



RENTIAN TECHNOLOGY HOLDINGS LIMITED

仁天科技控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code 股份代號 : 885)

2019

ANNUAL REPORT

年報





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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Qian Feng (appointed on 11 November 2019)

Mr. Li Xiaoguang (appointed on 29 April 2020)

Independent Non-executive Directors

Mr. Chin Hon Siang

Mr. Chan Tsang Mo (appointed on 16 March 2020)

Mr. Su Jiang (appointed on 29 April 2020)

BOARD COMMITTEES

Audit Committee

Mr. Chin Hon Siang (*Chairman*)

Mr. Chan Tsang Mo

Mr. Su Jiang

Remuneration Committee

Mr. Chin Hon Siang (*Chairman*)

Mr. Chan Tsang Mo

Mr. Su Jiang

Nomination Committee

Mr. Chin Hon Siang (*Chairman*)

Mr. Chan Tsang Mo

Mr. Su Jiang

COMPANY SECRETARY

Ms. Leung Ngan Yi

AUTHORISED REPRESENTATIVES

Mr. Qian Feng

Ms. Leung Ngan Yi

REGISTERED OFFICE

P. O. Box 309, Uglund House,

Grand Cayman, KY1-1104,

Cayman Islands

董事會

執行董事

錢楓先生(於二零一九年十一月十一日獲委任)

李小廣先生(於二零二零年四月二十九日
獲委任)

獨立非執行董事

陳鴻先先生

陳增武先生(於二零二零年三月十六日獲委任)

蘇江先生(於二零二零年四月二十九日獲委任)

董事委員會

審核委員會

陳鴻先先生(*主席*)

陳增武先生

蘇江先生

薪酬委員會

陳鴻先先生(*主席*)

陳增武先生

蘇江先生

提名委員會

陳鴻先先生(*主席*)

陳增武先生

蘇江先生

公司秘書

梁雁怡女士

授權代表

錢楓先生

梁雁怡女士

註冊辦事處

P. O. Box 309, Uglund House,

Grand Cayman, KY1-1104,

Cayman Islands



Corporate Information 公司資料

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Flat B, 11/F., Hing Lung Commercial Building,
68-74 Bonham Strand, Sheung Wan,
Hong Kong

AUDITOR

Mazars CPA Limited
Certified Public Accountants
42nd Floor, Central Plaza,
18 Harbour Road, Wanchai,
Hong Kong

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Hang Seng Bank Limited
Industrial Bank Co., Limited, Hong Kong Branch
The Bank of East Asia Limited
China Minsheng Banking Corporation Limited, Hong Kong Branch

CAYMAN ISLANDS LEGAL ADVISER

Maples and Calder (Hong Kong) LLP
53rd Floor, The Center,
99 Queen's Road Central,
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

SMP Partners (Cayman) Limited
Royal Bank House – 3rd Floor,
24 Shedden Road,
P.O. Box 1586, Grand Cayman,
KY1-1110, Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

STOCK CODE

00885

WEBSITE

www.rentiantech.com

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香港
上環文咸東街68至74號
興隆大廈11樓B室

核數師

中審眾環(香港)會計師事務所有限公司
執業會計師
香港
灣仔港灣道18號
中環廣場42樓

主要往來銀行

中國銀行(香港)有限公司
恒生銀行有限公司
興業銀行股份有限公司香港分行
東亞銀行有限公司
中國民生銀行股份有限公司香港分行

開曼群島法律顧問

邁普達律師事務所(香港)有限法律責任合夥
香港
皇后大道中99號
中環中心53樓

股份過戶登記總處

SMP Partners (Cayman) Limited
Royal Bank House – 3rd Floor,
24 Shedden Road,
P.O. Box 1586, Grand Cayman,
KY1-1110, Cayman Islands

香港股份過戶登記分處

卓佳登捷時有限公司
香港
皇后大道東183號
合和中心54樓

股份代號

00885

網址

www.rentiantech.com



Executive Directors' Statement

執行董事報告

In 2019, the Sino-United States trade disputes escalated, exerting mounting downward pressure on China's economy and Hong Kong security market. The global economy remained sluggish and worldwide economy activities has yet to recover since stagnation. Rentian Technology Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") faced a number of challenges in 2019 and the Group recorded losses for the year ended 31 December 2019 (the "**Year**").

With the increasingly serious international economic turmoil, the economic cyclical volatility risk, policy risk and financial risk are increasing. The performance of the financial assets were strongly related to the turbulence of the Hong Kong stock market, which showed signs of recovery in 2019, while suffering a series of drastic decline at a later stage. The social unrest in Hong Kong, the escalation of Sino-US trade conflicts and the global influence of the Brexit negotiations were the key factors that jittered the market. As a result, the Group recorded a significant realised loss on disposal of securities investments and a loss on changes in fair value on the investment on financial instruments for the Year.

For IoT business, we are dedicated to enhancing the connectivity and compatibility with our customers through offering I.T. products and solutions. However, the US-China trade war spreading from goods to services has brought unfavorable market conditions to the IoT solution segment in the People's Republic of China ("**PRC**") and weakened the ultimate customers' confidence. Along with the reduction on number of customers followed by keen competition in the market and the slowdown in growth of the PRC economy, the IoT solution business of the Company faced a number of challenges in 2019.

Looking forward, despite the challenging business environment as well as the complicated socio-economic environment, the Group is cautiously optimistic about the future market conditions. In the coming year, the Group will continue to endeavour at its best to capture stable business growth and return, and to ultimately bring sustainable return to the shareholders of the Company (the "**Shareholders**"). The Group will continue to effectively utilise its resources to expand its core businesses and to keep exploring new business opportunities with good potentials. At the same time, the Group will strive to maintain an appropriate balance between risk and return.

二零一九年，中美貿易糾紛升溫，中國經濟及香港證券市場面臨的下行壓力不斷增加。全球經濟仍然低迷，經濟活動自停滯以來尚待恢復。仁天科技控股有限公司（「**本公司**」，連同其附屬公司統稱「**本集團**」）於二零一九年面對多項挑戰，而本集團於截至二零一九年十二月三十一日止年度（「**本年度**」）錄得虧損。

隨著國際經濟動盪日益嚴重，經濟週期性波動風險、政策風險及金融風險不斷增加。金融資產的表現與香港股市是否穩定密切相關，香港股市於二零一九年出現復甦跡象，但在隨後卻出現一連串急劇下滑。香港社會動盪，中美貿易衝突升溫，英國脫歐談判對全球的影響，均為動搖市場的關鍵因素。因此，本集團於本年度錄得出售證券投資之重大已變現虧損及金融工具投資之公平值變動虧損。

就物聯網業務而言，我們致力於通過提供資訊科技產品及解決方案來增強與客戶的連接性及兼容性。然而，隨著中美貿易戰從商品擴散至服務，對中華人民共和國（「**中國**」）物聯網解決方案分類帶來不利因素，同時更削弱了最終客戶的信心。隨著客戶數量減少，加上市場競爭激烈及中國經濟增長放緩，本公司的物聯網解決方案業務於二零一九年面對多項挑戰。

展望未來，儘管面對充滿挑戰的商業環境以及復雜的社會經濟環境，但本集團仍對未來市場狀況持審慎樂觀態度。未來一年，本集團將繼續盡最大努力爭取穩定的業務增長及回報，並最終為本公司股東（「**股東**」）帶來可持續的回報。本集團將繼續有效利用其資源擴張其核心業務，持續發掘具良好潛力的新商機。同時，本集團將致力維持風險與回報的適當平衡。

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW

The Group has the following major business activities during the Year:

IoT Business

The major business activities of the Group covers cloud computing and data processing and analysis (“**cloud**”), telecommunication infrastructure and technologies (“**pipeline**”) and terminal computing (“**endpoint**”) for corporate Integrated Smart Internet-of Things (“**IoT**”) systems.

The Group’s IoT business can be further divided into 3 segments, namely (i) IoT solution; (ii) Human-machine Interactive Devices (“**HMID**”); and (iii) Intelligent Documentation Service (“**IDS**”). During the Year, the Group’s segment loss from the IoT solution business amounted to approximately HK\$382.7 million for the Year, representing a decrease of approximately 66.2% from segment loss amounted to approximately HK\$1,131.5 million in the year of 2018. Segment profit from the IDS business decreased to approximately HK\$22.2 million for the Year, representing a decrease of approximately 18.4% from approximately HK\$27.2 million in the year of 2018. Segment profit from the HMID business of HK\$13.6 million in the year 2018 decreased to segment loss of approximately HK\$93.0 million, representing a decrease of approximately 783.8% for the Year.

Impairment of goodwill in IoT solution segment

The US-China trade war spreading from goods to services has brought unfavorable market conditions to the IoT solution segment in the PRC and weakened the ultimate customers’ confidence. Also, the increasing restrictions and regulations imposed to the new entrants and existing market players further increased the difficulties in the development of existing and potential customers. Along with the reduction on number of customers followed by keen competition in the market and the slowdown in growth of the PRC economy, the IoT solution segment faced a challenging year in 2019.

These circumstances indicated that impairment on goodwill and intangible assets arising from the acquisition of subsidiaries under IoT solution segment in previous years is necessary. The Group has made a downward adjustment on the profit of these acquired subsidiaries in the financial forecast based on the current circumstances as discussed above. Impairment loss on goodwill and intangible assets amounted to approximately HK\$120.1 million and approximately HK\$14.1 million respectively was recognised for the Year.

