(股份代號：1483)擔任獨立非執行董事。彼現擔任太和控股有限公司(股份代號：718)及海通國際證券集團有限公司(股份代號：665)的獨立非執行董事，該等公司均於聯交所主板上市。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Senior Management

Mr. Xiao Ling, aged 49, was appointed as the Deputy General Manager of the Company with effect from 11 October 2019. He holds a Doctoral degree in economics and holds the title of senior economist. He graduated from Xi'an Jiaotong University with a Bachelor degree in engineering majoring in thermal turbine in 1992, and obtained a Master degree in economics majoring in monetary banking and a Doctoral degree in economics majoring in finance from Southwestern University of Finance and Economics in 1997 and 2007, respectively. From July 1992 to September 1994, Mr. Xiao served as an assistant engineer of the second chemical factory of Chengdu (成都化工二廠). From July 1997 to February 2000, he served as senior staff member of international business department of Sichuan Province branch of ABChina. From February 2000 to August 2010, Mr. Xiao served as deputy division chief of the asset operation and management department, principal staff member of third division of asset operation department, and business executive of general affairs department of Chengdu office of GWAMCC. He was re-designated to the human resource department of the headquarter of GWAMCC in August 2010 and served as business executive of remuneration management division, senior deputy manager of remuneration management division and senior manager of veteran cadre management division. From March 2015 to June 2019, he worked in the capital management department of the headquarter of GWAMCC, served as senior manager of capital market division, senior manager of capital management division and senior manager of debt planning division.

高級管理層

肖齡先生，49歲，於二零一九年十月十一日獲委任為本公司之副總經理。彼為經濟學博士，高級經濟師。於一九九二年畢業於西安交通大學，取得工學學士學位（熱力渦輪機專業），並分別於一九九七年及二零零七年獲西南財經大學頒授經濟學碩士學位（貨幣銀行學專業）及經濟學博士學位（金融學專業）。於一九九二年七月至一九九四年九月期間，肖先生於成都化工二廠任職助理工程師。於一九九七年七月至二零零零年二月期間，於農行四川省分行國際業務部任職副主任科員。於二零零零年二月至二零一零年八月期間，肖先生先後任職於中國長城資產成都辦事處資產經營管理部、資產經營三部、綜合管理部，歷任副科長、主任科員、業務主管。二零一零年八月調任中國長城資產總部人力資源部，歷任薪酬管理處業務主管、薪酬管理處高級副經理、老幹部管理處高級經理。二零一五年三月至二零一九年六月期間，任職於中國長城資產總部資金管理部，歷任金融市場處高級經理、資金管理處高級經理、負債規劃處高級經理。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Ms. Li Li Hua, aged 57, was appointed as the Deputy General Manager of the Company with effect from 21 September 2017 and the Chief Operating Officer of the Company with effect from 15 March 2019. Prior to joining our Company, she was an executive director of Shanghai Zendai Property Limited (“**Shanghai Zendai**”), a company listed on the Main Board of the Stock Exchange (stock code: 755), during 18 August 2014 to 20 September 2017. From March 2008 to June 2015, she held various positions in Shanghai Zendai, including manager of finance department, general manager of the Hong Kong region, vice president and chief executive officer and her principal duties were corporate governance, expansion of overseas business, financial management, financing arrangement and public relations management. Ms. Li was an on-the-job postgraduate majoring in monetary banking in the finance division of the Graduate School of Renmin University of China. Ms. Li has over 22 years of experience in the investment and management of securities investment and capital markets. She served as chief economist of Xiangcai Securities Co., Ltd. and general manager of its southern headquarter, as well as deputy chief economist and general manager of the finance department of Hainan Securities Company Limited.

Ms. Zheng Yuanyuan, aged 41, was appointed as the Deputy General Manager of the Company with effect from 15 March 2019. She was the company secretary of the Company from 31 October 2016 to 11 October 2019 and acted as head of the legal department of the Company from the same date to June 2018. Ms. Zheng has extensive experience in handling large investment and transaction projects. She passed the National Judicial Examination of the PRC and obtained the Legal Profession Qualification Certificate in 2002. She acquired bar qualification in the New York State of the United States in 2008 and qualified as a practicing solicitor in Hong Kong in 2015. After obtaining a Master degree in Common Law from the University of Pennsylvania in the United States, Ms. Zheng worked in the Hong Kong office of Baker & McKenzie from 2007 to 2015, and served as special counsel prior to her resignation. From December 2015 to June 2018, Ms. Zheng served as co-head of the legal department of Great Wall International and acted as the Chief Administrative Officer of the general affairs department of Great Wall International from June 2018 to March 2019.

黎利華女士，57歲，於二零一七年九月二十一日獲委任為本公司之副總經理，並於二零一九年三月十五日獲委任為本公司首席運營官。在加入本公司前，彼曾於二零一四年八月十八日至二零一七年九月二十日期間為於聯交所主板上市的上海証大房地產有限公司（「**上海証大**」）（股份代號：755）的執行董事。由二零零八年三月至二零一五年六月，彼於上海証大歷任財務部經理、香港區總經理、副總裁及行政總裁，彼之主要工作為企業管治、海外業務的拓展、財務管理、融資安排及公共關係管理。黎女士為中國人民大學研究生院財政金融學院貨幣銀行學在職研究生。黎女士在證券投資及資本市場擁有逾22年投資及管理經驗，曾擔任湘財證券股份有限公司總經濟師兼南方總部總經理，及海南省證券公司副總經濟師兼財務部總經理。

鄭遠遠女士，41歲，於二零一九年三月十五日獲委任為本公司副總經理。彼自二零一六年十月三十一日至二零一九年十月十一日期間為本公司之公司秘書，並於同日起至二零一八年六月期間擔任本公司法務部門主管。鄭女士在處理大型投資交易方面擁有豐富的項目經驗。彼於二零零二年通過中國司法考試並取得法律職業資格證書，且自二零零八年起取得美國紐約州執業律師資格並自二零一五年起擁有香港執業律師資格。在美國賓夕法尼亞大學法學院取得普通法碩士學位後，鄭女士於二零零七年至二零一五年就職於貝克·麥堅時律師事務所香港辦公室（離職前擔任高級法律顧問）。自二零一五年十二月至二零一八年六月，鄭女士擔任長城國際法律部聯席主管，並自二零一八年六月至二零一九年三月期間任長城國際綜合管理部行政總監。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. Wang Han, aged 39, was appointed as the Chief Financial Officer of the Company with effect from 22 March 2017. Mr. Wang has extensive experience in financial analysis, valuation analysis and audit. He obtained his bachelor degree majoring in finance from the business school of The University of Auckland in New Zealand in 2004 and master degree of business administration from City University of Seattle in the United States of America in 2014. He is also a Certified Public Accountant and a member of the Association of Chartered Certified Accountants. From 2012 to 2015, Mr. Wang worked in the debt valuation department of Great Wall Golden Bridge Financial Consulting Co., Ltd.. He acted as the head of finance department of Great Wall International from 2015 to August 2019. Prior to 2012, he worked as Assistant to chief financial officer of Carlton Party Hire in New Zealand, auditor of Ernst & Young Hua Ming and worked in the research department of ICBC Credit Suisse Asset Management Co., Ltd..

Company Secretary

Mr. Kong Hok Kan, aged 36, was appointed as the company secretary of the Company with effect from 11 October 2019. He joined the Company as the Deputy Company Secretary in April 2017 and is primarily responsible for the company secretarial and listing compliance functions of the Group. He is a Chartered Secretary, a Chartered Governance Professional, and an associate member of both The Hong Kong Institute of Chartered Secretaries and The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries and Administrators) in the United Kingdom. He holds a Bachelor of Arts degree from the University of Brighton and a Master of Science degree in Professional Accounting and Corporate Governance from City University of Hong Kong. Prior to joining the Group, Mr. Kong has served various listed companies during the period from August 2006 to March 2017 and has over 13 years of extensive experiences in company secretarial and corporate governance practices.

王晗先生，39歲，於二零一七年三月二十二日獲委任為本公司之財務總監。王先生擁有豐富的財務分析、估值分析及審計之經驗。彼於二零零四年獲新西蘭奧克蘭大學商學院頒授學士學位（主修金融專業），並於二零一四年獲美國西雅圖城市大學頒授工商管理碩士學位。彼亦為註冊會計師及特許公認會計師公會會員。於二零一二年至二零一五年期間，王先生就職於長城金橋金融諮詢有限公司之債權估值部，並自二零一五年至二零一九年八月期間擔任長城國際財務部主管。於二零一二年前，彼曾於新西蘭Carlton Party Hire擔任財務總監助理，亦曾於安永華明會計師事務所出任審計師及於工銀瑞信資產管理公司研究部任職。

公司秘書

江學勤先生，36歲，於二零一九年十月十一日獲委任為本公司之公司秘書。彼於二零一七年四月加入本公司擔任副公司秘書一職，主要負責本集團之公司秘書及上市遵規等工作。彼為特許秘書、特許管治專業人員、以及香港特許秘書公會及英國特許公司治理公會（前稱特許秘書及行政人員公會）的會士。江先生持有布萊頓大學文學士學位及香港城市大學理學碩士（專業會計與企業管治）學位。於加入本集團前，江先生於二零零六年八月至二零一七年三月期間先後為多間上市公司服務，於公司秘書實務及企業管治常規方面擁有逾13年豐富經驗。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Operating Results of the Group

The Group's consolidated operating results for the years ended 31 December 2019 and 2018 were as follows:

本集團之經營業績

本集團截至二零一九年及二零一八年十二月三十一日止年度之綜合經營業績如下：

(HK\$ millions, except percentages and per share amounts)	(百萬港元，百分比 及每股金額除外)	For the year ended 31 December		
		2019 二零一九年	2018 二零一八年	% Change 變動百分比
Revenue	收益	168.4	144.9	16%
Production costs	生產成本	-	(5.2)	(100%)
Rental and utilities	租金及設施	(13.6)	(17.5)	(22%)
Other operating expenses	其他經營開支	(64.0)	(69.6)	(8%)
Operating costs before depreciation	未計折舊之經營成本	(77.6)	(92.3)	(16%)
Depreciation	折舊	(20.9)	(2.1)	**
Adjusted operating profit[^]	經調整經營盈利[^]	69.9	50.5	38%
Other income	其他收入	0.2	2.4	(92%)
Fair value gain on investment properties	投資物業公平值收益	169.2	400.6	(58%)
Operating profit	經營盈利	239.3	453.5	(47%)
Net finance cost	財務成本淨額	(173.4)	(143.7)	21%
Share of profits of associates	應佔聯營公司盈利	427.4	279.7	53%
Income tax expense	所得稅開支	(6.3)	(6.1)	3%
Profit for the year	全年盈利	487.0	583.4	(17%)
Profit attributable to Shareholders	股東應佔盈利	487.0	583.4	(17%)
Earnings per share (HK cents)	每股盈利 (港仙)	31.1	37.2	(17%)

[^] Adjusted operating profit is defined as operating profit before other income and fair value gain on investment properties.

[^] 經調整經營盈利界定為未計其他收入及投資物業公平值收益之經營盈利。

** Represents a change in excess of 100%.

** 表示變動超過100%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Profit attributable to Shareholders for the year ended 31 December 2019 amounted to HK\$487.0 million, representing a decrease of approximately 17% as compared with profit attributable to Shareholders of HK\$583.4 million for the year ended 31 December 2018. Earnings per share were HK31.1 cents for the year end 31 December 2019, based on weighted average of 1,567,745,596 Shares in issue (for the year ended 31 December 2018: HK37.2 cents based on 1,567,745,596 Shares in issue).

Excluding the revaluation gain of investment properties for the year ended 31 December 2019 of HK\$169.2 million (for the year ended 31 December 2018: HK\$400.6 million), the net profit attributable to Shareholders for the year ended 31 December 2019 was HK\$317.8 million (for the year ended 31 December 2018: HK\$182.8 million), representing a year-on-year increase of HK\$135.0 million or of 73.9%. The increase in net profit attributable to Shareholders (excluding revaluation gain) was mainly contributed by the operating profit generated from share of profits of associates of approximately HK\$427.4 million for the year ended 31 December 2019 (for the year ended 31 December 2018: HK\$279.7 million).

Business Review

The Group principally engages in the operation of two segments, namely, the property investment segment and the financial services segment.

The positive results of the Group for the year ended 31 December 2019 are primarily attributable to the contribution by the property investment segment. The Group has maintained a diversified investment property portfolio in Hong Kong which comprises Kwai Fong Plaza, certain floors of the Bank of America Tower, Yue King Building, Ko Fai Industrial Building and Seaview Estate. On the other hand, the Group has also participated in the investment in the JV Group (as defined below) which holds a diversified portfolio of properties in Hong Kong and has thus enjoyed a considerable share of profits of associates. Details of the said investment in the JV Group have been set out in the paragraph headed "Significant Investment in relation to the Investment in an Associate and Share of Profit of an Associate" below. The Group continues to leverage on the successful strategy in diversifying its portfolio of investment properties as outlined in our 2018 Annual Report. This strategy has proven to be successful in year 2019 and we are confident that it will continue to succeed in the future so as to generate sustainable return for our Shareholders.

截至二零一九年十二月三十一日止年度股東應佔盈利為487.0百萬港元，較截至二零一八年十二月三十一日止年度之股東應佔盈利583.4百萬港元下跌約17%。按1,567,745,596股加權平均已發行股份，截至二零一九年十二月三十一日止年度每股盈利為31.1港仙（截至二零一八年十二月三十一日止年度：按已發行股份1,567,745,596股為37.2港仙）。

不計入於截至二零一九年十二月三十一日止年度投資物業之重估收益169.2百萬港元（截至二零一八年十二月三十一日止年度：400.6百萬港元），截至二零一九年十二月三十一日止年度股東應佔淨盈利為317.8百萬港元（截至二零一八年十二月三十一日止年度：182.8百萬港元），跟上年相比增長135.0百萬元港元或73.9%。股東應佔淨盈利（不包括重估收益）增長乃主要由於截至二零一九年十二月三十一日止年度應佔聯營公司盈利產生之經營盈利貢獻約427.4百萬港元（截至二零一八年十二月三十一日止年度：279.7百萬港元）所致。

業務回顧

本集團主要從事運營兩個分部，即物業投資分部及金融服務分部。

本集團截至二零一九年十二月三十一日止年度的優異業績乃主要歸因於物業投資分部的貢獻。本集團於香港持有多元化的投資物業組合，包括葵芳廣場，以及位於美國銀行中心、愉景樓、高輝工業大廈及海景大廈之若干樓層。另一方面，本集團亦參與合營集團（定義見下文）的投資，該合營集團於香港擁有多元化的物業組合，故分佔相當大份額的聯營公司盈利。上述於合營集團投資之詳情已載於下文「有關於一家聯營公司之重大投資及應佔一家聯營公司盈利」一段。本集團繼續憑藉如二零一八年度報告中概述的投資物業組合多元化的成功策略。此策略已於二零一九年取得成效而我們有信心此策略將持續取得成功，以為我們的股東帶來可持續回報。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group also operates in the financial services segment which comprises provision of asset management and corporate finance services (licensed by the SFC to carry out Types 1, 4, 6 and 9 regulated activities). Although the Group recorded a year-on-year decrease in the revenue generated from the financial services segment for the year ended 31 December 2019 given the volatile financial market in year 2019, as more particularly discussed in the paragraph headed “Financial Services” below, the Group will continue to explore and seize opportunities to develop its financial services segment.

Revenue

The consolidated revenue for the years ended 31 December 2019 and 2018 by business segments and for the Group were as follows:

本集團亦經營金融服務分部，包括提供資產管理及企業融資服務（獲證監會授權從事第1、4、6及9類的受規管活動）。誠如於下文「金融服務」一段內敘述更多有關詳情，儘管受二零一九年金融市場動盪影響，本集團於截至二零一九年十二月三十一日止年度的金融服務分部產生的收入跟上年度相比下降，本集團將繼續探索及抓住發展金融服務分部的機會。

收益

截至二零一九年及二零一八年十二月三十一日止年度，按業務分部及集團整體之綜合收益如下：

		For the year ended 31 December		
		截至十二月三十一日止年度		
(HK\$ millions, except percentages)	(百萬港元，百分比除外)	2019 二零一九年	2018 二零一八年	% Change 變動百分比
Property investment	物業投資	120.9	92.4	31%
Financial services	金融服務	47.5	52.5	(10%)
Total revenue	收益總額	168.4	144.9	16%

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Financial Review by Operating Segments

The Group's reportable and operating segments during the year ended 31 December 2019 are as follows:

- (a) property investment segment which comprises the investment in retail shops, office buildings, industrial buildings and car parking spaces for rental income; and
- (b) financial services segment which comprises provision of asset management and corporate finance services (licensed by the SFC to carry out Types 1, 4, 6 and 9 regulated activities).

Property Investment

營運分部之財務回顧

本集團於截至二零一九年十二月三十一日止年度之可呈報及營運分部如下：

- (a) 物業投資分部包括投資於具租金收入之零售店、辦公大樓、工廈及停車場車位；及
- (b) 金融服務分部包括提供資產管理及企業融資服務（獲證監會授權從事第1、4、6及9類的受規管活動）。

物業投資

		For the year ended 31 December		
		截至十二月三十一日止年度		
(HK\$ millions, except percentages)	(百萬港元, 百分比除外)	2019 二零一九年	2018 二零一八年	% Change 變動百分比
Revenue	收益	120.9	92.4	31%
Adjusted EBITDA[^]	經調整的未計利息、 稅項、折舊及 攤銷之盈利[^]	74.2	47.8	55%
Depreciation	折舊	(9.4)	(0.3)	**
Adjusted operating profit	經調整經營盈利	64.8	47.5	36%
Fair value gain on investment properties and other income	投資物業公平值 收益及其他收入	180.3	400.6	(55%)
Net finance cost	財務成本淨額	(38.6)	(20.6)	87%
Income tax expense	所得稅開支	(6.3)	(4.6)	37%
Profit attributable to Shareholders[#]	股東應佔盈利[#]	200.2	422.9	(53%)

[^] Adjusted EBITDA is defined as earnings before interest, tax, depreciation, other income and fair value gain on investment properties.

[#] Including fair value gains on investment properties of HK\$169.2 million for 2019 and HK\$400.6 million for 2018.

** Represents a change in excess of 100%.

[^] 經調整的未計利息、稅項、折舊及攤銷之盈利界定為未計利息、稅項、折舊、其他收入及投資物業公平值收益之盈利。

[#] 包括二零一九年投資物業公平值收益169.2百萬港元及二零一八年投資物業公平值收益400.6百萬港元。

** 表示變動超過100%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Revenue of property investment segment for the year ended 31 December 2019 was HK\$120.9 million, compared with HK\$92.4 million for the year ended 31 December 2018. The increase is mainly driven by the revenue generated from Kwai Fong Plaza of approximately HK\$69.3 million for the year ended 31 December 2019, compared with HK\$35.0 million for the year ended 31 December 2018 since the acquisition in June 2018.

The decrease in profit attributable to Shareholders from property investment segment was mainly due to the decrease in fair value gain on investment properties for the year ended 31 December 2019. Excluding the fair value gain on investment properties and the tax impact, the adjusted operating profit increased by HK\$17.3 million, which was mainly attributable to the increase in revenue generated from Kwai Fong Plaza.

As at the date of this Annual Report, the Group's diversified investment property portfolio in Hong Kong comprises Kwai Fong Plaza, certain floors of the Bank of America Tower, Yue King Building, Ko Fai Industrial Building and Seaview Estate.

Revaluation gain on investment properties for the year ended 31 December 2019 was HK\$169.2 million, compared with HK\$400.6 million for the year ended 31 December 2018. The revaluation gain for the year ended 31 December 2019 was mainly contributed by the increase in fair value of Kwai Fong Plaza of around HK\$132.1 million and of certain floors of the Bank of America Tower of around HK\$43.8 million.

The Group's investment properties were revalued as at 31 December 2019 by two independent professionally qualified valuers, Cushman & Wakefield Limited and Savills Valuation and Professional Services Limited. Both firms hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties being valued. For all investment properties, their current use equates to the highest and best use. The revaluation gains or losses are shown as "Fair value gain or loss on investment properties" in the consolidated statement of comprehensive income. Fair values of the office buildings, retail shops, car parking spaces and industrial buildings are derived using the income capitalisation approach. There were no changes to the valuation techniques during the year.

截至二零一九年十二月三十一日止年度物業投資分部之收益為120.9百萬港元，而截至二零一八年十二月三十一日止年度則為92.4百萬港元。該增加乃主要由截至二零一九年十二月三十一日止年度來自葵芳廣場之收益約為69.3百萬港元所帶動，而自二零一八年六月收購後，截至二零一八年十二月三十一日止年度則為35.0百萬港元。

物業投資分部股東應佔盈利下降乃主要由於截至二零一九年十二月三十一日止年度之投資物業公平值收益減少。不計入投資物業公平值收益及稅務影響，經調整經營盈利增加17.2百萬港元，乃主要由於葵芳廣場產生之收益增加所致。

於本年度報告日期，本集團於香港之多元化投資物業組合包括葵芳廣場、位於美國銀行中心、愉景樓、高輝工業大廈及海景大廈之若干樓層。

截至二零一九年十二月三十一日止年度之投資物業重估收益為169.2百萬港元，而截至二零一八年十二月三十一日止年度則為400.6百萬港元。截至二零一九年十二月三十一日止年度的重估收益乃主要由葵芳廣場之公平值增加貢獻收益約132.1百萬港元及位於美國銀行中心若干樓層之公平值增加貢獻收益約43.8百萬港元。

本集團之投資物業於二零一九年十二月三十一日由兩名獨立專業合資格估值師戴德梁行有限公司及第一太平戴維斯估值及專業顧問有限公司(其皆持有獲認可的相關專業資格，且最近曾對所估值的投資物業之地點及種類進行估值)重新估值。所有投資物業乃就其目前最有效及最佳方式使用。重估收益或虧損於綜合全面收益表以「投資物業公平值收益或虧損」列賬。辦公大樓、零售店、停車場車位及工廈的公平值乃使用收入資本化方法計算。估值方法於年內並無變動。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Financial Services

金融服務

		For the year ended 31 December		
		截至十二月三十一日止年度		
(HK\$ millions, except percentages)	(百萬港元， 百分比除外)	2019 二零一九年	2018 二零一八年	% Change 變動百分比
Revenue	收益	47.5	52.5	(10%)
Adjusted EBITDA[^]	經調整的未計利息、 稅項、折舊及 攤銷之盈利[^]	10.9	19.4	(44%)
Depreciation	折舊	(0.6)	(0.3)	100%
Adjusted operating profit	經調整經營盈利	10.3	19.1	(46%)
Net finance cost	財務成本淨額	(3.4)	(3.6)	(6%)
Income tax credit	所得稅抵免	–	(1.6)	(100%)
Profit attributable to Shareholders	股東應佔盈利	6.9	13.9	(50%)

[^] Adjusted EBITDA is defined as earnings before interest, tax, depreciation and other income.

[^] 經調整的未計利息、稅項、折舊及攤銷之盈利界定為未計利息、稅項、折舊及其他收入之盈利。

The revenue derived from asset management services for year 2019 was around HK\$36.6 million (2018: HK\$31.6 million, representing a year-on-year increase of 16%). The corporate finance services fees for year 2019 were around HK\$1.1 million (2018: HK\$10.5 million, representing a year-on-year decrease of approximately 90%). The revenue from loan investment for the year 2019 was around HK\$9.8 million (2018: HK\$10.4 million, representing a year-on-year decrease of approximately 6%). The decrease of revenue generated from the financial service segment was mainly due to the drop in revenue contributed by corporate finance services as a result of the decrease in the number of projects under corporate finance services as compared with 2018.

二零一九年度來自資產管理服務的收益約為36.6百萬港元(二零一八年：31.6百萬港元，跟上年相比增加16%)。二零一九年度的企業融資服務費用約為1.1百萬港元(二零一八年：10.5百萬港元，跟上年相比減少約90%)。二零一九年度來自貸款投資的收益約為9.8百萬港元(二零一八年：10.4百萬港元，跟上年相比減少約6%)。金融服務分部產生的收益減少乃主要由於企業融資服務項下項目數目較二零一八年減少導致企業金融服務產生的收益減少所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Significant Investment in relation to the Investment in an Associate and Share of Profit of an Associate

Investment in an Associate represents the Group's 35.78% equity interests in a joint venture, Everwell City Limited (together with its subsidiaries, collectively the "JV Group"), which owns 16 diversified commercial properties and shopping centres, plazas and carparks across Hong Kong at Cheung Hang Shopping Centre, Kai Yip Commercial Centre, Kam Tai Shopping Centre, Lei Cheng Uk Shopping Centre, On Ting Commercial Complex, Shek Lei Shopping Centre I & II, Tai Wo Hau Commercial Centre, Tsz Ching Shopping Centre, Yau Oi Commercial Centre, Yung Shing Shopping Centre, Kwai Shing East Shopping Centre, Lai Kok Shopping Centre, Lee On Shopping Centre, Retail and Car Park within Shun Tin Estate, Tsing Yi Commercial Complex and Lions Rise Mall. The initial investment was HK\$3,123.4 million in 2018. The fair value of the investment is HK\$3,806.9 million as at 31 December 2019 and is around 47.4% of the total assets of the Group. The Group's share of profit of an associate from JV Group was approximately HK\$424.5 million in 2019 (2018: HK\$280.2 million). This encouraging result has proven that such investment can enhance the Group's profitability and benefit our future development. The Group presently intends to hold the above-mentioned equity interests in the JV Group as long-term investment.

Liquidity and Capital Resources

The Group's main source of liquidity is its recurring cash flows from the property investment and financial services segments. The Group's financial position as at 31 December 2019 and 31 December 2018 were as follows:

		31 December 2019 二零一九年 十二月三十一日	31 December 2018 二零一八年 十二月三十一日	% Change 變動百分比
(HK\$ millions, except percentages)	(百萬港元， 百分比除外)			
Cash and bank balances	現金及銀行結餘	182.3	169.6	7%
Shareholders' funds	股東資金	2,959.2	2,472.6	20%
Current ratio	流動比率	3.99	1.77	**
Gearing ratio	資產負債比率	60.7%	65.5%	(7%)

** Represents a change in excess of 100%.

有關於一家聯營公司之重大投資及應佔一家聯營公司盈利

於聯營公司之投資為本集團於合營公司Everwell City Limited (連同其附屬公司統稱「合營集團」) 之35.78%之股權。合營集團擁有分佈於香港的16項多元化商業物業以及購物中心、廣場及停車場，包括長亨商場、啟業商場、錦泰商場、李鄭屋商場、安定商場、石籬商場一期及二期、大窩口商場、慈正商場、友愛商場、雍盛商場、葵盛東商場、麗閣商場、利安商場、順天邨之商舖與停車場、青衣商場及現崇山商場。於二零一八年的初期投資為3,123.4百萬港元。於二零一九年十二月三十一日，投資的公平值為3,806.9百萬港元，相等於本集團總資產約47.4%。二零一九年，本集團自合營集團分佔一家聯營公司盈利約424.5百萬港元(二零一八年：280.2百萬港元)。此理想成績證明該投資能提升本集團的盈利能力，有助我們的未來發展。本集團目前擬將上述於合營集團的股權持作長期投資。

流動資金及資本來源

本集團之主要流動資金來源為來自其物業投資及金融服務業務之經常性現金流量。本集團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之財務狀況如下：

** 表示變動超過100%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group's cash and bank balances are held predominantly in Hong Kong dollars. The Group has no significant exposure to foreign exchange fluctuations. The Group has maintained a strong cash position and expects its cash and cash equivalents, and cash generated from operations to be adequate to meeting its working capital requirements.

As at 31 December 2019, the Group had total cash and cash equivalents of approximately HK\$182.3 million, as compared to HK\$169.6 million as at 31 December 2018. The Group's gearing ratio as at 31 December 2019 was 60.7% (as at 31 December 2018: 65.5%), being calculated as total debts (which includes the loans from an intermediate holding company and bank borrowings) less cash and bank balances, over the Company's total capital employed. The drop in gearing ratio is due to the drop in borrowings as a result of the Group's partial repayments to both the loans from an intermediate holding company and bank borrowings amounted to HK\$66.6 million and HK\$49.8 million respectively following the repayment of a loan receivable by the debtor to the Group. As at 31 December 2019, the Group had outstanding principal of unsecured shareholder loans of HK\$3,848.4 million (as at 31 December 2018: HK\$3,915.0 million). As at 31 December 2019, the Group has undrawn bank facility of approximately HK\$485.0 million (as at 31 December 2018: HK\$335.0 million), and the Group had outstanding bank borrowings of approximately HK\$897.3 million as at 31 December 2019 (as at 31 December 2018: HK\$943.3 million). The Group actively and regularly reviews and manages its liquidity position and financial resources and makes adjustments in light of changes in economic conditions and business development needs.

For the SFC licensed corporations under the Group, the Group has ensured that each of the licensed corporation maintains a liquidity level adequate to support the level of activities with a sufficient buffer to accommodate increases in liquidity requirements arising from potential increases in the level of business activities. During the year ended 31 December 2019, all the licensed subsidiaries have complied with the liquidity requirements under the Securities and Futures (Financial Resources) Rules.

本集團之現金及銀行結餘主要以港元持有。本集團並無重大外匯折算波動風險。本集團一直維持穩健之現金狀況，並預期其現金及現金等值，以及經營產生之現金，足以應付營運資金需要。

於二零一九年十二月三十一日，本集團之現金及現金等值總額約182.3百萬港元，相比於二零一八年十二月三十一日為169.6百萬港元。本集團於二零一九年十二月三十一日之資產負債比率為60.7%（於二零一八年十二月三十一日：65.5%），乃按債務總額（包括來自中間控股公司之貸款及銀行借貸）減現金及銀行結餘，除以本公司已動用資本總額計算。資產負債比率下降是由於隨著債務人向本集團償還應收貸款後，本集團償還部分來自中間控股公司之貸款及銀行借貸分別為66.6百萬港元及49.8百萬港元令借貸減少所致。於二零一九年十二月三十一日，本集團無抵押股東貸款之未償還本金為3,848.4百萬港元（於二零一八年十二月三十一日：3,915.0百萬港元）。於二零一九年十二月三十一日，本集團有尚未提取之銀行融資約485.0百萬港元（於二零一八年十二月三十一日：335.0百萬港元），及本集團於二零一九年十二月三十一日之未償還銀行借貸約897.3百萬港元（於二零一八年十二月三十一日：943.3百萬港元）。本集團積極地定期檢討及管理其流動資金及財務資源並視乎經濟狀況及業務拓展需求之變化作出調整。

就本集團旗下持有證監會牌照之法團而言，本集團已確保各持牌法團均保持足以支持業務經營之流動資金水平，並預留足夠緩衝以於業務活動可能轉趨頻繁而引致流動資金需求上升時亦能應付自如。於截至二零一九年十二月三十一日止年度內，所有持牌附屬公司一直遵守證券及期貨（財政資源）規則項下流動資金規定。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Charges on Assets

As at 31 December 2019, an investment property of the Group with fair value of approximately HK\$1,832.0 million (as at 31 December 2018: investment property with fair value of approximately HK\$1,680.0 million) and restricted cash of HK\$10.2 million (as at 31 December 2018: restricted cash of HK\$9.2 million) were pledged to secure the mortgage loan granted to the Group.

Operating Activities

Net cash generated from operating activities for the year ended 31 December 2019 was HK\$67.7 million, compared with net cash generated from operating activities of HK\$1,507.4 million in 2018. The decrease in operating cash inflow was mainly due to the increase in prepayments, deposits and other receivables by HK\$4.1 million during the year ended 31 December 2019 while there is a decrease in such balances by HK\$1,433.6 million during the year ended 31 December 2018.

Investing Activities

Net cash generated from investing activities for the year ended 31 December 2019 was HK\$112.7 million, compared with the net cash used in investing activities of HK\$3,965.2 million in 2018. The cash inflow was mainly generated from repayment of loan receivable by the debtor to the Group of HK\$116.7 million and repayment of loan from an associate of HK\$13.7 million, netting off by capitalised expenses for investment properties of HK\$20.0 million.

Financing Activities

Net cash used in financing activities for the year ended 31 December 2019 was HK\$167.6 million, compared with the net cash generated of HK\$2,508.9 million in 2018. During the year, HK\$66.6 million loan from an intermediate holding company of the Company, HK\$49.8 million bank borrowing and interest of HK\$38.0 million were repaid.

資產抵押

於二零一九年十二月三十一日，本集團公平值約為1,832.0百萬港元之一項投資物業（於二零一八年十二月三十一日：公平值約為1,680.0百萬港元之投資物業）及受限制現金10.2百萬港元（於二零一八年十二月三十一日：受限制現金9.2百萬港元）已抵押作為銀行授予本集團之按揭貸款之抵押品。

經營活動

截至二零一九年十二月三十一日止年度，經營活動產生現金淨額為67.7百萬港元，二零一八年經營活動產生之現金淨額則為1,507.4百萬港元。經營現金流入減少乃主要由於截至二零一九年十二月三十一日止年度之預付款項、按金及其他應收賬款增加4百萬港元，而截至二零一八年十二月三十一日之年度之該等結餘則減少1,433百萬港元所致。

投資活動

截至二零一九年十二月三十一日止年度，投資活動產生之現金淨額為112.7百萬港元，而二零一八年投資活動所用之現金淨額則為3,965.2百萬港元。該現金流入主要由債務人向本集團償還應收貸款116.7百萬港元及來自一家聯營公司的貸款償還13.7百萬港元所產生，並已扣除投資物業之資本化開支20.0百萬港元。

融資活動

截至二零一九年十二月三十一日止年度，融資活動所用之現金淨額為167.6百萬港元，而二零一八年融資活動產生之現金淨額則為2,508.9百萬港元。年內，已償還來自本公司中間控股公司之貸款66.6百萬港元、銀行借貸49.8百萬港元及利息38.0百萬港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Employees and Remuneration Policy

As at 31 December 2019, the Group had a total of 19 employees (as at 31 December 2018: 21). As the Group's businesses continue to grow, its remuneration philosophy is designed to provide its employees with the opportunity to excel and grow, while aligning with our business strategies and values.

The Group's remuneration and benefit policies, which are structured in accordance to market terms and statutory requirements, aim to recognise employees with outstanding performance, motivate and reward employees in order to achieve its business performance targets, retain and attract key talents and ensure alignment with the interests of our businesses, and thereby enhancing shareholder value. In addition, other staff benefits such as medical insurance, medical check-up scheme, mandatory provident fund scheme and rental reimbursement scheme are offered to eligible employees.

The Group's employee recruitment and promotion are primarily based on individuals' merits, relevant experiences, development potentials for the positions offered and performance.

Material Acquisitions and Disposals

There were no material acquisitions or disposals of subsidiaries, associates or joint venture during the year ended 31 December 2019.

Outlook

The management expects that the 2020 fiscal year will be full of challenges in view of the global macroeconomy. While China's economy remains stable with enhanced resilience of economic growth, it is still confronted with complicated internal and external situations. Numerous uncertainties arising from the unrelenting trade disputes between China and the United States coupled with the unsettled local social political events and the recent outbreak of COVID-19 have dampened the investment sentiment in the financial market and deepened market concerns about economic growth in year 2020, which have presented us with unprecedented severe challenges.

僱員及薪酬政策

於二零一九年十二月三十一日，本集團共有19名員工（於二零一八年十二月三十一日：21名）。因應本集團業務持續擴展，其薪酬待遇理念乃為其僱員提供發揮所長及發展之機會，且與集團之業務策略及價值相輔相成。

本集團的薪酬福利政策（其乃根據市場水平及法定規則制訂）旨在肯定員工之優秀表現、激勵及獎勵員工達成業務績效目標、挽留及吸納出色人才並確保與業務利益一致，從而提升股東價值。此外，亦向合資格僱員提供其他員工福利，如醫療保險、身體檢查計劃、強制性公積金計劃及租住房屋津貼計劃。

本集團之員工招聘及晉升主要乃按個人工作業績、相關經驗及彼等在所屬職位之發展潛能及表現而定。

重大收購及出售

於截至二零一九年十二月三十一日止年度內概無重大收購或出售附屬公司、聯營公司或合營公司。

展望

鑒於全球宏觀經濟狀況，管理層預期二零二零財政年度將充滿挑戰。國家經濟保持穩定，經濟增長韌性增強，但當前仍面臨的內外部形勢錯綜複雜。持續緊張的中美貿易摩擦、緩解無期的本地社會政治事件及近期爆發的新型冠狀病毒疫情，均帶來很多的不確定性因素，削弱了金融市場的投資氣氛並加劇市場對二零二零年經濟增長之憂慮，給我們帶來了前所未有的嚴峻挑戰。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

To cope with such challenges, the Board and management of the Company will fully leverage on the competitive edges of the Group to drive the performance of core businesses at a steady pace and will also actively seize investment opportunities prudently and thoroughly in order to generate favourable returns for our Shareholders while maintaining strong cash position.

Currently, the Group's investment properties continue to contribute stable stream of income. During 2019 fiscal year, the Group had successfully diversified its tenant mix and enhanced the rental performance following the partial upgrade and renovation of its commercial asset, Kwai Fong Plaza.

The Company expects that the operating performance of relevant assets and businesses and the estimation of changes in the fair value of investment properties will be temporarily affected, yet the management believes the current epidemic and disputes will soon be resolved, and remains confident of the long-term economic prospects of Hong Kong.

Looking ahead, in the complicated and constantly-changing macro-economic environment with fierce competition, the Group will seize the development opportunities arising from the China's Guangdong-Hong Kong-Macao Greater Bay Area strategic plan and further strengthen the synergy effect by leveraging on the substantial resources from GWAMCC, our controlling Shareholder, through the integration of domestic and foreign capital markets, and aggressively expanding its domestic business, to ensure the Group can make full use of its role as the sole overseas listed platform of GWAMCC.

面對此等挑戰，本公司董事會及管理層將充份發揮本集團的競爭優勢，以穩健的步伐推動核心業務表現，以及繼續以審慎的態度、周全的計劃，積極地抓緊投資機會，於維持穩健的現金狀況下努力為我們的股東爭取最佳回報。

目前，本集團的投資物業繼續為我們帶來穩定的收入來源。於二零一九財政年度，經本集團對其商業資產葵芳廣場進行部分升級改造後，本集團成功實現其租戶組合多元化並提升租賃業務表現。

本公司預期有關資產及業務的營運表現，以及投資物業公平值變動的估算將暫時受到影響，惟管理層相信，當前疫情及紛爭不久將能圓滿解決，故對香港長遠經濟前景仍然充滿信心。

展望未來，在競爭激烈、複雜且不斷變化的宏觀經濟環境下，本集團將抓緊國家「粵港澳大灣區」戰略部署的發展機遇，依托控股股東中國長城資產的雄厚資源，透過結合境內外資本市場，進一步深化協同效應，積極拓展國內業務，充分發揮本集團作為中國長城資產唯一境外上市平台的角色。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board and the Company's management are committed to upholding the Group's obligations to Shareholders. We regard the promotion and protection of Shareholders' interests as one of our priorities and keys to success.

The Board believes that good corporate governance standards are essential in providing a framework for the Group to safeguard the interests of Shareholders and enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Group has put in place sound corporate governance practices to ensure it adheres to high ethical and business standards. The key test of corporate governance practices is whether they can align the interests of management with those of Shareholders to adequately protect and promote Shareholders' interests. The Group is committed to the continuous improvement of corporate governance practices to support the performance of our business and enable effective oversight. The Group constantly reviews these guidelines and policies and implements new ones to ensure they remain relevant and practical in today's fast changing business environment and market expectations.

The Group has adopted and applied the applicable principles and code provisions set out in the Corporate Governance Code contained in Appendix 14 to the Listing Rules as its corporate governance practices. The Group also adheres to certain recommended best practices of the Corporate Governance Code insofar as they are relevant and practicable.

The Board is of the view that, throughout the year ended 31 December 2019, the Company has complied with the applicable principles and code provisions set out in the Corporate Governance Code, save for the deviations from code provisions A.1.7, A.2.1 (for the period from 1 January 2019 to 15 March 2019) and F.1.2 as explained in this report.

董事會及本公司管理層一直致力履行本集團對股東之責任，本集團視提升及維護股東權益為我們的首要任務及成功要訣之一。

董事會相信良好企業管治水平對本集團而言屬不可或缺之框架，以保障股東利益以及提升企業價值、制定其業務策略及政策，以及提升其透明度及問責程度。

本集團已建立了完善之企業管治常規，確保集團緊守高尚之道德及商業標準。企業管治常規是否具有成效，關鍵是要驗證這套管治常規能否將管理層與股東之利益連成一線，充分保障及提升股東權益。本集團致力持續改善企業管治常規，以支持業務表現及容許我們執行有效的監督。本集團定期檢討此等指引及政策，推陳出新，確保有關指引及政策可行並能切合當今瞬息萬變之營商環境及市場要求。

本集團採納及應用上市規則附錄十四所載之企業管治守則之適用原則及守則條文為其企業管治常規。本集團亦在適用及可行情況下遵守企業管治守則內所載之若干建議最佳常規。

董事會認為，於截至二零一九年十二月三十一日止年度的期間內，除於本報告所闡述偏離守則條文第A.1.7條、第A.2.1條（於二零一九年一月一日至二零一九年三月十五日期間）以及第F.1.2條外，本公司一直遵守企業管治守則所載之適用原則及守則條文。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Group believes that its current corporate governance practices, which combine governance framework and practices that develop over time and new practices set out in the Corporate Governance Code, provide the Group with a sound and sensible framework for balancing the business of the Group and the interests of its Shareholders. The Group will continue to evaluate its corporate governance practices in light of its business needs, regulatory changes and new corporate governance philosophies.

Set out below are our current framework of governance and explanations about how the provisions of the Corporate Governance Code have been applied.

The Board of Directors

The Board recognises its responsibility to represent the interests of Shareholders. As at the date of this Annual Report, the Board comprises seven Directors: two executive Directors and five non-executive Directors (including three independent non-executive Directors). Independent non-executive Directors represent more than one-third of the Board.

The Directors of the Company during the year and as at the date of this Annual Report are:

Executive Directors:

Mr. Huang Hu (re-designated from non-executive Director to executive Director on 15 March 2019)

Mr. Meng Xuefeng

Mr. Ou Peng (resigned on 15 March 2019)

Non-executive Directors:

Mr. Chen Zenan (appointed on 15 March 2019)

Ms. Lv Jia

Independent Non-executive Directors:

Dr. Song Ming

Dr. Sun Mingchun

Ms. Liu Yan

There is no relationship (including financial, business, family or other material/relevant relationship) among members of the Board. The biographies of all the Directors and senior management are set out on pages 9 to 17 of this Annual Report.

本集團現行之企業管治常規結合了不斷發展之管治框架和常規及企業管治守則所載之新常規，本集團相信其為本集團提供一個完善合理之架構，以平衡其業務及股東權益。本集團將繼續按其業務需要、監管規例之變動及新企業管治理念，檢討其企業管治常規。

下文闡述本集團現行之管治架構，並闡釋如何應用企業管治守則之條文。

董事會

董事會確認其代表股東權益之責任。於本年度報告日期，董事會由七位董事組成，包括兩名執行董事及五名非執行董事（其中三名為獨立非執行董事）。獨立非執行董事佔董事會逾三分之一人數。

年內及於本年度報告日期的本公司董事如下：

執行董事：

黃虎先生（於二零一九年三月十五日從非執行董事調任為執行董事）

孟雪峰先生

歐鵬先生（於二零一九年三月十五日辭任）

非執行董事：

陳澤南先生（於二零一九年三月十五日獲委任）

呂佳女士

獨立非執行董事：

宋敏博士

孫明春博士

劉艷女士

董事會成員之間並無任何關係（包括財務、業務、家屬或其他重要／相關關係）。全體董事及高級管理層之簡歷載於本年度報告第9至17頁。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board's main responsibility and purpose is to deliver the long-term success of the Group and to create long-term value for its Shareholders by providing strategic and entrepreneurial leadership, and by exercising prudent oversight and control over the Company. As the business continues to grow, the Board needs to ensure that the Company has sufficient resources – both funding and talent – to deliver success. The Board also recognises the need for effective engagement by the Company with its key stakeholders, including all its investors.

Each Director brings a wide range and years of business experience to the Board to meet our long-term objectives. The Directors' combined knowledge, expertise and experience are extremely valuable in overseeing the Group's business operations.

The Board sets the strategic direction and oversees the performance of the Group's business and management. The principal matters the Board is responsible for include:

- approval of strategic direction, policies and objectives
- review and approval of business plans and budgets
- monitoring operational and financial performance
- review and approval of annual results and interim results
- review and approval of annual report and interim report as well as the related financial statements
- review and approval of dividend policy and recommendation of final dividend, and declaration of interim dividend and where appropriate, special dividends
- appointment of auditor
- review and approval of significant acquisitions and disposals and major financings, borrowings and guarantees
- approval of material contracts
- overseeing the risk management and internal control systems and ensuring their effectiveness

In addition, the Board discusses major operating issues, evaluates opportunities and business risks. Decisions and conduct of matters other than those specifically reserved to the Board are delegated to the management whilst structured monthly updates on the Group's performance, position and prospects in sufficient details are provided to the Directors to enable them to discharge their duties.

董事會透過提供策略及企業領導，於本公司實行審慎的監控，以履行其主要責任及目的，為本集團帶來長遠的成功，為股東創造長遠價值。隨着本公司業務持續增長，董事會須確保本公司在財政及人才方面均擁有足夠資源以達成成功。董事會亦明白，本公司必須與包括所有投資者在內的主要持份者保持有效互動。

各董事均具有多年廣泛業務經驗以迎合我們長遠目標，並具備不同範疇之知識、專業技能及豐富經驗，對監察本集團之業務營運有莫大裨益。

董事會負責制訂策略方針，並監察本集團之業務及管理表現。董事會負責的主要事宜包括以下各項：

- 批准策略性方針、政策及目標
- 審閱及批准業務計劃及財政預算
- 監察營運與財務表現
- 審閱及批准年度業績及中期業績
- 審閱及批准年度報告及中期報告，以及相關財務報表
- 審閱及批准股息政策，以及建議宣派末期股息、及宣派中期股息及(如適用)特別股息
- 委任核數師
- 審閱及批准重大收購及出售事項，以及主要融資、借貸及擔保事項
- 批准重大合約
- 監督風險管理及內部監控系統並確保其有效性

此外，董事會亦討論重大營運事宜、評估商機及業務風險。除特定必須由董事會作出決定及處理之事務外，其他事宜均交由管理層負責，並每月向董事提呈本集團業績表現、營運狀況及業務展望的具組織最新資料，內容足以讓董事履行彼等的職責。

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The Board reviews the arrangements between the responsibilities of the Board and the matters delegated to the management periodically to ensure that they remain appropriate to the needs of the Group and its businesses.

Corporate Governance and Code of Conduct

The Board is also responsible for performing the corporate governance functions set out in code provision D.3.1 of the Corporate Governance Code and adopted a revised Terms of Reference of the Board on Corporate Governance Functions in March 2017, including:

- develop and review the Company's policies and practices on corporate governance
- review and monitoring of the training and continuous professional development of Directors and senior management
- review and monitoring of the Company's policies and practices on compliance with legal and regulatory requirements
- development, review and monitoring of the code of conduct and compliance manual applicable to employees and Directors
- review of the Company's compliance with the Corporate Governance Code and disclosure in the Corporate Governance Report as specified under the Listing Rules

Key corporate governance matters reviewed by the Board during the year were:

- review of the Company's compliance with legal and regulatory requirement
- review of the Company's compliance with the Corporate Governance Code
- review of the effectiveness of the internal control system
- proposal on the re-appointment of the Company's external auditor, PricewaterhouseCoopers
- appointment of Mr. Chen Zenan as Chairman of the Board, non-executive Director, chairman of the Nomination Committee and member of the Audit Committee
- re-designation of Mr. Huang Hu as executive Director
- appointment of Chief Executive Officer and senior management

董事會定期檢討董事會與管理層職責分工之安排及指派予管理層的事宜，以確保有關安排切合本集團及其業務之需要。

企業管治及行為守則

董事會亦負責履行企業管治守則的守則條文第D.3.1條載列的企業管治職能，並已於二零一七年三月採納經修訂之董事會就企業管治職能的職權範圍，包括：

- 制定及檢討本公司的企業管治政策及常規
- 檢討及監察董事及高級管理層之培訓及持續專業發展
- 檢討及監察本公司遵守法律及監管規定方面的政策及常規
- 制定、檢討及監察適用於僱員及董事的操守準則及合規手冊
- 檢討本公司遵守企業管治守則的情況及按上市規則所訂在企業管治報告內的披露

年內，董事會審議下列主要企業管治事宜：

- 檢討本公司於法律及監管要求方面的合規情況
- 檢討本公司於企業管治守則方面的合規情況
- 檢討內部監控系統的成效
- 建議續聘本公司外聘核數師羅兵咸永道會計師事務所
- 委任陳澤南先生為董事會主席、非執行董事、提名委員會主席及審核委員會成員
- 調任黃虎先生為執行董事
- 行政總裁及高級管理層之委任

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- review and adoption of revised Whistleblowing Policy, the Dividend Policy and certain internal policies
- annual review of continuing connected transactions
- approval of continuing connected transactions

The Group has devised a Whistleblowing Policy (updated on 21 June 2019) on malpractice reporting and investigation setting out specific procedures facilitating whistle-blowing reports and investigation thereof.

The Company is also committed to upholding sound corporate governance practices and complying with its obligations to disclose inside information under the Securities and Futures Ordinance as well as the Listing Rules. The Company had adopted a Policy on Disclosure of Inside Information setting out specific policies and procedures facilitating the Company's compliance with these obligations.

Board Proceedings

The Board holds four regular meetings annually as a minimum, usually quarterly, and also meets at such other times as necessary. The Company generally gives notice and draft agenda of regular Board and Board Committees meetings at least 14 days in advance. For other Board and Committees meetings, notice is generally given pursuant to the Company's Bye-Laws and the respective Terms of Reference of the Committees.

Agenda of Board meetings are prepared by the Company Secretary in consultation with the Chairman, and based on a forward calendar that helps to ensure that all relevant matters for the year ahead are considered by the Board in a timely manner. Each Director is encouraged to contribute to the agenda setting process. The Board is provided with adequate, timely and reliable information about the Group's businesses and developments before each Board meeting at which the Directors actively participate and make informed discussions. Each Director is asked to review and comment on the Board minutes within a reasonable time after each meeting to maintain accurate records of Board discussions and decisions.

- 檢討及採納更新的舉報政策、股息政策及若干內部政策
- 持續關連交易之年度審閱
- 批准持續關連交易

本集團設立通報及調查不當行為之舉報政策（於二零一九年六月二十一日更新），當中載列通報及調查不當行為之特定程序。

本公司亦致力緊守完善之企業管治常規及遵守其根據證券及期貨條例及上市規則之內幕消息披露責任。本公司已採納內幕消息披露政策，當中載列本公司遵守有關責任之特定政策及程序。

董事會會議程序

董事會每年至少召開四次常規會議，通常於每季度舉行，並於需要時召開會議。本公司一般於最少十四日前就董事會及董事會轄下委員會常規會議發出事先通知及提供議程初稿。而其他董事會及委員會會議一般按照本公司之公司細則和各委員會職權範圍給予通知。

公司秘書經諮詢主席後根據未來日程編製會議議程，以確保該年內接下來所有相關事宜均經董事會及時考慮。我們鼓勵每名董事參與制訂議程的過程。每次董事會會議前，董事會均獲提供本集團業務及發展之充足、適時和可靠之資料，會上董事積極參與及開展知情討論。每名董事須於會議後一段合理時間內審議及評核董事會會議記錄，以確保所存置之董事會會議討論和決策記錄準確。

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During the year, the Board held four Board meetings. The attendance of each Director at Board and Committee meetings, and the annual general meeting and special general meeting is detailed in the table below.

年內，董事會已舉行四次董事會會議。各董事在董事會及委員會會議，以及股東週年大會及股東特別大會出席率詳列如下。

Name of Director	董事姓名	Attendance/No. of Meeting(s)					Special General Meeting
		Board Meeting	Audit Committee Meeting	Remuneration Committee Meeting	Nomination Committee Meeting	Annual General Meeting	
		董事會會議	審核委員會會議	薪酬委員會會議	提名委員會會議	股東週年大會	股東特別大會
Mr. Chen Zenan ⁽¹⁾	陳澤南先生 ⁽¹⁾	3/3	2/2	-/-	-/-	1/1	1/1
Mr. Huang Hu ⁽²⁾	黃虎先生 ⁽²⁾	4/4	1/1	-/-	-/-	1/1	1/1
Mr. Meng Xuefeng	孟雪峰先生	4/4	-/-	2/2	-/-	1/1	1/1
Ms. Lv Jia	呂佳女士	4/4	-/-	-/-	-/-	0/1	0/1
Dr. Song Ming	宋敏博士	4/4	3/3	2/2	1/1	1/1	0/1
Dr. Sun Mingchun	孫明春博士	4/4	-/-	2/2	1/1	1/1	1/1
Ms. Liu Yan	劉艷女士	4/4	3/3	-/-	-/-	1/1	1/1
Mr. Ou Peng ⁽³⁾	歐鵬先生 ⁽³⁾	1/1	-/-	-/-	1/1	-/-	-/-

Notes:

附註：

- (1) Appointed as Chairman of the Board, a non-executive Director, chairman of the Nomination Committee and a member of the Audit Committee on 15 March 2019. Three Board meetings and two Audit Committee meetings were held on or after 15 March 2019.
- (2) Re-designated as an executive Director and appointed as the Chief Executive Officer and ceased to be a member of the Audit Committee on 15 March 2019. One Audit Committee meeting was held on or before 15 March 2019.
- (3) Resigned as the Chairman of the Board, an executive Director and chairman of the Nomination Committee on 15 March 2019. One Nomination Committee meeting and one Board meeting were held on or before 15 March 2019.

