



GREATER BAY AREA
DYNAMIC GROWTH HOLDING LIMITED
大灣區聚變力量控股有限公司

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 :1189



Annual Report 2019 年報

Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Dr. Yap, Allan (*Chairman*)
Mr. Lai Tsz Wah (*Managing Director*)
Mr. Dong Bo, Frederic
Mr. Wong Kui Shing, Danny

Independent Non-executive Directors

Mr. Kwok Ka Lap, Alva
Mr. Poon Kwok Hing, Albert
Mr. Sin Chi Fai

COMPANY SECRETARY

Ms. Law Sau Lai

REGISTERED OFFICE

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Hamilton HM 11
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HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

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AUDITOR

Moore Stephens CPA Limited

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

MUFG Fund Services (Bermuda) Limited
4th Floor North
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Bermuda

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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STOCK CODE

Stock Code on The Stock Exchange
of Hong Kong Limited: 1189

WEBSITE

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董事會

執行董事

葉家海博士 (*主席*)
賴子華先生 (*董事總經理*)
董波先生
王鉅成先生

獨立非執行董事

郭嘉立先生
潘國興先生
冼志輝先生

公司秘書

羅秀麗女士

註冊辦事處

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核數師

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香港
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合和中心54樓

股份代號

香港聯合交易所有限公司
股份代號：1189

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Management Discussion and Analysis

管理層論述及分析

MARKET REVIEW

In review of 2019, the global economic growth has lost steam, and was continued to decelerate throughout a number of downside risks. The tourism and businesses in hotel market were clouded with the dampening consumer sentiment under the increase of geopolitical risks and the People's Republic of China (the "PRC") – the United States (the "US") trade tensions uncertainties, as well as unfortunate terrorist events affecting tourism and hotel businesses in global markets. The market confidence was generally negatively impacted by the uncertainties arising from social atmosphere and global political economy, which were characterised by great complexity and vicissitude. As concerns with the pressure the economy is under with the US trade war ongoing, stocks markets have already taken hits. With the trade war lasting over 500 days and counting, tariffs and trade tensions are increasingly being priced in as a given in the US-PRC relationship.

Despite signs of global slowdown, with a challenging operating environment as the pressures posed by the US trade negotiation and other internal headwinds, the PRC adopted a series of positive fiscal policies from the beginning of the 2019 to strengthen counter-cyclical adjustment. Judging from that, the execution of these policies went well and the PRC managed steady growth in 2019 with the expectation of gross domestic product ("GDP") between 6.0% to 6.5%. The PRC's GDP finally averaged 6.1% in 2019, reflecting a decrease of about 0.6% as compared to 2018, the lowest figure since records began in 1992. In the meanwhile, Hong Kong was struggling under the ongoing demonstrations on anti-extradition bill protests, which was led to the steep crash in visitors arrivals from Mainland China in 2019. Major exhibitions, conferences and events have been cancelled or postponed. As many as 40 countries and jurisdictions have issued travel advisories against going to Hong Kong, heaping further pressure pushed Hong Kong to a technical recession. Hong Kong's GDP dropped by 1.2% year-on-year in real terms in 2019, after the growth of 2.9% in 2018.

市場回顧

回顧二零一九年，全球經濟增長失去動力，並繼續在多項下行風險中放緩。隨著地緣政治風險加劇及中華人民共和國（「中國」）與美國（「美國」）的貿易摩擦前景未卜削弱消費意欲，加上不幸的恐怖襲擊事件影響全球市場的旅遊及酒店業務，令旅遊及酒店業務市場蒙上陰霾。市場信心普遍受到紛繁複雜而變幻莫測的社會氣氛及全球政治經濟所帶來的不確定性因素的負面影響。由於擔憂仍在進行的美國貿易戰對經濟所造成的壓力，股市已屢次受挫。隨著貿易戰持續時間已逾500天，中美關係持續緊張，兩方的關稅日益增加，貿易緊張局勢愈演愈烈。

儘管全球經濟出現放緩跡象，以及美國貿易談判及其他內部不利因素帶來的壓力，經營環境充滿挑戰，但中國自二零一九年初起採取一系列積極的財政政策，以加強逆週期調整。該等政策的執行情況良好，中國於二零一九年錄得穩定增長，預期的國內生產總值（「國內生產總值」）介乎6.0%至6.5%。二零一九年中國國內生產總值最終平均為6.1%，較二零一八年下降約0.6%，為一九九二年以來的最低數字。與此同時，香港持續暴發反對逃犯條例修訂草案的示威遊行，導致二零一九年中國內地訪港旅客驟減。大型展覽、會議及活動已取消或延期。由於有多達40個國家及司法權區頒佈反對赴香港旅遊的建議，進一步對香港造成技術性衰退的壓力。香港國內生產總值繼二零一八年增長2.9%後，於二零一九年按實質計算按年下跌1.2%。

Management Discussion and Analysis

管理層論述及分析

MARKET REVIEW (CONTINUED)

Starting from second half of 2019, tourist arrivals plunged over 40% in its sharpest decline since 2003 SARS crisis. Total visitors arrivals to Hong Kong amounted to approximately 55.9 million, representing an decrease of 14.2% year-on-year, after growing by 11.4% in 2018, which accounting for 78.3% of the total were visitors from Mainland China, and those visitors from Mainland China also dropped by 14.2% year-on-year, after rising by 14.8% in 2018. Visitors from the traditional short haul markets (excluding Mainland China) dropped by 14.7% year-on-year in 2019. Of the total visitors arrivals, overnight visitors accounted for approximately 23.7 million, which was a decrease of 18.8% when compared on a year-on-year basis. According to the Hong Kong Tourism Board, the average hotel room occupancy level for all the surveyed hotels under different categories in Hong Kong for the year ended 31 December 2019 decreased from approximately 91.4% to 79.1%, recorded a fair occupancy loss. Compared to occupancy, the overall room rate dropped by approximately 12.4% yearly in 2019.

市場回顧(續)

自二零一九年下半年起，訪港旅客人數下跌超過40%，是自二零零三年非典型肺炎危機以來的最大跌幅。訪港旅客總數約為55,900,000人次（其中來自中國內地旅客佔總數78.3%），繼二零一八年增長11.4%後，按年減少14.2%，而中國內地旅客亦於二零一八年增長14.8%後，按年減少14.2%。於二零一九年，來自傳統短途地區市場（不包括中國內地）的旅客按年下跌14.7%。在旅客總人數中，過夜旅客佔約23,700,000人次，按年減少18.8%。根據香港旅遊發展局的資料，截至二零一九年十二月三十一日止年度，所有受訪香港不同類別之酒店之平均酒店客房入住率由約91.4%下降至79.1%，入住率損失頗大。與入住率相比，二零一九年整體房價按年下跌約12.4%。

Management Discussion and Analysis

管理層論述及分析

FINANCIAL REVIEW

Given a challenging business environment with a slowdown in the tourist markets, GREATER BAY AREA DYNAMIC GROWTH HOLDING LIMITED (the “Company”) and its subsidiaries (hereinafter collectively referred to as (the “Group”) had reported weakening business development with a bit weak performance in respect of its overall hotel investment during the year under audit. Revenue of the Group attained Hong Kong dollars (“HK\$”) 215.4 million for the year ended 31 December 2019, representing a decrease of 18.1% as compared to HK\$263.0 million for the year ended 31 December 2018. The results of the Group for the year ended 31 December 2019 was a loss of HK\$110.9 million (Year ended 31 December 2018: profit of HK\$0.4 million) which was mainly attributable to gross profit of HK\$62.9 million (Year ended 31 December 2018: gross profit of HK\$106.3 million) and other income and gains of HK\$3.9 million (Year ended 31 December 2018: other losses of HK\$6.2 million), offset by administrative and other operating expenses of HK\$117.6 million (Year ended 31 December 2018: HK\$137.6 million); distribution and selling expenses of HK\$1.0 million (Year ended 31 December 2018: HK\$1.3 million); finance costs of HK\$3.4 million (Year ended 31 December 2018: HK\$0.4 million); impairment loss on property, plant and equipment of HK\$7.4 million (Year ended 31 December 2018: nil); impairment loss on right-of-use assets of HK\$9.2 million (Year ended 31 December 2018: nil); loss on fair value changes of investment properties of HK\$37.7 million (Year ended 31 December 2018: HK\$26.7 million) and income tax expense of HK\$1.4 million (Year ended 31 December 2018: income tax credit of HK\$66.2 million).

The performance of the Group’s hotel operations and securities trading during the year ended 31 December 2019 under review, the commentary on the hotel sector and the changes in general market conditions and the potential impact on their operating performance and future prospects are contained in the succeeding sections headed “Business Review” and “Prospects”.

財務回顧

鑒於旅遊市場放緩，經營環境充滿挑戰，大灣區聚變力量控股有限公司（以下簡稱「本公司」）及其附屬公司（以下統稱「本集團」）於回顧年度內業務發展乏力，整體酒店投資表現略為疲弱。截至二零一九年十二月三十一日止年度，本集團收益達215,400,000港元（「港元」），較截至二零一八年十二月三十一日止年度的263,000,000港元減少18.1%。本集團截至二零一九年十二月三十一日止年度之業績為虧損110,900,000港元（截至二零一八年十二月三十一日止年度：溢利400,000港元），主要來自毛利62,900,000港元（截至二零一八年十二月三十一日止年度：毛利106,300,000港元）以及其他收入及收益3,900,000港元（截至二零一八年十二月三十一日止年度：其他虧損6,200,000港元），由行政及其他經營開支117,600,000港元（截至二零一八年十二月三十一日止年度：137,600,000港元）所抵銷；分銷及銷售開支1,000,000港元（截至二零一八年十二月三十一日止年度：1,300,000港元）；財務費用3,400,000港元（截至二零一八年十二月三十一日止年度：400,000港元）；物業、機器及設備減值虧損7,400,000港元（截至二零一八年十二月三十一日止年度：無）；使用權資產減值虧損9,200,000港元（截至二零一八年十二月三十一日止年度：無）；投資物業公平價值變動虧損37,700,000港元（截至二零一八年十二月三十一日止年度：26,700,000港元）及所得稅開支1,400,000港元（截至二零一八年十二月三十一日止年度：所得稅抵免66,200,000港元）。

於截至二零一九年十二月三十一日止回顧年度內，本集團酒店業務及證券買賣之表現、對酒店業之評論及整體市況變動以及對該等業務之營運表現及前景之潛在影響載於下文「業務回顧」及「展望」各節。

Management Discussion and Analysis

管理層論述及分析

BUSINESS REVIEW

(a) Hotel Investment

The hotel operations comprises the operations of three “Rosedale” branded 4-star rated hotels located in Hong Kong, Guangzhou and Shenyang and the Luoyang Golden Gulf Hotel. Overall revenue generated from hotel investment decreased by 18.2% to HK\$215.1 million for the year ended 31 December 2019 (Year ended 31 December 2018: HK\$263.0 million). The combined average occupancy rate of the Group slightly decreased by 7.0% to 67.8% for the year ended 31 December 2019 (Year ended 31 December 2018: 74.8%). If the operational figures of our hotels are only compared with those of other comparable hotels in similar categories, their performance will be in line with market averages. The gross margin was 29.2% or decreased by 11.2% when compared with the corresponding period in 2018 of 40.4%. To combat the competitive environment, the Group will continue to invest resources to enhancing its market network and positioning and, in the meantime, will further streamline its business operations to contain costs efficiently.

(b) Securities Trading

The segment recorded a loss of HK\$2.9 million for the year ended 31 December 2019 (Year ended 31 December 2018: segment loss of HK\$9.8 million), mainly representing fair value loss of investments held for trading, as a result of mark to market valuations as at the balance sheet date.

業務回顧

(a) 酒店投資

酒店業務由三間分別位於香港、廣州及瀋陽之「珀麗」品牌四星級酒店及洛陽金水灣大酒店之業務組成。截至二零一九年十二月三十一日止年度，酒店投資整體收入減少18.2%至215,100,000港元（截至二零一八年十二月三十一日止年度：263,000,000港元）。截至二零一九年十二月三十一日止年度，本集團合併平均出租率小幅下降7.0%至67.8%（截至二零一八年十二月三十一日止年度：74.8%）。若集團旗下酒店之營運數據僅與其他同類型可供比較酒店之營運數據相比，集團旗下酒店之表現將與市場平均表現一致。毛利率為29.2%，較二零一八年同期的40.4%減少11.2%。為應對競爭環境，本集團將繼續投放資源拓展鞏固其市場網絡及定位，同時亦將進一步精簡其業務營運以高效地控制成本。

(b) 證券買賣

截至二零一九年十二月三十一日止年度，該分部錄得虧損2,900,000港元（截至二零一八年十二月三十一日止年度：分部虧損9,800,000港元），主要為於結算日因按市值估值所產生之持作買賣投資之公平價值虧損。

Management Discussion and Analysis

管理層論述及分析

Material Acquisitions and Disposals

On 23 November 2018, an indirect wholly-owned subsidiary of the Company (the “Subsidiary”) and an independent third party (the “Purchaser”) entered into a disposal agreement (the “Disposal Agreement”), in relation to the possible disposal of 60% equity interests in Luoyang Golden Gulf Hotel Company Limited (the “Target Company”), a limited liability company established in the PRC and owned as to 60% by the Subsidiary at a consideration of Renminbi (“RMB”) 61 million (equivalent to approximately HK\$68.5 million) (the “Consideration”). The Purchaser paid the Subsidiary RMB21 million (equivalent to approximately HK\$23.9 million) (the “Deposit”) upon both parties signed the Disposal Agreement. The Purchaser and the Subsidiary shall enter into an escrow agreement and open an escrow account (the “Escrow Account”) within 3 business days after the shareholders of the Company at the special general meeting have approved the Disposal Agreement. The remaining balance of the Consideration of RMB40 million (equivalent to approximately HK\$44.6 million), shall be deposited into the Escrow Account by the Purchaser within 3 business days upon opening of such account. As at the date of Disposal Agreement, the Target Company has leased out certain spaces to tenants. Pursuant to the Disposal Agreement, the Subsidiary has undertaken not to request the tenants for any advanced rental for the next year. In the event the Target Company has received any such advanced rental payment, the amount of the Consideration payable by the Purchaser to the Subsidiary shall be reduced accordingly. On 22 May 2019, the Purchaser and the Subsidiary entered into a supplemental agreement to extend the long stop date to 10 months from the date of the Disposal Agreement, with all terms and conditions remain unchanged. Further details were set out in the announcements of the Company dated 26 November 2018, 17 December 2018, 31 December 2018, 18 January 2019, 4 February 2019, 8 March 2019, 4 April 2019, 26 April 2019, 24 May 2019, 21 June 2019, 19 July 2019, 23 August 2019, 20 September 2019, 25 September 2019, 25 October 2019 and 4 November 2019. The Disposal Agreement was approved by the shareholders of the Company at the special general meeting held on 10 December 2019 and it was completed on 26 February 2020.

重大收購及出售

於二零一八年十一月二十三日，本公司一間間接全資附屬公司（「該附屬公司」）與一名獨立第三方（「買方」）訂立出售協議（「出售協議」），內容有關可能出售洛陽金水灣大酒店有限公司（「目標公司」，一間於中國成立之有限公司，由該附屬公司擁有60%權益）之60%權益，代價為人民幣（「人民幣」）61,000,000元（相當於約68,500,000港元）（「代價」）。於訂約雙方簽署出售協議時，買方向附屬公司支付人民幣21,000,000元（相當於約23,900,000港元）（「按金」）。買方及附屬公司須於本公司股東於股東特別大會上批准出售協議後三個營業日內訂立託管協議及開立託管賬戶（「託管賬戶」）。買方須於開立有關賬戶起計三個營業日內向託管賬戶存入代價之餘下結餘人民幣40,000,000元（相當於約44,600,000港元）。於出售協議日期，目標公司已向租戶出租若干空間。根據出售協議，附屬公司已承諾不會要求有關租戶預付來年租金付款。倘目標公司已收取任何有關預收租金付款，則買方應付附屬公司之代價金額將相應調減。於二零一九年五月二十二日，買方與附屬公司訂立一份補充協議，將最後完成日期延長至出售協議日期起計10個月，而所有條款及條件則維持不變。進一步詳情載於本公司日期為二零一八年十一月二十六日、二零一八年十二月十七日、二零一八年十二月三十一日、二零一九年一月十八日、二零一九年二月四日、二零一九年三月八日、二零一九年四月四日、二零一九年四月二十六日、二零一九年五月二十四日、二零一九年六月二十一日、二零一九年七月十九日、二零一九年八月二十三日、二零一九年九月二十日、二零一九年九月二十五日、二零一九年十月二十五日及二零一九年十一月四日之公告。出售協議已於二零一九年十二月十日舉行之股東特別大會上獲本公司股東批准，並已於二零二零年二月二十六日完成。

Management Discussion and Analysis

管理層論述及分析

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2019, the Group's cash and bank balances and investments held for trading amounted to HK\$1,816.3 million (31 December 2018: HK\$1,866.8 million). The Group has no borrowings as at each of 31 December 2019 and 31 December 2018.

The Group's current assets and current liabilities as at 31 December 2019 were HK\$1,913.7 million and HK\$160.6 million (31 December 2018: HK\$1,945.0 million and HK\$143.0 million), respectively. As a result, the current ratio of the Group as at 31 December 2019 was 11.9 (31 December 2018: 13.6). The gearing ratio as at 31 December 2019, expressed as a percentage of total borrowings to equity attributable to owners of the Company, was nil (31 December 2018: nil).

As at each of 31 December 2019 and 31 December 2018, over 95% of the Group's cash and bank balances and investments held for trading were denominated in Hong Kong dollar and United States dollar, and the balance of approximately 4.2% (31 December 2018: 4.6%) were in Renminbi.

PLEDGE OF ASSETS

The Group did not have any assets pledged for credit facilities as at each of 31 December 2019 and 31 December 2018.

CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at each of 31 December 2019 and 31 December 2018.

流動資金及財務資源

於二零一九年十二月三十一日，本集團的現金及銀行結餘以及持作買賣投資為1,816,300,000港元（二零一八年十二月三十一日：1,866,800,000港元）。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均無借貸。

本集團於二零一九年十二月三十一日的流動資產及流動負債分別為1,913,700,000港元及160,600,000港元（二零一八年十二月三十一日：1,945,000,000港元及143,000,000港元）。因此，本集團於二零一九年十二月三十一日的流動比率為11.9（二零一八年十二月三十一日：13.6）。於二零一九年十二月三十一日，資本負債比率（即借貸總額除以本公司擁有人應佔權益之百分比）為零（二零一八年十二月三十一日：零）。

於二零一九年十二月三十一日及二零一八年十二月三十一日，本集團超過95%的現金及銀行結餘以及持作買賣投資均以港元及美元計值，餘額約4.2%（二零一八年十二月三十一日：4.6%）則以人民幣計值。

資產抵押

於二零一九年十二月三十一日及二零一八年十二月三十一日，本集團並無將任何資產抵押以取得信貸融資額。

或然負債

於二零一九年十二月三十一日及二零一八年十二月三十一日，本集團並無任何重大或然負債。

Management Discussion and Analysis

管理層論述及分析

FOREIGN CURRENCY EXPOSURE

The majority of the Group's assets and liabilities and business transactions were denominated in Hong Kong dollar and Renminbi. During the year ended 31 December 2019, the Group has not entered into any hedging arrangements. However, the Group will actively consider the use of relevant financial instruments to manage currency exchange risks in line with our business development.

INTEREST RATE EXPOSURE

During the year ended 31 December 2019, the Group was not subject to the risk of significant interest rate volatility. The Company will continue to monitor the interest rate markets and actively consider the application of relevant financial instruments to manage risks associated with interest rates.

EMPLOYEE AND REMUNERATION POLICY

At 31 December 2019, the Group had 586 employees of which 479 employees were stationed in the PRC. Employees' remuneration packages were determined in accordance with individual's responsibility, competence and skills, qualifications, experience and performance as well as market pay-level. Staff benefits include training programs, provident fund scheme, medical insurance and other competitive fringe benefits.

To provide incentives and rewards to employees, the Company has adopted a share option scheme for the eligible participants (including employees).

外匯風險

本集團大部分資產與負債及業務交易乃以港元及人民幣計算。於截至二零一九年十二月三十一日止年度，本集團並無訂立任何對沖安排。然而，本集團將積極考慮使用相關金融工具以因應本身業務發展而管理匯兌風險。

利率風險

於截至二零一九年十二月三十一日止年度，本集團並無面對重大利率波動風險。本公司將繼續監察利率市場並積極考慮使用相關金融工具以管理利率相關風險。

僱員及薪酬政策

於二零一九年十二月三十一日，本集團聘用586名僱員，當中479名在國內工作。僱員薪酬組合乃根據僱員之個人職責、能力及技能、資格、經驗及表現以及市場薪酬水平釐定。員工福利包括培訓課程、公積金計劃、醫療保險及其他具競爭力的福利待遇。

為了激勵及回報僱員，本公司為合資格參與者（包括僱員）採納一項購股權計劃。

Management Discussion and Analysis

管理層論述及分析

PROSPECTS

Looking ahead, the global economy continues to face an unprecedentedly challenge while the economic outlook and operating environment of Hong Kong and the PRC are anticipated to be notable challenging as we enter 2020. In addition to the US-PRC trade & political tensions and the ongoing demonstrations on Hong Kong anti-extradition bill protests, together with the pandemic of coronavirus disease (COVID-19) mean a triple blow to Hong Kong and the PRC's economy. This highly infectious virus, which has led to a substantial travel restriction and lockdowns across the PRC, and many countries have drastically reduced or even closed air traffic with the PRC, will particularly deliver a hard hit to the hotel sector, with occupancy rates of hotels in some districts dropping severely. As a dramatic slowdown in travel to Hong Kong, the number of arrivals in Hong Kong have plummeted by 75% as the first quarter of 2020, following the government's suspension of certain services to contain the COVID-19 pandemic. Considering the slowdown in economic growth and the threat of COVID-19, the government forecasts Hong Kong's economy to grow by -1.5% to 0.5% in 2020.

Given the dynamic nature of these circumstances as the hotel sector will stay weak, the revenue of the Group will continue to be impacted during a period when the Group is taking strict precautionary measures to ensure the health and safety of its employees, and supporting the steps taken by the government to control the further spread of COVID-19, some of our hotels in the PRC which have witnessed significantly lowered occupancies in the first quarter of 2020 amid the lockdowns imposed by the government of the PRC (the "Central Government"). However, the widespread occurrence of COVID-19 should not cause long-term damage to our hotel sector but will inevitably be a short-term impact to our performance and prospects in the first half of 2020. The Group will attempt to stay vigilant and be proactive in responding to these extraordinary with our shareholders about the significance for our operating results.

展望

展望未來，全球經濟將繼續面臨前所未有的挑戰，而香港及中國的經濟前景及經營環境預期在我們進入二零二零年時面臨顯著挑戰。除中美貿易及政治緊張局勢以及香港持續反對逃犯條例修訂草案的示威活動外，加上新型冠狀病毒(COVID-19)疫情，對香港及中國經濟造成三重打擊。此傳染性極強的新型冠狀病毒已導致中國全國範圍內的旅遊限制及停工，且許多國家已大幅減少甚至關閉往返中國的航線，將特別對酒店業造成嚴重打擊，部分地區的酒店入住率大幅下跌。隨著政府暫停若干服務以遏制COVID-19疫情，訪港旅客人數於二零二零年第一季度大幅下跌75%。考慮到經濟增長放緩及COVID-19疫情的威脅，政府預測香港經濟將於二零二零年增長-1.5%至0.5%。

鑒於該等情況的動態性質，酒店行業將持續疲弱，本集團的收益於本集團採取嚴格預防措施以確保其僱員的健康及安全，並支持政府為控制COVID-19進一步蔓延而採取的措施期間將繼續受到影響。受中國政府（「中央政府」）實施的停工令的影響，我們位於中國的部分酒店在二零二零年首季入住率大幅下降。然而，COVID-19的廣泛暴發不會對我們的酒店業務造成長遠損害，但無可避免會對我們於二零二零年上半年的表現及前景造成短期影響。本集團將努力保持警惕，並積極回應股東其對我們經營業績的影響。

Directors' Profile

董事簡介

EXECUTIVE DIRECTORS

Dr. Yap, Allan, aged 64, has been the Chairman of the Company since December 2014. He is also a director of various subsidiaries of the Company. Dr. Yap holds an honorary degree of Doctor of Laws and has over 30 years' experience in finance, investment and banking. He was an executive director of the Company from 2002 to 2011. Dr. Yap is a substantial shareholder, the chairman and an executive director of Master Glory Group Limited ("Master Glory", a substantial shareholder of the Company), the issued shares of which are listed on The Stock Exchange of Hong Kong Limited. In addition, he is the chairman, chief executive officer and a director of China Enterprises Limited (a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance and an associated company of Master Glory), the issued shares of which are traded on the OTC Securities Marketplace in the United States of America. He is also the executive chairman of Hanwell Holdings Limited and Tat Seng Packaging Group Ltd., the issued shares of both companies are listed on Singapore Exchange Securities Trading Limited. Dr. Yap was the chairman, chief executive officer and a director of Burcon NutraScience Corporation, the issued shares of which are listed on the Toronto Stock Exchange in Canada and the Frankfurt Stock Exchange in Germany, until he resigned on 15 January 2019.

執行董事

葉家海博士，現年64歲，自二零一四年十二月出任本公司主席。彼亦為本公司多間附屬公司之董事。葉博士持有法律榮譽博士學位，並於金融、投資及銀行業積逾30年經驗。彼曾於二零零二年至二零一一年間出任本公司之執行董事。葉博士為本公司之主要股東凱華集團有限公司（「凱華集團」）之主要股東及主席兼執行董事，該公司之已發行股份於香港聯合交易所有限公司上市。此外，彼為本公司之主要股東（按證券及期貨條例第XV部賦予之涵義）China Enterprises Limited之主席及行政總裁兼董事，該公司之已發行股份於美國櫃檯市場買賣及為凱華集團之聯營公司。彼亦為Hanwell Holdings Limited及Tat Seng Packaging Group Ltd.之執行主席，該兩間公司之已發行股份均於新加坡證券交易所有限公司上市。葉博士曾任Burcon NutraScience Corporation之主席及行政總裁兼董事，該公司之已發行股份於加拿大多倫多證券交易所及德國法蘭克福證券交易所上市，直至彼於二零一九年一月十五日辭任。

Directors' Profile 董事簡介

EXECUTIVE DIRECTORS (CONTINUED)

Mr. Lai Tsz Wah, aged 56, has been the Managing Director of the Company since May 2019. He is also the chairman of the corporate governance committee, a member of the nomination committee and the remuneration committee of the Company, and a director of various subsidiaries of the Company. He has more than 30 years of experience in auditing, accounting and finance in international accounting firms and listed companies. Mr. Lai holds a master degree in business administration. He is a fellow member of the Association of Chartered Certified Accountants in the United Kingdom and a fellow member of the Hong Kong Institute of Certified Public Accountants. Mr. Lai was previously the group financial controller of the Company and worked for the Company from March 1998 to April 2015. Mr. Lai had also been an executive director and the chief executive officer of Qin Jia Yuan Media Services Company Limited (now known as SMI Culture & Travel Group Holdings Limited), the issued shares of which are listed on The Stock Exchange of Hong Kong Limited, since June 2012 and was re-designated as a non-executive director in August 2013 and up to November 2013. Prior to rejoining the Company, Mr. Lai was a director of various subsidiaries of a Hong Kong listed company.

Mr. Dong Bo, Frederic, aged 53, has been an executive director of the Company since August 2019. He has extensive management experience in the People's Republic of China. He is currently the chairman and an executive director of Tech Pro Technology Development Limited, the issued shares of which had been formerly listed on The Stock Exchange of Hong Kong Limited ("Stock Exchange"). Mr. Dong was an executive director of China Development Corporation Limited (now known as Success Universe Group Limited), the issued shares of which are listed on the Stock Exchange, from 3 January 2001 to 29 October 2001. Mr. Dong was also the chairman and an executive director of Premium Land Limited (now known as China Baoli Technologies Holdings Limited), the issued shares of which are listed on the Stock Exchange, from 26 October 2001 to 8 November 2006. In addition, from 2002 to 2004, Mr. Dong was a member of the Standing Committee of the Chamber of Hong Kong Listed Companies, which functions as an effective communication channel between listed companies and regulatory authorities in Hong Kong.

執行董事 (續)

賴子華先生，現年56歲，自二零一九年五月出任本公司董事總經理。彼亦為本公司企業管治委員會主席，提名委員會及薪酬委員會成員，以及為本公司多間附屬公司之董事。彼於國際會計師行及上市公司具有逾30年核數、會計及財務經驗。賴先生持有工商管理碩士學位。彼為英國特許公認會計師公會及香港會計師公會資深會員。賴先生於一九九八年三月至二零一五年四月於本公司工作，並曾任本公司之集團財務總監。賴先生亦曾自二零一二年六月起擔任勤 + 緣媒體服務有限公司(現稱星美文化旅遊集團控股有限公司，該公司之已發行股份於香港聯合交易所有限公司上市)之執行董事兼行政總裁，並於二零一三年八月至二零一三年十一月調任為非執行董事。於重新加入本公司之前，賴先生為一間香港上市公司旗下多間附屬公司之董事。

董波先生，現年53歲，自二零一九年八月出任本公司執行董事。彼於中華人民共和國擁有豐富的管理經驗。彼現為德普科技發展有限公司之主席兼執行董事，該公司之已發行股份曾於香港聯合交易所有限公司(「聯交所」)上市。董先生於二零零一年一月三日至二零零一年十月二十九日出任中國發展集團有限公司(現稱實德環球有限公司，該公司之已發行股份於聯交所上市)之執行董事。董先生亦於二零零一年十月二十六日至二零零六年十一月八日出任上海策略置地有限公司(現稱中國寶力科技控股有限公司，該公司之已發行股份於聯交所上市)之主席兼執行董事。此外，自二零零二年至二零零四年，董先生為香港上市公司商會常務委員會成員，該組織之職能乃作為香港上市公司與監管機構間之有效溝通渠道。

Directors' Profile

董事簡介

EXECUTIVE DIRECTORS (CONTINUED)

Mr. Wong Kui Shing, Danny, aged 60, has been an executive director of the Company since September 2019. Mr. Wong holds a Bachelor of Arts degree from the University of Hong Kong. He has extensive exposure in the financial and investment fields for over 30 years and is well experienced in the international investment market. He is currently an executive director of China Information Technology Development Limited ("China Information Technology"), the issued shares of which are listed on The Stock Exchange of Hong Kong Limited ("Stock Exchange"). He is an independent non-executive director of Far East Holdings International Limited and a non-executive director of TFG International Group Limited, the issued shares of both companies are listed on the Stock Exchange. He is also an independent non-executive director of Tech Pro Technology Development Limited, the issued shares of which had been formerly listed on the Stock Exchange.

Mr. Wong was the chairman and the chief executive officer of China Information Technology from 20 October 2015 to 24 November 2019. He was an executive director of TFG International Group Limited from 21 August 2015 to 1 February 2019 and was re-designated as a non-executive director on 1 February 2019. Mr. Wong was an executive director of Larry Jewelry International Company Limited from 3 October 2016 to 9 October 2019 and Huiyin Holdings Group Limited (formerly known as Share Economy Group Limited) from 8 May 2017 to 10 April 2019, and a non-executive director of InvesTech Holdings Limited from 24 September 2015 to 1 June 2017 and Kong Shum Union Property Management (Holding) Limited (now known as Shi Shi Services Limited) from 19 October 2015 to 18 January 2017, the issued shares of all companies are listed on the Stock Exchange. He was also an executive director and the managing director of See Corporation Limited (now known as Emperor Culture Group Limited), the issued shares of which are listed on the Stock Exchange, from 21 December 2009 to 28 January 2015. In addition, Mr. Wong was a former executive director of SMI Holdings Group Limited, the issued shares of which are listed on the Stock Exchange.

執行董事 (續)

王鉅成先生，現年60歲，自二零一九年九月出任本公司執行董事。王先生持有香港大學文學學士學位。彼於財務及投資領域擁有逾30年豐富經驗，熟悉國際投資市場。彼現任中國信息科技發展有限公司（「中國信息科技」）之執行董事，該公司之已發行股份於香港聯合交易所有限公司（「聯交所」）上市。彼為遠東控股國際有限公司之獨立非執行董事以及富元國際集團有限公司之非執行董事，上述公司之已發行股份均於聯交所上市。彼亦為德普科技發展有限公司之獨立非執行董事，該公司之已發行股份曾於聯交所上市。

王先生於二零一五年十月二十日至二零一九年十一月二十四日擔任中國信息科技之主席及行政總裁。彼於二零一五年八月二十一日至二零一九年二月一日擔任富元國際集團有限公司之執行董事及於二零一九年二月一日調任為非執行董事。王先生於二零一六年十月三日至二零一九年十月九日擔任俊文寶石國際有限公司之執行董事，於二零一七年五月八日至二零一九年四月十日擔任匯銀控股集團有限公司（前稱共享經濟集團有限公司）之執行董事，於二零一五年九月二十四日至二零一七年六月一日擔任威訊控股有限公司之非執行董事，及於二零一五年十月十九日至二零一七年一月十八日擔任港深聯合物業管理（控股）有限公司（現稱時時服務有限公司）之非執行董事，上述公司之已發行股份均於聯交所上市。彼亦於二零零九年十二月二十一日至二零一五年一月二十八日擔任漢傳媒集團有限公司（現稱英皇文化產業集團有限公司，該公司之已發行股份於聯交所上市）之執行董事兼董事總經理。此外，王先生亦曾為星美控股集團有限公司（該公司之已發行股份於聯交所上市）之執行董事。

Directors' Profile 董事簡介

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Kwok Ka Lap, Alva, aged 71, has been an independent non-executive director of the Company since December 2002. He is also the chairman of the remuneration committee, and a member of the audit committee, the nomination committee and the corporate governance committee of the Company. Mr. Kwok was a marketing manager in an international company engaging in the design of business administration system. He has over 37 years' experience in the insurance and investment business, principally in the senior managerial position leading a sizable sales team. Mr. Kwok is an independent non-executive director of Master Glory Group Limited ("Master Glory"), a substantial shareholder of the Company. He is also an independent non-executive director of ITC Properties Group Limited ("ITC Properties"). The issued shares of Master Glory and ITC Properties are listed on The Stock Exchange of Hong Kong Limited.

Mr. Poon Kwok Hing, Albert, aged 58, has been an independent non-executive director of the Company since March 2007. He is also the chairman of the audit committee and the nomination committee, and a member of the remuneration committee and the corporate governance committee of the Company. Mr. Poon graduated from the University of Bath, United Kingdom with a Master of Science degree in Business Administration. He is a member of the Hong Kong Institute of Certified Public Accountants and a member of the CPA Australia. Mr. Poon is an independent non-executive director of Master Glory Group Limited, the issued shares of which are listed on The Stock Exchange of Hong Kong Limited ("Stock Exchange") and a substantial shareholder of the Company. He is also an independent non-executive director of Shaw Brothers Holdings Limited, the issued shares of which are listed on the Stock Exchange.

獨立非執行董事

郭嘉立先生，現年71歲，自二零零二年十二月出任本公司獨立非執行董事。彼亦為本公司薪酬委員會主席，以及審核委員會、提名委員會及企業管治委員會成員。郭先生曾為一間從事設計商業行政系統之國際公司之市場經理。彼於保險及投資業務方面擁有逾37年經驗，且為高級管理人員，管理具規模之營業隊伍。郭先生為本公司之主要股東凱華集團有限公司（「凱華集團」）之獨立非執行董事。彼亦為德祥地產集團有限公司（「德祥地產」）之獨立非執行董事。凱華集團及德祥地產之已發行股份於香港聯合交易所有限公司上市。

潘國興先生，現年58歲，自二零零七年三月出任本公司獨立非執行董事。彼亦為本公司審核委員會及提名委員會主席，以及薪酬委員會及企業管治委員會成員。潘先生畢業於英國University of Bath，並取得工商管理科碩士學位。彼為香港會計師公會及澳洲會計師公會會員。潘先生為本公司之主要股東凱華集團有限公司之獨立非執行董事，該公司之已發行股份於香港聯合交易所有限公司（「聯交所」）上市。彼亦為邵氏兄弟控股有限公司之獨立非執行董事，該公司之已發行股份於聯交所上市。

Directors' Profile

董事簡介

INDEPENDENT NON-EXECUTIVE DIRECTORS

(CONTINUED)

Mr. Sin Chi Fai, aged 60, has been an independent non-executive director of the Company since January 2008. He is also a member of the audit committee of the Company. Mr. Sin is a director and a shareholder of a Singapore company engaged in the distribution of data storage media and computer related products in Asian countries. He obtained a diploma in Banking from The Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University) and is a member of Singapore Institute of Directors. Mr. Sin has over 23 years' sales and marketing experience in information technology industries and in the banking field. He is an independent non-executive director of Master Glory Group Limited ("Master Glory"), the issued shares of which are listed on The Stock Exchange of Hong Kong Limited and a substantial shareholder of the Company. He is also an independent director of China Enterprises Limited (a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance and an associated company of Master Glory), the issued shares of which are traded on the OTC Securities Marketplace in the United States of America.

獨立非執行董事 (續)

冼志輝先生，現年60歲，自二零零八年一月出任本公司獨立非執行董事。彼亦為本公司審核委員會成員。冼先生為一間新加坡公司之董事及股東，該公司於亞洲國家從事數據儲存媒體與電腦相關產品分銷。彼於香港理工學院（現稱香港理工大學）獲取銀行系文憑及為Singapore Institute of Directors之會員。冼先生於資訊科技業及銀行業擁有逾23年銷售及市場推廣經驗。彼為本公司之主要股東凱華集團有限公司（「凱華集團」）之獨立非執行董事，該公司之已發行股份於香港聯合交易所有限公司上市。彼亦為本公司之主要股東（按證券及期貨條例第XV部賦予之涵義）China Enterprises Limited之獨立董事，該公司之已發行股份於美國櫃檯市場買賣及為凱華集團之聯營公司。

Senior Management's Profile 高級管理人員簡介

Mr. Lau Ka Kit, Ken, aged 48, has been the Financial Controller of the Company since April 2015 and is also a director of various subsidiaries of the Company. He has over 20 years of progressive accounting experience through management roles for a variety of public and private multinational corporations. Mr. Lau is a member of CPA Australia and a certificate holder of American Institute of Certified Public Accountants.

Ms. Law Sau Lai, aged 52, has been the Company Secretary of the Company since August 2009. Ms. Law is an associate of 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. She has extensive experience in company secretarial practice.

劉家杰先生，現年48歲，自二零一五年四月出任本公司之財務總監，並為本公司多間附屬公司之董事。彼於多間不同的公眾及私營跨國公司擔任管理人員職位並積逾20年會計經驗。劉先生為澳洲會計師公會會員及美國註冊會計師協會之證書持有人。

羅秀麗女士，現年52歲，自二零零九年八月出任本公司之公司秘書。羅女士為香港特許秘書公會及英國特許公司治理公會（前稱英國特許秘書及行政人員公會）會員。彼於公司秘書實務擁有豐富經驗。

Corporate Governance Report

企業管治報告

INTRODUCTION

GREATER BAY AREA DYNAMIC GROWTH HOLDING LIMITED (“Company”) is committed to achieving and maintaining a high standard of corporate governance which is crucial to the development of the Company and can safeguard the interests of its shareholders (“Shareholders”). The board of directors of the Company (“Board” and “Directors” respectively) has adopted various policies and procedures to ensure compliance with the code provisions set out in the Corporate Governance Code (“CG Code”) contained in Appendix 14 to the Rules Governing the Listing of Securities (“Listing Rules”) on The Stock Exchange of Hong Kong Limited (“Stock Exchange”). In the opinion of the Board, the Company had complied with the code provisions of the CG Code during the year ended 31 December 2019 (“Year”), except for code provision A.4.1. with considered reason(s) explained below.

CORPORATE STRATEGY AND LONG TERM BUSINESS MODEL

The Company is principally engaged in the sector of hotel investment in Hong Kong and in the People’s Republic of China (“PRC”). The Company’s corporate objective is to create and enhance value for Shareholders. To achieve this corporate objective, the business strategies of the Company are to maintain the long term growth and the profitability of the Company. Coupled with the government of the PRC unveiling the development plan for the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) being highlighted in its 13th Five Year Plan, the Directors see that our main operations continue to stay within the core engine of the development in the region. The Company is committed to maintaining a solid and healthy financial status with a solid cash balance and an efficient debt/equity ratio that will enable the Company to finance the existing operations and proceed with potential investments.