業務回顧

本集團於本年度曾進行下列主要業務活動：

物聯網業務

本集團之主營業務主要分佈在面向企業之整合智能物聯網(「物聯網」)體系中之雲端計算和數據處理分析(「雲」)、通訊基礎設施與技術(「管」)和終端計算(「端」)三個環節。

本集團之物聯網業務可進一步分為三個分類，即(i)物聯網解決方案；(ii)人機互動商業終端(「人機互動」)；及(iii)智能檔案服務(「智能檔案服務」)。於本年度，本集團物聯網解決方案業務之本年度分類虧損約為382,700,000港元，較二零一八年分類虧損約1,131,500,000港元下跌約66.2%。智能檔案服務業務之本年度分類溢利下降至約22,200,000港元，較二零一八年約27,200,000港元減少約18.4%。人機互動業務之分類溢利由二零一八年的13,600,000港元下跌約783.8%至本年度分類虧損約93,000,000港元。

物聯網解決方案分類之商譽減值

隨著中美貿易戰從商品擴散至服務，對中國物聯網解決方案分類帶來不利因素，同時更削弱了最終客戶對物聯網解決方案市場之信心。此外，對新加入及現有市場參與者之管制日益增加，進一步增加企業現有及潛在客戶業務發展之難度。隨著客戶數量減少，加上市場競爭激烈及中國經濟增長放緩，物聯網解決方案業分類於二零一九年面對重重挑戰。

該等情況顯示，過往年度因收購物聯網解決方案分類下之附屬公司而產生之商譽及無形資產減值屬必要。本集團已根據如上文所論述之現時情況，於財務預測中就該等已收購附屬公司之溢利作出下行調整。本年度已確認分別約120,100,000港元及約14,100,000港元之商譽及無形資產減值虧損。

Management Discussion and Analysis

管理層討論與分析

Securities Investment Business

The Group invested in various financial instruments as both short-term and long-term investments. During the Year, the Group recorded a net realised loss on disposal of financial assets at fair value through profit or loss of approximately HK\$766.8 million and a loss on changes in fair value of financial assets at fair value through profit or loss of approximately HK\$146.6 million.

The Group's significant investments (i.e. investment with carrying amount exceeding 5% of the total assets of the Group) held as at 31 December 2019 are as follows:

The Group's equity interests in Co-Lead Holdings Limited (“**Co-Lead**”), a company incorporated in the British Virgin Islands (“**BVI**”) with limited liability. As at 31 December 2019, the Group held 8.58% (2018: 8.58%) equity interests in Co-Lead with fair value of HK\$218,966,000 (2018: HK\$233,261,000) which was classified as financial assets designated at fair value through other comprehensive income as set out in note 17 to the consolidated financial statements. During the year ended 31 December 2019, a decrease in fair value of HK\$14,295,000 (2018: HK\$34,239,000) in Co-Lead was recognised in fair value reserve (non-recycling). The principal activity of Co-Lead is investment holding. The investment in Co-Lead with carrying amount is 14.8% of the total assets of the Group held as at 31 December 2019 (2018: 5.4%).

In August 2018, the Group entered into a subscription agreement with Satinu Resources Group Limited (“**Satinu**”), a company incorporated in the BVI with limited liability, pursuant to which the Group shall acquire 2.11% equity interests in Satinu at a consideration of HK\$175,000,000 by issuing promissory notes. Due to the allotment of new shares to other investors during 2019, the Group's equity interests in Satinu were diluted from 2.11% to 1.76%. As at 31 December 2019, the Group's 1.76% equity interest in Satinu with fair value of HK\$121,790,000 (2018: HK\$136,212,000) was classified as financial assets at fair value through profit or loss as set out in note 19 to the consolidated financial statements. The principal activities of Satinu are provision of integrated financial services, securities brokerage services, money lending, securities and other direct investments.

證券投資業務

本集團投資於多項財務工具之短期及長期投資。於本年度，本集團因出售於損益帳按公平值處理之財務資產錄得已變現虧損淨額約766,800,000港元，及於損益帳按公平值處理之財務資產公平值變動之虧損約146,600,000港元。

本集團於二零一九年十二月三十一日所持重大投資(即帳面金額佔本集團資產總值超過5%之投資)如下：

本集團於Co-Lead Holdings Limited(「**Co-Lead**」，一間於英屬處女群島(「**英屬處女群島**」)註冊成立之有限公司)之股本權益。於二零一九年十二月三十一日，本集團持有Co-Lead之8.58%股本權益(二零一八年：8.58%)之公平值218,966,000港元(二零一八年：233,261,000)被分類為綜合財務報表附註17所載之指定於其他全面收入按公平值處理之財務資產。截至二零一九年十二月三十一日止年度，Co-Lead之公平值減少14,295,000港元(二零一八年：34,239,000港元)已於公平值儲備(不重新分類)中確認。Co-Lead之主要業務為投資控股。於二零一九年十二月三十一日，於Co-Lead之投資之帳面金額佔本集團持有之資產總值之14.8%(二零一八年：5.4%)。

於二零一八年八月，本集團與Satinu Resources Group Limited(「**Satinu**」，一間於英屬處女群島註冊成立之有限公司)訂立認購協議，據此，本集團須按代價175,000,000港元透過發行承兌票據收購Satinu 2.11%股本權益。於二零一九年，由於向其他投資者配發新股份，故本集團於Satinu之股本權益由2.11%攤薄至1.76%。於二零一九年十二月三十一日，本集團於Satinu之1.76%股本權益之公平值121,790,000港元(二零一八年：136,212,000港元)被分類為綜合財務報表附註19所載之於損益帳按公平值處理之財務資產。Satinu之主要業務為提供整合財務服務、證券經紀服務、借貸、證券及其他直接投資。

Management Discussion and Analysis

管理層討論與分析

During the year ended 31 December 2019, the fair value loss of HK\$14,422,000 (2018:HK\$35,028,000) in respect of the investments in Satinu was recognised in profit or loss. The investment in Satinu with carrying amount is 8.2% of the total assets of the Group held as at 31 December 2019 (2018: 3.1%).

Money Lending Business

The Group provides short-term loans to various borrowers. Those short-term loans carried interest rates ranging from 5% to 18% per annum. During the Year, the money lending business contributed a loan interest income of approximately HK\$1.6 million to the Group.

OUTLOOK

IoT Business

The trade war between China and the United States was not resolved until the two sides reached an agreement in early 2020. Affected by the growing concerns over the COVID-19, economic situation of China and Hong Kong are expected to be uncertain.

Additionally, the severe competition in the information technology industry in China is expected to adversely affect the financial performance of the Group's internet-of-things solutions business and related businesses. In coming years, the operation of the IoT business is expected to remain challenging. The Group will endeavour to expand customer base in coming years to improve the financial performance of this segment. The Group's management will continue to pay close attention to the prospect of profitable business segments and to maximize the interests of Shareholders.

Looking forward, Rentian Technology will adopt a proactive attitude in the Chinese IoT sector and focus the capital and management resources on the core and major business activities by integrating the existing resources, promoting "IoT +" and optimising the business portfolio.

截至二零一九年十二月三十一日止年度，有關於Satinu投資之公平值虧損14,422,000港元(二零一八年：35,028,000港元)已於損益帳中確認。於二零一九年十二月三十一日，於Satinu之投資之帳面金額佔本集團持有之資產總值之8.2%(二零一八年：3.1%)。

貸款業務

本集團向多名借款人提供短期貸款。該等短期貸款按年利率介乎5厘至18厘計息。於本年度，貸款業務為本集團貢獻約1,600,000港元之貸款利息收入。

前景

物聯網業務

直到二零二零年初雙方達成協議，中美之間的貿易戰才得以解決。由於對COVID-19的擔憂持續升溫的影響，中港兩地的經濟狀況預計將迷霧重重。

此外，中國信息技術行業競爭激烈，預計將對本集團的物聯網解決方案業務及相關業務的財務表現產生不利影響。物聯網業務的營運預計未來幾年仍將充滿挑戰。本集團將在未來數年內致力擴大客戶基礎，改善該分類的財務表現。本集團管理層將繼續密切關注利潤較高的業務分類的前景，將股東的利益最大化。

展望未來，仁天科技將積極進取，在中國物聯網領域整合現有資源、推進「物聯網+」、優化業務組合，將資金及管理資源聚焦於核心主營業務上。

Management Discussion and Analysis

管理層討論與分析

Integrated Smart IoT Solutions business

The Group continued to pursue IoT telecommunication development. In addition to EoC telecommunication equipment and fibre-optic telecommunication equipment for the existing telecommunication operators, the Group will continue to enlarge its share in the telecommunication operator market with the development and sale of auxiliary telecommunication products. New products such as home plug has been successfully commercialised and applied by telecommunication operators.

The Group offers smart logistic bin products to renowned domestic and overseas logistic, e-commerce, retailing and catering brands. The Group expects that further enhancement will be seen in the coming year.

HMID Business

The Group focuses on commercial HMID and develops terminal hardware, software and service applications for treasury, taxation, finance, education and other key industries. It offers smart and mobile-internet corporate solutions including but not limited to industry-specific integrated or self-service systems, smart payment devices, printing devices and all-in-one cloud-based systems. Apart from the traditional banking sectors, the Group will continue to explore the national treasury and taxation and other sectors, in respect of the research and development of new products.

IDS Business

The Group provides specialised services to accelerate document driven business processes to over 40 companies in the property insurance and life insurance industry in the PRC. The entire service process is supported by high level of confidentiality, data accuracy and processing velocity. The Group is also engaged in development and sale of software products and technology and provision of IT services and operations in combination with various industry applications, leveraging its technological expertise in the insurance sector.

整合智慧物聯網解決方案業務

本集團繼續在物聯網通訊領域發力，除原有電信運營商的同軸電纜通信設備和光纖通信設備外，本集團將繼續通過研發銷售輔助通信產品佔領電信運營商客戶市場，包括電力貓在內的新產品已成功進入電信運營商的商業應用。

本集團為海內外知名的物流、電商、零售、餐飲品牌提供智慧物流箱產品。本集團預期在未來一年裡能持續取得更大進展。

人機互動業務

本集團主要聚焦於人機互動商業終端(HMID)領域，圍繞財稅、金融、教育等重點行業應用場景構建終端硬體、軟體和服務產品，提供面向企業的智慧化和移動互聯化的解決方案，包括但不限於行業化的集成式或自助式系統、智慧支付設備、列印設備和基於雲平台的一體機系統。在行業領域方面，除傳統的銀行領域外，本集團將繼續在國家財務和稅務等領域努力及研發新產品。

智能檔案服務業務

本集團為中國財產保險及人壽保險行業40多間公司提供加快文件主導業務流程之專門服務。整個服務過程具備高度保密性、數據準確性及處理速度。本集團亦從事軟件產品和技術之開發及銷售，並結合各種行業應用提供資訊科技服務及運營，利用其在保險行業之技術專長。

Management Discussion and Analysis

管理層討論與分析

The Group will continue to focus on developing its existing business as well as expanding into new innovative solutions with high growth potential.

Securities Investment Business

Triggered by the epidemic outbreak of coronavirus disease (COVID-19) in early 2020 and growing concerns and uncertainty over the Sino-United States trade, economic situation of China and Hong Kong are expected to be uncertain. The global stock market, including PRC and Hong Kong, suffered a severe blow due to the uncertainty of global business market. Given the unstable financial and investment environment, the Group will adopt a more prudent approach in securities investment that the Group will scale down its investment segment and put more resources and concentration in other operating segments.