- (1) 於二零一九年三月十五日獲委任為董事會主席、非執行董事、提名委員會主席及審核委員會成員，於二零一九年三月十五日或之後已舉行三次董事會會議及兩次審核委員會會議。
- (2) 於二零一九年三月十五日獲調任為執行董事及獲委任為行政總裁，並終止出任審核委員會成員。於二零一九年三月十五日或之前已舉行一次審核委員會會議。
- (3) 於二零一九年三月十五日辭任董事會主席、執行董事及提名委員會主席。於二零一九年三月十五日或之前已舉行一次提名委員會會議及一次董事會會議。

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All the Directors have access to the advice and services of the Company Secretary to ensure all board procedures and all applicable laws, rules and regulations are complied with. The Directors update the Board regarding offices held in public companies and organisations, and other significant commitments once every half year. There are also procedures for the Directors to obtain independent professional advice at the Company's expense.

Apart from regular Board meetings, Mr. Chen Zenan, the Chairman of the Board, also held a meeting with the independent non-executive Directors without the presence of the executive Directors during the year 2019 pursuant to code provision A.2.7.

Board Diversity Policy

The Group recognises and embraces the benefits of having a diverse Board to enhance the quality of the Company's performance.

The Nomination Committee of the Board is primarily responsible for leading the process for Board appointments and for identifying and nominating, for approval by the Board, suitably qualified candidates to become members of the Board. The benefits of diversity continue to influence the succession planning of the Board.

When identifying candidates for Board membership of the Company, the Nomination Committee takes into account the board diversity policy of the Company ("**Board Diversity Policy**"). A range of diversity factors, including but not limited to gender, age, cultural and educational background, professional and industry experience, skills, knowledge and time commitments will be considered in selection of each candidate to become member of the Board. All Board appointments will be based on merits and contribution that the selected individuals will bring to the Board. The Company's own business model and specific needs has also been taken into consideration in setting the Board Diversity Policy. External recruitment professionals might be engaged to carry out the selection and recruitment process when necessary.

全體董事均取得公司秘書之意見及服務，以確保所有董事會程序及所有適用法例、規則及規例已獲遵守。董事每半年向董事會提供彼等在公眾公司及組織所擔任職務及其他重大承擔之最新資料。此外，本公司亦備有程序讓董事尋求獨立專業意見，費用由本公司支付。

除常規董事會會議外，根據守則條文第A.2.7條，董事會主席陳澤南先生亦於二零一九年內與獨立非執行董事舉行一次沒有執行董事出席的會議。

董事會多元化政策

本集團深信擁有成員多元化的董事會有利於提升本公司的表現質素。

董事會提名委員會主要負責主導委任董事會成員的過程，並物色及提名具備合適資格的候選人成為董事會成員待董事會批准。多元化帶來之裨益繼續影響董事會的繼任計劃。

物色本公司董事候選人時，提名委員會參考本公司的董事會成員多元化政策（「**董事會多元化政策**」）。甄選相關候選人成為董事會成員時將按一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、專業及行業經驗、技能、知識及承諾投放時間。董事會所有委任均以任用賢能為原則及根據獲選人將為董事會帶來的貢獻而作出，並於制訂董事會多元化政策時一併考慮本公司自身的業務模式及特定需要。如有需要，外部招聘專業人士可能參與遴選及招聘過程。

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In conducting the annual review of the effectiveness of the Board, the Nomination Committee will consider the balance of talents, skills, experience and background and the diversity representation of the Board. The Nomination Committee reviews annually all measurable objectives for achieving diversity on the Board and recommend them to the Board for adoption. The Nomination Committee reports annually on the process it has used for Board appointments.

Nomination Policy

The Board has adopted the Director Nomination Process and Selection Criteria of the Company (the “**Nomination Policy**”), which aims to set out the relevant selection criteria and nomination procedures to assist the Nomination Committee and the Board to ensure that the Board has a balance of skills, experience and diversity of perspective appropriate to the requirement of the Group’s businesses. A summary of the Nomination Policy is disclosed as below.

1. Criteria

The Nomination Committee and the Board shall consider the following criteria in evaluating and selecting candidates for directorships:

- Character and integrity.
- Qualifications including professional qualifications, skills, knowledge and experience that are relevant to the Company’s business and corporate strategy.
- Willingness to devote adequate time to discharge duties as a Board member and other directorships and significant commitments.
- Requirement for the Board to have independent non-executive Directors in accordance with the Listing Rules and whether the candidates would be considered independent with reference to the independence guidelines set out in the Listing Rules.

每年進行檢討董事會的工作成效時，提名委員會將考慮董事會內之人才、技能、經驗及背景與多元化之間的均衡組合。提名委員會每年檢討董事會達致多元化之所有可量化目標，並向董事會提出採納建議。提名委員會每年就有關董事會委任之程序作出匯報。

提名政策

董事會已採納本公司董事提名程序以及遴選準則（「**提名政策**」），當中載列相關之甄選準則及提名程序，以協助提名委員會及董事會確保董事會具備適用於本集團業務需求之技能、經驗及多元化觀點。提名政策概要披露如下。

1. 準則

在評估及挑選董事候選人時，提名委員會及董事會應考慮下列準則：

- 品格與誠信。
- 資格，包括與本公司業務及企業策略相關之專業資格、技巧、知識及經驗。
- 是否願意投放足夠時間履行董事會成員及其他董事職務之職責及肩負重大承擔。
- 董事會根據上市規則有關委任獨立非執行董事的規定，以及候選人參照上市規則所載之獨立性指引是否被視為獨立。

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- Board Diversity Policy and any measurable objectives adopted by the Nomination Committee or the Board for achieving diversity on the Board.
- Such other perspectives appropriate to the Company's business.
- 提名委員會或董事會為達致董事會多元化而採納之董事會多元化政策及任何可計量目標。
- 適用於本公司業務的其他各項因素。

2. Nomination Process

2.1 Appointment of New Director

2.1.1 The Nomination Committee or the Board shall, upon receipt of the proposal on appointment of new director and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the criteria as set out in section 1 above to determine whether such candidate is qualified for directorship.

2.1.2 If the process yields one or more desirable candidates, the Nomination Committee shall rank them by order of preference based on the needs of the Company and reference check of each candidate (where applicable).

2.1.3 The Nomination Committee shall then recommend to the Board to appoint the appropriate candidate for directorship.

2.1.4 For any person that is nominated by a Shareholder for election as a director at the general meeting of the Company, the Nomination Committee and the Board shall evaluate such candidate based on the criteria as set out in section 1 above to determine whether such candidate is qualified for directorship and where appropriate, the Nomination Committee and/or the Board shall make recommendation to Shareholders in respect of the proposed election of director at the general meeting.

2. 提名過程

2.1 新董事的委任

2.1.1 提名委員會或董事會須在收到委任新董事的建議及候選人的個人資料（或相關詳情）後，依據上述第1部份所載準則評估該候選人，以判斷該候選人是否合資格擔任董事。

2.1.2 如過程涉及一個或多個合意的候選人，提名委員會須根據本公司的需要及每位候選人的證明材料審查（如適用）排列彼等的優先次序。

2.1.3 提名委員會隨後須就委任合適候選人擔任董事向董事會提出建議。

2.1.4 就任何經由股東提名於本公司股東大會上選舉為董事的人士，提名委員會及董事會須依據上述第1部份所載的準則評估該候選人，以判斷該候選人是否合資格擔任董事，若適合，提名委員會及／或董事會須就於股東大會上就擬選董事向股東提出建議。

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2.2 Re-election of Director at General Meeting

2.2.1 The Nomination Committee and the Board shall review the overall contribution and service to the Company of the retiring director including his/her attendance of Board meetings and, where applicable, general meetings, and the level of participation and performance on the Board.

2.2.2 The Nomination Committee shall also review and determine whether the retiring director continues to meet the criteria as set out in section 1 above.

2.2.3 The Nomination Committee and/or the Board shall then make recommendation to Shareholders in respect of the proposed re-election of director at the general meeting.

2.2 於股東大會上重選董事

2.2.1 提名委員會及董事會須檢討退任董事對本公司的整體貢獻及服務，包括彼出席董事會會議及（如適用）股東大會的出席率，以及彼在董事會的參與程度及表現。

2.2.2 提名委員會亦須檢討並確定退任董事是否繼續符合上述第1部份所載的準則。

2.2.3 提名委員會及／或董事會須於股東大會上就建議重選董事向股東提出建議。

Appointment and Re-election of Directors

The Board confirms the term of appointment and functions of all non-executive Directors and Board Committee members with formal letters of appointment.

Directors who are appointed to fill vacancies or as an addition to the Board are subject to re-election at the next following general meeting of the Company after his or her appointment. In addition, every Director, including every non-executive Director, shall retire from office no later than the third annual general meeting after he/she was last elected or re-elected. One-third of the Directors for the time being, or if their number is not three or a multiple of three, then a number not less than one-third, are required to retire by rotation from office at every annual general meeting under the Company's Bye-Laws. A retiring Director is eligible for re-election.

The Company maintains procedures for Shareholders to propose a person for election as a director of the Company. The details of these procedures are published on the Company's website.

董事之委任及重選

董事會出具正式委任函件確認所有非執行董事及董事會轄下委員會成員之任期及職能。

獲委任以填補空缺及為新增成員之董事須於其獲委任後舉行的首次本公司股東大會上重選。此外，每位董事（包括每位非執行董事）須不遲於其最近一次被選舉或重選後之第三次股東週年大會上退任。根據本公司之公司細則，每屆股東週年大會須有三分之一在職董事（或倘人數並非三或三之倍數，則不少於三分之一的董事）輪值告退。退任之董事可膺選連任。

本公司訂立股東提名人士選舉為本公司董事的程序，這些程序的詳情已刊登於本公司網站。

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Directors' Remunerations

The Directors' fees and all other reimbursements and emoluments (if any) paid or payable to the Directors during the year are set out, on an individual and named basis, in Note 21 to the consolidated financial statements of this Annual Report on pages 199 to 202.

The remuneration policy of the Group is set out on page 27 of this Annual Report.

Compliance with the Model Code and the Company's Guidelines

The Board has adopted the Model Code as the Company's code of conduct for securities transactions by its Directors. Having made specific enquiry with all Directors, all Directors have confirmed their compliance with the required standards set out in the Model Code throughout the year ended 31 December 2019 and up to the date of this Annual Report.

The Company has also adopted written guidelines (the "**Company's Guidelines**"), which are equally stringent as the Model Code, in respect of securities transactions by relevant employees of the Company who are likely to be in possession of unpublished inside information of the Company pursuant to code provision A.6.4 of the Corporate Governance Code. No incident of non-compliance against the Model Code or the Company's Guidelines by the Company's relevant employees has been noted after making reasonable enquiry.

董事酬金

年內，已支付或應付予董事之董事袍金及所有其他付還款項及酬金（如有），按個別董事具名載列於本年度報告第199至202頁之綜合財務報表附註21內。

本集團之薪酬政策載於本年度報告第27頁。

遵守標準守則及公司指引

董事會已採納標準守則作為本公司董事進行證券交易之操守準則。經向全體董事作出具體查詢後，全體董事均已確認彼等於截至二零一九年十二月三十一日止整個年度及截至本年度報告日期期間一直遵守標準守則所載的規定標準。

就可能得知本公司未公佈內幕消息之本公司有關僱員所進行之證券交易，本公司亦已根據企業管治守則守則條文第A.6.4條，採納不比標準守則寬鬆之書面指引（「**公司指引**」）。本公司於進行合理查詢後，知悉並無本公司有關僱員不遵守標準守則或公司指引之事宜。

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Independence of Independent Non-Executive Directors

The Board has received from each of the independent non-executive Directors a written annual confirmation of his/her independence pursuant to the guidelines set out in Rule 3.13 of the Listing Rules.

The Company is of the view that all independent non-executive Directors are independent in accordance with the independence guidelines as set out in the Listing Rules and is grateful for the contribution and independent advice and guidance that they have been giving to the Board and the Board Committees.

Directors are required to declare their direct or indirect interests, if any, in any proposals or transactions to be considered by the Board at Board meetings and withdraw if appropriate.

Continuous Professional Development of Directors

Directors keep abreast of responsibilities as a Director of the Company and of the conduct, business activities and development of the Company.

All Directors are encouraged to participate in appropriate continuous professional development to develop and refresh their knowledge and skills to ensure that their contribution to the Board remains informed and relevant. Internally-facilitated briefings for Directors are arranged and reading materials on relevant topics are distributed to Directors from time to time.

During the year ended 31 December 2019, all the Directors had participated in continuous professional development programmes, including but not limited to internally-facilitated briefings organised by the Company and qualified professionals and trainings conducted by law firm, and reading materials relevant to directors' duties and responsibilities. A record of the trainings received by the respective Directors are kept and updated by the Company. The training areas that the Directors received during the year were as follow.

獨立非執行董事之獨立性

董事會已接獲各獨立非執行董事根據上市規則第3.13條所載之指引就其獨立性發出的書面年度確認。

本公司認為，根據上市規則所載獨立性指引，全體獨立非執行董事均屬獨立，並對彼等一直以來為董事會及董事會轄下委員會所作貢獻和提供獨立意見及指導表示謝意。

董事須申報彼等在將由董事會於董事會會議審議的任何建議或交易中的直接或間接利益（如有），並就該部份董事會會議酌情避席。

董事的持續專業發展

董事不時了解其作為本公司董事的職責及操守以及本公司的業務活動及發展。

本公司鼓勵董事參與適當的持續專業發展，以發展及更新彼等的知識及技能，確保其繼續對董事會作出知情及相關的貢獻。我們不時為董事安排內部簡介會，並向董事派發有關議題的參考資料。

截至二零一九年十二月三十一日止年度，所有董事均已參與持續專業發展計劃，包括但不限於由本公司及合資格專業人士舉辦的內部簡介會，及由律師事務所提供的培訓，以及閱讀有關董事職務及責任的材料。各董事所接受之培訓記錄由本公司保管及更新。董事於年內所接受之培訓範疇如下。

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		Training Areas		
		培訓範疇		
Name of Director	董事姓名	Corporate Governance, Risk Management and Internal Control	Legal and Regulatory	Group's Business
		企業管治、風險管理及內部監控	法律及監管規定	本集團業務
Mr. Chen Zenan ⁽¹⁾	陳澤南先生 ⁽¹⁾	✓	✓	✓
Mr. Huang Hu	黃虎先生	✓	✓	✓
Mr. Meng Xuefeng	孟雪峰先生	✓	✓	✓
Ms. Lv Jia	呂佳女士	✓	✓	✓
Dr. Song Ming	宋敏博士	✓	✓	✓
Dr. Sun Mingchun	孫明春博士	✓	✓	✓
Ms. Liu Yan	劉艷女士	✓	✓	✓
Mr. Ou Peng ⁽²⁾	歐鵬先生 ⁽²⁾	-	-	-

Notes:

附註：

(1) Appointed as a non-executive Director on 15 March 2019.

(1) 於二零一九年三月十五日獲委任為非執行董事。

(2) Resigned as an executive Director on 15 March 2019.

(2) 於二零一九年三月十五日辭任執行董事。

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企業管治報告

Directors' Responsibility for Financial Reporting in respect of Financial Statements

All Directors acknowledge their responsibilities for preparing the consolidated financial statements of the Group for the year ended 31 December 2019.

Other matters relating to the Board

The Group has appropriate insurance in place to cover the liabilities of the Directors and officers of the Group.

Code provision A.1.7 of the Corporate Governance Code provides that if a substantial shareholder or a director has a conflict of interest in a matter to be considered by the board which the board has determined to be material, the matter should be dealt with by a physical board meeting rather than a written resolution. Independent non-executive directors who, and whose close associates, have no material interest in the transaction should be present at that board meeting. During the year ended 31 December 2019, the Board approved the continuing connected transactions in relation to the proposed tenancies of portions of certain floors of the Group's premises in the Bank of America Tower to its controlling Shareholder, Great Wall International, by way of circulation of written resolutions in lieu of physical board meeting on 8 March 2019, for which certain Director who is nominated by the controlling Shareholder of the Company, was regarded as having material interests therein. However, the Directors (including the independent non-executive Directors) are of the view that such proposed tenancies and the transactions contemplated thereunder are fair and reasonable, are on normal commercial terms or better and are in the ordinary and usual course of business of the Company and are in the interests of the Company and the Shareholders as a whole. In addition, Mr. Huang Hu, being the Director of the Company and a director of Great Wall International, had abstained from voting on the relevant written resolutions of the Board in approving the proposed tenancies and the transactions contemplated thereunder pursuant to the Company's Bye-Laws and the Listing Rules. Before formal execution of the written resolutions, the Directors had discussed the matters via electronic means and the Board considers that adoption of written resolutions would facilitate and maximise the effectiveness of its operation. The Board shall nevertheless review its board meeting arrangement from time to time to ensure appropriate arrangement is being taken to comply with the requirements under the Corporate Governance Code.

董事對財務報表的財務報告責任

全體董事確認彼等有責任編製本集團截至二零一九年十二月三十一日止年度的綜合財務報表。

與董事會有關之其他事宜

本集團已就本集團董事及高級行政人員之責任作出適當投保。

企業管治守則守則條文第A.1.7條規定，若有大股東或董事在董事會將予考慮的事項中存有董事會認為重大的利益衝突，有關事項應以舉行董事會會議（而非書面決議案）方式處理。在交易中本身及其緊密聯繫人均沒有重大利益的獨立非執行董事應出席有關的董事會會議。截至二零一九年十二月三十一日止年度，董事會於二零一九年三月八日以傳閱書面決議案的方式代替舉行董事會會議，以批准有關建議向其控股股東長城國際租賃本集團於美國銀行中心之物業若干樓層的一部份的持續關連交易，其中本公司控股股東提名的若干董事被視為於其中擁有重大權益。然而，董事（包括獨立非執行董事）認為有關建議租賃及其項下擬進行交易屬公平合理，按照一般商業條款或更佳條款進行且乃在本公司的日常業務中訂立並符合本公司及股東的整體利益。此外，黃虎先生（即本公司董事及長城國際之董事）已根據公司細則及上市規則就批准建議租賃及其項下擬進行交易之相關董事會書面決議案放棄表決。於正式簽署書面決議案前，相關董事亦已通過電子方式討論該等事項，且董事會認為採納書面決議案有助於並大大提升其營運效率。儘管如此，董事會將不時檢討其董事會會議安排以確保採取適當安排以遵守企業管治守則項下規定。

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企業管治報告

Chairman and Chief Executive Officer

The primary role of the Chairman is to provide leadership for the Board. He is responsible for the proper functioning of the Board and for securing the application of good corporate governance practices. The Chairman ensures the Board has formulated the corporate goals and objectives, long-term business model and strategy for delivering the corporate strategy of the Group, and establishes an effective system for monitoring the progress of their effective implementation and achievement. He directs the corporate development activities of the Group, and ensures that effective steps are taken to provide effective communication with Shareholders and that their views are communicated to the Board as a whole. The Chairman is also responsible for setting the Board's agenda and ensuring that adequate time is available for discussion of all agenda items in particular strategic issues. He promotes a culture of openness and debate by facilitating the effective contribution of non-executive Directors in particular and ensuring constructive relations between executive and non-executive Directors. Furthermore, the Chairman is responsible for ensuring that the Directors receive, in a timely manner, accurate, clear, complete and reliable information.

The primary role of the Chief Executive Officer is to focus on attending to the formulation and implementation of Group's policies and overseeing the implementation of the strategies and objectives agreed by the Board. The senior management should support the Chief Executive Officer in performing this. The Chief Executive Officer has principal responsibility for overseeing day-to-day management of the Group's businesses and operations, maintaining the operational performance of the Group and monitoring the operating and financial results of the Group's businesses against plans and budgets.

主席及行政總裁

主席的主要職務是擔當領導董事會角色，並負責董事會的妥善運作，確保良好企業管治常規得以實行。主席確保董事會制定本集團的企業目標及宗旨、長期業務模式及策略以實現本集團的企業戰略，並建立有效機制以監控實際推行及完成的進展。彼指引本集團的企業發展活動及確保已採取有效舉措與股東保持有效聯繫，致使彼等意見可傳達整個董事會。主席亦負責訂下董事會議程，確保有足夠時間討論議程上所有事項，特別是策略上的事宜。主席通過促進非執行董事作出良好貢獻，確保執行及非執行董事間的建設性關係，從而推廣開放及議論的文化。此外，主席負責確保董事適時接收準確、清晰、完善及可靠的資訊。

行政總裁的主要職務是專注參與制訂及實行本集團政策，以及監督經董事會同意的策略及目標之落實情況，並應就此獲高級管理層的支援。行政總裁首要負責監督本集團業務及營運的日常管理、維持本集團經營表現，以及根據計劃及預算監控本集團業務的經營及財務業績。

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The roles of Chairman of the Board and Chief Executive Officer of the Company had been performed by Mr. Ou Peng, our former executive Director, since 9 November 2016 until his resignation from the above positions on 15 March 2019. Although under code provision A.2.1 of the Corporate Governance Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual, the combination of the roles of chairman and chief executive officer by Mr. Ou was considered to be in the best interests of the Company and its Shareholders as a whole. The Company believed that the combined roles of Mr. Ou promoted unity of command and developed strong, clear and better leadership for both the Board and the management and enabled more focused development of business strategies and implementation of objectives and policies. The balance between power and accountability is maintained by the openness and cooperative spirit of the senior management and the Board, which comprise experienced and high-calibre individuals. The structure was supported by the Company's well established corporate governance structure and internal control policies. Subsequent to the appointments of Mr. Chen Zenan as the Chairman of the Board and Mr. Huang Hu as Chief Executive Officer on 15 March 2019 respectively, the Company has complied with the requirements under code provision A.2.1 of the Corporate Governance Code as from that date.

Board Committees

The Board has established the Audit, Remuneration and Nomination Committees with mandates to deal with certain corporate governance affairs of the Group. The Terms of Reference of each of the above-mentioned Committees are available on the website of the Stock Exchange and the Company's website.

From time to time, the Board will also establish other board committee(s) to deal with specific aspects of its business.

Each Committee is established with written terms of reference which are no less exacting than those set out in the Corporate Governance Code, setting out its roles and functions. Each member of the Committee has a formal letter of appointment setting out key terms and conditions relating to his/her appointment.

自二零一六年十一月九日起，本公司董事會主席兼行政總裁之角色由我們的前任執行董事歐鵬先生同時擔任，直至彼於二零一九年三月十五日辭任上述職務為止。儘管根據企業管治守則守則條文第A.2.1條，主席與行政總裁之角色應有區分，不應由一人同時兼任，惟由歐先生兼任主席及行政總裁乃符合本公司及其股東整體之最佳利益。本公司認為，歐先生兼任兩職有助於統一指令，建構強而有力、明確及更有領導能力的董事會及管理層，並使其更致力專注於制定業務策略，以及實行目標及政策。高級管理層與董事會由富經驗及才能之人士組成，富有開放及合作精神，可達成權力與問責之間的平衡。此架構獲本公司完善的企業管治架構及內部監控政策支援。自陳澤南先生及黃虎先生於二零一九年三月十五日分別獲委任為董事會主席及行政總裁後，本公司自該日起遵守企業管治守則守則條文第A.2.1條所載之規定。

董事會轄下委員會

董事會轄下設有審核、薪酬及提名委員會，負責處理本集團的若干企業管治事務。上述各委員會之職權範圍均載於聯交所之網站及本公司之網站。

董事會亦不時成立其他董事會轄下委員會，處理其他特定範疇之事務。

各獲設立之委員會均具書面職權範圍（條款不比企業管治守則所載條款寬鬆）載列其角色及職能。每名委員會成員均有正式委任函件，載有關於其委任之主要條款及條件。

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Each Committee meets as frequently as required by business developments and the operation of the Group. Committee members are provided with adequate and timely information before each meeting or discussion. All Committee members are asked to review and comment on the minutes of their meetings within a reasonable time after the meetings.

The procedures and arrangements relating to the meetings of the Board are applied to meetings of the Board Committees whenever it is appropriate.

Audit Committee

The Audit Committee was established in 1998 with its defined written terms of reference (which was revised in August 1998). As at the date of this report, the Audit Committee comprises two independent non-executive Directors, namely Ms. Liu Yan (chairlady of the Audit Committee) and Dr. Song Ming, and a non-executive Director, Mr. Chen Zenan. A majority of Audit Committee members are independent non-executive Directors, with Mr. Liu Yan and Dr. Song Ming possessing the appropriate professional qualifications and accounting and related financial management expertise.

The Audit Committee members have professional qualifications and experience in financial matters that enable the Committee to exercise its powers effectively and provide the Board with independent views and recommendations in relation to financial matters.

The principal roles of the Audit Committee are to ensure that the Company has formal and transparent arrangements for considering matters relating to the Group's financial reporting, and risk management and internal control systems and for maintaining an appropriate relationship with the Company's internal auditor (if any) external auditor.

The duties of the Audit Committee, as set out in its terms of reference, covering the relevant code provisions of the Corporate Governance Code.

各委員會按本集團之業務發展和運作於需要時召開會議。在每次會議或討論前，委員會成員均獲提供充足及適時之資訊。全體委員會成員須於會議後一段合理時間內審議及評核會議記錄。

董事會會議適用之程序及安排亦應用於董事會轄下委員會之會議。

審核委員會

本公司訂有書面職權範圍(於二零一八年八月修訂)的審核委員會於一九九八年成立。截至本報告日期，審核委員會由兩名獨立非執行董事劉艷女士(審核委員會主席)及宋敏博士，以及非執行董事陳澤南先生組成。審核委員會成員大部份為獨立非執行董事，其中劉艷女士及宋敏博士具備適當的專業資格以及會計及相關財務管理專長。

審核委員會成員具專業資格和財務事宜之經驗，有助委員會有效行使權力，並就財務事宜向董事會提供獨立意見及建議。

審核委員會之主要職責為確保本公司作出正規及具透明度之安排，以審議與本集團財務匯報，及風險管理及內部監控系統方面有關之事宜，並與本公司之內部核數師(如有)及外聘核數師維持恰當關係。

審核委員會職權範圍所載列之職務，涵蓋企業管治守則之相關守則條文。

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The Audit Committee holds two regular meetings annually and also meets at such other times as circumstances require. Any Audit Committee member may convene a meeting of the Committee. The external auditor may also request the Committee Chairman to convene a meeting of the Audit Committee. The Audit Committee may invite the external auditor and/or members of management to attend any of the meetings. Special meetings may be called at the discretion of the Committee Chairman or at the request of management to review significant internal control, risk management or financial issues. The Committee Chairman reports to the Board at least twice a year on the Committee's activities and highlights any significant issues.

During the year, Audit Committee held three meetings and the individual attendance records of each of the Audit Committee members are set out on page 34 of this Annual Report.

The Audit Committee's main works during the year included reviewing:

- 2018 Annual Report, including the Corporate Governance Report, Directors' Report and the audited consolidated financial statements, as well as the related results announcement (with recommendations made to the Board for approval)
- 2019 Interim Report and interim results announcement (with recommendations made to the Board for approval)
- compliance with the Corporate Governance Code, the SFO, the Hong Kong Companies Ordinance and the Listing Rules
- in relation to the external auditor, their report on the review of interim consolidated financial information and the audit of the Group's consolidated financial statements, key audit findings, audit services plan and letter of management's representation, and their re-appointment and terms of engagement
- advancement of the Enterprise Risk Management framework
- Internal Control Assessment Report (with areas of concerns discussed and highlighted to the Board)
- effectiveness of the financial reporting system, risk management and internal control systems and associated procedures within the Group
- annual review of the continuing connected transactions

審核委員會每年召開兩次定期會議，亦應情況需要時舉行會議。任何審核委員會成員均可召開委員會會議。外聘核數師亦可要求委員會主席召開審核委員會會議。審核委員會可邀請外聘核數師及／或管理層成員出席任何會議。委員會主席可酌情決定或應管理層要求召開特別會議，審閱重大內部監控、風險管理或財務事宜。委員會主席每年向董事會作出至少兩次報告，匯報委員會之工作和提出任何重大事項。

年內，審核委員會已舉行三次會議，各審核委員會成員的個人出席記錄載於本年度報告第34頁。

審核委員會於年內的主要工作包括審閱以下各項：

- 二零一八年度報告，包括企業管治報告、董事會報告及經審核綜合財務報表，以及相關業績公告（向董事會提供推薦建議供其審批）
- 二零一九年中期報告及中期業績公告（向董事會提供推薦建議供其審批）
- 企業管治守則、證券及期貨條例、香港公司條例及上市規則的合規情況
- 就有關外聘核數師、彼等對中期綜合財務資料之審閱及對本集團綜合財務報表之審核報告、重大審核事項、審核服務計劃及管理層聲明函件、彼等的續聘及服務條款
- 提升企業風險管理框架
- 內部監控評估報告（討論關注事項並提醒董事會注意）
- 本集團財務匯報制度、風險管理及內部監控系統及相關程序之成效
- 持續關連交易之年度審閱

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- continuing connected transactions
- amendments to the Whistleblowing policy (i.e. procedures to facilitate employees to raise, in a strictly confidential manner, concerns about possible improprieties in financial reporting, internal control or other matters) and recommendation to the Board for adoption

During the year, the Board has not taken any view that is different from that of the Audit Committee nor rejected any recommendation presented by the Audit Committee.

There were no material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The Audit Committee recommended to the Board (which in turn endorsed the view) that, subject to Shareholders' approval at the forthcoming annual general meeting, PricewaterhouseCoopers be re-appointed as the external auditor for year 2020.

Remuneration Committee

The Remuneration Committee was established in 2000 with its defined written terms of reference (which was revised in March 2017). A majority of its members are independent non-executive Directors. As at the date of this report, the Remuneration Committee comprises two independent non-executive Directors, namely Dr. Song Ming (chairman of the Remuneration Committee) and Dr. Sun Mingchun, and an executive Director, Mr. Meng Xuefeng.

The Remuneration Committee reviews remuneration policies and structure of the Group with the delegated responsibility to determine the remuneration packages of executive Director(s) and senior management of the Group (as defined in the terms of reference of the Remuneration Committee). It also makes recommendations to the Board on the remuneration of non-executive Directors.

In conducting its work in relation to the determination of remuneration of Directors and senior management, the Remuneration Committee ensures that no individual (or any of his/her close associates) was involved in determining his or her own remuneration.

- 持續關連交易
- 修訂的舉報政策 (即促進僱員就財務匯報、內部監控或其他方面可能發生的不正當行為在高度保密的情況下提出關注的程序), 並向董事會提出建議, 以供採納

年內, 董事會與審核委員會並無意見分歧, 亦無拒絕接納審核委員會呈報之任何建議。

並無任何重大不確定性事件或情況可能導致對本公司持續經營之能力產生重大疑慮。

審核委員會向董事會建議 (而董事會亦贊同), 續聘羅兵咸永道會計師事務所為二零二零年度外聘核數師, 惟須待股東在應屆股東週年大會上作出批准後方可作實。

薪酬委員會

本公司訂有書面職權範圍 (於二零一七年三月修訂) 的薪酬委員會於二零零零年成立, 其大部份成員為獨立非執行董事。截至本報告日期, 薪酬委員會由兩名獨立非執行董事宋敏博士 (薪酬委員會主席) 及孫明春博士, 以及執行董事孟雪峰先生組成。

薪酬委員會審議本集團之薪酬政策及架構, 並獲授予職責釐定本集團個別執行董事及高級管理層 (如薪酬委員會職權範圍所界定) 的薪酬待遇, 並就非執行董事之薪酬向董事會提供建議。

進行有關釐定董事及高級管理層薪酬的工作時, 薪酬委員會確保並無個別人士 (或其任何緊密聯繫人) 參與釐定其自身薪酬。

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The duties of the Remuneration Committee, as set out in its terms of reference, covering the relevant code provisions of the Corporate Governance Code.

The Remuneration Committee meets once a year and at such other time as necessary. Any Committee member may convene a meeting of the Remuneration Committee.

During the year, the Remuneration Committee held two meetings and the individual attendance records of each of the Remuneration Committee members are set out on page 34 of this Annual Report.

The Remuneration Committee's main works during the year included:

- review of the remuneration policy and structure of the Group
- review and determination of the remuneration package of executive Directors and senior management
- review and recommendation of the Directors' fees of all the independent non-executive Directors for approval by the Board
- review of the letter of appointment of Mr. Chen Zenan as Chairman of the Board and non-executive Director
- review of the renewed letter of appointment setting out the remuneration package of Mr. Huang Hu as executive Director and Chief Executive Officer
- review of the renewed letter of appointment setting out the remuneration package of Mr. Meng Xuefeng as executive Director
- review of the renewed letter of appointment of Ms. Lv Jia as non-executive Director
- review of the renewed letter of appointment setting out the remuneration package of Dr. Song Ming as independent non-executive Director
- review of the renewed letter of appointment setting out the remuneration package of Dr. Sun Mingchun as independent non-executive Director

薪酬委員會職權範圍所載列之職務，涵蓋企業管治守則之相關守則條文。

薪酬委員會每年召開一次會議，並於有需要時舉行會議。委員會任何成員均可召開薪酬委員會會議。

年內，薪酬委員會已舉行兩次會議，各薪酬委員會成員的個人出席記錄載於本年度報告第34頁。

薪酬委員會於年內的主要工作包括：

- 審議本集團之薪酬政策及結構
- 審議及釐定執行董事及高級管理層之薪酬待遇
- 審閱全體獨立非執行董事的董事袍金，並向董事會提出建議，以供批准
- 審議陳澤南先生獲委任為董事會主席及非執行董事的委任函
- 審議載有黃虎先生出任執行董事及行政總裁薪酬待遇的委任函
- 審議載有孟雪峰先生出任執行董事薪酬待遇的重續委任函
- 審議呂佳女士出任非執行董事的重續委任函
- 審議載有宋敏博士出任獨立非執行董事薪酬待遇的重續委任函
- 審議載有孫明春博士出任獨立非執行董事薪酬待遇的重續委任函

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Nomination Committee

The Nomination Committee was established in 2005 with its defined written terms of reference (which was revised in March 2017). A majority of its members are independent non-executive Directors. As at the date of this report, the Nomination Committee comprises a non-executive Director, Mr. Chen Zenan (chairman of the Nomination Committee) and two independent non-executive Directors, namely Dr. Song Ming and Dr. Sun Mingchun.

The Nomination Committee is primarily responsible for identifying suitably qualified individuals to become members of the Board, making recommendations to the Board on the appointment of Directors and senior management, reviewing the size, structure and composition (including the skills, knowledge, experience and diversity) of the Board, reviewing the effectiveness of the Company's Board Diversity Policy annually and making recommendations to the Board on the measurable objectives for achieving diversity on the Board. It also assesses the independence of independent non-executive Directors.

Before an appointment is made, the Nomination Committee evaluates the balance of skills, knowledge and experience on the Board and, in the light of this evaluation, prepares a description of the role and capabilities required for a particular appointment. If deemed appropriate, external consultants may be engaged to identify suitable candidates.

The duties of the Nomination Committee, as set out in its terms of reference, covering the relevant code provisions of the Corporate Governance Code.

The Nomination Committee shall meet at least annually or meet at such time as the Committee Chairman shall require. Any Nomination Committee member may convene a meeting of the Committee.

During the year, the Nomination Committee held one meeting and the individual attendance records of each of the Nomination Committee members are set out on page 34 of this Annual Report.

提名委員會

本公司訂有書面職權範圍(於二零一七年三月修訂)的提名委員會於二零零五年成立，其大部份成員為獨立非執行董事。截至本報告日期，提名委員會由一名非執行董事陳澤南先生(提名委員會主席)及兩名獨立非執行董事宋敏博士及孫明春博士組成。

提名委員會主要負責物色具備合適資格人士成為董事會成員，就董事和高級管理人員委任向董事會提出建議，並檢討董事會之規模、架構和組成(包括技能、知識、經驗及多元化)，並每年檢討本公司董事會多元化政策之有效性以及就董事會達致多元化之可量化目標向董事會提出建議。其亦評估獨立非執行董事之獨立性。

在作出委任前，提名委員會評估董事會於技能、知識及經驗之均衡組合，並按此訂下該特定職位之職責及所須具備之才能。倘委員會認為恰當，亦會外聘顧問，以物色合適人選。

提名委員會職權範圍所載列之職務，涵蓋企業管治守則之相關守則條文。

提名委員會須每年最少舉行一次會議或於委員會主席要求時召開會議。任何提名委員會成員均可召開委員會會議。

年內，提名委員會舉行一次會議，各提名委員會成員的個人出席記錄載於本年度報告第34頁。

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During 2019, the Nomination Committee completed the review of the size, structure and composition of the Board and assessed the independence of independent non-executive Directors pursuant to code provision A.5.2 of the Corporate Governance Code and made recommendations to the Board on the re-election of retiring directors. It also conducted a review on the diversity of the Board and recommended to the Board for approval of the appointment of Mr. Chen Zenan as Chairman of the Board and non-executive Director, the re-designation of Mr. Huang Hu as executive Director, the appointment of Mr. Huang Hu as Chief Executive Officer and the appointment of Mr. Xiao Ling as Deputy General Manager.

Company Secretary

The Company Secretary reports to the Chairman, Chief Executive Officer and Deputy Chief Executive Officer and is responsible for ensuring there is a good and timely flow of information to Directors, both in their roles as Board members and as members of individual Board Committees. He also assists with the continuing professional development of Board members. The Company Secretary is responsible for taking and keeping minutes of all Board and Board Committee meetings.

The Company Secretary also plays an important role in advising the Board on all corporate governance-related matters and is also available to provide advice to the Board.

On 11 October 2019, Mr. Kong Hok Kan was appointed as the Company Secretary of the Company in place of Ms. Zheng Yuanyuan. Mr. Kong has complied with the professional training requirements under the Corporate Governance Code.

Pursuant to code provision F.1.2 of the Corporate Governance Code, a board meeting should be held to discuss the appointment of the company secretary and the matter should be dealt with by a physical board meeting rather than a written resolution. The appointment of the current company secretary of the Company was dealt with by way of passing a written resolution duly signed by all the Directors in October 2019. Prior to such appointment, all Directors were individually consulted with no dissenting opinion on the proposed matter. As such, it was considered that a physical Board meeting was not necessary for approving the said appointment.

於二零一九年，提名委員會已根據企業管治守則守則條文第A.5.2條完成檢討董事會的規模、架構及組成及評估獨立非執行董事的獨立性，並就重選退任董事向董事會提出建議。提名委員會亦已就董事會多元化進行檢討，並向董事會建議委任陳澤南先生為非執行董事、調任黃虎先生為執行董事、委任黃虎先生為行政總裁及委任肖齡先生為副總經理，以供批准。

公司秘書

公司秘書向主席、行政總裁及副行政總裁匯報，並負責確保董事作為董事會成員及個別董事委員會成員均能及時獲得良好資訊。彼亦為董事會成員的持續專業發展提供協助。公司秘書負責記錄及保管所有董事會及董事委員會的會議記錄。

公司秘書的另一重要職責，乃就所有企業管治相關事宜向董事會作出建議。彼亦為董事會提供建議。

於二零一九年十月十一日，江學勤先生獲委任為本公司之公司秘書，以替代鄭遠遠女士。江先生已按照企業管治守則之規定接受專業培訓。

根據企業管治守則守則條文第F.1.2條，委任公司秘書事宜應透過董事會會議討論，並應是舉行董事會會議而非以書面決議處理。本公司現任公司秘書乃經全體董事於二零一九年十月以書面決議案方式簽署批准通過其委任。在上述委任獲得通過前，全體董事均已獲知會就建議委任事項逐一提出徵詢意見，而彼等並無任何反對意見，故此，本公司認為毋須就批准上述委任事項而舉行董事會會議。

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Risk Management and Internal Control

All activities conducted and all decisions made by the Company may involve risks to a certain extent. The Board plays a critical role of monitoring the risk exposure of the Company. The Board considers the risks in an active manner in setting of strategies. The Board also considers the risks in assessing opportunities for business development and growth so as to determine the risk appetite of the Company.

The Board acknowledges that it has overall responsibility for the risk management and internal control systems and for reviewing the effectiveness of these systems annually so as to safeguard the Shareholders' investments and the Company's assets. Accordingly, the Company has established internal control and risk management systems to provide reasonable assurance against material misstatement or loss and manage or mitigate the risk of failure to achieve business objectives.

The Company's objective is to establish a comprehensive and effective risk management and internal control systems. The Board is aware of its responsibility to ensure that an appropriate and effective risk management system is established and maintained by the Company.

The Group has in place an Enterprise Risk Management ("ERM") framework to effectively identify, assess, report, mitigate and monitor key risks. The framework provides a proactive and structured approach to identify, manage and monitor risks on an on-going basis with a common framework across the organisation to evaluate risk significance and likelihood of occurrence.

Risks faced by the Company fall into a number of principal categories: strategic risk, operational risk, compliance risk, financial risk and information risk. The procedures of ERM of the Company involve risk identification, risk assessment/prioritisation, risk response and risk monitoring and reporting. Risks and uncertainties associated with the business of the Company may have an adverse effect on business, financial conditions and results of the Company. The Company has identified certain principal risks through risk identification and assessment, and has developed risks monitoring mechanism to facilitate risk monitoring and control.

風險管理及內部監控

本公司進行的所有活動及作出的所有決定均涉及一定程度的風險。董事會於監督本公司所承受風險方面擔當重要角色。作為策略制訂過程的一部份，董事會積極考慮風險；亦於評估發展及擴張業務的機會時考慮風險，釐定公司的風險偏好。

董事會承認其須對風險管理及內部監控系統負有整體責任，並有責任每年檢討該等制度的有效性，以保障股東投資及公司資產。為此，本公司已設立內部監控及風險管理系統，以合理保證不會出現嚴重失實或損失，並管理或降低未能達到業務目標的風險。

本公司的目標是建立一套完備有效的風險管理及內部監控系統。董事會知悉其有責任確保本公司建立及維持適當及有效之風險管理系統。

為有效識別、評估、報告、降低及監控關鍵風險，本集團已制定企業風險管理（「**企業風險管理**」）框架。該框架為持續識別、管理及監控風險提供積極及有系統的方法，在整個組織中以共同框架評估風險嚴重程度及發生的可能性。

本公司面對的風險主要分為數個主要類別：戰略風險、營運風險、合規風險、財務風險及信息風險。本公司企業風險管理程序包括風險識別、風險評估／釐定風險程度、風險應對以及風險監控及報告。與本公司業務有關之風險及不確定因素可能對本公司之業務、財務狀況及業績造成不利影響。本公司已透過風險識別及評估辨析若干重大風險，並已制定風險監控機制以協助風險監測及控制。

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The Group operates a “Three Lines of Defence” risk governance model to delegate and coordinate essential risk management and control duties in a clear and cohesive manner:

- (a) First line of defence – Business units are responsible for maintaining effective internal controls and for executing risk and control procedures on a day-to-day basis. Operational management identifies, assesses, controls, and mitigates risks, guides the development and implementation of internal policies and procedures and ensures that activities are consistent with goals and objectives. Through a cascading responsibility structure, mid-level managers design and implement detailed procedures that serve as controls and supervise execution of those procedures by their employees.
- (b) Second line of defence – (1) Business Management Department monitors the risk management system, and facilitates the development, setting and effective implementation of policies and guidelines. It provides advice and guidance to the first-line functional units on implementation of the risk management and internal control systems; (2) Legal and Compliance Department monitors various specific risks such as non-compliance with applicable laws and regulations; (3) Company Secretarial Department monitors various specific risks such as violation of applicable rules and regulations; (4) Finance Department serves as a controllership function that monitors financial risks and financial reporting issues.
- (c) Third line of defence – internal audit function, which reports to the Audit Committee, provides independent assessment over the effectiveness of the risk management and internal control systems and makes recommendations based on the audit findings.

During the year, an independent professional advisory firm has been engaged by the Company as the consultant of the Group. It is responsible for conducting in-depth review on risk management and internal control systems of the Group. The advisory firm has issued a report with its opinion that the Company has maintained effective and adequate risk management and internal control systems, which are compliant and align with the Company’s operational and management systems.

本集團實施「三道防線」風險管治模式，按清楚且一致的方法分配及協調關鍵風險管理及控制職責：

- (a) 第一道防線 – 業務單位負責維持日常有效的內部監控及執行風險及監控程序。經營管理層識別、評估、控制及降低風險，指導內部政策及程序的發展及推行並確保活動與目標及宗旨一致。透過階層式責任架構，中層的經理設計並推行詳細程序，以控制及監督員工執行的程序。
- (b) 第二道防線 – (1) 業務管理部監控風險管理系統以及促進政策和指引之發展、制定，及有效執行。該部門為第一道防線的職能單位提供就推行風險管理及內部監控制度過程的建議及指引；(2) 法律合規部監控各類特定風險如違反適用法例及規例；(3) 公司秘書部監督各類特定風險如違反適用規則及規定；(4) 資金財務部提供控制功能，監督財務風險及財務報告事宜。
- (c) 第三道防線 – 內部審核職能，其向審核委員會報告，就風險管理及內部監控制度之有效性提供獨立評核，並根據審核結果提供建議。

年內，本公司已委任專業獨立諮詢機構作為本集團顧問，負責對本集團的風險管理及內部監控系統進行深入的檢討。該諮詢機構已就此出具報告，認為本公司風險管理及內部監控系統維持有效及足夠，並與本公司經營管理系統兼容且匹配。

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The purpose of the internal control system of the Company is to improve the operating effectiveness and efficiency, safeguard assets against abuse and unauthorised disposition, ensure the maintenance of proper accounting records and that the financial statements give a true and fair view, and ensure compliance with relevant legislation and regulations. It provides reasonable, but not absolute, assurance against material misstatement or loss, and manages, rather than eliminates, risks associated with the business activities of the Company.

The Board together with the Audit Committee have reviewed the effectiveness and adequacy of the risk management and internal control systems of the Company during the year. The Board will upgrade the existing systems of the Company with reference to the recommendations given by the above-mentioned independent professional advisory firm, in the areas of financial management, operation and corporate controls and risk management. The Board is satisfied that effective and adequate risk management and internal control systems of the Company are maintained and align with the operational and management systems of the Company. The Directors consider that it is necessary for the Company to continuously improve its internal control system to the extent that the risks preventing the Company from achieving its objectives can be properly managed.

Handling and Dissemination of Inside Information

The Company has established and implemented specific policies and procedures and internal controls for the handling and dissemination of inside information, including limiting employees' access to inside information on a "need-to-know" basis and ensuring that those who need to know understand their obligations to maintain the confidentiality of any confidential information of the Group. Appropriate confidentiality agreements are put in place when the Company enters into significant negotiations. All inside information is disclosed to the public pursuant to the requirements under the SFO and the Listing Rules and is kept strictly confidential before disclosure.

本公司內部監控系統旨在提高營運效益與效率，確保資產不會被濫用及未經授權處理，維持恰當之會計紀錄及真實公平之財務報表，並確保遵守相關法律及規定。內部監控就是否存在重大錯誤陳述或損失做出合理但非絕對之保證，並管理而非消除與本公司業務活動有關之風險。

董事會連同審核委員會已於年內檢討本公司風險管理及內部監控系統是否有效及足夠。董事會將按前述專業獨立諮詢機構的意見提升公司現時的系統，包括財務管理、營運及企業控制及風險管理等方面。董事會信納本公司維持有效及足夠的風險管理及內部監控系統，並與本公司經營及管理系統匹配。董事認為本公司有必要不斷持續完善內部監控系統，以讓阻礙達成本公司目標的各種風險能獲妥善管理。

處理及發佈內幕消息

本公司就處理及發佈內幕消息已建立並推行特定政策及程序以及內部監控，包括按「需要知道」原則限制員工取得內幕消息，並確保需知情者了解其對本集團任何機密資料具有維持保密之責任。本公司進行重大磋商時須訂立適當保密協議。所有內幕消息乃根據證券及期貨條例及上市規則項下規定向公眾披露，並在披露前受到嚴格保密。

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Principal Risks and Uncertainties

Risks and uncertainties can affect the Group's business, financial condition and operating results. Key risks affecting the Group are identified below. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also have a material adverse effect on our business, financial condition, results of operations and cash flows. The Group employs an ERM framework to identify current and foreseeable risks at different levels of the organisation so as to take preventive actions to manage and mitigate their adverse impacts.

(1) Regulatory compliance risks

The Hong Kong financial market in which the Group operates is highly regulated. The Company, as a listed company in Hong Kong, together with certain subsidiaries with SFC licences to carry out relevant regulated activities, are required to comply with the rules and regulations from various regulatory bodies. The regulatory and compliance regime in the financial industry of Hong Kong is changing constantly, which increases the likelihood of regulatory non-compliance as new rules are introduced and existing ones are tightened. The Group may encounter challenges in keeping abreast of the changes and managing regulatory compliance risks, particularly in the areas of handling connected transactions, notifiable transactions and managing the disclosure of inside information, preventing money laundering transactions for money lending business. In case of failure to comply with the applicable rules and regulations, the Group may be subject to fines, or even suspension or revocation of some or all of the licenses for carrying on the business activities. Accordingly, the Group's business operations and financial results might be materially and adversely affected.

主要風險及不確定因素

風險及不確定因素可影響本集團之業務、財務狀況及營運業績。影響本集團的關鍵風險識別如下。本公司目前並不知悉或本公司目前認為並非重大的其他風險及不確定因素亦可能對我們的業務、財務狀況、經營業績及現金流量帶來重大不利影響。本集團採用企業風險管理框架來識別機構內不同層面目前及可預見的風險，並採取防範措施以管理及減輕風險帶來的不利影響。

(1) 監管合規風險

本集團經營地點香港金融市場受到高度監管。本公司作為香港一家上市公司，連同持有證監會牌照進行相關受規管活動的若干附屬公司，均須遵守各類監管機構之規則及規例。香港金融業的監管及合規制度經常變動，引進新規例或收緊現規例會增加違反監管規定的可能性。本集團在掌握相關變化和 管理監管法規方面的風險可能會受到挑戰，尤其是在處理關連交易，須予公布的交易及管理內幕消息之披露、防止放債業務出現洗錢交易等方面。倘未能遵守適用規則及規例，本集團可能會被處以罰款或甚至被停止或吊銷部份或全部從事業務活動之牌照。因此，本集團之業務營運及財務業績可能受到重大及不利影響。

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(2) *The Group requires the right people, skills and capability to manage growth and change*

The Group has established an organisation structure to address business changes and relevant regulatory requirements. Staff roles and responsibilities, authorities and limits, reporting lines and segregation of duties need to be clearly defined. Since most of the Group's core businesses commenced operation with limited number of key personnel in each business segment, the Group is required to review the needs of staff resources in order to cope with the business expansion and deliver success in the future. Given that the competition for competent personnel in the industry is intense, there is high likelihood that competent personnel may leave the Company, therefore, the Group may encounter difficulties in attracting or retaining the services of the necessary key personnel for that business segment. The Group should hire and retain highly skilled employees with particular expertise or leadership capability in order to remain competitive. The implementation of the Group's strategic business plans could be undermined by failure to build a resilient corporate culture, failure to recruit or retain key personnel, unexpected loss of key senior employees, failures in the Group's succession planning and incentive plans, or failure to invest in the development of key skills.

(3) *The Group is subject to a competitive and changing industry*

Financial services segment is one of the reportable and operating segments of the Group. The financial service industry in Hong Kong has a large number of participants which makes the industry highly competitive. The Group has to compete against competitors which may have greater brand recognition in the market, more human and financial resources, a wider range of services and longer operating history than that of the Group. Apart from large multinational financial institutions, the Group also faces competition from local small and medium-sized financial services firms which offer a similar range of services. Failure to maintain the Group's competitive strengths by responding rapidly to the changing business environment and intensified competition may erode the Group's market share and result in an adverse impact on the operating performance and financial results.

(2) 本集團須合適人材、技能及能力以管理增長及變動

本集團已建立組織架構以應對業務變動及相關監管規則。員工職務及責任、職權及限制、匯報途徑及職責分工需要清楚界定。本集團大多數核心業務開展時，各業務分部以少數主要人員進行營運，本集團需檢討人力資源之需求以應對業務擴張及於未來達致成功。由於行業對有能力人士的競爭激烈，有能力人士很可能會離開本公司，因此本集團可能在吸引或挽留對該業務分部而言屬必要的主要人員之服務上遭遇困難。為確保競爭力，本集團必須僱用及挽留具專業技能或領導能力的高技術員工。若未能建立彈性的企業文化、未能招聘或挽留主要人員、無法預計之主要高級員工流失、本集團繼任安排及激勵計劃不成功或未能投資關鍵技術之發展，本集團策略業務計劃之推行可能會因而受到負面影響。

(3) 本集團處於競爭且瞬息萬變的行業

金融服務分部為本集團其中一個可報告及運營分部。香港金融服務業參與者眾多，使得該行業競爭非常激烈。本集團必須和在市場中可能擁有較高品牌知名度、具更多人力及財務資源、提供更多種服務及具更悠久營運歷史的競爭者競爭。除了大型跨國金融機構外，本集團亦面臨來自當地提供類似服務的中小型金融服務機構的競爭。倘未能迅速回應變動營商環境及激烈的競爭以保持本集團競爭力，本集團可能會流失市場份額並對營運表現及財務業績有不利影響。

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(4) Risks related to strategic planning and reputation

GWAMCC, one of the four major state-owned financial asset management corporations in the PRC, is engaged in the businesses of acquisition, management and disposal of non-performing assets, asset management, banking, securities, insurance, trust, leasing, investment, etc. As a result of changes in the Group's shareholding structure and businesses in 2016 and 2017, GWAMCC became the ultimate controlling Shareholder of the Company. The Group is now principally engaged in property investment and provision of financial services including asset management and corporate finance. The Board has formulated development plans and strategies to accomplish the strategic objectives of transforming the Group into a conglomerate with businesses in property investment and integrated financial services, and developing the Company as a major listed entity and an integrated development platform of GWAMCC outside Mainland China.