緒言

大灣區聚變力量控股有限公司（「本公司」）致力於達致及維持高水平之企業管治，因企業管治對本公司發展及保障本公司股東（「股東」）權益至為重要。本公司董事會（分別為「董事會」及「董事」）已採納各項政策及程序，以確保符合香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四所載之企業管治守則（「企業管治守則」）之守則條文。董事會認為，本公司於截至二零一九年十二月三十一日止年度（「本年度」）內已遵守企業管治守則之守則條文，惟於下文解釋之已闡明原因而未符合之守則條文第A.4.1條除外。

企業策略及長遠業務模式

本公司主要在香港及中華人民共和國（「中國」）從事酒店投資業務。本公司之企業宗旨乃為股東創造及提升價值。為此，本公司之業務策略為維持本公司長遠盈利增長。加上中國政府已公佈其「十三五」規劃中著重介紹的粵港澳大灣區（大灣區）的發展規劃，董事認為，我們的主要業務仍然為該地區發展的核心驅動業務。本公司矢志憑藉穩健之現金結餘及行之有效的債務／權益比率，維持穩健之財務狀況，藉此為本公司現有營運提供資金，並進行潛在投資。

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BOARD OF DIRECTORS

The Board currently comprises seven Directors including four executive Directors (“Executive Directors”) and three independent non-executive Directors (“INEDs”) whose biographical details are set out in the “Directors’ Profile” on pages 10 to 14 of this annual report.

The Board is principally accountable to Shareholders and responsible for the leadership and control of the Company and its subsidiaries (collectively, “Group”) including formulating strategies, establishing strategic directions, overseeing the Group’s businesses and systems of risk management and internal controls, monitoring operating and financial performance, setting objectives and business development plans, and monitoring the performance of senior management.

The Board has delegated operational decisions to the Executive Directors led by the Managing Director. Daily operations and administration are delegated to the management.

In addition, the Board has established the audit committee, the remuneration committee, the nomination committee and the corporate governance committee to oversee particular aspects of the Company’s affairs.

The Board meets regularly each year to review the financial and operating performance of the Group, and review and approve the Group’s annual and interim results and other matters which need to be dealt with. Additional board meetings will be held as and when required. Resolutions in writing may be passed by all Directors in lieu of a meeting pursuant to Bye-laws of the Company (“Bye-Laws”).

During the Year, nine full Board meetings (including four regular Board meetings) were held and two sets of resolution(s) in writing of all Directors were passed.

董事會

董事會現由七位董事組成，包括四名執行董事（「執行董事」）及三名獨立非執行董事（「獨立非執行董事」），彼等之履歷詳情載於本年報第10頁至第14頁之董事簡介。

董事會主要向股東負責，並負責本公司及其附屬公司（統稱「本集團」）的領導及監控，包括制定企業策略及訂立策略方針、監督本集團業務以及風險管理及內部監控制度、監察營運及財務表現、設定目標及業務發展計劃，以及監察高級管理人員之表現。

董事會已授權予由董事總經理帶領之執行董事，作營運決策。日常營運及管理則委派予管理層負責。

此外，董事會已成立審核委員會、薪酬委員會、提名委員會及企業管治委員會以監督本公司特定方面之事務。

董事會每年定期開會，以檢討本集團之財務及經營方面之表現，並審閱及批准本集團之全年及中期業績及其他需處理之事項。董事會於有需要時會額外舉行會議。根據本公司之公司細則（「公司細則」），全體董事可以通過書面決議代替舉行會議。

於本年度內，董事會舉行了九次全體董事會議（包括四次定期會議），並通過了兩份全體董事書面決議。

Corporate Governance Report

企業管治報告

BOARD OF DIRECTORS (CONTINUED)

The attendance of each Board member at the full meetings of the Board and the general meetings of the Company held during the Year is set out as follows:

董事會 (續)

各董事會成員於本年度內舉行的全體董事會會議及本公司股東大會之出席情況如下：

Directors	董事	Number of Meetings Attended/Held		
		Board Meeting	Annual General Meeting	Special General Meeting
		董事會會議	股東週年大會	股東特別大會
Executive Directors		執行董事		
Dr. Yap, Allan (<i>Chairman</i>)	葉家海博士 (<i>主席</i>)	4/9	1/1	0/2
Mr. Lai Tsz Wah (<i>Managing Director</i>) (<i>appointed with effect from 31 May 2019</i>)	賴子華先生 (<i>董事總經理</i>) (<i>自二零一九年五月三十一日起獲委任</i>)	7/9	N/A	2/2
Mr. Dong Bo, Frederic (<i>appointed with effect from 12 August 2019</i>)	董波先生 (<i>自二零一九年八月十二日起獲委任</i>)	4/4	N/A	2/2
Mr. Wong Kui Shing, Danny (<i>appointed with effect from 20 September 2019</i>)	王鉅成先生 (<i>自二零一九年九月二十日起獲委任</i>)	2/2	N/A	0/2
Ms. Chan Ling, Eva (<i>retired with effect from the conclusion of the annual general meeting held on 30 May 2019</i>)	陳玲女士 (<i>於二零一九年五月三十日舉行的股東週年大會結束時退任</i>)	2/2	0/1	N/A
Mr. Chan Pak Cheung, Natalis (<i>resigned with effect from 12 August 2019</i>)	陳百祥先生 (<i>自二零一九年八月十二日起辭任</i>)	4/4	0/1	N/A
Independent Non-executive Directors		獨立非執行董事		
Mr. Kwok Ka Lap, Alva	郭嘉立先生	9/9	1/1	2/2
Mr. Poon Kwok Hing, Albert	潘國興先生	9/9	1/1	2/2
Mr. Sin Chi Fai	冼志輝先生	9/9	1/1	0/2

The Chairman also held a meeting with the INEDs without the presence of the Executive Directors during the Year according to code provision A.2.7 of the CG Code.

於本年度內，主席亦根據企業管治守則之守則條文第A.2.7條與獨立非執行董事舉行了一次執行董事避席之會議。

Corporate Governance Report

企業管治報告

RELATIONSHIP BETWEEN THE BOARD MEMBERS

None of the members of the Board has any relationship (including financial, business, family or other material/relevant relations) between each other.

DIRECTORS AND OFFICERS LIABILITY INSURANCE

The Company has purchased appropriate directors and officers liability insurance in respect of legal actions against the Directors and officers of the Group arising from the performance of his/her duties.

CHAIRMAN AND MANAGING DIRECTOR

Code provision A.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The Company does not at present have a chief executive officer and such duties are performed by the Managing Director. The roles of the Chairman and the Managing Director are currently held by Dr. Yap, Allan and Mr. Lai Tsz Wah separately. The Chairman is responsible for the leadership of the Board, and the formulation of strategies and policies of the Group while the Managing Director is responsible for the operation of the business, and performance of the Group, and the implementation of major strategies. The division of responsibilities between the Chairman and the Managing Director of the Company is clearly established and set out in writing.

董事會成員間之關係

董事會成員之間概無任何關係（包括財務、業務、家屬或其他重大／相關關係）。

董事及行政人員責任保險

本公司已為董事及本集團之行政人員購買適當的董事及行政人員責任保險，以就彼等因履行職務所面對的法律行動提供保障。

主席及董事總經理

企業管治守則之守則條文第A.2.1條規定，主席與行政總裁之角色應有區分，並不應由一人同時兼任。本公司目前並無設有行政總裁一職，該職務由董事總經理履行。主席與董事總經理現分別由葉家海博士及賴子華先生出任。主席負責領導董事會及制定本集團的策略及政策，而董事總經理負責本集團之業務營運和表現及執行重要決策。本公司主席與董事總經理之間職責分工清晰並已予以書面訂明。

Corporate Governance Report

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DIRECTORS' TRAINING AND PROFESSIONAL DEVELOPMENT

According to code provision A.6.5 of the CG Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills.

During the Year, Directors were provided with materials on the corporate governance and/or the latest developments of the Listing Rules for their reading. Directors were also provided with monthly updates on the Group's business and financial matters.

From time to time, the Company Secretary circulates details of training courses which may be of interests to Directors. All Directors are encouraged to attend the relevant training courses and seminars organised by professional bodies at the Company's expenses.

According to the records received by the Company, the current Directors (namely, Dr. Yap, Allan, Mr. Lai Tsz Wah, Mr. Dong Bo, Frederic, Mr. Wong Kui Sing, Danny, Mr. Kwok Ka Lap, Alva, Mr. Poon Kwok Hing, Albert and Mr. Sin Chi Fai) participated in continuous professional development during the Year by reading materials provided by the Company.

NON-EXECUTIVE DIRECTORS

Code provision A.4.1 of the CG Code stipulates that non-executive directors should be appointed for a specific term, subject to re-election. The current INEDs were not appointed for a specific term but are subject to retirement by rotation and re-election at the annual general meeting in accordance with the Bye-Laws. The Board considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those prescribed by code provision A.4.1, and therefore does not intend to take any steps in this regard at the moment.

董事培訓及專業發展

根據企業管治守則之守則條文第A.6.5條，所有董事應參與持續專業發展，發展並更新其知識及技能。

於本年度內，董事獲提供有關企業管治及／或有關上市規則發展之材料以供閱讀。董事亦獲提供有關本集團業務及財務事宜之每月最新資料。

公司秘書不時傳閱董事可能有興趣參與之培訓課程的詳情。本公司鼓勵全體董事出席由專業機構舉辦的相關培訓課程及講座，費用由本公司支付。

根據本公司所收到的記錄，現任董事（葉家海博士、賴子華先生、董波先生、王鉅成先生、郭嘉立先生、潘國興先生及冼志輝先生）於本年度內均透過閱讀由本公司提供之材料，參與持續專業發展。

非執行董事

企業管治守則之守則條文第A.4.1條規定，非執行董事之委任應有指定任期，並須接受重新選舉。現任獨立非執行董事並非按指定任期委任，惟根據公司細則須於股東週年大會上輪席退任及可重選連任。董事會認為已採取足夠措施以確保本公司之企業管治常規不遜於守則條文第A.4.1條之規定，因此目前無意就此方面採取任何措施。

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NON-EXECUTIVE DIRECTORS (CONTINUED)

The Company has received an annual confirmation of independence from each of the INEDs as required under Rule 3.13 of the Listing Rules. On 27 March 2020, the nomination committee of the Company held a meeting to assess the independence of INEDs. Taking into account the independence criteria set out in Rule 3.13 of the Listing Rules, the nomination committee considered that all INEDs remained independent.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") set out in Appendix 10 to the Listing Rules as its own code for dealing in securities of the Company by the Directors. The Company has made specific enquiries with all Directors and they have confirmed their compliance with the required standard set out in the Model Code during the Year.

AUDIT COMMITTEE

The Company has established an audit committee ("Audit Committee") with written terms of reference in line with the CG Code.

The Audit Committee currently comprises three INEDs, namely, Mr. Poon Kwok Hing, Albert (Chairman of the Audit Committee), Mr. Kwok Ka Lap, Alva and Mr. Sin Chi Fai.

The main responsibilities of the Audit Committee are (i) to review the financial information of the Company and to oversee the relationship with the external auditor; (ii) to assist the Board to review the Group's financial reporting system, and risk management and internal control systems (including the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting and financial reporting function); and (iii) to make recommendations to the Board on the appointment, re-appointment and removal of the external auditor.

非執行董事 (續)

本公司已收到各獨立非執行董事根據上市規則第3.13條之規定而發出有關其獨立性之年度確認書。於二零二零年三月二十七日，本公司提名委員會舉行會議，就獨立非執行董事之獨立性作出評估。就上市規則第3.13條所載之獨立性準則作出考慮，提名委員會認為所有獨立非執行董事仍具獨立性。

董事進行證券交易之標準守則

本公司已採納載於上市規則附錄十之上市發行人董事進行證券交易之標準守則（「標準守則」）作為董事買賣本公司證券之守則。本公司已向所有董事作出特定查詢，而彼等已確認於本年度內遵守標準守則之所需標準。

審核委員會

本公司已成立審核委員會（「審核委員會」），並依照企業管治守則訂明其書面職權範圍。

審核委員會現由三名獨立非執行董事潘國興先生（審核委員會主席）、郭嘉立先生及冼志輝先生組成。

審核委員會主要職責為(i)審閱本公司財務資料，以及管理與外聘核數師的關係；(ii)協助董事會審閱本集團之財務申報機制及風險評估及內部監控制度（包括本集團在會計及財務匯報職能方面的資源、員工資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算是否充足）；及(iii)就外聘核數師的委任、重新委任及罷免向董事會提供建議。

Corporate Governance Report

企業管治報告

AUDIT COMMITTEE (CONTINUED)

During the Year, the Audit Committee held three meetings and performed, inter alia, the following work:

- (1) reviewed the financial reporting matters including the annual results for the year ended 31 December 2018 and the interim results for the six months ended 30 June 2019, and make recommendations to the Board;
- (2) approved the engagement letters of external auditor for the audit of the 2018 annual results;
- (3) considered and made recommendation to the Board on the re-appointment of external auditor at the 2019 AGM;
- (4) reviewed the adequacy and effectiveness of the risk management and internal control systems of the Group; and
- (5) approved the engagement letter of external auditor for the review of 2019 interim results.

The attendance of individual members at the meetings of the Audit Committee held during the Year is as follows:

審核委員會(續)

於本年度內，審核委員會舉行了三次會議，並主要履行以下工作：

- (1) 審閱財務申報事宜，包括截至二零一八年十二月三十一日止年度之全年業績及截至二零一九年六月三十日止六個月之中期業績，並向董事會提出建議；
- (2) 批准外聘核數師就審核二零一八年全年業績之聘任書；
- (3) 考慮及建議董事會於二零一九年股東週年大會上續聘外聘核數師；
- (4) 檢討本集團之風險管理及內部監控制度是否足夠及成效；及
- (5) 批准外聘核數師就審閱二零一九年中期業績之聘任書。

各審核委員會成員於本年度內舉行的會議之出席情況如下：

Members of Audit Committee	審核委員會成員	Number of Meetings Attended/Held 出席／舉行會議次數
Mr. Poon Kwok Hing, Albert	潘國興先生	3/3
Mr. Kwok Ka Lap, Alva	郭嘉立先生	2/3
Mr. Sin Chi Fai	冼志輝先生	3/3

Corporate Governance Report

企業管治報告

REMUNERATION COMMITTEE

The Company has established a remuneration committee (“Remuneration Committee”) with written terms of reference in line with the CG Code.

The Remuneration Committee currently comprises two INEDs, namely, Mr. Kwok Ka Lap, Alva (Chairman of the Remuneration Committee) and Mr. Poon Kwok Hing, Albert, and one Executive Director, namely, Mr. Lai Tsz Wah.

The main responsibilities of the Remuneration Committee are (i) to consider and to make recommendations to the Board on the Company’s remuneration policy and structure for all Directors and senior management; (ii) to review and determine the remuneration and compensation packages of the Executive Directors and the senior management; and (iii) to make recommendations to the Board on the remuneration of non-executive Directors.

During the Year, the Remuneration Committee held four meetings and performed, inter alia, the following work:

- (1) reviewed and approved the remuneration packages of the new executive Directors;
- (2) reviewed the remuneration policy of the Company and the remuneration packages of the executive Directors and the senior management for 2019;
- (3) reviewed and approved the proposed level of salary increase of employees, including the senior management, for 2020; and
- (4) reviewed and made recommendation to the Board on the remuneration of INEDs for 2020.

In addition, the Remuneration Committee passed one set of resolutions in writing during the Year regarding the payment of discretionary bonuses to the Managing Director and the senior management for 2018.

薪酬委員會

本公司已成立薪酬委員會（「薪酬委員會」），並依照企業管治守則訂明其書面職權範圍。

薪酬委員會現由兩名獨立非執行董事郭嘉立先生（薪酬委員會主席）及潘國興先生，以及一名執行董事賴子華先生組成。

薪酬委員會之主要職責為(i)考慮及向董事會建議本公司所有董事及高級管理人員之薪酬政策及架構；(ii)審閱及釐定執行董事及高級管理人員之薪酬待遇及賠償安排；及(iii)向董事會建議非執行董事之薪酬。

於本年度內，薪酬委員會舉行了四次會議，並主要履行以下工作：

- (1) 檢討及批准新任執行董事之薪酬待遇；
- (2) 檢討本公司之薪酬政策及執行董事及高級管理人員於二零一九年之薪酬待遇；
- (3) 檢討及批准職員（包括高級管理人員）於二零二零年之薪酬加幅之建議；及
- (4) 檢討獨立非執行董事於二零二零年之薪酬，並向董事會提出建議。

此外，薪酬委員會於本年度內通過了一份書面決議，關於向董事總經理及高級管理人員派發二零一八年酌情花紅。

Corporate Governance Report

企業管治報告

REMUNERATION COMMITTEE (CONTINUED)

The attendance of individual members at the meetings of the Remuneration Committee held during the Year is set out below:

薪酬委員會 (續)

各薪酬委員會成員於本年度內舉行的會議之出席情況如下：

Members of Remuneration Committee	薪酬委員會成員	Number of Meetings Attended/Held 出席／舉行會議次數
Mr. Kwok Ka Lap, Alva	郭嘉立先生	4/4
Mr. Poon Kwok Hing, Albert	潘國興先生	4/4
Mr. Lai Tsz Wah (appointed with effect from 31 May 2019)	賴子華先生 (自二零一九年五月三十一日起獲委任)	3/3
Ms. Chan Ling, Eva (ceased with effect from the conclusion of the annual general meeting held on 30 May 2019)	陳玲女士 (於二零一九年五月三十日舉行的股東週年大會結束時不再擔任)	1/1

Directors are remunerated with reference to their respective duties and responsibilities with the Company and prevailing market conditions.

董事之薪酬乃根據彼等各自於本公司之職責及目前市況而釐定。

During the Year, no Directors were involved in deciding his or her own remuneration.

於本年度內，概無董事參與決定其本人之薪酬。

Details of emoluments of the Directors for the Year are disclosed in note 11 to the consolidated financial statements of this annual report.

董事於本年度之酬金詳情載於本年報綜合財務報表附註11。

The remuneration of the members of the senior management for the Year is within the following bands:

高級管理人員於本年度之薪酬在以下範圍內：

		Number of Senior Management 高級管理人員數目
Up to HK\$1,000,000	1,000,000港元止	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	1

Corporate Governance Report

企業管治報告

NOMINATION COMMITTEE

The Company has established a nomination committee (“Nomination Committee”) with written terms of reference in line with the CG Code.

The Nomination Committee currently comprises two INEDs, namely, Mr. Poon Kwok Hing, Albert (Chairman of the Nomination Committee), Mr. Kwok Ka Lap, Alva and one Executive Director, namely, Mr. Lai Tsz Wah.

The main responsibilities of the Nomination Committee are (i) to review the structure, size and composition, and the diversity of the Board at least annually with due regard to the Board Diversity Policy (as defined below) and make recommendations on any proposed changes to the Board to complement the corporate strategy of the Company; (ii) to identify individuals suitably qualified to become members of the Board having due regard to the Board Diversity Policy; (iii) to assess the independence of INEDs; (iv) to review regularly the time required from a Director to perform his/her responsibilities to the Company; and (v) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors; (vi) to review the Board Diversity Policy, as appropriate, and review the measurable objectives, if any, that the Board has set for achieving diversity on the Board, as well as assess the progress on achieving the objectives; and (vii) to review the Board Nomination Policy (as defined below), as appropriate.

During the Year, the Nomination Committee held five meetings and performed, inter alia, the following work:

- (1) assessed the independence of INEDs;
- (2) considered and made recommendations to the Board on the re-election of retiring Directors at the 2019 AGM;
- (3) reviewed the nominations of Directors and recommended their appointments to the Board for approval;

提名委員會

本公司已成立提名委員會（「提名委員會」），並依照企業管治守則訂明其書面職權範圍。

提名委員會現由兩名獨立非執行董事潘國興先生（提名委員會主席）及郭嘉立先生，以及一名執行董事賴子華先生組成。

提名委員會之主要職責為(i)每年至少就董事會多元化政策（定義見下文）而檢討董事會架構、人數及組成，及多元化水平，並就任何為配合本公司之企業策略而擬對董事會作出的變動提出建議；(ii)經考慮董事會多元化政策物色具備合適資格之人士出任董事會成員；(iii)評核獨立非執行董事之獨立性；(iv)定期檢討董事為履行職責所需付出的時間；及(v)就委任或重新委任董事及董事繼任計劃向董事會提出建議；(vi)適時檢討董事會多元化政策及檢討董事會為實現多元化政策而制定之可計量目標（如有）及評估達標之進度；及(vii)適時檢討董事會提名政策（定義見下文）。

於本年度內，提名委員會舉行了五次會議，並主要履行以下工作：

- (1) 評估獨立非執行董事之獨立性；
- (2) 考慮及就退任董事於二零一九年股東週年大會上膺選連任一事向董事會提出建議；
- (3) 審核董事提名人選，並向董事會推薦其委任以供批准；

Corporate Governance Report

企業管治報告

NOMINATION COMMITTEE (CONTINUED)

- (4) reviewed the structure, size and composition of the Board in light of the Board Diversity Policy; and
- (5) reviewed the time required from a Director to perform his/her responsibilities to the Company.

In addition, the Nomination Committee passed one set of resolutions in writing during the Year regarding the recommendation to the Board on the re-election of Directors who hold office until the special general meeting held on 10 December 2019.

The attendance of individual members at the meetings of the Nomination Committee held during the Year is as follows:

提名委員會 (續)

- (4) 根據董事會多元化政策檢討董事會架構、人數及組成；及
- (5) 檢討董事為向本公司履行其職責而需付出的時間。

此外，提名委員會於本年度內通過一份書面決議，內容有關就任期至二零一九年十二月十日舉行之股東特別大會為止的董事膺選連任一事向董事會提出建議。

各提名委員會成員於本年度內舉行的會議之出席情況如下：

Members of Nomination Committee	提名委員會成員	Number of Meetings Attended/Held 出席／舉行會議次數
Mr. Poon Kwok Hing, Albert	潘國興先生	5/5
Mr. Kwok Ka Lap, Alva	郭嘉立先生	5/5
Mr. Lai Tsz Wah (appointed with effect from 31 May 2019)	賴子華先生 (自二零一九年五月三十一日起獲委任)	3/3
Ms. Chan Ling, Eva (ceased with effect from the conclusion of the annual general meeting held on 30 May 2019)	陳玲女士 (於二零一九年五月三十日舉行的股東週年大會結束時不再擔任)	2/2

Corporate Governance Report

企業管治報告

BOARD DIVERSITY POLICY

The Board recognises the importance of diversity in relation to its business, and has adopted the Board diversity policy (“Board Diversity Policy”) to guide the Board in achieving its diversity in terms of gender, age, educational background, skills, knowledge, professional experience and length of service in order to enhance the effectiveness of the Board.

The Nomination Committee will give adequate consideration to the Board Diversity Policy when recommending candidates to the Board.

Board appointments will be based on merit, and candidates will be considered against objective criteria with due regard for the benefits of diversity each candidate can bring to the overall Board composition.

In reviewing and assessing the composition of the Board, the Nomination Committee will consider the benefits of all aspects of diversity, including but not limited to, those described above.

The Nomination Committee will review the Board Diversity Policy, as appropriate, to ensure its effectiveness, and recommend any required revisions to the Board for consideration and approval.

Having reviewed the Board Diversity Policy and taken into account the existing composition of the Board and the business nature of the Group, the Nomination Committee considered that an appropriate balance of diversity perspectives of the Board is maintained. The Board has not set any measurable objectives for implementing the Board Diversity Policy.

董事會成員多元化政策

董事會深明多元化對其業務的重要性，並已採納董事會成員多元化政策（「董事會成員多元化政策」），以指引董事會在性別、年齡、教育背景、技能、知識、專業經驗及服務年限方面達致多元化，從而提升董事會的有效性。

提名委員會向董事會推薦候選人時將充分考慮董事會成員多元化政策。

董事會成員的委任將以用人唯才為原則，並在考慮候選人時以客觀標準充分顧及各候選人可為董事會整體組成帶來的多元化裨益。

於檢討及評估董事會組成時，提名委員會將考慮於各方面多元化的裨益，包括但不限於上文所述者。

提名委員會將適時檢討董事會成員多元化政策，以確保其有效性，並向董事會提出任何修改建議以供董事會批准。

經檢討董事會成員多元化政策及考慮董事會現有組成及本集團的業務性質後，提名委員會認為董事會已維持多元化視野的適當平衡，故董事會並無就實施董事會成員多元化政策設定任何可計量目標。

Corporate Governance Report

企業管治報告

BOARD NOMINATION POLICY

The Nomination Committee has adopted a Board nomination policy (“Nomination Policy”) which sets out the selection criteria and nomination procedures to identify, select and recommend candidates for Directors.

The Nomination Committee shall consider the following factors in assessing the suitability of a proposed candidate for directorship or for proposed re-appointment of a Director:

- (a) integrity;
- (b) qualifications including skills, knowledge and professional experience that are relevant to the Company’s business and corporate strategy;
- (c) commitment to devote sufficient time in carrying out duties as a Director;
- (d) Board Diversity Policy and any measurable objectives adopted by the Board for achieving diversity on the Board;
- (e) for a proposed appointment of an INED, whether the candidate would be considered independent with reference to the independent guidelines set out in the Listing Rules;
- (f) in the case of a proposed re-appointment of an INED, the number of years he has already served; and
- (g) potential/actual conflict of interest that may create.

These factors are not meant to be exhaustive and decisive. The Nomination Committee may consider such other factors that may enhance the effectiveness of the Board.

董事會提名政策

提名委員會已採納一項董事會提名政策（「提名政策」），當中載列物色、甄選及推薦董事候選人的甄選標準及提名程序。

提名委員會在評估建議候選人是否適合擔任董事或建議重新委任董事時將考慮以下因素：

- (a) 誠信；
- (b) 資格，包括技能、知識及與本公司業務及公司策略相關的專業經驗；
- (c) 承諾為履行作為董事的職責投入足夠時間；
- (d) 董事會成員多元化政策及董事會為達致董事會多元化而採納的任何可計量目標；
- (e) 就建議委任獨立非執行董事而言，參考上市規則所載有關該候選人是否被視為獨立的指引；
- (f) 如被建議重新委任為獨立非執行董事，則考慮彼已服務的年期；及
- (g) 可能引致的潛在／實際的利益衝突。

該等因素並非旨在涵蓋所有因素，也不具決定性作用。提名委員會或會考慮可提升董事會有效性的有關其他因素。

Corporate Governance Report

企業管治報告

BOARD NOMINATION POLICY (CONTINUED)

The Nomination Committee shall, upon receipt of the proposal on appointment of a new Director made by any Board members and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the nomination criteria set out above and make recommendation for the Board's consideration and approval. The Board will decide the appointment based on the recommendation of the Nomination Committee.

For re-appointment of retiring Directors, the Nomination Committee will review the overall service to the Company of the retiring Director who wishes to stand for re-election at the general meeting, including the attendance of Board and Board committee meetings, and the level of participation and performance on the Board during his/her term. The Nomination Committee will also review and determine whether the retiring Director continues to meet the nomination criteria set out above. The Nomination Committee will make recommendation to the Board and the Board will then make recommendation to the Shareholders in respect of the proposed re-election of Director at the general meeting.

CORPORATE GOVERNANCE COMMITTEE

The Company has established a corporate governance committee ("Corporate Governance Committee") with written terms of reference in line with the CG Code.

The Corporate Governance Committee currently comprises two INEDs, namely, Mr. Kwok Ka Lap, Alva and Mr. Poon Kwok Hing, Albert and one Executive Director, namely, Mr. Lai Tsz Wah (Chairman of the Corporate Governance Committee).

The main responsibilities of the Corporate Governance Committee are (i) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board; (ii) to review and monitor the training and continuous professional development of Directors and senior management; (iii) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements; and (iv) to review the Company's compliance with the Code and disclosure in the Corporate Governance Report.

董事會提名政策 (續)

提名委員會在收到任何董事會成員所提出委任新董事的建議及候選人的履歷資料(或相關詳情)後,須根據上文所載的提名標準評估該候選人,並作出推薦建議以供董事會考慮及批准。董事會將根據提名委員會的建議決定是否委任。

就重新委任退任董事而言,提名委員會將審閱有意於股東大會上重選連任的退任董事對本公司的整體服務,包括董事會及董事委員會會議的出席情況,以及彼於任期內在董事會的參與程度及表現。提名委員會亦會檢討及決定退任董事是否繼續符合上文所載的提名標準。提名委員會將向董事會提出建議,而董事會其後將就建議於股東大會上重選董事向股東提出建議。

企業管治委員會

本公司已成立企業管治委員會(「企業管治委員會」),並依照企業管治守則訂明其書面職權範圍。

企業管治委員會現由兩名獨立非執行董事郭嘉立先生及潘國興先生,以及一名執行董事賴子華先生(企業管治委員會主席)組成。

企業管治委員會之主要職責為(i)制定及檢討本公司企業管治之政策及常規,並向董事會提出建議;(ii)檢討及監察董事及高級管理人員之培訓及持續專業發展;(iii)檢討及監察本公司在遵守法律及監管規定方面的政策及常規;及(iv)檢討本公司遵守守則之情況以及於企業管治報告內之披露。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE COMMITTEE

(CONTINUED)

During the Year, the Corporate Governance Committee held two meetings and performed, inter alia, the following work:

- (1) reviewed the Company's practices on corporate governance and the Company's practices in compliance with legal and regulatory requirements;
- (2) reviewed the Company's compliance with the CG Code for the year ended 31 December 2018 and for the six months ended 30 June 2019 and disclosures in the Corporate Governance Report and the interim report; and
- (3) reviewed the training and continuous professional development of Directors.

The attendance of individual members at the meetings of the Corporate Governance Committee held during the Year is as follows:

企業管治委員會 (續)

於本年度內，企業管治委員會舉行了兩次會議，並主要履行以下工作：

- (1) 檢討本公司企業管治之常規及本公司在遵守法律及監管規定方面的常規；
- (2) 檢討截至二零一八年十二月三十一日止年度及截至二零一九年六月三十日止六個月本公司遵守企業管治守則之情況及於企業管治報告及中期報告內之披露；及
- (3) 檢討董事之培訓及持續專業發展。

各企業管治委員會成員於本年度內舉行的會議之出席情況如下：

Members of Corporate Governance Committee	企業管治委員會成員	Number of Meetings Attended/Held 出席／舉行會議次數
Mr. Lai Tsz Wah (appointed with effect from 31 May 2019)	賴子華先生 (自二零一九年五月三十一日起獲委任)	1/1
Mr. Poon Kwok Hing, Albert	潘國興先生	2/2
Mr. Kwok Ka Lap, Alva	郭嘉立先生	2/2
Ms. Chan Ling, Eva (ceased with effect from the conclusion of the annual general meeting held on 30 May 2019)	陳玲女士 (於二零一九年五月三十日舉行的股東週年大會結束時不再擔任)	1/1

Corporate Governance Report

企業管治報告

ACCOUNTABILITY AND AUDIT

Directors' Responsibilities for the Financial Statements

The Directors are responsible for the preparation of the consolidated financial statements for each financial period which give a true and fair view of the state of affairs of the Group and of the financial performance and cash flows for such financial period. In preparing the consolidated financial statements for the Year, the Directors have selected suitable accounting policies and applied them consistently, and made judgments and estimates that are prudent, fair and reasonable. The Directors have prepared the consolidated financial statements for the Year on a going concern basis.

Auditor's Responsibilities and Remuneration

During the Year, the fee payable to Moore Stephens CPA Limited ("Moore Stephens"), the auditor of the Company, for audit services and non-audit services were approximately HK\$2,950,000 (2018: HK\$2,880,000) and HK\$1,300,000 (2018: HK\$1,100,000) respectively.

The statement of Moore Stephens regarding its reporting responsibilities are set out in the Independent Auditor's Report on page 57.

Risk Management and Internal Controls

The Board acknowledges that it is their responsibility to ensure the Group, setting appropriate policies and maintaining its effectiveness of the internal control and risk management systems. Such systems are designed to manage rather than eliminate risks of failure to achieve business objectives, and can only provide reasonable, but not absolute, assurance against material misstatement or loss.

問責及審核

董事對財務報表之責任

董事須負責編製各財務期間之綜合財務報表，並真實及公平反映於該財政期間本集團之事務、財務表現及現金流量狀況。於編製本年度之綜合財務報表時，董事已選擇及貫徹應用合適之會計政策，並已作出審慎、公平及合理之判斷及估計。董事按持續經營基準編製本年度之綜合財務報表。

核數師之責任及酬金

於本年度內，就審核服務及非審核服務應向本公司核數師大華馬施雲會計師事務所有限公司（「大華馬施雲」）支付的費用分別約為2,950,000港元（二零一八年：2,880,000港元）及1,300,000港元（二零一八年：1,100,000港元）。

大華馬施雲有關其報告責任的聲明載於第57頁獨立核數師報告。

風險管理及內部監控

董事會確認其有責任確保本集團制訂適當政策及維護其內部監控及風險管理制度之成效。有關系統旨在管理而非消除未能實現業務目標的風險，並僅可就避免重大失實陳述或損失提供合理而非絕對之保證。

Corporate Governance Report

企業管治報告

ACCOUNTABILITY AND AUDIT (CONTINUED)

Risk Management and Internal Controls (CONTINUED)

On behalf of the Board, the Audit Committee evaluates the effectiveness of the internal control and risk management systems of the Company, the main features including the reliability of financial reporting, effectiveness and efficiency of operations, compliance with applicable laws and regulations, the adequacy of resources, staff qualifications and experience, training programs and budgets as well. The process includes identification, evaluation, management measures and control and review. Meetings are held regularly to review the effectiveness of the internal control and risk management systems, to identify any significant management and operational risks as well as control failings or weaknesses.

During the Year, the Company has outsourced its internal control audit function to an independent accounting firm covering the review of key internal controls in selected areas based on key operational, financial and compliance risks as identified under the risk management framework and as advised by the Audit Committee and the management. The independent accounting firm is staffed with persons with relevant qualifications and experience. They reported directly and primarily to the Audit Committee and assist the Board in monitoring and managing the risks and internal controls of the Group. They also planned their internal audit schedules in consultation with, but independently of the management. The Audit Committee reviewed the activities of the independent accounting firm on a regular basis, including the overseeing and monitoring of the implementation improvements on the weaknesses of the system of internal controls within the Group.

問責及審核(續)

風險管理及內部監控(續)

審核委員會代表董事會評估本公司內部監控及風險管理制度之成效，主要特點包括財務報告之可靠性、營運之成效及效率、遵守適用法律法規，以及資源、員工資格及經驗、培訓計劃及預算是否充足。該程序包括識別、評估、管理措施以及監控及審查。本公司定期舉行會議，以審查內部監控及風險管理系統之成效、識別任何顯著之管理及營運風險以及監控失誤或弱點。

於本年度內，本公司已將其內部監控審核職能外判予一間獨立會計師事務所，涵蓋根據風險管理框架所識別及由審核委員會及管理層所告知之關鍵營運、財務及合規風險內之特定領域之關鍵內部監控。該獨立會計師事務所之人員具備相關資格及經驗，並直接及主要向審核委員會報告，以及協助董事會監察及管理本集團之風險及內部監控。彼等於計劃其內部審核日程時已諮詢管理層，但可獨立於管理層行事。審核委員會定期審閱該獨立會計師事務所之工作，包括監督及監察就本集團內之內部監控制度之弱點而實施改善措施。

Corporate Governance Report

企業管治報告

ACCOUNTABILITY AND AUDIT (CONTINUED)

Risk Management and Internal Controls (CONTINUED)

In accordance with the internal control audit plan, the independent accounting firm has conducted an annual review of the effectiveness of the Company's system of internal controls. Weaknesses in internal controls and recommendations for areas of improvements have been reported to the Audit Committee. Following the receipt of such recommendations, the Company has fully implemented the recommendations to further strengthen the risk management framework and internal control system during 2019. The Audit Committee was satisfied that there were no significant control failings, weaknesses or significant areas of concern identified during the Year which might affect Shareholders. It concluded that an adequate and effective internal control system is maintained to safeguard the Shareholders' investment and the Group's assets.

The Audit Committee has also reviewed the effectiveness and adequacy of the internal control audit function and the Audit Committee considers that the internal control audit function is adequately resourced.

Framework for Disclosure of Inside Information

The Company has adopted a policy on Disclosure of Inside Information which set out the procedures and internal controls for the handling and dissemination of inside information in a timely manner pursuant to Rules 13.09 and 13.10 of the Listing Rules and the Inside Information Provision (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance.

問責及審核(續)

風險管理及內部監控(續)

根據內部監控審核計劃，該獨立會計師事務所已就本公司之內部監控制度之成效進行年度檢討。內部監控之弱點及對改善領域之建議已報告審核委員會。於收到該建議後，本公司於二零一九年內已全面實施該建議以進一步加強風險管理框架及內部監控制度。審核委員會信納於本年度內並無重大監控失誤、不足之處或可能會影響股東之相關重要範疇。其結論為維持適當而有效的內部監控制度以保障股東之投資及本集團之資產。

審核委員會亦已檢討內部監控審核職能之成效及是否足夠，而審核委員會認為內部監控審核職能獲得足夠資源。

內幕消息披露框架

本公司已採納內幕消息披露政策，當中載列處理及適時發放根據上市規則第13.09條及第13.10條以及證券及期貨條例第XIVA部之內幕消息條文(定義見上市規則)之內幕消息的相關程序及內部監控。

Corporate Governance Report

企業管治報告

DIVIDEND POLICY

The Board has adopted a dividend policy with no fixed dividend payouts. The actual dividend that the Board may recommend or declare in respect of any particular financial year or period is subject to a number of factors and at the discretion of the Board.

The Board will take into account the following factors when considering the payment of dividends:

- (a) the Company's actual and expected financial performance;
- (b) the level of retained earnings and distributable reserves of the Company;
- (c) the level of the Group's debts to equity ratio, return on equity and the relevant financial covenants;
- (d) any restrictions on payment of dividends that may be imposed by the Group's lenders;
- (e) the Group's expected working capital requirements and future expansion plans;
- (f) general economic conditions, and other internal or external factors that may have an impact on the business or financial performance and position of the Company; and
- (g) any other factors deemed relevant by the Board.

The payment of dividends is also subject to any restrictions under Bermuda laws and the Bye-Laws.

The Board will review the dividend policy from time to time.

股息政策

董事會已採納無固定派息率的股息政策。董事會就任何特定財政年度或期間可能建議或宣派的實際股息受多項因素規限，並由董事會酌情釐定。

於考慮派付股息時，董事會將考慮以下因素：

- (a) 本公司的實際及預期財務表現；
- (b) 本公司保留盈利及可供分派儲備水平；
- (c) 本集團債務權益比率、股本回報率及相關金融契約；
- (d) 本集團貸款人可能對派付股息施加的任何限制；
- (e) 本集團的預期營運資金需求及未來擴展計劃；
- (f) 整體經濟狀況及可能對本公司業務或財務表現及狀況造成影響的其他內部或外部因素；及
- (g) 董事會認為相關的任何其他因素。

派付股息亦受百慕達法律及公司細則的任何限制所規限。

董事會將不時檢討股息政策。

Corporate Governance Report

企業管治報告

COMPANY SECRETARY

The Company Secretary is an employee of the Company. During the Year, the Company Secretary had complied with the relevant professional training requirement under Rule 3.29 of the Listing Rules.

COMMUNICATION WITH SHAREHOLDERS

The Company acknowledges the importance of communicating with Shareholders. The Board has adopted a Shareholders' communication policy setting out formal channels of communication with Shareholders.

The Company maintains continuing communication with Shareholders through a number of channels including financial reports (interim and annual reports), announcements, annual general meetings and other general meetings that may be convened as well as other documents submitted to the Stock Exchange.

Information relating to the Group is available on the Company's website at www.gbdynamic.com.

The Company uses general meetings as a tool to effectively communicate with Shareholders and provide Shareholders with the opportunity of asking questions on any relevant matters.

Shareholders are encouraged to participate in general meetings of the Company or to appoint proxies to attend and vote at meetings for and on their behalf if they are unable to attend the meetings.

Directors, appropriate management executives and the external auditor are available at the annual general meetings of the Company to answer Shareholders' questions.

公司秘書

公司秘書為本公司之全職僱員。於本年度內公司秘書已符合上市規則第3.29條之有關專業培訓要求。

與股東之溝通

本公司深明與股東通訊之重要性。董事會已採納股東通訊政策，列載與股東溝通之正式渠道。

本公司透過不同渠道與股東保持溝通，當中包括財務報告（中期及年度報告）、公佈、股東週年大會及其他可能召開之股東大會，以及向聯交所呈交之其他文件。

有關本集團之資料可於本公司網站 www.gbdynamic.com 查閱。

本公司藉股東大會為與股東溝通之有效工具，並提供機會讓股東就任何相關事宜作出提問。

本公司鼓勵股東參與本公司股東大會並於會上投票，如其本身未克出席，亦可委派代表代其出席大會並於會上投票。

董事、適當的管理行政人員及外聘核數師將出席本公司之股東週年大會，以回答股東提問。

Corporate Governance Report

企業管治報告

SHAREHOLDERS' RIGHTS

Procedures for Shareholders to Put Enquiries to the Board

Shareholders should direct their enquiries about their shareholdings to the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong. To the extent the requisite information of the Company is publicly available, Shareholders may at any time send enquiry(ies) to the Board in writing by mail to the head office and principal place of business of the Company in Hong Kong at Room 3401, 34th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, for the attention of the Company Secretary or by email to info@gbadynamic.com.

Shareholders may also make enquiries with the Board at the general meetings of the Company.