FINANCIAL REVIEW

Results for the Year

During the Year, the US-China trade war has become an escalating technological cold war. Emerging technologies such as the IoT industry in China faced immense challenges. The Group's revenue for the Year decreased from approximately HK\$1,134.9 million for the year ended 31 December 2018 to approximately HK\$175.5 million, representing a year-on-year decrease of 84.5%. The decrease in revenue was mainly caused by the changes in revenue in the following businesses:

本集團將繼續致力於發展現有業務，並擴展到具有高增長潛力之新型創新解決方案。

證券投資業務

受二零二零年初冠狀病毒疾病(COVID-19)疫情爆發及擔憂持續升溫以及中美貿易戰仍不明朗的影響，中港兩地的經濟狀況預計將迷霧重重。由於全球商業市場不明朗，包括中國大陸及香港在內的全球股市遭受嚴重打擊。鑒於金融及投資環境不穩定，本集團將對證券投資採取更為審慎的態度，即本集團將縮減其投資分類，集中更多資源於其他經營分類。

財務回顧

本年度業績

於本年度，中美貿易戰已演變為科技冷戰且愈演愈烈。中國物聯網產業等新興技術面對巨大挑戰。本集團本年度之收益由截至二零一八年十二月三十一日止年度約1,134,900,000港元減少至約175,500,000港元，按年減少84.5%。收益減少主要源自下列業務之收益出現變動所致：

Business 業務		2019	2018	Changes	
		二零一九年 HK\$'million 百萬港元	二零一八年 HK\$'million 百萬港元	HK\$'million 百萬港元	%
IoT solution	物聯網解決方案	212.5	338.9	(126.4)	(37.3)
HMID	人機互動	523.0	669.3	(146.3)	(21.9)
IDS	智能檔案服務	192.6	225.8	(33.2)	(14.7)
Investing	投資	(754.2)	(112.7)	(641.5)	569.2

Management Discussion and Analysis

管理層討論與分析

The Group recorded a loss before taxation of approximately HK\$1,695.1 million (2018: loss before taxation of approximately HK\$2,930.3 million). The loss before taxation was mainly attributable from:

- the unrealised fair value loss of financial assets at fair value through profit or loss of approximately HK\$146.6 million (2018: loss of approximately HK\$1,480.0 million) and net realised loss on disposal of financial assets at fair value through profit or loss of approximately HK\$766.8 million (2018: loss of approximately HK\$167.5 million);
- the impairment of goodwill of approximately HK\$120.1 million (2018: approximately HK\$897.4 million); and
- the increase in loss allowance of trade receivables, loan receivables, and prepayment and other receivables amounting to approximately HK\$51.6 million (2018: approximately HK\$118.4 million), HK\$130.9 million (2018: approximately HK\$24.4 million) and HK\$268.6 million (2018: Nil) respectively caused by certain major customers and debtors of the Group, as these amounts are overdue and board (the “Board”) of directors (the “Directors”) of the Company is of the view that the repayment abilities of these customers have significantly reduced.

Liquidity, Financial Resources, Borrowing and Gearing Ratio

As at 31 December 2019, the current assets and current liabilities of the Group were approximately HK\$986.7 million (31 December 2018: approximately HK\$3,671.9 million) and approximately HK\$2,094.0 million (31 December 2018: approximately HK\$3,134.0 million) respectively. The liquidity ratio, which is calculated as current assets over current liabilities, was approximately 0.47 times as at 31 December 2019, as compared to that of approximately 1.17 times as at 31 December 2018.

The Group financed its operation largely through internal cash resources and interest-bearing borrowings. As at 31 December 2019, the Group maintained cash and bank balances (including pledged bank deposits) at approximately HK\$233.4 million (31 December 2018: approximately HK\$347.2 million). The decrease in cash and bank balances was mainly due to payment of borrowings during the Year. The Group’s gearing ratio, expressed as a percentage of total borrowings and long-term debts (including promissory notes) over total deficit and borrowings and long-term debts (including promissory notes), was stated at 162.8% (31 December 2018: total borrowings and long-term debts (including promissory notes) over total equity and borrowings and long-term debts (including promissory notes) was 71.4%). The increase in gearing ratio was mainly due to the loss for the Year of approximately HK\$1,695.1 million.

本集團錄得除稅前虧損約1,695,100,000港元(二零一八年：除稅前虧損約2,930,300,000港元)，主要源於下列因素所致：

- 錄得於損益帳按公平值處理之財務資產之未變現公平值虧損約146,600,000港元(二零一八年：虧損約1,480,000,000港元)及出售於損益帳按公平值處理之財務資產之已變現虧損淨額約766,800,000港元(二零一八年：虧損約167,500,000港元)；
- 商譽減值約120,100,000港元(二零一八年：約897,400,000港元)；及
- 貿易應收款項、應收貸款以及預付及其他應收款項之虧損備抵因本集團若干主要客戶及債務人所致而分別增加至約51,600,000港元(二零一八年：約118,400,000港元)、130,900,000港元(二零一八年：約24,400,000港元)及268,600,000港元(二零一八年：無)，原因為該等款項已逾期，且本公司董事(「董事」)會(「董事會」)認為該等客戶之還款能力已大幅減弱。

流動資金、財務資源、借貸及負債資產比率

於二零一九年十二月三十一日，本集團之流動資產及流動負債分別約為986,700,000港元(二零一八年十二月三十一日：約3,671,900,000港元)及約2,094,000,000港元(二零一八年十二月三十一日：約3,134,000,000港元)。於二零一九年十二月三十一日，按流動資產除以流動負債計算之流動資金比率約為0.47倍，而二零一八年十二月三十一日則約為1.17倍。

本集團主要以內部現金資源及計息借貸為其業務提供資金。於二零一九年十二月三十一日，本集團之現金及銀行結存(包括已質押銀行存款)維持於約233,400,000港元(二零一八年十二月三十一日：約347,200,000港元)。現金及銀行結存減少主要是由於本年度內支付貸款所致。本集團的負債資產比率(以借貸及長期債務(包括承兌票據)總額除以借貸及長期債務(包括承兌票據)虧絀總額之百分比列示)為162.8%(二零一八年十二月三十一日：借貸及長期債務(包括承兌票據)總額除以借貸及長期債務(包括承兌票據)權益總額為71.4%)。負債資產比率上升主要是由於本年度內虧損約1,695,100,000港元所致。

Management Discussion and Analysis

管理層討論與分析

The Group's total assets and total liabilities as at 31 December 2019 amounted to approximately HK\$1,479.4 million (31 December 2018: approximately HK\$4,325.1 million) and approximately HK\$2,112.9 million (31 December 2018: approximately HK\$3,229.4 million) respectively. The debt ratio, which is calculated based on total liabilities over total assets, was approximately 1.43 times as at 31 December 2019, as compared to that of approximately 0.75 times as at 31 December 2018.

The net asset value of the Group decreased from approximately HK\$1,095.7 million as at 31 December 2018 to net liabilities of approximately HK\$633.4 million as at 31 December 2019.

Pledge of Assets

As at 31 December 2019, bank and other borrowings of the Group amounted to HK\$430.0 million (31 December 2018: HK\$591.0 million) from financial institutions and a bank, among which (i) the bank borrowing of HK\$180.0 million (2018: HK\$200.0 million) was guaranteed by Mr. King Pak Fu ("**Mr. King**"), the controlling shareholder of the Company and secured by the charges over the entire issued share capital in certain subsidiaries of the Company; (ii) HK\$141.0 million was guaranteed by Mr. King and secured by a securities account in 2018; and (iii) the bank borrowing of HK\$250.0 million was guaranteed by Mr. King and was secured by 203,854,292 shares of Enterprise Development Holdings Limited ("**Enterprise Development**"), a non-wholly owned subsidiary of the Company.

As at 31 December 2019, the convertible bonds of US\$80.0 million with an outstanding principal balance of approximately HK\$696.6 million (31 December 2018: HK\$672.1 million) were guaranteed by Mr. King and secured by the entire shares of the Group's subsidiaries, Elite Dynamic Enterprises Limited and Best Elite Enterprises Limited. As at 31 December 2019, bank deposits of approximately HK\$7.5 million (2018: HK\$11.3 million) were pledged to secure trade finance facilities and banking facilities granted to the Group.

As at 31 December 2019, the Group had no pledged property, plant and equipment (31 December 2018: net book value of approximately HK\$12.3 million of certain property, plant and equipment was pledged to secure the interest-bearing borrowings of HK\$6.0 million).

於二零一九年十二月三十一日，本集團之資產總值及負債總額分別約為1,479,400,000港元(二零一八年十二月三十一日：約4,325,100,000港元)及約2,112,900,000港元(二零一八年十二月三十一日：約3,229,400,000港元)。於二零一九年十二月三十一日，按負債總額除以資產總值計算之債務比率約為1.43倍，而二零一八年十二月三十一日則約為0.75倍。

本集團資產淨值由二零一八年十二月三十一日約1,095,700,000港元減少至二零一九年十二月三十一日之負債淨值約633,400,000港元。

資產質押

於二零一九年十二月三十一日，本集團從金融機構及一家銀行所取得為數430,000,000港元(二零一八年十二月三十一日：591,000,000港元)之銀行及其他借貸，其中(i)為數180,000,000港元(二零一八年：200,000,000港元)之銀行借貸由本公司控股股東景百孚先生(「**景先生**」)擔保，並以本公司若干附屬公司全部已發行股本之押記作抵押；(ii)141,000,000港元於二零一八年由景先生擔保，並以一個證券戶口作抵押；及(iii)為數250,000,000港元之銀行借貸由景先生擔保，並以203,854,292股企展控股有限公司(「**企展**」，本公司一間非全資附屬公司)股份作抵押。

於二零一九年十二月三十一日，80,000,000美元之可換股債券(未轉換本金結餘為數約696,600,000港元(二零一八年十二月三十一日：672,100,000港元))由景先生擔保，並以本集團附屬公司Elite Dynamic Enterprises Limited及佳杰企業有限公司之全部股份作抵押。於二零一九年十二月三十一日，已抵押約7,500,000港元(二零一八年：11,300,000港元)的銀行存款，以取得本集團獲授之貿易融資信貸及銀行融資。

於二零一九年十二月三十一日，本集團並無質押物業、廠房及設備(二零一八年十二月三十一日：帳面淨值約12,300,000港元之若干物業、廠房及設備，作為為數6,000,000港元之計息借貸之抵押)。

Management Discussion and Analysis

管理層討論與分析

The Directors closely monitor the Group's liquidity position and financial performance and have initiated measures to improve the Group's cash flows.