The Group will leverage the solid foundation, strengths and reputation that GWAMCC has formed in Hong Kong and Mainland China, in order to constantly expand its businesses. As such, the Group is exposed to inherent reputation risks, failure to deliver quality services to clients could result in an adverse impact on Great Wall's brand reputation.

(4) 有關策略計劃及聲譽風險

中國長城資產為中國四家主要國有金融資產管理企業之一，其業務包括收購、管理及處置不良資產、資產管理、金融、證券、保險、信託、租賃、投資等。於二零一六年及二零一七年本集團股權架構及業務改變後，中國長城資產成為本集團最終控股股東。本集團目前主要從事物業投資及提供金融服務，包括資產管理及企業融資。董事會已制定發展計劃及策略以達成策略目標，以將本集團轉型為業務包括物業投資及綜合金融服務的集團，並將本公司發展成為中國長城資產於中國內地境外之主要上市實體和綜合發展平台。

本集團將依賴中國長城資產於香港及中國內地所建立的紮實基礎、優勢及聲譽以持續擴展業務，因此面臨固有聲譽風險，未能向客戶提供優質服務可能對長城的品牌聲譽產生不利影響。

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(5) Financial and regulatory reporting risks

As a listed company, the Company has statutory and social responsibilities to prepare accurate and timely financial statements which provide objective and reliable information for stakeholders to base their decisions upon. Inaccurate or untimely reporting could seriously damage the Group's position such as a drop in share price, or impaired sourcing/financing ability. The Group introduced various new businesses in 2017 (i.e. asset management and corporate finance businesses), which indicates that new financial reporting processes are implemented and experienced finance staff would be required to extract, assemble, aggregate and analyse financial data to ensure accurate financial reporting. The process of financial reporting becomes more complex and frequent, and transactions may involve complex accounting treatment or estimation. In 2019, the Group has adopted revised accounting standards (i.e. HKFRS 16 – "Lease"). The Finance Department is required to assess the impact of the new or revised standards upon adoption. In addition, licensed corporations are subject to various statutory returns (i.e. the Securities and Futures (Financial Resources) Rules, Disclosure of Interests, etc.) under the requirement of the SFC and other regulatory bodies.

The Group is exposed to various key risks including credit risks, interest rate risk and liquidity risk. Details of the aforesaid key risks and risk mitigation measures are elaborated in Note 32 "Financial Risk Management" to the consolidated financial statements included in this Annual Report.

(5) 財務及監管報告風險

作為上市公司，公司負有法定和社會責任確保財務報表的準確性和及時性，為利益持份者提供客觀和可靠的信息，以供其決策依據。不準確及未適時報告可能會嚴重損害本集團的狀況如股價下跌或削弱採購／融資能力。本集團於二零一七年引進各類新業務（即資產管理及企業融資業務），代表集團需要完善的財務報告流程和具有金融服務行業經驗的財務人員，方能編製、匯總和分析財務數據以確保財務報告的準確性。財務匯報之程序變得更為複雜及頻繁，交易可能涉及複雜會計處理或估計。於二零一九年度，本集團採納經修訂的香港財務報告準則（如香港財務報告準則第16號－「租賃」）。因此，財務部門須評估採納新訂及經修訂準則後的影響。此外，持牌法團須根據證監會及其他監管機構規定提交各類報告（即證券及期貨（財政資源）規則、披露權益等）。

本集團承擔多項重大風險，包括信貸風險、利率風險及流動資金風險。上述重大風險及減輕風險措施之詳情於本年度報告之綜合財務報表附註32「金融風險管理」中展述。

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(6) *The Group requires a robust internal control system and controls*

The Group is operating under a highly regulated environment. As a listed company with SFC licensed subsidiaries, members of the Group are required to establish sound and effective internal controls which are designed to identify and manage the risk of failure to achieve business objectives, ensure reliable financial reporting, effective and efficient operations, and compliance with applicable laws and regulations. Apart from the investment property business, other core businesses, including asset management and corporate finance were introduced in 2017. The Group has established relevant policies and procedures to cope with the business development. Strengthening of the internal control and risk management systems is an ongoing process, the Group is expected to continue designing and implementing appropriate measures to meet the changing business environment. Failure in delivering services in a proper manner, the Group may result in facing a loss in market share, reputation and sales revenue.

(7) *Risks pertaining to investment properties*

The prospects of the Group's property investment business depend on the performance of the property market in Hong Kong. The property market in Hong Kong is affected by many factors, including but not limited to, changes in local and international economic, political, social and legal environments and changes in Hong Kong's fiscal and monetary policies, all of which are beyond the control of the Group. The Group holds various commercial, retail and industrial buildings in Hong Kong and derives revenue through leasing out the properties. Being one of the Group's core businesses, any property market downturn in Hong Kong may materially and adversely affect the financial position, operations, businesses and prospects of the Group and may lead to fair value loss of the Group's investment properties.

(6) 本集團須要穩健的內部監控系統及控制

本集團在嚴格規管的環境下經營。身為包含證監會持牌附屬公司的上市公司，本集團成員公司須建立完善且有效的內部監控，旨在識別及管理失敗風險以達成業務目標、確保財務報告乃可靠、經營兼具成效及效率，以及符合適用法例及規例。除投資物業業務外，其他包括資產管理及企業融資之核心業務皆於二零一七年引進。本集團已建立相關政策及程序以應對業務發展。我們將持續加強內部監控及風險管理系統，本集團期許持續設計及落實妥善的措施以面對變動的業務環境。如未能以適當方式提供服務，本集團可能會面臨市場份額、聲譽及銷售收入的虧損。

(7) 投資物業涉及的風險

本集團物業投資業務的前景視乎香港物業市場之表現而定。香港物業市場受多項因素影響，包括但不限於當地及國際經濟、政治、社會及法律環境改變以及香港財政及貨幣政策改變，這一切因素並非本集團所能控制。本集團在香港擁有多項商業、零售及工廈，並透過出租其物業獲得收益。作為本集團其中一項核心業務，香港物業市場不景可對本集團財務狀況、營運、業務及前景構成重大不利影響，亦可引致本集團投資物業公平值虧損。

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External Auditor

PricewaterhouseCoopers was first appointed as the Group's external auditor in 2001.

During the year ended 31 December 2019, PricewaterhouseCoopers provided the following audit and non-audit services to the Group:

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
External audit	外聘審核	1,279	1,350
Tax services	稅務服務	221	184
Other services	其他服務	521	950

PricewaterhouseCoopers will retire and offer themselves for re-appointment at the annual general meeting of the Company to be held on Thursday, 18 June 2020.

The statement by PricewaterhouseCoopers about their reporting responsibilities for the consolidated financial statements of the Group is set out in the "Independent Auditor's Report" section of this Annual Report on pages 130 to 137.

Investor Relations & Shareholders' Rights

All of the Company's Shares are ordinary shares carrying equal voting rights. Please refer to the "Directors' Report" section of this Annual Report on page 84 for information regarding the public float status of the Company.

The Company recognises its responsibility to look after the interests of its Shareholders. Shareholder relations play an integral part in corporate governance. The Company keeps Shareholders informed of its performance, operations and significant business developments by adopting a transparent and timely corporate disclosure policy, i.e. the Shareholders' Communication Policy, which complies with the Listing Rules and provides all Shareholders with equal access to such information.

外聘核數師

羅兵咸永道會計師事務所於二零零一年首次獲委聘為本集團之外聘核數師。

截至二零一九年十二月三十一日止年度內，羅兵咸永道會計師事務所向本集團提供下列審核及非審核服務：

羅兵咸永道會計師事務所將於二零二零年六月十八日（星期四）召開之本公司股東週年大會上退任，並同意受聘連任。

羅兵咸永道會計師事務所關於其在本集團綜合財務報表之報告責任聲明載於本年度報告第130至137頁「獨立核數師報告」一節。

投資者關係及股東之權利

本公司所有股份均為附帶相同投票權之普通股。有關本公司公眾持股量狀況之資料，請參閱本年度報告第84頁「董事會報告」一節。

本公司確認其有責任照顧股東之利益，而集團與股東之關係乃企業管治不可或缺之一環。本公司採取具透明度及適時之公司資料披露政策（股東通訊政策），持續向股東匯報業績表現、營運情況及重大業務發展。該政策符合上市規則之規定，讓所有股東均有同等機會取得有關資料。

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The Shareholders' Communication Policy of the Company is available on the website of the Company.

The Company reports on financial and operating performance to the Shareholders twice each year through annual and interim reports. Shareholders are given opportunities to raise concerns or propose recommendations to the Board at the Company's annual general meetings. The Company's external auditor attend annual general meetings to answer questions about the external audit and the audit report. Shareholders may visit our website (www.gwpaholdings.com) for share price information, latest business developments, announcements, corporate governance policies and practices and other relevant shareholder information.

The Company Secretary is responsible for responding enquiries from Shareholders and other interested parties. Specific enquiries by Shareholders requiring the Board's and management's attention (to the extent it is publicly available and appropriate to provide) can be sent to the Company, for the attention of the Company Secretary, by mail to 21st Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong.

Note: Any such letter from the Shareholders should be marked "Shareholders' Communication" on the envelope.

The Company will not normally deal with verbal or anonymous enquiries.

The Company promotes fair disclosure of information to all investors and uses best endeavours to ensure that disclosures made by the Company comply with the Listing Rules' prohibition against selective disclosure of inside information.

From 1990 to 2019, all annual general meetings of Shareholders held by the Company were attended by the then incumbent chairman of the Board. During the year, the Company held one annual general meeting and one special general meeting, and the attendance records of each of the individual Directors are set out on page 34 of this Annual Report.

本公司的股東通訊政策可於本公司網站內查閱。

本公司透過年度報告及中期報告，每年兩次向股東匯報財務及經營表現。股東可於本公司之股東週年大會上向董事會提出所關注之事宜或提出建議。本公司之外聘核數師出席股東週年大會，回應關於外部審核及審核報告之提問。股東可瀏覽本集團網站(www.gwpaholdings.com)，查閱有關本集團的股價資料、最新業務發展概況、公告、企業管治政策及常規以及其他相關股東資訊。

公司秘書負責回應股東及其他有興趣人士之查詢。股東可以郵寄方式送函致公司秘書，地址為香港中環夏慤道12號美國銀行中心21樓，向董事會及管理層作出特定查詢(以可公開查閱及適當提供者為限)。

註：任何來自股東的該等函件須於信封註明「股東通訊」。

一般而言，本公司不會處理口頭或匿名的查詢。

本公司致力向所有投資者公正披露資料，並竭盡所能確保本公司作出的資料披露符合上市規則禁止選擇性披露內幕消息之規定。

由一九九零年至二零一九年，當時在任之董事會主席均有出席本公司舉行之所有股東週年大會。年內，本公司曾舉行一次股東週年大會及一次股東特別大會，各董事的個人出席記錄載於本年度報告第34頁。

CORPORATE GOVERNANCE REPORT

企業管治報告

Shareholders have specific rights to convene special general meetings. A Shareholder or Shareholders holding not less than one-tenth of the Company's Shares may require the Directors to convene a special general meeting of the Company by depositing a signed requisition at the registered office of the Company, pursuant to the Companies Act 1981 of Bermuda, with a copy to the principal place of business of the Company in Hong Kong, stating the purpose of the meeting.

Note: Any such written requisition from the Shareholders should be marked "Shareholders' Communication" on the envelope.

Shareholders can submit a written requisition to move a resolution at general meeting. The Shareholders shall represent not less than one-twentieth of the total voting rights of all the Shareholders having at the date of the requisition a right to vote at the general meeting to which the requisition relates, or shall not be less than one hundred Shareholders. The written requisition must be signed by all the requisitionists and state the resolution, accompanied by a statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at the general meeting. The requisition must be deposited at the Company's registered office pursuant to the Companies Act 1981 of Bermuda, with a copy to its principal place of business in Hong Kong, for the attention of the Company Secretary, not less than six weeks before the general meeting in the case of a requisition requiring notice of a resolution and not less than one week before the general meeting in the case of any other requisition. If, after the requisition requiring notice of a resolution has been deposited at the registered office of the Company, an annual general meeting is called for a date six weeks or less after the requisition has been deposited, the requisition though not deposited within the above-mentioned time shall be deemed to have been properly deposited for the purposes thereof. The requisitionists shall be responsible for the relevant expenses incurred in accordance with the Companies Act 1981 of Bermuda unless the Company otherwise resolves.

Note: Any such written requisition from the Shareholders should be marked "Shareholders' Communication" on the envelope.

股東有特定權利召開股東特別大會。持有不少於本公司股份十分之一的一名或多名股東，可根據百慕達一九八一年《公司法》向本公司註冊辦事處交付一份說明會議目的之經簽署書面要求，並向本公司於香港之主要營業地點交付一份副本要求董事召開本公司股東特別大會。

註：任何來自股東的該等書面要求須於信封註明「股東通訊」。

股東可提出書面要求於股東大會上提呈決議案。股東人數須佔於提出要求當日有權於與該要求有關之股東大會上投票之全體股東總投票權不少於二十分之一的股東，或不少於一百名股東。有關書面要求須由所有呈遞要求人士簽署及列明有關決議案，連同一份不多於一千字之聲明，內容有關任何所建議決議案提述之事宜或將在股東大會上處理之事務。該要求必須根據百慕達一九八一年《公司法》交回本公司之註冊辦事處，並向其於香港之主要營業地點交付一份副本，註明收件人為公司秘書。如該要求需要發出決議案通告，須在股東大會舉行前不少於六個星期送達，如為任何其他要求，則須在股東大會舉行前不少於一個星期送達。如須要刊發決議案通告之要求提交予本公司註冊辦事處後，已於提交要求後六星期或以內期間召開股東週年大會，則即使該要求未於上述期限內提交，亦應視為已就有關目的妥為提交。除非本公司另有決議，呈遞要求人士應按百慕達一九八一年《公司法》負責產生的相關開支。

註：任何來自股東的該等書面要求須於信封註明「股東通訊」。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company held an annual general meeting in June 2019, during which matters including re-election of retiring Directors, authorisation of the Board to fix Directors' remuneration, re-appointment of external auditor, and grant of general mandates for the issuance and buy-back of the Shares by the Group, were presented for Shareholders' approval. At such annual general meeting, details of the poll voting procedures and the rights of Shareholders to demand a poll were set out in the circular to Shareholders. All proposed resolutions were voted by poll and the poll results were published on the websites of the Stock Exchange and the Company.

During the year 2019, the Company has not made any significant amendment to its Memorandum of Association and Bye-Laws. The Company's Memorandum of Association and Bye-Laws is available on the websites of the Stock Exchange and the Company.

The Company's forthcoming annual general meeting will be held on Thursday, 18 June 2020. A circular containing, among other matters, further information relating to the forthcoming annual general meeting will be dispatched to the Shareholders of the Company as soon as practicable.

Disclosure of Director's Information Pursuant to Rule 13.51B(1) of the Listing Rules

Other Major Appointment

- Dr. Sun Mingchun (our independent non-executive Director) was appointed as the Chief Economist of Haitong International Securities Group Limited (stock code: 665), a company listed on Main Board of the Stock Exchange, with effect from 1 November 2019.

Disclosures Pursuant to Rule 13.21 of the Listing Rules

In accordance with the disclosure requirements of Rule 13.21 of the Listing Rules, the following disclosures are included in respect of three of the Company's loan agreements, which contain covenants requiring performance obligations of the controlling Shareholders of the Company, as follows:

本公司於二零一九年六月舉行之股東週年大會上，提呈予股東批准之事宜包括重選退任董事、授權董事會釐定董事薪酬、重新委聘外聘核數師及授予本集團發行及購回股份之一般授權。於該股東週年大會，有關以投票方式表決之程序及股東要求以投票方式表決之權利的詳情載列於致股東之通函內。所有提呈之決議案均以投票方式表決。表決結果已在聯交所及本公司網站上刊載。

於二零一九年，本公司並無對其組織章程大綱及公司細則作出任何重大修訂。本公司的組織章程大綱及公司細則可於聯交所及本公司網站內查閱。

本公司應屆股東週年大會將於二零二零年六月十八日(星期四)舉行。本公司將在切實可行情況下盡快向本公司股東寄發載有關於應屆股東週年大會之進一步詳情以及其他事項之通函。

根據上市規則第13.51B(1)條披露董事資料

其他主要任命

- 孫明春博士(本公司獨立非執行董事)於二零一九年十一月一日獲委任為海通國際證券集團有限公司(股份代號: 665)的首席經濟學家，該公司於聯交所主板上市。

根據上市規則第13.21條之披露

根據上市規則第13.21條之披露規定，以下披露乃就本公司三項貸款協議而提供，有關協議載有本公司控股股東履行責任之契諾如下：

CORPORATE GOVERNANCE REPORT

企業管治報告

(1) On 1 February 2018, the Company (as the borrower) entered into a facility letter with a bank (“**Bank A**”) (as the lender) in relation to an uncommitted revolving loan facility in an aggregate principal amount of up to HK\$50,000,000 (or its equivalent amount in the optional currency(ies)) for a period of 1 year from the date of acceptance of the facility letter. Pursuant to the facility letter, the Company has undertaken to the Bank A that during the term of the facility letter, (i) Great Wall International directly or indirectly owns not less than 50.1% of the total share capital of the Company and retains management control of the Company; and (ii) GWAMCC directly or indirectly owns not less than 50.1% of the total share capital of Great Wall International and retains management control of Great Wall International. A breach of such undertakings will constitute an event of default and Bank A may terminate the facility letter and demand immediate payment and/or repayment of all amounts outstanding (together with interest accrued thereon and any other amounts owing to Bank A) under or in connection with the uncommitted revolving loan facility from the Company.

On 1 February 2019, the Company and Bank A entered into a supplemental letter to the facility letter to, among other things, extend the term of the loan facility to 1 February 2020.

On 20 February 2020, the Company and Bank A entered into a subsequent supplemental letter to the facility letter and supplemental letter to, among other things, extend the term of the loan facility to 1 February 2021.

Save for the extension of the loan facility and certain other amendments, the specific performance obligations on Great Wall International and GWAMCC as disclosed above remain unchanged.

(1) 於二零一八年二月一日，本公司（作為借款人）與一間銀行（「**銀行A**」）（作為貸款人）訂立貸款函件，內容有關一筆本金總額上限為50,000,000港元（或按可供選擇貨幣計值之等值金額）之非承諾性循環貸款融資，期限為自接受貸款函件起計一年。根據貸款函件，本公司向銀行A承諾於貸款函件期間內(i)長城國際須直接或間接持有不少於本公司總股本50.1%之股權，且擁有對其的管理控制權；及(ii)中國長城資產須直接或間接持有不少於長城國際總股本50.1%之股權，且擁有對其的管理控制權。違反該等承諾將構成違約事件，銀行A可終止貸款函件，並要求本公司立即支付及／或償還非承諾性貸款融資項下或與貸款融資有關的所有未償還金額（以及當中應計利息及任何其他銀行A欠款）。

於二零一九年二月一日，本公司與銀行A訂立一項授信函的補充函件以（其中包括）將貸款融資期限延長至二零二零年二月一日。

於二零二零年二月二十日，本公司與銀行A訂立一項授信函及補充函件的後續補充函件以（其中包括）將貸款融資期限延長至二零二一年二月一日。

除延長貸款融資及若干其他修訂外，上述披露有關長城國際及中國長城資產須特定履行的責任維持不變。

CORPORATE GOVERNANCE REPORT

企業管治報告

- (2) On 11 June 2018, the Company (as the borrower) entered into a facility letter with a bank (“**Bank B**”) (as the lender) in relation to a one-year uncommitted revolving loan facility in an aggregate principal amount of up to HK\$300,000,000 and that such loan facility continues in full effect after expiry of the said one-year term until terminated by either party pursuant to the facility letter. Pursuant to the facility letter, the Company has undertaken to Bank B that during the term of the facility letter, (i) Great Wall International directly or indirectly owns not less than 50.1% of the total share capital of the Company and retains management control of the Company; and (ii) GWAMCC directly or indirectly owns not less than 50.1% of the total share capital of Great Wall International and retains management control of Great Wall International.
- (2) 於二零一八年六月十一日，本公司（作為借款人）與一間銀行（「**銀行B**」）（作為貸款人）訂立貸款函件，內容有關一筆為期一年本金總額上限為300,000,000港元之非承諾性循環貸款，且該貸款融資在上述一年期限屆滿後持續完全有效，直至任何一方根據貸款函件予以終止。根據貸款函件，本公司向銀行B承諾於貸款函件期間內(i)長城國際須直接或間接持有不少於本公司總股本50.1%之股權，且擁有對其的管理控制權；及(ii)中國長城資產須直接或間接持有不少於長城國際總股本50.1%之股權，且擁有對其的管理控制權。
- (3) On 11 October 2019, the Company (as the borrower) entered into a loan agreement with a bank (“**Bank C**”) (as the lender) in relation to an uncommitted revolving loan facility in an aggregate principal amount of up to HK\$100,000,000 (or its equivalent amount in the optional currency(ies)) for a period of 1 year from the date of the loan agreement. Pursuant to the loan agreement, the Company has undertaken to the Bank C that during the term of the loan agreement, (i) Great Wall International directly or indirectly owns not less than 50.1% of the total share capital of the Company and retains management control of the Company; and (ii) GWAMCC directly or indirectly owns not less than 50.1% of the total share capital of Great Wall International and retains management control of Great Wall International. A breach of such undertakings will constitute an event of default and Bank C may terminate the loan agreement and demand immediate payment and/or repayment of all amounts outstanding (together with interest accrued thereon and any other amounts owing to Bank C) under or in connection with the uncommitted revolving loan facility from the Company.
- (3) 於二零一九年十月十一日，本公司（作為借款人）與一間銀行（「**銀行C**」）（作為貸款人）訂立借貸合同，內容有關一筆本金總額上限為100,000,000港元（或按可供選擇貨幣計值之等值金額）之非承諾性循環貸款融資，期限為自借貸合同之日期起計一年。根據貸款函件，本公司向銀行C承諾於借貸合同期間內(i)長城國際須直接或間接持有不少於本公司總股本50.1%之股權，且擁有對其的管理控制權；及(ii)中國長城資產須直接或間接持有不少於長城國際總股本50.1%之股權，且擁有對其的管理控制權。違反該等承諾將構成違約事件，銀行C可終止借貸合同，並要求本公司立即支付及／或償還非承諾性貸款融資項下或與貸款融資有關的所有未償還金額（以及當中應計利息及任何其他銀行C欠款）。

CORPORATE GOVERNANCE REPORT

企業管治報告

Remuneration of Senior Management

高級管理層酬金

The remuneration of the members of the senior management by band for the year ended 31 December 2019 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層成員按薪酬範圍劃分的酬金載列如下：

		Number of members of senior management
		高級管理層成員數目
Below HK\$1,000,000	1,000,000港元以下	2
HK\$1,000,001 – HK\$2,000,000	1,000,001港元 – 2,000,000港元	1
HK\$2,000,001 – HK\$3,000,000	2,000,001港元 – 3,000,000港元	1
Total	合計	4

DIRECTORS' REPORT

董事會報告

The Board is pleased to submit this report together with the audited consolidated financial statements of the Group for the year ended 31 December 2019.

Principal Activities and Segments Information

The Company is an investment holding company. The principal activities of the Group during the year are property investment and provision of financial services.

An analysis of the Group's performance for the year by operating segments is set out in Note 4 to the consolidated financial statements.

Business Review

A fair review of the Group's business and the analysis of its performance as well as prospects of the Group's business are provided in the "Chairman's Statement" and "Management Discussion and Analysis" sections of this Annual Report (which form part of the Directors' Report).

Major Suppliers and Customers

During the year, the aggregate revenue attributable to the Group's five largest customers represented 52% of the Group's total revenue and revenue attributable to the largest customer included therein amounted to 22%.

Save for the continuing connected transactions entered with the Company's controlling Shareholder, Great Wall International, as disclosed in this report, as far as the Directors are aware, neither the Directors, their close associates, nor Shareholders who owned more than 5% of the Company's total number of issued Shares as at 31 December 2019 had any interest in the five largest customers.

Since the Group is engaged in property investment and provision of financial services, in the opinion of the Directors, it is of no value to disclose details of the Group's suppliers.

董事會欣然提呈本報告以及本集團截至二零一九年十二月三十一日止年度之經審核綜合財務報表。

主要業務及分部資料

本公司為投資控股公司。本集團於本年度之主要業務為物業投資及提供金融服務。

本集團各營運分部於本年度之業績分析載於綜合財務報表附註4。

業務回顧

本集團業務之公平審視及其表現之分析以及本集團業務之前景載於本年度報告的「主席報告書」及「管理層討論及分析」內（其組成董事會報告之一部份）。

主要供應商及客戶

年內，本集團五大客戶應佔收益總額佔本集團收益總額的52%，而當中計及之最大客戶營業額佔22%。

除於本報告披露有關與本公司控股股東長城國際訂立之持續關連交易外，就董事所知，所有董事、其緊密聯繫人或於二零一九年十二月三十一日擁有本公司已發行股份總數逾5%之股東，概無擁有五大客戶之任何權益。

由於本集團從事物業投資及提供金融服務業務。董事認為，披露本集團供應商詳情並無價值。

DIRECTORS' REPORT

董事會報告

Financial Results

The profits of the Group for the year and the financial position of the Company and the Group as at 31 December 2019 are set out in the consolidated financial statements on pages 138 to 223 of this Annual Report.

Dividends

The Board resolved not to declare any interim dividend for the six months ended 30 June 2019 (for the six months ended 30 June 2018: Nil).

The Board has resolved not to recommend any payment of final dividend for the year ended 31 December 2019 (for the year ended 31 December 2018: Nil).

Five-year Financial Summary

The summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 224 and 225 of this Annual Report.

Investment Properties

All of the Group's investment properties were revalued by independent professionally qualified valuers as at 31 December 2019 using the fair value model. Details of investment properties of the Group are disclosed in Note 6 to the consolidated financial statements.

Subsidiaries

Particulars of the Company's principal subsidiaries as at 31 December 2019 are set out in Note 33 to the consolidated financial statements.

Associates

Particulars of the Group's principal associates as at 31 December 2019 are set out in Note 33 to the consolidated financial statements.

財務業績

本集團於本年度之盈利以及本公司和本集團於二零一九年十二月三十一日之財務狀況詳列於本年度報告第138至223頁之綜合財務報表。

股息

董事會議決不宣派截至二零一九年六月三十日止六個月之任何中期股息(截至二零一八年六月三十日止六個月:無)。

董事會議決不建議派發截至二零一九年十二月三十一日止年度之任何末期股息(截至二零一八年十二月三十一日止年度:無)。

五年財務摘要

本集團過往五個財政年度之業績及資產與負債摘要載於本年度報告第224及225頁。

投資物業

本集團所有於二零一九年十二月三十一日之投資物業由獨立專業合資格估值師採用公平值模式進行重估。本集團的投資物業之詳情於綜合財務報表附註6中披露。

附屬公司

本公司於二零一九年十二月三十一日之主要附屬公司之詳情載於綜合財務報表附註33。

聯營公司

本集團於二零一九年十二月三十一日之主要聯營公司之詳情載於綜合財務報表附註33。

DIRECTORS' REPORT

董事會報告

Share Capital

Details of the authorised and issued share capital of the Company are set out in Note 19 to the consolidated financial statements.

Distributable Reserves

Distributable reserves of the Company as at 31 December 2019, calculated under the Companies Act 1981 of Bermuda, amounted to HK\$639,101,000 (2018: HK\$639,101,000).

Bank Loans and Other Borrowings

The total borrowings of the Group as at 31 December 2019 amounted to HK\$4,745.7million (2018: HK\$4,858.3 million). Particulars of borrowings are set out in Notes 15 and 16 to the consolidated financial statements.

Pre-emptive Rights

There is no provision for pre-emptive rights under the Company's Bye-Laws or the laws in Bermuda which would oblige the Company to offer new Shares on a pro rata basis to existing Shareholders.

Charitable Donations

During the year, charitable donations made by the Group amounted to HK\$29,000 (2018: HK\$26,000).

股本

本公司法定及已發行股本之詳情載於綜合財務報表附註19。

可供分派儲備

根據百慕達一九八一年《公司法》所計算本公司於二零一九年十二月三十一日的可供分派儲備為639,101,000港元(二零一八年：639,101,000港元)。

銀行貸款及其他借貸

本集團於二零一九年十二月三十一日的借貸總額為4,745.7百萬港元(二零一八年：4,858.3百萬港元)。借貸詳情載於綜合財務報表附註15及16。

股份優先購買權

本公司之公司細則或百慕達之法例均無規定本公司須按比例優先向現有股東發行新股份之優先購買權規定。

慈善捐款

本集團於本年度之慈善捐款為29,000港元(二零一八年：26,000港元)。

DIRECTORS' REPORT

董事會報告

Directors

董事

The Directors of the Company during the year and as at the date of this Annual Report are:

年內及於本年度報告日期的本公司董事如下：

Executive Directors 執行董事	Title 職銜	Notes 附註
Mr. Huang Hu 黃虎先生	Chief Executive Officer 行政總裁	Appointed as non-executive Director on 5 November 2016 and re-designated from non-executive Director to executive Director on 15 March 2019 二零一六年十一月五日獲委任為非執行董事，並於二零一九年三月十五日由非執行董事調任為執行董事
Mr. Meng Xuefeng 孟雪峰先生	Deputy Chief Executive Officer 副行政總裁	Appointed on 5 November 2016 二零一六年十一月五日獲委任
Mr. Ou Peng 歐鵬先生		Appointed on 5 November 2016 and resigned on 15 March 2019 二零一六年十一月五日獲委任，並於二零一九年三月十五日辭任
Non-executive Directors 非執行董事		
Mr. Chen Zenan 陳澤南先生	Chairman of the Board 董事會主席	Appointment on 15 March 2019 二零一九年三月十五日獲委任
Ms. Lv Jia 呂佳女士		Appointed on 5 November 2016 二零一六年十一月五日獲委任
Independent Non-executive Directors 獨立非執行董事		
Dr. Song Ming 宋敏博士		Appointed on 5 November 2016 二零一六年十一月五日獲委任
Dr. Sun Mingchun 孫明春博士		Appointed on 5 November 2016 二零一六年十一月五日獲委任
Ms. Liu Yan 劉艷女士		Appointed on 26 November 2018 二零一八年十一月二十六日獲委任

DIRECTORS' REPORT

董事會報告

The Board has established three committees, being the Audit Committee, the Remuneration Committee and the Nomination Committee. The table below details the membership and composition of each of the three committees as at the date of this Annual Report.

董事會轄下設有三個委員會，分別為審核委員會、薪酬委員會及提名委員會。下表分別載列於本年度報告日期三個委員會各自的成員及組成詳情。

Director	董事	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
Mr. Chen Zenan	陳澤南先生	M		C
Mr. Meng Xuefeng	孟雪峰先生		M	
Dr. Song Ming	宋敏博士	M	C	M
Dr. Sun Mingchun	孫明春博士		M	M
Ms. Liu Yan	劉艷女士	C		

C: Chairman/Chairlady of the Committee
M: Member of the Committee

C: 委員會主席
M: 委員會成員

In accordance with Bye-Law 99 of the Bye-Laws, Mr. Chen Zenan, Dr. Song Ming and Dr. Sun Mingchun shall retire by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company.

根據公司細則第99條之規定，陳澤南先生、宋敏博士及孫明春博士將輪值退任，並符合資格且願意於本公司應屆股東週年大會上膺選連任。

Directors' Service Contracts

Each of the Directors has entered into an appointment letter with the Company and is appointed for a specific term.

董事服務合約

各董事已與本公司訂立委任函並按特定任期委任。

No Director proposed to be re-elected at the forthcoming annual general meeting has a service contract with the Group, which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

本集團並無與擬於應屆股東週年大會上膺選連任之董事訂立本集團不可於一年內不須作出賠償(法定賠償除外)而可予以終止之服務合約。

There are no service contracts with Directors that are exempt under Rule 13.69 of the Listing Rules. No emoluments were paid to any Directors as an inducement to join or upon joining the Group or as compensation for loss of office during the year (2018: Nil).

概無與董事訂立的服務協議可豁免遵守上市規則第13.69條項下規定。年內，本公司概無向任何董事支付任何酬金，作為彼加入本集團或加入本集團後的獎勵或離職的補償(二零一八年：無)。

DIRECTORS' REPORT

董事會報告

Interests of Directors and Chief Executives

As at 31 December 2019, so far as was known to the Directors, none of the Directors and Chief Executives of the Company had any interest or short position in any Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of Part XV of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Directors' and Chief Executives' Rights to Acquire Shares or Debentures

As at 31 December 2019, none of the Directors and Chief Executives (including their spouses and children under 18 years of age) had any interest in, or had been granted, or exercised, any rights to subscribe for Shares (or warrants or debentures, if any) of the Company and its associated corporations (within the meaning of Part XV of the SFO).

Interests of Substantial Shareholders

The interests of substantial Shareholders in the Shares and underlying Shares of the Company as at 31 December 2019, as recorded in the register required to be kept under Section 336 of Part XV of the SFO or as the Company is aware, are set out in the table below.

董事及最高行政人員權益

於二零一九年十二月三十一日，就董事所知，本公司董事及最高行政人員概無於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之任何股份、相關股份及債權證中擁有記錄於根據證券及期貨條例第XV部第352條規定備存之登記冊，或根據標準守則須另行知會本公司及聯交所的任何權益或淡倉。

董事及最高行政人員購買股份或債權證之權利

於二零一九年十二月三十一日，概無董事及最高行政人員（包括彼等配偶及其不足十八歲之子女）於本公司及其相聯法團（定義見證券及期貨條例第XV部）股份中擁有任何權益，或曾獲授或行使任何認購本公司及其相聯法團之股份（或認股權證或債權證（如有））的權利。

主要股東權益

根據證券及期貨條例第XV部第336條規定備存的登記冊所載或據本公司所知悉，主要股東於二零一九年十二月三十一日於本公司股份及相關股份中擁有的權益載列於下表。

DIRECTORS' REPORT

董事會報告

The Company had been notified of the following substantial Shareholders' interests in the Shares of the Company as at 31 December 2019:

本公司獲悉下列主要股東於二零一九年十二月三十一日持有的本公司股份權益如下：

Name of substantial Shareholder	Capacity/Nature of interest	Number of ordinary shares held	Approximate percentage of the issued share capital ⁽³⁾
主要股東名稱	身份／權益性質	持有普通股數目	佔已發行股本的概約百分比 ⁽³⁾
China Great Wall Asset Management Co., Ltd. ⁽¹⁾ 中國長城資產管理股份有限公司 ⁽¹⁾	Interest in a controlled corporation 受控制法團權益	1,174,018,094 (L)	74.89%
China Great Wall AMC (International) Holdings Company Limited ⁽¹⁾ 中國長城資產(國際)控股有限公司 ⁽¹⁾	Interest in a controlled corporation 受控制法團權益	1,174,018,094 (L)	74.89%
Great Wall Pan Asia (BVI) Holding Limited ⁽¹⁾	Beneficial owner 實益擁有人	1,174,018,094 (L)	74.89%
Central Huijin Investment Ltd. ⁽²⁾ 中央匯金投資有限責任公司 ⁽²⁾	Interest in a controlled corporation 受控制法團權益	155,000,000 (L)	9.89%
China Construction Bank Corporation ⁽²⁾ 中國建設銀行股份有限公司 ⁽²⁾	Interest in a controlled corporation 受控制法團權益	155,000,000 (L)	9.89%
Wan Tai Investments Limited ⁽²⁾ 萬鈦投資有限公司 ⁽²⁾	Beneficial owner 實益擁有人	155,000,000 (L)	9.89%

The letter "L" denotes the entity's long position in such shares.

「L」表示該實體於有關股份中的好倉。

DIRECTORS' REPORT

董事會報告

Notes:

- (1) Great Wall Pan Asia (BVI) Holding Limited is a wholly-owned subsidiary of China Great Wall AMC (International) Holdings Company Limited which, in turn, is wholly-owned by China Great Wall Asset Management Co., Ltd.. Under the SFO, China Great Wall AMC (International) Holdings Company Limited and China Great Wall Asset Management Co., Ltd. are deemed to be interested in all the Shares of the Company owned by Great Wall Pan Asia (BVI) Holding Limited.
- (2) Central Huijin Investment Ltd. holds 57.31% of China Construction Bank Corporation which, in turn, indirectly owns 100% of Wan Tai Investments Limited. Wan Tai Investments Limited is therefore a controlled corporation of China Construction Bank Corporation and Central Huijin Investment Ltd. pursuant to Section 316 of the SFO.
- (3) Approximate percentage was calculated based on the 1,567,745,596 ordinary shares of the Company in issue as at 31 December 2019.

Save as disclosed above, as at 31 December 2019, the Company had not been notified of any persons who had interests or short positions in the Shares and underlying Shares of the Company as recorded in the register required to be kept under Section 336 of Part XV of the SFO.

Share Option Scheme

The Company has a share option scheme (the “**Scheme**”) which was approved at the annual general meeting of the Company held on 24 May 2010. The Scheme is designed to motivate the eligible persons, whose contributions are or will be beneficial to the performance, growth and success of the Group, to optimise their future contributions to the Group and reward them for their past contributions and enable the Group to attract and retain individuals with experience and ability.

Under the Scheme, the Board may, at its discretion, grant options to the eligible persons as defined in the Scheme (the “**Eligible Persons**”) to subscribe for Shares. The basis of eligibility of any of the Eligible Persons to the grant of any options shall be determined by the Board from time to time on the basis of their contribution to the development and growth of the Group.

附註：

- (1) Great Wall Pan Asia (BVI) Holding Limited為中國長城資產(國際)控股有限公司的全資附屬公司，而中國長城資產(國際)控股有限公司則由中國長城資產管理股份有限公司全資擁有。根據證券及期貨條例，中國長城資產(國際)控股有限公司及中國長城資產管理股份有限公司均被視為於Great Wall Pan Asia (BVI) Holding Limited擁有的全部本公司股份中擁有權益。
- (2) 中央匯金投資有限責任公司持有中國建設銀行股份有限公司57.31%權益，而中國建設銀行股份有限公司則間接擁有萬鈺投資有限公司100%權益。根據證券及期貨條例第316條，萬鈺投資有限公司因而屬中國建設銀行股份有限公司及中央匯金投資有限責任公司的受控制法團。
- (3) 概約百分比按本公司於二零一九年十二月三十一日已發行的1,567,745,596股普通股計算。

除上述披露者外，於二零一九年十二月三十一日，本公司並無獲悉尚有任何人士於本公司股份或相關股份中擁有記錄於根據證券及期貨條例第XV部第336條規定備存的登記冊的任何其他權益或淡倉。

購股權計劃

本公司設有購股權計劃(「**計劃**」)，並於二零一零年五月二十四日舉行之本公司股東週年大會上獲批准通過。該計劃旨在鼓勵其貢獻確屬或將會有利於本集團之業績表現、增長及成就之合資格人士，於日後充份發揮彼等對本集團之貢獻及嘉獎彼等過往之貢獻，亦有助本集團吸納及挽留具經驗及能力之人才。

根據計劃，董事會可酌情向計劃中所界定之合資格人士(「**合資格人士**」)授予購股權，以認購股份。董事會將不時根據合資格人士對本集團發展及增長之貢獻，釐定彼等獲授任何購股權資格之基準。

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The maximum number of Shares which may be issued upon exercise of all options to be granted under the Scheme (and under any other scheme of the Company) shall not in aggregate exceed 10% of the Shares in issue as at the date of the adoption of the Scheme (the “Mandate Limit”) provided that the Company may seek approval from its Shareholders to refresh the Mandate Limit. Moreover, the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme (and under any other scheme of the Company) shall not exceed 30% of the Shares in issue from time to time. The maximum number of Shares issued and to be issued upon exercise of the options granted to any one Eligible Person (including exercised and outstanding options) under the Scheme in any 12-month period shall not exceed 1% of the Shares in issue from time to time.

There are no outstanding options under the Scheme at the beginning of the year ended 31 December 2019.

The period within which an option may be exercised will be determined by the Board at its absolute discretion but no option may be exercised later than 10 years from the date on which the option is granted. The minimum period for which an option must be held before it can be exercised is determined by the Board upon the grant of an option. The amount payable on acceptance of an option is HK\$1.

The subscription price of the options under the Scheme shall be determined by the Board at its absolute discretion at the time of grant of the options but it shall not be less than whichever is the highest of: (i) the nominal value of a Share; (ii) the closing price of the Shares as stated in the daily quotation sheet of the Stock Exchange on the date of the Board's approval of grant of the option (the “Offer Date”); and (iii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the Offer Date.

The Scheme will expire on 23 May 2020.

No share option was granted or cancelled under the Scheme during the year ended 31 December 2019.

根據計劃（及本公司任何其他計劃）授出之所有購股權獲行使而可予發行之股份總數，最多不得超過於採納計劃當日已發行股份之10%（「授權上限」），惟本公司可尋求股東批准修訂授權上限。此外，行使所有根據計劃（及本公司任何其他計劃）授出但未行使之購股權而可予發行之股份數目，最多不得超過不時已發行股份之30%。在任何十二個月期間，任何合資格人士根據計劃獲授之購股權（包括已行使及未行使之購股權）獲行使而已發行及將予發行之股份總數，最多不得超過不時已發行股份之1%。

於截至二零一九年十二月三十一日止年度之初，計劃項下概無任何未行使購股權。

購股權之行使期將由董事會全權酌情釐定，惟購股權不可於購股權授出之日起計十年後行使。購股權行使前必須符合董事會於授出購股權時所釐定之最短持有期限。接納購股權時應付之代價為1港元。

根據計劃，購股權之認購價將由董事會於授出購股權之時全權酌情釐定，惟不得低於下列之最高者：(i) 股份之面值；(ii) 股份於董事會批准授出購股權當日（「授出日期」）在聯交所每日報價表所報之收市價；及(iii) 股份於緊接授出日期前五個營業日在聯交所每日報價表所報之平均收市價。

計劃將於二零二零年五月二十三日屆滿。

截至二零一九年十二月三十一日止年度，概無根據計劃授出或註銷任何購股權。

DIRECTORS' REPORT

董事會報告

Dividend Policy

The Company has adopted a dividend policy (“**Dividend Policy**”) that, in recommending or declaring dividends, the Company shall maintain adequate cash reserves for meeting its working capital requirements and future growth as well as its shareholding value.

Under the Dividend Policy, the Company does not have any pre-determined dividend payout ratio. The recommendation and declaration of payment of any dividend is subject to the absolute discretion of the Board, and any declaration of final dividend will be subject to the approval of the Shareholders.

When deciding whether to propose or declare a dividend and in determining the dividend amount, the Board shall also take into account, inter alia, the Group’s actual and expected financial performance, retained earnings and distributable reserves, working capital requirements, capital expenditure requirements and future expansion plans, liquidity position, shareholders’ interests, general economic conditions and business cycle of the Group’s businesses, any restrictions on payment of dividends and other internal or external factors that may have an impact on the business or financial performance and position of the Group and other factors that the Board may consider relevant.

The payment of dividends by the Company is also subject to any restrictions under the Listing Rules and all relevant applicable rules and regulations in Bermuda, Hong Kong and the Memorandum of Association and Bye-Laws of the Company.

The Board will continually review the Dividend Policy and reserves the right in its sole and absolute discretion to update, amend and/or modify the Dividend Policy at any time, and the Dividend Policy shall not constitute a legally binding commitment by the Company that dividends will be paid in any particular amount for any given period.

股息政策

本公司已採納股息政策（「**股息政策**」），旨在列明於建議或宣派股息時，本公司應維持足夠現金儲備，以應付其資金需求、未來增長以及其股權價值。

根據股息政策，本公司並無任何預設股息分派比率。董事會擁有絕對酌情權決定派付任何股息的建議，而任何末期股息之宣派均須經股東批准，方可作實。

當決定是否建議或宣派股息及釐定股息金額時，董事會應考慮（其中包括）本集團的實際及預期財務表現、保留盈餘及可供分派儲備、營運資本需求、資本開支需求及未來擴展計劃、流動資金狀況、股東權益、整體經濟狀況及本集團業務的經濟週期、任何派付股息的限制及其他可能對本集團業務或財務表現及狀況產生影響的內在或外在因素，以及董事會可能認為相關的其他因素。

本公司派發股息亦須遵守上市規則及於百慕達、香港及本公司組織章程大綱及公司細則的相關適用規則及規例的任何限制。

董事會將持續檢討其股息政策，並保留其唯一及絕對酌情權隨時更新、修訂及／或修改股息政策。股息政策不構成本公司須於任何指定期間派付任何特定金額股息之具法律約束力的承諾。

DIRECTORS' REPORT

董事會報告

Directors' Interest in Competing Business

None of the Directors of the Company has any interest in a business which competes or is likely to compete, directly or indirectly, or with the businesses of the Group during the year.

Directors' Material Interests in Transactions, Arrangements and Contracts of Significance

No transaction, arrangement or contract of significance in relation to the Group's businesses to which the Company, the Company's subsidiaries, fellow subsidiaries or its holding company was a party and in which a Director of the Company or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted as at 31 December 2019 or at any time during the year.

Management Contracts

- (1) A Tenancy Management Agreement was entered into between a wholly-owned subsidiary of the Company and Cushman & Wakefield Property Management Limited ("C&W") whereby C&W is responsible for the management of certain investment properties of the Group.

The Tenancy Management Agreement was entered for a term of 2 years commencing from 14 November 2018 to 13 November 2020 and will be renewed automatically on a year to year basis unless terminated in accordance with the terms of such agreement. Management fee of approximately HK\$197,000 was paid by the Company for the year ended 31 December 2019.

- (2) A Services Agreement was entered into between a wholly-owned subsidiary of the Company and Asiaray Advertising Media Limited whereby Asiaray Advertising Media Limited, as the exclusive advertising agent, is responsible for management of our outdoor billboards, which are at the exterior wall of 1/F. to 3/F. of Yue King Building at 1 Leighton Road, Causeway Bay, Hong Kong.

The Services Agreement was entered for a term commencing from 1 June 2018 and ending on 30 April 2020. Approximately HK\$4,567,000 was paid by the Company for the year ended 31 December 2019.

董事於競爭性業務之權益

本公司董事於本年度概無於任何足以或可能直接或間接與本集團業務構成競爭之業務中擁有任何權益。

董事於重大交易、安排及合約之權益

本公司、其附屬公司、同系附屬公司或其控股公司概無訂立有關本集團業務而本公司董事或其有關連企業直接或間接於其中享有重大利益，於二零一九年十二月三十一日或在本年度內任何時間仍生效之重要交易、安排及合約。

管理合約

- (1) 本公司全資附屬公司與戴德梁行物業管理有限公司(「戴德梁行」)簽訂租賃管理協議。根據該協議，戴德梁行負責管理本集團若干投資物業。

該租賃管理協議由二零一八年十一月十四日起至二零二零年十一月十三日止，為期兩年，並自動按年延續，除非根據該協議條款終止。截至二零一九年十二月三十一日止年度，本公司已支付的管理費約為197,000港元。

- (2) 本公司全資附屬公司與雅仕維廣告媒體有限公司簽訂服務協議。根據該協議，雅仕維廣告媒體有限公司負責管理我們位於香港銅鑼灣禮頓道1號愉景樓1樓至3樓外牆的戶外廣告牌。

該服務協議有效期自二零一八年六月一日起至二零二零年四月三十日止。截至二零一九年十二月三十一日止年度，本公司已支付約4,567,000港元。

DIRECTORS' REPORT

董事會報告

(3) An Asset Management Agreement was entered into between a wholly-owned subsidiary of the Company and Gaw Capital Asset Management (HK) Limited pursuant to which Gaw Capital Asset Management (HK) Limited is responsible for the management of one of the Company's investment properties, Kwai Fong Plaza.

The Asset Management Agreement entered for a term commencing on 13 June 2018 was restructured on 13 March 2019 and shall continue and remain valid unless terminated in accordance with the terms of such agreement. Management fee of approximately HK\$6,174,000 was paid by the Company for the year ended 31 December 2019.

Apart from the foregoing, no contract concerning the management and administration of the whole or any substantial part of the businesses of the Company was entered into or existed during the year.

Permitted Indemnity Provisions

The Bye-Laws provide that, to the extent not avoided by the statutes, the Directors are entitled to be indemnified out of the assets of the Company against all losses, liabilities and costs which he/she may sustain or incur in connection with the execution of the duties of his/her office or otherwise in relation thereto.

Directors' liability insurance policies containing permitted indemnity provisions have been taken out and maintained in force during the financial year and as at the date of approval of this report to provide appropriate cover for the Directors and directors of the subsidiaries of the Group in respect of the relevant liabilities and costs associated with legal proceedings against them.

(3) 本公司全資附屬公司與Gaw Capital Asset Management (HK) Limited簽訂資產管理協議，據此，Gaw Capital Asset Management (HK) Limited負責管理本集團其中一項投資物業，葵芳廣場。

該自二零一八年六月十三日開始之資產管理協議於二零一九年三月十三日重訂並持續生效，除非根據該協議條款終止。截至二零一九年十二月三十一日止年度，本公司已支付的管理費約為6,174,000港元。

除上述者外，本公司於本年度內並無簽訂或存在有關管理及經營本公司全部或任何主要部份業務之合約。

獲准許的彌償條文

公司細則規定，於不會因法規以致無效的情況下，每位董事有權就其任期內或因執行其職務而可能遭致或發生之損失、責任及成本從本公司資產中獲得賠償。

本集團已設有包括獲准許彌償條文的董事責任保險政策，並於本財政年度內及截至批准本報告之日期維持有效，以就針對彼等之法律程序之相關責任及費用為本公司及本集團附屬公司董事提供適當的保障。

DIRECTORS' REPORT

董事會報告

Principal Risks and Uncertainties

For more details about the principal risks and uncertainties in which the Group are facing and also the relevant risk management objectives and policies, please refer to the “Risk Management and Internal Control” section contained in the Corporate Governance Report and Note 32 to the consolidated financial statements of this Annual Report.

Financial Key Performance Indicators

The relevant financial key performance indicators relating to the businesses of the Group are set out in the “Management Discussion and Analysis” section and the consolidated financial statements of this Annual Report.

Compliance with the Relevant Laws and Regulations

The Group mainly carries out its businesses in Hong Kong. As far as the Board and management are aware, the Group has complied in all material respects with the relevant laws and regulations in Hong Kong that have a significant impact on the business and operation of the Group. During the year ended 31 December 2019, there was no material breach of, or non-compliance, with the applicable laws and regulations by the Group.

主要風險及不確定因素

關於本集團所面對之主要風險及不確定因素以及相關風險管理目標及政策的詳情，請參閱本年度報告企業管治報告中的「風險管理及內部監控」以及綜合財務報表附註32。

財務關鍵表現指標

有關本集團業務的相關財務關鍵表現指標載於本年度報告的「管理層討論及分析」及綜合財務報表內。

遵守相關法例及規例

本集團主要於香港進行其業務。據董事會及管理層所知，本集團於所有重大方面皆已遵守對本集團業務及營運具重大影響之相關香港法例及規例。於截至二零一九年十二月三十一日止年度內，本集團概無嚴重違反或不遵守適用法例及規例。

DIRECTORS' REPORT

董事會報告

Environmental Policies and Performance

The Group is committed to the long-term sustainability of the environment and communities in which it operates. To constantly enhance the sustainable development and strengthen the awareness of environmental protection of all staff, the Company has formulated and implemented the Green Office Policy, and such policy will be updated from time to time in accordance with actual market conditions so as to cover more scopes, thus benefiting the implementation of green office culture. The Green Office Policy states that the Company is committed to the materials saving, energy saving, waste reduction, and strives to minimise the consumption of natural resources and energy; reduce the creation of waste and recycle material whenever practical; ensure all waste is disposed of in a safe and responsible manner; and monitor and evaluate progress and performance for continuous improvement.

The environment policies and performance of the Group for the year ended 31 December 2019 is set out in the “Environmental, Social and Governance Report” section on pages 85 to 129 of this Annual Report.

Relationship with Employees and Customers

The Group ensures all employees are reasonably remunerated and regularly reviews the employment policies on remuneration and other benefits.

Details of the practices in relation to employment are set out in the “Environmental, Social and Governance Report” section on pages 85 to 129 of this Annual Report.

The Group maintains a good relationship and close contacts with the customers and conducts regular review of requirements of customers.