Procedures for Shareholders to Convene a Special General Meeting

Pursuant to Section 74 of the Companies Act 1981 of Bermuda, registered Shareholder(s) holding at the date of the deposit of the requisition not less than one-tenth (10%) of such of the paid-up capital of the Company as at the date of the deposit carries the right of voting at general meetings of the Company, may request the Board to convene a special general meeting.

The written requisition must state the purposes of the meeting, and be signed by the requisitioner(s) and deposited at the registered office of the Company at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda for the attention of the Company Secretary and may consist of several documents in like form, each signed by one or more requisitionists.

股東權利

股東向董事會作出查詢之程序

股東可向本公司的香港股份過戶登記分處卓佳秘書商務有限公司(地址為香港皇后大道東183號合和中心54樓)查詢其持有之股權情況事宜。若所需之本公司資料是於可供公眾查閱之範圍內，股東可隨時向董事會提出查詢，有關查詢以書面發出，並郵寄至本公司於香港的總辦事處及主要營業地點，地址為香港灣仔皇后大道東183號合和中心34樓3401室(註明收件人為公司秘書)或電郵至 info@gbadynamic.com。

股東亦可在本公司之股東大會上向董事會作出查詢。

股東召開股東特別大會之程序

根據百慕達一九八一年公司法第74條，任何於遞交要求日期持有有權在本公司股東大會投票之本公司已繳足股本不少於十分之一(10%)之註冊股東，可要求董事會召開股東特別大會。

書面要求必須列明召開會議之目的，並由有關呈請人簽署及送達本公司之註冊辦事處，地址為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda(註明收件人為公司秘書)。該書面要求可由數份相同格式及每份由一名或多名呈請人簽署之文件組成。

Corporate Governance Report

企業管治報告

SHAREHOLDERS' RIGHTS (CONTINUED)

Procedures for Shareholders to Convene a Special General Meeting (CONTINUED)

The requisition will be verified with the Company's branch share registrar in Hong Kong and upon confirmation that the request is proper and in order, the Company Secretary will arrange with the Board to convene a special general meeting by serving sufficient notice to all Shareholders in accordance with the requirements set out in the Listing Rules and the Bye-Laws.

In the event that the requisition has been verified as not in order, the requisitionist(s) concerned will be advised of this outcome and accordingly, a special general meeting will not be convened as requested.

If the Board does not within twenty-one (21) days from the date of the deposit of a valid requisition, proceed duly to convene a meeting, the requisitionist(s), or any of them representing more than one half (50%) of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from the said date of deposit of the requisition. A general meeting so convened by the requisitionist(s) shall be convened in the same manner, as nearly as possible as that in which meetings are to be convened by the Board.

股東權利 (續)

股東召開股東特別大會之程序 (續)

有關要求將由本公司的香港股份過戶登記分處核實，在確認為適當及符合程序後，公司秘書將與董事會安排召開股東特別大會，並根據上市規則及公司細則規定給予所有股東充分通知期。

若要求經核實為不符合程序，有關呈請人將獲知會結果，而股東特別大會亦不會按要求召開。

倘董事會並無於有效之遞交要求日期起計二十一(21)日內召開會議，則呈請人(或當中持有彼等總投票權半數以上(50%)之任何人士)可自行召開會議，惟按此方式召開之任何大會不得於上述遞交要求日期起三個月屆滿後舉行。呈請人依此召開之股東大會須盡可能以接近本公司召開會議之方式召開。

Corporate Governance Report

企業管治報告

SHAREHOLDERS' RIGHTS (CONTINUED)

Procedures for Shareholders to Put Forward Proposals at General Meetings

Pursuant to Section 79 of the Companies Act 1981 of Bermuda, either (i) any number of registered Shareholders representing not less than one-twentieth (5%) of the total voting rights of all Shareholders having at the date of the requisition a right to vote at the general meeting of the Company to which the requisition relates; or (ii) not less than one hundred (100) of such Shareholders, can submit a requisition in writing to the Company:

- (a) to give to Shareholders entitled to receive notice of next annual general meeting notice of any resolution (other than a proposal for election as a Director) which may properly be moved and is intended to be moved at that meeting; and
- (b) to circulate Shareholders entitled to have notice of any general meeting sent to them any statement of not more than one thousand (1,000) words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

The written requisition must be signed by the requisitioner(s) (may consist of one or several documents in like form, each signed by one or more requisitioner(s) and deposited at the registered office of the Company at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda for the attention of the Company Secretary with a sum reasonably sufficient to meet the Company's relevant expenses and not less than six weeks before the annual general meeting in case of a requisition requiring notice of resolution or not less than one week before the general meeting in case of any other requisition. Provided that if an annual general meeting is called for a date six weeks or less after the requisition has been deposited, the copy though not deposited within the time required shall be deemed to have been properly deposited for the purposes thereof.

股東權利(續)

股東於股東大會上提呈議案之程序

根據百慕達一九八一年公司法第79條，(i)於遞交要求日期持有有權在本公司股東大會投票的總投票權不少於二十分之一(5%)之註冊股東；(ii)或不少於一百(100)名有關登記股東，可向本公司提交書面要求：

- (a) 向有權接收下一屆股東週年大會通告之股東發出通知，以告知任何可能於該大會上正式動議及擬於會上動議之決議案（不包括提名候選董事之動議）；及
- (b) 向有權接收任何股東大會通告之股東傳閱不超過一千(1,000)字之陳述書，以告知於該大會上提呈之決議案所述事宜或將處理之事項。

書面要求必須經由呈請人簽署，且可由一份或數份相同格式及每份由一名或多名呈請人簽署之文件組成，及送達本公司之註冊辦事處，地址為Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda（註明收件人為公司秘書）。該要求連同繳存合理及足夠款項用以支付公司相關支出，及（倘為須發出決議案通知之要求）須於股東週年大會舉行前不少於六週送達或（倘為任何其他要求）須於股東大會舉行前不少於一週送達。惟倘在送達須發出決議案通知要求後六週或較短期間內之某一日召開股東週年大會，則該要求雖未有在規定時間內送達，就此而言亦將被視為已妥善送達。

Corporate Governance Report

企業管治報告

SHAREHOLDERS' RIGHTS (CONTINUED)

Procedures for Shareholders to Put Forward Proposals at General Meetings (CONTINUED)

The requisition will be verified with the Company's branch share registrar in Hong Kong and upon confirmation that the request is proper and in order, the Company Secretary will arrange with the Board to include the resolution in the agenda for the annual general meeting or circulating the statement for the general meeting.

In the event that the requisition is not in order or the requisitioner(s) concerned have failed to deposit sufficient money to meet the Company's expenses for the said purpose, the requisitioner(s) concerned will be advised of this outcome and accordingly, the proposed resolution will not be included in the agenda for the annual general meeting or the statement will not be circulated for the general meeting.

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

As regards the procedures for proposing a person for election as a Director, please refer to the procedures made available on the Company's website at www.gbodynamic.com.

CONSTITUTIONAL DOCUMENTS

No amendments were made to the Company's Memorandum of Association and Bye-Laws during the Year.

股東權利 (續)

股東於股東大會上提呈議案之程序 (續)

有關要求將由本公司的香港股份過戶登記分處核實，待確認為適當及符合程序後，公司秘書將與董事會安排有關決議案納入股東週年大會之議程內或在股東大會傳閱有關陳述書。

若要求經核實為不符合程序或繳存款項不足夠用以支付公司上述目的之支出，有關呈請人將獲知會結果，而提呈之決議案將不獲納入股東週年大會之議程內，亦不會在股東大會傳閱有關陳述書。

股東提名候選董事之程序

有關股東提名候選董事之程序，請瀏覽本公司網站www.gbodynamic.com登載之程序。

章程文件

本公司於本年度內並無修訂組織章程大綱及公司細則。

Report of the Directors

董事會報告

The directors of the Company (“Directors”) present their report and the audited consolidated financial statements of the Company and its subsidiaries (collectively “Group”) for the year ended 31 December 2019 (“Year”).

CHANGE OF COMPANY NAME

Pursuant to a special resolution passed by the shareholders of the Company (“Shareholders”) at the special general meeting held on 10 December 2019 and the approval by the Registrar of Companies in Bermuda, the English name of the Company has been changed from “Rosedale Hotel Holdings Limited” to “GREATER BAY AREA DYNAMIC GROWTH HOLDING LIMITED” and the secondary name of the Company in Chinese has been changed from “珀麗酒店控股有限公司” to “大灣區聚變力量控股有限公司”, both effective from 23 December 2019.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. Its principal subsidiaries are engaged in the business of hotel operation and trading of securities. Particulars of the Company’s principal subsidiaries as at 31 December 2019 are set out in note 36 to the consolidation financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the Year are set out in the consolidated statement of profit or loss and other comprehensive income on pages 68 and 69 of this annual report.

The board of Directors (“Board”) has resolved not to recommend a final dividend but to recommend a special dividend of HK\$2.5 cents for the Year (2018: nil) to Shareholders whose names appear on the register of members of the Company on 4 June 2020.

本公司董事（「董事」）謹此提呈本公司及其附屬公司（統稱「本集團」）截至二零一九年十二月三十一日止年度（「本年度」）之報告及經審核綜合財務報表。

更改公司名稱

根據於二零一九年十二月十日舉行之股東特別大會上本公司股東（「股東」）通過之特別決議案，並經百慕達公司註冊處處長批准，本公司之英文名稱已由「Rosedale Hotel Holdings Limited」更改為「GREATER BAY AREA DYNAMIC GROWTH HOLDING LIMITED」，而本公司之中文第二名稱已由「珀麗酒店控股有限公司」更改為「大灣區聚變力量控股有限公司」，自二零一九年十二月二十三日起生效。

主要業務

本公司為一間投資控股公司。其主要附屬公司從事酒店經營及證券買賣。本公司於二零一九年十二月三十一日的主要附屬公司之資料載於綜合財務報表附註36。

業績及派息

本集團本年度之業績載於本年報第68頁及第69頁之綜合損益及其他全面收益表。

董事會（「董事會」）已決議不建議派發本年度之末期股息，但建議派發特別股息每股2.5仙港幣（二零一八年：無）予於二零二零年六月四日登記在本公司股東名冊內之股東。

BUSINESS REVIEW

A fair review of the business, a description of the principal risks and uncertainties facing the Group, particulars of important events affecting the Group's business that have occurred since the end of the financial year 2019 and a discussion on future development in the Group's business are set out in the Management Discussion and Analysis on pages 2 to 9 respectively of this annual report. Also, details of financial risks are set out in note 33 to the consolidated financial statements. The aforesaid discussions form part of this report of the Directors.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to the long-term sustainability of the environment and communities in which it engages from time to time. The Group achieves this through rational resources utilisation and compliance with applicable environmental laws and practices of environmental protection, health and safety, workplace conditions and employment. The Group continues to improve the environmental performance as an integral and fundamental part of the business strategy and operating methods.

A separate environmental, social and governance report is expected to be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company no later than three months after the publication of this annual report.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group recognises the importance of compliance with regulatory requirements and the risk of non-compliance with the applicable laws and regulations. Sufficient resources and training have been allocated and provided to ensure the on-going compliance with those applicable laws and regulations. During the year ended 31 December 2019 and up to the date of this report, the Board was unaware of any incidence of non-compliance with applicable laws and regulations that have a significant impact on the Group's business where the Group is operating.

業務回顧

對本集團業務的中肯回顧、面對之主要風險及不明朗因素的描述、於二零一九年財政年度結束後發生並對本集團業務有影響之重大事件之詳情，以及有關本集團之未來業務發展的討論分別載於本年報第2頁至第9頁之管理層論述及分析。此外，財務風險詳情載於綜合財務報表附註33。該等討論組成本董事會報告的一部分。

環保政策及表現

本集團於其不時經營業務之環境及社群致力實現長期可持續性。本集團實現此目標時乃透過合理之資源運用及遵守有關環保、健康及安全、工作地點狀況及僱傭之適用環保法律及常規。本集團繼續提升環保表現以作為業務策略及營運方法之關鍵及基本部分。

環境、社會及管治報告預期不遲於本年報刊發後的三個月內在香交易及結算有限公司及本公司網站另行刊登。

遵守法律及法規

本集團理解遵守監管規定之重要性及不遵守適用法律及法規之風險。本集團已分配及提供足夠資源及培訓以確保持續遵守該等適用法律及法規。截至二零一九年十二月三十一日止年度內及直至本報告日期，董事會並不知悉有任何不遵守適用法律及法規之事故曾對本集團經營所在之本集團業務有重大影響。

Report of the Directors

董事會報告

RELATIONSHIP WITH MAJOR STAKEHOLDERS

The Group is committed to operate in a sustainable manner while balancing the interests of its various stakeholders including customers, suppliers and employees. During the year ended 31 December 2019 and up to the date of this report, there were no material and significant disputes between the Group and its key stakeholders. The Group will continue to ensure effective communication and maintain good relationship with each of its key stakeholders.

FINANCIAL SUMMARY

A financial summary of the Group for the past five years is set out on page 194 of this annual report.

SHARE CAPITAL

Details of the movements in the share capital of the Company during the Year are set out in note 27 to the consolidated financial statements.

DISTRIBUTABLE RESERVES OF THE COMPANY

In addition to the accumulated profits, under the Companies Act 1981 of Bermuda, contributed surplus is also available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus, if there are reasonable grounds for believing that:

- (a) it is, or would after the payment be, unable to pay its liabilities as they become due; or
- (b) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.

In the opinion of the Directors, the reserves of the Company which were available for distribution to Shareholders at 31 December 2019 were approximately HK\$1,603.3 million (2018: nil).

與主要持份者之關係

本集團致力以可持續方式經營，並同時平衡與其不同持份者（包括客戶、供應商及僱員）之權益。截至二零一九年十二月三十一日止年度內及直至本報告日期，本集團與其主要持份者並無重大及重要爭議。本集團將繼續確保與其各主要持份者保持有效溝通及維持良好關係。

財務概要

本集團過往五年之財務概要載於本年報第194頁。

股本

本公司股本於本年度內之變動詳情載於綜合財務報表附註27。

本公司可供分派儲備

除累計溢利外，根據百慕達一九八一年公司法，繳入盈餘亦可供分派。然而，本公司不可以繳入盈餘宣派或派付股息或從中作出分派，倘有合理理由相信：

- (a) 現時或於作出分派後無法償還其到期負債；或
- (b) 其資產之變現價值將因此少於其負債以及其已發行股本及股份溢價賬之總和。

董事認為，本公司於二零一九年十二月三十一日可供分派予本公司股東（「股東」）之儲備約為1,603,300,000港元（二零一八年：零）。

Report of the Directors

董事會報告

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group during the Year are set out in note 15 to the consolidated financial statements.

PARTICULARS OF PROPERTIES OF THE GROUP

Particulars of the properties of the Group as at 31 December 2019 are set out on pages 195 to 196 of this annual report.

DIRECTORS

The Directors during the Year and up to the date of this report were:

Executive Directors:

Dr. Yap, Allan (*Chairman*)

Mr. Lai Tsz Wah (*Managing Director*)

(*appointed with effect from 31 May 2019*)

Mr. Dong Bo, Frederic

(*appointed with effect from 12 August 2019*)

Mr. Wong Kui Shing, Danny

(*appointed with effect from 20 September 2019*)

Ms. Chan Ling, Eva

(*retired with effect from the conclusion of the annual general meeting held on 30 May 2019*)

Mr. Chan Pak Cheung, Natalis

(*resigned with effect from 12 August 2019*)

Independent Non-executive Directors:

Mr. Kwok Ka Lap, Alva

Mr. Poon Kwok Hing, Albert

Mr. Sin Chi Fai

物業、機器及設備

本集團於本年度內之物業、機器及設備之變動詳情載於綜合財務報表附註15。

本集團之物業詳情

本集團於二零一九年十二月三十一日之物業詳情載於本年報第195頁至第196頁。

董事

於本年度內及截至本報告日期，董事如下：

執行董事：

葉家海博士 (*主席*)

賴子華先生 (*董事總經理*)

(*自二零一九年五月三十一日起獲委任*)

董波先生

(*自二零一九年八月十二日起獲委任*)

王鉅成先生

(*自二零一九年九月二十日起獲委任*)

陳玲女士

(*於二零一九年五月三十日舉行的股東週年大會結束時退任*)

陳百祥先生

(*自二零一九年八月十二日起辭任*)

獨立非執行董事：

郭嘉立先生

潘國興先生

冼志輝先生

Report of the Directors

董事會報告

DIRECTORS (CONTINUED)

In accordance with Bye-Law 99 of the Bye-laws of the Company (“Bye-Laws”) and code provision A.4.2 of the Corporate Governance Code (“CG Code”) contained in Appendix 14 to the Rules Governing the Listing of the Securities (“Listing Rules”) on The Stock Exchange of Hong Kong Limited (“Stock Exchange”), Dr. Yap, Allan and Mr. Poon Kwok Hing, Albert shall retire from office by rotation at the 2020 annual general meeting of the Company (“2020 AGM”) and, being eligible, have offered themselves for re-election.

In accordance with Bye-Law 102(B) of the Bye-Laws, Mr. Wong Kui Shing, Danny, who was appointed by the Board as an executive Director with effect from 20 September 2019, shall hold office until the 2020 AGM and, being eligible, has offered himself for re-election.

DIRECTORS’ SERVICE CONTRACTS

None of the Directors who are proposed for re-election at the 2020 AGM has a service contract with the Group which is not determinable by the employing company within one year without payment of compensation, other than statutory compensation.

PERMITTED INDEMNITY PROVISION

Pursuant to the Bye-Laws and subject to the provisions of the statutes, the Directors shall be entitled to be indemnified out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them may sustain or incur in or about the execution of the duty of their respective offices or in relation thereto. The Company has arranged appropriate Directors and officers liability insurance for the Directors and officers of the Group during the Year.

董事 (續)

根據本公司之公司細則(「公司細則」)第99條及聯交所證券上市規則(「上市規則」)附錄十四所載之企業管治守則(「企業管治守則」)之守則條文第A.4.2條，葉家海博士及潘國興先生將於本公司二零二零年股東週年大會(「二零二零年股東週年大會」)上輪席退任，彼等符合資格並願意膺選連任。

根據公司細則第102(B)條，王鉅成先生(自二零一九年九月二十日起獲董事會委任為執行董事)之任期將直至二零二零年股東週年大會為止，彼符合資格並願意膺選連任。

董事之服務合約

擬於二零二零年股東週年大會上膺選連任之董事，概無與本集團訂立不可於一年內由僱用公司毋須作出賠償(法定賠償除外)之情況下終止之服務合約。

獲准許彌償條文

根據公司細則以及在法規條文的規限下，董事有權就關於執行彼等各自之職務或與此相關者之一切而令彼等或彼等當中任何人士可能承擔或面對之所有訴訟、費用、支出、損失、損害及開支而獲得以本公司之資產作出之彌償保證。於本年度內，本公司已為董事及本集團之行政人員安排適當的董事及行政人員責任保險。

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

No transactions, arrangements or contracts of significance in relation to the Group's business to which the Company, or any of its subsidiaries was a party and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

MANAGEMENT CONTRACTS

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

SHARE OPTION SCHEME

On 30 May 2013, the Company adopted a share option scheme ("Scheme") which is valid and effective for a period of 10 years commencing on 3 June 2013 (the date on which the last condition to the Scheme was satisfied) until 2 June 2023, subject to early termination by the Company in general meeting or by the Board.

The total number of shares in respect of which options may be granted under the Scheme, when aggregated with any shares subject to any other schemes of the Company, is not permitted to exceed 10% of the shares of the Company in issue on the date of adoption of the Scheme ("Scheme Mandate Limit") unless the Company obtains an approval from Shareholders in a general meeting to refresh the Scheme Mandate Limit provided that the Scheme Mandate Limit so refreshed must not exceed 10% of the shares of the Company in issue as at the date of approval of refreshment by Shareholders. Nevertheless, the maximum number of shares of the Company which may be issued upon exercise of all outstanding options granted and not yet exercised under the Scheme and any other share option schemes of the Company shall not exceed 30% of the issued shares of the Company from time to time.

董事於重要交易、安排或合約之權益

於本年度結束時或於本年度內任何時間，概無有關本集團業務而本公司或其任何附屬公司為訂約方且董事或與董事有關連的實體於當中直接或間接擁有重大權益之重要交易、安排或合約。

管理合約

於本年度內，概無訂立或存在任何有關涉及管理及經營本集團全部或任何重大部分業務之合約。

購股權計劃

本公司於二零一三年五月三十日採納了一項購股權計劃（「計劃」）。計劃於二零一三年六月三日（計劃之最後一項條件達成之日期）起計十年內有效至二零二三年六月二日止，惟若本公司在股東大會上或董事會提早終止除外。

根據計劃及本公司任何其他購股權計劃可予授出之購股權獲行使時而發行之股份總數，不得超過於計劃採納當日本公司已發行股份之10%（「計劃授權限額」），除非本公司獲得股東於股東大會上批准更新計劃授權限額，惟據此更新之計劃授權限額不得超過股東批准更新當日本公司已發行股份之10%。儘管而言，根據計劃及本公司任何其他購股權計劃授出而尚未行使之所有購股權獲行使時可予發行本公司之最高股份數目，不得超過本公司不時已發行股份之30%。

Report of the Directors

董事會報告

SHARE OPTION SCHEME (CONTINUED)

At the special general meeting of the Company held on 1 June 2017, Shareholders approved the refreshment of the Scheme Mandate Limit. As at the date of this annual report, the total number of options available for granting by the Company under the Scheme was 78,921,104, representing 10% of the shares of the Company in issue on that date.

The number of shares of the Company in respect of which options may be granted under the Scheme and other share option scheme(s) of the Company to any Participant in aggregate in any 12-month period up to and including the date of such grant is not permitted to exceed 1% of the shares of the Company in issue. Any grant of further options above this limit shall be subject to the requirements under the Listing Rules.

Where any grant of options to a substantial shareholder of the Company or any independent non-executive Director, or any of their respective associates (as defined in the Listing Rules), would result in the number of shares issued and to be issued upon exercise of all options already granted and to be granted to such person in 12-month period up to and including the date of such grant:

- (i) representing in aggregate over 0.1% of the shares of the Company in issue; and
- (ii) having an aggregate value, based on the closing price of the shares of the Company on the date of each grant in excess of HK\$5 million;

such grant of options shall be subject to approval of Shareholders in general meeting in accordance with the Listing Rules.

購股權計劃(續)

於二零一七年六月一日舉行之本公司股東特別大會上，股東批准更新計劃授權限額。於本年報日期，本公司根據該計劃可供授出的購股權總數為78,921,104股，佔本公司於該日期已發行股份的10%。

根據計劃及本公司其他購股權計劃可授予任何參與者之本公司股份總數於截至有關授出當日(包括該日)止的任何十二個月期間內，合共不得超過本公司已發行股份之1%。倘授出超過上述限額之購股權，則必須遵守上市規則之規定。

倘向本公司主要股東或任何獨立非執行董事或彼等各自之聯繫人(定義見上市規則)授出購股權，並將導致該有關人士於截至有關授出當日止(包括該日)之十二個月期間內所有已獲授予及將獲授予之購股權予以行使後所發行及將予發行之股份數目：

- (i) 佔本公司已發行股份合共超過0.1%；及
- (ii) 本公司股份按各授出日期之收市價計算的總值超逾5,000,000港元，

該授出購股權須根據上市規則獲股東在股東大會上批准，方可進行。

Report of the Directors

董事會報告

SHARE OPTION SCHEME (CONTINUED)

The subscription price of the options under the Scheme will be a price determined by the Board, in its absolute discretion, but in any case will not be lower than the highest of:

- (i) the closing price of the shares of the Company as stated in the daily quotations sheet of the Stock Exchange on the date of grant, which must be a trading day;
- (ii) the average closing price of the shares of the Company as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of grant; and
- (iii) the nominal value of a share of the Company on the date of grant.

Further details of the Scheme are set out in note 28 to the consolidated financial statements.

購股權計劃(續)

根據計劃之購股權之認購價，將由董事會全權酌情釐定之價格，惟無論如何不會低於以下各項之最高者：

- (i) 本公司股份於授出日期(必須為交易日)在聯交所每日報價表所載之收市價；
- (ii) 本公司股份於緊接授出日期前五個交易日在聯交所每日報價表所報本公司股份之平均收市價；及
- (iii) 本公司股份於授出日期之面值。

該計劃之進一步詳情載於綜合財務報表附註28。

Report of the Directors

董事會報告

SHARE OPTION SCHEME (CONTINUED)

Details of the movements of the share options under the Scheme during the Year were as follows:

購股權計劃(續)

於本年度內，該計劃項下的購股權之變動詳情如下：

Eligible participant	Number of share options 購股權數目				Outstanding as at 31 December 2019	Date of Grant	Exercise price per share HK\$	Exercise period
	Outstanding as at 1 January 2019	Granted during the Year	Exercised during the Year	Cancelled/ lapsed/ during the Year				
合資格參與者	於二零一九年 一月一日 尚未行使	於本年度內 授出	於本年度內 行使	於本年度內 註銷/失效	於二零一九年 十二月 三十一日 尚未行使	授出日期	每股行使價 港元	行使期
Directors 董事								
Dr. Yap, Allan 葉家海博士	7,800,000	-	-	-	7,800,000	24.4.2017	0.590	24.4.2017-23.4.2022
Ms. Chan Ling, Eva (retired with effect from the conclusion of the annual general meeting held on 30 May 2019) 陳玲女士 (於二零一九年五月三十日舉行的 股東週年大會結束時退任)	7,800,000	-	-	7,800,000	-	24.4.2017	0.590	24.4.2017-23.4.2022
Mr. Chan Pak Cheung, Natalis (resigned with effect from 12 August 2019) 陳百祥先生 (自二零一九年八月十二日起辭任)	2,000,000	-	-	2,000,000	-	24.4.2017	0.590	24.4.2017-23.4.2022
Mr. Kwok Ka Lap, Alva 郭嘉立先生	500,000	-	-	-	500,000	24.4.2017	0.590	24.4.2017-23.4.2022
Mr. Poon Kwok Hing, Albert 潘國興先生	500,000	-	-	-	500,000	24.4.2017	0.590	24.4.2017-23.4.2022
Mr. Sin Chi Fai 冼志輝先生	500,000	-	-	-	500,000	24.4.2017	0.590	24.4.2017-23.4.2022
Employee(s) 員工	500,000	-	-	-	500,000	24.4.2017	0.590	24.4.2017-23.4.2022
Other eligible participants 其他合資格參與者	46,000,000	-	-	-	46,000,000	24.4.2017	0.590	24.4.2017-23.4.2022
Total 總計	65,600,000	-	-	9,800,000	55,800,000			

Report of the Directors

董事會報告

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Save as disclosed in the section headed “Share Option Scheme” above, at no time during the Year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS’ INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2019, the interests or short positions of the Directors in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) set out in Appendix 10 to the Listing Rules were as follows:

購買股份或債券之安排

除上文「購股權計劃」一節所披露者外，於本年度內，本公司或其任何附屬公司概無訂立任何安排，致使董事可藉收購本公司或任何其他法人團體之股份或債券而獲益。

董事之股份、相關股份及債券權益和淡倉

於二零一九年十二月三十一日，董事於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中擁有根據證券及期貨條例第352條須予備存之登記冊所記錄，或根據上市規則附錄十之上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所之權益及淡倉如下：

Report of the Directors

董事會報告

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (CONTINUED)

Long positions in the shares and the underlying shares of the Company

董事之股份、相關股份及債券權益和淡倉(續)

於本公司股份及相關股份之好倉

Name of Director	Capacity/Nature of interest	Number of shares held	Number of underlying shares held (Note 1)	Total	Approximate percentage of the issued share capital of the Company (Note 2)
董事名稱	身份/權益性質	所持股份數目	所持相關股份數目 (附註1)	總額	佔本公司已發行股本之概約百分比 (附註2)
Dr. Yap, Allan 葉家海博士	Beneficial owner 實益擁有人	–	7,800,000	7,800,000	0.99%
Mr. Kwok Ka Lap, Alva 郭嘉立先生	Beneficial owner 實益擁有人	–	500,000	500,000	0.06%
Mr. Poon Kwok Hing, Albert 潘國興先生	Beneficial owner 實益擁有人	–	500,000	500,000	0.06%
Mr. Sin Chi Fai 冼志輝先生	Beneficial owner 實益擁有人	–	500,000	500,000	0.06%

Notes:

- All Directors' interests in the underlying shares of the Company were in respect of the share options granted by the Company on 24 April 2017. Details of the share options are set out under the section headed "Share Option Scheme" above.
- Based on 789,211,046 issued shares of the Company as at 31 December 2019.

Save as disclosed above, as at 31 December 2019, none of the Directors had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

附註：

- 所有董事於本公司相關股份所擁有之權益均為本公司於二零一七年四月二十七日授出之購股權，有關購股權詳情載於上文「購股權計劃」一節。
- 根據本公司於二零一九年十二月三十一日之已發行股份數目789,211,046股計算。

除上文披露者外，於二零一九年十二月三十一日，概無董事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)之股份、相關股份或債券中擁有任何權益或淡倉記錄於根據證券及期貨條例第352條須予備存之登記冊內，或根據標準守則須知會本公司及聯交所。

Report of the Directors

董事會報告

EQUITY-LINKED AGREEMENTS

No equity-linked agreements were entered into by the Group during the Year or existed at the end of the Year except for the share options as disclosed in the section headed "Share Option Scheme" above.

CONNECTED TRANSACTIONS

During the Year, the Group had not entered into any transactions, which constitute connected transactions under Chapter 14A of the Listing Rules.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

As at 31 December 2019, interests of the Directors, other than independent non-executive Directors, in competing businesses required to be disclosed pursuant to Rule 8.10 of the Listing Rules were as follows:

股票掛鈎協議

除上文「購股權計劃」一節所披露的購股權外，本公司於本年度內或於本年度結束時，概無訂立任何股票掛鈎協議。

關連交易

於本年度內，本集團概無訂立任何交易，而該等交易根據上市規則第14A章構成關連交易。

董事於有競爭性業務之權益

於二零一九年十二月三十一日，根據上市規則第8.10條須予披露董事（獨立非執行董事除外）有競爭性業務之權益如下：

Name of Director	Name of entity which business are considered to compete or likely to compete with the businesses of the Group 其業務被視為與本集團之業務有競爭性或可能有競爭性之實體名稱	Description of businesses of the entity which are considered to compete or likely to compete with the businesses of the Group 其業務被視為與本集團之業務有競爭性或可能有競爭性之實體簡述	Nature of interest of the Director in the entity 董事於該實體之權益性質
Dr. Yap, Allan 葉家海博士	Master Glory Group Limited and its subsidiaries 凱華集團有限公司及其附屬公司	Trading of securities 證券買賣	Chairman and an executive director, and a substantial shareholder 主席、執行董事及主要股東
Mr. Wong Kui Shing, Danny 王鉅成先生	TFG International Group Limited and its subsidiaries 富元國際集團有限公司及其附屬公司	Hotel business in the PRC 於中國之酒店業務	Non-executive director 非執行董事
	China Information Technology Development Limited 中國信息科技發展有限公司	Trading of securities 證券買賣	Executive director 執行董事
	Far East Holdings International Limited 遠東控股國際有限公司	Trading of securities 證券買賣	Independent non-executive director 獨立非執行董事

As the Board is independent from the boards of the above mentioned entities, the Group is capable of carrying on its business independently of, and at arm's length from the business of those entities.

由於董事會獨立於上述實體之董事會，故本集團有能力獨立於此等實體按公平基準經營其業務。

Report of the Directors

董事會報告

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2019, the interests and short positions of persons, other than Directors, in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO were as follows:

主要股東及其他人士於股份及相關股份之權益及淡倉

於二零一九年十二月三十一日，根據證券及期貨條例第336條須予備存之登記冊所記錄，董事以外人士於本公司股份及相關股份之權益及淡倉如下：

Long positions in the shares of the Company

於本公司股份之好倉

Name of Shareholder	Notes	Capacity/ Nature of interest 身份/ 權益性質	Number of shares held	Approximate percentage of the issued share capital of the Company 佔本公司已發行 股本之概約百分比
股東名稱	附註		所持股份數目	
(a) Master Glory Group Limited ("MGG") 凱華集團有限公司(「凱華集團」)	1	Interest of controlled corporation 受控法團權益	148,506,000	18.82%
Master Glory Group (B.V.I.) Limited ("MGG BVI")	1	Interest of controlled corporation 受控法團權益	148,506,000	18.82%
Master Glory Investment Group Limited ("MGIG") 凱華投資集團有限公司(「凱華投資集團」)	1	Interest of controlled corporation 受控法團權益	148,506,000	18.82%
Leaptop Investments Limited ("Leaptop")	1	Interest of controlled corporation 受控法團權益	148,506,000	18.82%
Asia Will Limited ("AWL") 得普有限公司(「得普」)	1	Beneficial owner 實益擁有人	148,506,000	18.82%
(b) China Enterprises Limited ("CEL")	2	Interest of controlled corporation 受控法團權益	48,660,424	6.17%
Cosmos Regent Ltd.	2	Beneficial owner 實益擁有人	43,325,554	5.49%

Report of the Directors

董事會報告

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN SHARES AND UNDERLYING SHARES (CONTINUED)

Long positions in the shares of the Company (CONTINUED)

Notes:

- (1) AWL, which held 148,506,000 shares of the Company, was a wholly-owned subsidiary of Leaptop which was in turn a wholly-owned subsidiary of MGIG. MGIG was a wholly-owned subsidiary of MGG BVI which was in turn wholly-owned by MGG. Accordingly, Leaptop, MGIG, MGG BVI and MGG were deemed to be interested in 148,506,000 shares of the Company held by AWL.
- (2) CEL was deemed to be interested in 48,660,424 shares of the Company through its interest in its wholly-owned subsidiaries, Cosmos Regent Ltd. and Million Good Limited, which held 43,325,554 shares of the Company and 5,334,870 shares of the Company respectively.

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

主要股東及其他人士於股份及相關股份之權益及淡倉(續)

於本公司股份之好倉(續)

附註：

- (1) 得普乃Leaptop之全資附屬公司，其持有148,506,000股本公司股份之權益，而Leaptop則為凱華投資集團之全資附屬公司。凱華投資集團為MGG BVI之全資附屬公司，而MGG BVI則由凱華集團全資擁有。因此，Leaptop、凱華投資集團、MGG BVI及凱華集團被視作擁有得普所持有148,506,000股本公司股份之權益。
- (2) CEL透過其於全資附屬公司Cosmos Regent Ltd.及Million Good Limited(分別持有43,325,554股本公司股份及5,334,870股本公司股份)之權益而被視作擁有48,660,424股本公司股份之權益。

除上文披露者外，於二零一九年十二月三十一日，本公司並無獲悉任何其他人士於本公司股份或相關股份中擁有權益或淡倉記錄於根據證券及期貨條例第336條須予備存之登記冊內。

Report of the Directors

董事會報告

CHANGES IN INFORMATION OF DIRECTORS

Changes in information of Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the date of the 2019 interim report are as follows:

Mr. Lai Tsz Wah

The monthly salary of Mr. Lai was revised from HK\$130,000 to HK\$140,000 with effect from 1 February 2020. A discretionary bonus for the Year amounted to HK\$130,000 was paid to Mr. Lai in March 2020.

Mr. Dong Bo, Frederic

Mr. Dong is the chairman and an executive director of Tech Pro Technology Development Limited, the listing of its issued shares on the Stock Exchange has been cancelled with effect from 9:00 a.m. on 2 March 2020.

Mr. Wong Kui Shing, Danny

Mr. Wong is an independent non-executive director of Tech Pro Technology Development Limited, the listing of its issued shares on the Stock Exchange has been cancelled with effect from 9:00 a.m. on 2 March 2020.

Mr. Wong resigned as an executive director of Larry Jewelry International Company Limited with effect from 10 October 2019. He also resigned as the chairman and chief executive officer of China Information Technology Development Limited with effect from 25 November 2019.

The updated biographical details of the Directors are set out in the Directors' Profile on pages 10 to 14 of this annual report.

董事資料之變更

根據上市規則第13.51B(1)條之規定，自二零一九年中期報告日期起須予披露之董事資料變更如下：

賴子華先生

賴先生的月薪由130,000港元調整至每月140,000港元，自二零二零年二月一日起生效。本公司於二零二零年三月向賴先生支付本年度的酌情花紅為130,000港元。

董波先生

董先生為德普科技發展有限公司的主席兼執行董事，該公司的已發行股份在聯交所的上市地位已於二零二零年三月二日上午九時正起予以取消。

王鉅成先生

王先生為德普科技發展有限公司的獨立非執行董事，該公司的已發行股份在聯交所的上市地位已於二零二零年三月二日上午九時正起予以取消。

王先生辭任俊文寶石國際有限公司的執行董事，自二零一九年十月十日起生效。彼亦辭任中國信息科技發展有限公司的主席及行政總裁，自二零一九年十一月二十五日起生效。

董事之最新履歷詳情載於本年報第10頁至第14頁之董事簡介。

Report of the Directors

董事會報告

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Year.

PROVIDENT FUND SCHEMES

Particulars of the Group's provident fund schemes are set out in note 29 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

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

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate amount of purchases and turnover attributable to the Group's five largest suppliers and customers were less than 30% of the total value of the Group's purchases and turnover respectively.

SUFFICIENCY OF PUBLIC FLOAT

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

DONATIONS

Charitable donations made by the Group during the Year amounted to approximately HK\$11,000 (2018: nil).

購買、出售或贖回本公司之上市證券

本公司或其任何附屬公司於本年度內概無購買、出售或贖回本公司任何上市證券。

公積金計劃

本集團之公積金計劃之詳情載於綜合財務報表附註29。

優先購買權

公司細則或百慕達法例並無任何有關優先購買權之條文規定，本公司須按比例向現有股東提呈發售新股份。

主要客戶及供應商

本集團五大供應商及客戶之採購及營業總額分別少於本集團採購及營業總額之30%。

公眾持股量之充足性

根據本公司可得悉之公開資料及據董事所知，本公司於本年報日期，已維持上市規則規定之公眾持股量。

捐獻

於本年度內，本集團作出慈善捐獻約為11,000港元(二零一八年：無)。

Report of the Directors

董事會報告

CORPORATE GOVERNANCE

Details on the Company's corporate governance practices are set out in the Corporate Governance Report on pages 16 to 39 of this annual report.

AUDITOR

Moore Stephens CPA Limited ("Moore Stephens") will retire and, being eligible, offer itself for re-appointment at the 2020 AGM. Having approved by the Board upon the Audit Committee's recommendation, a resolution for the re-appointment of Moore Stephens as auditor of the Company will be proposed at the 2020 AGM.

On behalf of the Board

YAP, ALLAN
CHAIRMAN

Hong Kong, 27 March 2020

企業管治

本公司企業管治常規之詳情載於本年報第16頁至第39頁之企業管治報告。

核數師

大華馬施雲會計師事務所有限公司(「大華馬施雲會計師事務所」)將於二零二零年股東週年大會上退任，惟符合資格並願意重新委聘。經董事會考慮審核委員會之建議後批准，本公司將於二零二零年股東週年大會上提呈有關續聘大華馬施雲會計師事務所為本公司核數師之決議案。

代表董事會

主席
葉家海

香港，二零二零年三月二十七日

Independent Auditor's Report

獨立核數師報告



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To the Shareholders of

GREATER BAY AREA DYNAMIC GROWTH HOLDING LIMITED

(Formerly known as Rosedale Hotel Holdings Limited)

(Incorporated in Bermuda with limited liability)

Opinion

We have audited the consolidated financial statements of GREATER BAY AREA DYNAMIC GROWTH HOLDING LIMITED (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 68 to 193, which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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.

致大灣區聚變力量控股有限公司

股東

(前稱珀麗酒店控股有限公司)

(於百慕達註冊成立的有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於68至193頁的大灣區聚變力量控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此財務報表包括於二零一九年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈之《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於二零一九年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露要求妥為擬備。

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 (“HKSAAs”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements 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之《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分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「守則」)，我們獨立於貴集團，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

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 Matters (CONTINUED)

Key audit matter

關鍵審計事項

Impairment assessment of hotel properties
酒店物業之減值評估

We identified the impairment assessment of the Group's hotel properties, which are included in property, plant and equipment (note 15 to the consolidated financial statements) as a key audit matter due to the significance of the balance of hotel properties to the consolidated financial statements as a whole, combined with the judgements involved in estimating their recoverable amounts.

我們將 貴集團酒店物業(計入物業、機器及設備(綜合財務報表附註15))之減值評估識別為關鍵審計事項，原因為酒店物業之結餘對綜合財務報表整體之重要性，加上估計酒店物業之可收回金額中涉及之判斷。

The Group's hotel properties are located in the People's Republic of China (the "PRC") and the Group incurred segment loss of HK\$55,543,000 from hotel operations during the year ended 31 December 2019. An impairment loss in respect of hotel properties of HK\$6,927,000 were recognised during the year. As at 31 December 2019, the carrying values of the hotel properties amounted to HK\$240,166,000.