THE MANAGEMENT'S POSITION, VIEW AND ASSESSMENT ON THE DISCLAIMER OF OPINION

During the course of audit of the consolidated financial statements of the Group for the Year, the auditor had raised concern on the Group's ability to continue as a going concern. In order to address this concern, the Company has, among other things, taken the following steps: (i) obtaining additional financing from financial institution; (ii) the Group has obtained letters of undertakings from the controlling shareholder of the Company and certain companies controlled by the controlling shareholder of the Company confirming that they will provide financial support to the Group to meet its present and future financial obligations as they fall due in the next fifteen months; (iii) the Group will actively pursue additional financing including, but not limited to, equity and debt financing and bank borrowings; (iv) the Group will continue to negotiate with the Group's creditors with a view to extend the repayment terms of the Group's current liabilities as they fall due; (v) the Directors will continue to implement measures aiming at improving the working capital and cash flows of the Group, including close monitoring of general administrative expenses and operating costs; (vi) the Group is actively reorganizing the IoT business, through means of asset restructuring, to dispose equity interests in unprofitable subsidiaries and endeavoring to negotiate with a potential vendor for the acquisition of a company engaged in investment management and consultation and financial technology business in the mainland China, improving the profitability of the Company.

Accordingly, the Directors are of the opinion that it is appropriate to prepare the consolidated financial statements of the Group for the Year on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the Group is able to obtain the necessary funding and achieve the plans and measures above. The Group's ability to continue as a going concern would depend upon whether the Group is able to obtain financing when required, the attainability depends on the performance of the Group and whether the Group is able to generate sufficient cash flow from operations and plans to control costs, the attainability depends on the market performance.

董事密切監察本集團之流動資金狀況及財務表現，並已採取措施改善本集團之現金流量。

管理層關於不發表意見之意見、觀點及評估

於審核本集團本年度綜合財務報表的過程中，核數師就本集團繼續持續經營之能力提出顧慮。為處理此顧慮，本公司已(其中包括)採取下列步驟：(i)自財務機構取得額外融資；(ii)本集團已取得本公司控股股東及若干由本公司控股股東控制之公司之承諾函，確認彼等將為本集團提供財務支持，以履行於未來十五個月內到期之現時及未來財務責任；(iii)本集團將積極尋求額外融資，包括但不限於股本及債務融資以及銀行借貸；(iv)本集團將繼續與本集團的債權人進行磋商，以延長本集團到期流動負債的還款期限；(v)董事將繼續採取旨在改善本集團營運資金及現金流量的措施，包括密切監察一般行政開支及經營成本；(vi)本集團正透過資產重組方式積極重組物聯網業務，以出售並無利潤的附屬公司的股權，並努力與一名潛在賣方磋商收購一家於中國大陸經營投資管理及諮詢和金融科技業務的公司，進而提升本公司的盈利能力。

因此，董事認為，按持續經營基準編製本集團本年度之綜合財務報表屬妥當。

儘管如此，本集團是否有能力獲得必要的融資並實現上述計劃及措施仍存在重大不確定性。本集團持續經營的能力將取決於本集團能否在需要時獲得融資，而能否實現取決於本集團的業績，以及本集團能否自經營及計劃中產生充足的現金流量以控制成本，而能否實現則取決於市場表現。



Management Discussion and Analysis

管理層討論與分析

Despite the effort made by the Company to address the concern, the auditor issued the disclaimer of opinion. The management of the Company (the “**Management**”) has considered the auditor’s rationale and understood their consideration in arriving the disclaimer of opinion.

AUDIT COMMITTEE’S VIEW ON THE DISCLAIMER OF OPINION

The members of the Audit Committee had critically reviewed the basis for disclaimer of opinion, the Management’s position concerning the basis for disclaimer of opinion and measures taken by the Company for addressing the basis for disclaimer of opinion. The Audit Committee agreed with the Management’s position based on the reasons above. Moreover, the Audit Committee requested the Management to take all necessary actions to address the effect on the basis for disclaimer of opinion to procure no such disclaimer of opinion to be made in the next financial year. The Audit Committee had also discussed with the auditor regarding the financial position of the Group, measures taken and to be taken by the Company, and considered the auditor’s rationale and understood their consideration in arriving the disclaimer of opinion.

Capital Structure

The Company’s capital structure has not been changed during the Year. As at 31 December 2019, the issued share capital of the Company amounted to HK\$11,022,580.53 and the number of issued ordinary shares was 11,022,580,530 with nominal value of HK\$0.001.

儘管本公司努力解決此顧慮，但核數師仍發出不發表意見。本公司管理層(「**管理層**」)已考慮核數師的理由，並理解彼等在達致不發表意見時的考慮。

審核委員會關於不發表意見之觀點

審核委員會的成員已對不發表意見基準、管理層關於不發表意見基準的意見以及本公司為解決不發表意見基準而採取的措施進行嚴格審查。基於上述原因，審核委員會同意管理層的意見。此外，審核委員會亦請求管理層採取一切必要行動消除不發表意見基準的影響，以確保下一財政年度不作出此類不發表意見。審核委員會亦與核數師討論了本集團的財務狀況、本公司已採取及將採取的措施，並已考慮核數師的理由及理解彼等在達致不發表意見時的考慮。

資本架構

本公司之資本架構於本年度並無變動。於二零一九年十二月三十一日，本公司之已發行股本為11,022,580.53港元，而已發行每股面值0.001港元之普通股數目為11,022,580,530股。

Management Discussion and Analysis

管理層討論與分析

Foreign Currency Exposure

The Group is not subject to material foreign currency exposure since its operations in Hong Kong are mainly denominated in Hong Kong dollars and United States dollars and the Group's revenue and operating costs in the PRC are denominated in the functional currency of the Group's entity making the sales or incurring the costs. The Group considers there is no significant exposure to foreign exchange fluctuations for United States dollars as long as the Hong Kong-United States dollar exchange rate remains pegged. Accordingly, the Directors consider that the currency risk is not significant. As such, no hedging instrument is considered necessary by the Board during the Year. The Directors will monitor the Group's exposure on an ongoing basis and will consider hedging the currency risk should the need arise.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the Year.

MATERIAL ACQUISITION AND DISPOSAL

Disposal of interests in subsidiaries without loss of control

As at 31 December 2018, the Group held 42.99% equity interests in Enterprise Development. During the year ended 31 December 2019, the Group acquired additional 17,802,000 shares of Enterprise Development, representing 3.38% equity interests in Enterprise Development, on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") at an aggregate consideration of HK\$14,365,000 and the Group's equity interests in Enterprise Development increased to 46.37%.

During the year ended 31 December 2019, the Group also disposed 40,302,000 shares of Enterprise Development, representing 7.65% equity interests in Enterprise Development, on the Stock Exchange at an aggregate proceed of HK\$13,862,000.

Apart from abovementioned, the Group did not have any material acquisition or disposal of subsidiaries, associates and joint ventures during the Year.

外幣風險

由於本集團於香港之營運主要以港元及美元計值，而本集團於中國之收益及經營成本以本集團進行銷售或產生成本之實體之功能貨幣計值，故本集團並無面對重大外幣風險。本集團認為，在港元兌美元匯率仍然掛鈎之期間，本集團面對之美元外匯波動風險不大。因此，董事認為貨幣風險並不重大。故此，董事會認為於本年度無必要使用對沖工具。董事將持續監察本集團面對之風險，並於有需要時考慮對沖貨幣風險。

末期股息

董事會不建議派付本年度之末期股息。

重大收購及出售

出售附屬公司之權益(並無失去控制權)

於二零一八年十二月三十一日，本集團持有企展42.99%股本權益。截至二零一九年十二月三十一日止年度，本集團於香港聯合交易所有限公司(「**聯交所**」)以代價總額14,365,000港元增購17,802,000股企展股份，相當於企展3.38%股本權益，而本集團於企展之股本權益增加至46.37%。

截至二零一九年十二月三十一日止年度，本集團亦於聯交所以所得款項總額13,862,000港元出售40,302,000股企展股份，相當於企展7.65%股本權益。

除上述者外，於本年度內，本集團並無進行任何附屬公司、聯營公司及合營企業重大收購或出售。



Management Discussion and Analysis

管理層討論與分析

EVENTS AFTER THE REPORTING PERIOD

Details of the significant events after the reporting period of the Group are set out in note 38 to the consolidated financial statements.

EMPLOYEES, REMUNERATION POLICY AND RETIREMENT BENEFIT SCHEME

As at 31 December 2019, the Group had approximately 1,350 employees including Directors in Hong Kong and in the PRC. Employee remuneration, bonus, share option scheme and training policies are commensurate with individual performance and experience and comparable to the market rate. The Group contributes to a Mandatory Provident Fund under the Hong Kong Mandatory Provident Fund Schemes Ordinance for all qualifying employees in Hong Kong. Other employee benefits include insurance and medical cover, subsidised educational and training programmes as well as a share option scheme.

The employees of the Group's subsidiaries in the PRC are members of a state-managed retirement benefit plan operated by the government of the PRC. The subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits.

CONTINGENT LIABILITIES

As at 31 December 2019 and 2018, the Group did not have material contingent liabilities.

報告期後事項

本集團於報告期後的重大事項詳情載於綜合財務報表附註38。

僱員、薪酬政策及退休福利計劃

於二零一九年十二月三十一日，本集團有約1,350名僱員(包括董事)駐於香港及中國。僱員薪酬、花紅、購股權計劃及培訓政策按個人表現及經驗和參照市場水平釐定。本集團根據香港強制性公積金計劃條例就所有香港合資格僱員向強制性公積金供款。其他僱員福利包括保險及醫療保障、資助教育及培訓計劃以及購股權計劃。

本集團中國附屬公司之僱員為中國政府所營辦國家管理退休福利計劃之成員。該等附屬公司須按工資成本之指定百分比向退休福利計劃供款，為福利提供資金。

或然負債

於二零一九年及二零一八年十二月三十一日，本集團並無重大或然負債。

Directors Profile

董事履歷

EXECUTIVE DIRECTORS

Mr. Qian Feng (“Mr. Qian”), aged 39, was appointed as an executive Director on 11 November 2019. He also holds directorships in several subsidiaries of the Company. Mr. Qian was rewarded Master of Economics from The School of Finance of the Renmin University of China (中國人民大學財政金融學院) in 2008. He has more than 17 years of experience in banking industry in China. Prior to joining the Company, Mr. Qian was the Assistant to Branch Manager and the Member of Party Committee of the Bank of Jiangsu Beijing Branch.