環境政策及表現

本集團致力於其經營環境和社區的長期可持續發展。為不斷提升可持續發展能力和加強全體員工環境保護意識，本公司已制定並實施綠色辦公室政策，並按實際市場情況不時更新，以涵蓋更多範圍，從而增益綠色辦公文化的推行。綠色辦公室政策表明，本公司對營運中的節材、節能、減廢等目標作出承諾，致力於減少對自然資源和能源的消耗；在切實可行的情況下避免產生浪費，及回收可再生資源；確保所有廢物以安全和負責任的方式處置；以及監測並評估進度和表現，以持續改進。

有關本集團截至二零一九年十二月三十一日止年度的環境政策與表現載於本年度報告第85至129頁之「環境、社會及管治報告」內。

與僱員及客戶之關係

本集團確保所有僱員得到合理的薪酬，並定期檢討有關薪酬及其他福利的僱傭政策。

有關僱傭常規之詳情載於本年度報告第85至129頁之「環境、社會及管治報告」內。

本集團與其客戶維持良好的關係及維持緊密聯繫，並定期審閱客戶的要求。

DIRECTORS' REPORT

董事會報告

Retirement Benefits Scheme

The Group's principal retirement benefits scheme available to its Hong Kong employees are defined contribution scheme (the Mandatory Provident Fund) which is administered by independent trustees. Both the Group and the employees contribute respectively to the schemes sums which represent a certain percentage of the employees' salaries.

Continuing Connected Transactions

(1) Continuing Connected Transactions – Asset Management Agreement in relation to the Provision of Discretionary Asset Management Services

On 29 June 2017, Great Wall Pan Asia Asset Management Limited (長城環亞資產管理有限公司) (“**GWPA-AM**”), wholly-owned subsidiary of Company, and Great Wall International, controlling Shareholder of the Company, entered into an amended and restated asset management agreement (the “**Restated Asset Management Agreement**”), pursuant to which the parties thereto agreed to amend and restate certain terms of the asset management agreement dated 19 May 2017 previously entered between the aforesaid parties. Pursuant to the Restated Asset Management Agreement, GWPA-AM conditionally agreed to provide discretionary asset management services to Great Wall International for a term of three years commencing on 11 October 2017 at a management fee equal to 1.5% per annum of the assets as consideration for performing discretionary asset management services. Details of the Restated Asset Management Agreement and the agreed annual caps set for each of the four financial years ending 31 December 2020 are set out in the circular of the Company dated 30 June 2017.

As Great Wall International is a connected person of the Company under Chapter 14A of the Listing Rules, the entering of Restated Asset Management Agreement and all the transactions contemplated thereunder constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules. The Company confirms that it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

退休福利計劃

本集團的香港僱員退休福利計劃主要是界定供款計劃(強制性公積金)，由獨立受託人管理，分別由本集團及僱員同時按僱員薪金的若干百分率為基準供款。

持續關連交易

(1) 持續關連交易 – 關於提供自主決定資產管理服務之資產管理協議

於二零一七年六月二十九日，本公司全資附屬公司長城環亞資產管理有限公司(「**長城資管**」)與本公司控股股東長城國際訂立一份修訂及重訂資產管理協議(「**重訂資產管理協議**」)，據此，其訂約方同意修訂及重訂先前由上述訂約方訂立日期為二零一七年五月十九日之資產管理協議若干條款。根據重訂資產管理協議，長城資管有條件同意向長城國際提供自主決定資產管理服務，自二零一七年十月十一日開始，為期三年，收取相等於資產按年率1.5%的管理費作為提供自主決定資產管理服務之代價。重訂資產管理協議及有關截至二零二零年十二月三十一日止四個財政年度協定每年的年度上限詳情載於本公司日期為二零一七年六月三十日的通函內。

由於長城國際為上市規則第14A章項下本公司的關連人士，重訂資產管理協議的訂立及其項下進行的所有交易根據上市規則第14A章構成本公司的持續關連交易。本公司確認其已遵守根據上市規則第14A章的披露規定。

DIRECTORS' REPORT

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For the year ended 31 December 2019, the aggregate amount of management fee received by GWPA-AM under the Restated Asset Management Agreement was HK\$36,572,652 which is within the annual cap for the year ended 31 December 2019 of HK\$40,500,000.

(2) Continuing Connected Transactions – Tenancy Agreements in relation to the tenancies of portions of certain floors of the Group's premises in the Bank of America Tower

On 8 March 2019, each of Sunny Bright Development Limited 新利輝發展有限公司 (“**Landlord 1**”) and Sunny Success Development Limited 新利成發展有限公司 (“**Landlord 2**”) (collectively the “**Landlords**”), being wholly-owned subsidiaries of the Company, received a letter of offer from Great Wall International, a controlling Shareholder of the Company, (“**Tenant**”) which offered to rent Premises 1A and Premises 1B (as defined in the CCT Circular) from Landlord 1 and Premises 2A and 2B (as defined in the CCT Circular) from Landlord 2, respectively (collectively the “**Tenancies**”). Upon the approval of the Tenancies by the independent Shareholders at the special general meeting of the Company held on 30 April 2019, each the Landlords and the Tenant entered into a formal tenancy agreement on 31 May 2019 (collectively the “**Tenancy Agreements**”). Details of the Tenancies and the agreed annual caps set for each of the three financial years ending 31 December 2021 are set out in the circular of the Company dated 4 April 2019 (the “**CCT Circular**”).

As Great Wall International is a controlling Shareholder of the Company under Chapter 14A of the Listing Rules, the entering of the Tenancy Agreements and all the transactions contemplated thereunder constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules. The Company confirms that it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

For the year ended 31 December 2019, the aggregate amount of rents received by Landlords under the Tenancy Agreements was HK\$11,182,520.00 which is within the annual cap for the year ended 31 December 2019 of HK\$11,182,520.

截至二零一九年十二月三十一日止年度，根據重訂資產管理協議項下由長城資管收取的管理費總額約為36,572,652港元，並無超出截至二零一九年十二月三十一日止年度的年度上限40,500,000港元。

(2) 持續關連交易 – 關於租賃本集團位於美國銀行中心的物業若干樓層之租賃協議

於二零一九年三月八日，本公司全資附屬公司Sunny Bright Development Limited新利輝發展有限公司（「**業主1**」）及Sunny Success Development Limited新利成發展有限公司（「**業主2**」）（統稱「**業主**」）均收到本公司控股股東長城國際（「**承租人**」）的不可撤銷要約函，分別提出自業主1租賃物業1A及物業1B（定義見持續關連交易通函）及自業主2租賃物業2A及物業2B（定義見持續關連交易通函）（統稱「**租賃**」）。經獨立股東於二零一九年四月三十日舉行的股東特別大會上批准租賃後，業主分別與承租人於二零一九年五月三十一日訂立正式租賃協議（統稱「**租賃協議**」）。租賃及有關截至二零二一年十二月三十一日止三個財政年度協定每年的年度上限詳情載於本公司日期為二零一九年四月四日的通函（「**持續關連交易通函**」）內。

由於長城國際為上市規則第14A章項下本公司的關連人士，租賃協議的訂立及其項下進行的所有交易根據上市規則第14A章構成本公司的持續關連交易。本公司確認其已遵守根據上市規則第14A章的披露規定。

截至二零一九年十二月三十一日止年度，根據租賃協議項下由業主收取的租金總額為11,182,520.00港元，並無超出截至二零一九年十二月三十一日止年度的年度上限11,182,520.00港元。

DIRECTORS' REPORT

董事會報告

The Group has followed the terms of the continuing connected transactions conducted during the year as mentioned in the sub-paragraphs (1) and (2) above, which were determined in accordance with the pricing policies as set out in the relevant circulars of the Company. Such continuing connected transactions have been reviewed by the independent non-executive Directors of the Company who have confirmed that the transactions have been entered into:

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

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with 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. The auditor of the Company has issued an unqualified letter containing its findings and conclusions in respect of the continuing connected transactions disclosed by the Group in accordance with paragraph 14A.56 of the Listing Rules and confirmations of the matters set out in that rule. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

本集團已遵守以上分段(1)及(2)所述於年內實施的持續關連交易條款，其乃根據本公司有關通函內所載的定價政策而制定。本公司獨立非執行董事經審閱該等持續關連交易後確認此等交易：

- (a) 乃在本集團的日常業務中訂立；
- (b) 按照一般商業條款或更佳條款進行；及
- (c) 根據有關交易的協議進行，條款屬公平合理，並且符合股東的整體利益。

本公司核數師已獲委聘根據香港會計師公會頒佈的《香港核證工作準則》第3000號（經修訂）「審核或審閱歷史財務資料以外的核證工作」及參照實務說明第740號「關於香港《上市規則》所述持續關連交易的核數師函件」匯報本集團的持續關連交易。本公司核數師已根據上市規則第14A.56條及載於該規定中就該事宜之確認發出無保留意見函件，而該函件載有核數師對有關本集團披露的持續關連交易的發現及結論。本公司已將核數師函件副本呈交聯交所。

DIRECTORS' REPORT

董事會報告

Related Party Transactions

Details of the significant related party transactions, other than continuing connected transactions as disclosed above, undertaken in the normal course of business are provided under Note 34 to the consolidated financial statements, none of which constitutes a connected transaction as defined under the Listing Rules.

Purchase, Sale or Redemption of the Listed Securities of the Company

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

Code of Conduct for Securities Transactions by Directors

The Board has adopted the Model Code as the Company's code of conduct for securities transactions by its Directors. Having made specific enquiry with all Directors, all Directors have confirmed their compliance with the required standards set out in the Model Code during the year ended 31 December 2019 and up to the date of this Annual Report.

Corporate Governance

The Company is committed to maintaining a high standard of corporate governance. Details of the Company's corporate governance practices are set out in the "Corporate Governance Report" section on pages 29 to 65 of this Annual Report.

關聯方交易

在正常業務過程中進行的重大關聯方交易(除以上披露的持續關連交易外)之詳情載於綜合財務報表附註34。該等關聯方交易並不構成上市規則所定義的關連交易。

購買、出售或贖回本公司上市證券

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

董事進行證券交易之操守準則

董事會已採納標準守則作為本公司董事進行證券交易之操守準則。經向全體董事作出具體查詢後，全體董事均已確認彼等於截至二零一九年十二月三十一日止整個年度及截至本年度報告日期期間一直遵守標準守則所載的規定標準。

企業管治

本公司致力維持高水平之企業管治。有關本公司之企業管治常規之詳細資料載於本年度報告第29至65頁之「企業管治報告」內。

DIRECTORS' REPORT

董事會報告

Sufficiency of Public Float

According to the information that is available to the Company and within the knowledge of the Directors, the percentage of the Company's Shares which were in the hands of the public exceeded 25% of the Company's total issued Shares as at the date of this Annual Report.

Auditor

The consolidated financial statements for the year have been audited by the auditor of the Company, PricewaterhouseCoopers, who will retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting of the Company.

On behalf of the Board

Chen Zenan

Chairman of the Board

Hong Kong, 18 March 2020

足夠公眾持股量

根據本公司所獲資料及據董事所知，於本年度報告日期，公眾人士所持本公司股份百分比超過本公司全部已發行股份的25%。

核數師

本年度綜合財務報表已由本公司核數師羅兵咸永道會計師事務所審核，而該事務所將任滿告退，惟符合資格且願意於本公司應屆股東週年大會應聘連任。

代表董事會

董事會主席

陳澤南

香港，二零二零年三月十八日

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

About the Report

This Environmental, Social and Governance Report (the “**Report**”) serves as a review on the sustainability efforts and achievements of the Company. The Report attends to major stakeholders’ concerns, disclosing the Company’s responsibilities and long-standing commitment to the environment, social and governance (“**ESG**”) areas. In order to gain a more comprehensive understanding of the Company’s performance in relation to ESG, the Report shall be read in conjunction with GWPA Holdings’ 2019 Annual Report, in particular the Corporate Governance Report contained therein.

Reporting Boundary

The Report covers the Company’s ESG issues, as well as correlated policies, measures, and activities under the control of the Company. Unless otherwise stated, the Report covers the period from 1 January 2019 to 31 December 2019 (the “**Reporting Period**”). Due to office relocation during the Reporting Period, the Report encompasses the two offices operated by GWPA Holdings, which are the rented units at “Units 6507-6510, 65/F., The Center, 99 Queen’s Road Central, Hong Kong”, and the self-owned units at portion of “21st Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong”, which our occupancy at the former units ceased in December 2019, and the latter unit has been in use since May 2019. All existing policies and procedures have already been applied to our new office.

Basis of Report Preparation

The Report complies with all the “comply or explain” provisions of the Environmental, Social and Governance Reporting Guide under Appendix 27 of the Listing Rules (the “**ESG Reporting Guide**”) and was prepared in adherence to the following reporting principles:

關於本報告

本環境、社會及管治報告（「**本報告**」）旨在回顧本公司在可持續發展方面的工作以及績效。本報告回應主要持份者的關注，披露了本公司一直以來對環境、社會及管治（「**ESG**」）方面的貢獻及責任。為了更全面地了解本公司在ESG方面的表現，本報告應與長城環亞控股二零一九年度報告，特別是當中的「企業管治報告」一併閱讀。

報告範圍

本報告涵蓋本公司具有控制權且與本公司的ESG議題相關的政策、措施及行動。除非另有說明，本報告的時間範圍涵蓋二零一九年一月一日至二零一九年十二月三十一日（「**報告期**」）。由於本公司於報告期內進行辦公室搬遷，因此本報告的組織範圍包含由本公司運營的兩間辦公室，包括「香港皇后大道中99號中環中心65樓6507-6510室」租賃的辦公室，及「香港中環夏慤道12號美國銀行中心20及21樓」自有的部份辦公室。前者自二零一九年十二月起停止運營，後者自二零一九年五月起投入使用。所有現行的政策及程序已應用在我們的新辦公室中。

編製基礎

本報告遵守上市規則附錄二十七《環境、社會及管治報告指引》（「**ESG指引**」）中有關「不遵守就解釋」的條文，並以以下的匯報原則作為編製基礎：

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Materiality: ESG Issues that are considered relevant and material to the Company (the “**material issues**”) during the Reporting Period were identified through materiality assessment by engaging stakeholders through online questionnaire and were validated by the Board. Accordingly, the Report was prepared with the focus on these material issues.

Quantitative: Information in the Report is presented quantitatively whenever feasible. The Report compares past and present environmental performance data, which lays the foundation for the Company to set environmental performance targets in the future. Meanwhile, social performance data has been disclosed in the Report for the first time, showing the Company’s devotion in addressing both our environmental and social impacts.

Consistency: Unless otherwise stated, the methodologies used for data calculation are consistent with previous years to ensure comparability.

Approval and Confirmation

The Board is fully responsible for overseeing the Company’s management and implementation of ESG-related policies, and is also responsible for ensuring the reliability, truthfulness and completeness of our non-financial disclosures. The Report was reviewed and approved by the Board in March 2020.

Feedback to the Report

We welcome your feedback on our sustainability performance and reporting. You can contact us by mail to 21st Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong, for the attention of the Company Secretary.

重要性：本公司進行重要性評估，通過線上問卷與持份者溝通，識別出報告期內與本公司相關且重要的議題（「**重要性議題**」），經董事會檢視後，以這些重要性議題作為本報告的編寫重點。

量化：本報告在可行的情況下提供定量信息，並對過去和現在的環境績效數據進行比較，為本公司未來制定環境績效目標奠定基礎。與此同時，本報告首次披露社會績效數據，展示本公司在應對環境和社會兩方面的影響的投入程度。

一致性：除非另有說明，本報告使用與以往一致的數據統計方法，以確保可比性。

確認及批准

董事會全面負責監督本公司ESG相關的政策的管理和執行，並確保我們非財務信息的可靠性、真實性和完整性。本報告已通過董事會審閱並於二零二零年三月獲董事會批准。

報告意見反饋

我們歡迎您對我們的可持續發展績效和報告提出意見。反饋意見可通過郵寄方式送函致本公司秘書，地址為香港中環夏慤道12號美國銀行中心21樓。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Stakeholder Engagement

Stakeholder engagement is indispensable to the Company's endeavours in promoting sustainable development. The Company will only succeed by working collaboratively with stakeholders. Hence, the Company pays high attention to the vastly different expectations from stakeholders, and has been maintaining regular communication with its stakeholders through various platforms to thoroughly understand their concerns and demands, and spare no effort in addressing them.

持份者參與

持份者參與是本公司促進可持續發展不可或缺的一部分。只有通過與持份者的緊密合作，本公司才能成功。因此，本公司高度重視持份者各式各樣的期望，一直通過各種平台與持份者定期溝通，充分了解他們的關注及需求，並不遺餘力地作出回應。

Regular Stakeholder Communication

常規持份者溝通

Stakeholder Groups 持份者類別	Communication Channels 溝通渠道	Frequency 頻率
Shareholders and Investors	<ul style="list-style-type: none">Corporate reports and other announcementsShareholder meetingsWebsite	<ul style="list-style-type: none">Bi-annually/Depending on operational needsAnnually/Depending on operational needsRecurring/Depending on operational needs
股東及投資者	<ul style="list-style-type: none">企業報告及公告股東大會網站	<ul style="list-style-type: none">每半年／根據運營需要每年／根據運營需要經常性／根據運營需要
Government and Regulatory Authorities	<ul style="list-style-type: none">Corporate reports and other announcements	<ul style="list-style-type: none">Bi-annually/Depending on operational needs
政府及管理機構	<ul style="list-style-type: none">企業報告及公告	<ul style="list-style-type: none">每半年／根據運營需要
Employees	<ul style="list-style-type: none">Employee performance appraisalMeetings and trainingsEmail and notice boardTeam building activities and festive activities	<ul style="list-style-type: none">AnnuallyRecurring/Depending on employees and operational needsRecurring/Depending on employees and operational needsRegularly
員工	<ul style="list-style-type: none">員工表現評估會議及培訓電郵及公告欄團隊建立活動及節日活動	<ul style="list-style-type: none">每年經常性／根據員工及運營需要經常性／根據員工及運營需要定期

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Stakeholder Groups 持份者類別	Communication Channels 溝通渠道	Frequency 頻率
Customers 客戶	<ul style="list-style-type: none"> Customer satisfaction survey Interview, site visit and email Customer service hotline and email 	<ul style="list-style-type: none"> Upon completion of the terms of services with each customer Depending on customers' needs Depending on customers' needs 完成每位客戶的服務條款後 根據客戶需要 根據客戶需要
Suppliers 供應商	<ul style="list-style-type: none"> Public tender 公開招標 	<ul style="list-style-type: none"> Depending on procurement needs 根據採購需要
Professional Group 專業團體	<ul style="list-style-type: none"> Professional group satisfaction survey Meeting and email 專業團體滿意度調查 會議及電郵 	<ul style="list-style-type: none"> Depending on business needs Depending on business needs 根據業務發展需要 根據業務發展需要
Media 媒體	<ul style="list-style-type: none"> Media conference Interview 傳媒會議 面談 	<ul style="list-style-type: none"> Depending on media needs Depending on media needs 根據傳媒需要 根據傳媒需要
General Public 社會大眾	<ul style="list-style-type: none"> Charitable activities and donations 慈善活動及捐贈 	<ul style="list-style-type: none"> At least once a year 每年至少一次

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Setting Our Priorities

Focusing on the material issues of our business and our stakeholders is an essential step for the Company to maintain a sustainable business. Each year, we use a structured process to identify the Company's priorities, in addition to our regular communication with stakeholders. In 2019, with the assistance of an independent consulting firm, we have undergone the materiality assessment exercise with our key stakeholder groups to review, refine and identify material ESG issues that are uniquely material to the Company and our key stakeholders. The process is vital for us to be responsive to the changing ESG context as we evolve our business, along with stakeholder expectations, and serves as a reference for the Company to establish its sustainability strategy in the future and determine the scope of reporting.

In order to build efficiency in our materiality assessment, we have conducted the stakeholder identification process during the Reporting Period to select key stakeholder groups across our stakeholder spectrum based on the level of influence they have over our business, and vice versa. As a result, the Board, senior management, Shareholders and investors and employees are stakeholder groups with high likelihoods to be influenced by our business or exert influence on our business, and therefore are considered as key stakeholders of the Company. Individuals from our key stakeholder groups were invited to participate in the materiality assessment exercise.

議題優先次序

關注與我們業務和持份者相關的重要性議題是本公司堅守可持續發展的重要一步。每年，除了與持份者定期溝通之外，我們還使用有系統的方式來識別本公司議題的優先次序。在獨立諮詢公司的協助下，我們在二零一九年與主要持份者群體進行了重要性評估，以審閱、修改及識別對本公司和主要持份者而言重要的議題。隨著我們業務的發展，該過程對我們回應不斷變化的ESG環境至關重要，亦可為本公司未來制定可持續發展策略和確定報告範圍提供依據。

為有效地進行重要性評估，我們在報告期內對持份者進行識別，根據持份者對本公司業務的影響程度及受本公司業務的影響程度，在我們所有持份者中篩選出主要持份者類別。由於董事會、高級管理層、股東及投資者和員工都是極有可能受到我們業務影響或對我們業務產生影響的持份者類別，因此被視為本公司的主要持份者，獲邀參與重要性評估。

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The materiality assessment process involves 4 basic steps and is summarised below. 重要性評估過程涉及四個基本步驟，總結如下。

Initial step: Identifying ESG issues

第一步：識別ESG議題

The Company reexamined the pool of ESG issues and a total of 15 issues were identified for this year's materiality assessment exercise. 3 issues were removed from the pool, given their low materiality as a result of the materiality assessment conducted during the previous reporting period and their low impact on our stakeholders and business, they are "air pollutants emission and management", "wastewater discharge and management", and "environment and natural resources policy". Additionally, review was also conducted across international reporting guidelines and peer ESG reports, and "corporate governance" was added as a new issue this year in response to the "governance" aspect of ESG.

本公司重新審閱ESG議題庫，為今年的重要性評估識別出十五個議題。由於「廢氣排放與管理」、「廢水排放與管理」及「環境及天然資源政策」三個議題於上一個報告期進行的重要性評估結果中顯示其重要性程度較低，同時對我們的持份者及業務影響不大，因此，我們從ESG議題庫剔除這些議題。與此同時，我們對國際報告編寫指南及同行業的ESG報告進行檢閱，決定新增「企業管治」議題以回應ESG中的「管治」層面。



Second step: Ranking ESG issues

第二步：對ESG議題進行排序

Selected ESG issues were incorporated into online questionnaires. Key stakeholder groups of the Company, which are the Board, senior management, Shareholders and investors and employees, were invited to rank the ESG issues based on their level of importance.

本公司安排屬於主要持份者類別的持份者，包括董事會、高級管理層、股東及投資者和員工，以網上問卷調查的形式對經篩選的ESG議題的重要性進行排序。



Third step: Results analysis

第三步：分析結果

Responses were analysed under two dimensions, the "level of concern to the Company" and the "level of concern to stakeholders" to understand substantial impact of different ESG issues to the Company and stakeholders. As a result, 6 ESG issues (ranked at 5 or above out of 10 in both levels) were considered as material.

本公司根據「對長城環亞控股業務的影響」及「對持份者的影響」兩個維度對結果進行分析，以了解不同ESG議題對本公司和持份者的影響程度，共得到六個重要性議題（在兩個維度上都分別獲五分或以上）。



Fourth step: Validating the results

第四步：檢視結果

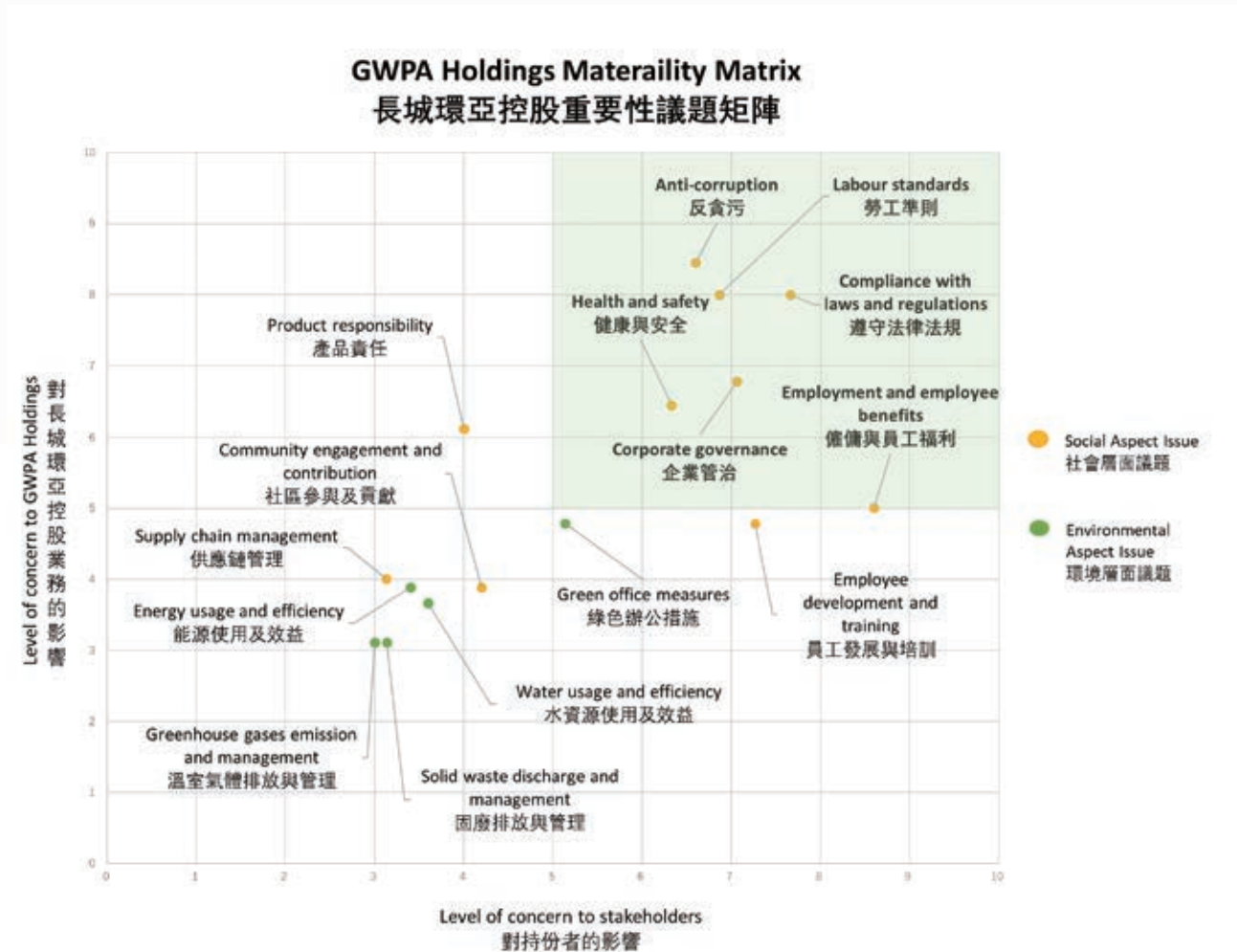
The Board validated and endorsed the material ESG issues to ensure that the issues are adequately relevant to the Company's ESG impacts, thereby disclosing in the Report in a targeted manner.

董事會檢視並認可重要性議題以確保議題對本公司具有意義，從而有針對性地在本報告中披露。

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The below materiality matrix illustrates the result of the materiality assessment. 重要性評估的結果如以下重要性矩陣圖所示。



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As a result, 6 ESG issues were considered material to the Company. The Report was prepared with particular focus on the material issues in accordance to the materiality reporting principle emphasised by the ESG Reporting Guide, while ample information is also provided for stakeholders to sufficiently understand other ESG issues. Our responses to the material ESG issues are summarised in the Report, and corresponding sections are outlined in the table below.

我們從重要性評估中共得到六個重要性議題。本報告於編寫時特別側重於重要性議題以符合ESG指引中的重要性匯報原則，同時亦為持份者提供充裕的資料，以充分理解其他ESG議題。我們於本報告中概述了本公司對重要性議題的回應，下表列出了對應的章節。

Our Priorities

我們的議題優先次序

ESG Issues ESG議題

How GWPA Holdings responds 長城環亞控股的回應

Corporate Governance
企業管治

Corporate Governance
企業管治

Compliance with laws and regulations
遵守法律法規

Corporate Governance
企業管治
Integrity and Honesty
操守及誠信
Employment and Labour Practice
僱傭及勞工準則
Health and Safety
健康及安全
Product Responsibility
產品責任
Environment
環境

Anti-corruption
反貪污

Integrity and Honesty
操守及誠信

Employment and employee benefits
僱傭與員工福利

Employment and Labour Practice
僱傭及勞工準則

Labour standards
勞工準則

Employment and Labour Practice
僱傭及勞工準則

Health and Safety
健康與安全

Health and Safety
健康及安全

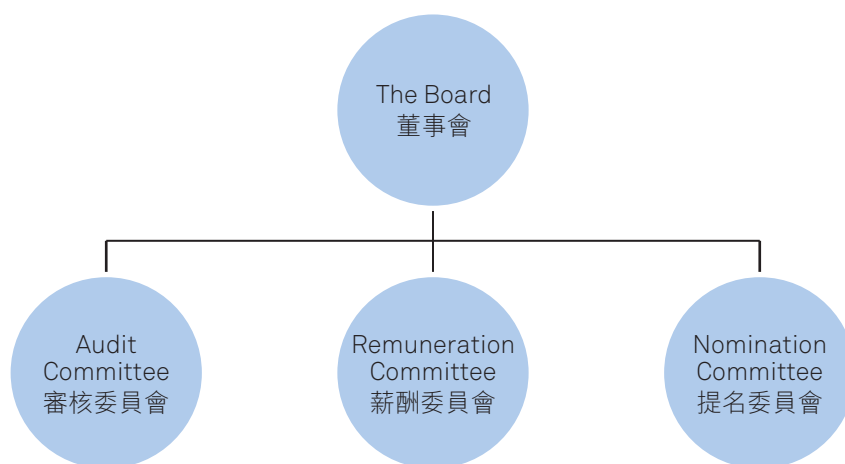
ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Corporate Governance

Robust governance is fundamental to ensuring that the ESG issues the Company faces are well-considered and incorporated into our business agenda, and is of paramount importance for us to continuously create value for our stakeholders. As the Company's highest governance body, the Board sets the direction for our business strategy as well as the management of our business activities, along with a well-established governance framework in place to govern our corporate behaviour. The Company adheres to high ethical and business standards and ensures compliant operation at all times under the rigorous implementation of policies and procedures. To ensure that all pertinent requirements are complied with, regular review on current laws and regulations are conducted jointly by the Legal and Compliance Department and the Company Secretarial Department, necessary changes are then made to the Company's policies accordingly.

The Board has established and delegated authority to the Audit, Remuneration and Nomination Committees, in which the Audit Committee is responsible for ensuring that the Company has formal and transparent arrangements for considering matters relating to risk management and internal control systems.



Relevant corporate governance information, including director profiles, Board and committee charters and Company policies can be found in the Corporate Governance Report in the Company's 2019 Annual Report and on our website (www.gwpaholdings.com/en/corporate_governance).

企業管治

穩健的企業管治是確保本公司的ESG議題得到充分考慮並納入業務議程的基礎，亦對於我們持續為持份者創造價值至關重要。作為本公司的最高管治機構，董事會為我們的業務戰略以及業務管理訂立方向，並建立完善的管治架構，規管我們的企業行為。本公司堅持高道德及商業標準，在政策和程序的嚴格執行下，確保任何時候都合規經營。為確保本公司遵守所有相關要求，法律合規部及公司秘書部共同對現行法律法規進行定期審查，並對本公司的政策進行相應的必要修改。

董事會已設立並授予審核、薪酬及提名委員會權力，其中由審核委員會負責確保本公司作出正規及具透明度的安排，以審議與風險管理和內部監控制度相關的事項。

有關本公司的企業管治信息，包括董事簡介、董事會及委員會章程以及公司政策，請參閱本公司二零一九年度報告當中的企業管治報告和我們的網站 (www.gwpaholdings.com/en/corporate_governance)。

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Risk Management and Internal Control

The Company is committed to the identification, monitoring and management of risks associated with our business activities across the Company. The Board acknowledges that it has overall responsibility for the risk management and internal control systems of the Company, and plays a critical role in monitoring the risk exposure of the Company. It considers key risks in an active manner so as to safeguard stakeholders' interests and the Company's assets, and recognises the importance for the Company to continuously improve its internal control systems to the extent that the risks impeding the Company from achieving its objectives are properly managed.

The Company has in place an Enterprise Risk Management ("ERM") framework to effectively identify, assess, report, mitigate, and monitor key risks. Risks faced by the Company fall into a number of principal categories: strategic risk, operational risk, compliance risk, financial risk and information risk, and risks monitoring mechanisms were then developed to facilitate risk monitoring and control.

Furthermore, the Company operates a "Three Lines of Defence" risk governance model to delegate and coordinate essential risk management and control duties in a clear and cohesive manner, with our business units effectively executing risk and control procedures on a daily basis as our first line of defence, and their work overseen by relevant departments such as the Business Management Department and the Legal and Compliance Department as our second line of defence. Internal audit serves as our third line of defence, providing independent assessment over the effectiveness of our risk management and internal control systems and makes recommendations based on the audit findings.

For more details of the Company's risk management and internal controls, please refer to the Corporate Governance Report in the Company's 2019 Annual Report.

風險管理及內部監控

本公司致力於識別、監控和管理與我們的商業活動相關的風險。董事會承認其須對本公司的風險管理及內部監控系統負有整體責任，並於監督本公司所承受風險方面擔當重要角色。董事會積極考慮關鍵風險，以保障持份者的利益及公司資產。本公司亦認同持續改善內部監控系統的重要性，並確保可能阻礙本公司實現目標的風險點得以妥善管理。

為有效識別、評估、報告、降低及監控關鍵風險，本集團已制定企業風險管理（「企業風險管理」）框架。本公司面對的風險主要分為數個主要類別：戰略風險、營運風險、合規風險、財務風險及信息風險，相應的風險監控機制已制定以協助風險監測及控制。

此外，本公司實施「三道防線」風險管治模式，按清楚且一致的方法分配及協調關鍵風險管理及控制職責。由業務單位作為我們的第一道防線，負責維持每日有效的內部監控並執行風險及監控程序，其工作由業務管理部及法律合規部監督，作為我們的第二道防線。內部審核是我們的第三道防線，就風險管理及內部監控制度之有效性提供獨立評核，並根據審核結果提供建議。

有關本公司風險管理與內部監控的詳細內容，請參閱本公司二零一九年度報告當中的企業管治報告。

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Integrity and Honesty

Integrity and honesty are the cornerstones of good corporate governance, and shall not be compromised in any way. The Company rests on the foundation of integrity and honesty to build and maintain stakeholders' confidence. We are committed to operating with the highest standards of ethical conduct and professionalism through adopting a zero-tolerance approach to any forms of bribery and corruption.

The Company strictly complies with laws and regulations that have a significant impact on the Company's operation in Hong Kong with bribery, extortion, fraud and money laundering, including, but not limited to, the *Prevention of Bribery Ordinance* (Chapter 201 of the Laws of Hong Kong), the *Anti-Money Laundering and Counter-Terrorist Financing Ordinance* (Chapter 615 of the Laws of Hong Kong) and the *Code of Conduct for Persons Licensed by or Registered with the Securities and Futures Commission*. During the Reporting Period, the Company did not receive any allegation against the Company or its employees of bribery, extortion, fraud and money laundering that would have a significant impact on the Company. No whistleblowing incidents related to anti-bribery nor anti-corruption were received.

The Company has been working painstakingly to combat all forms of corruption by establishing and putting into practice a comprehensive set of anti-bribery and corruption policies. We have a *Compliance Manual* in place clearly setting out the internal monitoring systems and procedures, the Code of Ethics for employees, the declaration and approval procedures of the acceptance of gift or entertainment, etc., to protect the Company's integrity and reputation. Meanwhile, we established the *Anti-bribery and Corruption Policies and Procedures*, and has put the new *Anti-Money Laundering and Counter-Terrorist Financing Policy* into effect in January 2020, for replacement of our previous policies in these regards, aiming to further strengthen relevant work mechanisms by providing ample guidance regarding the delegation of investigative units and their respective responsibilities, requirements for customer due diligence process, requirements for record keeping process, and other requirements.

操守和誠信

操守和誠信是良好企業管治的基石，絕不能因任何原因妥協。本公司以操守和誠信為基礎，建立和維護持份者對本公司的信心。我們致力以最高道德標準和專業精神進行運營，並對任何形式的賄賂和貪污行為持零容忍態度。

本公司嚴格遵守香港與賄賂、勒索、欺詐及洗黑錢方面有關且對本公司業務有重大影響的法律法規，包括但不限於《防止賄賂條例》(香港法例第201章)、《打擊洗錢及恐怖份子資金籌集條例》(香港法例第615章)及《證券及期貨事務監察委員會持牌人或註冊人操守準則》。於報告期內，本公司未曾接獲對本公司及其員工提出的賄賂、勒索、欺詐及洗黑錢等對本公司產生重大影響的指控，亦沒有接獲有關賄賂和貪污的舉報信息。

本公司一直不懈地打擊任何形式的腐敗並制定及實施全面的反賄賂和反貪污政策。我們的《合規手冊》明確規定了內部監控制度和流程、員工道德守則、接受禮品或娛樂的申報和審批流程等程序，以保障本公司的誠信和聲譽。同時，我們制定了《反賄賂及貪污政策及程序》並於二零二零年一月實施新的《打擊洗錢及恐怖分子資金籌集政策》，取代了以前相關的政策，旨在加強相關的工作機制，包括就委託調查單位及其各自的職責提供清晰指引、提供客戶盡職調查流程的要求、備存紀錄的要求等。

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In parallel to the aforementioned policies, we established the *Whistleblowing Policy* to provide guidance to employees to raise complaints in relation to fraudulent acts, unethical acts or non-compliance with laws and regulations that may lead to adverse risk on the Company's reputation. The Company endeavours to handle all complaints in a highly confidential manner and is committed to protecting and keeping the whistle-blower's identity confidential.

As for maintaining long-term relations with partners, internal audit is performed by an independent professional advisory firm on an annual basis to protect the interests of the Company and its related parties. Moreover, the Company hires independent auditors to conduct external audits on the Company. Malpractice and unethical behaviours are accordingly prevented and controlled through internal audits and external audits.

In addition, the Company established an Anti-money Laundering Working Group (the "**Working Group**") led by the Chairman of the Board. The Working Group is responsible for anti-money laundering affairs, and specialises in customer due diligence and other compliance matters. By sharing anti-money laundering information through email and training programs with our employees regularly, the Working Group raises employees' awareness on this aspect and hence fosters a good anti-money laundering work environment.

為配合上述政策，我們制定了《舉報政策》以協助員工對可能影響本公司聲譽的欺詐、不道德或違法違規行為提出投訴。本公司致力以高度保密的方式處理所有投訴，並承諾保護及保持告密者身份的機密性。

為維繫與合作夥伴的長期合作關係，本公司每年由獨立專業諮詢公司進行內部審計，以保護本公司與持份者的利益。此外，本公司亦聘請獨立審計師對本公司進行外部審計，通過內部審計和外部審計加以防範和控制舞弊或不道德行為。

此外，本公司還成立了由董事會主席領導的反洗錢工作領導小組（「**領導小組**」）。領導小組負責處理反洗錢事宜並專門負責客戶緊急調查和其他合規事務。通過定期以電郵和培訓活動與員工分享與反洗錢相關的資訊，領導小組提升員工對反洗錢的意識，從而營造良好的反洗錢工作環境。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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Employment

The Company believes that our success is inseparable from the dedicated efforts of our employees as well as the human resources management system in place that attracts and retains the right talents. We are committed to protecting the legitimate rights of our employees and fostering an inclusive and people-oriented corporate culture, and building on this foundation, we harness the Company's competencies and our employees' unique capabilities to gain a competitive advantage in the marketplace.

Employment and Labour Practice

The Company sees safeguarding the rights and benefits of our employees a business imperative. To establish an understanding and respectful relationship between the Company and its employees, the Company established the *Employee Handbook*, which contains details on personnel policies, regulations and employee benefits to ensure that all employees are treated fairly and reasonably. From time to time, the Company reviews our human resources policies and procedures to ensure that it is in line with the existing labour laws and regulations and keeps pace with the latest market development, to allow the Company to remain competitive in the market in attracting the best talents in the market, and to meet the expectations of our employees.

Our human resources policies and procedures are in place to ensure compliance with laws and regulations that have a significant impact on the Company's operation in Hong Kong with compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare, including, but not limited to, the *Employment Ordinance* (Chapter 57 of the Laws of Hong Kong), the *Employee Compensation Ordinance* (Chapter 282 of the Laws of Hong Kong), the *Minimum Wage Ordinance* (Chapter 608 of the Laws of Hong Kong) and the *Sex Discrimination Ordinance* (Chapter 480 of the Laws of Hong Kong). During the Reporting Period, the Company did not receive any irregularity nor complaint relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare that have a significant impact on the Company.

僱傭

本公司深信我們的成功離不開員工的不懈努力，同時也有賴於能夠吸引和留住合適人才的人力資源管理體系。我們致力於保障員工的合法權益，建設多元共融及以人為本的企業文化，並在此基礎上，藉著本公司的堅穩根基以及員工的獨特能力在市場上取得競爭優勢。

僱傭及勞工準則

保障員工權益是企業必須履行的一項。為建立本公司和員工之間相互理解及尊重的關係，本公司制定了《員工手冊》，其載有詳細人事政策、規則和員工福利的資料，以確保所有員工得到公平和合理的待遇。本公司不時審查我們的人力資源政策，以確保其符合現時的勞工法律法規，同時跟上最新市場發展的步伐，使本公司在市場上維持競爭力，吸引最優秀的人才並滿足員工的期望。

我們的人力資源政策和程序確保遵守香港與薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視、其他待遇及福利方面且對本公司的業務有重大影響的法律法規，包括但不限於《僱傭條例》(香港法例第57章)、《員工補償條例》(香港法例第282章)、《最低工資條例》(香港法例第608章)及《性別歧視條例》(香港法例第480章)。於報告期內，本公司未曾接獲任何有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視、其他待遇及福利方面對本公司有重大影響的違規事件或任何投訴。

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The Company established the *Management Methods for Recruitment* for standardising the employee recruitment procedures to attract the right talents and to allow human resources allocation to better align with our business development needs. The Company adheres to its fundamental recruitment principles of justice, equality and diversification, always working towards a diversified composition of employees with various races, education background, work experience, nationalities, knowledge and skills. With the comprehensive recruitment and promotion mechanism established, we assure that all candidates are treated fairly. Decisions made on employment and promotion solely focused on the assessment of candidate's work experience, technical skills and work performance and will not take into account their age, gender, race, marital status, sexual orientation and physical disability. Besides, the Company proactively checks the identity certificates of candidates during recruitment and employment to prevent recruiting child labour. Also, we in no way force employees to work overtime, straightly prohibiting the occurrence of any forms of forced labour. During the Reporting Period, the Company did not receive any complaints about illegal child and forced labour that would have a significant impact on the Company. The Company also enters into Employment Contract with employees which sets out the terms of dismissal of employees, prohibiting any forms of unfair or unreasonable dismissal. The termination of Employment Contract and dismissal of employees are carried out in strict compliance with relevant laws and regulations to fully protect the rights and obligations of the Company and employees.

本公司制定《招聘管理辦法》，規範員工招聘程序，以吸引合適的人才，讓人力資源配置更符合我們的業務發展需要。本公司堅持公正、公平及多元化的基本招聘原則，致力於組成包含不同種族、教育背景、工作經驗、國籍、知識和技能的多元化員工結構。隨著全面的招聘和晉升機制的建立，我們確保所有候選人都能得到公平的待遇。有關招聘及晉升的決定只評核候選人的工作經驗、技術技能和工作表現，不會將候選人的年齡、性別、種族、婚姻狀況、性取向或身體殘疾等元素納入考慮範圍之內。同時，本公司在招聘和聘用階段主動檢查候選人的身份證明文件以防止僱用童工。此外，我們絕不強迫員工加班，嚴格禁止任何形式的強制勞動。於報告期內，本公司未曾接獲任何與非法僱用童工及強制勞工相關並對本公司有重大影響的違規事件或任何投訴。本公司亦與員工簽訂《僱傭合約》，明確列明解僱員工的條款，禁止任何不公平或不合理的解僱。任何《僱傭合約》的解除及員工解僱均嚴格按照相關法律法規進行，以充份保障本公司及其員工的權利和義務。

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The Company clearly sets out the compensation system and the types of employee benefits in the *Management Methods for Compensation and Welfare*, providing competitive employee compensation and benefits package to attract and retain our employees. Employee performance appraisals are conducted once a year to determine the compensation package, and are remunerated based on their work performances and standard market salaries with discretionary year-end bonuses awarded according to individual performance, reasonable adjustments are also made in due course as a recognition to employees' work effort. In addition to a competitive salary, the Company also provides employees with medical insurance that covers employees and their eligible family members. Labour insurance, rental reimbursement allowance, overtime allowance, holiday allowance, birthday allowance, monthly transport and entertainment allowance are also provided as part of employees' total compensation package. The Company also provides study subsidy to employees to encourage them to continuously enhance their knowledge and skills. Moreover, the Company sets out employees' work and rest periods in the Employment Contract, and ensures that they enjoy statutory holidays, paid annual leaves, sick leaves, casual leaves, marital leaves and maternity leaves, according to the Hong Kong's labour legislation.

We encourage open communication in the workplace, where our employees can freely express their views and ideas with the senior management. Hence, various channels were set up to facilitate effective communication and collaboration between all levels of employees, creating an encouraging environment for creativity and innovation.

本公司制定《薪酬福利管理辦法》，明確列明薪酬體系及員工待遇的種類，為員工提供具競爭性的薪酬和福利計劃，以吸引及留住我們的員工。我們每年進行一次員工表現評估，根據員工的工作表現及市場的薪酬標準釐定員工的薪酬計劃，並在適當的時候進行合理調整，同時亦根據員工個人的表現酌情發放年終獎金，作為對員工辛勤工作的認可。除具競爭力的薪酬外，本公司還為員工提供醫療保險，覆蓋員工及其符合條件的家庭成員。我們還為員工提供勞工保險、房屋租賃津貼、加班津貼、假日津貼、生日津貼、每月交通和娛樂津貼作為員工完整的薪酬計劃的一部份。本公司亦為員工提供進修資助，鼓勵員工不斷提升他們的知識和技能。此外，我們在《僱傭合約》中列明符合香港勞工法例的員工工作及休息時間，確保員工依法享有法定假日、帶薪年假、病假、事假、婚假及產假。

我們鼓勵員工在日常工作中進行公開及坦誠的溝通，自由地與高級管理層表達他們的觀點和想法。因此，我們建立了多種渠道，促進各層級員工的有效溝通和協作，構建一個鼓勵創意和創新思維的工作環境。

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環境、社會及管治報告

Health and Safety

The Company is committed to creating a healthy and safe workplace for our employees. Employees of the Company spend most of their time working in an office environment, therefore have limited health and safety hazards as compared to other industries. Yet, the Company remains immensely concerned about employees' health and safety in office and has various precautionary measures in place to minimise any risks in the working environment, and complies with laws and regulations that have a significant impact on the Company's operation in Hong Kong relating to providing a safe working environment and protecting employees from occupational hazards, including, but not limited to, the *Employees' Compensation Ordinance* (Chapter 282 of the Laws of Hong Kong) and the *Occupational Safety and Health Ordinance* (Chapter 509 of the Laws of Hong Kong). During the Reporting Period, the Company did not receive any prosecutions in relation to occupational health and safety that have a significant impact on the Company.

The Company offers versatile medical insurance plans and arranges regular body examinations for employees and their eligible family members. We provide flexibility in the insurance package and the body examination plan so that employees can personalise the plans according to their needs. The Company invited the Mandatory Provident Fund Scheme provider to hold a briefing session and provide detailed information of tax deductible voluntary contributions during the Reporting Period. The Company also arranges employees to participate in fire drills regularly to strengthen their preparedness to emergencies. Meanwhile, the Company regularly carries out air-conditioning system cleaning and puts up health and safety reminders in the office.

The Company actively promotes work-life balance by discouraging employees from working off the clock as employee morale may be at risk if employees continuously overwork and adverse health effects may be arise from long working hours. In response, the Company organises various sports and leisure activities regularly for employees to help employees to develop a habit of exercising and to prevent them from exposing to occupational diseases. Meanwhile, we organise employee engagement activities, such as birthday parties, festive celebrations, team building activities, etc., to promote employee friendships and to enhance employees' sense of belonging to the Company.

健康及安全

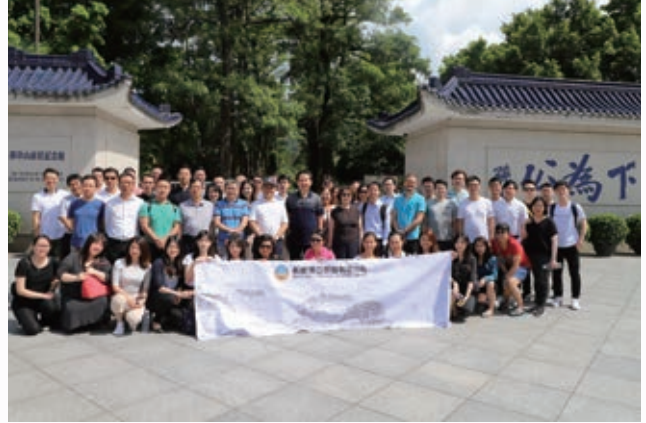
本公司致力為員工構建一個健康和安全的工作環境。本公司的員工大部分時間都在辦公室環境中工作，因此與其他行業相比，其對健康和安全的危害有限。然而，本公司仍然非常關注員工在辦公室的健康和 safety，並採取了各種預防措施，儘量減少工作環境中的風險。本公司遵守香港與提供安全工作環境及保障僱員避免職業性危害方面且對本公司的業務有重大影響的法律法規，包括但不限於《僱員補償條例》(香港法例第282章)及《職業安全及健康條例》(香港法例第509章)。於報告期內，本公司未曾接獲任何與職業健康與安全相關並對本公司有重大影響的違規事件或任何投訴。

本公司為員工及其符合條件的家庭成員提供全面的醫療保險計劃，並為他們定期安排身體檢查。我們讓員工根據自己的需要靈活地選擇合適的保險組合和身體檢查方案。於報告期內，本公司邀請了強積金提供機構舉行簡報會以詳細可扣稅自願性供款的細節內容。本公司亦安排員工定期參加消防演練活動，以提高他們應對緊急情況的能力。同時，本公司定期進行空調系統清洗，並於辦公室內張貼安全健康提示。

本公司積極倡導工作與生活之間的平衡，不鼓勵員工超時工作。如員工長期超時工作，員工士氣可能會變得低落，甚至有可能會對他們自身的健康造成負面影響。有見及此，本公司定期為員工舉辦各種體育和休閒活動，培養員工良好的運動習慣並預防職業病。同時，我們舉辦員工活動，如生日會、節日慶祝活動、團隊建立活動等，以促進員工之間的友誼，並增強員工對本公司的歸屬感。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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Development and Training

The Company regards every employee a valuable asset and sees investing in our employees essential for a sustainable business growth and success of the Company. We attach immense importance to the training of employees, committed to connect employees' personal development with the Company's development by providing a wide range of training opportunities, building career advancement paths for our employees and at the same time developing a competent and industry-leading team.

In order to build employees' capacity to improve the execution of the Company's business priorities and strategy and to meet our employees' training needs, the Human Resources Department develops an *Training and Development Plan* each year, with the objectives to allow employees to learn about the updates of the Company's internal systems and policies, to build employees' management capacity, for business development advancement, and for improving employee competencies regarding their job positions. No less than 12 sessions of trainings were organised annually. During the Reporting Period, over 90% of our employees received training with each employee received an average of 21.6 hours of training, exceeding the average hours of training of employees in Hong Kong by 28%¹.

發展及培訓

本公司視每位員工為寶貴財產，並把對員工的投資視為對本公司業務的持續增長和成功不可或缺的元素。本公司高度重視員工培訓，為員工提供形式廣泛的培訓機會，致力把員工的個人發展與本公司的業務發展相連接，在為員工建立職業道路的同時，培養一支能幹的行業領先團隊。

為提升員工能力以更好推進重點業務和策略執行，同時滿足員工的培訓需求，人力資源部每年制定《培訓計劃》，並組織不少於十二次培訓活動，旨在讓員工了解本公司內部制度和政策的更新，建立員工的管理能力，促進業務發展，及提高員工在其工作崗位的能力。於報告期內，超過九成的員工接受培訓，每名員工平均培訓時數為21.6小時，較全港員工平均培訓時數高28%²。

1 The average training time per employee in 2018 was 16.9 hours as stated in the "2018 Training & Development Needs Survey" released by Hong Kong Institute of Human Resource Management.

2 由香港人力資源管理學會發佈的《2018年培訓及發展需求調查報告》說明2018年每位員工的平均培訓時數為16.9小時。

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To support our financial practitioners to adequately embrace the changes in the financial industry, and maintain professional competence with knowledge and skills updated continuously, professional trainings were held regularly in 2019 with internal and external subject experts invited as lecturers, covering a broad array of topics, such as securities, investment, compliance, anti-money laundering, asset management and capital funding. This also ensures that our financial practitioners meet the annual Continuous Professional Training hours as required by the SFC. Apart from providing trainings that build on employees' professional capacity, induction trainings were also provided to new employees enabling them to integrate into the Company smoothly.

As we recognise younger colleagues' potential in inspiring creativity and innovation to the workplace, we had for the first time organised the Young Colleagues Seminar in 2019, inviting young colleagues to exchange views with the Company's senior management on the Company's corporate culture, business development and day-to-day work management, which serves as a channel for our employees to effectively communicate their ideas with the management level.