貴集團之酒店物業位於中華人民共和國(「中國」)，而於截至二零一九年十二月三十一日止年度，貴集團自酒店業務產生分部虧損55,543,000港元。本年度就酒店物業確認減值虧損6,927,000港元。於二零一九年十二月三十一日，酒店物業之賬面值為240,166,000港元。

關鍵審計事項(續)

How our audit addressed the key audit matter

我們的審計如何對關鍵審計事項進行處理

Our procedures in relation to management's assessment on the recoverable amounts of hotel properties included:
我們關於管理層對酒店物業可收回金額評估之程序包括：

- understanding management's process for estimating the cash flow projections and financial budgets;
理解管理層估計現金流量預測及財務預算之程序；
- evaluating the competence, experience and objectivity of the Valuer as well as the appropriateness of the Valuer's scope of work;
評估估值師之才幹、經驗及客觀性以及估值師工作範疇是否合適；

Independent Auditor's Report

獨立核數師報告

Key Audit Matters (CONTINUED)

Key audit matter

關鍵審計事項

Impairment assessment of hotel properties (CONTINUED)

酒店物業之減值評估(續)

Management reviewed the recoverable amount of each hotel property at the end of the reporting period by estimating the value-in-use of these hotel properties with assistance of an independent qualified valuer (the "Valuer") not connected with the Group to determine the amount of impairment required to write down these hotel properties to their recoverable amounts. The value-in-use of the hotel properties are dependent on certain key inputs including gross profit margin, future revenue growth rates, terminal growth rates and discount rates of the hotel properties.

管理層審視各項酒店物業於報告期結束時之可收回金額，方法為在與貴集團並無關連之獨立合資格估值師（「估值師」）協助下，估計此等酒店物業之使用價值，以釐定將此等酒店物業撇減至可收回金額所需之減值金額。酒店物業之使用價值取決於若干關鍵輸入數據，包括酒店物業之毛利率、未來收入增長率、最終增長率及貼現率。

關鍵審計事項(續)

How our audit addressed the key audit matter

我們的審計如何對關鍵審計事項進行處理

- evaluating the historical accuracy of the management's assessment of the cash flow projections by comparing the historical estimates to actual performance in current year; and
評估管理層過去對現金流量預測所作評估之準確性，方法為將過往估計與本年度之實際表現作比較；及
- evaluating the appropriateness of the valuation methodology, the discount rates and terminal growth rates used; and the reasonableness of the gross profit margin, future revenue growth rates and terminal growth rates with reference to the historical financial data, financial budgets and available industry and market data.
參考過往財務數據、財政預算及可得行業及市場數據評估所用估值方法、貼現率及最終增長率之適宜性；及毛利率、未來收入增長率及最終增長率之合理性。

Independent Auditor's Report

獨立核數師報告

Key Audit Matters (CONTINUED)

Key audit matter

關鍵審計事項

Valuation of investment properties

投資物業之估值

We identified the valuation of investment properties as a key audit matter due to the significance of the balance to the consolidated financial statements as a whole, combined with the judgements involved in determining the fair value.

我們將投資物業之估值識別為關鍵審計事項，原因為投資物業之結餘對綜合財務報表整體之重要性，加上釐定投資物業之公平價值中涉及之判斷。

The Group's investment properties represent a completed complex for commercial use located in the PRC. As at 31 December 2019, the carrying value of the Group's investment properties amounted to HK\$90,000,000 and a decrease in fair value of HK\$37,743,000 has been recognised in the consolidated statement of profit or loss and other comprehensive income during the year.

貴集團之投資物業指一幢位於中國作商業用途之綜合樓。於二零一九年十二月三十一日，貴集團投資物業之賬面值為90,000,000港元。於年內的綜合損益及其他全面收益表中已確認公平價值減少37,743,000港元。

All of the Group's investment properties are stated at fair value based on valuation performed by the Valuer using income capitalisation approach.

貴集團全部投資物業均根據估值師使用收入資本化法進行之估值而按公平價值列賬。

關鍵審計事項(續)

How our audit addressed the key audit matter

我們的審計如何對關鍵審計事項進行處理

Our procedures in relation to evaluating the appropriateness of the valuation of investment properties included:

我們關於評估投資物業估值之合適性之程序包括：

- evaluating the competence, experience and objectivity of the Valuer as well as the appropriateness of the Valuer's scope of work;
評估估值師之才幹、經驗及客觀性以及估值師工作範疇是否合適；
- reviewing the valuation report issued by the Valuer and understanding from management and the Valuer the valuation basis, methodology used and underlying assumptions applied;
審視估值師所發出之估值報告並且向管理層及估值師了解估值基礎、所用方法以及所應用之相關假設；

Independent Auditor's Report

獨立核數師報告

Key Audit Matters (CONTINUED)

Key audit matter

關鍵審計事項

Valuation of investment properties (CONTINUED)

投資物業之估值(續)

Details of the valuation techniques and significant inputs used in the valuation are disclosed in note 17 to the consolidated financial statements. The valuation of investment properties are dependent on certain inputs, including market rent and capitalisation rate.

估值技術及估值所用之主要輸入數據之詳情於綜合財務報表附註17披露。投資物業之估值取決於若干輸入數據，包括市場租金及資本化率。

關鍵審計事項(續)

How our audit addressed the key audit matter

我們的審計如何對關鍵審計事項進行處理

- evaluating the reasonableness of the underlying data including market rent and capitalisation rate used by the Valuer; and
評估相關數據之合理性，包括估值師所使用之市場租金及資本化率；及
- re-performing market research and analysis to assess whether the changes in fair value of investment properties that resulted from the valuation was reasonable and consistent with the market trends according to our knowledge.
重新進行市場研究及分析以評估估值產生之投資物業公平價值變動是否合理及是否與我們所知之市場趨勢一致。

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 the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

其他資訊

貴公司董事需對其他資訊負責。其他資訊包括刊載於年報內的資訊，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資訊，我們亦不對該等其他資訊發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他資訊，在此過程中，考慮其他資訊是否與綜合財務報表或我們在審計過程中所瞭解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他資訊存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

Independent Auditor's Report

獨立核數師報告

Responsibilities of Directors and Those Charged with Governance 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.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act, 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 HKSAAs 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.

董事及治理層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之《香港財務報告準則》及香港《公司條例》的披露要求擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

治理層須負責監督 貴集團的財務報告過程。

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，並按照百慕達公司法第90條僅向 閣下出具包括我們意見的核數師報告。除此以外，我們的報告不可用作其他用途。我們並不就本報告之內容對任何其他人士承擔任何責任或接受任何義務。合理保證是高水準的保證，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匯總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

Independent Auditor's Report

獨立核數師報告

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

核數師就審計綜合財務報表承擔的責任(續)

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，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 瞭解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 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，則我們應當修訂我們的意見。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。

Independent Auditor's Report

獨立核數師報告

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance 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.

核數師就審計綜合財務報表承擔的責任(續)

- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映相關交易和事項。
- 就 貴集團內實體或業務活動的財務資訊獲取充足、適當的審計憑證，以對綜合財務報表發表意見。我們負責集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

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

Independent Auditor's Report

獨立核數師報告

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

From the matters communicated with those charged with governance, 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.

Moore Stephens CPA Limited

Certified Public Accountants

Lai Hung Wai

Practising Certificate Number: P06995

Hong Kong, 27 March 2020

核數師就審計綜合財務報表承擔的責任(續)

從與治理層溝通的事項中，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。

大華馬施雲會計師事務所有限公司

執業會計師

黎鴻威

執業證書編號：P06995

香港，二零二零年三月二十七日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

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

		Notes	2019 HK\$'000 二零一九年 千港元	2018 HK\$'000 二零一八年 千港元
		附註		
Revenue	收入	5		
Contracts with customers	與客戶合約		167,482	214,138
Leases	租賃		47,655	48,873
Dividend income	股息收入		239	–
Total revenue	總收入		215,376	263,011
Direct operating costs	直接經營成本		(152,491)	(156,713)
Gross profit	毛利		62,885	106,298
Other income, gains and losses	其他收入、收益及虧損	7	3,949	(6,157)
Loss on fair value changes of investment properties	投資物業公平價值變動的虧損	17	(37,743)	(26,704)
Impairment loss on property, plant and equipment	物業、機器及設備之減值虧損	15	(7,356)	–
Impairment loss on right-of-use assets	使用權資產減值虧損	16	(9,200)	–
Distribution and selling expenses	分銷及銷售開支		(972)	(1,274)
Administrative and other operating expenses	行政及其他經營開支		(117,612)	(137,552)
Finance costs	融資成本	8	(3,449)	(376)
Loss before tax	除稅前虧損		(109,498)	(65,765)
Income tax (expense) credit	所得稅(開支)抵免	9	(1,398)	66,188
(Loss) profit for the year	本年度(虧損)溢利	10	(110,896)	423
Other comprehensive expense for the year	本年度其他全面開支			
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益的項目：</i>			
Exchange differences arising on translation of foreign operations	換算海外業務時產生之匯兌差額		(12,118)	(33,367)
Total comprehensive expense for the year	本年度全面開支總額		(123,014)	(32,944)

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

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

		2019	2018
	Notes	HK\$'000	HK\$'000
		二零一九年	二零一八年
	附註	千港元	千港元
(Loss) profit for the year attributable to:			
Owners of the Company	應佔本年度(虧損)溢利由 下列人士： 本公司擁有人	(95,435)	(3,785)
Non-controlling interests	非控股權益	(15,461)	4,208
		(110,896)	423
Total comprehensive expense for the year attributable to:			
Owners of the Company	應佔本年度全面開支總額由 下列人士： 本公司擁有人	(106,287)	(31,891)
Non-controlling interests	非控股權益	(16,727)	(1,053)
		(123,014)	(32,944)
Loss per share			
Basic (HK\$)	每股虧損 基本(港元)	(0.12)	(0.00)
Diluted (HK\$)	攤薄(港元)	(0.12)	(0.00)

Consolidated Statement of Financial Position

綜合財務狀況報表

At 31 December 2019 於二零一九年十二月三十一日

		Notes	2019 HK\$'000 二零一九年 千港元	2018 HK\$'000 二零一八年 千港元
		附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	15	253,961	296,234
Right-of-use assets	使用權資產	16	33,746	–
Investment properties	投資物業	17	90,000	130,000
Deposit	按金	19	–	19,800
			377,707	446,034
Current assets	流動資產			
Inventories	存貨	18	1,488	1,536
Trade and other receivables	貿易及其他應收賬款	19	46,000	26,185
Investments held for trading	持作買賣投資	20	189	7,068
Bank balances and cash	銀行結餘及現金	21	1,816,076	1,859,781
			1,863,753	1,894,570
Assets classified as held for sale	分類為持作出售資產	22	49,910	50,438
			1,913,663	1,945,008
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付賬款	23	71,375	93,336
Tax liabilities	稅項負債		9,859	9,873
Lease liabilities	租賃負債	24	40,462	–
Contract liabilities	合約負債	25	1,883	3,243
			123,579	106,452
Liabilities associated with assets classified as held for sale	與分類為持作出售資產有關的負債	22	37,053	36,618
			160,632	143,070
Net current assets	流動資產淨值		1,753,031	1,801,938
Total assets less current liabilities	資產總值減流動負債		2,130,738	2,247,972
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	26	30,055	33,041
Lease liabilities	租賃負債	24	2,691	–
			32,746	33,041
Net assets	資產淨值		2,097,992	2,214,931

Consolidated Statement of Financial Position

綜合財務狀況報表

At 31 December 2019 於二零一九年十二月三十一日

		Notes	2019 HK\$'000 二零一九年 千港元	2018 HK\$'000 二零一八年 千港元
		附註		
Capital and reserves	股本及儲備			
Share capital	股本	27	7,892	7,892
Reserves	儲備		1,915,580	2,016,436
Equity attributable to owners of the Company	本公司擁有人應佔權益		1,923,472	2,024,328
Non-controlling interests	非控股權益		174,520	190,603
Total equity	權益總額		2,097,992	2,214,931

The consolidated financial statements on pages 68 to 193 were approved and authorised for issue by the board of directors on 27 March 2020 and are signed on its behalf by:

載於第68至193頁之綜合財務報表已於二零二零年三月二十七日獲董事會批准及授權刊發，並由下列董事代表簽署：

YAP, ALLAN
Executive Director

LAI TSZ WAH
Executive Director

葉家海
執行董事

賴子華
執行董事

Consolidated Statement of Changes in Equity

綜合股東權益變動表

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

		Attributable to owners of the Company 本公司擁有人應佔									
		Share capital	Share premium	Special reserve	Translation reserve	Share-based payments reserve	Other reserves	Accumulated losses	Total	Non-controlling interests	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		股本	股份溢價	特別儲備	匯兌儲備	以股代款儲備	其他儲備	累計虧損	合計	非控股權益	合計
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
				(Note (a)) (附註(a))			(Note (b)) (附註(b))				
At 1 January 2018	於二零一八年一月一日	7,892	1,360,752	658,303	104,918	13,715	(70,319)	(19,042)	2,056,219	191,656	2,247,875
(Loss) profit for the year	本年度(虧損)溢利	-	-	-	-	-	-	(3,785)	(3,785)	4,208	423
Other comprehensive expense for the year	本年度其他全面開支	-	-	-	(28,106)	-	-	-	(28,106)	(5,261)	(33,367)
Total comprehensive expense for the year	本年度全面開支總額	-	-	-	(28,106)	-	-	(3,785)	(31,891)	(1,053)	(32,944)
At 31 December 2018	於二零一八年十二月三十一日	7,892	1,360,752	658,303	76,812	13,715	(70,319)	(22,827)	2,024,328	190,603	2,214,931
Adjustments (see note 2)	調整(參閱附註2)	-	-	-	-	-	-	5,431	5,431	644	6,075
At 1 January 2019 (restated)	於二零一九年一月一日 (經重列)	7,892	1,360,752	658,303	76,812	13,715	(70,319)	(17,396)	2,029,759	191,247	2,221,006
Loss for the year	本年度虧損	-	-	-	-	-	-	(95,435)	(95,435)	(15,461)	(110,896)
Other comprehensive expense for the year	本年度其他全面開支	-	-	-	(10,852)	-	-	-	(10,852)	(1,266)	(12,118)
Total comprehensive expense for the year	本年度全面開支總額	-	-	-	(10,852)	-	-	(95,435)	(106,287)	(16,727)	(123,014)
Lapse of share options	購股權失效	-	-	-	-	(2,107)	-	2,107	-	-	-
Reduction in share premium (note (c))	削減股份溢價 (附註(c))	-	(1,360,752)	1,360,752	-	-	-	-	-	-	-
At 31 December 2019	於二零一九年十二月三十一日	7,892	-	2,019,055	65,960	11,608	(70,319)	(110,724)	1,923,472	174,520	2,097,992

Consolidated Statement of Changes in Equity

綜合股東權益變動表

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

Notes:

- (a) Special reserve represents the contributed surplus of the Company arising from: (i) the difference between the nominal value of the shares of the subsidiaries acquired and the nominal value of the shares of the Company issued for the acquisition under the group reorganisation in September 1997; (ii) reduction in share capital during the years ended 31 December 2006 and 2008; and (iii) reduction in share premium in December 2019. The reserve is available for distribution under The Companies Act 1981 of Bermuda.
- (b) Acquisition of additional interest in an entity that is already controlled by the Group is accounted for as equity transaction. The carrying amounts of the Group's interests and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Other reserves represent the differences between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid that are recognised directly in equity.
- (c) Pursuant to a special resolution passed at a special general meeting of the Company held on 10 December 2019, the entire amount standing to the credit of the share premium account of the Company as at 11 December 2019 was reduced to nil and the credit arising therefrom was transferred to the contributed surplus account of the Company.

附註：

- (a) 特別儲備指產生自以下各項之本公司之實繳盈餘：(i)按一九九七年九月進行集團重組時所收購附屬公司股份之面值與為收購而發行本公司股份之面值間之差額；(ii)於截至二零零六年及二零零八年十二月三十一日止年度進行之股本削減及(iii)於二零一九年十二月削減股份溢價。儲備可根據百慕達一九八一年公司法予以分派。
- (b) 本集團增加其於本集團已取得控制權之實體之額外權益會以股本交易入賬。本集團權益及非控股權益之賬面值會作出調整，以反映各自於該附屬公司相關權益之變動。其他儲備指非控股權益之調整金額與直接於權益確認之已付代價公平價值間之差額。
- (c) 根據在於二零一九年十二月十日舉行的本公司股東特別大會上通過的特別決議案，本公司於二零一九年十二月十一日之股份溢價賬的進賬總額減少至零，由此產生的進賬額轉撥至本公司之實繳盈餘賬。

Consolidated Statement of Cash Flows

綜合現金流量表

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

	Notes 附註	2019 HK\$'000 二零一九年 千港元	2018 HK\$'000 二零一八年 千港元
Operating activities	經營活動		
(Loss) profit for the year	本年度(虧損)溢利	(110,896)	423
Adjustments for:	調整：		
Income tax expense (credit)	所得稅開支(抵免)	1,398	(66,188)
Depreciation of property, plant and equipment	物業、機器及設備之折舊	29,820	36,698
Depreciation of right-of-use assets	使用權資產之折舊	39,506	–
Interest income	利息收入	(8,621)	(3,975)
Finance costs	融資成本	3,449	376
Loss on disposal of property, plant and equipment	出售物業、機器及設備之虧損	29	21
Impairment loss	減值虧損		
– property, plant and equipment	– 物業、機器及設備	7,356	–
– right-of-use assets	– 使用權資產	9,200	–
Write-off of trade receivables	撇銷貿易應收賬款	934	–
Loss on fair value changes of investments held for trading	持作買賣投資之公平價值變動之虧損	3,089	9,442
Loss on fair value changes of investment properties	投資物業之公平價值變動之虧損	37,743	26,704
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	13,007	3,501
Decrease in inventories	存貨減少	68	324
(Increase) decrease in trade and other receivables	貿易及其他應收賬款(增加)減少	(301)	31,285
Decrease in investment held for trading	持作買賣投資減少	3,790	5,312
(Decrease) increase in trade and other payables	貿易及其他應付賬款(減少)增加	(15,904)	3,567
(Decrease) increase in contract liabilities	合約負債(減少)增加	(1,392)	169
Decrease in assets classified as held for sale	分類為持作出售之資產減少	2,356	–
Decrease in liabilities associated with assets classified as held for sale	與分類為持作出售之資產相關的負債減少	(302)	–
Cash generated from operations	經營業務所得之現金	1,322	44,158
Taxes paid in the People's Republic of China (the "PRC")	已付之中華人民共和國(「中國」)稅項	(4,281)	(6,347)
Net cash (used in) from operating activities	經營活動(所用)所得之現金淨額	(2,959)	37,811
Investing activities	投資活動		
Interest received	已收利息	7,623	3,975
Purchases of property, plant and equipment	購置物業、機器及設備	(476)	(543)
Payment for rental deposits	租金按金付款	(7)	–
Deposit paid for acquisition of a subsidiary	就收購附屬公司已付按金	–	(24,792)
Refund of deposit paid for acquisition of a subsidiary	就收購附屬公司已付按金退款	–	–
Deposit received for disposal of a subsidiary	就出售附屬公司已收取按金	–	22,700
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備所得款項	–	23,906
		–	37
Net cash from investing activities	投資活動所得之現金淨額	7,140	25,283

Consolidated Statement of Cash Flows

綜合現金流量表

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

		2019 HK\$'000 二零一九年 千港元	2018 HK\$'000 二零一八年 千港元
Financing activities	融資活動		
Repayments of lease liabilities	償還租賃負債	(37,464)	–
Interest paid	已付利息	(3,449)	(376)
New other borrowings raised	所籌集其他新借貸	–	5,767
Repayments of other borrowings	償還其他借貸	–	(5,767)
Net cash used in financing activities	融資活動所用之現金淨額	(40,913)	(376)
Net (decrease) increase in cash and cash equivalents	現金及現金等值項目之 (減少)增加淨額	(36,732)	62,718
Cash and cash equivalents at beginning of the year	年初現金及現金等值項目	1,859,960	1,801,383
Effect of foreign exchange rate changes	匯率變動之影響	(6,126)	(4,141)
Cash and cash equivalents at end of the year	年末現金及現金等值項目	1,817,102	1,859,960
Represented by:	即：		
Bank balances and cash	銀行結餘及現金	1,816,076	1,859,781
Bank balances classified as held for sale	分類為持作出售之銀行結餘	1,026	179
		1,817,102	1,859,960

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

1. GENERAL

GREATER BAY AREA DYNAMIC GROWTH HOLDING LIMITED (the “Company”) is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited. The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section to the annual report.

Pursuant to a special resolution passed at a special general meeting of the Company held on 10 December 2019 and approved by the Registrar of Companies of Bermuda on 16 January 2020, the change of the name of the Company from “Rosedale Hotel Holdings Limited” to “GREATER BAY AREA DYNAMIC GROWTH HOLDING LIMITED” and the change of the secondary name of the Company in Chinese from “珀麗酒店控股有限公司” to “大灣區聚變力量控股有限公司” have become effective on 23 December 2019.

The Company is an investment holding company. Its principal subsidiaries are engaged in the businesses of hotel operation and trading of securities.

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

1. 一般資料

大灣區聚變力量控股有限公司（「本公司」）於百慕達註冊成立為獲豁免有限公司，其股份乃於香港聯合交易所有限公司上市。本公司之註冊辦事處及主要營業地點之地址於本年報公司資料內披露。

根據本公司於二零一九年十二月十日舉行之股東特別大會上通過之特別決議案，並經百慕達公司註冊處處長於二零二零年一月十六日批准，將本公司之英文名稱由「Rosedale Hotel Holdings Limited」更改為「GREATER BAY AREA DYNAMIC GROWTH HOLDING LIMITED」，並將本公司之中文第二名稱由「珀麗酒店控股有限公司」更改為「大灣區聚變力量控股有限公司」，自二零一九年十二月二十三日生效。

本公司乃一家投資控股公司。其主要附屬公司從事經營酒店業務及證券買賣。

綜合財務報表乃以港元（「港元」）呈列，港元亦為本公司之功能貨幣。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

New and amendments to HKFRSs that are mandatorily effective for the current year

The Company and its subsidiaries (the “Group”) have applied the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time in the current year:

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

Except as described below, the application of the new and amendments to HKFRSs in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度強制生效之新訂及經修訂香港財務報告準則

本公司及其附屬公司（「本集團」）已於本年度首次應用下列由香港會計師公會（「香港會計師公會」）頒佈之新訂及經修訂香港財務報告準則：

香港財務報告準則第16號	租賃
香港（國際財務報告詮釋委員會）— 詮釋23	所得稅處理的不確定性
香港財務報告準則第9號之修訂	附帶負補償之預付款項特點
香港會計準則第19號之修訂	計劃修訂、縮減或清償
香港會計準則第28號之修訂	於聯營公司及合營公司之長期權益
香港財務報告準則之修訂	二零一五年至二零一七年週期香港財務報告準則之年度改進

除下文所述外，於本年度應用新訂及經修訂香港財務報告準則對本集團於本年度及過往年度之財務狀況及表現及／或於該等綜合財務報表所載之披露事項並無重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

New and amendments to HKFRSs that are mandatorily effective for the current year

(CONTINUED)

HKFRS 16 “Leases”

The Group has applied HKFRS 16 for the first time in the current year. HKFRS 16 superseded HKAS 17 “Leases”, and the related interpretations.

Definition of a lease

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 “Determining whether an Arrangement contains a Lease” and not apply this standard to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1 January 2019, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 January 2019.

As at 1 January 2019, the Group recognised additional lease liabilities and right-of-use assets at amounts equal to the related lease liabilities adjusted by any accrued lease payments by applying HKFRS 16.C8(b)(ii) transition. Any difference at the date of initial application is recognised in the opening accumulated losses and comparative information has not been restated.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

於本年度強制生效之新訂及經修訂香港財務報告準則（續）

香港財務報告準則第16號「租賃」

本集團於本年度首次應用香港財務報告準則第16號。香港財務報告準則第16號取代香港會計準則第17號「租賃」及相關詮釋。

租賃的定義

本集團已選擇簡易實務處理方法，對先前應用香港會計準則第17號及香港（國際財務報告詮釋委員會）— 詮釋4「釐定安排是否包括租賃」識別為租賃的合約應用香港財務報告準則第16號，而並無對先前並未識別為包括租賃的合約應用此準則。因此，本集團並無重新評估於首次應用日期前已存在的合約。

就於二零一九年一月一日或之後訂立或修訂之合約而言，本集團在評估合約是否包含租賃時，根據香港財務報告準則第16號所載的規定，應用租賃的定義。

作為承租人

本集團已追溯應用香港財務報告準則第16號，並於二零一九年一月一日首次應用日期確認累計影響。

於二零一九年一月一日，本集團按相等於相關租賃負債的金額確認額外租賃負債及使用權資產，並應用香港財務報告準則第16.C8(b)(ii)號過渡條款，按任何應計租賃款項對其作出調整。首次應用日期之任何差額於期初累計虧損中確認，且並無重列比較資料。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

New and amendments to HKFRSs that are mandatorily effective for the current year

(CONTINUED)

HKFRS 16 “Leases” (CONTINUED)

As a lessee (CONTINUED)

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

- i. relied on the assessment of whether leases are onerous by applying HKAS 37 “Provisions, Contingent Liabilities and Contingent Assets” as an alternative of impairment review;
- ii. elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application;
- iii. excluded initial direct costs from measuring the right-of-use assets at the date of initial application;
- iv. applied a single discount rate to a portfolio of leases with a similar remaining terms for similar class of underlying assets in similar economic environment; and
- v. used hindsight based on facts and circumstances as at date of initial application in determining the lease term for the Group’s leases with extension and termination options.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

於本年度強制生效之新訂及經修訂香港財務報告準則（續）

香港財務報告準則第16號「租賃」（續）

作為承租人（續）

於過渡時應用香港財務報告準則第16號項下之經修訂追溯法時，本集團將以下簡明實務處理方法按個別租賃基準應用於先前根據香港會計準則第17號分類為經營租賃之租賃，惟以與相關租賃合約有關為限：

- i. 依賴透過應用香港會計準則第37號「撥備、或然負債及或然資產」作為減值檢討的替代方法來評估租賃是否屬繁重；
- ii. 選擇不就租賃期於首次應用日期起計12個月內結束之租賃確認使用權資產及租賃負債；
- iii. 於首次應用日期計量使用權資產時剔除初始直接成本；
- iv. 對在類似經濟環境內具有類似類別相關資產及類似剩餘年期之租賃的組合應用單一的折現率；及
- v. 根據於首次應用日期之事實及情況，於事後釐定本集團具有延續及終止選擇權的租賃的租賃期。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

New and amendments to HKFRSs that are mandatorily effective for the current year (CONTINUED)

HKFRS 16 “Leases” (CONTINUED)

As a lessee (CONTINUED)

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application. The weighted average incremental borrowing rate applied is 5.625%.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

於本年度強制生效之新訂及經修訂香港財務報告準則（續）

香港財務報告準則第16號「租賃」（續）

作為承租人（續）

就先前分類為經營租賃的租賃確認租賃負債時，本集團已於首次應用日期應用相關集團實體之增量借款利率。所應用之加權平均增量借貸利率為5.625%。

		At 1 January 2019 HK\$'000 於 二零一九年 一月一日 千港元
Operating lease commitments disclosed as at 31 December 2018	於二零一八年十二月三十一日披露之經營租賃承擔	80,054
Lease liabilities discounted at relevant incremental borrowings rates	按有關增量借貸利率折現之租賃負債	75,579
Less: Practical expedient - leases with lease term ending within 12 months from the date of initial application	減：可行權宜方法－租賃期於自首次應用日期起計12個月以內到期之租賃	(837)
Lease liabilities as at 1 January 2019	於二零一九年一月一日之租賃負債	74,742
Analysed as	分析為	
Current	流動	36,323
Non-current	非流動	38,419
		74,742

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

New and amendments to HKFRSs that are mandatorily effective for the current year (CONTINUED)

HKFRS 16 “Leases” (CONTINUED)

As a lessee (CONTINUED)

The carrying amount of right-of-use assets for own use as at 1 January 2019 comprises the following:

	Note	Right-of-use assets HK\$'000 使用權資產 千港元
	附註	
Right-of-use assets relating to operating leases recognised upon application of HKFRS 16	於應用香港財務報告準則第16號時確認與經營租賃有關之使用權資產	74,742
Adjustment on rental deposit at 1 January 2019	於二零一九年一月一日之租賃按金調整 (a)	1,833
		<u>76,575</u>

(a) Before the application of HKFRS 16, the Group considered refundable rental deposits paid as rights and obligations under leases to which HKAS 17 applied under other receivables. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use of the underlying assets and were adjusted to reflect the discounting effect at transition. Accordingly, HK\$1,833,000, HK\$196,000, HK\$23,000 and HK\$2,052,000 were adjusted to right-of-use assets, accumulated losses, non-controlling interests and refundable rental deposits paid, respectively.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

於本年度強制生效之新訂及經修訂香港財務報告準則（續）

香港財務報告準則第16號「租賃」（續）

作為承租人（續）

於二零一九年一月一日，作自用之使用權資產的賬面值包括以下各項：

(a) 於應用香港財務報告準則第16號前，本集團將已付可退還租金押金視為其他應收賬款項下香港會計準則第17號適用之租賃項下之權利及義務。根據香港財務報告準則第16號項下租賃付款之定義，該等押金並非與相關資產使用權有關之付款，並已予調整以反映於過渡時之折現影響。因此，分別對使用權資產、累計虧損、非控股權益及已付可退還租賃押金作出1,833,000港元、196,000港元、23,000港元及2,052,000港元之調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

New and amendments to HKFRSs that are mandatorily effective for the current year

(CONTINUED)

HKFRS 16 “Leases” (CONTINUED)

As a lessor

In accordance with the transitional provisions in HKFRS 16, the Group is not required to make any adjustment on transition for leases in which the Group is a lessor but account for these leases in accordance with HKFRS 16 from the date of initial application and comparative information has not been restated.

- (b) Upon application of HKFRS 16, new lease contracts entered into but commence after the date of initial application relating to the same underlying assets under existing lease contracts are accounted as if the existing leases are modified as at 1 January 2019. The application has had no impact on the Group’s consolidated statement of financial position at 1 January 2019. However, effective 1 January 2019, lease payments relating to the revised lease term after modification are recognised as income on straight-line basis over the extended lease term.
- (c) Before application of HKFRS 16, refundable rental deposits received were considered as rights and obligations under leases to which HKAS 17 applied under trade and other payables. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right-of-use assets and were adjusted to reflect the discounting effect at transition.
- (d) Effective on 1 January 2019, the Group has applied HKFRS 15 “Revenue from Contracts with Customers” to allocate consideration in the contract to each lease and non-lease components. The change in allocation basis has had no material impact on the consolidated financial statements of the Group for the current year.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

於本年度強制生效之新訂及經修訂香港財務報告準則（續）

香港財務報告準則第16號「租賃」（續）

作為出租人

根據香港財務報告準則第16號之過渡條文，本集團毋須就本集團為出租人之租賃作出任何過渡調整，而是根據香港財務報告準則第16號自首次應用日期起入賬處理此等租賃，且並無重列比較資料。

- (b) 應用香港財務報告準則第16號後，於首次應用日期後訂立但尚未生效，且與現有租賃合約項下相同相關資產有關的新租賃合約，按猶如現有租賃合約於二零一九年一月一日修訂之方式入賬。該應用對本集團於二零一九年一月一日之綜合財務狀況表並無影響。然而，自二零一九年一月一日起，與經修訂租賃期相關的租金在經延長租賃期內按直線法確認為收入。
- (c) 於應用香港財務報告準則第16號前，已收可退還租賃押金被視為香港會計準則第17號應用在貿易及其他應付賬款下的租賃權利及責任。根據香港財務報告準則第16號項下租金的定義，該等押金並非有關使用權資產之付款，且予以調整以反映過渡時的貼現影響。
- (d) 自二零一九年一月一日起，本集團已應用香港財務報告準則第15號「來自客戶合約之收益」，將合約代價分配至各租賃及非租賃組成部分。分配基準的變動對本集團於本年度之綜合財務報表並無重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

New and amendments to HKFRSs that are mandatorily effective for the current year (CONTINUED)

HKFRS 16 “Leases” (CONTINUED)

Summary of effects arising from initial application of HKFRS 16

The following table summarises the impact of transition to HKFRS 16 on accumulated losses at 1 January 2019.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

於本年度強制生效之新訂及經修訂香港財務報告準則（續）

香港財務報告準則第16號「租賃」（續）

首次應用香港財務報告準則第16號產生之影響概要

下表概述於二零一九年一月一日過渡至香港財務報告準則第16號對累計虧損之影響。

	Notes	Impact of adopting HKFRS 16 at 1 January 2019 HK\$'000 採納香港財務報告準則第16號於二零一九年一月一日之影響 千港元
	附註	
Accumulated losses	累計虧損	
Adjustment on rental deposit at 1 January 2019	於二零一九年一月一日的租賃押金調整 (a)	196
Adjustment on lease accruals	租賃應計費用調整 (e)	(5,627)
Impact at 1 January 2019	於二零一九年一月一日之影響	(5,431)

(e) Rent-free period

These relate to accrued lease liabilities for lease of properties in which the lessor provided rent-free period. The carrying amount of the lease accruals under trade and other payables as at 1 January 2019 was adjusted to accumulated losses (HK\$5,627,000) and non-controlling interests (HK\$667,000) at transition.

(e) 免租期

該等款項與出租人提供免租期的物業租賃的應計租賃負債有關。於二零一九年一月一日，貿易及其他應付賬款項下應計租賃的賬面值於過渡時調整至累計虧損（5,627,000港元）及非控股權益（667,000港元）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

New and amendments to HKFRSs that are mandatorily effective for the current year

(CONTINUED)

HKFRS 16 “Leases” (CONTINUED)

Summary of effects arising from initial application of HKFRS 16 (CONTINUED)

The following adjustments were made to the amounts recognised in the consolidated statement of financial position at 1 January 2019. Line items that were not affected by the changes have not been included.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

於本年度強制生效之新訂及經修訂香港財務報告準則（續）

香港財務報告準則第16號「租賃」（續）

首次應用香港財務報告準則第16號產生之影響概要（續）

就於二零一九年一月一日綜合財務狀況表確認之金額作出以下調整。並未計入未受變動影響之項目。

	Notes	Carrying amounts previously reported at 31 December 2018 HK\$'000 於二零一八年十二月三十一日 先前呈報的賬面值 千港元	Adjustments HK\$'000 調整 千港元	Carrying amounts under HKFRS 16 at 1 January 2019 HK\$'000 於二零一九年一月一日根據香港財務報告準則第16號 計算的賬面值 千港元
	附註			
Non-current assets				
Right-of-use assets		–	76,575	76,575
Deposit	(a)	19,800	(2,052)	17,748
Current liabilities				
Trade and other payables		(93,336)	6,294	(87,042)
Lease liabilities	(e)	–	(36,323)	(36,323)
Non-current liabilities				
Lease liabilities		–	(38,419)	(38,419)
Equity				
Reserves	(a), (e)	(2,016,436)	(5,431)	(2,021,867)
Non-controlling interests	(a), (e)	(190,603)	(644)	(191,247)

Note: For the purpose of reporting cash flows from operating activities under indirect method for the year ended 31 December 2019, movements in working capital have been computed based on opening consolidated statement of financial position as at 1 January 2019 as disclosed above.

附註：為根據間接法呈報截至二零一九年十二月三十一日止年度之經營活動產生之現金流量，營運資金變動已根據上文所披露於二零一九年一月一日之期初綜合財務狀況報表計算。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (CONTINUED)

New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

HKFRS 17 Amendments to HKFRS 3	Insurance Contracts ³ Definition of a Business ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
Amendments to HKAS 1 and HKAS 8	Definition of Material ¹
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform ¹

- ¹ Effective for annual periods beginning on or after 1 January 2020.
- ² Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020.
- ³ Effective for annual periods beginning on or after 1 January 2021.
- ⁴ Effective for annual periods beginning on or after a date to be determined.

In addition to the above new and amendments to HKFRSs, a revised Conceptual Framework for Financial Reporting was issued in 2018. Its consequential amendments, the Amendments to References to the Conceptual Framework in HKFRS Standards, will be effective for annual periods beginning on or after 1 January 2020.

The directors of the Company anticipate that the application of all new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

已頒佈但尚未生效之新訂及經修訂香港財務報告準則

本集團並無提早應用以下已頒佈但尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則第17號 香港財務報告準則第3號之 修訂	保險合約 ³ 業務之定義 ²
香港財務報告準則第10號 及香港會計準則第28號 之修訂	投資者與其聯營公司或合 營公司之間銷售或注入 資產 ⁴
香港會計準則第1號及 香港會計準則第8號之修訂	重要性之定義 ¹
香港財務報告準則第9號、香 港會計準則第39號及香港 財務報告準則第7號之修訂	利率基準改革 ¹

- ¹ 於二零二零年一月一日或之後開始之年度期間生效。
- ² 適用於收購日期為二零二零年一月一日或之後開始的首個年度期間開始當日或之後進行的業務合併及資產收購。
- ³ 於二零二一年一月一日或之後開始之年度期間生效。
- ⁴ 於有待釐定日期或之後開始的年度期間生效。

除上述新訂及經修訂香港財務報告準則外，於二零一八年頒佈經修訂財務報告概念框架。其重要修訂香港財務報告準則的概念框架提述的修訂，將於二零二零年一月一日或之後開始之年度期間生效。

本公司董事預計應用所有新訂及經修訂香港財務報告準則於可見將來將不會對綜合財務報表造成重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 “Share-based Payment”, leasing transactions that are accounted for in accordance with HKFRS 16 (since 1 January 2019) or HKAS 17 (before application of HKFRS 16), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 “Inventories” or value in use in HKAS 36 “Impairment of Assets”.

3. 主要會計政策

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表包括香港聯合交易所有限公司證券上市規則（「上市規則」）及香港公司條例規定之適用披露。

綜合財務報表乃根據歷史成本基準編製，惟若干物業及金融工具以各報告期結束時之公平價值計量（見下文所載會計政策說明）除外。

歷史成本一般根據為交換貨品及服務而提供之代價公平價值計算。

公平價值為於計量日期市場參與者之間按有序交易出售一項資產將收取之價格或轉讓負債時將支付之價格，而不論該價格是否可直接觀察或使用另一項估值方法估計。於估計資產或負債之公平價值時，本集團會考慮該等市場參與者於計量日期對資產或負債定價時所考慮之資產或負債之特點。於該等綜合財務報表中作計量及／或披露用途之公平價值乃按此基準釐定，惟香港財務報告準則第2號「以股代款」範圍內之以股代款交易、根據香港財務報告準則第16號（自二零一九年一月一日起）或香港會計準則第17號（應用香港財務報告準則第16號前）入賬之租賃交易，以及與公平價值類似但並非公平價值（例如香港會計準則第2號「存貨」之可變現淨值或香港會計準則第36號「資產減值」之使用價值）之計量除外。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

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

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

3. 主要會計政策(續)

非金融資產公平價值之計量計及市場參與者可透過按該資產之最高及最佳用途使用該資產，或將該資產售予另一可按該資產之最高及最佳用途使用該資產之市場參與者，從而產生經濟效益之能力。

此外，就財務申報而言，公平價值計量分為第一、第二或第三級別，此等級別之劃分乃根據公平價值計量之輸入數據之可觀察程度及該等數據對公平價值計量之整體重要性，概述如下：

- 第一級輸入數據指實體於計量日期就相同資產或負債於活躍市場上獲得之報價(未經調整)；
- 第二級輸入數據指可直接或間接從觀察資產或負債之資料而得出之輸入數據(不包括第一級之報價)；及
- 第三級輸入數據指不可從觀察資產或負債得出之輸入數據。

主要會計政策載列如下。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

3. 主要會計政策(續)

綜合賬目基準

綜合財務報表包括本公司及本公司控制之實體及其附屬公司之財務報表。當本公司：

- 有權控制被投資公司；
- 自參與被投資公司業務獲得或有權獲得可變回報；及
- 有能力動用其權力影響被投資公司回報時，即獲得控制權。

倘有事實及情況顯示上列控制權三個要素中一個或多個要素發生變動，本集團會重新評估是否對被投資公司擁有控制權。

當本集團取得對附屬公司之控制權時，會開始將附屬公司綜合入賬，而當本集團失去對附屬公司之控制權時，會終止將附屬公司綜合入賬。具體而言，年內所收購或出售附屬公司之收入及開支自本集團獲得控制權當日起至本集團不再擁有附屬公司控制權當日止，列入綜合損益及其他全面收益表內。

損益及其他全面收益各項目歸屬於本公司擁有人及非控股權益。附屬公司之全面收益總額歸屬於本公司擁有人及非控股權益，即使此舉將導致非控股權益出現虧絀結餘。

如有需要，附屬公司之財務報表會作出調整，使其會計政策與本集團會計政策一致。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Basis of consolidation (CONTINUED)

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in the relevant subsidiary after the sale.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell, except for financial assets within the scope of HKFRS 9 "Financial Instruments", which continue to be measured in accordance with the accounting policies as set out in respective sections.