Mr. Li Xiaoguang (“Mr. Li”), aged 40, was appointed as an executive Director on 29 April 2020. Mr. Li joined the Group in July 2016 and currently serves as the vice chairman, director and general manager of Guangzhou Wealth-Depot Logistics Technology Company Limited* (廣州大庫工業設備有限公司), a subsidiary of the Company. He has over 15 years of sales and management experience in the logistics equipment and logistics automation industry. Prior to joining the Group, Mr. Li worked in logistics equipment and system integration companies such as Meigulong Metal Products (China) Co., Ltd., Tonley Group Co., Ltd., Wap Intelligence Storage Equipment (Shanghai) Corp., Ltd. and Shenzhen Clou Electronics Co., Ltd. Mr. Li is now studying an Executive Master of Business Administration programme in Business School Netherlands.

* For identification purpose only
僅供識別

執行董事

錢楓先生(「錢先生」)，39歲，於二零一九年十一月十一日獲委任為執行董事。彼亦擔任本公司多間附屬公司的董事職務。錢先生於二零零八年取得中國人民大學財政金融學院經濟學碩士。彼於中國銀行業擁有超過17年經驗。於加入本公司前，錢先生為江蘇銀行北京分行之行長助理及黨委委員。

李小廣先生(「李先生」)，40歲，於二零二零年四月二十九日獲委任為執行董事。李先生於二零一六年七月加入本集團，現擔任本公司附屬公司廣州大庫工業設備有限公司副董事長、董事兼總經理。彼於物流設備及物流自動化行業擁有15年以上行業銷售及管理經驗。加入本集團前，李先生曾於美固龍金屬製品(中國)有限公司、頓力集團有限公司、世倉智能倉儲設備(上海)股份有限公司及深圳市科陸電子科技股份有限公司等物流設備及系統集成行業公司任職。李先生現正修讀荷蘭商學院高層管理人員工商管理碩士(在職EMBA)課程。



Directors Profile 董事履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chin Hon Siang (“Mr. Chin”), aged 50, was appointed as an independent non-executive Director with effect from 14 October 2015. Mr. Chin is also the chairman of each of the audit committee (the **“Audit Committee”**), the nomination committee (the **“Nomination Committee”**) and the remuneration committee (the **“Remuneration Committee”**) of the Company. He holds a Bachelor of Commerce Degree from Monash University, Australia. Mr. Chin is a member of CPA Australia. He has over 20 years of experience in external auditing, merger and acquisition and corporate finance.

Mr. Chin is currently an independent non-executive director of Pine Capital Group Limited, a company listed on the Catalist Board of the Singapore Exchange (stock code: ADJ.SI). He had also served as an independent non-executive director of Blockchain Group Company Limited, a company listed on the Main Board of the Stock Exchange (stock code: 00364), from July 2016 to July 2018. He served as the Chief Financial Officer of Asia Green Agriculture Corp, a company formerly listed on the Over-the-Counter Bulletin Board in the United States of America (stock code: AGAC), from September 2012 to August 2015, the Chief Finance Manager of Dukang Distillers Holdings Limited, a company listed on Singapore Exchange (stock code: GJ8.SI) and Taiwan Stock Exchange Corporation (stock code: 911616.TW), from May 2010 to March 2012 and the Chief Financial Officer of United Food Holdings Limited, a company listed on Singapore Exchange (stock code: AZR.SI), from September 2002 to April 2010.

獨立非執行董事

陳鴻先先生(「陳先生」)，50歲，於二零一五年十月十四日獲委任為獨立非執行董事。陳先生亦為本公司審核委員會(「審核委員會」)、提名委員會(「提名委員會」)及薪酬委員會(「薪酬委員會」)各自之主席。彼持有澳洲 Monash University 頒授之商學士學位。陳先生為澳洲特許公認會計師公會會員。彼於外部審核、併購及企業融資方面擁有逾20年經驗。

陳先生現為 Pine Capital Group Limited (一間於新加坡交易所凱利板(股份代號: ADJ.SI)上市之公司)之獨立非執行董事。彼亦曾於二零一六年七月至二零一八年七月擔任區塊鏈集團有限公司(一間於聯交所主板(股份代號: 00364)上市之公司)之獨立非執行董事。於二零一二年九月至二零一五年八月期間，彼曾出任亞洲綠色農業集團公司(一間曾於美國場外櫃檯交易系統(Over-the-Counter Bulletin Board)(股份代號: AGAC)上市之公司)之財務總監；於二零一零年五月至二零一二年三月期間，彼曾出任杜康控股有限公司(一間於新加坡證券交易所(股份代號: GJ8.SI)及台灣證券交易所(股份代號: 911616.TW)上市之公司)之財務長；以及於二零零二年九月至二零一零年四月期間，彼曾出任聯合食品控股有限公司(一間於新加坡證券交易所(股份代號: AZR.SI)上市之公司)之財務總監。

Directors Profile

董事履歷

Mr. Chan Tsang Mo (“Mr. Chan”), aged 35, was appointed as an independent non-executive Director with effect from 16 March 2020. Mr. Chan is also a member of each of the Audit Committee, the Nomination Committee and the Remuneration Committee. He has over 10 years of finance, accounting and treasury experience. Mr. Chan assumed various positions in professional accounting and financial firms. He worked as a senior auditor of RSM Nelson Wheeler from December 2009 to January 2011, as a supervisor in the corporate services division of Intertrust Resources Management Limited from June 2011 to June 2013, and as an accounting manager of Reignwood International Investment (Group) Co., Ltd. from October 2013 to April 2016. Mr. Chan served as an executive director of Ares Asia Limited (stock code: 645) from June 2014 to March 2016, shares of which are listed on the Main Board of the Stock Exchange. He served as the financial controller of Wan Cheng Metal Packaging Company Limited (stock code: 8291) from May 2016 to October 2017, shares of which are listed on GEM of the Stock Exchange. He has served as an independent non-executive director of each of Geotech Holdings Ltd. (stock code: 1707) and Hong Kong Finance Investment Holding Group Limited (stock code: 7), since January 2019 and February 2019 respectively. The shares of both companies are listed on the Main Board of the Stock Exchange. Mr. Chan is currently the director of Morton CPA & Co., Morton Professional Services Limited and Synergy Morton Corporate Services Limited.

Mr. Chan has been admitted as a member of the Hong Kong Institute of Certified Public Accountants in January 2010 and currently a practicing member of the Hong Kong Institute of Certified Public Accountants. Mr. Chan graduated from the City University of Hong Kong with a Bachelor of Business Administration degree in Accountancy in November 2006.

Mr. Su Jiang (“Mr. Su”), aged 55, was appointed as an independent non-executive Director with effect from 29 April 2020. Mr. Su is also a member of each of the Audit Committee, the Nomination Committee and the Remuneration Committee. He has over 25 years’ experience in the securities dealing, corporate finance and investment management industry. He has served management position in several securities firms and investment management companies. Mr. Su obtained a master degree of economic management from Wuhan University in June 1993.

陳增武先生(「陳增武先生」)，35歲，於二零二零年三月十六日起獲委任為獨立非執行董事。陳增武先生亦為審核委員會、提名委員會及薪酬委員會各自之成員。彼於財務、會計及庫務方面擁有逾10年經驗。陳增武先生曾在多間專業會計及財務公司擔任不同職位。彼自二零零九年十二月至二零一一年一月於中瑞岳華(香港)會計師事務所(RSM Nelson Wheeler)擔任高級核數師，自二零一一年六月至二零一三年六月於Intertrust Resources Management Limited擔任企業服務部的主管，以及自二零一三年十月至二零一六年四月於華彬國際投資(集團)有限公司擔任會計經理。陳增武先生自二零一四年六月至二零一六年三月於安域亞洲有限公司(股份代號：645)擔任執行董事，該公司之股份於聯交所主板上市。彼自二零一六年五月至二零一七年十月於萬成金屬包裝有限公司(股份代號：8291)擔任財務總監，該公司之股份於聯交所GEM上市。彼分別自二零一九年一月及二零一九年二月起獲委任為致浩達控股有限公司(股份代號：1707)及香港金融投資控股集團有限公司(股份代號：7)之獨立非執行董事。該等公司之股份於聯交所主板上市。陳增武先生目前為萬騰會計師事務所、萬騰專業服務有限公司及萬騰企業服務有限公司的董事。

陳增武先生於二零一零年一月成為香港會計師公會會員，現為香港會計師公會執業會員。陳增武先生於二零零六年十一月於香港城市大學畢業，取得會計學工商管理學士學位。

蘇江先生(「蘇先生」)，55歲，於二零二零年四月二十九日起獲委任為獨立非執行董事。蘇先生亦為審核委員會、提名委員會及薪酬委員會各自之成員。彼於證券交易、公司財務及投資管理行業擁有超過25年的經驗。彼曾於多間證券公司及投資管理公司擔任管理職務。蘇先生於一九九三年六月取得武漢大學經濟管理碩士學位。



Report of the Directors 董事會報告

The Directors have pleasure in submitting their report together with the audited consolidated financial statements of the Group for the Year.

PRINCIPAL PLACE OF BUSINESS

The Company is a company incorporated in the Cayman Islands with its registered office at P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands and its principal place of business in Hong Kong is located at Flat B, 11/F., Hing Lung Commercial Building, 68-74 Bonham Strand, Sheung Wan, Hong Kong.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company is an investment holding company and, through its subsidiaries, is principally engaged in the businesses of (i) the provision of integrated smart IoT solutions to enterprise customers; (ii) HMID; (iii) IDS; (iv) securities investment; and (v) money lending.

Further discussion and analysis of these activities as required by Schedule 5 to the Companies Ordinance (Chapter 622 of the laws of Hong Kong), including a discussion of the principal risks and uncertainties facing the Group, an indication of likely future developments in the Group's business and details of key performance indicators, can be found in the Management Discussion and Analysis set out on pages 5 to 15 of this report. This discussion forms part of this Report of the Directors.