Subsequent to the completion of training, training assessment forms are collected from employees to evaluate the effectiveness of the training, in particular on the training arrangement, course content and lecturer performance, commensurate adjustments are then made to cater for the training needs of our employees. Simultaneously, all training materials are uploaded to the Company's shared drive to create a culture of knowledge sharing, enabling all employees an easy access to the information they need.

為支持我們的金融從業者適應金融業的迅速發展，並維持其專業能力，不斷更新知識和技能，我們於二零一九年定期舉辦專業培訓，邀請內部和外部的專家擔任講師，為員工提供不同專題的培訓，涵蓋證券、投資、合規、反洗錢、資產管理及融資等主題，以確保我們的金融從業者符合證監會對於持續培訓時數的要求。除了提升員工專業能力的培訓外，我們還為新員工提供入職培訓，使他們能夠更好地融入本公司。

工作中青年員工在創意和創新思維方面潛力的激發對本公司來說非常重要，因此，我們於二零一九年首次舉辦青年員工座談會，邀請青年員工就公司文化、業務發展和日常工作管理與本公司的高級管理層交流意見，作為員工與管理層有效溝通的渠道。

培訓結束後，我們向員工收集培訓的評價調查問卷，針對培訓安排、培訓內容及講師表現評估培訓的有效性，再作出相應的調整，以滿足員工的培訓要求。同時，所有培訓材料都上傳到本公司的共享文件夾中，使所有員工都能夠輕鬆獲取，以構建知識共享的文化。



The Company's employees attended professional training on Anti Money Laundering and Analysis of Non-performing Asset cases
本公司員工參與有關反洗錢及不良資產案例分析的培訓

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Operating Practices

Supply Chain Management

The Company emphasises cooperation and collaboration with our supply chains as we believe that the success of our business links inextricably to the performance of our supply chain, and only by maintaining good relationship with our suppliers can we achieve a win-win relationship. Hence, the Company established the *Guidelines on Procurement* (“**Guideline**”), a comprehensive supply chain management to manage our suppliers, which mainly include service providers that provide property valuation service, property management service, company secretarial service and other services.

The Guideline prescribes the transparent procurement mechanism and clearly sets out the tendering process, responsible personnel and its responsibilities, ensuring that suitable suppliers are selected in an open, fair, just and honest manner with their qualification verified.

For every centralised procurement, a procurement assessment team is formed including no less than 5 members, to assess their business reputation, quality, service, price, and terms of sale, aiming to reduce procurement risks as well as to improve procurement efficiency.

運營實踐

供應商管理

本公司重視與供應商的合作和協作。我們堅信業務的成功與供應商的績效表現密不可分，只有與供應商保持良好的關係，才能實現雙贏。因此，本公司制定了《採購工作指引》（「指引」），透過全面的供應鏈管理體系管理我們的供應商，其中主要包括提供物業估價服務、物業管理服務、公司秘書服務及其他服務的服務供應商。

指引規範了透明的採購機制，並明確列出招標常規，負責員工及其職責，確保以公開、公平、公正和誠實的方式挑選合適的供應商，並確保潛在供應商擁有相關資格證明。

本公司在每次集中採購時，都會組成不少於五名成員的採購評審小組，以評核供應商的商業信譽、品質、服務、價格和銷售條款，嚴格挑選我們的產品和服務供應商，務求降低採購風險並提高採購效益。

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Although the financial sector does not traditionally have much concerns in regard to supply chain sustainability, we aim to cooperate with like-minded suppliers that share similar sustainability philosophy of the Company. Meanwhile, in support of a stable local economy, we actively work with suppliers that are based in Hong Kong.

Since property investment is one of the principal activities of the Company, we pay high attention to the environmental and the occupational health and safety performances of our property management service providers. The Company's major property management service providers hold corresponding certifications such as the ISO 9001:2015 Quality Management, ISO 14001:2015 Environmental Management Systems – Requirements with guidance for use and OHSAS 18001:2007 Occupational Health and Safety.

The Company monitors the performances of our suppliers regularly, to ensure that relevant requirements are met. Meanwhile, we regularly review and amend our procurement requirements such that we could achieve greater sustainability in the near future.

儘管傳統金融業對供應鏈可持續性方面的關注較少，本公司仍旨在與志同道合併有著與本公司可持續發展理念相近的供應商合作。此外，為支持本土經濟的穩定，我們積極與香港的供應商合作。

由於物業投資是本公司的主要業務之一，我們高度重視物業管理公司在環境和職業健康與安全方面的表現。本公司的主要物業管理服務供應商持有相關認證如《ISO 9001:2015 質量管理體系》、《ISO 14001: 2015 環境管理體系要求及使用指南》及《OHSAS 18001 職業健康和安全管理體系》。

本公司定期監控供應商的表現以確保供應商符合本公司的相關要求。與此同時，我們定期檢視和修訂採購要求，為在不久的將來於可持續發展方面有更好的表現。

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Product Responsibility

The Company has always upheld our business philosophy in serving our customers with sheer professionalism under a prudential and proactive approach, and unceasingly build successful win-win business relationship with our partners and customers. While we deliver quality financial products and excellent services to our customers, we ensure that our operations strictly comply with laws and regulations that have a significant impact on the Company's operation in Hong Kong with health and safety, advertising, and privacy matters relating to the products and services we provide, including, but not limited to, the *Landlord and Tenant (Consolidation) Ordinance* (Chapter 7 of the Laws of Hong Kong), *Securities and Future Ordinance* (Chapter 571 of the Laws of Hong Kong), the *Personal Data (Privacy) Ordinance* (Chapter 486 of the Laws of Hong Kong) and the *Listing Rules*. During the Reporting Period, the Company was not aware of any incidents of non-compliance with laws and regulations concerning the provision and use of the Company's products and services, including but not limited to, marketing communications including advertising and promotion, and property rights including intellectual property rights that have a significant impact on the Company.

As discussed in the former "Integrity and Honesty" section in the Report, operating in a compliant manner is of utmost importance to the Company, hence we provide ample guidance for our employees to follow to ensure compliance. We also place significant emphasis on managing our employees' work ethics, requiring our employees to adhere to the Company's moral principles, and have zero tolerance for any forms of corruption. Details of relevant policies are described in the "Integrity and Honesty" section in the Report.

Financial Services

The Company has a due diligence procedure in place which enables us to better understand and familiarise with customers' financial situation, investment experience and investment objectives, such that any recommendation or inducement made is appropriate in all circumstances. At the same time, we ensure that customers are informed with the terms and conditions and associated risks before engaging in any kind of financial transaction. If the Company is exposed to a high-risk customer or business nature, stringent measures will be taken to manage in mitigating such risks.

產品責任

本公司一直堅持自身經營理念，以專業、穩健及積極的態度服務我們的客戶，同時不斷與合作夥伴和客戶維持成功的雙贏關係。在為客戶提供優質金融產品和卓越服務的同時，我們嚴格遵守香港與產品及服務的健康與安全、廣告及私隱事宜相關且對本公司的業務有重大影響的法律法規，包括但不限於《業主與租客（綜合）條例》（香港法例第7章）、《證券及期貨條例》（香港法例第571章）、《個人資料（私隱）條例》（香港法例第486章）及上市規則。於報告期內，本公司未曾接獲任何違反有關提供及使用本公司產品和服務方面的法律及法規（包括但不限於市場推廣通訊（包括廣告及推銷））及產權（包括知識產權）並對本公司有重大影響的事件。

如本報告「操守與誠信」的章節中所述，以合規的方式運營對本公司至關重要，因此，我們為員工提供充分的指導，以確保合規。我們亦非常重視員工職業道德方面的管理，要求員工遵守本公司的道德原則，並對任何形式的腐敗行為持零容忍態度。相關政策詳情請參閱本報告的「操守與誠信」章節。

金融服務

本公司設有客戶盡職調查程序，以了解客戶的財務狀況、投資經驗和投資目標，從而確保本公司在任何情況下提出的建議或引導都是恰當的。同時，我們確保客戶在進行任何金融交易之前都了解條款、細則及相關風險。當本公司的客戶或業務性質處於高風險時，我們將採取更嚴謹的措施以管理及降低此類風險。

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Property Investment

As a property investment company, we always choose experienced service providers to manage our properties and outdoor billboards. Cushman & Wakefield Property Management Limited, Gaw Capital Asset Management (HK) Limited and Asiaray Advertising Media Limited were selected by the Company to manage our properties and outdoor billboards respectively. As of 31 December 2019, GWPA Holdings had the following properties under our management in Hong Kong:

物業投資

作為一間物業投資公司，我們一直選擇有經驗的服務供應商來管理我們的物業和戶外廣告牌。目前我們聘請戴德梁行物業管理有限公司、Gaw Capital Asset Management (HK) Limited及雅仕維廣告媒體有限公司管理我們的物業及戶外廣告牌。截至二零一九年十二月三十一日，長城環亞控股於香港擁有並管理以下物業：

No. 編號	Types 類型	Address 物業地址
1	Offices and car parking spaces 辦公室及泊車位	20th and 21st Floors and Car Parking Spaces Nos. 21, 22 and 23 on 4th Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong 香港中環夏慤道12號美國銀行中心20及21樓及4樓之21、22及23號泊車位
2	Industrial building 工廈	Ground and 1st Floors, Block B, Ko Fai Industrial Building, 7 Ko Fai Road, Yau Tong, Kowloon, Hong Kong 香港九龍油塘高輝道7號高輝工業大廈B座地下及1樓
3	Offices and retail shops 辦公室及零售店	The lobby on G/F and the front (or southern) portions of the 1st, 2nd and 3rd Floors including the staircase therein leading up to the 3rd Floor and the lift therein serving the 1st, 2nd and 3rd Floors only and portion of the canopy on the 1st Floor level, Yue King Building, 26, 26A, 27, 28, 29 & 30 Canal Road West, 1-7 Leighton Road and 41-47 Morrison Hill Road, Wanchai, Hong Kong 香港灣仔堅拿道西26、26A、27、28、29及30號、禮頓道1至7號及摩理臣山道41至47號愉景樓地下大堂及1、2及3樓之前部(或南部)(包括通向3樓的樓梯及服務1及2樓之升降機)，以及1樓部份上蓋
4	Industrial building 工廈	8th Floor of Block C, Sea View Estate, 8 Watson Road, North Point, Hong Kong 香港北角屈臣道8號海景大廈C座8樓
5.	Commercial area and car parking spaces 商業區域及泊車位	Kwai Fong Plaza, 177 Hing Fong Road, Kwai Chung, New Territories, Hong Kong. 香港葵涌興芳路177號葵芳廣場

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We assure that all tenants' needs are attended to by requesting our property management service providers to collect the views and recommendations of the tenants on a regular basis and provide timely feedback to us. Meanwhile, the customer complaint handling process is also clearly set out in the Company's *Compliance Manual*, which requires all customer complaints to be handled in a prompt and reasonable manner. When a customer complaint is received, relevant head of department will handle the complaint. A register of complaints is maintained to record all customer complaints and the results subsequent to proper handling in order to avoid the recurrence of similar events.

To ensure that the disclosure of inside information is central to the orderly operation and integrity of the market, and to maintain a fair and informed market, the Company established the *Policy on Disclosure of Inside Information*, stating the responsibilities of the Board and senior management in monitoring all disclosures in accordance with the provisions of the SFC. In order to identify and handle inside information in a proper manner, the Chief Executive Officer, Chief Financial Officer and Company Secretary are informed of potential inside information, if any, from the Company's employees, and are then reported to the Board upon consultation with professional advisors, for the Board's prompt decision on any disclosure of inside information that complies to the SFC provisions.

Meanwhile, the Company prohibits any forms of false or misleading statement in the course of publicity, ensuring that all advertisements and marketing materials truthfully describe the matter and are approved in accordance with the provisions of the SFC before they are issued.

The Company also attaches importance to the protection of customer privacy. The Company's *Compliance Manual and the Data Security Policy* reinforce the importance of confidentiality and stated that any customer's confidential information shall be properly and adequately protected from leakage. The Company neither experienced any customer data leakage, nor received any complaints about inappropriate use of customer information during the Reporting Period that would have a significant impact on the Company.

我們透過要求物業管理公司定期收集租戶的意見和建議並及時予以反饋，確保所有租戶的需求得到回應。同時，本公司的《合規手冊》亦規範了客戶的投訴處理流程，要求員工以迅速及合理的方式處理所有客戶投訴。當收到客戶投訴時，有關部門主管將處理投訴。本公司已設立投訴登記冊，記錄所有客戶的投訴內容及其處理結果，以避免類似事件再次發生。

為確保內幕消息披露在市場有秩序運作及廉潔穩健方面的作用，並維持公平及信息靈通的市場，本公司制定了《內幕消息披露政策》，說明董事會和高級管理層在符合證監會的規定監察本公司披露時的責任。為合適地識別和處理內幕消息，行政總裁、財務總監和公司秘書從員工獲悉潛在的內幕消息後將會尋求專業意見，並向董事會匯報，由董事會就任何內幕消息的披露作出迅速且合規的決定。

此外，本公司禁止在宣傳過程中作出任何形式的虛假或誤導說明，確保所有廣告和營銷材料都如實描述該事宜，並在發佈前按照證監會的規定獲得內部批准。

本公司重視客戶隱私的保護。本公司的《合規手冊》及《資料保密政策》強調了資料保密的重要性，明確說明任何客戶的機密資料都應得到恰當且充份的保護，以防止信息外洩。於報告期內，本公司未發生過任何客戶信息外洩事件，也未曾接獲任何有關客戶信息不當使用並對本公司有重大影響的投訴。

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Environment

The Company is committed to fulfilling its environmental responsibilities and minimising the potential environmental impacts of its daily operation as far as practicable. Since the operation of the Company focuses on property investment and financial services with major activities involving clerical work and business meetings in office environment, the Company poses limited impact on the environment and has relatively low environmental impact as compared to other industries. Nevertheless, in fulfilling our corporate social responsibilities as responsible corporate citizens, we are aware of the negative impacts that climate change has on where we operate, hence we take proactive measures in energy conservation and emissions reduction to do our part in fighting against global warming. Meanwhile, we never cease to reduce waste and use resources in a smart way.

The Company strictly complies with laws and regulations that have a significant impact on the Company's operation in Hong Kong with air and greenhouse gas (“GHG”) emissions, discharges into water and land, and generation of hazardous and non-hazardous waste, including, but not limited to, the *Air Pollution Control Ordinance* (Chapter 311 of the Laws of Hong Kong), the *Water Pollution Control Ordinance* (Chapter 358 of the Laws of Hong Kong) and the *Waste Disposal Ordinance* (Chapter 354 of the Laws of Hong Kong). During the Reporting Period, there were no non-compliance incidents or infringements in relation to environmental protection that would have a significant impact on the Company.

We progressively raise employees' environmental awareness by educating them the importance to be environmentally conscious in our day-to-day work routines, and to join the fight against climate change by making small steps of our own.

環境

本公司致力於履行其環境責任，並在切實可行的範圍內減少其日常運營對環境的潛在影響。由於本公司的業務以物業投資和金融服務為主，主要活動涉及在辦公室內的文職工作和商務會議，因此與其他行業相比，對環境的影響有限。儘管如此，作為負責任的企業公民，我們在履行企業社會責任時意識到氣候變化對我們運營地的負面影響，因此積極地採取節能減排措施，儘我們所能應對全球暖化。我們亦始終堅持以明智的方式減少廢物及利用資源。

本公司嚴格遵守香港與廢氣排放、溫室氣體排放、向水及土地排放、有害及無害廢棄物排放等對本公司的業務有重大影響的法律法規，包括但不限於《空氣污染管制條例》(香港法例第311章)、《水污染管制條例》(香港法例第358章)及《廢物處置條例》(香港法例第354章)。於報告期內，本公司未曾接獲與環境保護相關並對本公司有重大影響的違規事件或任何申訴。

我們逐步提升員工的環保意識，教育員工把環保意識融入到日常工作中，結合所有員工為環境付出的每一小步，共同應對氣候變化。

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To manage our office activities with sound environmental practices, we have put into effect the Company's *Green Office Policy* since 2017, which the management of a green office was established with green office measures standardised and implemented. We are committed to fulfilling our environmental responsibilities, and thus continuously strive to

- Minimise the consumption of natural resources and energy
- Reduce the creation of waste and recycle material whenever practical
- Ensure all waste is disposed of in a safe and responsible manner
- Monitor and evaluate progress and performance for continuous improvements

Responsibilities of our green office management are clearly stated in the *Green Office Policy*, with responsible employees notified. All employees are clearly informed of the *Green Office Policy*, and could easily access the policy document in the Company's shared drive. Relevant training is also provided to new employees by the Human Resources Department. Meanwhile, various channels are set up to collect employees' opinions and suggestions on the Company's green office practices and performance.

Alongside the Company's Policy implementation as well as employees' earnest participation, the Company was successfully granted the title and logo of the "Hong Kong Green Organisation" led by the Environmental Campaign Committee along with 10 organisations such as the Environmental Protection Department, the Hong Kong Council of Social Service, chambers of commerce and other business organisations. The Company also received the "Energywise Certificate (Basic Level)" green certification, as a recognition of the Company's effort in reducing its environmental impacts.

本公司自二零一七年起實施本公司的《綠色辦公室政策》，在辦公室內實踐環保，建立了綠色辦公室管理體系並把綠色辦公室措施標準化及付諸實行。我們致力於履行對環境的責任，從不懈地

- 減少對自然資源和能源的消耗
- 在切實可行的情況下避免廢物產生及回收可再生資源
- 確保所有廢物以安全和負責任的方式處置
- 監控並評估《綠色辦公室政策》的進度 and 表現，以持續改進

《綠色辦公室政策》明確了綠色辦公室管理的責任，並已通知了相關員工。所有員工都清楚了解《綠色辦公室政策》，並能夠從本公司的共享文件夾中輕鬆獲取。人力資源部還為本公司的新入職員工提供相關培訓。同時，我們透過不同渠道與員工溝通，收集員工對本公司綠色辦公室措施及其表現的意見和建議。

伴隨著《綠色辦公室政策》的實施及員工的認真參與，我們成功獲頒發由環境運動委員會聯同十個機構如環境保護署、香港社會服務聯會、商會及其他組織合辦的「香港綠色機構」名銜及標誌。我們亦獲得綠色認證「節能證書（基礎級別）」，該認證肯定了本公司在減低環境影響方面的努力。

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Energywise Certificate (Basic Level)
「節能證書(基礎級別)」



Hong Kong Green Organisation Certificate
「香港綠色機構」證書

Emission Reduction and Energy Conservation

The Company recognises the importance of emission control. In our business operation, the sources of emission are limited to direct emission from vehicle use and uncontrolled sources (volatile organic compounds generated from printers for instance) and indirect emission from purchased electricity. So far we have only used one vehicle during the Reporting Period, hence its emission is insignificant as compared to our indirect GHG emission generated from our electricity consumption, a number of energy-saving measures were therefore implemented to reduce electricity usage and GHG emission.

節能減排

本公司意識到控制排放的重要性。在我們的業務運營中，大氣污染物和溫室氣體的來源和排放僅限於車輛使用及無組織（如打印機產生的揮發性有機化合物）的直接排放和外購電力的間接排放。到目前為止，我們在報告期內只使用了一輛汽車，與電力消耗產生的間接溫室氣體排放相比，其排放量相對較少。相應地，我們採取了一系列的節能措施，以減少用電量和溫室氣體排放。

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According to the *Green Office Policy*, we are committed to the following responsibilities in energy conservation:

- Turn off lights when not in use and use natural light when possible
- Turn on the lights at specific spots in the office for employees working overtime and turn off the other lights in the office when not in use
- Turn off air conditioning at or before 7:30 p.m. every day, in order to save energy
- Provide fans and purifiers for employees in the office after 7:30 p.m.
- Arrange monthly cleaning for air conditioning system
- Power off electrical appliances that are not in use after office hours
- Arrange regular maintenance for appliances
- Affix reminders to all electrical devices to remind employees to:
 - Switch off lighting, air conditioning, fans and purifiers after use
 - Switch off/switch the office equipment into standby mode in the office after use

During the Reporting Period, all employees strictly followed the energy-saving measures as set forth in the *Green Office Policy* and our electricity consumption has been continually monitored by responsible personnel. Yet, due to office relocation and the simultaneous operation of two offices, there was a considerable increase in electricity consumption in the Reporting Period as compared to 2018. As we settle in the new office, we will continue to observe our electricity consumption and make efforts in reducing it.

根據《綠色辦公室政策》，我們致力於節約能源方面承擔以下責任：

- 當無需照明時關燈，並儘可能使用自然光
- 當有員工加班時，僅打開員工所在區域的燈光，並關閉其他無需使用的燈光
- 每日晚上七時三十分或之前關閉所有空調設備，以節省能源消耗
- 若晚上七時三十分後仍有員工辦公，為加班員工提供風扇和空氣淨化器
- 每月安排空調系統的清潔
- 在非辦公時間，關閉所有無需使用的電器電源
- 定期安排電器的維護及保養
- 在所有電子設備處張貼溫馨提示，以提醒員工：
 - 在使用後，關閉照明設備、空調、風扇及空氣淨化器
 - 在非辦公時間，將辦公設備關閉或調至待機狀態

於報告期內，員工都嚴格遵守《綠色辦公室政策》內規定的節能措施，並由負責員工持續監控用電量。但由於辦公室搬遷及同時運營兩間辦公室的原因，與二零一八年相比，報告期內的用電量有相當的增加。我們將在新辦公室安頓後繼續觀察用電量，並努力減少電力消耗。

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Waste Reduction and Resources Saving

Although our business nature does not lead to the generation of a large amount of wastes from our day-to-day activities, we spare no effort in reducing wastes and using resources in an efficient manner. We identified our major types of non-hazardous wastes to be domestic waste and paper waste, and toner cartridges as our only hazardous waste. During the Reporting Period, recyclable materials such as paper waste, plastic bottles and glass bottles were assembled by types and collected by the third-party property management company for recycling. Meanwhile, we encourage the use of recyclable toner cartridges and returned all used toner cartridges to suppliers for recycling purposes.

According to the *Green Office Policy*, we are committed to the following responsibilities in waste reduction and resources saving:

- Use electronic means for communication whenever possible
- Apply double-sided printing whenever possible
- Collect and reuse single-sided printed paper and old envelopes for printing
- Collect and reuse old box files and apply electronic means for filing whenever possible
- Replace rubbish bag not more than twice a week whenever possible
- Collect and repair computer accessories, electrical appliances and repairable items for reuse
- Reuse rechargeable batteries whenever possible
- Reuse decorating materials

廢物減量與資源節約

縱使我們的業務性質不會導致我們於日常活動中產生大量廢物，但我們仍不遺餘力地減少浪費，並提升資源的使用效率。我們產生的主要無害廢棄物為生活垃圾及辦公室用紙，碳粉盒則作為我們唯一產生的有害廢棄物。於報告期內，可回收物料如廢紙、塑膠瓶及玻璃瓶均由第三方物業管理公司按類型收集及回收。同時，我們鼓勵員工使用可回收再用的碳粉盒，並將用完的碳粉盒全部退回供應商作回收之用。

根據《綠色辦公室政策》，我們致力於在減少浪費和節約資源方面承擔以下責任：

- 儘可能使用電子通訊
- 儘可能進行雙面打印
- 收集單面打印的紙張及舊信封進行二次打印
- 收集和重複使用舊活頁夾，並儘可能用電子方式進行文件存檔
- 在適當情況下，每周更換垃圾袋不超過兩次
- 收集並維修電腦配件、電器和其他可修復的產品以作再次使用
- 儘可能使用可充電電池
- 重複使用裝飾物料

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- Collect recyclable materials for recycling, including:
 - Waste paper
 - Metal
 - Plastic
 - Used toner and ink cartridges
 - Glass bottles
 - Rechargeable batteries
 - Encourage employees to use municipal water supplies instead of bottled water
 - Affix reminders near all printers and photocopiers to remind employees of saving paper
 - Affix reminders at collect points and notice boards in the office to encourage waste recycling
 - Affix reminders on taps in the office to remind employees of turning tap off after use
- 收集可回收物料，包括：
 - 廢紙
 - 金屬
 - 塑料
 - 使用過的墨盒及碳粉盒
 - 玻璃瓶
 - 充電電池
 - 鼓勵員工選擇市政供水，而不是瓶裝水
 - 在所有打印機和複印機處張貼溫馨提示，提醒員工節約用紙
 - 在辦公室的回收點和佈告欄張貼溫馨提示，鼓勵廢物回收
 - 在辦公室的水龍頭處張貼溫馨提示，提醒員工使用完畢後將其關閉

During the Reporting Period, only 10 recyclable toner cartridges were used, which reduced by half as compared to those used in 2018, as an achievement of employees' efforts in reducing paper use. The Company always encourages employees to avoid the use of disposable materials. Hence, the collected amounts of plastic bottles and glass bottles are limited in the office during the Reporting Period. The implementation of the *Green Office Policy* has shown a positive impact on the environmental performance of the Company.

We also promote the importance of water saving in the office. The Company's water is sourced from municipal supply and controlled by the third-party property management company. Despite not having any issue in water sourcing, the Company still proactively raises employees' awareness of water conservation by affixing reminders next to water taps in order to save water.

報告期內，本公司只使用了可回收再用的碳粉盒十個，與二零一八年相比減少了一半，亦作為員工努力減少用紙的成果。本公司一直鼓勵員工避免使用用後即棄的物料。因此，於報告期內，辦公室收集的塑膠瓶和玻璃瓶數量有限。《綠色辦公室政策》的實施對本公司在環境保護方面的表現產生了正面影響。

本公司還於辦公室內宣傳節約用水的重要性。本公司之水源來自市政供應並且由第三方物業管理公司控制。儘管本公司沒有在求取水源方面上遇到困難，我們仍然積極地通過在水龍頭旁邊張貼提示，提高員工的意識並避免水資源浪費。

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Community Investment

The Company is committed to giving back to the community. As a responsible corporate citizen, it is one of our core values to dedicate to the society, striving to make positive contributions to the community we thrive in through employee volunteering programs and donations, building trust with our community and other stakeholders.

With years of unremitting effort in community investment, we are proud to announce that we have been acknowledged as a “Caring Company” for the year of 2019/20 again this year, as a recognition of our lasting commitment in fulfilling our social responsibility, and our long-term partnership with charitable organisations.

社區投資

本公司致力於回饋社會。作為負責任的企業公民，我們秉承社會奉獻的核心價值，通過員工志願服務和捐贈，努力為我們的社區做出積極貢獻，與社區及其他持分者建立信任。

經過多年來於社區投資的不懈努力，我們榮幸地宣布我們再次獲得了由香港社會服務聯會頒發的2019/20年度「商界展關懷」標誌。此標誌顯示了我們積極履行社會責任的承諾，以及我們與慈善組織長期合作的關係。



Caring Company Certificate
「商界展關懷」證書

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In the pursuit of creating a positive impact in the community, we encourage employees to be actively involved in volunteering programs, and have been creating opportunities for our employees to have direct engagement with the community. For instance, we have been supporting U-Hearts, an influential local charitable organisation for their efforts in empowering youths in Mainland China and Hong Kong, and caring for elderly locally. We have established a long-term relationship with U-Hearts, and formed a GWPA Holdings' volunteer team under their guidance, aiming to support them by participating in voluntary work and donations. We consider collaborating with more charitable organisations in the future in order to provide more channels for employees to participate in charitable activities.

為在社區中產生正面的影響，我們鼓勵員工積極參與志願服務，並為我們的員工提供直接支援社區的機會。我們一直通過一個具有影響力的本地慈善組織「兩地一心」，為他們助力中國內地和香港的青少年以及照顧本地長者工作提供支持。我們亦與「兩地一心」建立了長期的合作關係，並在「兩地一心」的指導下成立了長城環亞控股的義工團隊，並以此參與志願服務及提供捐贈。我們考慮將來與更多慈善組織建立聯繫，為員工提供更多參與慈善活動的機會。

Activity

活動

U-hearts Elderly Caring Program
「兩地一心」長者關懷計畫



Means of participation

參與模式

The Company has been continuously supporting U-Heart's initiatives, and supported its Elderly Caring Program during the Reporting Period by preparing "lucky bags" of essential daily necessities, such as rice, noodles, toiletries, etc. More than 3,000 "lucky bags" were delivered to grass-roots families and singleton elderly on a monthly basis since October 2018, supporting people in need in Hong Kong.

本公司一直積極支持「兩地一心」的活動，並在報告期內準備含有白米、麵條、洗浴用品等日常必需品的「福袋」。自二零一八年十月起，每月向基層家庭及獨居長者派發「福袋」，共派發超過三千個「福袋」，為香港有需要人士提供援助。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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Our Performance Data

績效數據

Environmental Performance

環境績效

		2019	2018	2017
Emissions³ 排放物⁴				
GHG Emissions⁵ 溫室氣體⁶				
Types 類型	Units 單位	Total Emissions 總排放量	Total Emissions 總排放量	Total Emissions 總排放量
Scope 1: Direct GHG emissions from vehicle use ⁷ 範圍一：車輛使用產生的直接溫室氣體排放 ⁸	Tonnes CO ₂ e 公噸二氧化碳當量	5.63	–	–
Scope 1 emissions per employee 每名員工的範圍一排放	Tonnes CO ₂ e per employee 公噸二氧化碳當量／ 每名員工	0.28	–	–
Scope 2: Indirect GHG emissions from electricity use ⁹ 範圍二：用電產生的間接溫室氣體排放 ¹⁰	Tonnes CO ₂ e 公噸二氧化碳當量	49.68	24.03	19.71
Scope 2 emissions per office area 辦公室每平方呎的範圍二排放	Tonnes CO ₂ e per sq. ft 公噸二氧化碳當量／ 每平方呎	2.17x10 ⁻³	2.22x10 ⁻³	2.18x10 ⁻³

3 A vehicle was purchased and used by the Company during the Reporting Period. Since the Company did not use any vehicles in 2018 and 2017, hence, did not have any air pollutant emissions, direct GHG emissions and gasoline consumption.

4 本公司在報告期內購買及使用一輛汽車。本公司在二零一八年和二零一七年並沒有使用汽車，因此沒有任何大氣污染物排放、直接溫室氣體排放和汽油消耗。

5 According to *A Corporate Accounting and Reporting Standard* issued by the Greenhouse Gas Protocol, Scope 1 emissions is defined as the direct GHG emissions occur from sources that are owned or controlled by the Company, for example, emissions from combustion in owned vehicles, while Scope 2 emissions is defined as the indirect GHG emissions from the generation of purchased electricity, steam, heating and cooling consumed by the Company.

6 根據溫室氣體核算體系所發佈的《企業核算與報告標準》，範圍一定義為來自公司擁有或控制的來源，例如，自有車輛中汽油燃燒所產生的直接溫室氣體排放量；範圍二定義為因公司消耗的電力、蒸汽、熱力和冷氣而產生的間接溫室氣體排放量。

7 The calculation method and relevant emission factors of direct GHG emissions are referenced to the *Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings (Commercial, Residential or Institutional Purposes) in Hong Kong* issued by the Electrical and Mechanical Services Department and the Environmental Protection Department of Hong Kong.

8 直接溫室氣體排放的計算方法及相關排放係數乃參考機電工程署和環境保護署共同發佈的《香港建築物（商業、住宅或公共用途）的溫室氣體排放及減除的核算和報告指引》。

9 The calculation method and relevant emission factors of indirect GHG emissions are referenced to *A Corporate Accounting and Reporting Standard and the Sustainability Report 2018* issued by the Greenhouse Gas Protocol and the HK Electric Investments respectively.

10 間接溫室氣體排放的計算方法及相關排放係數乃參考溫室氣體核算體系所發佈的《企業核算與報告標準》及港燈電力投資有限公司發佈的《2018年可持續發展報告》。

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		2019	2018	2017
Wastes 廢棄物		Total Emissions 總排放量	Total Emissions 總排放量	Total Emissions 總排放量
Types 類型	Units 單位			
Non-hazardous waste: Domestic waste ¹¹ 無害廢棄物：生活垃圾 ¹²	Tonnes 公噸	3.29	3.22	–
Domestic waste per employee 每名員工產生的生活垃圾	Tonnes per employee 公噸／每名員工	0.16	0.15	–
Hazardous waste: Toner cartridge 有害廢棄物：碳粉盒	Pieces 件	10	21	10
Toner cartridge per employee 每名員工產生的的碳粉盒	Piece per employee 件／每名員工	0.50	1	0.56

11 The calculation method of domestic waste of 2019 is referenced to the *Monitoring of Solid Waste in Hong Kong – Waste Statistics for 2018*, and calculation methods of domestic waste of 2018 and 2017 are referenced to the *Monitoring of Solid Waste in Hong Kong – Waste Statistics for 2017* issued by the Environmental Protection Department.

12 二零一九年的生活垃圾的計算方法參考環境保護署發佈的《香港固體廢物監察報告——二零一八年的統計數字》。二零一八年及二零一七年的生活垃圾的計算方法參考環境保護署發佈的《香港固體廢物監察報告——二零一七年的統計數字》。

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Use of Resources 資源使用		2019	2018	2017
Types 類型	Units 單位	Amount 數量	Amount 數量	Amount 數量
Electricity consumption ¹³ 用電量 ¹⁴	kWh 千瓦時	62,102.00	30,416.82	24,953.00
Electricity consumption per office area 辦公室每平方呎的電力消耗	kWh per sq. ft 千瓦時／每平方呎	2.72	2.81	2.77
Gasoline consumption ³ 汽油用量 ⁴	Litres 公升	2,115.20	–	–
Gasoline consumption per employee 每名員工的汽油用量	Litres per employee 公升／每名員工	105.76	–	–
Purchased water ¹⁵ 外購用水量 ¹⁶	m ³ 立方米	6.56	4.64	–
Purchased water per employee 每名員工的外購用水量	m ³ per employee 立方米／每名員工	0.33	0.22	–

13 The reason for the significant increase in electricity consumption was due to office relocation from May to December 2019 when both offices were under operation simultaneously.

14 電力消耗大幅增加的原因是因為二零一九年五月至十二月辦公室的搬遷及同時運營兩間辦公室。

15 The Company operates in an office in which its supply of water is managed by a third-party property management company and the water usage data could not be obtained. Hence, purchased water includes purchased bottles of drinking water for office use only.

16 本公司在辦公室運營，因水源供應由第三方物業管理公司控制，所以難以獲得用水數據。因此，外購用水量只包含供辦公室使用的外購瓶裝水。

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環境、社會及管治報告

Social Performance¹⁷

社會績效¹⁸

Total Workforce 僱員總數

No. and rate of employees
員工人數及佔比

By sex
按性別劃分

Male 13 65.0%
男

Female 7 35.0%
女

By employment type
按僱傭類型劃分

Senior level 4 20.0%
高層

Middle level 10 50.0%
中層

Junior level 6 30.0%
基層

By age
按年齡劃分

Below 30 3 15.0%
30歲以下

30-40 7 35.0%
30-40歲

41-50 8 40.0%
41-50歲

51 or above 2 10.0%
51歲或以上

By geographical region
按地區劃分

Mainland China 7 35.0%
中國內地

Hong Kong 13 65.0%
香港

17 We started to collect our social performance data during the Reporting Period, hence figures of 2018 and 2017 are not available and are not shown in the table. In the future, we will continue to collect social performance data with consistent methodologies to allow meaningful comparisons over time.

18 我們在報告期內開始收集社會績效數據，並沒有對二零一八年和二零一七年的相關數據進行披露，且未顯示在表格中。未來，我們將繼續採用一致的方法收集社會績效數據，以確保有意義的比較。

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Employee Turnover 員工流失

No. and rate of employee turnover 員工流失人數及員工流失率	By sex 按性別劃分	Male 男	1	8.7%
		Female 女	1	13.3%
	By employment type 按僱傭類型劃分	Senior level 高層	0	0%
		Middle level 中層	0	0%
		Junior level 基層	2	36.4%
	By age 按年齡劃分	Below 30 30歲以下	1	28.6%
		30-40 30-40歲	1	12.5%
		41-50 41-50歲	0	0%
		51 or above 51歲或以上	0	0%
	By geographical region 按地區劃分	Mainland China 中國內地	0	0%
		Hong Kong 香港	2	14.8%

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Development and Training 發展與培訓

No. and rate of employees trained 員工培訓人數及佔比	By sex 按性別劃分	Male 男	13	92.9%
		Female 女	7	87.5%
	By employment type 按僱傭類型劃分	Senior level 高層	3	75.0%
		Middle level 中層	10	100%
		Junior level 基層	7	87.5%
	Average no. of training hours per employee 每名員工平均培訓時數	By sex 按性別劃分	Male 男	21.4
Female 女			21.9	–
By employment type 按僱傭類型劃分		Senior level 高層	13.7	–
		Middle level 中層	20.5	–
		Junior level 基層	26.5	–

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Occupational Health and Safety 職業健康與安全

No. and rate of work-related fatalities 因工作關係而死亡的人數及比率	0	0%
No. and rate of work injury 因工作關係而受傷的人數及比率	0	0%
No. of lost days due to work injury 因工作關係而受傷所損失的工作日數	0	–

Supply Chain Management 供應鏈管理

No. and rate of suppliers 供應商數目及佔比	By geographical region 按地區劃分	Mainland China 中國內地	0	0%
		Hong Kong 香港	14	100%

Product Responsibility 產品責任

No. of complaints received 接獲的投訴數目	0	–
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Anti-corruption 反貪污

No. of concluded legal cases regarding corrupt practices brought against the Company or our employees 對發行人或其僱員提出並已審結的貪污訴訟案件的數目	0	–
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Community Investment 社區投資

Donation amount (in HK\$) 捐贈金額(港幣)	26,800
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Appendix: The Environmental, Social and Governance Reporting Guide Index

附錄：聯交所ESG指引索引

General Disclosures and Key Performance Indicators (KPI) 一般披露及關鍵績效指標(KPI)	Description 描述	Relevant Section in the Report 本報告相關章節
A. Environmental A. 環境範疇		
Aspect A1: Emission 層面A1：排放物		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料	Environment 環境
KPI A1.1	The types of emissions and respective emissions data. 排放物種類及相關排放數據	Not material ¹⁹ 不重要 ²⁰
KPI A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 溫室氣體總排放量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)	Environmental Performance 環境績效
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生有害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)	Environmental Performance 環境績效
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生無害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)	Environmental Performance 環境績效

19 The Company conducted materiality assessment during the previous reporting period, where “air pollutants emission and management” issue was considered as a low materiality issue that have low impact on our stakeholders and business, and was not considered material to the Company during the Reporting Period. Meanwhile, the amount of air pollutants generated by the Company is limited since only one vehicle was purchased and used by the Company during the Reporting Period. With these reasons, the Company has decided not disclosing respective types of emissions and emissions data in the Report.

20 本公司於上一個報告期進行了重要性評估，其中「廢氣排放與管理」議題顯示為重要性較低的議題，同時對我們的持份者及業務影響不大，並於報告期內被本公司視為不重要。另外，本公司在報告期內只購買及使用了一輛汽車，產生有限的大氣污染物，基於這些原因，本公司決定不在本報告中披露其排放物種類及相關排放數據。

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General Disclosures and Key Performance Indicators (KPI) 一般披露及關鍵績效指標(KPI)	Description 描述	Relevant Section in the Report 本報告相關章節
KPI A1.5	Description of measures to mitigate emissions and results achieved. 描述減低排放量的措施及所得成果	Emission Reduction and Energy Conservation 節能減排
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果	Waste Reduction and Resources Saving 廢物減量與資源節約
Aspect A2: Use of Resources 層面A2：資源使用		
General Disclosure 一般披露	Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源(包括能源、水及其他原材料)的政策	Waste Reduction and Resources Saving 廢物減量與資源節約
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). 按類型劃分的直接及／或間接能源(如電、氣或油)總耗量(以千個千瓦時計算)及密度(如以每產量單位、每項設施計算)	Environmental Performance 環境績效
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility). 總耗水量及密度(如以每產量單位、每項設施計算)	Environmental Performance 環境績效
KPI A2.3	Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及所得成果	Emission Reduction and Energy Conservation 節能減排
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果	Waste Reduction and Resources Saving 廢物減量與資源節約
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced 製成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位估量	Not applicable ²¹ 不適用 ²²

21 Since there are no sales of actual products in the direct business operation of the Company, the use of packaging materials was not involved during the Reporting Period.

22 由於本公司直接經營的業務中並無銷售實體產品，因此於報告期內並無涉及任何包裝物料的使用。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

General Disclosures and Key Performance Indicators (KPI) 一般披露及關鍵績效指標(KPI)	Description 描述	Relevant Section in the Report 本報告相關章節
Aspect A3: The Environment and Natural Resources 層面A3：環境及天然資源		
General Disclosure 一般披露	Policies on minimising the issuer's significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策	Environment 環境
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動	Not applicable ²³ 不適用 ²⁴
B. Social B. 社會範疇		
Aspect B1: Employment 層面B1：僱傭		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料	Employment and Labour Practice 僱傭及勞工準則
KPI B1.1	Total workforce by gender, employment type, age group and geographical region. 按性別、僱傭類型、年齡組別及地區劃分的僱員總數	Social Performance 社會績效
KPI B1.2	Employee turnover rate by gender, age group and geographical region. 按性別、年齡組別及地區劃分的僱員流失比率	Social Performance 社會績效

23 Due to the minimal impact of the Company's direct business operation on the environment and natural resources, no activities were taken to manage the impact.

24 由於本公司直接經營的業務中對環境及天然資源的影響極少，因此沒有採取管理有關影響的活動。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

General Disclosures and Key Performance Indicators (KPI) 一般披露及關鍵績效指標(KPI)	Description 描述	Relevant Section in the Report 本報告相關章節
Aspect B2: Health and Safety 層面B2：健康與安全		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料	Health and Safety 健康及安全
KPI B2.1	Number and rate of work-related fatalities. 因工作關係而死亡的人數及比率	Social Performance 社會績效
KPI B2.2	Lost days due to work injury. 因工傷損失工作日數	Social Performance 社會績效
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored. 描述所採納的職業健康與安全措施，以及相關執行及監察方法	Health and Safety 健康及安全
Aspect B3: Development and Training 層面B3：發展及培訓		
General Disclosure 一般披露	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動	Development and Training 發展及培訓
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management). 按性別及僱員類別（如高級管理層、中級管理層等）劃分的受訓僱員百分比	Social Performance 社會績效
KPI B3.2	The average training hours completed per employee by gender and employee category. 按性別及僱員類別劃分，每名僱員完成受訓的平均時數	Social Performance 社會績效

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

General Disclosures and Key Performance Indicators (KPI) 一般披露及關鍵績效指標(KPI)	Description 描述	Relevant Section in the Report 本報告相關章節
Aspect B4: Labour Standards 層面B4：勞工準則		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料	Employment and Labour Practice 僱傭及勞工準則
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour. 描述檢討招聘慣例的措施以避免童工及強制勞工	Employment and Labour Practice 僱傭及勞工準則
KPI B4.2	Description of steps taken to eliminate such practices when discovered. 描述在發現違規情況時消除有關情況所採取的步驟	Employment and Labour Practice 僱傭及勞工準則
Aspect B5: Supply Chain Management 層面B5：供應鏈管理		
General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策	Supply Chain Management 供應商管理
KPI B5.1	Number of suppliers by geographical region. 按地區劃分的供應商數目	Social Performance 社會績效

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

General Disclosures and Key Performance Indicators (KPI) 一般披露及關鍵績效指標(KPI)	Description 描述	Relevant Section in the Report 本報告相關章節
Aspect B6: Product Responsibility 層面B6：產品責任		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料	Product Responsibility ²⁵ 產品責任 ²⁶
KPI B6.2	Number of products and service related complaints received and how they are dealt with. 接獲關於產品及服務的投訴數目以及應對方法	Product Responsibility 產品責任 Social Performance 社會績效
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的慣例	Product Responsibility 產品責任
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored. 描述消費者資料保障及私隱政策，以及相關執行及監察方法	Product Responsibility 產品責任

25 Since there are no sales of actual products in the direct business operation of the Company, no matters relating to product labelling were involved during the Reporting Period.

26 由於本公司直接經營的業務中並無銷售實體產品，因此於報告期內並無涉及有關產品標籤的事宜。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

General Disclosures and Key Performance Indicators (KPI) 一般披露及關鍵績效指標(KPI)	Description 描述	Relevant Section in the Report 本報告相關章節
Aspect B7: Anti-corruption 層面B7：反貪污		
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料	Integrity and Honesty 操守及誠信
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. 於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果	Social Performance 社會績效
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored. 描述防範措施及舉報程序，以及相關執行及監察方法	Integrity and Honesty 操守及誠信
Aspect B8: Community Investment 層面B8：社區投資		
General Disclosure 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策	Community Investment 社區投資
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport). 專注貢獻範疇(如教育、環境事宜、勞工需求、健康、文化、體育)	Community Investment 社區投資
KPI B8.2	Resources contributed (e.g. money or time) to the focus area. 在專注範疇所動用資源(如金錢或時間)	Social Performance 社會績效

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

TO THE SHAREHOLDERS OF GREAT WALL PAN ASIA HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

Opinion

What we have audited

The consolidated financial statements of Great Wall Pan Asia Holdings Limited (the “Company”) and its subsidiaries (the “Group”) set out on pages 138 to 223, which comprise:

- the consolidated balance sheet as at 31 December 2019;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

Our opinion

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.

致長城環亞控股有限公司股東

(於百慕達註冊成立的有限公司)

意見

我們已審計的內容

長城環亞控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第138至223頁的綜合財務報表，包括：

- 於二零一九年十二月三十一日的綜合資產負債表；
- 截至該日止年度的綜合全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報表附註，包括主要會計政策概要。

我們的意見

我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而中肯地反映了貴集團在二零一九年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例的披露規定妥為擬備。

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

Key Audit Matters

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

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》(「《香港審計準則》」)進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部份中作進一步闡述。

我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

獨立性

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

關鍵審計事項

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

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key audit matter identified in our audit is related to valuation of investment properties. 我們在審計中識別的關鍵審計事項乃與投資物業的估值有關。

Key Audit Matter

關鍵審計事項

Valuation of investment properties

投資物業估值

Refer to notes 2(h), 3(a) and 6 to the consolidated financial statements.

請參閱綜合財務報表附註2(h)、3(a)及6。

The investment properties are a key component of the Group's net assets value as at year end and financial performance for the year. The Group recognised the fair values of the investment properties of HK\$3,351.2 million in the consolidated balance sheet as at 31 December 2019 and the investment properties revaluation gains of HK\$169.2 million in the consolidated statement of comprehensive income for the year ended 31 December 2019.

該等投資物業為 貴集團截至年末的資產淨值及年內財務表現的重要組成部分。於二零一九年十二月三十一日，貴集團於綜合資產負債表中確認投資物業公平值3,351.2百萬港元，及 貴集團於截至二零一九年十二月三十一日止年度於綜合全面收益表中確認投資物業重估收益169.2百萬港元。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

Our procedures in relation to management's valuation of investment properties included:

就管理層對投資物業的估值，我們所執行的程序包括：

- Assessed the Valuers' competence, capabilities and objectivity;
- 評估估值師的資格、能力及客觀性；
- Obtained and read the valuation reports issued by the Valuers which covered the property valuation of all investment properties of the Group;
- 獲得及閱讀估值師出具的估值報告，其涵蓋 貴集團全部投資物業的物業估值；
- Agreed the management data used by the Valuers, including tenancy schedules and relevant details, to the tenancy agreements of the Group;
- 核實估值師使用的管理數據，包括租賃時間表、相關詳情及 貴集團的租賃協議；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key Audit Matter

關鍵審計事項

The investment properties of the Group comprise retail shops, office buildings, industrial buildings, and car parking spaces. Management determined the fair values of these properties, with reference to the valuation performed by external valuers engaged by the Group (the "Valuers"), both using the income capitalisation approach. The income capitalisation approach involved significant estimates, the key assumptions used such as rental yields and capitalisation rates taking into consideration of the locations, sizes, and qualities of the properties to derive the fair values of each of the properties.

貴集團的投資物業組合包括零售店、辦公大樓、工廈及停車場車位。管理層確定投資物業公平值是參考 貴集團委聘的外聘估值師（「估值師」）進行的估值，估值師均使用收益資本化法釐定該等物業的公平值。收益資本化法涉及重大估計，例如租金收益率及資本化比率所用的關鍵假設，並考慮到物業的地點、大小及質量，以得出每項物業的公平值。

The valuation was inherently subjective due to the significant estimates involved. Changes in these estimates could result in material changes to the valuation of the properties and hence the results of the Group.

由於涉及重大估計，估值本質上是主觀的。該等估計的變動可能導致物業估值出現重大變化，從而導致 貴集團的業績出現重大變化。

How our audit addressed the Key Audit Matter

我們的審計如何處理關鍵審計事項

- Assessed the valuation methodologies and the key assumptions used by the Valuers, including involvement of our internal valuation specialists; and
- 評估估值師使用的估值方法及關鍵假設，包括我們的內部估值專家的參與；及
- Involved our internal valuation specialists to compare the rental yields and capitalisation rates used in the management's valuation process, with our independently formed market expectation of similar properties.
- 讓我們的內部估值專家就租金收益率及管理層估值過程中使用的資本化比率與類似物業獨立形成的市場預期進行比較。

We found the key assumptions used in the valuations were supported by the available evidence obtained. 我們認為估值所用假設可由現有所獲得證據支持。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Other Information

The Directors of the Company are responsible for the other information. The other information comprises all of 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 Directors and the Audit Committee 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 are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

其他信息

貴公司董事須對其他信息負責。其他信息包括年報內的所有資料，但不包括綜合財務報表及我們的核數師報告。

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

結合我們對綜合財務報表的審計，我們的責任為閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或我們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誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。我們並無就此作出任何報告。

董事及審核委員會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的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部監控負責。

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

審核委員會須負責監督 貴集團的財務報告過程。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅按照百慕達一九八一年《公司法》第90條向閣下（作為整體）報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部監控之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部監控，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

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

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

We also provide 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.

我們亦向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與彼等溝通可能合理地被認為會影響我們獨立性的所有關係及其他事項，以及在適用情況下的相關防範措施。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

From the matters communicated with 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 Li Lien.

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

出具本獨立核數師報告的審計項目合夥人是李琳。

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 18 March 2020

羅兵咸永道會計師事務所
執業會計師

香港，二零二零年三月十八日

CONSOLIDATED BALANCE SHEET

綜合資產負債表

			31 December 2019 二零一九年 十二月三十一日	31 December 2018 二零一八年 十二月三十一日
		Notes 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
ASSETS	資產			
Non-current assets	非流動資產			
Investment properties	投資物業	6	3,351,200	3,791,800
Investment in associates	於聯營公司之投資	8	3,811,900	3,405,706
Financial asset at fair value through profit or loss	按公平值計入損益的 金融資產	9	1,116	1,141
Property, plant and equipment	物業、機器及設備	5	631,807	4,073
Right-of use-assets	使用權資產	10	21,986	-
Loan receivable	應收貸款	11	-	115,903
Restricted cash	受限制現金	16	10,226	9,199
			7,828,235	7,327,822
Current assets	流動資產			
Amounts due from associates	應收聯營公司款項	8	65	-
Prepayments, deposits and other receivables	預付費用、按金及 其他應收款項	13	16,848	12,765
Current tax recoverable	流動可收回稅項		889	-
Accounts receivable	應收款項	12	3,740	3,064
Cash and bank balances	現金及銀行結餘	28	182,255	169,593
			203,797	185,422
Total assets	總資產		8,032,032	7,513,244
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Loans from an intermediate holding company	來自中間控股公司 之貸款	15	3,848,434	3,915,009
Bank borrowings	銀行借貸	16	897,285	893,529
Lease liabilities	租賃負債	18	17,952	-
Deferred income tax liabilities	遞延所得稅負債	14	3,610	1,913
Other payables and accrued liabilities	其他應付款項及應計負債	17	254,549	125,262
			5,021,830	4,935,713

CONSOLIDATED BALANCE SHEET (Continued)

綜合資產負債表(續)

			31 December 2019 二零一九年 十二月三十一日	31 December 2018 二零一八年 十二月三十一日
		Notes 附註	HK\$'000 港幣千元	HK\$'000 港幣千元
Current liabilities	流動負債			
Amount due to an intermediate holding company	應付中間控股公司款項		-	91
Amounts due to associates	應付聯營公司款項	8	-	958
Bank borrowings	銀行借貸	16	-	49,792
Lease liabilities	租賃負債	18	4,712	-
Current income tax liabilities	即期所得稅負債		3,591	1,432
Other payables and accrued liabilities	其他應付款項及應計負債	17	42,727	52,664
			51,030	104,937
Total liabilities	總負債		5,072,860	5,040,650
EQUITY	權益			
Capital and reserves	資本及儲備			
Share capital	股本	19	156,775	156,775
Reserves	儲備	20	2,802,397	2,315,819
Total equity	總權益		2,959,172	2,472,594
Total equity and liabilities	總權益及負債		8,032,032	7,513,244

The notes on pages 144 to 223 are an integral part of these consolidated financial statements. 第144頁至第223頁之附註為此等綜合財務報表之一部份。

Mr. Chen Zenan
陳澤南先生
Chairman
主席

Mr. Huang Hu
黃虎先生
Director
董事

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
	Notes 附註		
Revenue	收益	168,345	144,874
Other income	其他收入	151	2,375
Cost of production	生產成本	-	(5,232)
Rental and utilities	租金及設施	(13,559)	(17,461)
Depreciation	折舊	(20,914)	(2,004)
Other operating expenses	其他經營開支	(63,962)	(69,585)
Fair value gain on investment properties	投資物業公平值收益	169,192	400,561
Operating profit	經營盈利	239,253	453,528
Net finance cost	財務成本淨額	(173,399)	(143,674)
Share of profits of associates	應佔聯營公司盈利	427,393	279,717
Profit before income tax	除所得稅前盈利	493,247	589,571
Income tax expense	所得稅開支	(6,296)	(6,116)
Profit for the year	全年盈利	486,951	583,455

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Continued)

綜合全面收益表(續)

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
	Notes 附註		
Other comprehensive loss	其他全面虧損		
Item that may be/has been reclassified subsequently to profit or loss:	其後可/已重新分類至損益之項目：		
Currency translation difference on consolidation	綜合賬目時產生之匯兌差額	(373)	(965)
		(373)	(965)
Other comprehensive loss for the year, net of tax	全年其他全面虧損 (除稅後)	(373)	(965)
Total comprehensive income for the year	全年全面收入總額	486,578	582,490
Profit attributable to:	應佔盈利：		
Shareholders of the Company	本公司股東	486,951	583,455
Total comprehensive income attributable to:	應佔全面收入總額：		
Shareholders of the Company	本公司股東	486,578	582,490
Earnings per share	每股盈利		
Basic	基本	HK31.06 cents 港仙	HK37.22 cents港仙
Diluted	攤薄	HK31.06 cents 港仙	HK37.22 cents港仙

The notes on pages 144 to 223 are an integral part of these consolidated financial statements.