3. 主要會計政策 (續)

綜合賬目基準 (續)

與本集團成員公司間交易相關之所有集團內公司間資產及負債、權益、收入、開支及現金流量已於綜合賬目時全數對銷。

於附屬公司之非控股權益與本集團於當中之權益乃分開呈列，指賦予持有人權利於清盤時按比例分佔相關附屬公司淨資產之現時擁有權權益。

持作出售非流動資產

倘非流動資產及出售組別之賬面值大致上能透過銷售交易（而非持續使用）收回，則分類為持作出售。該條件僅在資產（或出售組別）可即時以現況出售（當中僅須受就出售該資產（或出售組別）而言屬平常及慣常之條款所限）並極有可能出售時，方視為達成。管理層須致力促成出售，且預期自分類日期起計一年內符合資格確認為完成出售。

當本集團致力進行之銷售計劃涉及失去附屬公司控制權時，如符合上述條件，該附屬公司之所有資產及負債將分類為持作出售，而不論本集團是否將於出售後保留其於該附屬公司之非控股權益。

分類為持作出售之非流動資產（及出售組別）按其先前賬面值與公平價值減出售成本之較低者計量，惟屬香港財務報告準則第9號「金融工具」範圍內的金融資產繼續按相關章節所載會計政策計量除外。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Revenue from contracts with customers

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

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

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

3. 主要會計政策(續)

來自客戶合約之收入

本集團於完成履約責任時(或就此)確認收入,即於特定履約責任相關貨品或服務之「控制權」移交客戶之時。

履約責任指個別的貨品或服務(或一組貨品或服務)或一系列大致相同的個別貨品或服務。

倘符合以下其中一項準則,則控制權隨時間轉移,而收入則參照完全履行相關履約責任的進度而隨時間確認:

- 於本集團履約時,客戶同時取得並耗用本集團履約所提供的利益;
- 本集團的履約產生及提升一項資產,而該項資產於本集團履約時由客戶控制;或
- 本集團的履約並未產生讓本集團有替代用途的資產,且本集團對迄今已完成履約的付款具有可強制執行的權利。

否則,收入於客戶獲得個別貨品或服務控制權的時間點確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Revenue from contracts with customers

(CONTINUED)

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

Contracts with multiple performance obligations (including allocation of transaction price)

For contracts that contain more than one performance obligations (such as packages that bundle food and beverage and other services with hotel stays), the Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis.

The stand-alone selling price of the distinct good or service underlying each performance obligation is determined at contract inception. It represents the price at which the Group would sell a promised good or service separately to a customer. If a stand-alone selling price is not directly observable, the Group estimates it using appropriate techniques such that the transaction price ultimately allocated to any performance obligation reflects the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to the customer.

3. 主要會計政策 (續)

來自客戶合約之收入 (續)

合約資產指本集團以商品或服務換取代價的權利，前提是本集團轉讓給客戶的商品或服務尚非無條件。合約資產之減值評估乃根據香港財務報告準則第9號進行。相反，應收賬款指本集團收取代價的無條件權利，即代價付款到期前僅需等待時間推移。

合約負債指本集團因已向客戶收取代價（或已到期收取代價），而須向客戶轉移貨品或服務的責任。

與同一合約相關之合約資產及合約負債均按淨額基準入賬及呈列。

具多項履約責任的合約 (包括分配交易價)

就包含一項以上履約責任（如將餐飲及其他服務與酒店住宿結合之組合）的合約，本集團以相對獨立售價基準將交易價格分配至各項履約責任。

個別貨品或服務相關的各項履約責任之單獨售價於合約成立時釐定。其指本集團將承諾的貨品或服務單獨出售予客戶的價格。倘一項單獨售價不能直接觀察，本集團採用適當的方法進行估計，以便最終分配至任何履約責任之交易價格反映本集團預期就承諾的商品或服務轉讓予客戶有權換取的代價金額。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Revenue from contracts with customers

(CONTINUED)

Over time revenue recognition: measurement of progress towards complete satisfaction of a performance obligation

Output method

The progress towards complete satisfaction of a performance obligation is measured based on output method, which is to recognise revenue on the basis of direct measurements of the value of the goods or services transferred to the customer to date relative to the remaining goods or services promised under the contract, that best depict the Group's performance in transferring control of goods or services.

As a practical expedient, if the Group has a right to consideration in an amount that corresponds directly with the value of the Group's performance completed to date, the Group recognises revenue in the amount to which the Group has the right to invoice.

Incremental costs of obtaining a contract

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained.

The Group recognises such costs (sales commissions) as an asset if it expects to recover these costs. The asset so recognised is subsequently amortised to profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the assets relate.

The Group applies the practical expedient of expensing all incremental costs to obtain a contract if these costs would otherwise have been fully amortised to profit or loss within one year.

3. 主要會計政策(續)

來自客戶合約之收入(續)

隨時間確認收益：完全履行履約責任進度的計量

產出法

完全履行履約責任進度乃基於產出法計量，即基於迄今為止向客戶轉移的貨品或服務相對於合約下承諾之剩餘貨品或服務的價值直接計量，以此來確認收益，此最佳反映本集團在轉移貨品或服務控制權方面的表現。

作為可行權宜法，倘本集團有權收取金額為直接與本集團迄今已完成履約之價值相稱的代價，則本集團以本集團有權開具發票的金額確認收益。

取得合約的增量成本

取得合約的增量成本為本集團為取得客戶合約而產生的成本，倘未有取得合約，則不會產生該等成本。

倘預期可收回該等成本，則本集團將該等成本(銷售佣金)確認為資產。如此確認之資產其後按系統化基準攤銷至損益，該基準與向客戶轉讓該資產相關之貨品或服務一致。

倘該等成本無論如何也可於一年內完全攤銷至損益，本集團會採用可行權宜安排將所有取得合約的增量成本直接作費用處理。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Leases

Definition of a lease (upon application of HKFRS 16 in accordance with transitions in note 2)

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

For contracts entered into or modified or arising from business combinations on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2)

Short-term leases

The Group applies the short-term lease recognition exemption to leases of staff quarters that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

3. 主要會計政策 (續)

租賃

租賃之定義 (根據附註2的過渡性條文應用香港財務報告準則第16號後)

倘合約輸送權利可控制特定資產於一段時間的使用以換取代價，即表示該合約屬於或包含租賃。

就於首次應用日期或之後所訂立或修改或因業務合併而產生之合約而言，本集團於生效日期、修改日期或收購日期(如適用)按照香港財務報告準則第16號所指之定義，評估合約是否屬於或包含租賃。除非合約之條款及條件其後改變，否則該合約將不予重新評估。

本集團作為承租人 (根據附註2的過渡性條文應用香港財務報告準則第16號後)

短期租賃

本集團對租賃期由開始日期起計為12個月或以下且不含購買選擇權之員工宿舍租賃應用短期租賃確認豁免。短期租賃之租賃付款以直線法於租賃期內確認為開支。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Leases (CONTINUED)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2) (CONTINUED)

Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term are depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

3. 主要會計政策(續)

租賃(續)

本集團作為承租人(根據附註2的過渡性條文應用香港財務報告準則第16號後)(續)

使用權資產

使用權資產之成本包括：

- 初始計量租賃負債之金額；
- 於開始日期或之前支付之任何租賃付款，減去任何已收取之租賃優惠；
- 本集團產生之任何初始直接成本；及
- 本集團在清拆及移除相關資產、修復其所在場地或將相關資產復原至租賃條款及條件規定之狀況時將產生之估計成本。

使用權資產按成本減任何累計折舊及減值虧損計量，並就租賃負債之任何重新計量進行調整。

本集團可合理肯定會於租賃期結束時取得相關租賃資產擁有權之使用權資產，自開始日期起至可使用年期結束之期間內計提折舊。否則，使用權資產以直線法於其估計可使用年期或租賃期(以較短者為準)內計提折舊。

本集團將使用權資產呈列為綜合財務狀況報表內之獨立項目。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Leases (CONTINUED)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2) (CONTINUED)

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, 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 the option; and

3. 主要會計政策 (續)

租賃 (續)

本集團作為承租人 (根據附註2的過渡性條文應用香港財務報告準則第16號後) (續)

可退還租金押金

已付可退還租金押金根據香港財務報告準則第9號入賬，並初始按公平價值計量。對於首次確認時之公平價值作出之調整被視為額外的租賃付款，並計入使用權資產之成本內。

租賃負債

於租賃之開始日期，本集團按於該日未支付之租賃付款之現值確認及計量租賃負債。在計算租賃付款之現值時，倘租賃內含之利率無法輕易釐定，本集團會使用於租賃開始日期之增量借貸利率。

租賃付款包括：

- 固定付款 (包括實質上之固定付款) 減去任何應收租賃優惠；
- 取決於指數或利率之可變租賃付款，初步使用開始日期的指數或利率計量；
- 本集團根據剩餘價值擔保預期將予支付之金額；
- 可合理肯定本集團會行使之購買選擇權之行使價；及

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綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Leases (CONTINUED)

The Group as a lessee (upon application of HKFRS 16 in accordance with transitions in note 2) (CONTINUED)

Lease liabilities (CONTINUED)

- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

3. 主要會計政策 (續)

租賃 (續)

本集團作為承租人 (根據附註2的過渡性條文應用香港財務報告準則第16號後) (續)

租賃負債 (續)

- 終止租賃之罰款付款 (如租賃期反映本集團行使終止選擇權)。

於開始日期，租賃負債按增加之利息及租賃付款作出調整。

每當發生以下情況，本集團會重新計量租賃負債 (並對相關之使用權資產作出相應調整)：

- 租賃期已經改變，或對行使購買選擇權作出之評估改變；在此情況下，相關之租賃負債予以重新計量，方法是於重新評估日期使用經修訂折現率將經修訂租賃付款折現。
- 進行市場租金檢討後改變市場租金率，令租賃付款改變；在此情況下，相關之租賃負債予以重新計量，方法是使用初始折現率將經修訂租賃付款折現。

本集團於綜合財務狀況表內將租賃負債呈列為獨立項目。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Leases (CONTINUED)

The Group as a lessee (prior to 1 January 2019)

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

Lease incentives relating to operating leases are considered as integral part of lease payments, the aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

The Group as a lessor

Classification and measurement of leases

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset, and such costs are recognised as an expense on a straight-line basis over the lease term except for investment properties measured under fair value model.

Rental income which are derived from the Group's ordinary course of business are presented as revenue.

3. 主要會計政策(續)

租賃(續)

本集團作為承租人(於二零一九年一月一日前)

凡租賃條款將擁有權之絕大部分風險及回報撥歸於承租人之租賃，均歸類為融資租賃。所有其他租賃均歸類為經營租賃。

經營租賃款項於租賃期內以直線法確認為開支。經營租賃產生之或然租金於產生期間確認為開支。

與經營租賃有關的租賃獎勵被視為租賃付款的組成部分，獎勵整體效益被確認為按直線法削減租金開支。

本集團作為出租人

租賃之分類及計量

本集團作為出租人之租賃乃分類為融資租賃或經營租賃。當租賃條款將相關資產擁有權附帶的絕大部分風險及回報轉移至承租人時，合約分類為融資租賃。所有其他租賃分類為經營租賃。

經營租賃之租金收入乃按相關租賃年期以直線法於損益確認。於磋商及安排經營租賃時產生之初始直接成本計入租賃資產之賬面值內，而有關成本於租賃期內以直線法確認為開支，根據公平價值模式計量之投資物業除外。

本集團一般業務過程中獲得之租金收入呈列為收入。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Leases (CONTINUED)

The Group as a lessor (upon application of HKFRS 16 in accordance with transitions in note 2)

Refundable rental deposits

Refundable rental deposits received are accounted for under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments from lessees.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

3. 主要會計政策 (續)

租賃 (續)

本集團作為出租人 (根據附註2的過渡性條文應用香港財務報告準則第16號後)

可退還租金押金

已收可退還租金押金根據香港財務報告準則第9號入賬，並初始按公平價值計量。對於首次確認時之公平價值作出之調整被視為承租人支付之額外租賃付款。

外幣

於編製每間個別集團實體之財務報表時，倘交易之貨幣與該實體之功能貨幣不同 (外幣)，則按交易日期適用之匯率換算確認。於報告期結束時，以外幣列值之貨幣項目按當日適用之匯率重新換算。以外幣列值並按公平價值入賬之非貨幣項目，按釐定公平價值日期適用之匯率重新換算。以外幣列值並按歷史成本計量之非貨幣項目不予重新換算。

結算貨幣項目及重新換算貨幣項目產生之匯兌差額於產生期間在損益確認。

為作呈列綜合財務報表之目的，本集團業務之資產及負債均以各報告期結束時適用匯率換算為本集團之呈列貨幣 (即港元)。收入及開支項目以期內平均匯率換算。產生之匯兌差額 (如有) 於其他全面收益確認，並以匯兌儲備名目於權益累計 (歸類為非控股權益 (如適用))。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Borrowing costs

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

Retirement benefit costs

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

Employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefits in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries) after deducting any amount already paid.

Share-based payment

Equity-settled share-based payment transactions

Share options granted to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

3. 主要會計政策 (續)

借貸成本

所有借貸成本於其產生期間於損益內確認。

退休福利成本

向定額供款退休福利計劃所作之供款於僱員提供服務而有權獲得有關供款時確認為開支。

僱員福利

短期僱員福利於僱員提供服務時就預期將支付福利之未貼現金額確認。所有短期僱員福利確認為開支，除非另一項香港財務報告準則要求或允許將有關福利納入資產成本，則作別論。

在扣除已經支付之任何金額後，對僱員應得之福利(例如工資及薪金)確認負債。

以股代款

以股本結算之以股代款交易

向僱員授出購股權

向僱員及提供類似服務之其他人士支付之以股本結算之以股代款按股本工具於授出日期之公平價值計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Share-based payment (CONTINUED)

Equity-settled share-based payment transactions (CONTINUED)

Share options granted to employees (CONTINUED)

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share-based payments reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payments reserve. For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognised in share-based payments reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share-based payments reserve will be transferred to accumulated losses.

3. 主要會計政策 (續)

以股代款 (續)

以股本結算之以股代款交易 (續)

向僱員授出購股權 (續)

於以股本結算以股份支付款項授出當日釐定之公平價值(並無考慮所有非市場歸屬條件)於歸屬期內根據本集團對最終將會歸屬之股本工具之估計以直線法支銷，權益亦相應增加(以股代款儲備)。於各報告期結束時，本集團根據對所有相關非市場歸屬條件之評估修訂預期將會歸屬之股本工具數目之估計數字。修訂原先估計數字(如有)之影響會於損益中確認，以使累計開支反映經修訂估計，以股代款儲備亦會作出相應調整。就於授出當日即時歸屬之購股權而言，已授出購股權之公平價值即時於損益支銷。

當購股權獲行使時，原先於以股代款儲備內確認之款項將轉撥至股份溢價。當購股權於歸屬日期後被沒收或於屆滿日期仍未行使時，原先於以股代款儲備確認之款項將轉撥至累計虧損。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from loss before tax because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

3. 主要會計政策(續)

稅項

所得稅開支指即期應付稅項及遞延稅項之總和。

即期應付稅項乃按本年度之應課稅溢利計算。由於其他年度之應課稅收入或可扣減之支出以及永不課稅或不可扣減之項目，應課稅溢利有別於除稅前虧損。本集團之即期稅項負債乃按報告期結束前已實施或大致實施之稅率計算。

遞延稅項就綜合財務報表內資產及負債賬面值與計算應課稅溢利所用之相關稅基產生之暫時差異確認。遞延稅項負債一般就所有應課稅暫時差異予以確認。遞延稅項資產一般於可能有應課稅溢利抵銷可動用之可扣減暫時差異時就所有可扣減暫時差異予以確認。倘暫時差異因於概不影響應課稅溢利或會計溢利之交易(業務合併除外)中初步確認資產及負債而產生，則不會確認遞延稅項資產及負債。此外，倘暫時差異因初步確認商譽而產生，則不會確認遞延稅項負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Taxation (CONTINUED)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3. 主要會計政策 (續)

稅項 (續)

遞延稅項負債就與於附屬公司之投資相關之應課稅暫時差異確認，惟在本集團可控制暫時差異之撥回以及暫時差異於可預見將來不可能撥回之情況下除外。因該等投資之相關可扣減暫時差異產生之遞延稅項資產僅於具有足夠應課稅溢利可動用暫時差異之利益，且預期於可見將來撥回時，方予以確認。

遞延稅項資產之賬面值於各報告期末審閱，倘不再可能有足夠應課稅溢利可用於收回全部或部分資產則會予以扣減。

遞延稅項資產及負債按預期於償還負債或變現資產之期間適用之稅率計算，而有關稅率之基準為於報告期結束前已實施或大致實施之稅率（及稅法）。

遞延稅項負債及資產之計量反映本集團預期於報告期末收回或償還資產及負債賬面值所產生之稅務後果。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Taxation (CONTINUED)

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 "Income Taxes" requirements to the leasing transaction as a whole. Temporary differences relating to right-of-use assets and lease liabilities are assessed on a net basis. Excess of depreciation on right-of-use assets over the lease payments for the principal portion of lease liabilities resulting in net deductible temporary differences.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

3. 主要會計政策(續)

稅項(續)

就計量以公平價值模型計量之投資物業遞延稅項而言，假定該等物業之賬面值可透過銷售全面收回，除非此假定被撥回。倘該投資物業可予折舊並於本集團的業務模式(其目標為隨時間而非透過出售消耗該投資物業所包含之絕大部分經濟利益)內持有，則此假定被駁回。

就計量本集團確認使用權資產及相關租賃負債之租賃交易之遞延稅項而言，本集團首先釐定稅務扣減是否歸因於使用權資產或租賃負債。

就稅務扣減歸因於租賃負債之租賃交易而言，本集團對租賃交易整體應用香港會計準則第12號「所得稅」之規定。與使用權資產及租賃負債有關之暫時差異按淨額基準評估。使用權資產折舊超出租賃負債本金部分租賃付款的部分導致可扣減暫時差異淨額。

遞延稅項資產及負債於有合法強制執行權利將即期稅項資產及即期稅項負債抵銷時及於其與相同稅務機關對相同應課稅實體征收的所得稅有關時予以抵銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Taxation (CONTINUED)

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

In assessing any uncertainty over income tax treatments, the Group considers whether it is probable that the relevant tax authority will accept the uncertain tax treatment used, or proposed to be use by individual group entities in their income tax filings. If it is probable, the current and deferred taxes are determined consistently with the tax treatment in the income tax filings. If it is not probable that the relevant taxation authority will accept an uncertain tax treatment, the effect of each uncertainty is reflected by using either the most likely amount or the expected value.

Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes. Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

3. 主要會計政策 (續)

稅項 (續)

即期及遞延稅項於損益確認，惟當與於其他全面收益或直接於權益確認之項目有關之情況下，即期及遞延稅項則同樣分別於其他全面收益或直接於權益確認。

於評估所得稅處理之不確定性時，本集團考慮相關稅務機關是否可能接受所用之不確定稅務處理，或建議個別集團實體於其所得稅申報中使用。如有可能，即期及遞延稅項資產應按照與所得稅申報相同的稅務處理釐定。倘相關稅務機關不可能接受不確定稅務處理，則使用最可能之金額或預期價值反映各不確定性之影響。

物業、機器及設備

物業、機器及設備為持有作生產或供應貨品或服務，或作行政用途的有形資產。物業、機器及設備按成本減其後之累計折舊及隨後累計減值虧損(如有)於綜合財務狀況報表列賬。

資產之折舊，乃根據其估計可使用年期，經扣除剩餘價值後以直線法撇銷其成本確認。估計可使用年期、剩餘價值及折舊方法會在各報告期末檢討，任何估計變動之影響按預計基準列賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Property, plant and equipment (CONTINUED)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Ownership interests in leasehold land and building

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition.

When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at fair value, adjusted to exclude any prepaid or accrued operating lease income.

Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

3. 主要會計政策 (續)

物業、機器及設備 (續)

物業、機器及設備項目於出售後或當預期持續使用該資產將不會產生未來經濟利益時終止確認。出售或報廢物業、機器及設備項目時所產生之任何收益或虧損以出售所得款項與該資產之賬面值之差額計量，並於損益確認。

於租賃土地及樓宇之擁有權

當本集團就物業(包括租賃土地及樓宇部分)擁有權作出付款時，全部代價於租賃土地及樓宇部分之間按初始確認時相對公平價值的比例分配。

當代價無法可靠地在非租賃樓宇部分與相關租賃土地的未分割權益之間分配時，整項物業被分類為物業、機器及設備。

投資物業

投資物業為持作賺取租金及/或資本增值之物業。

投資物業初步按成本(包括任何直接應佔開支)計量。於初步確認後，投資物業按公平價值計量，並作出調整，以剔除任何預付或應計經營租賃收入。

投資物業公平價值變動產生之收益或虧損計入產生期間之損益內。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Investment properties (CONTINUED)

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

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

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment and right-of-use assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of property, plant and equipment and right-of-use assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs.

In addition, the Group assesses whether there is indication that corporate assets may be impaired. If such indication exists, corporate assets are also allocated to individual CGUs, when a reasonable and consistent basis of allocation can be identified, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

3. 主要會計政策 (續)

投資物業 (續)

投資物業於出售時或當投資物業永久不再使用及預期出售投資物業不會帶來未來經濟利益時終止確認。終止確認物業產生之任何收益或虧損(按該資產之出售所得款項淨額與賬面值間之差額計算)於該物業終止確認之期間計入損益。

物業、機器及設備及使用權資產之減值

本集團於報告期末檢討其物業、機器及設備及使用權資產之賬面值以確定是否有任何跡象表明該等資產存在減值虧損。倘存在任何該等跡象，則會估計相關資產之可收回金額，以釐定減值虧損(如有)之程度。

物業、機器及設備及使用權資產之可收回金額乃個別估計。倘無法個別估計可收回金額，則本集團估計該項資產所屬之現金產生單位(「現金產生單位」)之可收回金額。

此外，本集團評估是否有跡象顯示企業資產可能減值。如有該等跡象，當可識別合理及一致的分配基準時，企業資產亦會分配至個別現金產生單位，否則分配至有可識別合理一致分配基準之現金產生單位之最小組別。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Impairment on property, plant and equipment and right-of-use assets (CONTINUED)

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a CGU) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or a CGU) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a CGU, the Group compares the carrying amount of a group of CGUs, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of CGUs, with the recoverable amount of the group of CGUs. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of CGUs. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of CGUs. An impairment loss is recognised immediately in profit or loss.

3. 主要會計政策 (續)

物業、機器及設備及使用權資產之減值 (續)

可收回金額為公平價值減出售成本及使用價值兩者之較高者。於評估使用價值時，估計未來現金流量採用稅前折現率折現至其現值，而有關折現率反映當前市場對貨幣時間價值及估計未來現金流量未經調整之資產（或現金產生單位）之特定風險之評估。

倘預計一項資產（或現金產生單位）之可收回金額低於其賬面值，則該項資產（或現金產生單位）之賬面值應扣減至其可收回金額。就無法按合理及一致基準分配至現金產生單位的企業資產或部分企業資產而言，本集團將一組現金產生單位的賬面值（包括分配至該組現金產生單位的企業資產或部分企業資產的賬面值）與該組現金產生單位的賬面值之可收回金額進行比較。分配減值虧損時，首先分配減值虧損，以減少任何商譽（如適用）之賬面值，繼而根據單位或該組現金產生單位中各項資產之賬面值按比例分配至其他資產。調低後之資產賬面值不得低於以下三者之中最高者：該資產之公平價值扣除出售成本（如可釐定）之數、其使用價值（如可釐定）及零。原應分配至該資產之減值虧損金額，乃按比例分配至該單位或該組現金產生單位其他資產。減值虧損即時於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Impairment on property, plant and equipment and right-of-use assets (CONTINUED)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU or a group of CGUs) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a CGU or a group of CGUs) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

3. 主要會計政策 (續)

物業、機器及設備及使用權資產之減值 (續)

倘減值虧損於日後撥回，則該項資產（或現金產生單位或一組現金產生單位）之賬面值增至其經重新估計之可收回金額，惟增加後賬面值不得超過該項資產（或現金產生單位或一組現金產生單位）於過往年度未確認減值虧損所釐定之賬面值。撥回之減值虧損即時於損益確認。

存貨

存貨按成本及可變現淨值兩者中之較低者列賬。存貨成本乃按加權平均法釐定。可變現淨值指存貨估計售價減所有估計完成成本及進行出售所需成本。

金融工具

倘集團實體成為工具合約條文之訂約方，則確認金融資產及金融負債。所有按常規方式買賣之金融資產於交易日確認及終止確認。按常規方式買賣指須根據市場規例或慣例訂立之時間內交付資產之金融資產買賣。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (CONTINUED)

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets at fair value through profit or loss (“FVTPL”)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Dividend income which are derived from the Group’s ordinary course of business are presented as revenue.

3. 主要會計政策 (續)

金融工具 (續)

金融資產及金融負債初始按公平價值計量，惟來自客戶合約之貿易應收賬款初步根據香港財務報告準則第15號計量。因收購或發行金融資產及金融負債(透過損益按公平價值計量(「透過損益按公平價值計量」)之金融資產除外)而直接產生之交易成本於初始確認時計入或扣除自金融資產或金融負債(如適用)之公平價值。因收購透過損益按公平價值計量之金融資產而直接產生之交易成本即時於損益確認。

實際利率法乃計算金融資產或金融負債之攤銷成本及分配相關期間利息收入及利息開支之方法。實際利率乃按金融資產或金融負債之預計年期或適用之較短期間，準確折現估計未來現金收入及付款(包括構成實際利率不可或缺部分之一切已付或已收費用及點數、交易成本及其他溢價或折讓)至於初始確認時賬面淨值之利率。

於本集團日常業務過程中產生的股息收入呈列為收益。

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綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (CONTINUED)

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

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

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both selling and collecting contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3. 主要會計政策 (續)

金融工具 (續)

金融資產

金融資產之分類及隨後計量

符合以下條件的金融資產隨後按攤銷成本計量：

- 以旨在收取合約現金流量之經營模式持有之金融資產；及
- 合約條款於指定日期產生之現金流量純粹為支付本金及未償還本金之利息。

符合下列條件的金融資產其後以透過其他全面收益按公平價值(「透過其他全面收益按公平價值」)計量：

- 以旨在出售及收取合約現金流量之業務模式持有之金融資產；及
- 合約條款於指定日期產生之現金流量純粹為支付本金及未償還本金之利息。

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綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Classification and subsequent measurement of financial assets (CONTINUED)

All other financial assets are subsequently measured at FVTPL, except that at the date of initial application of HKFRS 9/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 “Business Combinations” applies.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產之分類及隨後計量 (續)

所有其他金融資產其後透過其他全面收益按公平價值計量，但在初始應用香港財務報告準則第9號／初始確認金融資產之日，倘某項權益投資既非持作買賣，亦非香港財務報告準則第3號「企業合併」所適用之企業合併收購方確認的或然代價，本集團可不可撤銷地選擇於其他全面收益呈列該權益投資的其後公平價值變動。

倘若出現下列情況，則金融資產為持作買賣：

- 其主要為於不久將來出售而購入；或
- 其於初步確認時為構成本集團合併管理之已識別金融工具組合一部分，且近期出現實際短期獲利規律；或
- 其並非指定為有效對沖工具之衍生工具。

此外，倘將須按攤銷成本或透過其他全面收益按公平價值計量之金融資產指定為透過損益按公平價值計量，將可以消除或顯著減少會計錯配，則本集團可以作出不可撤銷之指定。

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綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Classification and subsequent measurement of financial assets (CONTINUED)

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the "other income, gains and losses" line item.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產之分類及隨後計量 (續)

(i) 攤銷成本及利息收入

其後按攤銷成本計量的金融資產的利息收入乃使用實際利率法予以確認。利息收入乃透過對一項金融資產賬面總值應用實際利率予以計算，惟其後出現信貸減值的金融資產除外（見下文）。就其後出現信貸減值的金融資產而言，自下一報告期起，利息收入乃透過對金融資產攤銷成本應用實際利率予以確認。倘出現信貸減值金融工具的信貸風險好轉，使金融資產不再出現信貸減值，則自確定該資產不再出現信貸減值後的報告期初起，透過將實際利率應用於該金融資產的賬面總值對利息收入加以確認。

(ii) 透過損益按公平價值計量之金融資產

金融資產如不符合按攤銷成本或透過其他全面收益按公平價值計量或指定為透過其他全面收益按公平價值計量的條件，則透過損益按公平價值計量。

透過損益按公平價值計量的金融資產於各報告期末按公平價值計量，而任何公平價值收益或虧損均於損益內確認。於損益確認的淨收益或虧損不包括金融資產所賺取的任何股息或利息，並計入其他「其他收入、收益及虧損」項目。

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Impairment of financial assets

The Group performs impairment assessment under expected credit loss (“ECL”) model on financial assets (including trade and other receivables and bank balances). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL (“12m ECL”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables. The ECL on these assets are assessed individually for debtors with significant balances and/or collectively using a provision matrix with appropriate groupings.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值

本集團根據預期信貸虧損(「預期信貸虧損」)模式就金融資產(包括貿易賬款及其他應收賬款以及銀行結餘)進行減值評估。預期信貸虧損金額於各呈報日期更新，以反映自首次確認以來信貸風險的變化。

全期預期信貸虧損指相關工具的預計年期內所有可能的違約事件將產生的預期信貸虧損。相反，12個月預期信貸虧損(「12個月預期信貸虧損」)指預期於呈報日期後12個月內可能發生的違約事件導致的全期預期信貸虧損的一部分。評估乃根據本集團過往信貸虧損經驗進行，並就債務人特有的因素、一般經濟狀況以及對呈報日期的當前狀況及未來狀況預測的評估作出調整。

本集團一向就貿易應收賬款確認全期預期信貸虧損。該等資產的預期信貸虧損乃就具有顯著結餘的應收賬款個別評估及／或使用具有合適組別的撥備矩陣進行整體評估。

對所有其他工具而言，本集團計量等於12個月預期信貸虧損的虧損撥備，除非自首次確認以來信貸風險顯著增加，則本集團確認全期預期信貸虧損。評估是否應確認全期預期信貸虧損乃基於自首次確認以來發生違約的可能性或風險是否顯著增加。

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Impairment of financial assets (CONTINUED)

(i) Significant increase in credit risk

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

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(i) 信貸風險顯著增加

於評估自首次確認以來信貸風險是否顯著增加時，本集團將金融工具於呈報日期發生的違約風險與該金融工具於首次確認日期發生的違約風險進行比較。進行此評估時，本集團考慮合理且有理據的定量及定性資料，包括過往經驗及無需付出不必要的成本或努力而可獲得的前瞻性資料。

特別是，在評估信貸風險是否顯著增加時會考慮以下資料：

- 金融工具的外部(如有)或內部信貸評級的實際或預期顯著惡化；
- 信貸風險的外部市場指標顯著惡化，例如債務人的信貸息差及信用違約掉期價格顯著上升；
- 預計將導致債務人履行其債務責任的能力顯著下降的業務、財務或經濟狀況的現有或預測的不利變化；

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Impairment of financial assets (CONTINUED)

- (i) Significant increase in credit risk (CONTINUED)
- an actual or expected significant deterioration in the operating results of the debtor;
 - an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

- (ii) Definition of default
- For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (續)

- (i) 信貸風險顯著增加 (續)
- 債務人經營業績的實際或預期顯著惡化；
 - 導致債務人履行其債務責任的能力顯著下降的債務人監管、經濟或技術環境的實際或預期的重大不利變化。

不論上述評估的結果，本集團認為，倘合約付款逾期超過30天，則自首次確認以來信貸風險已顯著增加，除非本集團具備合理且有理據的資料作為相反憑證。

本集團定期監控用以識別信用風險有否顯著增加的標準之效力，且修訂標準（如適當）以確保標準能在款項逾期前識別信用風險顯著增加。

- (ii) 違約定義
- 就內部信貸風險管理而言，本集團認為，違約事件在內部制訂或得自外界來源的資料顯示債務人不大可能悉數向其債權人（包括本集團）還款（未計及本集團所持任何抵押品）時發生。

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Impairment of financial assets (CONTINUED)

(ii) Definition of default (CONTINUED)

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(ii) 違約定義(續)

不論上文所述，本集團認為，倘金融資產逾期超過90天則已發生違約，除非本集團具備合理且有理據的資料證明更滯後的違約標準屬更合適。

(iii) 信貸減值金融資產

金融資產在一項或以上事件(對該金融資產估計未來現金流量構成不利影響)發生時發生信貸減值。金融資產發生信貸減值的證據包括有關下列事件的可觀察數據：

- 發行人或借款人的重大財困；
- 違反合約(如違約或逾期事件)；
- 借款人的貸款人因有關借款人財困的經濟或合約理由而向借款人批出貸款人不會另行考慮的優惠；或
- 借款人可能陷入破產或其他財務重組。

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Impairment of financial assets (CONTINUED)

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (續)

(iv) 撇銷政策

倘有資料顯示對手方處於嚴重財困及無實際收回可能時(如對手方被清盤或進入破產程序,或(如為貿易應收賬款)金額已逾期超過兩年(以較早發生者為準)),本集團撇銷金融資產。經考慮法律意見後(倘合適),遭撇銷的金融資產可能仍須按本集團收回程序進行強制執行活動。撇銷構成終止確認事項。任何其後收回在損益中確認。

(v) 預期信貸虧損的計量及確認

預期信貸虧損的計量乃違約概率、違約虧損率(即違約造成虧損的幅度)及違約風險的函數。違約概率及違約虧損率的評估基於歷史數據並結合前瞻性資料調整。預期信貸虧損的估計乃無偏概率加權平均金額,以各自發生違約的風險為權重確定。

一般而言,預期信貸虧損為根據合約應付本集團的所有合約現金流量與本集團預期收取的現金流量之間的差額,並以首次確認時釐定的實際利率貼現。

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Impairment of financial assets (CONTINUED)

(v) Measurement and recognition of ECL (CONTINUED)

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments;
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables where the corresponding adjustment is recognised through a loss allowance account.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

金融資產減值 (續)

(v) 預期信貸虧損的計量及確認 (續)

倘預期信貸虧損按集體基準計量或迎合個別工具水平證據未必存在的情況，則金融工具按以下基準分組：

- 金融工具性質；
- 逾期狀況；
- 債務人的性質、規模及行業；及
- 外部信貸評級 (倘有)。

分組工作經管理層定期檢討，以確保各組別成份繼續具有類似信貸風險特性。

利息收入按金融資產的賬面總值計算，除非金融資產發生信貸減值，則利息收入按金融資產的攤銷成本計算。

本集團透過調整所有金融工具的賬面值於損益確認其減值收益或虧損，惟貿易應收賬款除外，其透過虧損撥備賬確認相應調整。

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

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (CONTINUED)

Financial assets (CONTINUED)

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities including trade and other payables and lease liabilities are subsequently measured at amortised cost, using the effective interest method.

3. 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

終止確認金融資產

本集團僅於資產所產生現金流量之合約權利屆滿時，方會終止確認金融資產。

於終止確認按攤銷成本計量之金融資產時，資產賬面值與已收及應收代價之總和間之差額乃於損益確認。

金融負債及股本

分類為債務或股本

債務及股本工具按合約安排之內容以及金融負債及股本工具之定義分類為金融負債或權益。

股本工具

股本工具指證明於實體資產扣除其所有負債後之剩餘權益的任何合約。由本公司發行之股本工具按已收取所得款項扣除直接發行成本確認。

金融負債

金融負債(包括貿易及其他應付賬款以及租賃負債)其後採用實際利率法按攤銷成本計量。

Notes to the Consolidated Financial Statements

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3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Financial instruments (CONTINUED)

Financial liabilities and equity (CONTINUED)

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

3. 主要會計政策 (續)

金融工具 (續)

金融負債及股本 (續)

終止確認金融負債

當及僅當本集團之責任獲解除、取消或已到期時，本集團方會終止確認金融負債。已終止確認之金融負債之賬面值與已付及應付代價間之差額於損益確認。

4. 估計不明朗因素之主要來源

本公司董事於應用附註3所述本集團之會計政策時，須就無法即時明顯從其他來源得知之資產及負債賬面值作出判斷、估計及假設。有關估計及相關假設乃根據過往經驗及其他被視為相關之因素作出。實際結果可能不同於該等估計。

該等估計及相關假設按持續基準進行檢討。如修訂該等會計估計僅對修訂期間有影響，則該等修訂在該期間確認，如有關修訂同時影響現時及未來期間，則在修訂期間及未來期間確認。

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

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

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

Estimated impairment of property, plant and equipment and right-of-use assets

Property, plant and equipment and right-of-use assets are stated at costs less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgement and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset (including right-of-use assets), the Group estimates the recoverable amount of the CGU to which the assets belong. Changing the assumptions and estimates, including the discount rates or the growth rate in the cash flow projections, could materially affect the net present value used in the impairment test.

As at 31 December 2019, the carrying amounts of property, plant and equipment and right-of-use assets are HK\$253,961,000 and HK\$33,746,000 (2018: HK\$296,234,000 and nil) respectively, after taking into account the impairment losses of HK\$22,128,000 and HK\$9,200,000 (2018: HK\$14,772,000 and nil) in respect of property, plant and equipment and right-of-use assets that have been recognised respectively. Details of the impairment of property, plant and equipment and right-of-use assets are disclosed in notes 15 and 16 respectively.

4. 估計不明朗因素之主要來源 (續)

以下為有關未來之主要假設以及於報告期末時之估計不明朗因素之其他主要來源，兩者均存在可能導致須大幅調整下一財政年度之資產及負債賬面值之重大風險。

物業、機器及設備以及使用權資產之減值評估

物業、機器及設備以及使用權資產按成本減累計折舊及減值(如有)呈列。於釐定資產是否減值時，本集團必須行使判斷及作出估計，尤其在評估以下各項時：(1)是否發生可能影響資產價值的任何事件或任何跡象；(2)資產賬面值是否可由可收回金額(倘屬使用價值，按資產持續使用基準估計的未來現金流量之現值淨額)支持；及(3)於估計可收回金額(包括現金流量預測)時將應用的適當主要假設及適當貼現率。當不可能估計個別資產的可收回金額(包括使用權資產)時，則本集團估計資產所屬現金產生單位的可收回金額。更改假設及估計(包括現金流量預測中的貼現率或增長率)可能對減值測試所用的現值淨額造成重大影響。

於二零一九年十二月三十一日，經分別計及物業、機器及設備以及使用權資產之已確認減值虧損22,128,000港元及9,200,000港元(二零一八年：14,772,000港元及無)後，物業、機器及設備以及使用權資產的賬面值分別為253,961,000港元及33,746,000港元(二零一八年：296,234,000港元及無)。物業、機器及設備以及使用權資產減值之詳情分別披露於附註15及16。

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綜合財務報表附註

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Valuation of investment properties

Investment properties are stated at fair value based on the valuation performed by an independent professional valuer. In determining the fair value, the valuer has based on a method of valuation which involves certain estimates of market conditions and assumptions made on the investment properties, including market rent and capitalization rate.

In relying on the valuation report, the directors of the Company have exercised their judgement and are satisfied that the assumptions used in the valuation are reflective of the current market conditions and current development of the investment properties. Changes to these assumptions would result in changes in the fair values of the Group's investment properties and the corresponding adjustments to the amount of gain or loss reported in profit or loss. As at 31 December 2019, the carrying amount of investment properties is HK\$90,000,000 (2018: HK\$130,000,000).

Depreciation of hotel properties

Hotel properties are depreciated on a straight-line basis over their estimated useful lives with consideration of the remaining term of the leases and the remaining years of co-operative period. Their useful lives reflect the directors' estimate of the periods that the Group intends to derive economic benefits from the use of the Group's hotel properties. Changes in assumptions relating to these factors could affect the rate at which the hotel properties are depreciated and the carrying amount of the hotel properties.

4. 估計不明朗因素之主要來源 (續)

投資物業之估值

投資物業乃根據獨立專業估值師進行之估值而按公平價值列賬。釐定公平價值時，估值師所依據的估值方法涉及若干市況估計及對投資物業所作假設（包括市場租金及資本化率）。

倚賴估值報告時，本公司董事已作出判斷，並信納估值所用假設反映投資物業之當前市況及當前發展狀況。該等假設之變動將導致本集團投資物業公平價值發生變動及對於損益中列報之損益金額作出相應調整。於二零一九年十二月三十一日，投資物業賬面值為90,000,000港元（二零一八年：130,000,000港元）。

酒店物業折舊

酒店物業以直線法按其估計可使用年期折舊，並計及租約之剩餘年期及合作期間剩餘年數。其可使用年期反映董事對本集團計劃透過使用本集團酒店物業獲取經濟利益期間之估計。與該等因素相關之假設變動或會影響酒店物業折舊率及酒店物業之賬面值。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Deferred tax asset

As at 31 December 2019, no deferred tax asset has been recognised on the tax losses of HK\$694,724,000 due to the unpredictability of future profit streams. The realisability of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In cases where the actual future taxable profits generated are more than expected, or change in facts and circumstances which result in revision of future taxable profits estimation, a material recognition of deferred tax assets may arise, which would be recognised in profit or loss for the period in which such recognition takes place.