Particulars of the Company's principal subsidiaries and the events after the reporting period are set out in note 16 and note 38 to the consolidated financial statements respectively.

董事欣然提呈本集團本年度之報告連同經審核綜合財務報表。

主要營業地點

本公司為於開曼群島註冊成立之公司，其註冊辦事處位於P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands，而其香港主要營業地點為香港上環文咸東街68-74號興隆大廈11樓B室。

主要業務及業務回顧

本公司為投資控股公司，透過其附屬公司主要從事(i)向企業客戶提供整合智能物聯網解決方案；(ii)人機互動；(iii)智能檔案服務；(iv)證券投資；及(v)貸款業務。

按照公司條例(香港法例第622章)附表5所規定，對該等業務之進一步討論及分析可參閱本年報第5至15頁之管理層討論與分析，當中包括對本集團面對之主要風險及不明朗因素的描述、本集團業務相當可能有的未來發展之揭示，以及主要表現指標之詳情。此討論構成本董事會報告一部分。

本公司主要附屬公司之詳情及報告期後事項分別載於綜合財務報表附註16及附註38。

Report of the Directors

董事會報告

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

During the Year, as far as the Board and management are aware, there was no material breach of or non-compliance with the applicable laws and regulations by the Group that has a significant impact on the businesses and operation of the Group.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group recognises the importance of a practice to protect the natural environment for the benefit of humans and committed to doing things we can to reduce the degrading of the biophysical environment.

The environmental, social and governance report of the Company for the year ended 31 December 2019 containing the information required under Appendix 27 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) will be published on the Stock Exchange’s website and the Company’s website within three months after the publication of this annual report.

KEY RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group recognises that employees are one of the significant assets of the Group. The Group aims to continue establishing a caring environment to employees and emphasise the personal development of its employees.

The Group maintains a good relationship with our customers and suppliers. The Group aims to continue providing quality products and services to our customers and establishing co-operation strategy with our suppliers.

遵守相關法律及法規之情況

於本年度內，據董事會及管理層所知，本集團並無嚴重違反或不符合適用法例及規例之情況，致令本集團業務及營運受到重大影響。

環境政策和績效

本集團認同保護自然環境對人類有利，並承諾盡力減少對生態環境之破壞。

本公司截至二零一九年十二月三十一日止年度之環境、社會及管治報告載有聯交所證券上市規則(「**上市規則**」)附錄二十七所規定之資料，將於本年報刊發後不遲於三個月刊發於聯交所網頁及本公司網站內。

與僱員、客戶及供應商之重要關係

本集團確認僱員為本集團重要資產之一。本集團以繼續營造關愛僱員之環境為目標，重視其僱員之個人發展。

本集團與客戶及供應商保持良好關係。本集團繼續以向客戶提供優質產品及服務並與供應商建立合作策略為目標。

Report of the Directors

董事會報告

MAJOR SUPPLIERS AND CUSTOMERS

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

		Percentage of the Group's total 所佔下列項目百分比	
		Sales 本集團銷售總額	Purchases 本集團購貨總額
The largest customer/supplier	最大客戶／供應商	11%	17%
Five largest customers/suppliers in aggregate	五大客戶／供應商合計	22%	32%

None of the Directors, their close associates or any shareholders of the Company (who, to the best knowledge of the Directors, own more than 5% of the Company's issued capital) had any interest in these major customers and suppliers during the Year.

主要供應商及客戶

於本年度內，有關本集團主要客戶及供應商應佔銷售及購貨額之資料如下：

本公司董事、彼等之緊密聯繫人或任何股東（據董事所知擁有本公司已發行股本5%以上者）於本年度概無於該等主要客戶及供應商中擁有任何權益。

RESULTS AND DIVIDENDS

The results of the Group for the Year and the state of affairs of the Company and of the Group at that date are set out in the consolidated financial statements on pages 64 to 238 of this annual report.

The Directors do not recommend the payment of a final dividend for the Year.

業績及股息

本集團本年度之業績及本公司與本集團於該日之事務狀況載於本年報第64至238頁之綜合財務報表。

董事不建議就本年度派付末期股息。

CHARITABLE DONATIONS

During the Year, the Group did not make any charitable donations.

慈善捐款

本集團於本年度內並無作出任何慈善捐款。

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment during the Year are set out in note 11 to the consolidated financial statements.

物業、廠房及設備

物業、廠房及設備於本年度內之變動詳情載於綜合財務報表附註11。

Report of the Directors

董事會報告

SHARE CAPITAL

Details of movements in share capital of the Company during the Year are set out in note 30 to the consolidated financial statements.

PURCHASE, SALES OR REDEMPTION OF SECURITIES

During the Year, the Company had repurchased 270,000 shares of HK\$0.001 each in the capital of the Company at prices ranging from HK\$0.019 to HK\$0.023 per share on the Stock Exchange in January 2019 at an aggregate consideration (before transaction costs and expenses) of approximately HK\$6,000 in which these shares were pending cancellation and recognised as treasury shares as at 31 December 2019.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the listed securities of the Company during the Year.

CONVERTIBLE SECURITIES, OPTION, WARRANTS OR OTHER SIMILAR RIGHTS

Details of movements in share option of the Company are set out in note 31 to the consolidated financial statements.

Details of the convertible bonds subsisting at the end of the Year are set out in note 29 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association and the laws in the Cayman Islands, which would oblige the Company to offer shares on a pro rata basis to its existing Shareholders.

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30。

購買、出售或贖回證券

於本年度內，本公司於二零一九年一月在聯交所以每股0.019港元至0.023港元之價格購回本公司股本中270,000股每股面值0.001港元的股份，總代價(未計交易成本及開支前)約為6,000港元，其中於二零一九年十二月三十一日該等股份尚待註銷及確認為庫存股份。

除上文所披露者外，本公司或其任何附屬公司於本年度概無購買、贖回或出售本公司任何上市證券。

可換股證券、購股權、認股權證或其他相類權利

本公司購股權之變動詳情載於綜合財務報表附註31。

於本年度年終存在之可換股債券詳情載於綜合財務報表附註29。

優先購買權

本公司組織章程細則及開曼群島法律並無關於本公司須按比例向其現有股東發售股份之優先購買權之條文。

Report of the Directors

董事會報告

RESERVES

Movements in the reserves of the Company during the Year are set out in note 39(a) to the consolidated financial statements. At 31 December 2019, the Company did not have reserves available for distribution (2018: HK\$883,188,000).

FIVE YEARS SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 239 and 240 of the annual report.

CONTINUING CONNECTED TRANSACTIONS

For the year ended 31 December 2019, the Group has the following continuing connected transactions that are subject to the annual review requirements under Chapter 14A of the Listing Rules:

Master Agreement

On 29 January 2019, the Company and Fujian Start Group Company Limited* (福建實達集團股份有限公司) (“**Fujian Start**”) entered into the master agreement, in relation to (1) the lease of six levels of a commercial building (the “**Office Premises**”) situated in Fuzhou, the PRC; (2) the purchase of products and services by the Group from Fujian Start and its subsidiaries (“**Fujian Start Group**”); and (3) the supply of products and services by the Group to the Fujian Start Group, with effect from 1 January 2019 to 31 December 2019 (the “**Master Agreement**”).

As at the date of the Master Agreement, Mr. King Pak Fu is indirectly interested in 6,733,523,350 shares of the Company, representing approximately 61.09% of the then issued share capital of the Company, and indirectly interested in approximately 39.89% of the equity interest in Fujian Start. As such, the Fujian Start Group is an associate of Mr. King Pak Fu, and therefore a connected person of the Company. Accordingly, the transactions contemplated under the Master Agreement constitute continuing connected transactions of the Company.

* For identification purpose only
僅供識別

儲備

本公司儲備於本年度之變動載於綜合財務報表附註39(a)。於二零一九年十二月三十一日，本公司並無可供分派儲備(二零一八年：883,188,000港元)。

五年概要

本集團過去五個財政年度之業績及資產負債概要載於年報第239及240頁。

持續關連交易

於截至二零一九年十二月三十一日止年度，本集團以下持續關連交易須遵守上市規則第十四A章之年度審核規定：

總協議

於二零一九年一月二十九日，本公司與福建實達集團股份有限公司(「**福建實達**」)訂立總協議，內容有關本集團向福建實達及其附屬公司(「**福建實達集團**」)(1)租用位於中國福州之一幢商用樓宇其中六層(「**辦公室物業**」)；(2)採購產品及服務；以及(3)本集團向福建實達集團供應產品及服務，由二零一九年一月一日起至二零一九年十二月三十一日止(「**總協議**」)。

於總協議日期，景百孚先生間接擁有本公司6,733,523,350股股份之權益，佔本公司當時已發行股本約61.09%，並間接擁有福建實達約39.89%股權之權益。就此而言，福建實達集團為景百孚先生之聯繫人，故此為本公司之關連人士。因此，根據總協議擬進行之交易構成本公司之持續關連交易。

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Details of the Master Agreement are summarized as follows:

(1) Lease of the Office Premises

Parties	:	Landlord: The Fujian Start Group
		Tenant: The Group
Term	:	One year, commencing from 1 January 2019 and ending on 31 December 2019 (both days inclusive)
Monthly rent	:	Approximately RMB312,500 (equivalent to approximately HK\$364,000)
Total gross floor area	:	Approximately 5,371 square meters

The Office Premises, which are situated in Fuzhou, the PRC, are owned by the Fujian Start Group and use as the office premises of the Group. The monthly rents are determined after arm's length negotiations between the parties to the Master Agreement with reference to the historical transaction amounts and the prevailing market price.

The annual cap on the rental payable by the Group to the Fujian Start Group for the Office Premises for the Year is RMB3,750,000 (equivalent to approximately HK\$4,362,000).

For the year ended 31 December 2019, the aggregate rental incurred and payable to the Fujian Start Group for the Office Premises amounted to RMB3,747,214 (equivalent to approximately HK\$4,252,634).