第144頁至第223頁之附註為此等綜合財務報表之一部份。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

Year ended 31 December 2019

截至二零一九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						
		Reserves 儲備						
		Share capital 股本	Share premium 股份溢價	Contributed surplus 繳入盈餘	Merger reserve 合併儲備	Other reserves 其他儲備	Retained profits 保留盈利	Total equity 總權益
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Balance at 1 January 2019	於二零一九年一月一日結餘	156,775	50,382	310,841	(9,011)	333,974	1,629,633	2,472,594
Comprehensive income	全面收入							
Profit for the year	全年盈利	-	-	-	-	-	486,951	486,951
Other comprehensive loss	其他全面虧損	-	-	-	-	(373)	-	(373)
Total comprehensive income	全面收入總額	-	-	-	-	(373)	486,951	486,578
Balance at 31 December 2019	於二零一九年十二月三十一日結餘	156,775	50,382	310,841	(9,011)	333,601	2,116,584	2,959,172
Balance at 1 January 2018	於二零一八年一月一日結餘	156,775	50,382	310,841	(9,011)	334,939	1,046,178	1,890,104
Comprehensive income	全面收入							
Profit for the year	全年盈利	-	-	-	-	-	583,455	583,455
Other comprehensive loss	其他全面虧損	-	-	-	-	(965)	-	(965)
Total comprehensive income	全面收入總額	-	-	-	-	(965)	583,455	582,490
Balance at 31 December 2018	於二零一八年十二月三十一日結餘	156,775	50,382	310,841	(9,011)	333,974	1,629,633	2,472,594

The notes on pages 144 to 223 are an integral part of these consolidated financial statements.

第144頁至第223頁之附註為此等綜合財務報表之一部份。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
	Notes 附註		
Cash flows from operating activities	經營活動之現金流量		
Cash generated from operations	經營產生之現金	28(a) 70,982	1,518,527
Hong Kong profits tax paid	已付香港利得稅	(3,329)	(11,112)
Net cash generated from operating activities	經營活動產生之淨現金	67,653	1,507,415
Cash flows from investing activities	投資活動之現金流量		
Purchase of property, plant and equipment	購入物業、機器及設備	5 (4,382)	(935)
Addition of investment properties	添置投資物業	6 (19,958)	(818)
Interest received	已收利息	197	152
Loan to a third party	向第三方貸款	–	(116,700)
Repayment of loan receivable	償還應收貸款	116,700	–
Investment in an associate	於一家聯營公司之投資	8 –	(3,123,382)
Dividend income from an associate	來自一家聯營公司的股息收入	8 7,474	–
Repayment of loan from an associate	來自一家聯營公司的貸款償還	8 13,725	–
Acquisition of business and subsidiaries	收購業務及附屬公司	27 –	(714,319)
Restricted cash	受限制現金	(1,027)	(9,199)
Net cash generated from/ (used in) from investing activities	投資活動產生/(所用)之淨現金	112,729	(3,965,201)
Cash flows from financing activities	融資活動之現金流量		
Repayment of loans from an intermediate holding company	來自中間控股公司的償還貸款	(66,576)	–
Repayment of bank borrowing	償還銀行借貸	(49,792)	–
Proceeds from loans from an intermediate holding company	來自中間控股公司之貸款所得款項	28(c) –	2,479,342
Repayment of lease liabilities	償還租賃負債	18 (13,198)	–
Proceeds from bank borrowings	銀行借貸所得款項	16 –	52,013
Interest paid	已付利息	(38,022)	(22,410)
Net cash (use in)/ generated from financing activities	融資活動(所用)/產生之淨現金	(167,588)	2,508,945
Net increase in cash and cash equivalents	現金及現金等值之淨增加	12,794	51,159
Effect of changes in foreign exchange rate	匯率變動之影響	(132)	(127)
Cash and cash equivalents at 1 January	於一月一日之現金及現金等值	169,593	118,561
Cash and cash equivalents at 31 December	於十二月三十一日之現金及現金等值	28(b) 182,255	169,593

The notes on pages 144 to 223 are an integral part of these consolidated financial statements.

第144頁至第223頁之附註為此等綜合財務報表之一部份。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

1. Corporate information

The Company is incorporated in Bermuda as an exempted company with limited liability. Its principal place of business in Hong Kong is 21st Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong.

During the year, the principal activities of the Company and its subsidiaries (collectively referred to as the “Group”) are (a) property investment and (b) financial services.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”). They have been prepared under the historical cost convention, as modified by the revaluation of investment properties and financial asset at fair value through profit or loss, as further explained below.

(i) *New and amended standards adopted by the Group*

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2019:

- HKFRS 16 “Leases”
- Interpretation 23 Uncertainty over Income Tax Treatments.

The Group had to change its accounting policies as a result of adopting HKFRS 16. The Group elected to adopt the new rules retrospectively but recognised the cumulative effect of initially applying the new standard on 1 January 2019. This is disclosed in Note 2(b). Other amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

1. 公司資料

本公司為一家於百慕達註冊成立之獲豁免有限責任公司。本公司於香港之主要營業地點為香港中環夏慤道12號美國銀行中心21樓。

於本年度，本公司及其附屬公司（統稱「本集團」）之主要業務包括(a)物業投資及(b)金融服務。

2. 重要會計政策摘要

編製此等財務報表所應用之主要會計政策列載如下。除另有列明外，此等會計政策已貫徹應用於所有呈報年度。

(a) 編製基準

本財務報表乃根據香港財務報告準則（「香港財務報告準則」）編製。本財務報表乃根據歷史成本常規法編製，並經重估投資物業及按公平值計入損益之金融資產修訂，詳情載於下文。

(i) *本集團採納之新訂及經修訂準則*

本集團於二零一九年一月一日起首次對其年度報告期間採用以下準則及修訂：

- 香港財務報告準則第16號「租賃」
- 詮釋第23號所得稅處理的不確定性。

本集團因採納香港財務報告準則第16號而更改其會計政策。本集團選擇追溯採納新規定，惟已確認於二零一九年一月一日首次採納新準則的累計影響。有關詳情於附註2(b)披露。上述其他修訂對過往期間確認的金額沒有任何影響，且預計不會對當前或未來期間造成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

2. Summary of significant accounting policies (Continued)

(a) Basis of preparation (Continued)

(ii) *New standards and interpretations not yet adopted by the Group*

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2019 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

(b) Changes in accounting policy and disclosures

This note explains the impact of the adoption of HKFRS 16 “Leases” on the Group’s consolidated financial statements and discloses the new accounting policies that have been applied from 1 January 2019 below.

The Group has adopted HKFRS 16 retrospectively from 1 January 2019, but has not restated comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening consolidated balance sheet on 1 January 2019.

Adjustments recognised on adoption of HKFRS 16

On adoption of HKFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as ‘operating leases’ under the principles of HKAS 17 “Leases”. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee’s incremental borrowing rate as of 1 January 2019. The weighted average lessee’s incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 3.43%.

The remeasurements to the lease liabilities were recognised as adjustments to the related right-of-use assets immediately after the date of initial application on 1 January 2019.

2. 重要會計政策摘要(續)

(a) 編製基準(續)

(ii) 本集團尚未採納之新訂準則及詮釋

若干新會計準則及詮釋已頒佈但並非於二零一九年十二月三十一日報告期間強制生效且未獲本集團提前採納。該等準則於當前或未來報告期間及於可預見將來之交易並不預期會對本集團造成重大影響。

(b) 會計政策之變動及披露

本附註闡明採納香港財務報告準則第16號「租賃」對本集團綜合財務報表的影響，及披露下列已於二零一九年一月一日起應用的新訂會計政策。

本集團已於二零一九年一月一日起追溯採納香港財務報告準則第16號，惟按載於準則中的特定過渡性條文項下所允許，並未重列二零一八年報告期間的比較數字。因此，新訂租賃規則產生的重新分類及調整於二零一九年一月一日的期初綜合資產負債表中確認。

採納香港財務報告準則第16號時確認之調整

於採納香港財務報告準則第16號時，本集團根據香港會計準則第17號「租賃」的原則將先前分類為「經營租賃」的租賃確認為租賃負債。該等負債按租賃付款餘額的現值計量，並使用承租人截至二零一九年一月一日的增量借款利率進行折現。於二零一九年一月一日應用於該等租賃負債的加權平均承租人增量借款利率為3.43%。

該等租賃負債的重新計量於緊接初始應用日期二零一九年一月一日後被確認為對相關使用權資產的調整。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

2. Summary of significant accounting policies (Continued)

2. 重要會計政策摘要(續)

(b) Changes in accounting policy and disclosures (Continued)

(b) 會計政策之變動及披露(續)

Adjustments recognised on adoption of HKFRS 16 (Continued)

採納香港財務報告準則第16號時確認之調整(續)

		2019 二零一九年 HK\$'000 港幣千元
Operating lease commitments disclosed as at 31 December 2018	於二零一八年十二月三十一日披露的經營租賃承擔	36,424
Discounted using the lessee's incremental borrowing rate of at the date of initial application	使用承租人於初始應用日期的增量借款利率進行折現	34,868
Lease liabilities recognised as at 1 January 2019	於二零一九年一月一日確認的租賃負債	34,868
Of which are:	其中：	
Current lease liabilities	流動租賃負債	12,204
Non-current lease liabilities	非流動租賃負債	22,664
		34,868

The recognised right-of-use assets relate to the following types of assets:

與下列資產類別有關的已確認使用權資產：

		31 December 2019 二零一九年 十二月三十一日 HK\$'000 港幣千元	1 January 2019 二零一九年 一月一日 HK\$'000 港幣千元
Properties	物業	21,986	37,148
Total right-of-use assets	使用權資產總額	21,986	37,148

As at 1 January 2019, right-of-use assets were measured at the amount equal to the lease liabilities, including an estimate of costs to be incurred by the Group of HK\$2,280,000 in dismantling and removing the underlying asset.

於二零一九年一月一日，使用權資產按相等於租賃負債之金額(包括本集團拆除及移除相關資產時將產生成本之估計2,280,000港元)計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

2. Summary of significant accounting policies (Continued)

(b) Changes in accounting policy and disclosures (Continued)

Adjustments recognised on adoption of HKFRS 16 (Continued)

The change in accounting policy affected the following items in the balance sheet on 1 January 2019:

- Right-of-use assets – increase by HK\$37,148,000
- Lease liabilities – increase by HK\$34,868,000
- Provision – increase by HK\$2,280,000

The net impact on reserves on 1 January 2019 was nil.

(i) Impact on segment disclosures

Reportable segment net profits and segment assets for the year ended 31 December 2019 have changed as a result of the change in accounting policy.

The following segments were affected by the change in policy:

2. 重要會計政策摘要(續)

(b) 會計政策之變動及披露(續)

採納香港財務報告準則第16號時確認之調整(續)

於二零一九年一月一日，會計政策變動影響下列資產負債表的項目：

- 使用權資產—增加37,148,000港元
- 租賃負債—增加34,868,000港元
- 撥備—增加2,280,000港元

對於二零一九年一月一日的儲備的淨影響為無。

(i) 對分部披露的影響

截至二零一九年十二月三十一日止年度，可報告分部淨盈利及分部資產均因會計政策變動而已變動。

下列分部受政策變動影響：

		Reportable segment net profits 可報告 分部淨盈利 HK\$'000 港幣千元	Segment assets 分部資產 HK\$'000 港幣千元
Property investment	物業投資	(677)	21,986
Financial services	金融服務	-	-
		(677)	21,986

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

2. Summary of significant accounting policies (Continued)

(b) Changes in accounting policy and disclosures (Continued)

Adjustments recognised on adoption of HKFRS 16 (Continued)

(ii) Practical expedients applied

In applying HKFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Group leases various offices and buildings. Rental contracts are typically made for fixed periods of 1 to 3 years.

Until 31 December 2018, leases of properties were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the terms of the lease.

From 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each year. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

2. 重要會計政策摘要(續)

(b) 會計政策之變動及披露(續)

採納香港財務報告準則第16號時確認之調整(續)

(ii) 應用之實際權宜方法

於初始應用香港財務報告準則第16號時，本集團已使用該準則所允許的下列實際權宜方法：

- 對擁有合理類似特徵之租賃組合使用單一折現率
- 倘合約包含延長或終止租賃的選擇權，使用事後分析釐定租賃期。

集團租賃各種辦公室及樓宇。租賃合約通常為一至三年的固定期限。

直至二零一八年十二月三十一日，物業租賃分類為經營租賃。經營租賃支付之付款(經扣除自出租人收取之任何激勵措施)於出租期內以直線法自損益扣除。

自二零一九年一月一日起，租賃確認為使用權資產，並於租賃資產可供本集團使用之日確認相應負債。每筆租賃付款乃分配至負債及財務成本。財務成本於租賃期內於損益扣除，以於各年度之負債剩餘結餘上，產生一項一致之定期利率。使用權資產乃按資產可使用年期及租賃期(以較短者為準)以直線法折舊。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

2. Summary of significant accounting policies (Continued)

(b) Changes in accounting policy and disclosures (Continued)

Adjustments recognised on adoption of HKFRS 16 (Continued)

(ii) Practical expedients applied (Continued)

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability, and
- restoration costs.

2. 重要會計政策摘要(續)

(b) 會計政策之變動及披露(續)

採納香港財務報告準則第16號時確認之調整(續)

(ii) 應用之實際權宜方法(續)

租賃產生的資產及負債初始按現值基準計量。租賃負債包括以下租賃付款的淨現值：

- 固定付款(包括實質固定付款)減任何應收租賃獎勵
- 支付終止租賃的罰款(倘租賃期反映承租人行使該選擇權終止租賃)。

租賃付款採用租賃所隱含的利率予以折現。倘無法釐定該利率，則使用承租人的增量借款利率，即承租人在類似條款及條件的類似經濟環境中借入獲得類似價值資產所需資金所必須支付的利率。

使用權資產按成本計量，包括下列：

- 租賃負債的初始計量金額，及
- 修復成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

2. Summary of significant accounting policies (Continued)

(c) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December 2019.

(i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Except for acquisitions under common control, the Group uses the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by HKFRS.

Acquisition-related costs are expensed as incurred.

2. 重要會計政策摘要(續)

(c) 綜合基準

綜合財務報表包括本公司及其附屬公司截至二零一九年十二月三十一日止之財務報表。

(i) 附屬公司

附屬公司指本集團控制下之所有實體。當本集團因參與該實體之營運而獲得或有權享有其可變回報，並能夠運用其對實體之權力影響上述回報，本集團即對實體有控制權。附屬公司之賬目自其控制權轉移至本集團之日起列入綜合賬目。並於本集團失去其控制之日停止綜合入賬。

除共同控制下之收購外，本集團採用收購法為業務合併列賬。就收購附屬公司所轉讓之代價為所轉讓資產、被收購方之前擁有人所產生的負債及由本集團所發行股權之公平值。所轉讓代價包括因或有代價安排產生之任何資產或負債之公平值。於業務合併時所收購之可識別資產及所承擔之負債及或有負債，初步按收購日期之公平值計量。

本集團會按每項收購個案確認於被收購方之任何非控制性權益。被收購方的非控制性權益為現時的擁有權權益，並賦予持有人一旦清盤時按比例應佔實體的資產淨值，可按公平值或按現時擁有權權益應佔被收購方可識別資產淨值的確認金額比例而計量。非控制性權益的所有其他組成部份按收購日期的公平值計量，除非香港財務報告準則規定以其他計量基準計算。

收購相關成本於產生時支銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

2. Summary of significant accounting policies (Continued)

(c) Basis of consolidation (Continued)

(i) Subsidiaries (Continued)

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of comprehensive income.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

Interests in subsidiaries in the Company's balance sheet are accounted for at cost less accumulated impairment losses. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2. 重要會計政策摘要(續)

(c) 綜合基準(續)

(i) 附屬公司(續)

所轉讓代價、被收購方之任何非控制性權益金額及任何先前於被收購方之股權於收購日期之公平值超逾所收購可識別淨資產公平值之差額，乃入賬列作商譽。倘轉讓代價、已確認的非控制性權益及先前持有的已計量權益的總和低於所收購附屬公司淨資產之公平值(於議價收購之情況下)，則該差額會直接於全面收益表內確認。

集團公司間之交易、結餘及因集團公司間之交易而產生之未變現收益均予以對銷。未變現的虧損亦予以對銷。附屬公司所呈報的金額已作出調整，以確保與本集團之會計政策一致(如有需要)。

本公司資產負債表內所計入之附屬公司之權益，以成本值減累積減值虧損列賬。成本包括與投資直接相關之成本。本公司按已收及應收股息基準將附屬公司之業績入賬。

倘自附屬公司收取的股息超出宣派股息期間該附屬公司的全面收入總額，或倘獨立財務報表的投資賬面值超出綜合財務報表所示被投資公司資產淨值(包括商譽)的賬面值，則於自該等投資收取股息時須對於該等附屬公司的投資進行減值測試。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

2. Summary of significant accounting policies (Continued)

(c) Basis of consolidation (Continued)

(i) Subsidiaries (Continued)

Business combinations – common control combinations

The consolidated financial statements incorporate the financial statements of the combining entities in which the common control combination occurs as if they had been combined from the date when the combining entities first came under the control of the controlling party.

The net assets of the combining entities are combined using the existing book values from the controlling parties' perspective. No amount is recognised in consideration for goodwill or excess of acquirers' interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over cost at the time of common control combination, to the extent of the continuation of the controlling party's interests.

The consolidated statement of comprehensive income includes the results of each of the combining entities from the earliest date presented or since the date when the combining entities first came under the common control, where there is a shorter period, regardless of the date of the common control combination.

The comparative amounts in the consolidated financial statements are presented as if the entities had been combined at the previous year end date or when they first came under common control, whichever is shorter.

A uniform set of accounting policies is adopted by those entities. All intra-group transactions, balances and unrealised gains on transactions between combining entities are eliminated on consolidation.

2. 重要會計政策摘要(續)

(c) 綜合基準(續)

(i) 附屬公司(續)

業務合併－共同控制合併

綜合財務報表包括共同控制合併之合併實體之財務報表，猶如該等合併實體自其首次由控制方控制日期起已合併。

合併實體之資產淨值乃按控制方之現有賬面值合併入賬。在控制方持續擁有權益之條件下，概不確認商譽或收購方於被收購方之可識別資產、負債及或有負債公平淨值之權益超逾共同控制合併時成本之差額。

綜合全面收益表包括合併實體自最早呈列日期起或自合併實體首次共同控制日期起(以較短期間為準)之業績，而不考慮共同控制合併之日期。

綜合財務報表內之比較金額呈列為猶如該實體於前年結束時或首次共同控制時(以較短期間為準)合併。

該等實體中採用統一的會計政策。合併實體的所有集團內部交易、結餘及來自交易的未實現收益於合併中對銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

2. Summary of significant accounting policies (Continued)

(c) Basis of consolidation (Continued)

(i) Subsidiaries (Continued)

Business combinations – common control combinations (Continued)

Transaction costs, including professional fees, registration fees, costs of furnishing information to shareholders, costs or losses incurred in combining operations of the previously separate businesses, etc., incurred in relation to the common control combination that is to be accounted for by using merger accounting is recognised as an expense in the period in which it is incurred.

(ii) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Interests in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's interests in associates include goodwill identified on acquisition, net of any accumulated impairment loss.

The Group's share of the post-acquisition profits or losses and post-acquisition movements in reserves of associates is included in the Group's profit or loss and consolidated reserves respectively. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

2. 重要會計政策摘要(續)

(c) 綜合基準(續)

(i) 附屬公司(續)

業務合併—共同控制合併(續)

交易成本，包括專業費用、註冊費、向股東提供資訊的費用、將先前為獨立業務合併而產生的成本或虧損等與採用合併會計法計算的共同控制合併有關的成本，確認為產生期間的支出。

(ii) 聯營公司

聯營公司指本集團對其有重大影響但無控制權之所有實體，一般而言，指持有一家企業20%至50%帶投票權之股份。於聯營公司之權益乃以權益法入賬，初步按成本確認。本集團於聯營公司之權益包括於收購時已識別之商譽(經扣除任何累積減值虧損)。

本集團應佔聯營公司於收購後之損益及儲備變動已分別計入本集團之損益及綜合儲備內。累積收購後變動於投資賬面值作出調整。倘本集團應佔聯營公司虧損等於或超過其於聯營公司之權益(包括任何其他無抵押應收款項)，本集團不會進一步確認虧損，除非其已產生法律或推定性責任或代聯營公司作出支付。已收或應收聯營公司股息確認為投資賬面值扣減。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

2. Summary of significant accounting policies (Continued)

(c) Basis of consolidation (Continued)

(ii) Associates (Continued)

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of losses/profits of associates' in the statement of comprehensive income.

(d) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Group's Chief Executive Officer.

(e) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the Company's functional and the Group's presentation currency.

2. 重要會計政策摘要(續)

(c) 綜合基準(續)

(ii) 聯營公司(續)

本集團於各報告日期釐定聯營公司之投資是否有減值之任何客觀憑證。倘有該等客觀憑證，減值數額為聯營公司可收回款項與其賬面值之差額，並於全面收益表中確認為「應佔聯營公司虧損／盈利」旁的款項。

(d) 分部報告

營運分部之呈報方式與提供予主要經營決策者之內部報告一致。主要經營決策者確定為本集團行政總裁，負責各營運分部之資源分配及業績評估。

(e) 外幣折算

(i) 功能及呈列貨幣

本集團各實體企業之財務報表內之有關項目，均以其經營所在地區之主要經濟環境通行之貨幣(「功能貨幣」)計算。綜合財務報表以本公司之功能貨幣及本集團之呈列貨幣港元(「港元」)呈列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

2. Summary of significant accounting policies (Continued)

(e) Foreign currency translation (Continued)

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss, except when deferred in equity as qualifying cash flow hedges.

Translation differences on investments in equity instruments classified as available for sale financial assets are included in other comprehensive income.

Changes in the fair value of monetary securities denominated in foreign currency classified as available-for-sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security.

Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in equity.

(iii) Group companies

On consolidation, the balance sheet of subsidiaries and associates denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date whilst the statement of comprehensive income is translated at an average rate. The resulting translation differences are included in the translation reserve. When any of these subsidiaries or associates is sold, any translation differences previously recognised in respect of such subsidiary or associate are reclassified to the profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Currency translation differences arising are recognised in other comprehensive income.

2. 重要會計政策摘要(續)

(e) 外幣折算(續)

(ii) 交易及結餘

外幣交易均按交易當日之匯率折算為功能貨幣。於結算上述交易，及按年終匯率折算以外幣為結算單位之貨幣性資產與負債產生之匯兌盈虧，均在損益中確認，惟於權益中遞延作為合資格現金流量對沖者除外。

分類為可供出售之金融資產之股本工具投資之匯兌差額計入其他全面收益。

分類為可供出售以外幣計值之貨幣證券之公平值變動，按證券之攤銷成本變動與該證券賬面值之其他變動所產生之匯兌差額進行分析。

與攤銷成本變動有關之匯兌差額在損益中確認，而賬面值之其他變動則於權益中確認。

(iii) 集團公司

在綜合賬目時，附屬公司及聯營公司以外幣計值之資產負債表，均以結算日之匯率折算，而全面收益表則按平均匯率折算。由此而產生之匯兌差額列入匯兌儲備內。當出售任何該等附屬公司或聯營公司時，先前就該附屬公司或聯營公司確認之任何匯兌差額，均重新分類為損益。

因收購海外企業而產生之商譽及公平值調整，均作為該海外企業之資產及負債處理，並按年終匯率折算。所產生的匯兌差額均於其他全面收益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

2. Summary of significant accounting policies (Continued)

(f) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities.

Revenue is recognised when it is probable that the future economic benefits will flow to the Group and when these benefits can be measured reliably, on the following bases:

- (i) rental income, in the period in which the properties are let out and on the straight-line basis over the lease terms;
- (ii) asset management and investment advisory related services, based on the period in which such services are rendered; and
- (iii) corporate investment advisory related services, based on the period in which such services are rendered.

(g) Property, plant and equipment

Property, plant and equipment, other than assets in progress, are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an asset comprises its purchase price and any costs directly attributable to bringing the asset to its working condition and location for its intended use. Cost may also include transfers from hedging reserve of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Assets in progress represents property, plant and equipment under construction or instalment and is not yet ready for use. They are transferred to the respective category of property, plant and equipment when they are ready for use.

2. 重要會計政策摘要(續)

(f) 收益確認

收益包括本集團日常業務過程中就銷售貨品及服務而已收或應收代價之公平值。

收益於未來經濟利益很可能會流向本集團而有關利益能可靠地計量時確認，基準如下：

- (i) 租金收入於物業出租之期間及按租賃期以直線法計算；
- (ii) 根據提供該等服務期間提供資產管理及投資顧問相關服務；及
- (iii) 根據提供該等服務期間提供企業投資顧問相關服務。

(g) 物業、機器及設備

物業、機器及設備(在建資產除外)均以成本值減累積折舊及累積減值虧損列賬。資產之成本包括其購入價，及任何為使該資產達到可使用狀況及運往作擬定用途之地點所直接耗用之成本。成本亦可包含轉撥自對沖儲備、因以外幣購買物業、機器及設備而產生之合資格現金流量對沖之任何盈利或虧損。在建資產指建設中或正在裝備及未能使用的物業、機器及設備。該等項目於可使用時會轉至各自之物業、機器及設備類別。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

2. Summary of significant accounting policies (Continued)

(g) Property, plant and equipment (Continued)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the consolidated statement of comprehensive income during the financial period in which they are incurred.

Leasehold land classified as finance lease commences amortisation from the time when the land interest becomes available for its intended use. Amortisation on leasehold land classified as finance lease and depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

- leasehold improvements	Shorter of remaining lease term of 2 to 50 years or useful life
- buildings	100 years
- computer equipment	3 to 4 years
- office equipment	3 to 10 years
- office furniture	3 to 10 years
- vehicle	3 to 10 years
- others	3 to 10 years

No depreciation/amortisation is provided for assets in progress.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

2. 重要會計政策摘要(續)

(g) 物業、機器及設備(續)

後續支出僅會在與項目有關之未來經濟利益很可能會流向本集團，而該項目的成本能可靠地計量之情況下，方會適當地計入資產之賬面值或確認為一項獨立資產。所有其他維修及保養費用均於發生之財務期間於綜合全面收益表列作開支。

分類為融資租賃之租賃土地於土地權益可作其擬定用途時開始攤銷。分類為融資租賃之租賃土地之攤銷及其他資產之折舊，乃將成本按以下其估計可使用年期以直線法分攤至其剩餘價值計算：

- 租賃物業改善工程	2至50年之剩餘租期或可使用年期(以較短者為準)
- 樓宇	100年
- 電腦設備	3至4年
- 辦公室設備	3至10年
- 辦公室傢俱	3至10年
- 車輛	3至10年
- 其他	3至10年

在建資產不計提折舊／攤銷。

本集團在每個結算日均會檢討資產之剩餘價值及可使用年期，並作出適當調整。

倘一項資產之賬面值高於其估計可收回金額，則該項資產之賬面值會即時調減至其可收回金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

2. Summary of significant accounting policies (Continued)

(h) Investment properties

Investment properties are properties that are held to earn rentals or for capital appreciation or both. Investment properties are measured initially at costs, including related transaction costs. After initial recognition, investment properties are carried at fair values, with changes in fair values recognised in the profit or loss. The methods used to determine the fair values of the investment properties are set out in Note 6 to the financial statements.

Subsequent expenditure on an investment property is included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the consolidated statement of comprehensive income.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment and its fair value at the date of reclassification becomes its cost for accounting purposes.

If an owner-occupied property becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this property at the date of transfer is recognised as a movement in the asset revaluation reserve. Such movement will not be subsequently recycled to profit or loss. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in the profit or loss.

2. 重要會計政策摘要(續)

(h) 投資物業

投資物業指持作賺取租金或資本增值或二者兼具之物業。投資物業初步按成本(包括有關交易成本)計量。於初步確認後,投資物業乃按公平值列賬,而公平值之變動則於損益中確認。用以釐定投資物業公平值之方法載於本財務報表附註6。

一項投資物業之後續支出僅會在與項目有關之未來經濟利益很可能會流向本集團,而該項目的成本能可靠地計量之情況下,方會計入資產之賬面值。所有其他維修及保養費用均於綜合全面收益表中列作開支。

倘一項投資物業成為自用物業,則須重新分類為物業、機器及設備,其於重新分類當日之公平值則作為成本記賬。

倘一項自用物業因改變用途而成為投資物業,該項物業之賬面值與於轉撥當日之公平值之差額確認為資產重估儲備之變動。有關變動其後不會再轉入損益。然而,倘公平值收益可抵銷過往減值虧損,則該收益乃於損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

2. Summary of significant accounting policies (Continued)

(i) Leases

As explained in Note 2(b) above, the Group has changed its accounting policy for leases where the Group is the lessee. The new policy is described below and the impact of the change is shown in Note 2(b).

Until 31 December 2018, leases of property in which a significant portion of the risks and rewards of ownership were not transferred to the Group as lessee were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

2. 重要會計政策摘要(續)

(i) 租賃

如上文附註2(b)所述，本集團已更改其作為承租人的租賃會計政策。新政策詳述如下，而有關變動的影響於附註2(b)說明。

直至二零一八年十二月三十一日，所有權之絕大部分風險及回報並未轉移予本集團(作為承租人)的物業租賃分類為經營租賃。經營租賃支付之付款(經扣除自出租人收取之任何激勵措施)於出租期內以直線法自損益扣除。

自二零一九年一月一日起，租賃確認為使用權資產，並於租賃資產可供本集團使用之日確認相應負債。

租賃產生的資產及負債初始按現值基準計量。租賃負債包括以下租賃付款的淨現值：

- 固定付款(包括實質固定付款)減任何應收租賃獎勵；
- 取決於租賃開始日初始計量的指數或比率的可變租賃付款；
- 本集團根據餘值擔保預計應付的金額；
- 購買選擇權的行使價(倘本集團合理確定將行使該選擇權)，及
- 支付終止租賃的罰款(倘租賃期反映承租人行使該選擇權終止租賃)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

2. Summary of significant accounting policies (Continued)

(i) Leases (Continued)

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

2. 重要會計政策摘要(續)

(i) 租賃(續)

將根據合理確定的延期選擇權支付的租賃付款亦包括在負債計量中。

租賃付款採用租賃所隱含的利率予以折現。倘無法輕易釐定該利率(此情況普遍存在於本集團租賃中)，則使用承租人的增量借款利率，即個別承租人在類似條款、抵押及條件的類似經濟環境中借入獲得與使用權資產價值相近之資產所需資金所必須支付的利率。

租賃付款乃分配至本金及財務成本。財務成本於租賃期內於損益扣除，以於各期間之負債剩餘結餘上，產生一項一致之定期利率。

使用權資產按成本計量，包括下列：

- 租賃負債的初始計量金額；
- 在租賃開始日或之前支付的任何租賃付款，減任何已收租賃獎勵；
- 任何初始直接成本，及
- 修復成本。

使用權資產通常按資產可使用年期及租賃期(以較短者為準)以直線法折舊。倘本集團合理確定將行使購買選擇權，則使用權資產在相關資產的可使用年期內折舊。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

2. Summary of significant accounting policies (Continued)

(i) Leases (Continued)

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the consolidated balance sheet based on their nature. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

(j) Impairment of non-financial assets

Property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such indication exists, the recoverable amount of the assets is estimated and where relevant, an impairment loss is recognised to reduce the carrying amount of the assets to their recoverable amount.

2. 重要會計政策摘要(續)

(i) 租賃(續)

本集團作為出租人的經營租賃的租賃收入以直線法於租賃期內確認為收入。獲取經營租賃產生的初始直接成本計入相關資產的賬面值，並於租賃期內以確認租賃收入的相同基準確認為開支。個別租賃資產按其性質計入綜合資產負債表。採納新租賃準則後，本集團無需對作為出租人所持有資產的會計處理作出任何調整。

(j) 非金融資產減值

物業、機器及設備則須於事件或情況變動顯示賬面值可能不可收回時作減值測試。此等跡象出現時，本集團將估算有關資產之可收回金額，並於適當情況下確認減值虧損，以將資產賬面值調減至其可收回金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

2. Summary of significant accounting policies (Continued)

(k) Financial assets

The Group classifies its financial assets in the following categories: financial instruments measured at amortised cost, financial assets measured at fair value through other comprehensive income and financial instruments designated at fair value. The classification depends on the purpose for which the financial assets were acquired. By the adoption of HKFRS 9, management reassessed the classification of its financial assets at 1 January 2018.

(i) Financial instruments measured at amortised cost

Financial assets that are held to collect the contractual cash flows and that contain contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest, such as most loans and advances to third parties and some debt securities, are measured at amortised cost. In addition, most financial liabilities are measured at amortised cost. The carrying value of these financial assets at initial recognition includes the directly attributed transactions costs. If the initial fair value is lower than the cash amount advanced, such as in the case of some leveraged finance and syndicated lending activities, the difference is deferred and recognised over the life of the loan through the recognition of interest income, unless the loan becomes impaired.

The Group may commit to underwriting loans on fixed contractual terms for specified periods of time. When the loan arising from the lending commitment is expected to be held for trading, the commitment to lend is recorded as a derivative. When the Group intends to hold the loan, the loan commitment is included in the impairment calculations set out below.

2. 重要會計政策摘要(續)

(k) 金融資產

本集團將其金融資產分類為以下類別：按攤銷成本計量之金融工具、按公平值計入其他全面收益計量之金融資產及指定以公平值列賬之金融工具。分類視乎收購金融資產的目的而定。於二零一八年一月一日，管理層採納香港財務報告準則第9號重新評估其金融資產的分類。

(i) 按攤銷成本計量之金融工具

持作收取合約現金流並包含於指定日期產生純屬本金及利息款項之合約條款的金融資產，例如向第三方作出的大部份貸款及墊款以及部份債務證券乃按攤銷成本計量。此外，大部份金融負債乃按攤銷成本計量。此等金融資產於初次確認時包括任何直接應佔交易成本在其賬面值。倘初次公平值低於墊支現金額，例如於部份槓桿融資及銀團貸款活動之情況下，除非貸款出現減值，有關差異會被遞延並於貸款期間透過確認利息收入以確認。

本集團可能就指定期間按固定合約年期承諾包銷貸款。當有關貸款承諾產生之貸款預期將持作交易用途，該貸款承諾乃記錄作衍生工具。當本集團擬持有有關貸款，該貸款承諾則列入下文載列之減值計算中。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

2. Summary of significant accounting policies (Continued)

(k) Financial assets (Continued)

(ii) *Financial assets measured at fair value through other comprehensive income (“FVOCI”)*

Financial assets held for a business model that is achieved by both selling and collecting contractual cash flows and that contain contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest are measured at FVOCI. These comprise primarily debt securities. They are recognised on the trade date when the Group enters into contractual arrangements to purchase and are normally derecognised when they are either sold or redeemed. They are subsequently remeasured at fair value and changes therein (except for those relating to impairment, interest income and foreign currency exchange gains and losses) are recognised in other comprehensive income until the assets are sold. Upon disposal, the cumulative gains or losses in other comprehensive income are recognised in the income statement as “Gains less losses from financial investments”. Financial assets measured at FVOCI are included in the impairment calculations set out below and impairment is recognised in profit or loss.

(iii) *Equity securities measured at fair value with fair value movement presented in OCI*

The equity securities for which fair value movements are shown in OCI are business facilitation and other similar investments where the Group holds the investments other than to generate a capital return. Gains or losses on the derecognition of these equity securities are not transferred to profit or loss. Otherwise equity securities are measured at fair value through profit or loss (except for dividend income which is recognised in profit or loss).

2. 重要會計政策摘要(續)

(k) 金融資產(續)

(ii) 按公平值計入其他全面收益(「按公平值計入其他全面收益」)計量之金融資產

透過持有及出售以收取合約現金流並包含於指定日期產生純屬本金及利息款項之合約條款的金融資產，乃按公平值計入其他全面收益計量。此主要包括債務證券。其於本集團訂立購買合約安排之交易日期確認，並一般於出售或贖回時撤銷確認。其於初次確認後按公平值重新計量，而有關變動(除相關減值、利息收入及外匯之收益或虧損外)乃計入其他全面收益確認，直至該資產被出售為止。於出售時，計入其他全面收益確認之累積收益或虧損乃於收益表確認為「金融投資之收益減虧損」。下文列載按公平值於其他全面收益計量之金融資產之減值計算及減值於損益內確認。

(iii) 按公平值計量而公平值變動列賬計入其他全面收益之股本證券

本集團持有投資以作產生資本回報以外用途之業務促進及其他類似投資之股本證券的公平值變動皆列賬計入其他全面收益。撤銷確認此等股本證券而產生之收益或虧損不會轉撥至損益。於其他情況下，股本證券按公平值於損益表列賬計量(不包括於損益內確認的股息收入)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

2. Summary of significant accounting policies (Continued)

(k) Financial assets (Continued)

(iv) Financial instruments designated at fair value

Financial instruments, other than those held for trading, are classified in this category if they meet one or more of the criteria set out below and are so designated irrevocably at inception:

- the use of the designation removes or significantly reduces an accounting mismatch;
- when a group of financial assets and liabilities or a group of financial liabilities is managed and its performance is evaluated on the fair value basis, in accordance with a documented risk management or investment strategy; and
- where the financial liabilities contains one or more non-closely related embedded derivatives.

Designated financial assets are recognised when the Group enters into contracts with counterparties, which is generally on trade date, and are normally derecognised when the rights to the cash flows expire or are transferred. Designated financial liabilities are recognised when the Group enters into contracts with counterparties, which is generally on settlement date, and are normally derecognised when extinguished. Subsequent changes in fair value are recognised in the income statement in “Net income from financial instruments measured at fair value”.

2. 重要會計政策摘要(續)

(k) 金融資產(續)

(iv) 指定以公平值列賬之金融工具

倘符合下列一項或以上之準則，金融工具(除持作交易用途外)可歸為此類別並指定於初次確認後不得撤回：

- 使用有關指定可消除或大幅減低會計錯配；
- 當一組金融資產及負債或一組金融負債按已記錄在案的風險管理或投資策略根據公平值基準進行管理及評估其表現；及
- 當金融負債包含一項或以上非密切連繫嵌入衍生工具。

指定金融資產於本集團與交易對手訂立合約時(一般於交易日)確認，並一般於現金流權利屆滿或轉移時撤銷確認。指定金融負債於本集團與交易對手訂立合約時(一般於結算日期)確認，並一般於償清時撤銷確認。其後之公平值變動於收益表確認為「以公平值計量之金融工具收入淨額」。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

2. Summary of significant accounting policies (Continued)

(k) Financial assets (Continued)

(v) Derivatives

Derivatives are financial instruments that derive their value from the price of underlying item such as equities, interest rates or other indices. Derivatives are recognised initially and are subsequently measured at fair value. Derivatives are classified as assets when their fair value is positive or as liabilities when their fair value is negative. This includes embedded derivatives in financial liabilities which are bifurcated from the host contract when they meet the definition of a derivative on a standalone basis.

(vi) Impairment of amortised cost and FVOCI financial assets

Expected credit losses (“ECL”) are recognised for loans and advances to customers and other financial assets held at amortised cost. At initial recognition, allowance is required for ECL resulting from default events that are possible within the next 12 months (or less, where the remaining life is less than 12 months) (“12-month ECL”). In the event of a significant increase in credit risk, allowance (or provision) is required for ECL resulting from all possible default events over the expected life of the financial instrument. Financial assets where 12-month ECL is recognised are considered to be “stage 1”; financial assets which are considered to have experienced a significant increase in credit risk are in “stage 2”; and financial assets for which there is objective evidence of impairment so are considered to be in default or otherwise credit-impaired are in “stage 3”.

2. 重要會計政策摘要(續)

(k) 金融資產(續)

(v) 衍生工具

衍生工具指自股票、利率或其他指數等相關項目之價格產生價值之金融工具。衍生工具於首次確認及其後按公平值計量。衍生工具於其公平值為正數時分類為資產，或於其公平值為負數時分類為負債。此包括獨立而言符合衍生工具之定義並符合從主體合約中分拆的金融負債之嵌入衍生工具。

(vi) 攤銷成本及按公平值計入其他全面收益之金融資產減值

預期信貸虧損(「預期信貸虧損」)會就客戶貸款及墊款、以攤銷成本列賬之其他金融資產確認。於首次確認時，須對可能於未來12個月內(當剩餘年限少於12個月時或就更短期內)發生的違約事件所產生的預期信貸虧損(「12個月預期信貸虧損」)作出減值準備。倘若有關金融工具之信貸風險大幅上升，須對其預期年限內所有可能發生的違約事件而產生的預期信貸虧損作出準備(或撥備)。已確認12個月預期信貸虧損的金融資產屬「第1階段」；被視為信貸風險重大增加的金融資產屬「第2階段」；而有客觀證據出現減值而被視為已違約或其他信貸減值的金融資產屬「第3階段」。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

2. Summary of significant accounting policies (Continued)

(k) Financial assets (Continued)

(vi) Impairment of amortised cost and FVOCI financial assets (Continued)

Measurement of ECL

The assessment of credit risk, and the estimation of ECL, are unbiased and probability-weighted, and incorporate all available information which is relevant to the assessment including information about past events, current conditions and reasonable and supportable forecasts of future events and economic conditions at the reporting date. In addition, the estimation of ECL should take into account the time value of money.

(l) Share capital

Ordinary shares are classified as equity. The par value of the shares issued and fully paid is recognised in the share capital account. Any excess of proceeds from a new issue of shares (net of any incremental costs directly attributable to the new issue) over the par value of the shares issued is recognised in the share premium account.

2. 重要會計政策摘要(續)

(k) 金融資產(續)

(vi) 攤銷成本及按公平值計入其他全面收益之金融資產減值(續)

預期信貸虧損計量

信貸風險的評估及預期信貸虧損的估計乃按公正及概率加權基準而進行，並納入所有與評估有關的可得資料，包括過往事件、目前狀況及合理可靠的未來事件預測及於報告日期的經濟狀況。此外，預期信貸虧損的估計應計及貨幣時間價值。

(l) 股本

普通股歸類為權益。已發行及繳足股款之股份之面值於股本賬中確認。發行新股份所得款項(扣除發行新股份直接應佔之任何額外成本後)超逾已發行股份面值之金額，於股份溢價賬中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

2. Summary of significant accounting policies (Continued)

(m) Other payables

Other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(n) Provisions and contingent liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

2. 重要會計政策摘要(續)

(m) 其他應付款項

其他應付款項是於日常業務過程中就獲得供應商提供商品或服務作出付款的責任。倘其他應付款項到期日為一年或一年以內(或若更長,則在業務的正常經營週期內),此等應付款項分類為流動負債,否則列為非流動負債。

其他應付款項初步以公平值確認,之後採用實際利息法按攤銷成本計算。

(n) 撥備及或有負債

當本集團因過往事件致使現時負有法律責任或推定性責任,並很可能須撥出資源解除該責任,且能就該數額作出可靠之估計時,須作出撥備。

或有負債乃因過往事件而產生之可能責任,其存在僅會就不能由本集團完全控制之一項或多項不能確定之未來事件發生或不發生時予以證實。或有負債亦可能是因過往事件而產生之現有責任,但因為該責任不大可能會導致經濟資源流出,或該責任之金額無法可靠地估計而未有確認。

或有負債不予確認,但須於財務報表附註內披露。當資源流出之可能性發生變化,致使資源很可能流出時,則將其確認為一項撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

2. Summary of significant accounting policies (Continued)

(o) Current and deferred income tax

Income tax expense is the aggregate amount included in the determination of profit or loss for the year in respect of current tax and deferred tax.

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2. 重要會計政策摘要(續)

(o) 即期及遞延所得稅

所得稅開支指釐定年內盈利或虧損時所計入之即期稅項及遞延稅項之總額。

本期之稅項開支包括即期稅項及遞延稅項。稅項乃於損益內確認，惟與其他全面收入內或直接於權益內確認的項目有關的稅項則除外。在此情況下，稅項亦分別於其他全面收入或直接於權益內確認。

即期所得稅開支根據本公司附屬公司及聯營公司經營業務及產生應課稅收入的國家於結算日已頒佈或基本上已頒佈的稅法計算。管理層對適用稅項法規作出詮釋所規限的情況下定期評估報稅表的稅務狀況，並在恰當時按預期向稅務機關繳納的金額為基準設定撥備。

遞延所得稅採用負債法，就資產及負債之稅基與其在本綜合財務報表之賬面值兩者之暫時差異作確認。遞延所得稅採用結算日前已頒佈或基本上已頒佈、並預期於相關遞延所得稅資產變現或遞延所得稅負債結算時適用之稅率(及稅法)釐定。

遞延所得稅資產，僅在將來很可能有應課稅盈利以抵銷暫時差異時方予確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

2. Summary of significant accounting policies (Continued)

(o) Current and deferred income tax (Continued)

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(p) Dividend distribution

Dividend distribution to the Company's Shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Shareholders, or directors, where appropriate.

(q) Comparative figures

Certain comparative figures have been reclassified to conform with current year's presentation.

2. 重要會計政策摘要(續)

(o) 即期及遞延所得稅(續)

本集團須就附屬公司及聯營公司投資所產生之暫時差異計提遞延所得稅，但若本集團控制暫時差異撥回之時間，而且在可預見之未來該等暫時差異很可能不會撥回者則除外。

倘現時存在一項可依法強制執行的權利以即期稅項資產抵銷即期稅項負債，且當遞延所得稅資產及負債涉及同一個稅務機關就應課稅實體或有意以淨值基準償還結餘之不同應課稅實體而徵收之所得稅，則遞延所得稅資產及負債可予抵銷。

(p) 股息分派

分派予本公司股東之股息乃於股息獲股東或董事(如適用)批准之期間於本集團財務報表中確認為負債。

(q) 比較數字

若干比較數字已予重新分類，以符合本年度之呈列方式。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

3. Critical accounting estimates and judgement

Management are required to exercise significant estimates and judgments, which are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances, in the selection and application of accounting principles.

(a) Fair value of investment properties

The valuation of investment properties is performed in accordance with the "Valuation Standards on Valuation of Properties" published by the Hong Kong Institute of Surveyors. The valuation is reviewed semi-annually by qualified valuers by considering the information from a variety of sources including but not limited to:

- (i) comparable sales transactions as available in the relevant market; and
- (ii) rental income derived from the existing tenancies with due provision for any reversionary income potential.

The fair value of investment properties is determined by using valuation technique. Details of the judgement and assumptions have been disclosed in Note 6.

Changes to the assumptions used in deriving the valuation could have a significant risk of causing material adjustment to the carrying amounts in the balance sheet.

(b) Useful lives of property, plant and equipment

The Group's management determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. The depreciation for future periods are adjusted if there are material changes from previous estimates.

3. 關鍵會計估計及判斷

管理層在篩選及應用會計原則時須行使重要估計及判斷，有關估計及判斷須作持續評估並基於過往經驗及其他因素(包括於有關情況下相信為合理的未來事件估計)。

(a) 投資物業之公平值

投資物業乃根據香港測量師學會所發表之「物業估值之估值準則」進行估值。估值每半年由合資格估值師考慮多方面資料而作出檢討，包括但不限於：

- (i) 相關市場上現時可作比較之銷售交易；及
- (ii) 現有租賃產生之租金收入就任何潛在復歸收入作出適當撥備。

投資物業之公平值乃使用估值方法釐定。有關判斷及假設的詳情披露於附註6。

估值所用之假設變動會導致資產負債表的賬面值有被大幅調整的重大風險。

(b) 物業、機器及設備的可使用年期

本集團管理層釐定其物業、機器及設備的估計可使用年期及相關折舊及攤銷開支。該項估計乃根據類似性質及功能的物業、機器及設備的實際可使用年期的過往經驗作出。倘相較過往的估計有重大改變，則在未來期間調整折舊。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

3. Critical accounting estimates and judgement (Continued)

(c) Investment in associate

The Group's management applies critical judgements on the classification of investment in an associate for the acquisition and the subsequent shareholding restructuring of an associate during the year. The judgement involves the assessment of the financial and operating decisions of the Group on the associate. For details please refer to Note 8.

(d) Lease term and discount rate determination

In determining the lease term, the Group's management considers all facts and circumstances that create an economic incentive and concluded not to exercise a termination option. Periods after the expiration of the termination options are only included in the lease term if the lease is reasonably certain not terminated. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

In determining the discount rate, the Group is required to exercise considerable judgement in relation to determining the discount rate taking into account the nature of the underlying assets and the terms and conditions of the leases, at both the commencement date and the effective date of the modification.

4. Revenue and segment information

The chief operating decision-maker has been identified as the Chief Executive Officer ("CEO") of the Group, who reviews the Group's internal reporting in order to assess performance and allocate resources. The Company's management has determined the operating segments based on these reports.

The Group has two reportable segments, property investment and financial services segments, for the year ended 31 December 2019 and 2018.

3. 關鍵會計估計及判斷(續)

(c) 於聯營公司之投資

本集團管理層於年內對聯營公司的收購分類及其後聯營公司的股權重組作出重大判斷。該判斷涉及評估本集團對聯營公司的財務及經營決策。有關詳情，請參閱附註8。

(d) 釐定租賃期及貼現率

在釐定租賃期時，本集團管理層考慮所有構成經濟誘因的事實及情況，並決議不行使終止選擇權。終止選擇權逾期後的期間僅於合理確定租約將不終止的情況下計入租賃期內。倘發生重大事件或情況出現重大變動而影響評估並在承租人控制之中，則對有關評估進行檢討。

在釐定貼現率時，本集團須於租賃開始日期及變動生效日期考慮相關資產的性質及該租賃的條款及條件，對釐定貼現率作出重大判斷。

4. 收益及分部資料

主要經營決策者已被確定為本集團行政總裁(「行政總裁」)，彼審閱本集團之內部報告以評估表現及分配資源。本公司管理層已根據此等報告釐定營運分部。

截至二零一九年及二零一八年十二月三十一日止年度，本集團有物業投資及金融服務兩個可報告分部。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

4. Revenue and segment information (Continued)

Property investment segment holds various retail, commercial and industrial properties in Hong Kong. It derives revenue through leasing out its properties.

Financial services segment mainly holds licences to carry out Type 1 (dealing in securities) (restricted by certain conditions), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO. It also derives interest revenue from loan investment.

The chief operating decision-maker assesses the performance of the operating segments based on profit or loss after tax. The Group considers that the measurement principles for profit or loss after tax are consistent with those used in measuring the corresponding amounts in the Group's financial statements. Hence, profit or loss after tax is used for reporting segment profit or loss.

The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies except that interest in the profit or loss of associates is accounted for on the basis of dividend received or receivable in segment profit or loss while such interest is accounted for under the equity method in the Group's consolidated financial statements.

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different marketing strategies. Transactions (if any) between reportable segments are accounted for on arm's length basis.

Revenue of the Group for the years ended 31 December 2019 and 2018 consists of revenue from property investment and financial services segments. The revenue for the year ended 31 December 2019 and 2018 were HK\$168,345,000 and HK\$144,874,000 respectively.