Provision of ECL for trade receivables

Trade receivables with significant balances and credit-impaired are assessed for ECL individually. In addition, the Group uses provision matrix to calculate ECL for the trade receivables which are individually insignificant. The provision rates are based on past due analysis as groupings of various debtors that have similar loss patterns. The provision matrix is based on the Group's historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered.

The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group's trade receivables are disclosed in note 33.

4. 估計不明朗因素之主要來源 (續)

遞延稅項資產

於二零一九年十二月三十一日，由於未來溢利來源不可預測，故並無就稅項虧損694,724,000港元確認遞延稅項資產。遞延稅項資產之變現主要取決於未來是否可獲得足夠未來溢利或應課稅暫時性差額。倘實際產生之未來應課稅溢利超過預期或事實及情況發生變動導致未來應課稅溢利估計發生變動，則可能會導致重大遞延稅項資產確認，且有關確認將於確認期間於損益確認。

貿易應收賬款預期信貸虧損撥備

對有重大結餘及信貸減值之貿易應收賬款之預期信貸虧損進行單獨評估。此外，本集團採用撥備矩陣計算個別非重大之貿易應收賬款之預期信貸虧損。撥備率乃基於逾期分析釐定，原因為不同應收賬款組別具有類似虧損模式。撥備矩陣乃基於本集團之過往違約率，並計及無需付出不必要的成本或努力而可獲得的合理且有理據的前瞻性資料。於各報告日期，對過往觀察到的違約率予以重新評估，且計及前瞻性資料之變動。

預期信貸虧損撥備受估計變動影響。有關預期信貸虧損及本集團貿易應收賬款之資料於附註33披露。

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4. KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Impairment of other receivables

ECL for other receivables are assessed on 12m ECL basis as there had been no significant increase in credit risk since initial recognition. Assessment are done based on the Group's historical credit loss experience, general conditions, internal credit ratings and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions. The provision of ECL is sensitive to changes in estimates.

5. REVENUE

Disaggregation of revenue from contracts with customers

Segments	分類	2019 二零一九年	
		Hotel operations HK\$'000 酒店經營 千港元	Securities trading HK\$'000 證券買賣 千港元
Types of services	服務類型		
Hotel rooms	酒店客房	138,675	—
Food and beverage	餐飲	28,807	—
		167,482	—
Geographical markets	地域市場		
Hong Kong	香港	75,427	—
The PRC	中國	92,055	—
		167,482	—
Timing of revenue recognition	收入確認時間		
At a point in time	於某一時間點	28,807	—
Over time	隨時間	138,675	—
		167,482	—

4. 估計不明朗因素之主要來源 (續)

其他應收賬款減值

其他應收賬款之預期信貸虧損評估乃按十二個月預期信貸虧損基準進行，原因是信貸風險自初步確認以來並無顯著增加。評估乃基於本集團過往信貸虧損經驗、整體狀況、內部信貸評級及評估報告日期現狀及對未來狀況之預測作出。預期信貸虧損撥備受估計變動影響。

5. 收入

來自客戶合約之收入的分類

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5. REVENUE (CONTINUED)

Disaggregation of revenue from contracts with customers (CONTINUED)

5. 收入(續)

來自客戶合約之收入的分類(續)

Segments	分類	2018 二零一八年	
		Hotel operations HK\$'000 酒店經營 千港元	Securities trading HK\$'000 證券買賣 千港元
Types of services	服務類型		
Hotel rooms	酒店客房	180,482	—
Food and beverage	餐飲	33,656	—
		214,138	—
Geographical markets	地域市場		
Hong Kong	香港	106,746	—
The PRC	中國	107,392	—
		214,138	—
Timing of revenue recognition	收入確認時間		
At a point in time	於某一時間點	33,656	—
Over time	隨時間	180,482	—
		214,138	—

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5. REVENUE (CONTINUED)

Disaggregation of revenue from contracts with customers (CONTINUED)

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information.

		2019 HK\$'000 二零一九年 千港元	2018 HK\$'000 二零一八年 千港元
Hotel operations	酒店經營	167,482	214,138
Securities trading	證券買賣	-	-
Revenue from contracts with customers	來自客戶合約之收入	167,482	214,138
Rental income from leases	來自租賃之租金收入	47,655	48,873
Dividend income	股息收入	239	-
Total revenue	總收入	215,376	263,011

Performance obligations for contracts with customers

The Group's revenue from contracts with customers consist of hotel rooms and food and beverage.

The transaction price of hotel rooms and food and beverage is the net amount collected from the customer for such goods and services. The transaction price for such transactions is recorded as revenue when the good or service is transferred or rendered to the customer during their stay at the hotel or when the delivery is made for food and beverage.

The Group has certain contracts that include multiple goods and services, such as packages that bundle food and beverage and other services with hotel stays. For such arrangements, the Group allocates revenue to each good or service based upon its relative standalone selling price. The Group primarily determines the standalone selling price of hotel rooms and food and beverage based upon the amount that the Group charges when each is sold separately in similar circumstances to similar customers.

5. 收入 (續)

來自客戶合約之收入的分類 (續)

下文載列來自客戶合約之收入與分類資料所披露之金額之對賬。

客戶合約之履約責任

本集團之客戶合約收入包括酒店客房及餐飲。

酒店客房與餐飲之交易價格為就有關貨品或服務自客戶收取之款項淨額。於客戶入住酒店期間向客戶轉讓或提供貨品或服務時或當交付餐飲時，有關交易之交易價格入賬列作收入。

本集團之若干合約包括多種貨品及服務，如將餐飲及其他服務與酒店住宿結合之組合。就該等安排而言，本集團以相對獨立售價基準將收入分配至各貨品或服務。本集團主要基於在相似情況下其向相似客戶單獨提供酒店客房及餐飲時收取之金額釐定各自之單獨售價。

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5. REVENUE (CONTINUED)

Leases

		2019 HK\$'000 二零一九年 千港元
For operating leases:	就經營租賃而言：	
Lease payments that are fixed	固定租賃付款	47,655
Variable lease payments that do not depend on an index or rate	並非取決於指數或利率的可變租賃付款	-
Total revenue arising from leases	租賃產生的總收入	47,655
		2018 HK\$'000 二零一八年 千港元
Total revenue arising from leases:	租賃產生的總收益：	
Operating leases income – property	經營租賃收入－物業	48,873

No contingent rental is included in operating lease income.

或然租金並不計入經營租賃收入。

The Group leases out various offices, warehouses, advertising spaces, restaurants and retail stores under operating leases with rentals payable monthly. The leases typically run for an initial period of one to eight years.

本集團根據經營租賃出租多個辦公室、倉庫、廣告位、餐廳及零售店，租金須每月支付。該等租賃的初始期限一般為一至八年。

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in the respective functional currencies of group entities. The lease contracts do not contain residual value guarantee and/or lessee's option to purchase the property at the end of lease term.

由於所有租賃均以集團實體各自的功能貨幣計值，故本集團並無因租賃安排而面臨外幣風險。租賃合約並無載有剩餘價值擔保及／或承租人於租賃期結束時購買物業的選擇權。

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6. OPERATING SEGMENTS

Information reported to the executive directors of the Company, being the chief operating decision maker (“CODM”), for the purposes of resource allocation and assessment of segment performance focuses on types of services provided and activities carried out by the Group’s operating divisions.

No operating segments have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group’s reportable segments under HKFRS 8 “Operating Segments” are as follows:

1. Hotel operations - hotel accommodation, food and banquet operations and rental income from rentals of shop units situated in the hotels of the Group and from rentals of investment properties; and
2. Securities trading - trading of equity securities

6. 經營分類

向本公司執行董事，即主要營運決策者（「主要營運決策者」）呈報用於分配資源及評估分類表現之資料乃集中於本集團經營分類所提供之服務類型及所進行之活動。

概無匯總經營分類以達致本集團可呈報分類。

具體而言，本集團根據香港財務報告準則第8號「經營分類」劃分之可報告分類如下：

1. 酒店經營—酒店住宿、餐膳及宴會業務，以及來自位於本集團酒店的商舖單位的租金及來自投資物業的租金收入；及
2. 證券買賣—股本證券買賣。

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

6. OPERATING SEGMENTS (CONTINUED)

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segments:

Year ended 31 December 2019

6. 經營分類(續)

分類收入及業績

以下為本集團收入及業績按可報告分類之分析。

截至二零一九年十二月三十一日止年度

		Hotel operations HK\$'000 酒店經營 千港元	Securities trading HK\$'000 證券買賣 千港元	Consolidated HK\$'000 綜合 千港元
Segment revenue	分類收入	215,137	239	215,376
Segment (loss) profit excluding depreciation of property, plant and equipment, impairment loss on property, plant and equipment, Impairment loss on right-of-use assets and loss on fair value changes of investments held for trading	分類(虧損)溢利(不包括物業、機器及設備折舊、物業、機器及設備減值虧損、使用權資產減值虧損以及持作買賣投資之公平價值變動虧損)	(9,443)	228	(9,215)
Depreciation of property, plant and equipment	物業、機器及設備折舊	(29,544)	–	(29,544)
Impairment loss on property, plant and equipment	物業、機器及設備減值虧損	(7,356)	–	(7,356)
Impairment loss on right-of-use assets	使用權資產減值虧損	(9,200)	–	(9,200)
Loss on fair value changes of investments held for trading	持作買賣投資公平價值變動虧損	–	(3,089)	(3,089)
Segment loss	分類虧損	(55,543)	(2,861)	(58,404)
Directors' emoluments	董事酬金			(3,548)
Interest income on bank deposits	銀行存款之利息收入			7,623
Loss on fair value changes of investment properties	投資物業公平價值變動虧損			(37,743)
Central administrative costs and unallocated corporate expenses	中央行政成本及未分配企業開支			(17,426)
Loss before tax	除稅前虧損			(109,498)

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6. OPERATING SEGMENTS (CONTINUED)

Segment revenue and results (CONTINUED)

Year ended 31 December 2018

		Hotel operations HK\$'000 酒店經營 千港元	Securities trading HK\$'000 證券買賣 千港元	Consolidated HK\$'000 綜合 千港元
Segment revenue	分類收入	263,011	–	263,011
Segment profit (loss) excluding depreciation of property, plant and equipment and loss on fair value changes of investments held for trading	分類溢利(虧損)(不包括物業、機器及設備折舊以及持作買賣投資之公平價值變動虧損)	24,217	(403)	23,814
Depreciation of property, plant and equipment	物業、機器及設備折舊	(36,422)	–	(36,422)
Loss on fair value changes of investments held for trading	持作買賣投資公平價值變動虧損	–	(9,442)	(9,442)
Segment loss	分類虧損	(12,205)	(9,845)	(22,050)
Directors' emoluments	董事酬金			(3,226)
Interest income on bank deposits	銀行存款之利息收入			3,975
Loss on fair value changes of investment properties	投資物業公平價值變動虧損			(26,704)
Central administrative costs and unallocated corporate expenses	中央行政成本及未分配企業開支			(17,760)
Loss before tax	除稅前虧損			(65,765)

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. Segment loss represents the loss from each segment without allocation of directors' emoluments, interest income on bank deposits, loss on fair value changes of investment properties and central administrative costs and unallocated corporate expenses. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

6. 經營分類(續)

分類收入及業績(續)

截至二零一八年十二月三十一日止年度

	Hotel operations HK\$'000 酒店經營 千港元	Securities trading HK\$'000 證券買賣 千港元	Consolidated HK\$'000 綜合 千港元
分類收入	263,011	–	263,011
分類溢利(虧損)(不包括物業、機器及設備折舊以及持作買賣投資之公平價值變動虧損)	24,217	(403)	23,814
物業、機器及設備折舊	(36,422)	–	(36,422)
持作買賣投資公平價值變動虧損	–	(9,442)	(9,442)
分類虧損	(12,205)	(9,845)	(22,050)
董事酬金			(3,226)
銀行存款之利息收入			3,975
投資物業之公平價值變動虧損			(26,704)
中央行政成本及未分配企業開支			(17,760)
除稅前虧損			(65,765)

經營分類之會計政策與附註3所述本集團會計政策相同。分類虧損指各分類產生之虧損，當中並未分配董事酬金、銀行存款之利息收入、投資物業之公平價值變動虧損以及中央行政成本及未分配企業開支。此乃向主要營運決策者呈報供其分配資源及評估業績之計量方法。

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6. OPERATING SEGMENTS (CONTINUED)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

		2019 HK\$'000 二零一九年 千港元	2018 HK\$'000 二零一八年 千港元
Segment assets	分類資產		
Hotel operations	酒店經營	324,399	306,018
Securities trading	證券買賣	200	7,216
Total segment assets	分類資產總值	324,599	313,234
Investment properties	投資物業	90,000	130,000
Bank balances and cash	銀行結餘及現金	1,816,076	1,859,781
Assets classified as held for sale	分類為持作出售之資產	49,910	50,438
Other unallocated assets	其他未分配資產	10,785	37,589
Consolidated assets	綜合資產	2,291,370	2,391,042
Segment liabilities	分類負債		
Hotel operations	酒店經營	115,926	93,987
Securities trading	證券買賣	485	2,592
Total segment liabilities	分類負債總額	116,411	96,579
Tax liabilities	稅項負債	9,859	9,873
Deferred tax liabilities	遞延稅項負債	30,055	33,041
Liabilities classified as held for sale	分類為持作出售之負債	37,053	36,618
Consolidated liabilities	綜合負債	193,378	176,111

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating segments other than investment properties, bank balances and cash, assets classified as held for sale and other unallocated assets; and
- all liabilities are allocated to operating segments other than current and deferred tax liabilities and liabilities classified as held for sale.

6. 經營分類 (續)

分類資產及負債

以下為本集團按可報告及經營分類之資產及負債分析：

為監察分類表現及對各分類作資源分配：

- 所有資產均會分配至經營分類，惟投資物業、銀行結餘及現金、分類為持作出售之資產及其他未分配資產除外；及
- 所有負債均會分配至經營分類，惟即期及遞延稅項負債及分類為持作出售之負債除外。

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6. OPERATING SEGMENTS (CONTINUED)

Other segment information

Year ended 31 December 2019

	Hotel operations HK\$'000 酒店經營 千港元	Securities trading HK\$'000 證券買賣 千港元	Unallocated HK\$'000 未分配 千港元	Consolidated HK\$'000 綜合合計 千港元
Amounts included in the measure of segment loss or segment assets:				
Addition to property, plant and equipment	476	–	–	476
Depreciation of property, plant and equipment	29,544	–	276	29,820
Depreciation of right-of-use assets	38,703	–	803	39,506
Loss on disposal of property, plant and equipment	29	–	–	29
Write-off of trade receivables	934	–	–	934

Year ended 31 December 2018

	Hotel operations HK\$'000 酒店經營 千港元	Securities trading HK\$'000 證券買賣 千港元	Unallocated HK\$'000 未分配 千港元	Consolidated HK\$'000 綜合合計 千港元
Amounts included in the measure of segment loss or segment assets:				
Addition to property, plant and equipment	543	–	–	543
Depreciation of property, plant and equipment	36,422	–	276	36,698
Loss on disposal of property, plant and equipment	21	–	–	21

6. 經營分類(續)

其他分類資料

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

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6. OPERATING SEGMENTS (CONTINUED)

Geographical information

The Group's operations are located in Hong Kong and the PRC.

Information about the Group's revenue from external customers is presented based on the location of operations. Information about the Group's non-current assets is presented based on the geographical location of the assets.

6. 經營分類(續)

地域資料

本集團在香港及中國經營業務。

有關本集團來自外部客戶之收入的資料乃按經營地點呈列。有關本集團非流動資產之資料乃按資產所在地理位置呈列。

		Revenue from external customers 來自外部客戶之收入		Non-current assets 非流動資產	
		2019	2018	2019	2018
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		二零一九年	二零一八年	二零一九年	二零一八年
		千港元	千港元	千港元	千港元
Hong Kong	香港	75,666	106,746	33,359	9,943
The PRC	中國	139,710	156,265	344,348	416,291
		215,376	263,011	377,707	426,234

Note: Non-current assets excluded financial instruments.

附註：非流動資產不包括金融工具。

Information about major customers

No single customer contributed over 10% of the total revenue of the Group for both years.

有關主要客戶之資料

於兩個年度，並無任何單一客戶所貢獻收入佔本集團總收益超過10%。

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7. OTHER INCOME, GAINS AND LOSSES

7. 其他收入、收益及虧損

		2019 HK\$'000 二零一九年 千港元	2018 HK\$'000 二零一八年 千港元
Loss from changes in fair value of financial assets mandatorily measured at FVTPL	透過損益按公平價值計量之金融資產公平價值變動虧損		
– held for trading	– 持作買賣投資	(3,089)	(9,442)
Imputed interest income on rental deposit	租金按金之推算利息收入	998	–
Loss on deregistration of a subsidiary	註銷一間附屬公司之虧損	(2,094)	–
Net exchange loss	匯兌虧損淨額	(701)	(2,187)
Interest income on bank deposits	銀行存款之利息收入	7,623	3,975
Sundry income	雜項收入	2,175	1,518
Loss on disposal of property, plant and equipment	出售物業、機器及設備之虧損	(29)	(21)
Write-off of trade receivables	撇銷貿易應收賬款	(934)	–
		3,949	(6,157)

8. FINANCE COSTS

8. 融資成本

		2019 HK\$'000 二零一九年 千港元	2018 HK\$'000 二零一八年 千港元
Interest on lease liabilities	租賃負債之利息	3,449	–
Interest on other borrowings	其他借貸之利息	–	376
		3,449	376

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

9. INCOME TAX EXPENSE (CREDIT)

9. 所得稅開支(抵免)

		2019 HK\$'000 二零一九年 千港元	2018 HK\$'000 二零一八年 千港元
Current tax:	即期稅項：		
PRC Enterprise Income Tax	中國企業所得稅	3,504	5,694
Under(over)provision in prior years:	過往年度撥備不足(超額撥備)：		
PRC Enterprise Income Tax	中國企業所得稅	179	171
Capital gain tax (Note)	資本收益稅(附註)	-	(66,744)
Deferred tax (note 26):	遞延稅項(附註26)：		
Current year	本年度	(2,285)	(5,309)
		1,398	(66,188)

Note: This relates to reversal of provision for capital gain tax payable in relation to a deemed disposal of a subsidiary in the PRC that was completed in November 2013.

附註：資本收益稅與就視為出售中國的一間附屬公司(於二零一三年十一月完成)應付資本收益稅的撥備撥回有關。

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

於二零一八年三月二十一日，香港立法會通過《二零一七年稅務(修訂)(第7號)條例草案》(「該草案」)，引入兩級制利得稅率制度。該草案於二零一八年三月二十八日簽署成為法律，並於翌日刊登憲報。根據兩級制利得稅率制度，合資格集團實體的首2,000,000港元的應課稅溢利將按8.25%的稅率徵稅，而超過2,000,000港元的應課稅溢利將按16.5%的稅率徵稅。不符合兩級制利得稅率制度的集團實體應課稅溢利將繼續按16.5%的統一稅率徵稅。

The directors of the Company considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

本公司董事認為，實施兩級利得稅制度所涉及的金額對綜合財務報表並無重大影響。兩個年度的香港利得稅乃按估計應課稅溢利的16.5%計算。

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9. INCOME TAX EXPENSE (CREDIT) (CONTINUED)

No provision for Hong Kong Profits Tax has been made as the Group has no assessable profits arising in Hong Kong for both years.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

The tax charge (credit) for the year can be reconciled to the loss before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

9. 所得稅開支(抵免)(續)

由於本集團於兩個年度並無於香港產生應課稅溢利，因此並無作出香港利得稅撥備。

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司於兩個年度之稅率為25%。

本年度之稅項開支(抵免)可與綜合損益及其他全面收益表之除稅前虧損對賬如下：

		2019 HK\$'000 二零一九年 千港元	2018 HK\$'000 二零一八年 千港元
Loss before tax	除稅前虧損	(109,498)	(65,765)
Tax at the domestic income tax rate of 25% (Note)	按本地所得稅率25%計算之稅項(附註)	(27,375)	(16,441)
Tax effect of expenses not deductible for tax purpose	就稅務目的不可扣減之開支之稅務影響	7,375	5,763
Tax effect of income not taxable for tax purpose	就稅務目的毋須課稅之收入之稅務影響	(1,047)	(1,156)
Tax effect of tax losses not recognised	未確認之稅務虧損之稅務影響	21,194	12,776
Utilisation of tax losses previously not recognised	動用先前未確認之稅項虧損	-	(973)
Tax effect of deductible temporary differences not recognised	未確認之可扣減暫時差異之稅務影響	1,073	416
Reversal of capital gain tax on gain on deemed disposal of a subsidiary	視為出售一間附屬公司的收益相關資本收益稅撥回	-	(66,744)
Underprovision in prior years	過往年度撥備不足	178	171
Income tax expense (credit) for the year	本年度之所得稅開支(抵免)	1,398	(66,188)

Note: The domestic tax rate (which is the PRC Enterprise Income Tax rate) in the jurisdiction where the operation of the Group is substantially based is used.

附註：所使用本地稅率為本集團業務之主要根據地所在司法權區之中國企業所得稅率。

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

10. (LOSS) PROFIT FOR THE YEAR

(Loss) profit for the year has been arrived at after charging (crediting):

10. 年度(虧損)溢利

年內(虧損)溢利已扣除(計入)下列各項：

		2019 HK\$'000 二零一九年 千港元	2018 HK\$'000 二零一八年 千港元
Depreciation of property, plant and equipment	物業、機器及設備折舊	29,820	36,698
Depreciation of right-of-use assets	使用權資產折舊	39,506	-
Total depreciation	折舊總額	69,326	36,698
Auditor's remuneration	核數師酬金	3,027	2,971
Cost of inventories recognised as an expense	已確認為支出之存貨成本	20,390	24,238
Electricity, water and utilities	電費、水費及公用事務費用	13,664	15,478
Employee benefits expense	僱員福利開支	81,349	87,801
Expense relating to short-term leases and other leases with lease terms ending within 12 months of the date of initial application of HKFRS 16	與短期租賃及租賃期於首次應用香港財務報告準則第16號日期12個月內屆滿的其他租賃相關的開支	1,043	-
Hotel management fee	酒店管理費	26,105	24,472
Gross rental income from investment properties less negligible outgoings (included in revenue)	投資物業總租金收入減少量支銷(計入收入)	(23,754)	(24,808)

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

11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

Directors' and chief executive's remuneration for the year, disclosed pursuant to the applicable Listing Rules and Hong Kong Companies Ordinance, is as follows:

Year ended 31 December 2019

	Dr. Yap, Allan HKS'000 葉家海博士 千港元	Mr. Lai Tsz Wah** HKS'000 賴子華先生** 千港元 (Note (a)) (附註(a))	Mr. Dong Bo, Frederic HKS'000 董波先生 千港元 (Note (b)) (附註(b))	Mr. Wong Kui Shing, Danny HKS'000 王鉅成先生 千港元 (Note (c)) (附註(c))	Ms. Chan Ling, Eva* HKS'000 陳玲女士* 千港元 (Note (d)) (附註(d))	Mr. Chan Pak Cheung, Natalis HKS'000 陳百祥先生 千港元 (Note (e)) (附註(e))	Total HKS'000 總計 千港元
(A) Executive directors: (A) 執行董事：							
Fees 袍金	120	-	139	337	-	-	596
Other emoluments: 其他酬金：							
Salaries and other benefits 薪金及其他福利	-	914	-	-	1,699	-	2,613
Retirement benefits 退休福利	-	11	-	-	8	-	19
Sub-total 小計	120	925	139	337	1,707	-	3,228

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group.

11. 董事及行政總裁酬金

根據適用上市規則及香港公司條例披露的年內董事及行政總裁酬金如下：

截至二零一九年十二月三十一日止年度

上列執行董事酬金乃關於彼等就管理本公司及本集團之事務所提供之服務。

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11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (CONTINUED)

11. 董事及行政總裁酬金 (續)

Year ended 31 December 2019 (CONTINUED)

截至二零一九年十二月三十一日止年度
(續)

		Mr. Kwok Ka Lap, Alva HK\$'000 郭嘉立先生 千港元	Mr. Poon Kwok Hing, Albert HK\$'000 潘國興先生 千港元	Mr. Sin Chi Fai HK\$'000 冼志輝先生 千港元	Total HK\$'000 總計 千港元
(B) Independent non-executive directors:	(B) 獨立非執行董事：				
Fees	袍金	100	140	80	320
Other emoluments	其他酬金	-	-	-	-
Sub-total	小計	100	140	80	320

The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

上列獨立非執行董事酬金乃關於彼等出任本公司董事所提供之服務。

		HK\$'000 千港元
Total	總計	3,548

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11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (CONTINUED)

11. 董事及行政總裁酬金 (續)

Year ended 31 December 2018

截至二零一八年十二月三十一日止年度

		Dr. Yap, Allan HK\$'000 葉家海博士 千港元	Ms. Chan Ling, Eva* HK\$'000 陳玲女士* 千港元	Mr. Chan Pak Cheung, Natalis HK\$'000 陳百祥先生 千港元	Total HK\$'000 總計 千港元
(A) Executive directors:	(A) 執行董事：				
Fees	袍金	120	–	–	120
Other emoluments:	其他酬金：				
Salaries and other benefits	薪金及其他福利	–	2,848	–	2,848
Retirement benefits	退休福利	–	18	–	18
Sub-total	小計	120	2,866	–	2,986

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group.

上列執行董事酬金乃關於彼等就管理本公司及本集團之事務所提供之服務。

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11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (CONTINUED)

11. 董事及行政總裁酬金 (續)

Year ended 31 December 2018 (CONTINUED)

截至二零一八年十二月三十一日止年度
(續)

		Mr. Kwok Ka Lap, Alva HK\$'000 郭嘉立先生 千港元	Mr. Poon Kwok Hing, Albert HK\$'000 潘國興先生 千港元	Mr. Sin Chi Fai HK\$'000 冼志輝先生 千港元	Total HK\$'000 總計 千港元
(B) Independent non-executive directors:	(B) 獨立非執行董事：				
Fees	袍金	80	100	60	240
Other emoluments	退休福利計劃供款	—	—	—	—
Sub-total	小計	80	100	60	240

The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

上列獨立非執行董事酬金乃關於彼等出任本公司董事所提供之服務。

		HK\$'000 千港元
Total	總計	3,226

Notes:

- (a) Appointed with effect from 31 May 2019.
- (b) Appointed with effect from 12 August 2019.
- (c) Appointed with effect from 30 September 2019.
- (d) Retired with effect from the conclusion of the annual general meeting of the Company on 30 May 2019.
- (e) Resigned with effect from 12 August 2019.

* Ms. Chan Ling, Eva was also the chief executive of the Company till 30 May 2019 and her emoluments disclosed above include those for services rendered by her as the chief executive.

** Mr. Lai Tsz Wah is also the chief executive of the Company from 31 May 2019 and his emoluments disclosed above include those for services rendered by him as the chief executive.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during both years.

附註：

- (a) 於二零一九年五月三十一日起獲委任。
- (b) 於二零一九年八月十二日起獲委任。
- (c) 於二零一九年九月三十日起獲委任。
- (d) 於本公司於二零一九年五月三十日舉行之股東週年大會結束後起退任。
- (e) 於二零一九年八月十二日起辭任。

* 陳玲女士亦為本公司行政總裁，直至二零一九年五月三十日止，而其於上文所披露之酬金包括其作為行政總裁提供服務之酬金。

** 賴子華先生自二零一九年五月三十一日起亦為本公司行政總裁，而其於上文所披露之酬金包括其作為行政總裁提供服務之酬金。

於兩個年度概無董事或行政總裁放棄或同意放棄任何酬金之安排。

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

11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (CONTINUED)

No emoluments were paid by the Group to any directors as inducement to join or upon joining the Group or as compensation for loss of office as a director in connection with the management of the affairs of any member of the Group for both years.

12. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees of the Group during the year included two directors (2018: one director), details of whose remuneration are set out in note 11 above. Details of the remuneration for the year of the remaining three (2018: four) highest paid employees who are neither a director nor chief executive of the Company are as follows:

11. 董事及行政總裁酬金 (續)

於兩個年度，本集團並無就管理本集團任何成員公司事務而向任何董事支付任何酬金作為加入或加入本集團之後之獎勵或作為離職之補償。

12. 五位最高薪酬人士

年內本集團五位最高薪酬人士包括兩名董事(二零一八年：一名董事)，其酬金詳情載於上文附註11。剩餘三名(二零一八年：四名)既非董事亦非本公司行政總裁之最高薪酬僱員之年內薪酬詳情如下：

		2019 HK\$'000 二零一九年 千港元	2018 HK\$'000 二零一八年 千港元
Salaries and other benefits	薪金及其他福利	2,619	3,552
Retirement benefits	退休福利	54	72
		2,673	3,624

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12. FIVE HIGHEST PAID EMPLOYEES (CONTINUED)

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the following bands is as follows:

		2019 Number of employees 二零一九年 僱員人數	2018 Number of employees 二零一八年 僱員人數
Nil to HK\$1,000,000	零至1,000,000港元	2	2
HK\$1,000,000 to HK\$1,500,000	1,000,001港元至1,500,000港元	1	2
		3	4

No emoluments were paid by the Group to these individuals as an inducement to join or upon joining the Group or as compensation for loss of any office in connection with the management of the affairs of any member of the Group for both years.

13. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during both years.

Subsequent to the end of the reporting period, a special dividend of HK2.5 cents (2018: nil) per ordinary share, in an aggregate amount of HK\$19,730,000 (2018: nil), has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming general meeting.

12. 五位最高薪酬人士(續)

酬金屬以下範圍之並非本公司董事之最高薪酬僱員人數如下：

	2019 Number of employees 二零一九年 僱員人數	2018 Number of employees 二零一八年 僱員人數
	2	2
	1	2
	3	4

於兩個年度，本集團並無就管理本集團任何成員公司事務而向該等人士支付任何酬金作為加入或加入本集團之後之獎勵或作為離職之補償。

13. 股息

於兩個年度概無向本公司普通股股東派付或建議派付股息。

於報告期末後，本公司董事建議派付特別股息每股普通股2.5仙港幣(二零一八年：無)，總額為19,730,000港元(二零一八年：無)，並須待股東於應屆股東大會上批准作實。

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

14. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following data:

14. 每股虧損

本公司擁有人應佔每股基本及攤薄虧損乃按下列數據計算：

	2019 HK\$'000 二零一九年 千港元	2018 HK\$'000 二零一八年 千港元
Loss for the year attributable to owners of the Company for the purposes of basic and diluted loss per share	(95,435)	(3,785)

Number of shares

股份數目

	2019 二零一九年	2018 二零一八年
Weight average number of ordinary shares for the purposes of basic and diluted loss per share	789,211,046	789,211,046

The computation of diluted loss per share for both years does not assume the exercise of the Company's share options since their assumed exercise would result in a decrease in loss per share.

計算兩個年度之每股攤薄虧損時並無假設行使本公司之購股權，原因是假設行使購股權將會導致每股虧損減少。

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

15. PROPERTY, PLANT AND EQUIPMENT

15. 物業、機器及設備

		Hotel properties HK\$'000 (Notes)	Leasehold improvements HK\$'000	Furniture and fixtures HK\$'000	Motor vehicles HK\$'000	Office equipment and machinery HK\$'000	Total HK\$'000
		酒店物業 千港元 (附註)	租賃物業裝修 千港元	傢俬及裝置 千港元	汽車 千港元	辦公室設備及機器 千港元	合計 千港元
Cost	成本						
At 1 January 2018	於二零一八年一月一日	653,437	120,410	17,750	1,846	29,041	822,484
Additions	添置	-	-	520	-	23	543
Reclassified as held for sale	重新分類為持作出售	(166,619)	(2,475)	(2,026)	(252)	(23,928)	(195,300)
Disposals	出售	-	-	(219)	-	(110)	(329)
Exchange adjustments	匯兌調整	(38,075)	(4,849)	(820)	(71)	(1,423)	(45,238)
At 31 December 2018	於二零一八年十二月三十一日	448,743	113,086	15,205	1,523	3,603	582,160
Additions	添置	-	65	411	-	-	476
Disposals	出售	-	-	(314)	-	(8)	(322)
Exchange adjustments	匯兌調整	(10,733)	(1,783)	(270)	(21)	(51)	(12,858)
At 31 December 2019	於二零一九年十二月三十一日	438,010	111,368	15,032	1,502	3,544	569,456
Depreciation and impairment	折舊及減值						
At 1 January 2018	於二零一八年一月一日	280,775	102,231	12,362	798	25,207	421,373
Provided for the year	本年度撥備	31,306	3,293	1,636	262	201	36,698
Reclassified as held for sale	重新分類為持作出售	(124,258)	(408)	(1,820)	(227)	(21,459)	(148,172)
Eliminated on disposals	出售時撇除	-	-	(204)	-	(67)	(271)
Exchange adjustments	匯兌調整	(17,562)	(4,213)	(635)	(52)	(1,240)	(23,702)
At 31 December 2018	於二零一八年十二月三十一日	170,261	100,903	11,339	781	2,642	285,926
Provided for the year	本年度撥備	26,102	1,903	1,422	250	143	29,820
Impairment loss recognised in profit or loss	於損益中確認之減值虧損	6,927	429	-	-	-	7,356
Eliminated on disposals	出售時撇除	-	-	(293)	-	-	(293)
Exchange adjustments	匯兌調整	(5,446)	(1,597)	(218)	(17)	(36)	(7,314)
At 31 December 2019	於二零一九年十二月三十一日	197,844	101,638	12,250	1,014	2,749	315,495
Carrying values	賬面值						
At 31 December 2019	於二零一九年十二月三十一日	240,166	9,730	2,782	488	795	253,961
At 31 December 2018	於二零一八年十二月三十一日	278,482	12,183	3,866	742	961	296,234

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15. PROPERTY, PLANT AND EQUIPMENT

(CONTINUED)

The above items of property, plant and equipment are depreciated on a straight-line basis at the following rates per annum:

Hotel properties (comprising land and buildings)	Over the shorter of the term of lease of land use rights, or the remaining co-operative period
Leasehold improvements	Over the shorter of the term of the lease, or 5 to 10 years
Furniture and fixtures	10% to 20%
Motor vehicles	8 $\frac{1}{3}$ % to 20%
Office equipment and machinery	20%

Notes:

- (a) Included in the hotel properties is a hotel property located in Guangzhou ("Rosedale Guangzhou Hotel") with carrying value of HK\$107,764,000 (2018: HK\$127,405,000), net of accumulated impairment loss of HK\$6,322,000 (2018: HK\$6,322,000), situated in Guangzhou. The Group holds the land use rights and property right of the hotel property for a term expiring in January 2037, under the name of Rosedale Hotel Guangzhou Co., Ltd. ("Rosedale Guangzhou").

Pursuant to a co-operative agreement (the "Co-operative Agreement") entered into between Allied Glory Investment Limited ("Allied Glory"), an indirect non-wholly owned subsidiary of the Company, and the minority shareholder (the "PRC Partner") of Rosedale Guangzhou, the co-operative period for Rosedale Guangzhou is 50 years commencing from 15 January 1987.

Rosedale Guangzhou is a Sino-foreign co-operative joint venture incorporated in the PRC and its major asset is Rosedale Guangzhou Hotel, which it owns and operates. The rights and ownership of Rosedale Guangzhou Hotel would be transferred to the PRC Partner upon the completion of the co-operative period. Pursuant to the approval issued by the Foreign Economic and Trade Commission, Rosedale Guangzhou was granted an initial co-operative period of 30 years and such approval also stated that, subject to the satisfaction of certain conditions, the co-operative period could be extended for a further period of time but not more than 20 years. Rosedale Guangzhou was then granted a business licence with a period of 30 years which expired on 15 January 2017. Upon expiry of the business licence, the PRC Partner refused to cooperate with Allied Glory to jointly apply for the extension of the business licence to 15 January 2037.

15. 物業、機器及設備(續)

以上物業、機器及設備項目乃按直線基準以下列年率折舊。

酒店物業 (包括土地 及樓宇)	按土地使用權之租賃 年期或合作期間剩 餘年數(以較短者 為準)
租賃物業裝修	租賃年期或5至10年 (以較短者為準)
傢俬及裝置	10% – 20%
汽車	8 $\frac{1}{3}$ % – 20%
辦公室設備 及機器	20%

附註：

- (a) 酒店物業包括一座位於廣州市賬面值為107,764,000港元(二零一八年：127,405,000港元)(扣除累計減值虧損6,322,000港元(二零一八年：6,322,000港元))之酒店物業(「珀麗廣州物業」)。本集團以廣州珀麗酒店有限公司(「廣州珀麗」)之名義持有該酒店物業之土地使用權及房屋產權而年期將於二零三七年一月屆滿。

根據合榮投資有限公司(「合榮」，其為本公司之間接非全資附屬公司)與廣州珀麗之少數股東(「中國夥伴」)訂立之合作經營合同書(「合同書」)，廣州珀麗的合作期為一九八七年一月十五日起計五十年。

廣州珀麗為在中國註冊成立的中外合作經營企業，其主要資產為廣州珀麗酒店而廣州珀麗酒店由廣州珀麗擁有及經營。廣州珀麗酒店之權利及擁有權將於合作期完成後轉移至中國夥伴。根據對外經濟貿易委員會發出之批准，廣州珀麗的初步合作期為三十年，而該批准亦訂明，在符合若干條件之情況下，合作期可進一步延長不多於二十年期。廣州珀麗當時所取得的三十年期營業執照已於二零一七年一月十五日屆滿。於營業執照屆滿後，中國夥伴拒絕與合榮合作共同申請將營業執照延期至二零三七年一月十五日。

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

15. PROPERTY, PLANT AND EQUIPMENT

(CONTINUED)

Notes: (CONTINUED)

(a) (CONTINUED)

Allied Glory, therefore, on 8 July 2016 applied to the China International Economic and Trade Arbitration Commission (the "CIETAC") for an arbitral award (the "Arbitral Award") to reinstate the co-operative period of Rosedale Guangzhou to 50 years and the PRC Partner to cooperate with Allied Glory to jointly apply to relevant government authorities to extend the business licence of Rosedale Guangzhou for a further period of 20 years.

On 3 May 2017, Allied Glory received the Arbitral Award issued by the CIETAC pursuant to which the co-operative period for Rosedale Guangzhou under the Co-operative Agreement shall be extended until 15 January 2027 and the PRC Partner shall provide all necessary assistance to Rosedale Guangzhou in the application process for extending its business licence.

The Arbitral Award, being a final award, took effect on the date of issue and is legally binding on all parties to the arbitration. The PRC Partner had, however, refused and/or failed to cooperate with Allied Glory to apply for such extension. Allied Glory then submitted an application to Guangzhou Intermediate People's Court (the "Intermediate Court") for enforcement of the Arbitral Award and the application was accepted by the Intermediate Court in July 2017. The Intermediate Court directed such application to Guangzhou Haizhu Court which subsequently issued an execution order (the "Execution Order") to Bureau of Guangzhou Haizhu Industry and Information Technology (廣州市海珠區科技工業商務和信息化局) and Bureau of Guangzhou Haizhu Market and Quality Supervision (廣州市海珠區市場和質量監督管理局) on 14 September 2017 enabling Allied Glory to apply for the relevant business licence. On 30 November 2017, the Execution Order was suspended due to the fact that, based on the reply from the Bureau of Guangzhou Haizhu Market and Quality Supervision, the unilateral application for the extension of the business licence could not be proceeded as it is subject to further re-submission with relevant extension documents.

On 18 July 2019, the business licence of Rosedale Guangzhou which expired on 15 January 2017 was renewed and the operating period of Rosedale Guangzhou was extended to 15 January 2027.

15. 物業、機器及設備(續)

附註：(續)

(a) (續)

因此，合榮於二零一六年七月八日向中國國際經濟貿易仲裁委員會(「仲裁委員會」)申請裁決書(「裁決書」)以將合作期恢復至五十年並要求中國夥伴與合榮合作共同向相關政府機構申請廣州珀麗的營業執照進一步延期20年。

於二零一七年五月三日，合榮收到仲裁委員會發出的裁決書，據此，合作經營合同書項下的廣州珀麗合作期須延長至二零二七年一月十五日，且中國夥伴在廣州珀麗辦理申請延長其營業執照的過程中須提供一切必須協助。

裁決書屬最終裁決，於發出日期生效並且對參與仲裁各方具有法律約束力。然而，中國夥伴已拒絕及/或未有與合榮合作以申請有關延期。合榮繼而向廣州市中級人民法院(「中級法院」)提出申請執行裁決書，而申請已獲得中級法院於二零一七年七月接納。中級法院將該申請指示廣州海珠法院處理，並其後於二零一七年九月十四日向廣州市海珠區科技工業商務和信息化局及廣州市海珠區市場和質量監督管理局發出執行令(「執行令」)，讓合榮申請相關營業執照。於二零一七年十一月三十日，執行令遭撤銷，原因是根據廣州市海珠區市場和質量監督管理局的回覆，單方面申請延長營業執照須待進一步再次呈交相關延期文件後方可進行。

於二零一九年七月十八日，廣州珀麗已於二零一七年一月十五日屆滿之營業執照獲續期，而廣州珀麗之經營期延長至二零二七年一月十五日。

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

15. PROPERTY, PLANT AND EQUIPMENT

(CONTINUED)

Notes: (CONTINUED)

- (b) Included in the hotel properties in the PRC is a hotel property with a carrying value of HK\$132,402,000 (2018: HK\$151,077,000), net of accumulated impairment loss of HK\$6,927,000 (2018: nil), situated in Shenyang. The Group holds the land use rights and property right of the hotel property for a term expiring on 28 April 2046.
- (c) As at 1 January 2018, included in the hotel properties in the PRC is a hotel property with a carrying value of HK\$52,038,000, net of accumulated impairment loss of HK\$17,496,000, situated in Luoyang. The Group holds the property rights of the hotel property whilst the land use rights is held by Luoyang Power Supply Bureau (now known as Luoyang Power Supply Company of Henan Province Electric Power Company of State Grid), a non-controlling shareholder of Luoyang Golden Gulf (as defined in note 22). Prior to the Group's acquisition of Luoyang Golden Gulf in 2004, on 15 April 1999, Luoyang Power Supply Bureau and Luoyang Golden Gulf entered into a land use rights agreement pursuant to which Luoyang Power Supply Bureau agreed to permit Luoyang Golden Gulf to use the land upon a term commencing from April 1999 to April 2049 for hotel operations. As at 31 December 2018, the carrying value of the hotel properties of HK\$42,211,000 was transferred to held for sale, details of which are set out in note 22.