總協議詳情概述如下：

(1) 租用辦公室物業

訂約方	:	業主：福建實達集團
		租戶：本集團
年期	:	由二零一九年一月一日起至二零一九年十二月三十一日止(包括首尾兩日)為期一年
月租	:	約人民幣312,500元(相等於約364,000港元)
總建築面積	:	約5,371平方米

辦公室物業位於中國福州，由福建實達集團擁有並用作為本集團之辦公室物業。月租由總協議訂約各方於參考過往交易金額及當前市價後公平磋商釐定。

本年度本集團就辦公室物業應付福建實達集團之租金全年上限為人民幣3,750,000元(相等於約4,362,000港元)。

截至二零一九年十二月三十一日止年度，辦公室物業已產生及應付福建實達集團之租金總額為人民幣3,747,214元(相等於約4,252,634港元)。

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(2) Purchase of products and services

Parties : Supplier: The Fujian Start Group
Purchaser: The Group

Term : One year commencing from 1 January 2019 and ending on 31 December 2019 (both days inclusive)

Product and services : The Group may from time to time during the term of the Master Agreement place purchase orders to purchase products from the Fujian Start Group, including but not limited to, mobile communications equipment, intelligent terminal equipment (such as smart POS machines, two-dimensional code display terminals) and accessories

The Group may also from time to time during the term of the Master Agreement engage the Fujian Start Group to provide services, including but not limited to, research and development (“R&D”) and design of mobile communications products and intelligent terminal products

Price : The price of the products and services will be determined on arm’s length basis with reference to the prevailing market price and will be no less favourable than the prices of similar products and services offered by the third parties independent of the Company and its connected persons (as defined in the Listing Rules)

(2) 採購產品及服務

訂約方 : 供應商：福建實達集團
買方：本集團

年期 : 由二零一九年一月一日起至二零一九年十二月三十一日止(包括首尾兩日)為期一年

產品及服務 : 本集團可於總協議年期內不時下達採購訂單，向福建實達集團採購產品，包括但不限於移動通訊設備、智能終端設備(如智能銷售點系統、二維碼顯示終端)及配件

本集團亦可於總協議年期內不時委託福建實達集團提供服務，包括但不限於研究及開發(「研發」)及設計移動通訊產品及智能終端產品

定價 : 產品及服務價格將於參考當前市價後公平磋商釐定，並將不遜於獨立於本公司及其關連人士(定義見上市規則)之第三方提供類似產品及服務之價格

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The annual cap for the purchase of products and services payable by the Group to the Fujian Start Group for the Year is RMB5,000,000 (equivalent to approximately HK\$5,815,000).

For the year ended 31 December 2019, the aggregate amount of purchase of products incurred and payable to the Fujian Start Group amounted to RMB1,741,427 (equivalent to approximately HK\$1,976,309).

(3) Supply of products and services

Parties : Supplier: The Group
Purchaser: The Fujian Start Group

Term : One year commencing from 1 January 2019 and ending on 31 December 2019 (both days inclusive)

Product and services : The Fujian Start Group may from time to time during the term of the Master Agreement place purchase orders to purchase products from the Group, including but not limited to, the All-in-One Thin Client Computer (一體化瘦客戶機), printing machines, POS machines and related products.

The Fujian Start Group may also from time to time during the term of the Master Agreement engage the Group to provide services, including but not limited to, R&D and design of the All-in-One Thin Client Computer, printing machines, POS machines and related products.

本年度本集團採購產品及服務應付福建實達集團之全年上限為人民幣5,000,000元(相等於約5,815,000港元)。

截至二零一九年十二月三十一日止年度，採購產品及服務已產生及應付福建實達集團之租金總額為人民幣1,741,427元(相等於約1,976,309港元)。

(3) 供應產品及服務

訂約方 : 供應商：本集團
買方：福建實達集團

年期 : 由二零一九年一月一日起至二零一九年十二月三十一日止(包括首尾兩日)為期一年

產品及服務 : 福建實達集團可於總協議年期內不時下達採購訂單，向本集團採購產品，包括但不限於一體化瘦客戶機、打印機、銷售點系統及相關產品。

福建實達集團亦可於總協議年期內不時委託本集團提供服務，包括但不限於研發以及設計一體化瘦客戶機、打印機、銷售點系統及相關產品。



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Price : The price of the All-in-One Thin Client Computer products, printing machines, POS machines related products and services to be charged by the Group will be determined on arm's length basis with reference to the prevailing market prices and will be no less favourable than the selling prices of similar products and services to the third parties independent of the Company and its connected persons (as defined in the Listing Rules)

The annual cap for the supply of products and services to the Fujian Start Group for the Year is RMB400,000 (equivalent to approximately HK\$465,000).

For the year ended 31 December 2019, no products have been sold and related services have been provided to the Fujian Start Group.

Details of the Master Agreement and the transactions contemplated thereunder were set out in the Company's announcement dated 29 January 2019.

The independent non-executive Directors have reviewed the above non-exempt continuing connected transactions and confirmed that the transactions:

- (i) have been entered into in the ordinary and usual course of the Group's business;
- (ii) are on normal commercial terms or better; and
- (iii) have been carried out in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

定價 : 本集團就一體化瘦客戶機產品、打印機、銷售點系統、相關產品及服務予以收取之價格將於參考當前市價後公平磋商釐定，並將不遜於向獨立於本公司及其關連人士(定義見上市規則)之第三方提供類似產品及服務之售價

本年度向福建實達集團供應產品及服務之全年上限為人民幣400,000元(相等於約465,000港元)。

截至二零一九年十二月三十一日止年度，概無向福建實達集團出售產品及供應相關服務。

有關總協議及據此擬進行之交易詳情載於本公司日期為二零一九年一月二十九日之公告。

獨立非執行董事已審核上述不獲豁免之持續關連交易並確認交易乃：

- (i) 在本集團一般及日常業務過程中訂立；
- (ii) 按一般或更佳之商務條款進行；及
- (iii) 按照條款屬公平合理並符合本公司及其股東整體利益之該等相關監管協議進行。

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

The Directors confirmed that the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules during the Year.

RELATED PARTY TRANSACTIONS

Save as the transactions disclosed in the paragraph headed "Continuing Connected Transactions" above, during the Year, the Group had entered into certain related party transactions but these transactions were not regarded as connected transactions or continuing connected transactions under the Listing Rules or were exempt from reporting, announcement and shareholders' approval requirements under the Listing Rules. Details of these related party transactions are disclosed in note 35 to the consolidated financial statements.

本公司已委聘核數師，按照香港會計師公會頒佈之香港鑒證業務準則第3000號(經修訂)「非審核或審閱過往財務資料之鑒證工作」及參照實務說明第740號「關於香港《上市規則》所述持續關連交易的核數師函件」就上述持續關連交易發表報告。核數師已根據上市規則第14A.56條發出無保留意見之函件，載列其有關本集團所進行上文披露之持續關連交易之發現及結論。本公司已向聯交所提供核數師函件副本。

董事確認，本年度本公司已根據上市規則第十四A章遵守有關披露規定。

關連人士交易

除上文「持續關連交易」一段所披露者外，本集團於本年度訂立若干關連人士交易，但該等交易並不視為上市規則項下關連交易該等關連交易或持續關連交易或豁免遵守上市規則項下之申報、公告及股東批准規定。該等關連人士交易之詳情披露於綜合財務報表附註35。



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董事會報告

ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The forthcoming annual general meeting of the Company is scheduled to be held on Monday, 29 June 2020 (“**2020 AGM**”).

For determining the entitlement to attend and vote at the 2020 AGM, the register of members of the Company will be closed from Tuesday, 23 June 2020 to Monday, 29 June 2020, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the 2020 AGM, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company’s Hong Kong branch share registrar and transfer office, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong by 4:30 p.m. on Monday, 22 June 2020.

BOARD OF DIRECTORS

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

Executive Directors

Mr. Qian Feng (appointed on 11 November 2019)

Mr. Li Xiaoguang (appointed on 29 April 2020)

Ms. Hau Ying (appointed on 6 May 2019 and resigned on 11 November 2019)

Mr. Kwok Kenneth Wai Lung (*Chief Executive Officer*) (resigned on 10 September 2019)

Mr. Tsang To (resigned on 6 May 2019)

Mr. Yip Denis Shing Fai (resigned on 10 January 2019)

Mr. Yuen Wenxin (resigned on 10 January 2019)

股東週年大會及暫停辦理股份過戶登記

本公司應屆股東週年大會(「二零二零年股東週年大會」)訂於二零二零年六月二十九日(星期一)舉行。

為確定出席二零二零年股東週年大會並於會上表決的資格，本公司將由二零二零年六月二十三日(星期二)至二零二零年六月二十九日(星期一)(包括首尾兩日)期間暫停辦理任何股份過戶登記手續。為符合資格出席二零二零年股東週年大會並於會上投票，所有股份過戶文件連同有關股票必須於二零二零年六月二十二日(星期一)下午四時三十分前送交本公司在香港的股份過戶登記分處卓佳登捷時有限公司，地址為香港皇后大道東183號合和中心54樓，以辦理登記手續。

董事會

於本年度內及截至本報告日期在任之董事如下：

執行董事

錢楓先生(於二零一九年十一月十一日獲委任)

李小廣先生(於二零二零年四月二十九日獲委任)

侯影女士(於二零一九年五月六日獲委任及於二零一九年十一月十一日辭任)

郭瑋瓏先生(*行政總裁*)

(於二零一九年九月十日辭任)

曾濤先生(於二零一九年五月六日辭任)

葉成輝先生(於二零一九年一月十日辭任)

袁文心先生(於二零一九年一月十日辭任)

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Independent Non-executive Directors

Mr. Chin Hon Siang
Mr. Chan Tsang Mo (appointed on 16 March 2020)

Mr. Su Jiang (appointed on 29 April 2020)

Mr. Leung Ka Tin (appointed on 6 May 2019 and resigned on 16 March 2020)

Mr. Huang Xin (resigned on 5 February 2020)
Mr. Zhang Xiaoman (resigned on 6 May 2019)

In accordance with article 116 of the articles of association of the Company (the “**Articles**”), Mr. Chin Hon Siang will retire by rotation at the 2020 AGM. In addition, by virtue of article 99 of the Articles, Mr. Qian Feng, Mr. Li Xiaoguang, Mr. Chan Tsang Mo and Mr. Su Jiang shall retire as Directors at the 2020 AGM. All the retiring Directors, being eligible, will offer themselves for re-election at the 2020 AGM.

None of the Directors who is proposed for re-election at the 2020 AGM has any service agreement which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed at 31 December 2019 or at any time during the Year.

DIRECTORS’ AND CHIEF EXECUTIVES’ INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 31 December 2019, none of the Directors, chief executives of the Company or their associates had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“**SFO**”)) as recorded in the register 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 (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules.