4. 收益及分部資料(續)

物業投資分部擁有在香港之多項零售、商業及工廈。物業投資分部透過出租其物業獲得收益。

金融服務分部主要持有可進行證券及期貨條例項下第1類(證券交易)(受若干條件限制)、第4類(就證券提供意見)、第6類(就機構融資提供意見)及第9類(提供資產管理)受規管活動之牌照。其亦從貸款投資中賺取利息收入。

主要經營決策者根據除稅後損益衡量營運分部之表現。本集團認為，除稅後損益之計量原則與計量本集團財務報表內之相應金額所用者一致。因此，除稅後損益用作報告分部之損益。

營運分部之會計政策與主要會計政策概要所述者相同，惟於聯營公司損益之權益乃根據分部損益已收或應收之股息入賬，而該權益於本集團之綜合財務報表以權益法入賬。

本集團之可報告分部乃提供不同產品及服務之策略性業務單位。由於各業務要求不同之市場推廣策略，各可報告分部乃個別管理。可報告分部之間之交易(如有)按公平原則基準列賬。

本集團截至二零一九年及二零一八年十二月三十一日止年度的收益包括物業投資及金融服務分部之收益。截至二零一九年及二零一八年十二月三十一日止年度之收益分別為168,345,000港元及144,874,000港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

4. Revenue and segment information (Continued)

Substantially all the activities of the Group are based in Hong Kong and below is segment information by reportable segments:

(a) Reportable segment profit or loss

For the year ended 31 December 2019

		Property investment 物業投資 HK\$'000 港幣千元	Financial services 金融服務 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Revenue from external customers	外界客戶之收益	120,884	47,461	168,345
Profit for reportable segments	可報告分部盈利	200,174	6,893	207,067
Net finance cost	財務成本淨額	(38,602)	(3,329)	(41,931)
Depreciation	折舊	(9,406)	(637)	(10,043)
Income tax expense	所得稅開支	(6,256)	(40)	(6,296)

For the year ended 31 December 2018

		Property investment 物業投資 HK\$'000 港幣千元	Financial services 金融服務 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Revenue from external customers	外界客戶之收益	92,413	52,461	144,874
Profit for reportable segments	可報告分部盈利	422,870	13,881	436,751
Net finance cost	財務成本淨額	(20,573)	(3,628)	(24,201)
Depreciation	折舊	(248)	(382)	(630)
Income tax expense	所得稅開支	(4,640)	(1,476)	(6,116)

4. 收益及分部資料(續)

本集團大體上所有業務均以香港為基地，而根據可報告分部劃分之分部資料如下：

(a) 可報告分部損益

截至二零一九年十二月三十一日止年度

截至二零一八年十二月三十一日止年度

		Property investment 物業投資 HK\$'000 港幣千元	Financial services 金融服務 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Revenue from external customers	外界客戶之收益	92,413	52,461	144,874
Profit for reportable segments	可報告分部盈利	422,870	13,881	436,751
Net finance cost	財務成本淨額	(20,573)	(3,628)	(24,201)
Depreciation	折舊	(248)	(382)	(630)
Income tax expense	所得稅開支	(4,640)	(1,476)	(6,116)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

4. Revenue and segment information (Continued)

4. 收益及分部資料(續)

(b) Reconciliation of reportable segment profit or loss to profit for the year

(b) 可報告分部損益與全年盈利對賬表

		For the year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Profit for reportable segments	可報告分部盈利	207,067	436,751
Reconciling items:	對賬項目：		
Share of profits of associates under equity method of accounting	根據權益會計法應佔聯營公司盈利	427,393	279,717
Finance cost for the acquisition of an associate (Note)	收購一家聯營公司財務成本(附註)	(131,240)	(119,463)
Other corporate and treasury activities	其他企業及庫務活動	(16,269)	(13,550)
Profit for the year	全年盈利	486,951	583,455

Note: The finance cost of HK\$131,240,000 (2018: HK\$119,463,000) is not allocated to the above reportable segments as this finance cost was incurred for the acquisition of an associate. Please refer to Notes 8 and 15 for details.

附註：131,240,000 港元(二零一八年：119,463,000 港元)之財務成本未分配至以上可報告分部乃由於該財務成本為就收購一家聯營公司而產生。詳情請參閱附註8及15。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

5. Property, plant and equipment

5. 物業、機器及設備

		Computer equipment	Office equipment	Office furniture	Leasehold improvement 租賃物業 改善工程	Buildings 樓宇	Vehicle 車輛	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Net book value at 1 January 2019	於二零一九年一月一日 之賬面淨值	11	944	628	1,809	-	681	4,073
Additions	添置	2	494	149	3,737	-	-	4,382
Reclassification (Note (a))	重新分類(附註(a))	-	-	-	-	629,750	-	629,750
Depreciation	折舊	(5)	(306)	(118)	(1,628)	(4,198)	(143)	(6,398)
Net book value at 31 December 2019	於二零一九年十二月 三十一日之賬面淨值	8	1,132	659	3,918	625,552	538	631,807
At 31 December 2019	於二零一九年 十二月三十一日							
Cost	成本	2,139	2,462	1,105	8,538	629,750	717	644,711
Accumulated depreciation and impairment losses	累積折舊 及減值虧損	(2,131)	(1,330)	(446)	(4,620)	(4,198)	(179)	(12,904)
Net book value at 31 December 2019	於二零一九年十二月 三十一日之賬面淨值	8	1,132	659	3,918	625,552	538	631,807

Note (a): On 1 May 2019, portions of 20th Floor and 21st Floor of Bank of America Tower together with a car parking space were reclassified from investment properties to property, plant and equipment in the consolidated balance sheet as at 31 December 2019 as the owner occupies such portion of the properties as the Group's head office. For details, please refer to Note 6.

附註(a): 於二零一九年五月一日, 美國銀行中心20樓及21樓之部分連同一個停車場車位自投資物業被重新分類至於二零一九年十二月三十一日綜合資產負債表中的物業、機器及設備, 其乃由於業主佔用該物業有關部分作為本集團之總辦事處。有關詳情請參閱附註6。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

5. Property, plant and equipment (Continued)

5. 物業、機器及設備(續)

		Computer equipment	Office equipment	Office furniture	Leasehold improvement 租賃物業 改善工程	Vehicle 車輛	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Net book value at 1 January 2018	於二零一八年一月一日 之賬面淨值	-	1,335	716	3,258	-	5,309
Acquisition of subsidiaries (Note 27)	收購附屬公司(附註27)	14	14	-	-	-	28
Additions	添置	-	90	48	80	717	935
Depreciation	折舊	(3)	(316)	(120)	(1,529)	(36)	(2,004)
Written off	撇銷	-	(179)	(16)	-	-	(195)
Net book value at 31 December 2018	於二零一八年十二月 三十一日之賬面淨值	11	944	628	1,809	681	4,073
At 31 December 2018 Cost	於二零一八年十二月三十一日 成本	2,137	1,968	956	4,801	717	10,579
Accumulated depreciation and impairment losses	累積折舊及減值虧損	(2,126)	(1,024)	(328)	(2,992)	(36)	(6,506)
Net book value at 31 December 2018	於二零一八年十二月 三十一日之賬面淨值	11	944	628	1,809	681	4,073

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

6. Investment properties

6. 投資物業

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
At 1 January	於一月一日	3,791,800	1,781,500
Reclassification to property, plant and equipment (Note (a))	重新分類至物業、機器及設備(附註(a))	(629,750)	-
Acquisition of subsidiaries (Note (b))	收購附屬公司(附註(b))	-	1,608,921
Capitalised expenses	資本化開支	19,958	818
Fair value gain	公平值收益	169,192	400,561
At 31 December	於十二月三十一日	3,351,200	3,791,800

(a) On 8 March 2019, both of Sunny Bright Development Limited and Sunny Success Development Limited, being wholly-owned subsidiaries of the Company, which hold certain office units and car parking spaces of the Bank of America Tower as investment properties, received letters of offer from Great Wall International, an intermediate holding company, which offered to rent portion of the above premises from 1 May 2019 to 31 December 2021. The remaining premises are used as owner-occupied properties starting from 1 May 2019 and are thus reclassified from investment properties to property, plant and equipment.

(b) During the year ended 31 December 2018, the Group had completed the acquisition of Patrol Hall 12 Limited which indirectly owns Kwai Fong Plaza as disclosed in Note 27. Kwai Fong Plaza is under renovation since March 2019 which the fresh market would be converted to retail shops, the renovation is completed as at 31 December 2019.

(a) 於二零一九年三月八日，新利輝發展有限公司及新利成發展有限公司(均為本公司的全資附屬公司，並持有美國銀行中心若干辦公室單位及停車場車位作為投資物業)均自中間控股公司長城國際接獲要約函件，提出由二零一九年五月一日至二零二一年十二月三十一日租賃上述物業的一部分。餘下物業由二零一九年五月一日起作為業主佔用物業使用，並因而自投資物業重新分類至物業、機器及設備。

(b) 如附註27中所披露，截至二零一八年十二月三十一日止年度，本集團完成收購間接持有葵芳廣場之Patrol Hall 12 Limited。葵芳廣場自二零一九年三月起進行裝修，其中鮮活街市將改造成零售店，改造已於二零一九年十二月三十一日竣工。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

6. Investment properties (Continued)

For the year ended 31 December 2019, direct operating expenses of HK\$22,781,000 (2018: HK\$22,347,000) arising from investment properties that generated rental income and no direct operating expense arising from investment properties that did not generate rental income (2018: nil), were charged to the consolidated statement of comprehensive income.

As at 31 December 2019, the Group's total future minimum rental receivables under non-cancelable operating leases for its investment properties are as follows:

6. 投資物業(續)

截至二零一九年十二月三十一日止年度，綜合全面收益表已扣除由產生租金收入之投資物業引致之直接經營開支22,781,000港元(二零一八年：22,347,000港元)，及由不產生租金收入之投資物業概無引致直接經營開支(二零一八年：無)。

於二零一九年十二月三十一日，本集團根據其投資物業之不可撤銷經營租賃之未來最低租賃應收款項總額如下：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Not later than one year	不超過一年	62,586	42,841
Later than one year but not later than five years	超過一年但 不超過五年	90,907	25,328
Over five years	超過五年	16,776	–
		170,269	68,169

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

6. Investment properties (Continued)

Particulars of investment properties held by the Group as at 31 December 2019 and 2018:

6. 投資物業(續)

於二零一九年及二零一八年十二月三十一日本集團所持投資物業詳情：

Property 物業	Type 類型	Lease term 租期
(i) 20th and 21st Floors and Car Parking Spaces Nos. 21, 22 and 23 on 4th Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong 香港中環夏慤道12號美國銀行中心20及21樓及4樓之21、22及23號停車場車位	Offices and car parking spaces 辦公室及停車場車位	Long 長期
(ii) Ground and 1st Floors, Block B, Ko Fai Industrial Building, 7 Ko Fai Road, Yau Tong, Kowloon, Hong Kong 香港九龍油塘高輝道7號高輝工業大廈B座地下及1樓	Industrial building 工廈	Medium 中期
(iii) The lobby on G/F and the front (or southern) portions of the 1st, 2nd and 3rd Floors including the staircase therein leading up to the 3rd Floor and the lift therein serving the 1st and 2nd Floors only and portion of the canopy on the 1st Floor level, Yue King Building, 26, 26A, 27, 28, 29 & 30 Canal Road West, 1-7 Leighton Road and 41-47 Morrison Hill Road, Wanchai, Hong Kong 香港灣仔堅拿道西26、26A、27、28、29及30號、禮頓道1至7號及摩理臣山道41至47號愉景樓地下大堂及1、2及3樓之前部(或南部)(包括通向3樓的樓梯及服務1及2樓之升降機)·以及1樓部份上蓋	Office and retail shop 辦公室及零售店	Medium 中期
(iv) 8th Floor of Block C, Sea View Estate, 8 Watson Road, North Point, Hong Kong 香港北角屈臣道8號海景大廈C座8樓	Industrial building 工廈	Medium 中期
(v) Kwai Fong Plaza, Kwai Fong Estate, 177 Hing Fong Road, Kwai Chung, New Territories, Hong Kong (acquired in 2018 (Note 27)) 香港新界葵涌興芳路177號葵芳邨葵芳廣場(於二零一八年收購(附註27))	Retail shops, fresh market and car parking spaces (Note (a)) 零售店、鮮活街市及停車場車位(附註(a))	Medium 中期

Note (a): Kwai Fong Plaza is under renovation since March 2019 which the fresh market would be converted to retail shops. The renovation was completed as at 31 December 2019.

附註(a)：葵芳廣場自二零一九年三月起進行裝修，其中鮮活街市將改造成零售店。改造已於二零一九年十二月三十一日竣工。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

6. Investment properties (Continued)

Investment properties comprise:

	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Long term leasehold (not less than 50 years) 長期租約(不少於五十年)	600,000	1,186,000
Medium term leasehold (less than 50 years but not less than 10 years) 中期租約(少於五十年但不少於十年)	2,751,200	2,605,800
	3,351,200	3,791,800

6. 投資物業(續)

投資物業包括：

Fair value measurements using significant unobservable inputs

使用重大不可觀察輸入數值的公平值計算法

		Retail shops, fresh market and car parking spaces 零售店、鮮活 街市及停車場車位 HK\$'000 港幣千元	Office buildings 辦公大樓 HK\$'000 港幣千元	Industrial buildings 工廈 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1 January 2018 於二零一八年一月一日		-	1,479,000	302,500	1,781,500
Acquisition of subsidiaries (Note 27) 收購附屬公司(附註27)		1,608,921	-	-	1,608,921
Capitalised expenses 資本化開支		818	-	-	818
Fair value gain – unrealised 公平值收益 – 未實現		70,261	287,000	43,300	400,561
At 31 December 2018 於二零一八年十二月三十一日		1,680,000	1,766,000	345,800	3,791,800
At 1 January 2019 於二零一九年一月一日		1,680,000	1,766,000	345,800	3,791,800
Reclassification to property, plant and equipment (Note 5) 重新分類至物業、機器及設備(附註5)		-	(629,750)	-	(629,750)
Capitalised expenses 資本化開支		19,908	-	50	19,958
Fair value gain – unrealised 公平值收益 – 未實現		132,092	13,750	23,350	169,192
At 31 December 2019 於二零一九年十二月三十一日		1,832,000	1,150,000	369,200	3,351,200

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

6. Investment properties (Continued)

Valuation processes of the Group

The Group's investment properties were revalued by independent professionally qualified valuers, Cushman & Wakefield Limited ("C&W") and Savills Valuation and Professional Services Limited ("Savills") at 31 December 2019 and 2018 respectively, who both hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties valued. For all investment properties, their current valuations are based on the highest and best use. The Group's finance department includes a team that review the valuations performed by the independent valuers for financial reporting purposes. The revaluation gains or losses are shown as "Fair value gain or loss on investment properties" in the consolidated statement of comprehensive income.

At each financial year end the finance department:

- verifies all major inputs to the independent valuation report;
- assesses property valuation movements when compared to the prior year valuation report;
- holds discussions with the independent valuer.

6. 投資物業(續)

本集團的估值流程

本集團之投資物業分別於二零一九年及二零一八十二月三十一日由獨立專業合資格估值師戴德梁行有限公司(「戴德梁行」)及第一太平戴維斯估值及專業顧問有限公司(「第一太平戴維斯」)(其皆持有獲認可的相關專業資格，且最近曾對所估值的投資物業之地點及種類進行估值)。所有投資物業乃就其目前最有效及最佳方式使用。本集團的財務部門有一個團隊審閱由獨立估值師就財務報告編製的估值報告。重估收益或虧損於綜合全面收益表以「投資物業公平值收益或虧損」列賬。

於各財政年度末，財務部門：

- 核實獨立估值報告的所有主要輸入數值；
- 評估物業估值較上一年度估值報告的變動；
- 與獨立估值師召開討論會。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

6. Investment properties (Continued)

Valuation techniques

Fair values of the retail shops, fresh market, office buildings, industrial buildings and car parking spaces are derived using the income capitalisation approach. The income capitalisation approach is based on the capitalisation of the net income and reversionary income potential by adopting appropriate capitalisation rates, which are derived from actual location, size and quality of the properties and taking into account market data at the valuation date. The prevailing market rents adopted in the valuation have reference to the actual location, type and quality of the properties and supported by the terms of any existing lease, other contracts or external evidence such as current market rents for similar properties.

There were no changes to the valuation techniques during the year.

Significant inputs used to determine fair value

Capitalisation rates are estimated by management, after consultation with valuers based on the risk profile of the properties being valued. The higher the rates, the lower the fair value. At 31 December 2019, capitalisation rates of 2.5% to 3.75% (2018: 2.5% to 3.75%) are used in the income capitalisation approach for the retail shops, office buildings, industrial buildings and car parking spaces. (2018: retail shops, fresh market, office buildings, industrial buildings and car parking spaces)

Rental rates are estimated based on recent lettings of HK\$55 psf to HK\$85 psf (2018: HK\$55 psf to HK\$110 psf) for retail shops, nil (2018: HK\$41 psf) for fresh market, HK\$30.7 psf to HK\$100.5 psf (2018: HK\$39 psf to HK\$100 psf) for office buildings, HK\$13.3 psf to HK\$31 psf (2018: HK\$13.3 psf to HK\$29.5 psf) for industrial buildings and HK\$3,326 per space (2018: HK\$3,229 per space) for car parking spaces respectively. The lower the rents, the lower the fair value.

6. 投資物業(續)

估值方法

零售店、鮮活街市、辦公大樓、工廈及停車場車位的公平值使用收益資本化法推算。收益資本化法乃基於採用適當之資本化比率將收入淨額及潛在復歸收入予以資本化而得出，而資本化比率乃根據物業的實際位置、規模及質量並考慮估值日之市場數據計算。於估值中採納的當前市場租金已根據物業的實際位置、類型及質量釐定，並用任何現有租約條款、其他合約或外在證據如類似物業的目前市場租金作支持。

於年內，估值方法並無變動。

釐定公平值的主要輸入數值

資本化比率乃由管理層經諮詢估值師後按所估物業的風險情況來估計。比率越高，公平值則越低。於二零一九年十二月三十一日，採用收入資本化方法估值的零售店、辦公大樓、工廈及停車場車位(二零一八年：零售店、鮮活街市、辦公大樓、工廈及停車場車位)使用2.5%至3.75%(二零一八年：2.5%至3.75%)的資本化比率。

租金乃根據近期零售店每平方呎55港元至每平方呎85港元(二零一八年：每平方呎55港元至每平方呎110港元)、鮮活街市無(二零一八年：每平方呎41港元)、辦公大樓每平方呎30.7港元至每平方呎100.5港元(二零一八年：每平方呎39港元至每平方呎100港元)、工廈每平方呎13.3港元至每平方呎31港元(二零一八年：每平方呎13.3港元至每平方呎29.5港元)及每個停車場車位3,326港元(二零一八年：每個停車場車位3,229港元)的租金預測。租金越低，公平值也越低。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

7. Interests in subsidiaries

Details of the principal subsidiaries are set out in Note 33 to the financial statements.

7. 附屬公司之權益

主要附屬公司之詳情載於財務報表附註33。

8. Investment in associates

8. 於聯營公司之投資

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
At 1 January	於一月一日	3,405,706	2,607
Investment in an associate	於一家聯營公司之投資	–	3,123,382
Share of profits of associates	應佔聯營公司盈利	427,393	279,717
Dividend from an associate	來自一家聯營公司的股息	(7,474)	–
Repayment of loan from an associate	來自一家聯營公司的貸款償還	(13,725)	–
At 31 December	於十二月三十一日	3,811,900	3,405,706

On 28 November 2017, GWPA Property I Holding Limited (“GWPA Property”), a wholly-owned subsidiary of the Company, had entered into the shareholders agreement (which was amended and restated on 15 February 2018, 12 April 2018 and 13 March 2019 respectively) with other investors regarding the formation of a joint venture, Everwell City Limited (“Everwell City”), of which GWPA Property agreed to subscribe for 29.9% of class A ordinary shares of Everwell City. Everwell City had participated in a bidding for and won the bid for the purchase of a portfolio of assets comprising 17 diversified commercial properties and shopping centres, retail shops and carparks across Hong Kong (the “Portfolio Assets”).

Under the said shareholders agreement, GWPA Property also agreed to provide an interest-free advance of not more than HK\$743,000,000 to Everwell City in consideration of the grant of a call option which entitled GWPA Property to purchase the relevant subsidiaries of the joint venture group, which indirectly holds one of the Portfolio Assets, and the actual amount of such interest-free advance provided to Everwell City by GWPA Property was HK\$725,051,488.

於二零一七年十一月二十八日，GWPA Property I Holding Limited(「GWPA Property」)(本公司之全資附屬公司)就成立合營公司Everwell City Limited(「Everwell City」)與其他投資者訂立股東協議(已分別於二零一八年二月十五日、二零一八年四月十二日及二零一九年三月十三日修訂及重訂)，據此GWPA Property已同意認購Everwell City A類普通股之29.9%。Everwell City參與招標並已中標收購包括分佈於香港的17項多元化商業物業以及購物中心、零售店及停車場的組合資產(「組合資產」)。

根據上述股東協議，GWPA Property亦同意向Everwell City提供免息及不多於743,000,000港元之墊款，以作為授出認購選擇權之代價，據此，GWPA Property有權向合營集團收購間接擁有一項組合資產的一間附屬公司，且GWPA Property向Everwell City提供的該免息墊款實際金額為725,051,488港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

8. Investment in associates (Continued)

The Group's capital contribution to Everwell City was completed on 22 February 2018 and the actual contribution paid to Everwell City by GWPA Property was HK\$3,123,382,161, which was financed by loan from an intermediate holding company of the Company. The purchase of the Portfolio Assets by Everwell City was completed on 28 February 2018.

During the year ended 31 December 2018, the Company exercised the call option in May 2018 and completed the acquisition of Patrol Hall 12 Limited and its subsidiary, the major asset of which is Kwai Fong Plaza. Please refer to Note 27 for details of the acquisition of subsidiaries from Everwell City.

As of 31 December 2019 and 31 December 2018, the balances also included investment in another associate, Dymocks Franchise Systems (China) Limited ("Dymocks"). It operated as a bookshop.

Summarised financial information for the principal associate

Set out below is the summarised financial information for Everwell City as at 31 December 2019, which is accounted for using the equity method. In the opinion of the Directors, Everwell City is material to the Group.

Summarised balance sheet

8. 於聯營公司之投資(續)

本集團已於二零一八年二月二十二日完成向 Everwell City 資本出資，且 GWPA Property 支付予 Everwell City 的實際出資額為 3,123,382,161 港元，其由本公司之中間控股公司之貸款撥付。Everwell City 已於二零一八年二月二十八日完成收購組合資產。

截至二零一八年十二月三十一日止年度，本公司已於二零一八年五月行使認購選擇權並完成收購 Patrol Hall 12 Limited 及其附屬公司(其主要資產為葵芳廣場)。從 Everwell City 收購附屬公司之詳情請參閱附註 27。

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，結餘亦包括於另一間聯營公司 Dymocks Franchise Systems (China) Limited (「Dymocks」) 之投資。其乃作為書店營運。

主要聯營公司之財務資料概要

下文載列 Everwell City 於二零一九年十二月三十一日之財務資料概要，其乃以權益法入賬。董事認為，Everwell City 對本集團而言屬重大。

資產負債表概要

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Non-current assets	非流動資產	25,865,417	24,316,855
Current assets	流動資產	275,969	277,003
Non-current liabilities	非流動負債	(23,548,603)	(23,432,142)
Current liabilities	流動負債	(261,096)	(224,885)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

8. Investment in associates (Continued)

Summarised financial information for the principal associate (Continued)

Summarised statement of comprehensive income

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Revenue	收益	921,816	737,358
Profit and total comprehensive income for the year	全年盈利及全面收入總額	1,165,605	783,590

Reconciliation of summarised financial information

8. 於聯營公司之投資(續)

主要聯營公司之財務資料概要(續)

全面收益表概要

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Net profit attributable to equity holders	歸屬於權益持有人之淨盈利	1,186,498	783,472
Group's shareholdings (Note (a))	本集團之股權(附註(a))	35.78%	35.78%
Group's share of net profit attributable to equity holders (Note (b))	本集團應佔歸屬於權益持有人之淨盈利(附註(b))	424,529	280,326

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Amounts due from/(to) associates	應收/(應付)聯營公司款項	65	(958)

The balances represent the amounts due from/(to) Dymocks and its immediate holding company. They are unsecured and interest-free.

結餘為應收/(應付)Dymocks及其直接控股公司款項。其為無抵押及免息。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

8. Investment in associates (Continued)

Summarised financial information for the principal associate (Continued)

Reconciliation of summarised financial information (Continued)

Notes:

- (a) On 12 April 2018, one of the existing shareholders of Everwell City had syndicated a portion of its interests to a new investor. Due to regulatory reasons, the new investor had to directly acquire a stake in each underlying Hong Kong subsidiaries of Everwell City and as such, the Group's interests in such Hong Kong subsidiaries had been diluted. To facilitate the new investor's acquisition, the Group's shareholding percentage in Everwell City had been adjusted accordingly and the Group's interest in Everwell City had been increased to 35.78% so as to maintain the Group's effective economic interests in the relevant Hong Kong subsidiaries and underlying assets at approximately 29.9% following the acquisition. Notwithstanding such adjustment, the proportionate voting rights of the existing shareholders of Everwell City remain the same.

(b) The share of profits from Everwell City consisted of:

1. Share of profits of 29.9% from 22 February 2018 to 11 April 2018;
2. Share of profits of 35.78% from 12 April 2018 to 30 June 2018,

however, the effective share of profits of the Group from each underlying Hong Kong subsidiaries of Everwell City remains at approximately 29.9% notwithstanding such increase in shareholding in Everwell City.

8. 於聯營公司之投資(續)

主要聯營公司之財務資料概要(續)

財務資料概要對賬表(續)

附註：

- (a) 於二零一八年四月十二日，Everwell City的其中一名現有股東已向一名新投資者出售其於Everwell City的部分權益。由於監管原因，新投資者須直接收購Everwell City每家相關香港附屬公司之部分權益，本集團於該等香港附屬公司的權益因此遭到攤薄。為促成新投資者進行收購，本集團於Everwell City的股權比例已相應調整，且本集團於Everwell City的權益已增加至35.78%，務求令本集團於收購後於相關香港附屬公司及相關資產的實際經濟權益維持在約29.9%。即使經該調整，Everwell City現有股東的投票權比例維持不變。

(b) 來自Everwell City的應佔盈利包括：

1. 自二零一八年二月二十二日至二零一八年四月十一日的應佔盈利為29.9%；
2. 自二零一八年四月十二日至二零一八年六月三十日的應佔盈利為35.78%，

然而即使於Everwell City的股權增加，本集團來自Everwell City的各相關香港附屬公司之實際應佔盈利維持於約29.9%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

9. Financial asset at fair value through profit or loss

9. 按公平值計入損益的金融資產

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Investment in fund, unlisted in the PRC	中國非上市基金之投資	1,116	1,141

With effect of HKFRS 9 on 1 January 2018, the investment was reclassified from available-for-sale financial assets to financial assets at FVTPL.

隨著香港財務報告準則第9號於二零一八年一月一日生效，該投資已由可供出售金融資產重新分類至按公平值計入損益的金融資產。

The following table shows a reconciliation from the beginning balance to the ending balance for fair value measurement in Level 3 of the fair value hierarchy:

下表列載公平值架構下以第3級公平值計量年初結餘至年末結餘的對賬：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Opening balance	年初結餘	1,141	1,196
Exchange difference	匯兌差額	(25)	(55)
Closing balance	年末結餘	1,116	1,141
Changes in unrealised losses for level 3 investment as at 31 December 2019 and 2018	於二零一九年及二零一八年十二月三十一日的第3級投資未變現虧損變動	25	55

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

9. Financial asset at fair value through profit or loss (Continued)

The above investment has been measured at fair value as at 31 December 2019 and 2018, and is classified under level 3 in the fair value hierarchy.

9. 按公平值計入損益的金融資產(續)

上述投資已於二零一九年及二零一八年十二月三十一日按公平值計量，並分類為公平值架構下之第3級公平值計量。

		Level 1 第1級	Level 2 第2級	Level 3 第3級	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Financial asset at fair value through profit or loss	按公平值計入損益的金融資產				
Investment in an investment fund	於投資基金之投資	-	-	1,116	1,116

There was no transfer between levels during the years ended 31 December 2019 and 2018.

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概無分級轉換。

The financial asset at fair value through profit or loss under level 3 fair value measurement represents the investment in limited partnership which is owned by Shen Zhen Great Wall Pan Asia International Equity Investment Fund Management Company* (深圳長城環亞國際股權投資基金管理有限公司), a wholly-owned subsidiary of the Company and is not traded in the active market. The Directors have determined that the carrying value of the investment based on discounted expected proceed from exercising the redemption option (2018: purchase cost) represents fair value at the end of the reporting period for the investment in limited partnership.

第3級公平值計量項下的按公平值計入損益的金融資產為於本公司全資附屬公司深圳長城環亞國際股權投資基金管理有限公司擁有之有限合夥之投資，且並非於活躍市場交易。董事認為，按行使贖回選擇權產生之已折現預期所得款項的投資賬面值(二零一八年：購買成本)為於有限合夥之投資於報告期末的公平值。

As at 31 December 2019 and 2018, the Group contributed RMB1,000,000 to the limited partnership, which represents 0.03% of the equity interest in the limited partnership.

於二零一九年及二零一八年十二月三十一日，本集團向有限合夥貢獻人民幣1,000,000元，佔該有限合夥股權0.03%。

The above investment has been measured at fair value as at 31 December 2019 and 31 December 2018, by the Level 3 in the fair value hierarchy into which the fair value treatment is categorised. For details, please refer to Note 32(e).

上述投資已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按公平值架構下之第3級公平值計量，而公平值據此分類。有關詳情，請參閱附註32(e)。

* For identification purpose only

* 僅供識別

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

10. Right-of-use assets

The following represents the Group's right-of-use assets as at 1 January 2019 and 31 December 2019 and the moment during the year due to adoption of HKFRS 16. Refer to Note 2(b) for details:

		2019 二零一九年 HK\$'000 港幣千元
Balance as at 1 January 2019	於二零一九年一月一日結餘	37,148
Depreciation (Note (a))	折舊(附註(a))	(15,162)
Balance as at 31 December 2019	於二零一九年十二月三十一日結餘	21,986

Note (a): The provision for dismantling costs of HK\$2,280,000 in Note 2(b) was fully settled at HK\$1,710,000 during the year ended 31 December 2019. The over-provision of HK\$646,000 is reversed by netting off the depreciation charges in consolidated statement of comprehensive income.

11. Loan receivable

As at 31 December 2019, all the loan receivable has been repaid. As at 31 December 2018, loan receivable of HK\$115,903,000 represents the US\$15 million second lien term loan with a maturity date on 22 January 2026. The loan receivable bears interest at London Interbank Offered Rate plus 8% per annum. The carrying value of the loan receivable approximates to its fair value. In deriving the ECL, the Directors of the Company exercise their judgements and consider various factors such as exposure amount at default, the probability of default, and loss given default. ECL of the loan receivable as at 31 December 2018 amounted to HK\$797,000, which was recognised in the consolidated statement of comprehensive income for the year ended 31 December 2018.

10. 使用權資產

下列為於二零一九年一月一日及二零一九年十二月三十一日本集團使用權資產及由於採納香港財務報告準則第16號的年度變動。有關詳情請參閱附註2(b)：

附註(a)：截至二零一九年十二月三十一日止年度，附註2(b)中的拆卸費用撥備2,280,000港元已以1,710,000港元悉數結清。超額撥備646,000港元已透過扣除綜合全面收益表內的折舊開支撥回。

11. 應收貸款

於二零一九年十二月三十一日，已償還所有應收貸款。於二零一八年十二月三十一日，應收貸款115,903,000港元指於二零二六年一月二十二日到期日的1,500萬美元的第二留置權貸款。應收貸款按倫敦銀行同業拆息加年利率8%計息。應收貸款之賬面值與其公平值相若。就取得預期信貸虧損，本公司董事已行使彼等之判斷並考慮多項因素，如違責風險承擔金額、違責或然率及違責損失率。於二零一八年十二月三十一日，應收貸款之預期信貸虧損797,000港元已於截至二零一八年十二月三十一日止年度之綜合全面收益表內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

12. Accounts receivable

An ageing analysis of accounts receivable as at the end of the reporting period is as follows:

12. 應收款項

截至報告期末，應收款項之賬齡分析如下：

		2019 二零一九年		2018 二零一八年	
		Balance 結餘 HK\$'000 港幣千元	Percentage 百分比 %	Balance 結餘 HK\$'000 港幣千元	Percentage 百分比 %
Current	即期	2,227	59.5%	2,226	72.6%
Less than 30 days past due	逾期少於三十日	918	24.6%	236	7.7%
31 to 60 days past due	逾期三十一日至六十日	319	8.5%	119	3.9%
61 to 90 days past due	逾期六十一日至九十日	200	5.4%	103	3.4%
Over 90 days past due	逾期多於九十日	76	2.0%	380	12.4%
Total	總計	3,740	100.0%	3,064	100.0%

Below is an ageing analysis of accounts receivable that are past due as at the reporting date but not impaired:

以下為於報告日期已逾期但未出現減值之應收賬款之賬齡分析：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Less than 30 days past due	逾期少於三十日	918	236
31 to 60 days past due	逾期三十一日至六十日	319	119
61 to 90 days past due	逾期六十一日至九十日	200	103
Over 90 days past due	逾期多於九十日	76	380
Total accounts receivable past due but not impaired	已逾期但未出現減值 應收賬款總額	1,513	838

Accounts receivable past due but not impaired represent balances that the Group considered to be fully recoverable based on past experience.

已逾期但未出現減值之應收款項指本集團根據以往經驗認為可悉數收回之結餘。

The movements in the allowance for impairment during the year are as follows:

本年度減值撥備的變動情況如下：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
At 1 January	於一月一日	-	-
Impairment provision made	已作出減值撥備	-	300
Accounts written off as uncollectible	無法收回而撇銷的賬目	-	(300)
At 31 December	於十二月三十一日	-	-

For the financial risk management on credit risk, refer to Note 32(d).

就信貸風險的金融風險管理，請參閱附註32(d)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

13. Prepayments, deposits and other receivables

As at 31 December 2019, the balance represents mainly the rental deposits paid of HK\$5,106,000 (as at 31 December 2018: HK\$5,106,000) and utility and management fee deposits of HK\$3,625,000 (as at 31 December 2018: HK\$3,346,000).

For the financial risk management on credit risk, refer to Note 32(d).

14. Deferred income tax

Deferred income tax liabilities are calculated in full on temporary differences under the liability method.

13. 預付費用、按金及其他應收款項

於二零一九年十二月三十一日，結餘主要為租金之已付按金5,106,000港元(於二零一八年十二月三十一日：5,106,000港元)及水電與管理費按金3,625,000港元(於二零一八年十二月三十一日：3,346,000港元)。

就信貸風險的金融風險管理，請參閱附註32(d)。

14. 遞延所得稅

遞延所得稅負債採用負債法就暫時差異作全數計算。

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Deferred income tax	遞延所得稅	3,610	1,913

The movement on the deferred income tax liabilities account is as follows:

遞延所得稅負債賬之變動如下：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
At 1 January	於一月一日	1,913	1,814
Charged to profit for the year	本年度自盈利扣除	1,697	99
At 31 December	於十二月三十一日	3,610	1,913

The movements in deferred income tax liabilities and assets (prior to offsetting of balances within the same taxation jurisdiction) during the year are as follows:

遞延所得稅負債及資產(未抵銷於同一稅務司法權區之結餘)於年內之變動如下：

		Accelerated tax depreciation 加速稅項折舊		Total 總計	
		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
At 1 January	於一月一日	1,913	1,814	1,913	1,814
Charged to profit for the year	本年度自盈利扣除	1,697	99	1,697	99
At 31 December	於十二月三十一日	3,610	1,913	3,610	1,913

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

14. Deferred income tax (Continued)

Deferred income tax assets are recognised for tax loss carry forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. The Group has unrecognised tax losses of HK\$25,537,000 (2018: HK\$21,020,000) to carry forward against future taxable income and the expiry dates of these tax losses are shown as follows:

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
After the fifth year	第五年後	25,537	21,020
		25,537	21,020

The Group has not recognised such tax losses and deferred tax assets of HK\$4,214,000 (2018: HK\$3,468,000) as the realisation of the related tax benefit is not probable.

15. Loans from an intermediate holding company

During the year ended 31 December 2017, an intermediate holding company, Great Wall International, had agreed to provide loan facilities up to HK\$4,130,000,000 for financing the Group's investment in an associate as described in Note 8. As at 31 December 2019, the Group has drawn down HK\$3,848,434,000 (as at 2018: HK\$3,848,434,000). The loan from Great Wall International is denominated in HK\$, interest bearing at Hong Kong Interbank Offered Rate plus 1.9% per annum and is repayable by November 2022.

During the year ended 31 December 2018, Great Wall International has further agreed to provide loan facilities up to US\$8,557,300 (equivalent to approximately HK\$66,576,000). As at 31 December 2018, the Group has drawn down US\$8,557,300 which is equivalent to approximately HK\$66,576,000. The loan is denominated in US\$, interest bearing at 3.5% per annum and is repayable by February 2026. During the year ended 31 December 2019, the loan of US\$8,557,300 (equivalent to HK\$66,576,000) was fully repaid by the Group to Great Wall International as the loan receivable as mentioned in Note 11 was repaid by the debtor to the Group.

The Directors of the Company consider the loans are on normal commercial terms. The carrying values of the loans approximate their fair values.

14. 遞延所得稅(續)

僅當與結轉之稅項虧損相關之稅項利益很可能會透過未來應課稅盈利來實現時，遞延所得稅資產方會被確認。本集團可結轉用作與未來應課稅收入抵銷之未確認稅項虧損為25,537,000港元(二零一八年：21,020,000港元)及該等稅項虧損之屆滿日期如下：

	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
	25,537	21,020
	25,537	21,020

本集團並未確認相關稅項虧損及遞延稅項資產4,214,000港元(二零一八年：3,468,000港元)，乃因不太可能實現相關應課稅盈利。

15. 來自中間控股公司之貸款

如附註8所述，於截至二零一七年十二月三十一日止年度內，長城國際(一家中間控股公司)同意提供不超過4,130,000,000港元的貸款融資，以為本集團投資於一家聯營公司提供資金。於二零一九年十二月三十一日，本集團已提取3,848,434,000港元(於二零一八年：3,848,434,000港元)。來自長城國際之貸款以港元計值，年利率為香港銀行同業拆息利率加1.9%，並須於二零二二年十一月前全數償還。

於截至二零一八年十二月三十一日止年度內，長城國際進一步同意提供不超過8,557,300美元(相等於約66,576,000港元)的貸款融資。於二零一八年十二月三十一日，本集團已提取8,557,300美元(其相等於約66,576,000港元)。貸款以美元計值，年利率為3.5%，並須於二零二六年二月前全數償還。截至二零一九年十二月三十一日止年度，由於附註11所述的應收貸款已由債務人向本集團償還，故該貸款8,557,300美元(相等於66,576,000港元)已由本集團向長城國際全數償還。

本公司董事認為該等貸款乃按一般商業條款訂立。貸款之賬面值與其公平值相若。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

16. Bank Borrowings

16. 銀行借貸

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Non-current	非即期		
Bank loan (Note (a))	銀行貸款(附註(a))	897,285	893,529
Current	即期		
Bank loan (Note (b))	銀行貸款(附註(b))	-	49,792
		897,285	943,321

Notes:

(a) During the year ended 31 December 2018, the Group has acquired a subsidiary with an existing bank loan of HK\$891,308,000. The loan is denominated in HK\$. The effective interest rate of the loan for the year ended 31 December 2019 is 3.74% (for the year ended 31 December 2018: 3.26%) and is repayable by 2021. As at 31 December 2019 and 2018, the Group has undrawn bank facility of approximately HK\$35,000,000. As at 31 December 2019, the Group has pledged an investment property of fair value of HK\$1,832,000,000 (as at 2018: HK\$1,680,000,000) and a restricted cash of HK\$10,226,000 (as at 2018: HK\$9,199,000) to the lender, as a collateral of bank loan.

(b) During the year ended 31 December 2018, the Group has drawn down an US\$ loan of US\$6,400,000 which is equivalent to HK\$49,792,000 and the loan was repayable on 1 February 2019. On 1 February 2019, the Group and the bank entered into a supplemental letter to extend the repayment term of the loan facility to 1 February 2020. During the year ended 31 December 2019, the Group fully repaid the loan. The effective interest rate of the loan for the year ended 31 December 2019 is 3.70% (for the year ended 31 December 2018: 3.96%). As at 31 December 2019, the bank has undrawn bank facility of HK\$50,000,000.

附註：

(a) 於截至二零一八年十二月三十一日止年度內，本集團已收購一間附屬公司(現存一項銀行貸款891,308,000港元)。貸款以港元計值。截至二零一九年十二月三十一日止年度貸款之實際利率為3.74%(截至二零一八年十二月三十一日止年度：3.26%)並需於二零二一年前全數償還。於二零一九年及二零一八年十二月三十一日，本集團之未提取銀行融資約為35,000,000港元。於二零一九年十二月三十一日，本集團已向借款人抵押公平值為1,832,000,000港元(於二零一八年：1,680,000,000港元)之投資物業及10,226,000港元之受限制現金(於二零一八年：9,199,000港元)，作為銀行貸款之抵押品。

(b) 於截至二零一八年十二月三十一日止年度內，本集團已提取一項美元貸款6,400,000美元(其相等於49,792,000港元)且該貸款於二零一九年二月一日已全數償還。於二零一九年二月一日，本集團與該銀行訂立一項補充函件將貸款融資的償還期限延長至二零二零年二月一日。於截至二零一九年十二月三十一日止年度內，本集團已全數償還貸款。截至二零一九年十二月三十一日止年度貸款之實際利率為3.70%(截至二零一八年十二月三十一日止年度：3.96%)。於二零一九年十二月三十一日，本集團之未提取銀行融資為50,000,000港元。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

16. Bank Borrowings (Continued)

- (c) Apart from the undrawn bank facilities mentioned in Note 16(a) and (b), the Group had an undrawn bank facility of principal amount of HK\$300,000,000 as at 31 December 2018. On 11 October 2019, the Group entered into an agreement with another bank and obtained an additional bank facility of principal amount of HK\$100,000,000. As a result, as at 31 December 2019, the Group had undrawn bank facilities of total principal amounts of HK\$400,000,000 (as at 2018: HK\$300,000,000).

The carrying amounts of bank borrowings approximate their fair values, and are denominated in the following currencies:

16. 銀行借貸(續)

- (c) 除上述附註16(a)項及(b)項之未提取銀行融資外，於二零一八年十二月三十一日，本集團有本金額300,000,000港元之未提取銀行融資。於二零一九年十月十一日，本集團與另一間銀行訂立一份協議，並獲得本金額為100,000,000港元之額外銀行融資。因此，於二零一九年十二月三十一日，本集團有本金總額400,000,000港元之未提取銀行融資(於二零一八年：300,000,000港元)。

銀行借貸之賬面值與其公平值相若，並以下列貨幣計值

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
HK\$	港元	897,285	893,529
US\$	美元	-	49,792
		897,285	943,321

17. Other payables and accrued liabilities

17. 其他應付款項及應計負債

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Interest payable	應付利息	256,210	125,463
Other payables and accrued expenses	其他應付款項及應計費用	17,974	22,574
Rental received in advance	預收租金	14,789	18,739
Deposits received from tenants	已收租戶按金	7,136	9,950
Others	其他	1,167	1,200
		297,276	177,926
Represented by:	呈列為：		
Non-current portion	非流動部分	254,549	125,262
Current portion	流動部分	42,727	52,664
		297,276	177,926

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

18. Lease liabilities

The following represents the Group's lease liabilities (as at 1 January 2019 and 31 December 2019) and the movement during the year due to adoptions of HKFRS 16. Refer to Note 1 for details:

18. 租賃負債

下列為本集團租賃負債(於二零一九年一月一日及二零一九年十二月三十一日)及由於採納香港財務報告準則第16號的年度變動。有關詳情請參閱附註1:

		2019 二零一九年 HK\$'000 港幣千元
Balance as at 1 January 2019	於二零一九年一月一日結餘	34,868
Interest expenses	利息支出	994
Lease payment	租賃付款	(13,198)
Balance as at 31 December 2019	於二零一九年十二月三十一日結餘	22,664
Represented by:	呈列為:	
Non-current portion	非流動部分	17,952
Current portion	流動部分	4,712
		22,664

19. Share capital

19. 股本

		2019 二零一九年		2018 二零一八年	
		Number of shares 股數	Amount 金額 HK\$'000 港幣千元	Number of shares 股數	Amount 金額 HK\$'000 港幣千元
Authorised:	法定:				
Ordinary shares of HK\$0.10 each	每股面值0.10港元之普通股	5,000,000,000	500,000	5,000,000,000	500,000
Issued and fully paid:	已發行及繳足:				
Opening and ending balance	期初及期末結餘	1,567,745,596	156,775	1,567,745,596	156,775

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

20. Reserves

(a) Group

Movements of the Group's reserves for the years ended 31 December 2019 and 2018 are presented in the consolidated statement of changes in equity on page 142.

The contributed surplus of the Group represents the excess of the nominal value of the shares of subsidiaries acquired over the nominal value of the Company's Shares issued in exchange therefor during the Group reorganisation in 1990, less dividend distributions.

The Group's other reserves consist of the following components:

20. 儲備

(a) 本集團

本集團截至二零一九年及二零一八年十二月三十一日止年度之儲備變動情況載於第142頁之綜合權益變動表內。

本集團之繳入盈餘乃指一九九零年本集團重組時購入附屬公司之股份面值超出本公司所發行之交換股份的面值，減除股息分派之數額。

本集團其他儲備包括以下組成部份：

		Asset revaluation reserve 資產重估儲備 HK\$'000 港幣千元	Translation reserve 匯兌儲備 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Balance as at 1 January 2018	於二零一八年一月一日結餘	334,065	874	334,939
Other comprehensive loss	其他全面虧損			
Currency translation difference on consolidation	綜合賬目時產生之 匯兌差額	-	(965)	(965)
Total comprehensive loss	全面虧損總額	-	965	965
Balance as at 31 December 2018	於二零一八年十二月三十一日結餘	334,065	(91)	333,974
Balance as at 1 January 2019	於二零一九年一月一日結餘	334,065	(91)	333,974
Other comprehensive loss	其他全面虧損			
Currency translation difference on consolidation	綜合賬目時產生之 匯兌差額	-	(373)	(373)
Total comprehensive loss	全面虧損總額	-	373	373
Balance as at 31 December 2019	於二零一九年十二月三十一日結餘	334,065	(464)	333,601

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

20. Reserves (Continued)

(b) Company

		Share premium 股份溢價 HK\$'000 港幣千元	Contributed surplus 繳入盈餘 HK\$'000 港幣千元	Accumulated losses 累積虧損 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1 January 2018	於二零一八年一月一日	50,382	588,719	(27,664)	611,437
Loss for the year	本年度虧損	-	-	(125,845)	(125,845)
At 31 December 2018	於二零一八年十二月三十一日	50,382	588,719	(153,509)	485,592
At 1 January 2019	於二零一九年一月一日	50,382	588,719	(153,509)	485,592
Loss for the year	本年度虧損	-	-	(131,171)	(131,171)
At 31 December 2019	於二零一九年十二月三十一日	50,382	588,719	(284,680)	354,421

Loss for the year of the Company mainly comes from finance cost of HK\$134,732,000 (2018: HK\$123,215,000), legal and professional fees of HK\$4,415,000 (2018: HK\$4,919,000), rental expense of HK\$9,683,000 (2018: HK\$9,525,000) and staff costs of HK\$11,200,000 (2018: HK\$13,810,000).

The contributed surplus of the Company arose as a result of the Group reorganisation in 1990 and represents the difference between the nominal value of the Company's Shares so allotted and the consolidated net asset value of the acquired subsidiaries and associate less dividends distribution. Under Bermudan law, the contributed surplus is distributable to shareholders under certain circumstances.

In addition, the Company's share premium of HK\$50,382,000 (2018: HK\$50,382,000) can be distributed as fully paid-up bonus shares or applied towards eliminating the accumulated losses of the Company.

21. Staff costs

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Staff costs	員工成本		
(including directors' remuneration)	(包括董事酬金)		
Wages, salaries and bonuses	工資、薪金及花紅	30,714	41,140
Directors' fee	董事袍金	924	940
		31,638	42,080

20. 儲備(續)

(b) 本公司

本公司年度虧損主要來自財務成本134,732,000港元(二零一八年:123,215,000港元),法律及專業費用4,415,000港元(二零一八年:4,919,000港元),租金開支9,683,000港元(二零一八年:9,525,000港元)及員工成本11,200,000港元(二零一八年:13,810,000港元)。

本公司之繳入盈餘乃因一九九零年本集團重組所產生,指本公司配發之股份面值與所收購之附屬公司及聯營公司之合併淨資產之差額減除股息分派後之差額。根據百慕達法例,繳入盈餘可於若干情況下分派予股東。

此外,本公司之股份溢價50,382,000港元(二零一八年:50,382,000港元)可作悉數繳足紅股分派,或用於抵銷本公司之累積虧損。

21. 員工成本

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

21. Staff costs (Continued)

(a) Five highest paid individuals

Details of the remuneration of the five highest paid individuals during the year are set out below:

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Salaries, allowances and benefits in kind	薪金、津貼及非現金利益	12,673	13,513
Retirement scheme contributions	退休計劃供款	81	90
Bonuses paid and payable	已付及應付花紅	6,501	200
		19,255	13,803

The remuneration of the five (2018: five) highest paid individuals fell within the following bands:

		2019 二零一九年	2018 二零一八年
HK\$1,500,001 – HK\$2,000,000	1,500,001港元 – 2,000,000港元	–	1
HK\$2,000,001 – HK\$2,500,000	2,000,001港元 – 2,500,000港元	–	1
HK\$2,500,001 – HK\$3,000,000	2,500,001港元 – 3,000,000港元	1	–
HK\$3,000,001 – HK\$3,500,000	3,000,001港元 – 3,500,000港元	2	2
HK\$3,500,001 – HK\$4,000,000	3,500,001港元 – 4,000,000港元	1	1
HK\$6,000,001 – HK\$6,500,000	6,000,001港元 – 6,500,000港元	1	–
		5	5

The success of the Company hinges on the performance and commitment of our employees. As the Company continues to grow, the Company's compensation philosophy is designed to provide employees with the opportunity to excel and grow, while aligning with our business strategies and values. The Group's remuneration policy aims to recognise outstanding performance, retain and attract key talents and ensure alignment with the interests of our businesses, and thereby enhancing shareholder value.

21. 員工成本(續)

(a) 五位最高薪酬人士

年內，五位最高薪酬人士之酬金詳情如下：

年內，五位最高薪酬人士之酬金詳情如下：

五位(二零一八年：五位)最高薪酬人士之酬金介乎下列範圍：

本公司之成功與員工之表現及承擔息息相關。因應本公司業務繼續擴展，本公司之薪酬待遇理念乃為僱員提供發揮所長及發展的機會，且與集團的業務策略及價值相輔相成。本集團之薪酬政策旨在肯定員工之優秀表現、挽留及吸納重要人才並確保與本公司業務利益一致，從而提升股東價值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

21. Staff costs (Continued)

(b) Directors' and Chief Executive Officer's remuneration

The remuneration of every director and the chief executive is set out below:

For the year ended 31 December 2019:

21. 員工成本(續)

(b) 董事及行政總裁酬金

各董事及行政總裁之酬金詳情如下：

截至二零一九年十二月三十一日止年度：

		Emoluments paid or receivable in respect of a person's services as a director, whether of the company or its subsidiary undertaking; 就擔任董事(無論為本公司或其附屬企業事務)獲支付或應收之酬金：							Emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the company or its subsidiary undertaking 就董事管理本公司 或其附屬企業事務 的其他服務獲 支付或應收酬金		Total
Name	姓名	Fees	Salary	Discretionary bonuses	Housing allowance	Estimated money value of other benefits	Employer's contribution to a retirement benefit scheme	Remuneration paid or receivable in respect of office as director	Emoluments paid or receivable in respect of other services in connection with the management of the affairs of the company or its subsidiary undertaking 就董事管理本公司 或其附屬企業事務 的其他服務獲 支付或應收酬金	Total	
		袍金 HK\$'000 港幣千元	薪金 HK\$'000 港幣千元	酌情花紅 HK\$'000 港幣千元	住房津貼 HK\$'000 港幣千元	其他福利的 估計貨幣價值 HK\$'000 港幣千元	僱主對退休 福利計劃的供款 HK\$'000 港幣千元	委任為董事獲 支付或應收酬金 HK\$'000 港幣千元	支付或應收酬金 HK\$'000 港幣千元	總計 HK\$'000 港幣千元	
Non-Executive Directors	非執行董事										
Huang Hu (note (i)(3))	黃虎 (附註(i)(3))	-	-	-	-	-	-	-	-	-	
Chen Zenan (note (i)(2))	陳澤南 (附註(i)(2))	-	-	-	-	-	-	-	-	-	
Lv Jia	呂佳	-	-	-	-	-	-	-	-	-	
Independent Non-executive Directors	獨立非執行董事										
Song Ming	宋敏	-	180	-	-	-	-	-	-	180	
Sun Mingchun	孫明春	-	180	-	-	-	-	-	-	180	
Liu Yan	劉艷	-	180	-	-	-	-	-	-	180	
Executive Directors	執行董事										
Ou Peng (note (i)(1))	歐鵬 (附註(i)(1))	-	17	-	-	-	1	-	-	18	
Huang Hu (note (i)(3))	黃虎 (附註(i)(3))	-	167	-	-	-	11	-	-	178	
Meng Xuefeng	孟雪峰	-	200	-	-	-	10	-	-	210	
		-	924	-	-	-	22	-	-	946	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

21. Staff costs (Continued)

(b) Directors' and Chief Executive Officer's remuneration (Continued)

The remuneration of every director and the chief executive is set out below: (Continued)

Note:

(i) On 15 March 2019, the following changes are effective:

- (1) Mr. Ou Peng resigned as an executive Director, the Chairman of the Board, Chief Executive Officer and the Chairman of the Nomination Committee of the Company.
- (2) Mr. Chen Zenan was appointed as a non-executive Director, the Chairman of the Board, the Chairman of the Nomination Committee and a member of the Audit Committee of the Company.
- (3) Mr. Huang Hu was re-designated as an executive Director and was appointed as Chief Executive Officer, and ceased to be a member of the Audit Committee of the Company.