Impairment assessment of hotel properties

The Group incurred operating losses in its hotel operations segment in the PRC, and there were certain adverse changes in the market and economic environment in the PRC in which the hotel operations of the Group are located. Accordingly, management has reviewed the recoverability of the relevant carrying amounts of the CGUs in the hotel operations segment in the PRC and the recoverability of the relevant carrying amounts of the individual assets of property, plant and equipment if their fair values less costs of disposal are available, as appropriate. Each CGU represents each of the hotel operations that generate independent cash flows.

15. 物業、機器及設備(續)

附註：(續)

- (b) 於中國之酒店物業包括一座位於瀋陽市賬面值為132,402,000港元(二零一八年：151,077,000港元)(扣除累計減值虧損6,927,000港元(二零一八年：無))之酒店物業。本集團持有該酒店物業之土地使用權及房屋產權，年期將於二零四六年四月二十八日屆滿。
- (c) 於二零一八年一月一日，於中國之酒店物業包括一座位於洛陽市賬面值為52,038,000港元(扣除累計減值虧損17,496,000港元)之酒店物業。本集團持有該酒店物業之物業權益，而土地使用權由洛陽金水灣(定義見附註22)之非控股股東洛陽市電業局(現稱國網河南省電力公司洛陽供電公司)持有。於本集團於二零零四年收購洛陽金水灣前，於一九九九年四月十五日，洛陽市電業局與洛陽金水灣訂立土地使用權協議，據此，洛陽市電業局同意批准洛陽金水灣使用該土地，年期由一九九九年四月起至二零四九年四月止，以作酒店業務。於二零一八年十二月三十一日，酒店物業之賬面值為42,211,000港元轉撥至持作銷售，其詳情載於附註22。

酒店物業減值評估

本集團於中國酒店經營分類產生經營虧損，並已於本集團酒店業務所在中國市場及經濟環境出現若干不利轉變。因此，管理層已審閱中國酒店經營分類之相關現金產生單位賬面值之可收回程度，以及個別物業、機器及設備資產之相關賬面值(倘其公平價值減出售成本為可知)(如適用)之可收回程度。各現金產生單位指產生獨立現金流量之各酒店業務。

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15. PROPERTY, PLANT AND EQUIPMENT

(CONTINUED)

Impairment assessment of hotel properties

(CONTINUED)

The recoverable amounts of the CGUs have been determined based on value-in-use calculations with the assistance of Asset Appraisal Limited, an independent professional qualified valuer not connected to the Group. That calculations use cash flow projections based on financial budgets approved by management covering a five-year (2018: five-year) period for Guangzhou and seven-year (2018: five-year) period for Shenyang, with reference to past performance and expectations for market development, and discount rates of 18.31% (2018: 10.76%) and 9.87% (2018: 10.76%) for Guangzhou and Shenyang, respectively. A seven-year financial budget is used in the cash flow projections for Shenyang by management in the current year so as to fully utilise the unused tax losses during the forecast period. The cash flows beyond the period covered in the cash flow projections were extrapolated using a 2% (2018: 2%) growth rate in considering the economic condition of the market.

From the above assessment on each of the hotel operations located in the PRC, the recoverable amount of the CGU of the hotel operations in Shenyang is estimated to be less than the carrying amount by HK\$7,356,000. An impairment loss of HK\$7,356,000 is recognised in profit or loss and allocated to property, plant and equipment of the hotel operations in Shenyang on a pro-rata basis, of which impairment loss of HK\$6,927,000 was allocated to the hotel property in Shenyang. No impairment nor objective evidence of reversal of impairment loss in respect of the hotel properties in Guangzhou was identified for both years based on the above impairment assessment undertaken by management.

15. 物業、機器及設備(續)

酒店物業減值評估(續)

現金產生單位的可收回金額乃於中誠達資產評估顧問有限公司(一間與本集團並無關連的獨立專業合資格評估師)的協助下根據使用價值計算而釐定。該計算採用根據管理層批准的財務預算，並參考過往表現及市場發展預期，以廣州五年期(二零一八年：五年)及瀋陽七年期(二零一八年：五年)為基礎的現金量預測，其中廣州和瀋陽的折現率分別為18.31%(二零一八年：10.76%)及9.87%(二零一八年：10.76%)。管理層於本年度對瀋陽的現金流預測中採用了七年期財務預算，以充分利用預測期內未使用的稅項虧損。考慮到市場的經濟狀況，現金流預測期後的現金流採用2%(二零一八年：2%)的增長率進行推算。

從上文對位於中國之各酒店業務之評估，估計沈陽酒店物業之現金產生單位之可收回金額較賬面值低7,356,000港元。減值虧損7,356,000港元於損益確認並按比例分配至沈陽酒店業務之物業、機器及設備，其中減值虧損6,927,000港元被分配至沈陽酒店物業。基於上述由管理層進行的上述減值評估，於兩個年度，廣州酒店物業並無減值，亦無減值虧損撥回的客觀證據。

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綜合財務報表附註

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

16. RIGHT-OF-USE ASSETS

16. 使用權資產

		Leased premises HK\$'000 租賃物業 千港元
Cost	成本	
At 1 January 2019 (recognised upon initial application of HKFRS 16)	於二零一九年一月一日(於首次應用香港財務報告準則第16號後)	76,575
Additions	添置	5,892
Exchange adjustments	匯兌調整	(18)
		<hr/>
At 31 December 2019	於二零一九年十二月三十一日	82,449
		<hr/>
Depreciation	折舊	
At 1 January 2019	於二零一九年一月一日	-
Provided for the year	年內撥備	39,506
Impairment loss recognised in profit or loss	於損益中確認之減值虧損	9,200
Exchange adjustments	匯兌調整	(3)
		<hr/>
At 31 December 2019	於二零一九年十二月三十一日	48,703
		<hr/>
Carrying value	賬面值	
At 31 December 2019	於二零一九年十二月三十一日	33,746
		<hr/>

For the year ended 31 December 2019, total cash outflow for leases amounted to HK\$41,956,000.

截至二零一九年十二月三十一日止年度，租賃之現金流出總額為41,956,000港元。

For both years, the Group leases various offices, warehouses and hotel property for its operations. Lease contracts are entered into for fixed term of one to five years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

於兩個年度，本集團就其營運租賃若干辦公室、倉庫及酒店物業。租賃合約按固定年期一至五年釐定。租賃條款乃按個案基準磋商，且包含廣泛不同條款及條件。於釐定期租期及評估不可撤銷期限的長度時，本集團應用合約定義及釐定合約可強制執行的期間。

In addition, the Group owns several hotel properties where its hotel operations are primarily located. The Group is the registered owner of these property interests, including the underlying leasehold lands. Lump sum payments were made upfront to acquire these property interests. The leasehold land components of these owned properties are presented separately only if the payments made can be allocated reliably.

此外，本集團擁有其酒店業務初步所在的若干酒店物業。本集團為該等物業權益(包括相關租賃土地)的註冊擁有人。提前支付一次性付款以收購該等物業權益。該等自有物業的租賃土地部分僅在付款可可靠分配時獨立呈列。

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

16. RIGHT-OF-USE ASSETS (CONTINUED)

The Group regularly entered into short-term leases for staff quarters. As at 31 December 2019, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense disclosed in note 10.

Impairment assessment of right-of-use assets

The Group incurred operating loss in its hotel operations segment in Hong Kong, and there were certain adverse changes in the market and economic environment in Hong Kong in which the hotel operation of the Group are located. Accordingly, management has reviewed the recoverability of the relevant carrying amount as at 31 December 2019 of the CGU represented by the Group's hotel operation in Hong Kong and the recoverability of the relevant carrying amounts of the individual assets of right-of-use assets as at 31 December 2019.

The recoverable amount of the CGU of the hotel operation in Hong Kong has been determined based on value-in-use calculation. That calculation uses cash flow projections based on financial budget approved by management covering the remaining lease term of the hotel property of one year, with reference to past performance and expectations for market development.

From the above assessment, the recoverable amount of the CGU of the hotel operation in Hong Kong of HK\$29,379,000 is estimated to be less than the carrying amount by HK\$9,200,000. An impairment loss of HK\$9,200,000 is therefore recognised in profit or loss in respect of the relevant right-of-use assets.

16. 使用權資產 (續)

本集團定期就員工宿舍訂立短期租賃。於二零一九年十二月三十一日，短期租賃的投資組合與於附註10披露的短期租賃開支所屬短期租賃組合類似。

使用權資產減值評估

本集團於香港酒店經營分類產生經營虧損，並已於本集團酒店業務所在香港市場及經濟環境出現若干不利轉變。因此，管理層已檢討本集團之香港酒店業務所代表的現金產生單位於二零一九年十二月三十一日之相關賬面值之可收回性及於二零一九年十二月三十一日使用權資產之個別資產的相關賬面值的可收回性。

香港酒店業務的現金產生單位的可收回金額乃根據使用價值計算而釐定。該計算採用根據管理層批准的財務預算，並參考過往表現及市場發展預期，以酒店物業餘下一年的租賃期為基礎的現金流量預測。

根據上述評估，估計香港酒店業務的現金產生單位的可收回金額29,379,000港元較賬面值低9,200,000港元。因此，就相關使用權資產於損益確認減值虧損9,200,000港元。

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16. RIGHT-OF-USE ASSETS (CONTINUED)

Restrictions or covenants on leases

In addition, lease liabilities of HK\$43,153,000 are recognised with related right-of-use assets of HK\$33,746,000 as at 31 December 2019. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

16. 使用權資產(續)

租賃限制或契約

此外，於二零一九年十二月三十一日，就相關使用權資產33,746,000港元確認租賃負債43,153,000港元。租賃協議並無施加任何契約，惟租賃資產中出租人持有的證券權益除外。租賃資產不可用作借貸目的抵押品。

17. INVESTMENT PROPERTIES

17. 投資物業

		HK\$'000 千港元
Fair value	公平價值	
At 1 January 2018	於二零一八年一月一日	164,000
Exchange adjustment	匯兌調整	(7,296)
Decrease in fair value recognised in the profit or loss	於損益確認之公平價值減少	(26,704)
		<hr/>
At 31 December 2018	於二零一八年十二月三十一日	130,000
Exchange adjustment	匯兌調整	(2,257)
Decrease in fair value recognised in the profit or loss	於損益確認之公平價值減少	(37,743)
		<hr/>
At 31 December 2019	於二零一九年十二月三十一日	90,000

The Group's investment properties represent a completed complex for commercial use in the PRC. The Group holds the property interest under operating lease to earn rentals and/or for capital appreciation. Accordingly, the property interest held under operating lease is measured using the fair value model and is classified and accounted for as investment properties.

本集團之投資物業指位於中國之已落成之商用綜合大樓。本集團以經營租賃持有物業權益以賺取租金及/或達致資本增值。因此，以經營租賃持有之物業權益乃使用公平價值模型計量，並分類及入賬列為投資物業。

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17. INVESTMENT PROPERTIES (CONTINUED)

The fair value of the Group's investment properties at the end of the reporting period has been arrived at on the basis of a valuation carried out on that date by Asset Appraisal Limited (2018: Norton Appraisals Holdings Limited), independent qualified professional valuers not connected to the Group.

The fair value at 31 December 2019 was determined based on the income capitalization approach, where the market rentals of all lettable units of the properties are assessed and discounted at the market yield expected by investors for this type of properties. The market rentals are assessed by reference to the rentals achieved in the lettable units of the properties as well as other lettings of similar properties in the neighbourhood.

The fair value at 31 December 2018 was determined based on the direct comparison approach that reflects the price per square meter of comparable market transactions, adjusted for differences in location and the remaining operating period of the properties up to 15 October 2023.

There is a change in valuation technique in the current year as the directors of the Company considered the use of income capitalisation approach is more appropriate to reflect the underlying value from the remaining operating period to 2023 in determining the fair value of the investment properties.

17. 投資物業(續)

本集團投資物業於報告期末之公平價值經由與本集團並無關連之獨立合資格專業估值師中誠達資產評估顧問有限公司(二零一八年:普敦國際評估有限公司)於各自日期進行之估值釐定。

於二零一九年十二月三十一日之公平價值乃基於收益資本化法釐定,其中,物業之所有可出租單位之市場租金按投資人就該類物業預計的市場收益率評估及貼現。市場租金乃參考物業之有可出租單位以及鄰近類似物業的其他出租單位已取得的租金進行評估。

於二零一八年十二月三十一日之公平價值乃根據可反映可比較市場交易之每平方米價格之直接比較法釐定,並調整物業位置及物業剩餘經營年期直至二零二三年十月十五日。

由於本公司董事認為,於釐定投資物業公平價值時使用收益資本化法更適合反映餘下經營期間至二零二三年的相關價值,故本年度估值方法有所變動。

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17. INVESTMENT PROPERTIES (CONTINUED)

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

Fair value hierarchy
公平價值層級

Valuation technique(s)
估值方法及
主要輸入數據

Significant unobservable input(s)
重大無法觀察輸入數據

17. 投資物業(續)

於估計該等物業之公平價值時，該等物業之最大及最佳用途為其當前用途。

Relationship of unobservable inputs to fair value
無法觀察輸入數據與公平價值之關係

2019

二零一九年

Level 3

第三級

Income capitalisation
收益資本化法

Monthly market rent taking into account the differences in location, and individual factors, such as frontage and size, between the comparables and the property, which ranged from Renminbi ("RMB") 100 to RMB700 per square metre per month.

每月市場租金（經計及可比較物業與物業之間地點及個別因素（例如門面及大小）差異），介乎每月每平方米人民幣（「人民幣」）100元至人民幣700元。

A significant increase in the market rent used would result in a significant increase in fair value, and vice versa.

所用市場租金大幅增加，會導致公平價值大幅增加，反之亦然。

Capitalisation rate, taking into account the capitalisation of rental income potential, nature of the property, and prevailing market condition, of 15%.

資本化率（經計及租金收入撥充資本的可能性、物業性質及現行市況）15%。

A slight increase in the capitalisation rate used would result in a significant decrease in fair value, and vice versa.

所用資本化率輕微增加，會導致公平價值大幅減少，反之亦然。

2018

二零一八年

Level 3

第三級

Direct comparison
直接比較法

Market unit rate of RMB4,400 per square metre

市場單位價格每平方米人民幣4,400元

A significant increase in the market unit rate used would result in a significant increase in fair value, and vice versa.

所用市場單位價格大幅增加，會導致公平價值大幅增加，反之亦然。

Adjusting factors of 20% to 50% on location
有關位置20%至50%的調整系數

A significant increase in the adjusting factor on location will result in a significant decrease in the fair value, and vice versa.

位置調整系數大幅上升，會導致公平價值大幅減少，反之亦然。

Adjusting factor of 28% on remaining operating period

有關剩餘經營期28%的調整系數

A significant increase in the adjusting factor on remaining operating period will result in a significant increase in the fair value, and vice versa.

剩餘經營期調整系數大幅上升，會導致公平價值大幅增加，反之亦然。

There were no transfers into or out of Level 3 during the year.

年內並無轉入或轉出第三級。

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18. INVENTORIES

Inventories represent food and beverage, consumables and other goods of hotel which are to be utilised in the ordinary course of operations and are carried at cost.

18. 存貨

存貨指酒店於一般營運過程中動用之餐飲、消費品及其他貨品，按成本列賬。

19. TRADE AND OTHER RECEIVABLES

19. 貿易及其他應收賬款

		2019 HK\$'000 二零一九年 千港元	2018 HK\$'000 二零一八年 千港元
Trade receivables	貿易應收賬款		
– contracts with customers	– 與客戶合約	2,644	6,591
– operating lease receivables	– 經營租賃應收款項	426	1,521
		3,070	8,112
Rental and utility deposits	租金及水電按金	21,025	21,094
Other receivables and prepayments for operating expenses	其他應收賬款及經營費用 預付款項	21,905	16,779
		46,000	45,985
Total trade and other receivables	貿易及其他應收賬款總額	46,000	45,985
Analysed as	分析為		
Current	流動	46,000	26,185
Non-current	非流動	–	19,800
		46,000	45,985

Rental deposits paid were adjusted upon the initial application of HKFRS 16. Details of the adjustments are set out in note 2.

已付租賃按金於首次應用香港財務報告準則第16號後進行調整。調整之詳情載於附註2。

The following is an aged analysis of trade receivables presented based on the invoice dates.

以下為貿易應收賬款按發票日期呈列之賬齡分析。

		2019 HK\$'000 二零一九年 千港元	2018 HK\$'000 二零一八年 千港元
0 – 30 days	0至30日	2,673	6,359
31 – 60 days	31至60日	184	492
61 – 90 days	61至90日	68	356
Over 90 days	超過90日	145	905
		3,070	8,112

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19. TRADE AND OTHER RECEIVABLES (CONTINUED)

As at 31 December 2019, included in the Group's trade receivables balance are debtors with aggregate carrying amount of HK\$397,000 (2018: HK\$1,753,000) which are past due as at the reporting date. Out of the past due balances, HK\$145,000 (2018: HK\$905,000) has been past due 90 days or more and is not considered as in default since there has not been a significant change in credit quality and the amounts are still considered recoverable.

Details of impairment assessment of trade and other receivables are set out in note 33.

19. 貿易及其他應收賬款(續)

於二零一九年十二月三十一日，本集團之貿易應收賬款結餘包括賬面總值為397,000港元(二零一八年：1,753,000港元)之應收賬款。該等貿易應收賬款於呈報日期已逾期。該等逾期結餘中，145,000港元(二零一八年：905,000港元)已逾期90日或以上，且並無被視為違約，原因為該等貿易應收賬款之信貸質素並無重大變動，金額仍被視為可收回。

貿易及其他應收賬款之減值評估詳情載於附註33。

20. INVESTMENTS HELD FOR TRADING

20. 持作買賣投資

	2019 HK\$'000 二零一九年 千港元	2018 HK\$'000 二零一八年 千港元
Financial assets mandatorily measured at FVTPL:		
– Listed securities held for trading:		
– Equity securities listed in Hong Kong	189	7,068

21. BANK BALANCES AND CASH

Bank balances carry interest at market rates which range from 0.01% to 2.41% (2018: 0.01% to 2.25%) per annum.

Details of impairment assessment of bank balances are set out in note 33.

21. 銀行結餘及現金

銀行結餘按市場年利率0.01%至2.41%(二零一八年：0.01%至2.25%)計息。

銀行結餘減值評估之詳情載於附註33。

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22. DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

On 23 November 2018, Shropshire Property Limited (“Shropshire Property”), an indirect wholly-owned subsidiary of the Company, and Luoyang Dinghe Electric Construction Company Limited (洛陽鼎和電力建設有限公司) (the “Purchaser”) entered into a sale and purchase agreement (the “Disposal Agreement”), pursuant to which Shropshire Property has conditionally agreed to dispose to the Purchaser of its entire equity interest in Luoyang Golden Gulf Hotel Company Limited (洛陽金水灣大酒店有限公司) (“Luoyang Golden Gulf”), a 60% owned subsidiary of Shropshire Property, at a consideration of RMB61,000,000 (equivalent to approximately HK\$68,500,000). On 22 May 2019, the Purchaser and Shropshire Property entered into a supplemental agreement to extend the long stop date to 10 months from the date of the Disposal Agreement, with all terms and conditions remain unchanged. A deposit of RMB21,000,000 (equivalent to approximately HK\$23,906,000) was received by the Company in November 2018 and included in “trade and other payables” (note 23).

The major asset of Luoyang Golden Gulf is Luoyang Golden Gulf Hotel situated in Luoyang in the PRC. The assets and liabilities attributable to Luoyang Golden Gulf, which is expected to be sold within twelve months, have been classified as a disposal group held for sale and are presented separately in the consolidated statement of financial position (see below). The net proceeds of disposal are expected to exceed the net carrying amount of the relevant assets and liabilities and accordingly, no impairment loss has been recognised.

22. 分類為持作出售之出售組別

於二零一八年十一月二十三日，索普物業有限公司（「索普」，本公司之間接全資附屬公司）與洛陽鼎和電力建設有限公司（「買方」）訂立買賣協議（「出售協議」），據此，索普已有條件同意向買方出售其於洛陽金水灣大酒店有限公司（「洛陽金水灣」，一間由索普擁有60%權益的附屬公司）之全部股權，代價為人民幣61,000,000元（相當於約68,500,000港元）。於二零一九年五月二十二日，買方與索普訂立一份補充協議，將最後完成日期延長至出售協議日期起計10個月，而所有條款及條件則維持不變。本公司已於二零一八年十一月收到按金人民幣21,000,000元（相當於約23,906,000港元）並計入「貿易及其他應付賬款」（附註23）。

洛陽金水灣的主要資產乃位於中國洛陽市的洛陽金水灣大酒店。洛陽金水灣應佔資產及負債預期於十二個月內出售，且分類為持作出售之出售組別，並於綜合財務狀況表中單獨呈列（見下文）。出售事項的所得款項淨額預期超過有關資產及負債的賬面淨值，因此，並無確認減值虧損。

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22. DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE (CONTINUED)

The major classes of assets and liabilities of Luoyang Golden Gulf classified as held for sale as at the end of the reporting period are as follows:

22. 分類為持作出售之出售組別 (續)

洛陽金水灣於報告期末分類為持作出售的資產及負債的主要類別載列如下：

		2019 HK\$'000 二零一九年 千港元	2018 HK\$'000 二零一八年 千港元
Property, plant and equipment	物業、機器及設備	45,328	47,128
Inventories	存貨	650	696
Trade and other receivables	貿易及其他應收賬款	2,906	2,435
Bank balances and cash	銀行結餘及現金	1,026	179
Total assets classified as held for sale	分類為持作出售的總資產	49,910	50,438
Trade and other payables	貿易及其他應付賬款	36,191	35,535
Tax liabilities	稅項負債	130	350
Deferred tax liabilities	遞延稅項負債	732	733
Total liabilities classified as held for sale	分類為持作出售的總負債	37,053	36,618

The disposal was completed after the end of the reporting period on 26 February 2020.

出售事項於報告期末後於二零二零年二月二十六日完成。

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23. TRADE AND OTHER PAYABLES

The following is an aged analysis of trade payables presented based on the invoice date.

0 – 30 days	0至30日
31 – 60 days	31至60日
61 – 90 days	61至90日
Over 90 days	超過90日

The credit period on purchases of goods ranged from 30 to 60 days.

Lease accruals were adjusted upon the initial application of HKFRS 16. Details of the adjustments are set out in note 2.

At the end of the reporting period, included in the Group's other payables balance is a deposit received of RMB21,000,000 (equivalent to approximately HK\$23,906,000) (2018: RMB21,000,000 (equivalent to approximately HK\$23,906,000)) in relation to the disposal of a subsidiary in the PRC, details of which are set out in note 22.

The remaining balance of other payables at 31 December 2019 included deposits received from tenants of HK\$4,336,000 (2018: HK\$4,319,000), advance receipts from tenants of HK\$6,137,000 (2018: HK\$6,261,000) and accrued operating expenses of HK\$26,340,000 (2018: HK\$49,205,000).

23. 貿易及其他應付賬款

以下為貿易應付賬款按發票日期列示之賬齡分析：

	2019 HK\$'000 二零一九年 千港元	2018 HK\$'000 二零一八年 千港元
0 – 30 days	2,507	2,913
31 – 60 days	1,388	565
61 – 90 days	461	499
Over 90 days	833	804
	5,189	4,781

購貨之賒賬期介乎30日至60日。

租賃應計費用於首次應用香港財務報告準則第16號後被調整。調整之詳情載於附註2。

於報告期末，本集團其他應付款項結餘包括就出售位於中國的一間附屬公司已收按金人民幣21,000,000元（相等於約23,906,000港元）（二零一八年：人民幣21,000,000元（相等於約23,906,000港元）），其詳情載於附註22。

於二零一九年十二月三十一日其他應付賬款中剩餘結餘包括已收租戶按金4,336,000港元（二零一八年：4,319,000港元）、預收租戶款項6,137,000港元（二零一八年：6,261,000港元）及應計經營開支26,340,000港元（二零一八年：49,205,000港元）。

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24. LEASE LIABILITIES

24. 租賃負債

		2019 HK\$'000 二零一九年 千港元
Lease liabilities payable:	應付租賃負債：	
Within one year	一年內	40,462
Within a period of more than one year but not more than two years	一年以上但不超過兩年之期間內	1,836
Within a period of more than two year but not more than five years	兩年以上但不超過五年之期間內	855
		43,153
Less: Amount due for settlement within 12 months shown under current liabilities	減：12個月內到期償還款項 (於流動負債下列示)	(40,462)
Amount due for settlement after 12 months shown under non-current liabilities	12個月後到期償還款項 (於非流動負債下列示)	2,691

25. CONTRACT LIABILITIES

25. 合約負債

		2019 HK\$'000 二零一九年 千港元	2018 HK\$'000 二零一八年 千港元
Hotel rooms	酒店客房	1,615	3,109
Food and beverage	餐飲	268	134
		1,883	3,243

As at 1 January 2018, contract liabilities amounted to HK\$3,074,000.

於二零一八年一月一日，合約負債為3,074,000港元。

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25. CONTRACT LIABILITIES (CONTINUED)

The following table shows how much of the revenue recognised relates to carried-forward contract liabilities.

25. 合約負債(續)

下表列示已確認之收入中與遠期合約負債相關之金額。

		Hotel rooms HK\$'000 酒店客房 千港元	Food and beverage HK\$'000 餐飲 千港元
Year ended 31 December 2019	截至二零一九年十二月三十一日 止年度		
Revenue recognised that was included in the contract liability balance at the beginning of the year	已確認計入年初合約負債結餘之收入	3,109	134
Year ended 31 December 2018	截至二零一八年十二月三十一日 止年度		
Revenue recognised that was included in the contract liability balance at the beginning of the year	已確認計入年初合約負債結餘之收入	2,881	193

26. DEFERRED TAX LIABILITIES

The following are the major deferred tax liabilities recognised and movements thereon during the current and prior years:

26. 遞延稅項負債

以下為於本年度及過往年度確認之主要遞延稅項負債以及其變動：

		Accelerated tax depreciation HK\$'000 加速稅項折舊 千港元
At 1 January 2018	於二零一八年一月一日	41,154
Exchange adjustment	匯兌調整	(2,071)
Credit to profit or loss (note 9)	計入損益(附註9)	(5,309)
Reclassified as held for sale (note 22)	重新分類為持作出售(附註22)	(733)
At 31 December 2018	於二零一八年十二月三十一日	33,041
Exchange adjustment	匯兌調整	(701)
Credit to profit or loss (note 9)	計入損益(附註9)	(2,285)
At 31 December 2019	於二零一九年十二月三十一日	30,055

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26. DEFERRED TAX LIABILITIES (CONTINUED)

At the end of the reporting period, the Group has unused tax losses of HK\$694,724,000 (2018: HK\$635,728,000) available for offset against future profits. No deferred tax asset has been recognised in respect of such losses due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of HK\$26,649,000, HK\$24,306,000, HK\$416,000, HK\$33,993,000 and HK\$16,930,000 that will expire in 2020, 2021, 2022, 2023 and 2024 (2018: unrecognised tax losses of HK\$20,042,000, HK\$26,649,000, HK\$24,306,000, HK\$416,000 and HK\$33,993,000 that will expire in 2019, 2020, 2021, 2022 and 2023), respectively. Other losses may be carried forward indefinitely.

26. 遞延稅項負債(續)

於報告期結束時，本集團之未動用稅務虧損為694,724,000港元(二零一八年：635,728,000港元)，可用作抵銷未來溢利。由於未能預計日後之溢利來源，故並無就該等虧損確認遞延稅項資產。未確認稅項虧損包括將分別於二零二零年、二零二一年、二零二二年、二零二三年及二零二四年到期之虧損26,649,000港元、24,306,000港元、416,000港元、33,993,000港元及16,930,000港元(二零一八年：將分別於二零一九年、二零二零年、二零二一年、二零二二年及二零二三年到期之未確認稅項虧損20,042,000港元、26,649,000港元、24,306,000港元、416,000港元及33,993,000港元)。其他虧損可無限期結轉。

27. SHARE CAPITAL OF THE COMPANY

27. 本公司股本

		Number of shares 股份數目	Share capital HK\$'000 股本 千港元
Ordinary shares of HK\$0.01 each	每股面值0.01港元之普通股		
Authorised	法定		
At 1 January 2018, 31 December 2018 and 31 December 2019	於二零一八年一月一日、 二零一八年十二月三十一日及 二零一九年十二月三十一日	150,000,000,000	1,500,000
Issued and fully paid	已發行及繳足		
At 1 January 2018, 31 December 2018 and 31 December 2019	於二零一八年一月一日、 二零一八年十二月三十一日及 二零一九年十二月三十一日	789,211,046	7,892

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28. SHARE-BASED PAYMENT TRANSACTIONS

Equity-settled share option scheme of the Company

The Company adopted a share option scheme (the “Scheme”) on 30 May 2013 which is valid and effective for a period of 10 years commencing on 3 June 2013 (the date on which the last condition to the Scheme was satisfied) until 2 June 2023, subject to early termination by the Company in general meeting or by its board of directors.

The purpose of the Scheme is to enable the Company to grant options to subscribe for shares of the Company (“Options”) to any eligible employee (including executive directors) and any non-executive director of the Company and its subsidiaries (the “Group”) or any entity in which the Group holds an equity interest (“Invested Entity”), any supplier of goods or services to the Group or any Invested Entity, any customer of the Group or any Invested Entity, any consultant, adviser, manager, officer and entity that provides research, development or other technological support to the Group or any Invested Entity, and any shareholder or any member of the Group who has contributed to the business of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity (the “Participant”), as incentives or rewards for their contributions or potential contribution to the Group.

The total number of shares in respect of which Options may be granted under the Scheme and any other schemes of the Company is not permitted to exceed 10% of the shares of the Company in issue at the date of adoption of the Scheme (the “Scheme Mandate Limit”) unless the Company obtains an approval from shareholders in a general meeting to refresh the Scheme Mandate Limit provided that the Scheme Mandate Limit so refreshed does not exceed 10% of the shares of the Company in issue as at the date of approval of refreshment by its shareholders. Nevertheless, the maximum number of shares of the Company which may be issued upon exercise of all outstanding Options granted and not yet exercised under the Scheme and any other share option schemes of the Company shall not exceed 30% of the issued shares of the Company from time to time.

28. 以股代款交易

本公司以股本結算之購股權計劃

本公司於二零一三年五月三十日採納了一項購股權計劃（「計劃」），計劃於二零一三年六月三日（計劃之最後一項條件達成之日期）起計十年內有效至二零二三年六月二日止，惟若本公司在股東大會上或董事會提早終止除外。

計劃旨在讓本公司可向對本集團作出貢獻或潛在貢獻之本公司及其附屬公司（「本集團」）或本集團持有股本權益之任何實體（「投資實體」）之任何合資格僱員（包括執行董事）及任何非執行董事、任何向本集團或任何投資實體提供貨品或服務之供應商、本集團或任何投資實體之任何客戶、向本集團或任何投資實體提供研究、開發或其他科技支援之任何顧問、諮詢人、經理、行政人員和實體、對本集團或任何投資實體之業務作出貢獻之本集團任何股東或任何成員公司或本集團任何成員公司或任何投資實體所發行任何證券之任何持有人（「參與者」）授出購股權（「購股權」）以認購本公司之股份以作為獎勵或回報。

就根據計劃及本公司任何其他計劃可予授出之購股權所涉及之股份總數，不得超過採納計劃日期本公司已發行股份之10%（「計劃授權限額」），除非本公司獲得股東於股東大會上批准更新計劃授權限額，惟據此更新之計劃授權限額不得超過股東批准更新當日本公司已發行股份之10%。儘管如此，根據計劃及本公司任何其他購股權計劃授出而尚未行使之所有購股權獲行使時可予發行本公司之最高股份數目，不得超過本公司不時已發行股份之30%。

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28. SHARE-BASED PAYMENT TRANSACTIONS

(CONTINUED)

Equity-settled share option scheme of the Company (CONTINUED)

The number of shares issued and to be issued in respect of which Options granted and may be granted to any Participant in aggregate in any 12-month period up to and including the date of such grant is not permitted to exceed 1% of the shares of the Company in issue, without prior approval from its shareholders in general meeting with such Participant and his/her associates (as defined in the Listing rules) abstaining from voting.

Options granted must be taken up within 21 days from the date of grant, upon payment of HK\$1. Options may be exercised in accordance with the terms of the Scheme at any time during a period as the board of directors may in its absolute discretion determine which shall not be more than 10 years from the date of grant and subject to the provisions of early termination thereof and the board of directors may provide restrictions on the exercise of an Option. The exercise price is determined by the directors of the Company, and will not be less than the highest of (i) the closing price of the Company's shares on the date of grant, (ii) the average closing price of the shares for the five trading days immediately preceding the date of grant; and (iii) the nominal value of the Company's share on the date of grant.

At 31 December 2019, the number of shares in respect of which options had been granted and remained outstanding under the Scheme was 55,800,000 (2018: 65,600,000), representing 7.1% (2018: 8.3%) of the shares of the Company in issue at that date.

28. 以股代款交易 (續)

本公司以股本結算之購股權計劃 (續)

若未經本公司股東於股東大會事先批准 (有關參與者及其聯繫人 (定義見上市規則) 必須放棄投票) · 已授予及可授予任何有關參與者之購股權涉及之已發行及將予發行股份數目 · 於截至有關授出日期 (包括改日) 前任何十二個月期間內合共不得超過本公司已發行股份之1%。

授出之購股權須於由授出日期起計21日內接納 · 接納時須支付1港元。購股權可按照計劃之條款 · 由董事會可能全權酌量釐定之期間內隨時行使 · 惟有關期間不得超過由授出日期起計十年 · 並須受計劃之提早終止條文及董事會可能施加之行使購股權限制所規限。行使價由本公司董事釐定 · 且將不低於 (以較高者為準) : (i) 本公司股份於授出日期之收市價 ; (ii) 緊接授出日期前五個交易日股份之平均收市價 ; 及 (iii) 本公司股份於授出日期之面值。

於二零一九年十二月三十一日 · 根據計劃授出但尚未行使之購股權所涉及股份為55,800,000股 (二零一八年 : 65,600,000股) · 佔本公司於該日之已發行股份7.1% (二零一八年 : 8.3%)。

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28. SHARE-BASED PAYMENT TRANSACTIONS

(CONTINUED)

Equity-settled share option scheme of the Company (CONTINUED)

Details of specific categories of options are as follows:

Date of grant 授出日期	Vesting date 歸屬日期	Exercise period 行使期	Exercise price 行使價
24 April 2017 二零一七年 四月二十四日	24 April 2017 二零一七年 四月二十四日	24 April 2017 to 23 April 2022 二零一七年四月二十四日至 二零二二年四月二十三日	HK\$0.59 0.59港元

The following table discloses movements of the Company's share options held by eligible participants during the current and prior years:

Categories of participants 參與者類別	Outstanding at 1 January 2018 and 31 December 2018 於二零一八年一月一日及二零一八年十二月三十一日 尚未行使	Lapsed during the year 年內失效	Outstanding at 31 December 2019 於二零一九年十二月三十一日 尚未行使
Directors 董事	19,100,000	(9,800,000)	9,300,000
Employees 僱員	46,500,000	–	46,500,000
	65,600,000	(9,800,000)	55,800,000
Exercisable at the end of the year 年末可行使			55,800,000
Weighted average exercise price (HK\$) 加權平均行使價(港元)	0.59	0.59	0.59

28. 以股代款交易 (續)

本公司以股本結算之購股權計劃 (續)

購股權之特定類別詳情如下：

下表披露合資格參與者於本年度及過往年度所持本公司購股權之變動：

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29. RETIREMENT BENEFIT SCHEMES

The Group operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of relevant payroll costs to the scheme (subject to a maximum of HK\$1,500 per month per employee), which contribution is matched by employees.

The employees of the Group's subsidiaries in the PRC are members of the state-managed retirement benefit scheme operated by the government of the PRC. The subsidiaries are required to contribute certain percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

The total expense recognised in profit or loss of HK\$5,324,000 (2018: HK\$6,357,000) represents contributions payable to these plans by the Group at rates specified in the rules of the plans.

29. 退休福利計劃

本集團為所有香港合資格僱員設立強制性公積金計劃。該計劃之資產與本集團之資產分開，以基金方式持有，並由信託人控制。本集團須按有關薪金成本之5%向該計劃作出供款（最高為每名僱員每月1,500港元），而僱員亦須作出同等金額之供款。

本集團中國附屬公司之僱員均為中國政府管理之國營退休福利計劃成員，該等附屬公司須按薪酬成本若干百分比向退休福利計劃供款，為福利提供資金。本集團就該退休福利計劃唯一應盡之責任乃作出規定之供款。

於損益中確認之開支總額5,324,000港元（二零一八年：6,357,000港元）指本集團按計劃條例規定比率向該等計劃應付供款。

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

30. OPERATING LEASES

The Group as lessee

Minimum lease payments paid under operating leases during the year	年內根據經營租賃已付之最低租賃付款	41,883
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The Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

本集團已就不可撤銷經營租賃下於以下期間到期之未來最低租賃付款作出承擔：

		2018 HK\$'000 二零一八年 千港元
Within one year	一年內	40,454
In the second to fifth years inclusive	第二至第五年(包括首尾兩年)	39,600
		<u>80,054</u>

The Group as lessor

All of the properties held for rental purposes have committed lessees for the next one to seven years.

Minimum lease payments receivable on leases are as follows:

		2019 HK\$'000 二零一九年 千港元
Within one year	一年內	1,541
In the second year	第二年	1,541
In the third year	第三年	1,468
In the fourth year	第四年	1,025
In the fifth year	第五年	803
After five years	五年後	1,004
		<u>7,382</u>

30. 經營租賃

本集團作為承租人

2018
HK\$'000
二零一八年
千港元

本集團已就不可撤銷經營租賃下於以下期間到期之未來最低租賃付款作出承擔：

2018
HK\$'000
二零一八年
千港元

本集團作為出租人

所有持作租賃用途之物業已就未來一至七年向承租人作出承擔：

就租賃應收之最低租賃付款如下：

2019
HK\$'000
二零一九年
千港元

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30. OPERATING LEASES (CONTINUED)

The Group as lessor (CONTINUED)

The Group had contracted with lessees for the following future minimum lease payments:

Within one year	一年內	1,871
In the second to fifth years inclusive	第二至第五年(包括首尾兩年)	5,495
After five years	五年後	1,844
		<hr/>
		9,210

31. LITIGATION

The Group has no significant litigation outstanding at the end of the reporting period. Details of the litigation during the prior year are set out below.

On 27 December 2017, the Company and two independent third parties (the "Vendors") entered into an agreement (the "Agreement") pursuant to which the Company has conditionally agreed to acquire or procure its nominee to acquire the entire registered capital of a target group from the Vendors at a consideration of RMB280,000,000 (equivalent to approximately HK\$334,300,000). The principal asset of the target group is the resort property which is located in Guangdong Province, the PRC, being an area with hot springs and forest in the proximity. The resort property occupies a site area of about 5,000 mu, of which 980 mu are for residential use, 2,200 mu are for commercial use and 1,820 mu are for amenities. An amount of RMB20,000,000, being the first instalment of the consideration, was paid to the Vendors in January 2018 in accordance with the Agreement.