21. 員工成本(續)

(b) 董事及行政總裁酬金(續)

各董事及行政總裁之酬金詳情如下:(續)

附註:

(i) 以下變更於二零一九年三月十五日生效:

- (1) 歐鵬先生辭任本公司執行董事、董事會主席、行政總裁及提名委員會主席。
- (2) 陳澤南先生獲委任為本公司非執行董事、董事會主席、提名委員會主席及審核委員會成員。
- (3) 黃虎先生獲調任為本公司執行董事及獲委任為行政總裁，並退任審核委員會成員職務。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

21. Staff costs (Continued)

(b) Directors' and Chief Executive Officer's remuneration (Continued)

The remuneration of every director and the chief executive is set out below: (Continued)

For the year ended 31 December 2018:

21. 員工成本(續)

(b) 董事及行政總裁酬金(續)

各董事及行政總裁之酬金詳情如下:(續)

截至二零一八年十二月三十一日止年度:

Emoluments paid or receivable in respect of a person's services as a director, whether of the company or its subsidiary undertaking;
就擔任董事(無論為本公司或其附屬企業事務)獲支付或應收之酬金:

Name	姓名	Fees	Salary	Discretionary bonuses	Housing allowance	Estimated money value of other benefits	Employer's contribution to retirement benefit scheme	Remuneration paid or receivable in respect of office as director	Emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the company or its subsidiary undertaking	Total
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Non-Executive Directors										
Huang Hu	黃虎	-	-	-	-	-	-	-	-	-
Lv Jia	呂佳	-	-	-	-	-	-	-	-	-
Independent Non-executive Directors										
Song Ming	宋敏	-	180	-	-	-	-	-	-	180
Sun Mingchun	孫明春	-	180	-	-	-	-	-	-	180
Woo Chin Wan	胡展雲	-	165	-	-	-	-	-	-	165
	(note (i)(1))									
Liu Yan	劉艷(附註(i)(2))	-	15	-	-	-	-	-	-	15
Executive Directors										
Ou Peng	歐鵬	-	200	-	-	-	10	-	-	210
Meng Xuefeng	孟雪峰	-	200	-	-	-	10	-	-	210
		-	940	-	-	-	20	-	-	960

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

21. Staff costs (Continued)

(b) Directors' and Chief Executive Officer's remuneration (Continued)

The remuneration of every director and the chief executive is set out below: (Continued)

Note:

(i) On 26 November 2018, the following changes are effective:

- (1) Mr. Woo Chin Wan resigned as an independent non-executive Director.
- (2) Ms. Liu Yan was appointed as an independent non-executive Director.

There was no arrangement under which a Director and/or the Chief Executive Officer waived or agreed to waive any remuneration in respect of the year.

Directors' fees paid or payable to independent non-executive Directors during the year were HK\$540,000 (2018: HK\$540,000). There was no Directors' fees received or receivable by other non-executive Directors during the year (2018: nil). Save from the aforesaid, there were no other emoluments paid or payable to non-executive Directors in 2019 and 2018.

No options were granted to Directors and/or the Chief Executive Officer to acquire Shares of the Company in 2019 and 2018.

The Director's fee per annum of each of the independent non-executive Directors of HK\$180,000 (2018: HK\$180,000) is fixed by the Board of Directors pursuant to the authority granted by the Shareholders at the Company's annual general meeting. Each non-executive Director, including independent non-executive Director, serving on the Board Committees does not receive any additional fee (2018: nil).

The Directors' remunerations are determined with reference to directors' remunerations paid by other companies in Hong Kong.

21. 員工成本(續)

(b) 董事及行政總裁酬金(續)

各董事及行政總裁之酬金詳情如下:(續)

附註:

(i) 以下變更於二零一八年十一月二十六日生效:

- (1) 胡展雲先生辭任獨立非執行董事職務。
- (2) 劉艷女士獲委任為獨立非執行董事。

概無董事及/或行政總裁根據任何安排放棄或同意放棄彼等於年內之酬金。

年內已支付或應付予獨立非執行董事之董事袍金為540,000港元(二零一八年:540,000港元)。年內概無其他非執行董事已收或應收之董事袍金(二零一八年:無)。除上文所述者外,於二零一九年及二零一八年概無已付或應付非執行董事的其他酬金。

本公司於二零一九年及二零一八年並無授予董事及/或行政總裁任何購股權以收購本公司股份。

每位獨立非執行董事之年度董事袍金180,000港元(二零一八年:180,000港元)由董事會根據股東於本公司股東週年大會授予之權力所釐定。參與董事會轄下委員會之每位非執行董事(包括獨立非執行董事)不會收取任何額外袍金(二零一八年:無)。

董事酬金乃參照香港其他上市公司所付董事酬金而釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

22. Other operating expenses

Other operating expenses represent the following:

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Staff costs (Note 21)	員工成本(附註21)	31,638	42,080
Legal and professional fee	法律及專業費用	5,542	6,391
Agency fee	代理費	4,567	3,915
Asset management fee	資產管理費	6,174	3,601
Leasing fee	租賃費	2,038	3,032
Telecommunication expenses	電信開支	3,054	2,897
Others	其他	10,949	7,669
		63,962	69,585

Asset management fee and leasing fee represent the fee charged by an independent third party for managing one of the investment properties and for entering into new and renewed leases with tenants respectively.

The remuneration of the Directors and the chief executives is included in the staff costs (Note 21).

Auditor's remuneration (included in the legal and professional fee) for the current year amounted to HK\$1,800,000 (2018: HK\$1,500,000).

22. 其他經營開支

經營盈利經扣除下列各項開支後列賬：

資產管理費及租賃費指獨立第三方就管理我們其中一項投資物業以及與租戶訂立新的及續訂租約收取的費用。

董事及行政總裁的薪酬計入員工成本(附註21)。

本年度核數師酬金(包括法律及專業費用)為1,800,000港元(二零一八年:1,500,000港元)。

23. Net finance cost

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Finance cost/(income)	財務成本/(收入)		
- Interest expense on the loans from an intermediate holding company (Note 15)	- 來自中間控股公司之貸款之利息支出(附註15)	133,085	121,416
- Interest expenses on bank loans (Note 16)	- 銀行貸款利息支出(附註16)	35,351	19,906
- Loan arrangement fee	- 貸款安排費用	4,090	2,504
- Interest expenses on lease liabilities	- 租賃負債利息支出	1,070	-
- Interest income from bank	- 銀行利息收入	(197)	(152)
		173,399	143,674

23. 財務成本淨額

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

24. Income tax expense

Hong Kong profits tax has been provided for at the rate of 16.5% (2018: 16.5%) on the estimated assessable profit for the year. The PRC corporate income tax rate is 25% (2018: 25%). The subsidiaries operating in the PRC are loss making during the year ended 31 December 2019 and 31 December 2018 are not subject to PRC corporate income tax.

24. 所得稅開支

香港利得稅乃以年內估計應課稅盈利按16.5%(二零一八年:16.5%)稅率撥備。中國企業所得稅稅率為25%(二零一八年:25%)。於中國經營的附屬公司於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錄得虧損，故無須繳納中國企業所得稅。

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Current income tax	即期所得稅		
– Hong Kong profits tax	– 香港利得稅	5,694	6,017
– Over provision in prior year	– 上年度超額撥備	(1,095)	–
Deferred income tax	遞延所得稅		
– Deferred tax expense	– 遞延稅項開支	1,697	99
		6,296	6,116

The taxation on the profit before income tax differs from the theoretical amount that would arise using the taxation rates applicable to the places of operation of the Company and its subsidiaries as follows:

除所得稅前盈利所產生之稅項與假若採用本公司及其附屬公司經營地點適用稅率計算所產生之理論性金額有所不同，詳情如下：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Profit before income tax	除所得稅前盈利	493,247	589,571
Calculated at a taxation rate of 16.5% (2018: 16.5%)	按稅率16.5% (二零一八年:16.5%)計算	81,386	97,279
Income not subject to taxation	毋須課稅收入	(101,642)	(114,239)
Tax losses not recognised	未確認之稅項虧損	915	1,939
Recognition of tax losses	確認稅項虧損	–	(7)
Expenses not deductible for taxation purposes	未能作出稅項扣減之開支	26,732	21,144
Over provision in prior year	上年度超額撥備	(1,095)	–
Income tax expense	所得稅開支	6,296	6,116

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

25. Dividends and cash payment

The Board has resolved not to declare any interim dividend or to recommend any final dividend for the year ended 31 December 2019 (for the year ended 31 December 2018: Nil).

26. Earnings per share

The calculation of basic earnings per share is based on the profit for the year attributable to Shareholders of HK\$486,951,000 (2018: HK\$583,455,000) and the weighted average of 1,567,745,596 Shares in issue (2018: 1,567,745,596 Shares in issue) during the year.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares arising from exercise of all outstanding share options granted under the Company's share option scheme. A calculation is done to determine the number of shares that could have been acquired at fair value (determined with reference to the latest available market share price of the Company's Shares) based on the monetary value of the subscription rights attached to the outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options. As at 31 December 2019 and 2018, there were no outstanding options to be exercised. Accordingly, there was no potential dilutive ordinary shares during the years 2019 and 2018.

25. 股息及現金付款

董事會議決不宣派任何中期股息，亦不建議派發截至二零一九年十二月三十一日止年度之任何末期股息(截至二零一八年十二月三十一日止年度：無)。

26. 每股盈利

每股基本盈利乃根據年內股東應佔之盈利486,951,000港元(二零一八年：583,455,000港元)及年內1,567,745,596股加權平均已發行股份(二零一八年：已發行1,567,745,596股股份)計算。

每股攤薄盈利以假設因行使根據本公司之購股權計劃授出之所有尚未行使的購股權而產生之所有攤薄的潛在普通股被兌換後，根據經調整之普通股的加權平均股數計算。根據未行使購股權所附之認購權的貨幣價值，計算按公平值(根據本公司股份之最近期可得市價釐定)可購入之股份數目。根據上述所計算之股份數目，與假設購股權已被行使而需發行之股份數目作比較。於二零一九年及二零一八年十二月三十一日，概無尚未行使的購股權。因此，於二零一九年及二零一八年內並無潛在攤薄普通股。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

27. Business combination

As set out in Note 8, under the shareholders agreement, GWPA Property was granted a call option (the "Option") to acquire one of the Portfolio Assets. On 11 May 2018, GWPA Property exercised the Option for the purchase of the sale shares (representing the entire issued shares of Patrol Hall 12 Limited ("Patrol Hall 12")) and the sale loan (representing all of the shareholder's loan owed by Patrol Hall 12). GWPA Property had designated Great Wall Pan Asia Property Investment Limited, a wholly-owned subsidiary of the Company, to take up the sale shares and the sale loan on completion. Purchase price of HK\$725,051,488 was paid on 13 June 2018 (the "Completion Date") by setting off against the outstanding amount of the advance of HK\$725,051,488 owed by Everwell City to GWPA Property. On 13 June 2018, the Group completed the acquisition of Patrol Hall 12 and its wholly-owned subsidiary, Ray Glory Limited, which directly owns Kwai Fong Plaza.

As a result of the above acquisition, the Group recognised a gain of HK\$1,513,351 upon exercising the Option in the consolidated statement of comprehensive income for the year ended 31 December 2018.

Acquisition of subsidiaries

27. 業務合併

如附註8所載列，根據股東協議，GWPA Property獲授認購選擇權(「選擇權」)以收購組合資產的其中一項。於二零一八年五月十一日，GWPA Property行使選擇權購買銷售股份(即Patrol Hall 12 Limited(「Patrol Hall 12」)之全部已發行股份)及銷售貸款(即Patrol Hall 12結欠之全部股東貸款)。GWPA Property已指定長城環亞置業投資有限公司(本公司之全資附屬公司)於完成時承購銷售股份及銷售貸款。購買價725,051,488港元於二零一八年六月十三日(「完成日期」)藉抵銷Everwell City結欠GWPA Property之尚未償還墊款725,051,488港元支付。於二零一八年六月十三日，本集團完成收購Patrol Hall 12及其直接持有葵芳廣場之全資附屬公司頂煌有限公司。

由於以上收購事項，於行使選擇權後，本集團於截至二零一八年十二月三十一日止年度的綜合全面收益表中確認收益1,513,351港元。

收購附屬公司

2018
二零一八年
HK\$'000
港幣千元

Cash consideration	現金代價	725,051
Realised gain of the Option	選擇權之變現收益	1,513
Total investment cost	投資成本總額	726,564
Less: Net assets of Patrol Hall 12 as at Completion Date	減：Patrol Hall 12於完成日期之資產淨值	1,513
Amount due to the immediate holding company by Patrol Hall 12 as at Completion Date	於完成日期Patrol Hall 12應付直接控股公司款項	725,051

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

27. Business combination (Continued)

27. 業務合併(續)

(a) Details of fair value of net assets acquired as at the Completion Date are as follows:

(a) 於完成日期收購之資產淨值之公平價值詳情如下：

		2018 二零一八年 HK\$'000 港幣千元
Investment property	投資物業	1,608,921
Property, plant and equipment	物業、機器及設備	28
Restricted cash	受限制現金	7,115
Cash and bank balances	現金及銀行結餘	3,617
Accounts receivable	應收款項	1,057
Accrued expenses	應計費用	(2,964)
Advance payment received from tenants	向租戶收取之預先付款	(1,237)
Amount due to the immediate holding company by Patrol Hall 12	Patrol Hall 12應付直接控股公司款項	(725,051)
Borrowing	借款	(891,308)
Other assets	其他資產	1,335
Net identifiable assets acquired	所收購之可識別資產淨值	1,513

Notes:

附註：

- (1) The acquired business contributed revenue of HK\$35,000,000 and net profit of HK\$68,482,000 to the Group for the period from the Completion Date to 31 December 2018.
- (2) Acquisition-related costs of HK\$840,000 were included in the other operating expenses in the consolidated statement of comprehensive income for the year ended 31 December 2018.

- (1) 自完成日期至二零一八年十二月三十一日期間，已收購業務為本集團貢獻收益35,000,000港元及淨盈利68,482,000港元。
- (2) 收購相關成本840,000港元於截至二零一八年十二月三十一日止年度的綜合全面收益表以其他經營開支入賬。

(b) Analysis of the net cash outflow in respect of the acquisition:

(b) 有關收購事項之淨現金流出分析：

		2018 二零一八年 HK\$'000 港幣千元
Purchase consideration	收購代價	725,051
Cash and bank balances	現金及銀行結餘	(3,617)
		721,434
Restricted cash	受限制現金	(7,115)
Net cash outflows arising from acquisition	收購事項產生之淨現金流出	714,319

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

28. Notes to the Consolidated Statement of Cash Flows

28. 綜合現金流量表附註

(a) Reconciliation of operating profit to cash generated from operations:

(a) 經營盈利與經營產生之現金對賬表：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Operating profit	經營盈利	239,253	453,528
Fair value gain on investment properties	投資物業公平值收益	(169,192)	(400,561)
Depreciation and impairment	折舊及減值	20,914	2,199
Exchange gain	匯兌收益	(216)	(783)
(Reversal of impairment)/impairment for loan receivable	應收貸款(減值撥回)/減值	(797)	797
Gain on exercising option	行使購股權的收益	-	(1,513)
(Increase)/decrease in accounts receivable	應收款項(增加)/減少	(676)	6,979
(Increase)/decrease in prepayments, deposits and other receivables	預付費用、按金及其他應收款項(增加)/減少	(4,083)	1,433,572
Increase in amounts due from associates	應收聯營公司款項增加	(65)	-
Decrease in amounts due to associates	應付聯營公司款項減少	(958)	(96)
(Decrease)/increase in amount due to an intermediate holding company	應付中間控股公司款項(減少)/增加	(1,801)	91
(Decrease)/increase in other payables and accrued liabilities	其他應付款項及應計負債(減少)/增加	(11,397)	24,314
Cash generated from operations	經營產生之現金	70,982	1,518,527

(b) Cash and cash equivalents

(b) 現金及現金等值

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Cash at bank and in hand	銀行及手頭現金	100,060	149,517
Short-term bank deposits with original maturity of less than three months	存款期為三個月以下的短期銀行存款	82,195	20,076
		182,255	169,593

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

28. Notes to the Consolidated Statement of Cash Flows (Continued)

(c) Net debt reconciliation

This section sets out the movements in net debt for each of the periods presented.

		Lease liabilities	Short-term borrowing	Borrowing due after 1 year	Total liabilities from financing activities
		融資負債	短期借貸	於一年後到期的借貸	來自融資活動的總負債
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
As at 1 January 2018	於二零一八年一月一日	-	-	(1,439,513)	(1,439,513)
Cash flow	現金流	-	(49,792)	(2,479,342)	(2,529,134)
Other non-cash movement	其他非現金變動	-	-	(121,416)	(121,416)
As at 31 December 2018	於二零一八年十二月三十一日	-	(49,792)	(4,040,271)	(4,090,063)
As at 1 January 2019	於二零一九年一月一日	-	(49,792)	(4,040,271)	(4,090,063)
Recognised in adoption of HKFRS 16	於採納香港財務報告準則第16號後確認	(34,868)	-	-	(34,868)
Cash flow	現金流	13,198	49,792	66,576	129,566
Other non-cash movement	其他非現金變動	(994)	-	(129,288)	(130,282)
As at 31 December 2019	於二零一九年十二月三十一日	(22,664)	-	(4,102,983)	(4,125,647)

29. Capital risk management

The Group's primary objective when managing capital is to safeguard the Group's ability to continue its businesses as a going concern, so that it can continue to provide returns for Shareholders and benefits for other stakeholders.

The Group structures its capital with due consideration to risk. The Group manages and adjusts its capital structure in the light of the changes in economic conditions and risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to Shareholders, repurchase Shares of the Company from Shareholders, issue new Shares, or increase or reduce borrowings.

28. 綜合現金流量表附註(續)

(c) 淨負債對賬

本節載列各所示期間的淨負債變動。

29. 資本風險管理

本集團管理資本之首要目標乃確保本集團有能力持續經營其業務，從而使其能夠繼續為股東提供回報及為其他利益相關人士提供利益。

本集團經審慎考慮風險後方確定其資本結構。本集團視乎經濟狀況之變化及相關資產之風險特徵管理及調整其資本架構。為維持或調整其資本架構，本集團會調整派付予股東之股息金額、向股東購回本公司股份、發行新股或增加或減少貸款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

29. Capital risk management (Continued)

For the purpose of calculating the net debt-to-capital ratio, the Group defines net debt as total debt (which includes the loans from an intermediate holding company and bank borrowings) less cash and bank balances, and capital as all components of equity. The Group monitors capital on the basis of the net debt-to-capital ratio.

The net debt-to-capital ratio at 31 December 2019 was as follows:

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Total borrowings	借貸總額	4,745,719	4,858,330
Less: cash and cash equivalents	減：現金及現金等值	(182,255)	(169,593)
Net debt	淨負債	4,563,464	4,688,737
Total equity	總權益	2,959,171	2,472,594
Total capital	總計資本	7,522,635	7,161,331
Net debt-to-capital ratio	淨負債資本比率	60.7%	65.5%

The decrease in the net debt-to-capital ratio is mainly due to the partial repayment of loans from an intermediate holding company and bank borrowings as at 31 December 2019.

30. Capital commitments

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Contracted, but not provided for – Capital expenditures on investment properties	已訂約但未撥備 – 投資物業之資本承擔	1,514	1,575

29. 資本風險管理(續)

就計算淨負債資本比率而言，本集團將淨負債定義為債務總額(包括來自中間控股公司之貸款及銀行借貸)減現金及銀行結餘，而資本之定義為權益之所有組成部份。本集團根據淨負債資本比率監控資本。

於二零一九年十二月三十一日之淨負債資本比率如下：

於二零一九年十二月三十一日，淨負債資本比率減少乃主要由於中間控股公司償還部份貸款及銀行借貸所致。

30. 資本承擔

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

31. Balance sheet of the Company

31. 本公司資產負債表

		31 December 2019 二零一九年 十二月三十一日 HK\$'000 港幣千元	31 December 2018 二零一八年 十二月三十一日 HK\$'000 港幣千元
	Notes 附註		
ASSETS	資產		
Non-current assets	非流動資產		
Property, plant and equipment	物業、機器及設備	5,477	2,724
Investments in subsidiaries	於附屬公司之投資	4,764,591	4,783,580
Interests in associates	聯營公司之權益	2,607	2,607
Loan receivable	應收貸款	-	115,903
		4,772,675	4,904,814
Current assets	流動資產		
Accounts receivable	應收款項	-	1,040
Prepayments, deposits and other receivables	預付費用、按金 及其他應收款項	7,641	6,093
Cash and cash equivalents	現金及現金等值	63,853	42,969
		71,494	50,102
Total assets	總資產	4,844,169	4,954,916
LIABILITIES	負債		
Non-current liabilities	非流動負債		
Loans from an intermediate holding company	來自中間控股公司之貸款	3,848,434	3,915,009
Other payables and accrued liabilities	其他應付款項及 應計負債	254,549	125,262
		4,102,983	4,040,271
Current liabilities	流動負債		
Amounts due to subsidiaries	應付附屬公司款項	226,461	214,672
Amounts due to associates	應付聯營公司款項	-	1,125
Other payable and accrued expenses	其他應付款項及應計費用	3,529	6,689
Bank borrowing	銀行借貸	-	49,792
		229,990	272,278
Total liabilities	總負債	4,332,973	4,312,549
EQUITY	權益		
Capital and reserves	資本及儲備		
Share capital	股本	156,775	156,775
Reserves	儲備	354,421	485,592
		511,196	642,367
Total equity	總權益	511,196	642,367
Total equity and liabilities	總權益及負債	4,844,169	4,954,916

The balance sheet of the Company was approved by the Board of Directors on 18 March 2020 and was signed on its behalf.

Mr. Chen Zenan
陳澤南先生
Chairman
主席

本公司資產負債表由董事會於二零二零年三月十八日批准並由以下人士代表董事會簽署。

Mr. Huang Hu
黃虎先生
Director
董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

32. Financial risk management

The Group's activities expose it to a variety of financial risks, particularly liquidity and credit risks. Where appropriate, the Group's risk management policies seek to minimise potential adverse effects of these risks on the financial performance of the Group. The policies for managing these risks are summarised below.

(a) Cash flow interest rate risk

The Group's cash flow interest rate risk arises from cash balances placed with authorised financial institutions, loans from an intermediate holding company and bank borrowings, which generate interest income and incur interest expense for the Group. The Group manages its interest rate risk for cash balances by placing such balances on various maturities and interest rate terms.

At 31 December 2019, the Group had loans from an intermediate holding company of HK\$3,848,434,000 (2018: HK\$3,915,009,000) and bank borrowings of HK\$897,285,000 (2018: HK\$943,321,000). It is estimated that a general increase/decrease of 100 basis points in interest rates, with all other variables held constant, would decrease/increase the Group's profit for the year and total equity by approximately HK\$46,094,000 (2018: HK\$40,781,000).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the balance sheet date and had been applied to the interest-bearing financial instruments in existence at that date.

32. 金融風險管理

本集團之業務面對多種金融風險，特別是流動資金及信貸等風險。本集團之風險管理政策旨在於適當情況下，尋求把該等風險對本集團財務表現之潛在負面影響降至最低。該等風險管理政策概述如下。

(a) 現金流利率風險

本集團之現金流利率風險來自存放於認可金融機構之現金結餘、中間控股公司之貸款及銀行借貸，其為本集團產生利息收入及引致利息支出。本集團透過將該等結餘以不同年期及利率條款作存放管理其現金結餘之利率風險。

於二零一九年十二月三十一日，本集團有來自中間控股公司之貸款3,848,434,000港元(二零一八年：3,915,009,000港元)及銀行借貸897,285,000港元(二零一八年：943,321,000港元)。據估計，在所有其他變數維持不變之情況下，利率整體上升/下降100個基點將令本集團全年盈利及總權益減少/增加約46,094,000港元(二零一八年：40,781,000港元)。

上述敏感度分析乃假設利率變動已於結算日發生，並已應用於該日存在之計息金融工具。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

32. Financial risk management (Continued)

(b) Liquidity risk

Liquidity risk refers to the risk that the Group will encounter difficulty in meeting its obligations associated with financial liabilities. The Group's objective in managing this risk is to maintain a balance between the continuity and the flexibility of funding through the use of bank loans and overdraft, if necessary, and the loan from group companies.

The following table details the remaining contractual maturities of the Group's financial liabilities at the balance sheet date, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates as at the balance sheet date) and the earliest date on which the Group can be required to pay. The balance includes the accrued interest for the loans from an intermediate holding company and bank borrowings. For details, please refer to Notes 15 and 16.

32. 金融風險管理(續)

(b) 流動資金風險

流動資金風險指本集團於履行與金融負債相關之義務時遭遇困難之風險。本集團管理該風險之目標乃透過使用銀行貸款及透支，維持資金連續性與靈活性之平衡(倘需要)及來自集團公司之貸款。

下表列示於結算日本集團金融負債之餘下合約期限詳情，乃基於按合約未折現之現金流量(包括採用合約利率計算之利息付款，或若為浮動利率，則基於結算日之利率)及本集團須支付款項之最早日期。餘額包括來自中間控股公司之貸款及銀行借貸之應計利息。詳情請參閱附註15及16。

		Other payables and accrued liabilities		Loans from an intermediate holding company		Bank borrowings		Lease liabilities	
		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
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Within 1 year or on demand	一年內或按要求	41,066	52,463	-	-	36,487	51,795	5,416	-
More than 1 but less than 2 years	超過一年但少於兩年	-	-	-	-	908,706	-	5,496	-
More than 2 but less than 5 years	超過兩年但少於五年	-	-	4,483,807	4,481,962	-	957,728	13,544	-
More than 5 years	超過五年	-	-	-	85,230	-	-	-	-
Carrying amount	賬面值	41,066	52,463	4,483,807	4,567,192	945,193	1,009,523	24,456	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

32. Financial risk management (Continued)

(c) Currency risk

Currency risk arises on account of monetary assets and liabilities denominated in a currency that is not the functional currency. There is no non-monetary exposure on the Group.

The financial assets and financial liabilities of the Group are denominated predominantly in Hong Kong Dollars. The Group's only significant exposure to foreign exchange risk arises from its cash at bank and financial asset at fair value through profit or loss in RMB and cash at bank in US\$.

As at 31 December 2019, the Group had cash at bank in RMB of HK\$1,499,000 (2018: HK\$19,642,000), financial asset at fair value through profit or loss in RMB of HK\$1,116,000 (2018: HK\$1,141,000), cash at bank in US\$ of HK\$33,582,000 (2018: HK\$9,435,000), nil (2018: HK\$115,903,000) in loan receivable in US\$ and nil (2018: HK\$49,792,000) in bank borrowing in US\$.

If the RMB had strengthened/weakened by 10% against Hong Kong Dollars with all other variables held constant, it would increase/decrease the pre-tax profit for the year by HK\$262,000 (2018: HK\$2,078,000). As US\$ is pegged to HK\$, the Group does not expect any significant movement in the US\$/HK\$ exchange rate.

The sensitivity analysis above has been determined assuming that the change in exchange rate had occurred at the balance sheet date.

32. 金融風險管理(續)

(c) 貨幣風險

貨幣風險來自以功能貨幣以外貨幣計值之貨幣資產及負債的賬目。本集團並無非貨幣風險。

本集團之金融資產及金融負債均主要以港元計值。本集團在外匯承受之唯一重大風險來自其以人民幣計值之銀行現金及按公平值計入損益之金融資產以及以美元計值之銀行現金。

於二零一九年十二月三十一日，本集團有以人民幣計值之銀行現金1,499,000港元(二零一八年：19,642,000港元)、以人民幣計值之按公平值計入損益之金融資產1,116,000港元(二零一八年：1,141,000港元)、以美元計值之銀行現金33,582,000港元(二零一八年：9,435,000港元)、以美元計值之應收貸款無(二零一八年：115,903,000港元)、及以美元計值之銀行借貸無(二零一八年：49,792,000港元)。

在所有其他變數維持不變之情況下，倘人民幣兌港元升值／貶值10%，年內除稅前盈利將增加／減少262,000港元(二零一八年：2,078,000港元)。由於美元與港元掛鈎，本集團預計美元兌港元匯率不會出現任何重大變動。

上述敏感度分析乃假設匯率變動已於結算日發生。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

32. Financial risk management (Continued)

(d) Credit risk

The Group's credit risk arises mainly from its deposits with banks and accounts receivable.

Bank deposits are mainly placed with high-credit-quality financial institutions. The credit quality of bank deposits can be assessed by reference to external credit ratings (if available) as follows:

	2019 二零一九年 %	2018 二零一八年 %
AA-	28.2	34.2
A+	59.8	46.5
A	2.7	2.5
BBB	9.3	16.8
	100.0	100.0

The Group manages its credit risk associated with accounts receivable through the application of credit approvals, credit ratings and monitoring procedures.

As at 31 December 2018, the loan receivable of HK\$115,903,000 represents US\$15 million second lien term loan which was acquired by the Group during the year. As at 31 December 2018, the external credit rating of the issuer of the loan receivable was no less than "B". The Group considered the credit risk exposure of the Group as low.

Credit sales are only made to customers with appropriate credit history or high credit standing while sales to new customers or customers of low credit standing are usually made on an advance payment or cash on delivery basis.

As at 31 December 2019, the total accounts receivable are from 39 customers (2018: 24 customers) only.

The Group considers that accounts receivable, deposits and other receivables are financial instruments that have not exposed to a significant increase in credit risk since initial recognition ("stage 1") and considers the probability of default of accounts receivable, deposits and other receivables as at 31 December 2019 and 31 December 2018 to be close to zero as the counterparties have strong capacity to meet their contractual obligations in the near term. As a result, no loss allowance has been recognised based on 12-month ECL as any such impairment would be insignificant to the Group.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from accounts receivable are set out in Note 12 to the financial statements.

32. 金融風險管理(續)

(d) 信貸風險

本集團之信貸風險主要來自其銀行存款及應收款項。

銀行存款主要存放於信用良好的高質素金融機構。銀行存款的信貸質素可參照以下外部信貸評級(如有)評估：

	2019 二零一九年 %	2018 二零一八年 %
AA-	28.2	34.2
A+	59.8	46.5
A	2.7	2.5
BBB	9.3	16.8
	100.0	100.0

本集團透過採用信貸審批、信貸評級及監控程序等措施，管理其應收款項相關之信貸風險。

於二零一八年十二月三十一日，應收貸款115,903,000港元指本集團於年內收購的1,500萬美元的第二留置權定期貸款。於二零一八年十二月三十一日，應收貸款發行人的外部信貸評級不低於「B」級。本集團認為，本集團之信貸風險較低。

本集團僅允許具有良好信貸記錄或較高信貸評級之客戶進行賒購，而對於新客戶或信貸評級較低之客戶，通常採用預先付款或貨到付款方式進行交易。

於二零一九年十二月三十一日，所有應收款項僅來自三十九名客戶(二零一八年：二十四名客戶)。

本集團認為應收款項、按金及其他應收款項乃為自初步確認(「第1階段」)以來，信貸風險並無顯著增加之金融工具，並認為因交易對手有強大能力在短期內履行合約義務，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之應收款項、按金及其他應收款項的違責或然率趨近於零。因此，由於任何此類減值對本集團而言均不重大，故並無根據12個月預期信貸虧損確認虧損撥備。

有關本集團所面臨之應收款項之信貸風險進一步量化披露，載於財務報表附註12。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

32. Financial risk management (Continued)

(e) Fair value estimation

The Group's investment properties and financial asset are measured at fair value. The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

See Notes 6 and 9 for disclosures of the investment properties and financial asset at fair value through profit or loss that are measured at fair value respectively.

32. 金融風險管理(續)

(e) 公平值估計

本集團之投資物業及金融資產以公平值計量。本集團以可反映計量所用之輸入數值之重要性之公平值架構分類公平值計量。公平值架構的分級如下：

- 相同資產或負債之活躍市場報價(未經調整)(第1級)。
- 除包含於第1級之報價外，資產或負債之直接(即價格)或間接(即源自價格者)可觀察輸入數值(第2級)。
- 並非根據可觀察市場數據釐定之資產或負債之輸入數值(即不可觀察輸入數值)(第3級)。

有關按公平值計入損益之投資物業及金融資產之披露資料，請分別參閱附註6及9。

		Level 1 第1級	Level 2 第2級	Level 3 第3級	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Financial asset at fair value through profit or loss and investment properties as at 31 December 2019	於二零一九年十二月三十一日按公平值計入損益的金融資產及投資物業				
Investment in an investment fund	於投資基金之投資	-	-	1,116	1,116
Investment properties	投資物業	-	-	3,351,200	3,351,200
Financial asset at fair value through profit or loss and investment properties as at 31 December 2018	於二零一八年十二月三十一日按公平值計入損益的金融資產及投資物業				
Investment in an investment fund	於投資基金之投資	-	-	1,141	1,141
Investment properties	投資物業	-	-	3,791,800	3,791,800

There was no transfer between levels during the years ended 31 December 2019 and 2018.

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概無分級轉換。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

32. Financial risk management (Continued)

(e) Fair value estimation (Continued)

The financial asset at fair value through profit or loss under Level 3 fair value measurement represents the investment in limited partnership which is owned by Shen Zhen Great Wall Pan Asia International Equity Investment Fund Management Company* (深圳長城環亞國際股權投資基金管理有限公司), a wholly-owned subsidiary of the Company and is not traded in the active market.

The directors have determined that the carrying value of the investment based on discounted expected proceed from exercising the redemption option (2018: purchase cost) represents fair value at the end of the reporting period for the investment in limited partnership.

(f) Valuation of financial instruments with unobservable inputs

The following table shows a reconciliation from the beginning balance to the ending balance for fair value measurement in Level 3 of the fair value hierarchy:

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Opening balance	年初結餘	3,792,941	1,782,696
Acquisition	收購	–	1,608,921
Reclassification to property, plant and equipment	重新分類至物業、機器及設備	(629,750)	–
Additions during the year	年內添置	19,958	818
Unrealised gain recognised during the year	年內確認的未變現收益	169,192	400,561
Exchange difference	匯兌差額	(25)	(55)
Closing balance	年末結餘	3,352,316	3,792,941
Net changes in unrealised gains for Level 3 investment	第3級投資未變現收益的變動淨值	169,167	400,506

* For identification purpose only

32. 金融風險管理(續)

(e) 公平值估計(續)

第3級公平值計量項下的按公平值計入損益的金融資產為於本公司全資附屬公司深圳長城環亞國際股權投資基金管理有限公司擁有之有限合夥之投資，且並非於活躍市場交易。

董事認為，按行使贖回選擇權產生之已折現預期所得款項的投資賬面值(二零一八年：購買成本)為於有限合夥之投資於報告期末的公平值。

(f) 包含不可觀察輸入數值的金融工具的估值

下表列載公平值架構下以第3級公平值計量年初結餘至年末結餘的對賬：

* 僅供識別

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

32. Financial risk management (Continued)

(f) Valuation of financial instruments with unobservable inputs (Continued)

Balances of financial asset at fair value through profit or loss and investment properties as at 31 December 2019:

Investment 投資	Fair value 公平值 HK\$'000 港幣千元	Valuation technique 估值方法	Unobservable inputs 不可觀察輸入數值	Rate/Range 比例/範圍
Financial asset at fair value through profit or loss – Investment in fund	1,116	Discounted expected proceed from exercising redemption option	7.5%	N/A
按公平值計入損益的金融資產 – 基金投資		行使贖回權產生之折現預期所得款項		不適用
Investment properties (Refer to Note 6 for details)	3,351,200	Income capitalisation approach	Capitalisation rate: 2.5%-3.75%	The higher the capitalisation rate, the lower the fair value
投資物業 (詳情請參閱附註6)		資本化方法	資本化率: 2.5%至3.75%	資本化率越高, 公平值則越低
			Rental rates:	The lower the rents, the lower the fair value
			Retail shops: HK\$55 psf-HK\$85 psf	
			Office buildings: HK\$30.7 psf-HK\$100.5 psf	
			Industrial buildings: HK\$13.3 psf-HK\$31 psf	
			Car parking space: HK\$3,326 per space	
			租金:	租金越低, 公平值則越低
			零售店:	
			每平方呎55港元至每平方呎85港元	
			辦公大樓:	
			每平方呎30.7港元至每平方呎100.5港元	
			工廈:	
			每平方呎13.3港元至每平方呎31港元	
			停車場車位:	
			每個停車場車位3,326港元	

32. 金融風險管理(續)

(f) 包含不可觀察輸入數值的金融工具的估值(續)

於二零一九年十二月三十一日按公平值計入損益的金融資產及投資物業的結餘:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

32. Financial risk management (Continued)

Balances of financial assets at fair value through profit or loss and investment properties as at 31 December 2018:

Investment 投資	Fair value 公平值 HK\$'000 港幣千元	Valuation technique 估值方法	Unobservable inputs 不可觀察輸入數值	Rate/Range 比例/範圍
Financial asset at fair value through profit or loss – Investment in fund 按公平值計入損益的金融資產—基金投資	1,141	Recent transaction price 近期交易價	N/A 不適用	N/A 不適用
Investment properties (Refer to Note 6 for details) 投資物業 (請情請參閱附註6)	3,791,800	Income capitalisation approach 資本化方法	Capitalisation rate: 2.5%-3.75% 資本化率：2.5%至3.75%	The higher the capitalisation rate, the lower the fair value 資本化率越高，公平值則越低。
			Rental rates: Retail shops: HK\$55 psf-HK\$110 psf Fresh market: HK\$41 psf -HK\$100 psf Office buildings: HK\$39 psf-HK\$100 psf Industrial buildings: HK\$13.3 psf -HK\$29.5 psf Car parking space: HK\$3,329 per space 租金： 零售店： 每平方呎55港元至每平方呎110港元 鮮活街市： 每平方呎41港元 至每平方呎100港元 辦公大樓： 每平方呎39港元至每平方呎100港元 工廈： 每平方呎13.3港元至每平方呎29.5港元 停車場車位： 每個停車場車位3,329港元	The lower the rents, the lower the fair value 租金越低，公平值則越低

The financial asset at fair value through profit or loss under Level 3 fair value measurement represents the investment in limited partnership and is not traded in the active market. The directors have determined that the carrying value of the investment based on discounted expected proceed from exercising the redemption option (2018: purchase cost) represents fair value at the end of the reporting period for the investment in limited partnership.

For details, please refer to Note 9.

32. 金融風險管理(續)

於二零一八年十二月三十一日按公平值計入損益的金融資產及投資物業的結餘：

第3級公平值計量項下的按公平值計入損益之金融資產為於有限合夥之投資，且並非於活躍市場交易。董事認為，按行使贖回選擇權產生之已折現預期所得款項的投資賬面值(二零一八年：購買成本)與於有限合夥之投資於報告期末的公平值相若。

有關詳情，請參閱附註9。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

33. Subsidiaries and associates

Particulars of the Company's principal subsidiaries and the Group's principal associate as at 31 December 2019 and 31 December 2018 are as follows:

Subsidiaries

Company 公司名稱	Place of incorporation/ registration and operations (Kind of legal entity) 註冊成立/註冊及營業地區 (法定企業類別)	Nominal value of issued/registered share capital 已發行/註冊股本面值	Proportion held 持有比率		Nature of business 業務性質
			Direct 直接	Indirect 間接	
Great Wall Pan Asia Asset Management Limited 長城環亞資產管理有限公司	Hong Kong 香港	Ordinary HK\$25,560,000 普通股25,560,000港元	-	100%	Asset management services 資產管理服務
Great Wall Pan Asia Corporate Finance Limited 長城環亞融資有限公司	Hong Kong 香港	Ordinary HK\$5,000,000 普通股5,000,000港元	-	100%	Corporate finance services 企業融資服務
Great Wall Pan Asia Security Limited (Note (a)) 長城環亞證券有限公司(附註(a))	Hong Kong 香港	Ordinary HK\$10,000,000 普通股10,000,000港元	-	100%	Securities Services 證券服務
Lyton Investment Limited	The Commonwealth of The Bahamas 巴哈馬共和國	Ordinary US\$2 普通股2美元	-	100%	Property holding 物業持有
Macheer Properties Limited	The British Virgin Islands 英屬維爾京群島	Ordinary US\$1 普通股1美元	-	100%	Property holding 物業持有
Nanchao Investments Limited	Hong Kong 香港	Ordinary HK\$2 普通股2港元	100%	-	Dormant 暫無營業
Nanchao Yau Tong Limited	The British Virgin Islands 英屬維爾京群島	Ordinary US\$1 普通股1美元	-	100%	Property holding 物業持有
Sunny Bright Development Limited 新利輝發展有限公司	Hong Kong 香港	Ordinary HK\$2 普通股2港元	-	100%	Property holding 物業持有
Sunny Success Development Limited 新利成發展有限公司	Hong Kong 香港	Ordinary HK\$2 普通股2港元	-	100%	Property holding 物業持有
Patrol Hall 12 Limited	The British Virgin Islands 英屬維爾京群島	Ordinary HK\$8 普通股8港元	-	100%	Property holding 物業持有
Ray Glory Limited 頂煌有限公司	Hong Kong 香港	Ordinary HK\$1 普通股1港元	-	100%	Property holding 物業持有

Note (a): Great Wall Pan Asia Security Limited was dissolved on 12 July 2019.

33. 附屬公司及聯營公司

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，本公司的主要附屬公司及本集團的主要聯營公司詳情如下：

附屬公司

附註(a)：長城環亞證券有限公司已於二零一九年七月十二日解散。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

33. Subsidiaries and associates (Continued)

Associates

Company 公司名稱	Place of incorporation and operations 註冊成立及營業地區	Nominal value of issued share capital 已發行股本面值	Percentage of equity attributable to the Group 本集團應佔股本百分比	Nature of business 業務性質
Shen Zhen Great Wall Pan Asia International Equity Investment Fund Management Company Limited	The PRC	Registered capital of RMB13,298,655	100%	Corporate consultancy services
深圳長城環亞國際股權投資 基金管理有限公司	中國	註冊資本人民幣13,298,655元		企業顧問服務
Dymocks Franchise Systems (China) Limited [#]	Hong Kong	Ordinary HK\$7,700,000	45%	Bookshop operation
	香港	普通股7,700,000港元		營運書店
Everwell City Limited	The British Virgin Islands	Ordinary HK\$10,001	35.78%	Property holding
	英屬維爾京群島	普通股10,001港元		物業持有

The financial statements of this company were not audited by PricewaterhouseCoopers Hong Kong or the member firms of PricewaterhouseCoopers International Limited.

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

34. Related party transactions

As at the balance sheet date, the Directors regard Great Wall Pan Asia (BVI) Holding Limited as the immediate holding company of the Company, Great Wall International as an intermediate holding company of the Company and GWAMCC as the ultimate holding company of the Company.

33. 附屬公司及聯營公司(續)

聯營公司

該公司之財務報表並非由香港羅兵咸永道會計師事務所或PricewaterhouseCoopers International Limited之成員公司審核。

董事認為，上表所列之本公司附屬公司及本集團之聯營公司對本集團年內業績有重大影響，或佔本集團淨資產重大比例。董事認為，載列其他附屬公司及聯營公司之詳細資料會使所需篇幅過分冗長。

34. 關聯方交易

於結算日，董事視Great Wall Pan Asia (BVI) Holding Limited為本公司之直接控股公司，長城國際為本公司之中間控股公司，而中國長城資產為本公司之最終控股公司。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

34. Related party transactions (Continued)

34. 關聯方交易(續)

(a) Transactions with GWAMCC and its group of subsidiaries

(a) 與中國長城資產及其附屬公司之交易

Significant transactions with GWAMCC and its group of subsidiaries are as follow:

與中國長城資產及其附屬公司之重大交易如下：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Lease of investment properties to an intermediate holding company	租賃投資物業予中間控股公司		
– Rental income	– 租金收入	11,183	–
Rendering of services to an intermediate holding company	提供服務予中間控股公司		
– Asset management service	– 資產管理服務	36,573	31,579
Loans from an intermediate holding company	來自中間控股公司之貸款		
– Interest expense (Note 23)	– 利息支出(附註23)	133,085	121,416

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Loans from an intermediate holding company	來自中間控股公司之貸款		
– Loan payable	– 應付貸款	3,848,434	3,915,009
– Interest payable	– 應付利息	254,549	125,262

(b) Key management personnel compensation

(b) 主要管理人員之酬金

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Salaries and other short-term employee benefits	薪金及其他短期僱員福利	1,509	1,540
Post-employment benefits	退休後福利	22	20
		1,531	1,560

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

綜合財務報表附註(續)

35. Subsequent events

As at 31 December 2019, the Group held investment properties of HK\$3,351,200,000 (Note 6) and investment in associates of HK\$3,811,900,000 (Note 8). With the COVID-19 outbreak occurring after the year end, it may potentially impact the significant estimates used in the valuation of the investment properties held by the Group and underlying investment properties held by an associate. The management will continue to monitor the situation and its impact on the Group.

36. Approval of the financial statements

The consolidated financial statements were approved by the Board of Directors on 18 March 2020.

35. 結算日後事項

於二零一九年十二月三十一日，本集團持有3,351,200,000港元之投資物業(附註6)及於聯營公司之投資3,811,900,000港元(附註8)。隨著新型冠狀病毒疫情於結算日後爆發，疫情可能對本集團持有之投資物業及聯營公司持有之相關投資物業估值所用的重大估計產生潛在影響。管理層將持續監察疫情之情況及其對本集團的影響。

36. 財務報表之批准

本綜合財務報表已於二零二零年三月十八日獲董事會批准。

FIVE-YEAR FINANCIAL SUMMARY

五年財務摘要

SELECTED FINANCIAL DATA

經揀選財務數據

		Year ended 31 December 截至十二月三十一日止年度				
		2019	2018	2017	2016	2015
(in HK\$ millions, unless otherwise stated) (百萬港元，除另有說明外)		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
OPERATING RESULTS	經營業績					
Revenue	收益	168	145	123	92	53
Adjusted operating profit***	經調整經營盈利***	70	51	44	32	35
Fair value gain on investment properties	投資物業公平值收益	169	401	221	118	191
Operating profit	經營盈利	239	454	268	150	228
Share of profits/(losses) of associates	應佔聯營公司盈利/(虧損)	427	280	(0)	(1)	(5)
Income tax expense	所得稅開支	(6)	(6)	(12)	(4)	(5)
Net profit attributable to Shareholders from continuing operations	股東應佔來自持續經營業務之淨盈利	487	583	252	308	285
Net profit attributable to Shareholders from discontinued operations	股東應佔來自已終止經營業務之淨盈利	-	-	-	1,408	31
Net profit attributable to Shareholders	股東應佔淨盈利	487	583	252	1,716	316
PER SHARE OF COMMON STOCK	普通股每股					
Adjusted operating profit per share (in HK cents)	每股經調整經營盈利(港仙)	4.46	3.23	2.83	2.01	2.22
Basic earnings per share (in HK cents)	每股基本盈利(港仙)	31.06	37.22	15.89	109.49	18.26
Diluted adjusted operating profit per share (in HK cents)	每股攤薄經調整經營盈利(港仙)	4.46	3.23	2.83	2.01	2.22
Diluted earnings per share (in HK cents)	每股攤薄盈利(港仙)	31.06	37.22	15.89	109.49	18.25
Dividend per share (in HK cents)	每股股息(港仙)	-	-	-	-	2.80
Net asset value per share (in HK\$)	每股淨資產(港元)	1.89	1.58	1.21	1.07	2.16
FINANCIAL POSITION	財務狀況					
Property, plant and equipment	物業、機器及設備	632	4	5	2	97
Total assets	總資產	8,032	7,513	3,363	1,715	3,732
Loans from an intermediate holding company	來自中間控股公司之貸款	(3,848)	(3,915)	(1,436)	-	-
Loan from a non-controlling Shareholder	來自一名非控制性股東之貸款	-	-	-	-	2
Total liabilities	總負債	(5,073)	(5,041)	(1,471)	(36)	(358)
Net assets attributable to Shareholders	股東應佔淨資產	2,959	2,473	1,892	1,679	3,318
Number of Shares in issue	已發行股份數目	1,567,745,596	1,567,745,596	1,567,745,596	1,567,745,596	1,561,057,596
KEY RATIOS	重要比率					
Adjusted operating profit to revenue	經調整經營盈利佔收益比率	42%	35%	36%	34%	66%
Return on average equity	平均股本回報率	17.93%	26.75%	14.09%	12.32%	9%
Return on average total assets	平均總資產回報率	6.26%	10.73%	9.91%	11.30%	8%
Gearing	資產負債比率	60.7%	65.5%	41.1%	-	-
Current assets to current liabilities	流動資產對比流動負債	399%	177%	49.56%	4.35%	4.69%

FIVE-YEAR FINANCIAL SUMMARY (Continued)

五年財務摘要(續)

SELECTED FINANCIAL DATA (Continued)

The financial results for media business for the years ended 31 December 2017 and 2016 were presented as discontinued operations. The figures for the years ended 31 December 2015 have not been restated as they were not prepared using the principles of merger accounting and it would involve delay and expenses out of proportion to the benefit to Shareholders.

*** Adjusted operating profit is defined as operating profit before other income and fair value gain on investment properties.

經揀選財務數據(續)

截至二零一七年及二零一六年十二月三十一日止年度媒體業務之財務業績呈列為已終止經營業務。截至二零一五年十二月三十一日止年度之數字未經重列，乃由於其並非按合併會計原則編製且此舉會造成延誤及引致費用與股東利益不相稱。

*** 經調整經營盈利界定為未計其他收入及投資物業公平值收益之經營盈利。

GLOSSARY

詞彙

“Board” 「董事會」	指	the board of directors of the Company 本公司董事會
“Bye-Laws” 「公司細則」	指	the Bye-Laws of the Company, as amended from time to time 本公司經不時修訂之公司細則
“China” or “PRC” 「中國」	指	the People’s Republic of China 中華人民共和國
“Company” or “GWPA Holdings” 「本公司」或「長城環亞控股」	指	Great Wall Pan Asia Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 583) 長城環亞控股有限公司*，一家於百慕達註冊成立的獲豁免有限公司，其已發行股份於聯交所主板上市（股份代號：583）
“Corporate Governance Code” 「企業管治守則」	指	the Corporate Governance Code set out in Appendix 14 of the Listing Rules 上市規則附錄十四所載的《企業管治守則》
“Director(s)” 「董事」	指	(a) director(s) of the Company 本公司董事
“Great Wall International” 「長城國際」	指	China Great Wall AMC (International) Holdings Company Limited, a company incorporated under the laws of Hong Kong with limited liability and a controlling Shareholder of the Company 中國長城資產（國際）控股有限公司，一家根據香港法例註冊成立的有限公司及本公司之控股股東

* For identification purpose only

* 僅供識別

GLOSSARY

詞彙

“Group”, “we”, or “our” 「本集團」或「我們」	指	the Company and its subsidiaries from time to time 本公司及其不時之附屬公司
“GWAMCC” 「中國長城資產」	指	China Great Wall Asset Management Co., Ltd., a financial conglomerate engaged in a broad range of integrated financial services and an ultimate controlling Shareholder of the Company 中國長城資產管理股份有限公司，一間從事廣泛綜合金融服務之金融集團及本公司之最終控股股東
“HK\$” 「港元」	指	Hong Kong dollar, the lawful currency of Hong Kong 港元，香港法定貨幣
“Hong Kong” 「香港」	指	the Hong Kong Special Administrative Region of the PRC 中國香港特別行政區
“Latest Practicable Date” 「最後實際可行日期」	指	21 April 2020 二零二零年四月二十一日
“Listing Rules” 「上市規則」	指	the Rules Governing the Listing of Securities on the Stock Exchange (as amended from time to time) 聯交所證券上市規則（經不時修訂）
“Main Board” 「主板」	指	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent of and operated in parallel with the GEM of the Stock Exchange 聯交所經營的證券交易所（不包括期權市場），其獨立於並與聯交所GEM並行運作
“Memorandum of Association and Bye-Laws” 「組織章程大綱及公司細則」	指	the Memorandum of Association and Bye-Laws of the Company, as amended from time to time 本公司經不時修訂之組織章程大綱及公司細則

GLOSSARY

詞彙

“Model Code”		the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules
「標準守則」	指	上市規則附錄十所載的《上市發行人董事進行證券交易的標準守則》
“SFC”		the Securities and Futures Commission of Hong Kong
「證監會」	指	香港證券及期貨事務監察委員會
“SFO”		the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (as amended, supplemented or otherwise modified from time to time)
「證券及期貨條例」	指	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(s)”		ordinary share(s) of HK\$0.10 each in the capital of the Company
「股份」	指	本公司股本中每股面值0.10港元之普通股
“Shareholder(s)”		holder(s) of Share(s) from time to time
「股東」	指	不時之股份持有人
“Stock Exchange”		The Stock Exchange of Hong Kong Limited
「聯交所」	指	香港聯合交易所有限公司
“US\$”		United States dollars, the lawful currency of the United States of America
「美元」	指	美元，美利堅合眾國法定貨幣



長城環亞控股有限公司*
GREAT WALL PAN ASIA HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號 : 583)

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僅供識別