30. 經營租賃(續)

本集團作為出租人(續)

本集團已與承租人就以下未來最低租賃付款訂約：

2018
HK\$'000
二零一八年
千港元

31. 訴訟

於報告期末，本集團並無尚未了結重大訴訟。過往年度訴訟之詳情載列如下：

於二零一七年十二月二十七日，本公司與兩名獨立第三方(「賣方」)訂立協議(「該協議」)，據此，本公司已有條件同意收購或促使其代名人收購賣方於目標集團之全部註冊資本，代價為人民幣280,000,000元(相等於約334,300,000港元)。目標集團之主要資產為位於中國廣東省之度假村物業，附近有溫泉區和森林。度假村物業之地盤面積佔地約5,000畝，當中980畝為住宅用途、2,200畝為商業用途，另有1,820畝為康樂用途。於二零一八年一月，我們已根據該協議向賣方支付第一期代價的款項人民幣20,000,000元。

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31. LITIGATION (CONTINUED)

On 27 April 2018, the Company completed submitting an application to the Guangzhou Arbitration Commission for arbitration of the matter, seeking an arbitral award that, among other things, (i) the Vendors to continue fulfilling the obligations under the Agreement; (ii) the Vendors to cooperate with the Company and provide all necessary documents and information in order to complete the due diligence work pursuant to the Agreement; (iii) the Vendors to cooperate with the Company to complete all conditions precedent to the Agreement on or before 30 October 2018; and (iv) the Vendors to pay the default penalty under the Agreement and the legal costs incurred to the Company.

On 27 April 2018, the Company was served an arbitration application (which together with the arbitration application lodged by the Company as set out above shall be referred to as the "Arbitration Applications") lodged by the Vendors demanding (i) termination of the Agreement; and (ii) payment by the Company for default penalty together with legal costs and arbitration fee.

The details are set out in the announcements of the Company dated 29 December 2017, 22 January 2018, 15 February 2018, 9 March 2018, 28 March 2018 and 27 April 2018.

On 27 September 2018, the Company entered into settlement agreement with the Vendors pursuant to which the Company and the Vendors agreed to (i) terminate the Agreement; (ii) withdraw the Arbitration Applications; (iii) bear respective legal costs and arbitration fee; (iv) and the Vendors to refund the deposit of RMB20,000,000 to the Company.

The deposit was refunded to the Company in full during the year ended 31 December 2018.

31. 訴訟(續)

於二零一八年四月二十七日，本公司已完成向廣州仲裁委員會提交仲裁申請，就事件作出仲裁，尋求裁定(其中包括)(i)賣方繼續履行於該協議項下之責任；(ii)賣方與本公司合作，提供一切所需文件及資料，以根據該協議完成盡職調查工作；(iii)賣方與本公司合作，於二零一八年十月三十日或之前達成該協議之所有先決條件；及(iv)賣方支付該協議項下之違約罰款及本公司產生之法律費用。

於二零一八年四月二十七日，本公司接獲由賣方提交的仲裁申請(連同上文所載本公司提交的仲裁申請，統稱為「該等仲裁申請」)，要求(i)終止該協議；及(ii)本公司支付違約罰款連同法律費用及仲裁費。

詳情載於本公司日期為二零一七年十二月二十九日、二零一八年一月二十二日、二零一八年二月十五日、二零一八年三月九日、二零一八年三月二十八日及二零一八年四月二十七日之公佈。

於二零一八年九月二十七日，本公司與賣方訂立一份和解協議書，據此，本公司及賣方同意(i)終止該協議；(ii)撤銷仲裁申請；(iii)各自承擔有關訴訟費及仲裁費；及(iv)賣方向本公司退還按金人民幣20,000,000元。

於截至二零一八年十二月三十一日止年度，已向本公司悉數退還按金。

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32. CAPITAL RISK MANAGEMENT

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

The capital structure of the Group consists of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves.

The directors of the Company review the capital structure on a semi-annual basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt.

33. FINANCIAL INSTRUMENTS

a. Categories of financial instruments

Financial assets
FVTPL
Mandatorily measured at FVTPL
– Held-for-trading
Financial assets at amortised cost

金融資產
透過損益按公平價值計量
強制透過損益按公平價值計量
– 持作買賣
按攤銷成本計量之金融資產

Financial liabilities
Amortised cost

金融負債
攤銷成本

32. 資本風險管理

本集團之資本管理旨在透過在債務與權益間作出最佳平衡，確保本集團之實體可持續經營的同時亦為股東締造最大回報。本集團整體策略與上年度相同。

本集團之資本架構包括現金及現金等值項目以及本公司擁有人應佔權益（包括已發行股本及儲備）。

本公司董事每半年檢討資本架構。檢討其中一部分為董事考慮資本成本及各類資本所附帶之風險。根據董事之推薦建議，本集團會通過派發股息、發行新股份、購回股份以及發行新債務等方式，對整體資本架構作出平衡。

33. 金融工具

a. 金融工具類別

	2019 HK\$'000 二零一九年 千港元	2018 HK\$'000 二零一八年 千港元
Financial assets		
FVTPL		
Mandatorily measured at FVTPL		
– Held-for-trading	189	7,068
Financial assets at amortised cost	1,860,229	1,902,817
	1,860,418	1,909,885
Financial liabilities		
Amortised cost	65,400	18,312

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

33. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial risk management objectives and policies

The Group's financial instruments include trade and other receivables, investments held for trading, bank balances and cash, trade and other payables and lease liabilities. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

(i) Currency risk

Neither subsidiaries of the Company nor the Company have significant foreign currency sales, purchases or balances. Therefore, the Group's exposure to foreign currency risk is minimal.

33. 金融工具(續)

b. 財務風險管理目標及政策

本集團的金融工具包括貿易及其他應收賬款、持作買賣投資、銀行結餘及現金、貿易及其他應付賬款及租賃負債。金融工具之詳情於相關附註披露。與該等金融工具有關的風險包括市場風險(貨幣風險、利率風險及其他價格風險)、信貸風險及流動資金風險。有關如何降低該等風險之政策載於下文。本集團管理層管理及監控該等風險，以確保以及時及有效的方式實施適當措施。

市場風險

(i) 貨幣風險

本公司附屬公司與本公司均無以外幣進行重大買賣或擁有重大結餘。因此，本集團承受之外幣風險極微。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

33. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial risk management objectives and policies (CONTINUED)

Market risk (CONTINUED)

(ii) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate lease liabilities (see note 24 for details). The Group is also exposed to cash flow interest rate risk in relation to variable-rate bank balances (see note 21 for details). The Group currently does not have an interest rate hedging policy. However, the management of the Group monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arises.

Total interest income from financial assets that are measured at amortised cost is as follows:

	2019 HK\$'000 二零一九年 千港元	2018 HK\$'000 二零一八年 千港元
Other income 其他收入		
Financial assets at amortised cost 按攤銷成本計量之金融資產	7,623	3,975

Interest expense on financial liabilities not measured at FVTPL:

	2019 HK\$'000 二零一九年 千港元	2018 HK\$'000 二零一八年 千港元
Financial liabilities at amortised cost 按攤銷成本計量之金融負債	3,449	376

33. 金融工具 (續)

b. 財務風險管理目標及政策 (續)

市場風險 (續)

(ii) 利率風險

本集團面臨與定息租賃負債有關的公平價值利率風險(詳情請參閱附註24)。本集團亦面臨與浮息銀行結餘有關的現金流量利率風險(詳情請參閱附註21)。本集團現時並無利率對沖政策。然而,本集團管理層監控利率風險,並將考慮於需要時對沖重大利率風險。

按攤銷成本計量之金融資產所得總利息收入如下:

並非透過損益按公平價值計量之金融負債之利息開支:

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綜合財務報表附註

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

33. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial risk management objectives and policies (CONTINUED)

Market risk (CONTINUED)

(ii) Interest rate risk (CONTINUED)

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of reporting period were outstanding for the whole year. A 25 basis points (2018: 25 basis points) increase or decrease in variable-rate bank balances represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 25 basis points (2018: 25 basis points) higher/lower and all other variables were held constant, the Group's loss for the year ended 31 December 2019 would decrease/increase by HK\$961,000 (2018: decrease/increase by HK\$522,000).

33. 金融工具(續)

b. 財務風險管理目標及政策(續)

市場風險(續)

(ii) 利率風險(續)

敏感度分析

以下敏感度分析乃根據報告期結束時之利率風險釐定。編製分析時，乃假設於報告期間末尚未行使之金融工具於整年均未行使。浮息銀行結餘之25個基點(二零一八年：25個基點)之增加或減少，乃管理層對利率可能出現之合理變動作出之評估。

倘利率上調/下調25個基點(二零一八年：25個基點)，而所有其他變數維持不變，則本集團截至二零一九年十二月三十一日止年度之虧損將會減少/增加961,000港元(二零一八年：減少/增加522,000港元)。

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綜合財務報表附註

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

33. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial risk management objectives and policies (CONTINUED)

Market risk (CONTINUED)

(iii) Other price risk

The Group is exposed to equity price risk through its investments in equity securities measured at FVTPL. For equity securities measured at FVTPL quoted in The Stock Exchange of Hong Kong Limited, the management of the Group manages this exposure by maintaining a portfolio of investments with different risks. The Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

The sensitivity analysis has been determined based on the exposure to equity price risk at the reporting date.

If the prices of respective instruments had been 10% (2018: 10%) higher/lower, the post-tax loss for the year ended 31 December 2019 would decrease/increase by HK\$16,000 (2018: decrease/increase by HK\$590,000) as a result of the changes in fair value of investments held for trading.

33. 金融工具 (續)

b. 財務風險管理目標及政策 (續)

市場風險 (續)

(iii) 其他價格風險

本集團於透過損益按公平價值計量股本證券之投資須承受股本價格風險。就於香港聯合交易所有限公司報價的透過損益按公平價值計量的股本證券而言，本集團管理層藉維持一個集合不同風險之投資組合管理此類風險。本集團已委聘一個特別小組以監控價格風險並將考慮於需要時對沖風險。

敏感度分析

敏感度分析乃根據於呈報日期所面對之股本價格風險而釐定。

倘各工具價格上升/下跌10% (二零一八年: 10%)，則截至二零一九年十二月三十一日止年度之除稅後虧損將會因為持作買賣投資之公平價值變動而減少/增加16,000港元 (二零一八年: 減少/增加590,000港元)。

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綜合財務報表附註

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

33. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial risk management objectives and policies (CONTINUED)

Credit risk and impairment assessment

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk exposures are primarily attributable to trade and other receivables and bank balances. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

The Group performed impairment assessment for financial assets under ECL model. Information about the Group's credit risk management, maximum credit risk exposures and the related impairment assessment, if applicable, are summarised as below:

Trade receivables

Before accepting any new customer, the Group uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed twice a year. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group's concentration of credit risk by geographical locations is mainly in the PRC, which accounted for 81% (2018: 62%) of the total trade receivables as at 31 December 2019. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals.

33. 金融工具(續)

b. 財務風險管理目標及政策(續)

信貸風險及減值評估

信貸風險指本集團對手方就其合約責任違約導致本集團遭受財務虧損的風險。本集團的信貸風險主要歸因於貿易及其他應收賬款及銀行結餘。本集團並無持有任何抵押品或其他信貸增強工具以涵蓋與其金融資產有關的信貸風險。

本集團根據預期信貸虧損模式進行金融資產減值評估。有關本集團信貸風險管理、最大信貸風險及相關減值評估(倘適用)的資料於下文概述：

貿易應收賬款

接納任何新客戶前，本集團採用內部信貸評分系統評估潛在客戶之信貸質素並按客戶界定信貸額度。每年兩次審閱對客戶之額度及評分。進行其他監察程序，以確保已採取跟進措施，收回逾期債項。就此而言，本公司董事認為本集團之信貸風險已大幅減低。

本集團按地區劃分之信貸風險主要集中於中國，於二零一九年十二月三十一日，其佔總貿易應收賬款之81%（二零一八年：62%）。為降低信貸風險，本集團管理層已委派一小組，負責釐定信貸限額及信貸批核。

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綜合財務報表附註

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

33. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial risk management objectives and policies (CONTINUED)

Credit risk and impairment assessment (CONTINUED)

Trade receivables (CONTINUED)

In addition, the Group performs impairment assessment under ECL model on trade balances individually or based on provision matrix. Trade receivables are grouped under a provision matrix, grouped by past due status.

As part of the Group's credit risk management, the Group uses debtors' aging to assess the impairment for its customers in relation to its hotel operations because these customers consist of a large number of small customers with common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms.

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort.

For the years ended 31 December 2019 and 2018, the Group assessed the ECL for trade receivables based on the provision matrix were not significant and thus no loss allowance was recognised.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier. The Group has taken legal action against the debtors to recover the amount due.

33. 金融工具 (續)

b. 財務風險管理目標及政策 (續)

信貸風險及減值評估 (續)

貿易應收賬款 (續)

此外，本集團根據預期信貸虧損模式個別地或基於撥備矩陣對貿易結餘進行減值評估。貿易應收賬款根據撥備矩陣分組（按逾期狀況分組）。

於本集團信貸風險管理過程中，本集團就其酒店業務運營採用應收賬款賬齡評估客戶減值情況，原因為該等客戶包括大量具有共同風險特徵的小客戶，該等特徵代表客戶根據合同條款支付全部到期款項的能力。

估計虧損率乃根據應收賬款預期年期的歷史觀察違約率估計得出，並會就毋須不必要的成本或努力即可獲得的前瞻性資料作出調整。

於截至二零一九年及二零一八年十二月三十一日止年度，本集團評定根據撥備矩陣計算的貿易應收賬款的預期信貸虧損並不重大，因此並無確認虧損撥備。

本集團於有資料顯示債務人處於極度財務困難及並無現實收回前景（即當債務人被清算或進入破產程序或當貿易應收賬款逾期兩年以上（以較早發生者為準））時撇銷貿易應收賬款。本集團已向債務人採取法律行動以收回逾期款項。

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綜合財務報表附註

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

33. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial risk management objectives and policies (CONTINUED)

Credit risk and impairment assessment (CONTINUED)

Other receivables

For other receivables and deposits, the directors of the Company make periodic individual assessment on the recoverability of other receivables and deposits based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. The directors of the Company believe that there is no significant increase in credit risk of these amounts since initial recognition and the Group provided impairment based on 12m ECL. For the years ended 31 December 2019 and 2018, the Group assessed the ECL for other receivables and deposits were insignificant and thus no loss allowance was recognised.

Bank balances

Credit risk on bank balances is limited because the counterparties are reputable banks. For the years ended 31 December 2019 and 2018, the Group performed impairment assessment on bank balances and concluded that the probability of defaults of the counterparty banks are insignificant and accordingly, no allowance for credit losses is provided.

33. 金融工具(續)

b. 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

其他應收賬款

就其他應收賬款及押金而言，本公司董事根據過往結算記錄、過往經驗以及屬合理及支持性前瞻性資料的定量及定性資料，定期對其他應收賬款及押金的可收回性個別進行評估。本公司董事相信，自初始確認起，該等款項的信貸風險並無大幅增加，而本集團基於12個月逾期信貸虧損模式計提減值撥備。於截至二零一九年及二零一八年十二月三十一日止年度，本集團評估，其他應收賬款及按金的預期信貸虧損並不重大，因此並無確認虧損撥備。

銀行結餘

由於對手方為聲譽良好的銀行，銀行結餘之信貸風險有限。於截至二零一九年及二零一八年十二月三十一日止年度，本集團對銀行結餘進行減值評估，並得出結論，即對手方銀行違約的可能性並不重大，因此，並無作出信貸虧損撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

33. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial risk management objectives and policies (CONTINUED)

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The Group does not have any unutilised banking facilities for both years.

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

The table includes both interest and principal cash flows.

Liquidity table

		Weighted average interest rate % 加權平均利率 %	On demand or less than 1 month HK\$'000 按要求或1個月內 千港元	1 - 3 months HK\$'000 1至3個月 千港元	3 months to 1 year HK\$'000 3個月至1年 千港元	1 - 5 years HK\$'000 1至5年 千港元	Total undiscounted cash flows HK\$'000 未折現現金流量總額 千港元	Carrying amount HK\$'000 賬面值 千港元
At 31 December 2019	於二零一九年十二月三十一日							
Trade and other payables	貿易及其他應付賬款	-	22,247	-	-	-	22,247	22,247
Lease liabilities	租賃負債	5.63	3,488	6,975	31,394	2,809	44,666	43,153
			25,735	6,975	31,394	2,809	66,913	65,400
At 31 December 2018	於二零一八年十二月三十一日							
Trade and other payables	貿易及其他應付賬款	-	18,312	-	-	-	18,312	18,312

33. 金融工具 (續)

b. 財務風險管理目標及政策 (續)

流動資金風險

管理流動資金風險時，本集團監察及維持現金及現金等值項目於管理層認為合適之水平，為本集團營運提供資金，並減低現金流量波動之影響。

本集團於兩個年度均並無未動用之銀行融資。

下表詳列本集團金融負債餘下合約到期情況。下表根據金融負債之未貼現現金流量按本集團可能被要求清償之最早日期而編製。

該表包括利息及本金現金流量。

流動資金表

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

33. FINANCIAL INSTRUMENTS (CONTINUED)

c. Fair value measurements of financial instruments

Some of the Group's financial instruments are measured at fair value for financial reporting purposes. In estimating the fair value, the Group uses market-observable data to the extent it is available.

(i) *Fair value of the Group's financial assets that are measured at fair value on a recurring basis*

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

Fair value hierarchy as at 31 December 2019

Financial asset at FVTPL

Investments held for trading
– listed equity securities

透過損益按公平價值
計量之金融資產

持作買賣投資
– 上市股本證券

189

Fair value hierarchy as at 31 December 2018

Financial asset at FVTPL

Investments held for trading
– listed equity securities

透過損益按公平價值
計量之金融資產

持作買賣投資
– 上市股本證券

7,068

33. 金融工具(續)

c. 金融工具之公平價值計量

就財務報告而言，本集團部分金融工具乃按公平價值計量。估計公平價值時，本集團利用可用市場可觀察數據。

(i) *以經常基準按公平價值計量之本集團金融資產公平價值*

於各報告期結束時，本集團部分金融資產按公平價值計量。下表提供該等金融資產公平價值之釐定方法(尤其是所採用之估值方法及輸入數據)。

於二零一九年十二月三十一日之公平價值層級

Level 1
HK\$'000
第一級
千港元

於二零一八年十二月三十一日之公平價值層級

Level 1
HK\$'000
第一級
千港元

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綜合財務報表附註

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

33. FINANCIAL INSTRUMENTS (CONTINUED)

c. Fair value measurements of financial instruments (CONTINUED)

- (i) *Fair value of the Group's financial assets that are measured at fair value on a recurring basis* (CONTINUED)

Financial asset 金融資產	Fair value as at		Fair value hierarchy 公平價值層級	Valuation technique(s) and key input(s) 估值方法及主要輸入數據
	31 December 2019 二零一九年十二月三十一日	31 December 2018 公平價值 二零一八年十二月三十一日		
Investments held for trading 持作買賣投資	Listed equity securities in Hong Kong – HK\$189,000 香港上市股本證券 – 189,000港元	Listed equity securities in Hong Kong – HK\$7,068,000 香港上市股本證券 – 7,068,000港元	Level 1 第一級	Quoted bid prices in an active market. 活躍市場買入報價

There were no transfers between the different levels of the fair value hierarchy during the year.

- (ii) *Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis*

The fair value of financial assets and financial liabilities is determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values.

33. 金融工具 (續)

c. 金融工具之公平價值計量 (續)

- (i) 以經常基準按公平價值計量之本集團金融資產公平價值 (續)

Fair value hierarchy 公平價值層級	Valuation technique(s) and key input(s) 估值方法及主要輸入數據

年內公平價值不同層級之間並無轉移。

- (ii) 並非以經常基準按公平價值計量之金融資產及金融負債之公平價值

金融資產及金融負債之公平價值根據普遍接納之定價模式及按照貼現現金流量分析釐定。

本公司董事認為，於綜合財務報表中確認之金融資產及金融負債之賬面值與公平價值相若。

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34. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

34. 融資活動產生之負債對賬

下表詳列自融資活動產生之本集團負債變動，包括現金及非現金變動。自融資活動產生之負債乃其現金流量已經或未來現金流量將會於本集團之綜合現金流量表分類為融資活動現金流量之負債。

		Other borrowings	Lease liabilities	Total
		HK\$'000 其他借貸	(note 24) HK\$'000 租賃負債 (附註24)	HK\$'000 總計
		千港元	千港元	千港元
At 1 January 2018	於二零一八年一月一日	-	-	-
Financing cash outflows	融資現金流出	(376)	-	(376)
Interest expenses	利息開支	376	-	376
At 31 December 2018	於二零一八年十二月三十一日	-	-	-
Adjustment upon application of HKFRS 16	於應用香港財務報告準則第16號後的調整	-	74,742	74,742
At 1 January 2019	於二零一九年一月一日	-	74,742	74,742
Financing cash outflows	融資現金流出	-	(40,913)	(40,913)
New leases entered	所訂立新租賃	-	5,892	5,892
Exchange adjustments	匯兌調整	-	(17)	(17)
Interest expenses	利息開支	-	3,449	3,449
At 31 December 2019	於二零一九年十二月三十一日	-	43,153	43,153

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35. RELATED PARTY TRANSACTIONS

The Group did not enter into transactions with related parties for both years.

There were no outstanding balances with related parties at the end of the reporting period.

Compensation of key management personnel

The remuneration of directors of the Company who are considered as the key management personnel during the year is set out in note 11.

The remuneration of key management personnel is determined by the remuneration committee of the Company having regard to the performance of individuals and market trends.

35. 關連人士交易

於兩個年度，本集團並無與關連人士訂立交易。

於報告期末，並無與關連人士之尚欠結餘。

主要管理人員之薪酬

年內被視為主要管理人員的本公司董事之薪酬載於附註11。

主要管理人員的薪酬由本公司薪酬委員會經考慮個人表現及市場趨勢後釐定。

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36. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Details of the subsidiaries directly and indirectly held by the Company at the end of the reporting period are set out below.

36. 本公司主要附屬公司詳情

有關於報告期結束時本公司直接及間接持有之附屬公司詳情載於下文。

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 註冊成立/登記地點	Paid up issued/ registered capital 已發行繳足/ 註冊資本	Proportion of ownership interest held by the Company				Principal activities and place of operation 主要業務及營業地點
			Directly		Indirectly		
			2019	2018	2019	2018	
			%	%	%	%	
			本公司持有之所有權權益比例				
			直接		間接		
			二零一九年	二零一八年	二零一九年	二零一八年	
			%	%	%	%	
Allied Glory 合榮	Hong Kong 香港	HK\$2 2港元	-	-	73.5	73.5	Investment holding 投資控股
Apex Quality Group Limited ("Apex")	The British Virgin Islands (the "BVI")	United States dollars ("US\$") 5,548,172	-	-	89.4	89.4	Investment holding
Apex Quality Group Limited (「Apex」)	英屬維爾京群島 (「英屬維爾京群島」)	5,548,172 美元 (「美元」)					投資控股
Benchmark Pacific Limited	The BVI	US\$1	-	-	100	100	Investment holding
Benchmark Pacific Limited	英屬維爾京群島	1美元					投資控股
HMH China Investments Limited	Bermuda	Canadian dollars 1,152,913	-	-	73.5	73.5	Investment holding
HMH China Investments Limited	百慕達	1,152,913 加幣					投資控股
Lucky Million Investments Limited	The BVI	US\$1	-	-	89.4	89.4	Investment holding
Lucky Million Investments Limited	英屬維爾京群島	1美元					投資控股

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36. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED) 36. 本公司主要附屬公司詳情(續)

Name of subsidiary	Place of incorporation/ registration	Paid up issued/ registered capital	Proportion of ownership interest held by the Company				Principal activities and place of operation
			Directly	Indirectly		2018	
			2019	2018	2019	2018	
			%	%	%	%	
附屬公司名稱	註冊成立/登記地點	已發行繳足/註冊資本	本公司持有之所有權益比例				主要業務及營業地點
			直接	間接			
			二零一九年	二零一八年	二零一九年	二零一八年	
			%	%	%	%	
Rosedale Hotel Group Limited	The BVI	US\$1	-	-	89.4	89.4	Investment holding
珀麗酒店集團有限公司	英屬維爾京群島	1美元					投資控股
Rosedale Guangzhou [#]	The PRC	US\$11,500,000	-	-	72.7	72.7	Hotel ownership and operation in the PRC
廣州珀麗 [#]	中國	11,500,000美元					於中國擁有及經營酒店
Rosedale Hotel International Limited	The BVI	US\$1	100	100	-	-	Investment holding
珀麗酒店國際有限公司	英屬維爾京群島	1美元					投資控股
Rosedale Hotel Management Limited	Hong Kong	HK\$2	-	-	89.4	89.4	Hotel management in Hong Kong
珀麗酒店管理有限公司	香港	2港元					於香港酒店管理
Rosedale Hotel Shenyang Company Limited [#]	The PRC	RMB168,000,000	-	-	84.9	84.9	Hotel ownership and operation in the PRC
瀋陽珀麗酒店有限公司 [#]	中國	人民幣168,000,000元					於中國擁有及經營酒店
Rosedale Park Limited	Hong Kong	HK\$2	-	-	89.4	89.4	Hotel operation in Hong Kong
珀麗酒店有限公司	香港	2港元					於香港經營酒店

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36. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED) 36. 本公司主要附屬公司詳情(續)

Name of subsidiary	Place of incorporation/ registration	Paid up issued/ registered capital	Proportion of ownership interest held by the Company				Principal activities and place of operation
			Directly		Indirectly		
			2019	2018	2019	2018	
			%	%	%	%	
附屬公司名稱	註冊成立/登記地點	已發行繳足/註冊資本	本公司持有之所有權益比例				主要業務及營業地點
			直接		間接		
			二零一九年	二零一八年	二零一九年	二零一八年	
			%	%	%	%	
Shenyang Hotel Holdings Limited	The BVI	US\$100	–	–	84.9	84.9	Investment holding
沈陽酒店股份有限公司	英屬維爾京群島	100美元					投資控股
Shenyang Limited	The BVI	US\$1	–	–	89.4	89.4	Investment holding
Shenyang Limited	英屬維爾京群島	1美元					投資控股
Success Billion Limited	The BVI	US\$1	–	–	100	100	Trading of securities in Hong Kong
Success Billion Limited	英屬維爾京群島	1美元					於香港買賣證券
The Rosedale Luxury Hotel & Suites Ltd.**	The PRC	US\$20,000,000	–	–	100	100	Property investment in the PRC
珀麗置業(上海)有限公司**	中國	20,000,000美元					於中國物業投資

This subsidiary is a Sino-foreign co-operative joint venture. Pursuant to the Co-operative Agreement, upon the end of the co-operative period, the rights and ownership of Rosedale Guangzhou Hotel will be transferred to the PRC Partner, and the remaining net assets are to be distributed to Allied Glory and the PRC Partner in the ratio of 80% and 20% respectively.

該附屬公司為一家中外合作合營公司。根據合作經營合同書，於合作經營期間末，廣州珀麗酒店之權利及擁有權將轉移至中國夥伴，餘下資產淨值將按比率80%及20%分別分派予合榮及中國夥伴。

** These subsidiaries are wholly foreign-owned enterprises.

** 該等附屬公司為外商獨資企業。

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36. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED)

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

None of the subsidiaries had issued any debt securities at the end of the year.

36. 本公司主要附屬公司詳情(續)

董事認為上表所列本公司之附屬公司對本集團之業績或資產有重大影響。董事認為細列其他附屬公司之詳情會令篇幅過於冗長。

年末，概無任何附屬公司發行任何債務證券。

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36. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED)

36. 本公司主要附屬公司詳情(續)

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

The table below shows details of non-wholly-owned subsidiaries of the Group that have material non-controlling interests:

擁有重大非控股權益之非全資附屬公司之詳情

下表載列擁有重大非控股權益之本集團非全資附屬公司之詳情：

Name of subsidiary 附屬公司名稱	Place of incorporation 註冊成立地點	Principal place of business 主要營業地點	Proportion of ownership interests and voting rights held by non-controlling interests 非控股權益持有之擁有權權益及投票權比率		(Loss) profit allocated to non-controlling interests 分配至非控股權益之(虧損)溢利		Accumulated non-controlling interests 累計非控股權益	
			2019 二零一九年	2018 二零一八年	2019 HK\$'000 二零一九年 千港元	2018 HK\$'000 二零一八年 千港元	2019 HK\$'000 二零一九年 千港元	2018 HK\$'000 二零一八年 千港元
Apex and its subsidiaries Apex及其附屬公司	The BVI 英屬維爾京群島	Hong Kong and the PRC 香港及中國	10.6%	10.6%	(14,982)	5,841	191,198	206,713
Individually immaterial subsidiaries with non-controlling interests 擁有非控股權益之個別非重大附屬公司					(479)	(1,633)	(16,678)	(16,110)
					(15,461)	4,208	174,520	190,603

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

擁有重大非控股權益之本集團附屬公司之財務資料概述如下。以下財務資料概要為集團內部抵銷前數額。

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36. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED)

Details of non-wholly owned subsidiaries that have material non-controlling interests (CONTINUED)

Apex and its subsidiaries

36. 本公司主要附屬公司詳情(續)

擁有重大非控股權益之非全資附屬公司之詳情(續)

Apex及其附屬公司

		2019 HK\$'000 二零一九年 千港元	2018 HK\$'000 二零一八年 千港元
Current assets	流動資產	1,344,331	1,349,964
Non-current assets	非流動資產	276,298	306,681
Current liabilities	流動負債	(76,626)	(60,846)
Non-current liabilities	非流動負債	(32,557)	(34,906)
Equity attributable to owners of the Company	本公司擁有人應佔權益	1,320,248	1,354,180
Non-controlling interests of Apex	Apex非控股權益	156,540	160,563
Non-controlling interests of Apex's subsidiaries	Apex附屬公司之非控股權益	34,658	46,150

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36. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED)

Details of non-wholly owned subsidiaries that have material non-controlling interests (CONTINUED)

Apex and its subsidiaries (CONTINUED)

36. 本公司主要附屬公司詳情(續)

擁有重大非控股權益之非全資附屬公司之詳情(續)

Apex及其附屬公司(續)

		Year ended 31 December 2019 HK\$'000 截至二零一九年 十二月三十一日 止年度 千港元	Year ended 31 December 2018 HK\$'000 截至二零一八年 十二月三十一日 止年度 千港元
Revenue	收入	185,738	232,477
Interest income and other income	利息收入及其他收入	24,551	22,493
Expenses	開支	(260,179)	(184,632)
(Loss) profit for the year	本年度(虧損)溢利	(49,890)	70,338
(Loss) profit attributable to owners of the Company	本公司擁有人應佔(虧損)溢利	(34,908)	64,497
(Loss) profit attributable to non-controlling interests of Apex	Apex非控股權益應佔(虧損)溢利	(4,139)	7,647
Loss attributable to non-controlling interests of Apex's subsidiaries	Apex附屬公司之非控股權益應佔虧損	(10,843)	(1,806)
(Loss) profit for the year	本年度(虧損)溢利	(49,890)	70,338
Other comprehensive expense attributable to owners of the Company	本公司擁有人應佔其他全面開支	(4,455)	(13,389)
Other comprehensive expense attributable to non-controlling interests of Apex	Apex非控股權益應佔其他全面開支	(528)	(1,587)
Other comprehensive expense attributable to non-controlling interests of Apex's subsidiaries	Apex附屬公司之非控股權益應佔其他全面開支	(649)	(2,004)
Other comprehensive expense for the year	本年度其他全面開支	(5,632)	(16,980)

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36. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (CONTINUED)

Details of non-wholly owned subsidiaries that have material non-controlling interests (CONTINUED)

Apex and its subsidiaries (CONTINUED)

36. 本公司主要附屬公司詳情(續)

擁有重大非控股權益之非全資附屬公司之詳情(續)

Apex及其附屬公司(續)

		Year ended 31 December 2019 HK\$'000 截至二零一九年 十二月三十一日 止年度 千港元	Year ended 31 December 2018 HK\$'000 截至二零一八年 十二月三十一日 止年度 千港元
Total comprehensive (expense) income attributable to owners of the Company	本公司擁有人應佔全面(開支)收益總額	(39,363)	51,108
Total comprehensive (expense) income attributable to non-controlling interests of Apex	Apex非控股權益應佔全面(開支)收益總額	(4,667)	6,060
Total comprehensive expense attributable to non-controlling interests of Apex's subsidiaries	Apex附屬公司之非控股權益應佔全面開支總額	(11,492)	(3,810)
Total comprehensive (expense) income for the year	本年度全面(開支)收益總額	(55,522)	53,358
Dividends paid to non-controlling interests of Apex	向Apex非控股權益所付股息	-	-
Net cash (outflow) inflow from operating activities	經營活動之現金(流出)流入淨額	(1,358)	12,234
Net cash inflow (outflow) from investing activities	投資活動之現金流入(流出)淨額	450	(130)
Net cash outflow from financing activities	融資活動之現金流出淨額	(40,038)	-
Net cash (outflow) inflow	現金(流出)流入淨額	(40,946)	12,104

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37. EVENT AFTER THE REPORTING PERIOD

The pandemic of coronavirus disease (“COVID-19”), which has led to a substantial travel restriction and lockdowns across the PRC, and many countries have drastically reduced or even closed air traffic with the PRC, will particularly deliver a hard hit to the hotel sector, with occupancy rates of hotels in some districts dropping severely. As a dramatic slowdown in travel to Hong Kong, the number of arrivals in Hong Kong have plummeted in the first quarter of 2020, following the government’s suspension of certain services to contain the COVID-19 pandemic.

Given the dynamic nature of these circumstances as the hotel sector will stay weak, the revenue of the Group will continue to be impacted during a period when the Group is taking strict precautionary measures to ensure the health and safety of its employees, and supporting the steps taken by the government to control the further spread of COVID-19, some of the Group’s hotels in the PRC which have witnessed significantly lowered occupancies in the first quarter of 2020 amid the lockdowns imposed by the government of the PRC. However, the directors of the Company are of the opinion that the widespread occurrence of COVID-19 should not cause long-term damage to the Group’s hotel sector but will inevitably be a short-term impact to the Group’s performance and prospects in the first half of 2020.

37. 報告期後事項

新型冠狀病毒（「COVID-19」）疫情已導致中國全國範圍內的旅遊限制及停工，且許多國家已大幅減少甚至關閉往返中國的航線，將特別對酒店業造成嚴重打擊，部分地區的酒店入住率大幅下跌。隨著政府暫停若干服務以遏制COVID-19疫情，訪港旅客人數於二零二零年第一季度大幅下跌。

鑒於該等情況的動態性質，酒店行業將持續疲弱，本集團的收益於本集團採取嚴格預防措施以確保其僱員的健康及安全，並支持政府為控制COVID-19進一步蔓延而採取的措施期間將繼續受到影響。受中國政府實施的停工令的影響，本集團位於中國的部分酒店在二零二零年首季入住率大幅下降。然而，本公司董事認為，COVID-19的廣泛暴發不會對本集團的酒店業務造成長遠損害，但無可避免會對本集團於二零二零年上半年的表現及前景造成短期影響。

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38. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

38. 本公司之財務狀況報表及儲備

		2019 HK\$'000 二零一九年 千港元	2018 HK\$'000 二零一八年 千港元
Non-current assets	非流動資產		
Property, plant and equipment	物業、機器及設備	175	292
Right-of-use assets	使用權資產	3,300	–
Investments in subsidiaries	於附屬公司之投資	239,764	239,764
Amounts due from subsidiaries	應收附屬公司款項	1,348,102	1,265,757
		1,591,341	1,505,813
Current assets	流動資產		
Other receivables and prepayments	其他應收賬款及預付款項	1,744	1,620
Amounts due from subsidiaries	應收附屬公司款項	509,836	516,679
Investments held for trading	持作買賣投資	–	4,477
Bank balances and cash	銀行結餘及現金	208	347
		511,788	523,123
Current liabilities	流動負債		
Trade and other payables	貿易及其他應付賬款	5,439	5,356
Lease liabilities	租賃負債	1,333	–
Amounts due to subsidiaries	應付附屬公司款項	471,522	457,228
		478,294	462,584
Net current assets	流動資產淨值	33,494	60,539
Total assets less current liabilities	資產總值減流動負債	1,624,835	1,566,352
Non-current liability	非流動負債		
Lease liabilities	租賃負債	2,020	–
Net assets	資產淨值	1,622,815	1,566,352
Capital and reserves	資本及儲備		
Share capital	股本	7,892	7,892
Reserves	儲備	1,614,923	1,558,460
Total equity	權益總額	1,622,815	1,566,352

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

38. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (CONTINUED)

38. 本公司之財務狀況報表及儲備(續)

Movement in reserves

儲備變動

		Share premium HK\$'000 股份溢價 千港元	Special reserve HK\$'000 特別儲備 千港元	Share-based payments reserve HK\$'000 以股代款儲備 千港元	Accumulated losses HK\$'000 累計虧損 千港元	Total HK\$'000 總額 千港元
At 1 January 2018	於二零一八年一月一日	1,360,752	658,303	13,715	(532,471)	1,500,299
Profit and total comprehensive income for the year	本年度溢利及全面收益總額	-	-	-	58,161	58,161
At 31 December 2018	於二零一八年十二月三十一日	1,360,752	658,303	13,715	(474,310)	1,558,460
Profit and total comprehensive income for the year	本年度溢利及全面收益總額	-	-	-	56,463	56,463
Lapse of share options	購股權失效	-	-	(2,107)	2,107	-
Reduction in share premium	削減股份溢價	(1,360,752)	1,360,752	-	-	-
At 31 December 2019	於二零一九年十二月三十一日	-	2,019,055	11,608	(415,740)	1,614,923

Financial Summary

財務概要

RESULTS

業績

		2019 HK\$'000 二零一九年 千港元	Year ended 31 December 截至十二月三十一日止年度			
			2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元	2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Revenue	收入	215,376	263,011	252,311	242,296	235,412
Loss before tax	除稅前虧損	(109,498)	(65,765)	(127,806)	(92,529)	(119,811)
Income tax (expense) credit	所得稅(開支)抵免	(1,398)	66,188	2,558	(665)	(1,568)
(Loss) profit for the year	本年度(虧損)溢利	(110,896)	423	(125,248)	(93,194)	(121,379)
(Loss) profit for the year attributable to:	下列人士應佔本年度(虧損)溢利:					
Owners of the Company	本公司擁有人	(95,435)	(3,785)	(116,128)	(86,438)	(105,098)
Non-controlling interests	非控股權益	(15,461)	4,208	(9,120)	(6,756)	(16,281)
		(110,896)	423	(125,248)	(93,194)	(121,379)

ASSETS AND LIABILITIES

資產與負債

		2019 HK\$'000 二零一九年 千港元	At 31 December 於十二月三十一日			
			2018 HK\$'000 二零一八年 千港元	2017 HK\$'000 二零一七年 千港元	2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Total assets	資產總值	2,291,370	2,391,042	2,474,092	2,535,010	2,678,164
Total liabilities	負債總額	193,378	176,111	226,217	228,487	230,521
		2,097,992	2,214,931	2,247,875	2,306,523	2,447,643
Equity attributable to owners of the Company	本公司擁有人應佔權益	1,923,472	2,024,328	2,056,219	2,114,005	2,246,592
Non-controlling interests	非控股權益	174,520	190,603	191,656	192,518	201,051
		2,097,992	2,214,931	2,247,875	2,306,523	2,447,643

Particulars of Properties

物業詳情

HOTEL PROPERTIES

酒店物業

Company 公司	Address 地址	Existing Use 現時用途	Site Area 地盤面積	Gross Area 總面積	% Interest 權益百分比
Rosedale Hotel Guangzhou Co., Ltd.	Rosedale Hotel & Suites, Guangzhou No. 348 Jiang Nan Da Road Central, Haizhu District, Guangzhou, the PRC	Hotel operation	10,838.88 sq.m.	46,865.83 sq.m.	72.7%
廣州珀麗酒店有限公司	廣州珀麗酒店 中國廣州市 海珠區 江南大道中348號	經營酒店業務	10,838.88 平方米	46,865.83 平方米	72.7%
Luoyang Golden Gulf Hotel Company Limited	Luoyang Golden Gulf Hotel No. 319 Zhongzhou Zhong Road, Xigong District, Luoyang City, Henan Province, the PRC	Hotel operation	9,025.51 sq.m.	21,269.18 sq.m.	60.0%
洛陽金水灣大酒店有限公司	洛陽金水灣大酒店 中國河南省 洛陽市 西工區 中州中路319號	經營酒店業務	9,025.51 平方米	21,269.18 平方米	60.0%
Rosedale Hotel Shenyang Company Limited	Rosedale Hotel Shenyang No. 99 North Station Road, Shenhe District, Shenyang City, Liaoning Province, the PRC	Hotel operation	5,335.00 sq.m.	43,000.34 sq.m.	84.9%
瀋陽珀麗酒店有限公司	瀋陽珀麗酒店 中國 遼寧省 瀋陽市 瀋河區 北站路99號	經營酒店業務	5,335.00 平方米	43,000.34 平方米	84.9%

Particulars of Properties

物業詳情

INVESTMENT PROPERTIES

Company 公司	Address 地址	Existing Use 現時用途	Lease Term 租期
The Rosedale Luxury Hotel & Suites Ltd.	No. 1900 Tianshan Road, Changning District, Shanghai, the PRC	Leased out	Leasehold with a term expiring on 15 October 2023
珀麗置業(上海)有限公司	中國上海市 長寧區 天山路1900號	出租	租賃持有，租期於二零二三年十月 十五日屆滿



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