獨立非執行董事

陳鴻先先生
陳增武先生(於二零二零年三月十六日獲委任)
蘇江先生(於二零二零年四月二十九日獲委任)
梁家鈿先生(於二零一九年五月六日獲委任及於二零二零年三月十六日辭任)
黃欣先生(於二零二零年二月五日辭任)
張小滿先生(於二零一九年五月六日辭任)

按照本公司組織章程細則(「**細則**」)第116條，陳鴻先先生將於二零二零年股東週年大會上輪流告退。此外，根據細則第99條，錢楓先生、李小廣先生、陳增武先生及蘇江先生須於二零二零年股東週年大會退任董事。所有退任董事均符合資格，且願意於二零二零年股東週年大會上接受重選。

建議於二零二零年股東週年大會重選之董事概無與本集團訂立任何本集團不可於一年內免付補償(法定補償除外)而終止之服務合約。

管理合約

於二零一九年十二月三十一日或本年度內任何時間概無訂立或存在關於本公司全部或任何重大部分業務之管理及行政合約。

董事及最高行政人員於本公司及其相聯法團的股份、相關股份及債券證之權益及淡倉

於二零一九年十二月三十一日，概無本公司董事、最高行政人員或彼等聯繫人士於本公司或其相聯法團(定義見香港法例第571章證券及期貨條例(「**證券及期貨條例**」)第XV部)之股份、相關股份及債券證中，擁有根據證券及期貨條例第352條規定存置之登記冊所記錄，或根據上市規則附錄十所載的上市發行人董事進行證券交易的標準守則(「**標準守則**」)須知會本公司及聯交所之權益或淡倉。



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DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the section headed "Share Option Schemes" below and note 31 to the consolidated financial statements, at no time during the Year and up to the date of this annual report was the Company or any of its subsidiaries a party to any arrangements to enable the Directors or their associates to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of, the Company or any other body corporate.

DIRECTORS' INTERESTS AND CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

No transaction, arrangement or contract of significance (as defined in the Listing Rules) to which the Company or any of its subsidiaries is or was a party, and in which a Director or an entity connected with a Director, or the controlling shareholder (as defined in the Listing Rules) of the Company or any of its subsidiaries, is or was materially interested, either directly or indirectly, subsisted at 31 December 2019 or at any time during the Year.

DIRECTORS' INTERESTS AND CONTROLLING SHAREHOLDERS' INTERESTS IN COMPETING BUSINESSES

The Directors are not aware of any business or interest of the Directors nor the controlling shareholders (as defined in the Listing Rules) nor any of their respective close associates that compete or may compete with the business of the Group and any other conflicts of interest which any such person has or may have with the Group during the Year.

PERMITTED INDEMNITY PROVISION

The Company has arranged for appropriate insurance cover for Directors' and officers' liabilities in respect of legal actions against its Directors and senior management arising out of corporate activities.

董事購買股份或債權證之權利

除下文「購股權計劃」一節及綜合財務報表附註31所披露者外，於本年度內任何時間及截至本年報日期，本公司或其任何附屬公司概無訂立任何安排，致使董事或彼等聯繫人士可藉購買本公司或任何其他法人團體之股份或債務證券(包括債權證)而獲取利益。

董事及控股股東於合約之權益

本公司或其任何附屬公司概無參與任何董事或任何與董事有關連之實體，或本公司或任何其附屬公司之控股股東(定義見上市規則)直接或間接擁有重大權益，且於二零一九年十二月三十一日或於本年度內任何時間仍然有效之交易、安排或重大合約(定義見上市規則)。

董事及非控股股東於競爭業務之權益

於本年度內，董事並不知悉各董事或控股股東(定義見上市規則)或彼等各自之緊密聯繫人之任何業務或權益與或可能與本集團業務構成競爭，或任何該等人士與本集團有或可能有其他利益衝突。

獲准許之彌償條文

本公司已就其董事及高級管理人員可能會面對由企業活動產生之法律行動，為董事及行政人員之職責作適當之投保安排。

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Pursuant to the Articles, every Director or other officer of the Company shall be indemnified out of the assets of the Company against all losses or liabilities incurred or sustained by him as a Director or other officer of the Company in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted.

Save for the above, at no time during the Year and up to the date of this annual report, there was any permitted indemnity provision (as defined in section 9 of the Companies (Directors' Report) Regulation (Chapter 622D of the Laws of Hong Kong)) being in force for the benefit of any of the Directors (whether made by the Company or otherwise) or any of the directors of an associated company (if made by the Company).

SHARE OPTION SCHEMES

At the annual general meeting of the Company held on 2 June 2017, the Shareholders approved the adoption of a new share option scheme (the "**Existing Share Option Scheme**") and the termination of the share option scheme which was adopted by the Company on 6 August 2007 (the "**Old Share Option Scheme**").

The purpose of the Existing Share Option Scheme is to provide an opportunity for employees of the Group to acquire an equity participation in the Company and to encourage them to work towards enhancing the value of the Company and its shares for the benefit of the Company and its Shareholders as a whole. The Existing Share Option Scheme remains valid for a period of 10 years commencing on 2 June 2017.

No share option has been granted under the Existing Share Option Scheme since its adoption.

As at the date of this annual report, the total number of shares available for issue under the Existing Share Option Scheme is 1,014,839,053, representing approximately 9.21% of the shares in issue as at the date of this annual report.

Following the termination of the Old Share Option Scheme, no options shall be granted under the Old Share Option Scheme. However, options granted prior to such termination will continue to be valid and exercisable in accordance with the rules of the Old Share Option Scheme.

根據細則，本公司每名董事或其他行政人員倘以其本公司董事或其他行政人員身份對任何訴訟(不論民事或刑事)進行抗辯而獲判勝訴或獲釋，所引致或蒙受的一切損失或債務應從本公司資產當中獲得彌償保證。

除上文所述者外，於本年度及直至本年報日期，概無以任何董事(不論是否由本公司或以其他方式作出)或聯營公司任何董事(倘由本公司作出)為受益人的任何獲准許之彌償條文(定義見香港法例第622D章《公司(董事報告)規例》第9條)生效。

購股權計劃

於本公司在二零一七年六月二日舉行之股東週年大會上，股東批准採納新購股權計劃(「**現有購股權計劃**」)及終止本公司於二零零七年八月六日採納之購股權計劃(「**舊購股權計劃**」)。

現有購股權計劃旨在向本集團僱員提供向本公司參股之機會，並鼓勵彼等努力在符合本公司及其股東整體利益之情況下，提高本公司及其股份之價值。現有購股權計劃自二零一七年六月二日起十年期間一直生效。

自採納以來，概無根據現有購股權計劃授出購股權。

於本年報日期，根據現有購股權計劃可供發行股份總數為1,014,839,053股，佔本年報日期已發行股份約9.21%。

終止舊購股權計劃後，不得根據舊購股權計劃授出購股權。然而，終止前授出之購股權將繼續生效，及可按舊購股權計劃規則可予行使。

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Details of movement in the share options granted under the Old Share Option Scheme during the Year are as follows:

於本年度根據舊購股權計劃授出購股權之變動詳情如下：

Name/category of participant	Date of grant	Exercise price per share option	Exercise period	Outstanding as at 1 January 2019	Number of Share Options				Outstanding as at 31 December 2019
					Granted during the Year	Cancelled during the Year	Lapsed during the Year	Exercised during the Year	
參與者姓名/類別	授出日期	每份購股權之行使價	行使期	於二零一九年一月一日尚未行使	年內授出	年內註銷	年內失效	年內行使	於二零一九年十二月三十一日尚未行使
Directors									
董事									
Mr. Tsang To (Note 1) 曾濤先生(附註1)	30 March 2015 二零一五年三月三十日	HK\$0.247 0.247港元	From 1 April 2017 to 29 March 2025 (Note 3) 二零一七年四月一日至二零二五年三月二十九日(附註3)	20,000,000	—	—	(20,000,000)	—	—
	14 July 2016 二零一六年七月十四日	HK\$0.52 0.52港元	From 14 July 2018 to 13 July 2026 (Note 4) 二零一八年七月十四日至二零二六年七月十三日(附註4)	10,000,000	—	—	(10,000,000)	—	—
				30,000,000	—	—	(30,000,000)	—	—
Mr. Kwok Kenneth Wai Lung (Note 2) 郭璋權先生(附註2)	30 March 2015 二零一五年三月三十日	HK\$0.247 0.247港元	From 1 April 2017 to 29 March 2025 (Note 3) 二零一七年四月一日至二零二五年三月二十九日(附註3)	30,000,000	—	—	(30,000,000)	—	—
	14 July 2016 二零一六年七月十四日	HK\$0.52 0.52港元	From 14 July 2018 to 13 July 2026 (Note 4) 二零一八年七月十四日至二零二六年七月十三日(附註4)	23,000,000	—	—	(23,000,000)	—	—
				53,000,000	—	—	(53,000,000)	—	—
Employees in aggregate 僱員總計	30 March 2015 二零一五年三月三十日	HK\$0.247 0.247港元	From 1 April 2017 to 29 March 2025 (Note 3) 二零一七年四月一日至二零二五年三月二十九日(附註3)	121,000,000	—	—	(34,500,000)	—	86,500,000
	14 July 2016 二零一六年七月十四日	HK\$0.52 0.52港元	From 14 July 2018 to 13 July 2026 (Note 4) 二零一八年七月十四日至二零二六年七月十三日(附註4)	165,800,000	—	—	(59,600,000)	—	106,200,000
				286,800,000	—	—	(94,100,000)	—	192,700,000
				369,800,000	—	—	(177,100,000)	—	192,700,000

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Notes:

1. Mr. Tsang To resigned as executive Director with effect from 6 May 2019. All share options held by him lapsed on the date of his resignation.
2. Mr. Kwok Kenneth Wai Lung resigned as executive Director with effect from 10 September 2019. All share options held by him lapsed on the date of his resignation.
3. The holders of the share options may only exercise their share options in the following manner, subject to the satisfaction of certain specific conditions:
 - 50% of the share options granted are exercisable during the period from 1 April 2017 to 29 March 2025; and
 - the remaining 50% of the share options granted are exercisable during the period from 1 April 2018 to 29 March 2025.
4. The holders of the share options may only exercise their share options in the following manner, subject to the satisfaction of certain specific conditions:
 - 50% of the share options granted are exercisable during the period from 14 July 2018 to 13 July 2026; and
 - the remaining 50% of the share options granted are exercisable during the period from 14 July 2019 to 13 July 2026.

Details of the Company's share option schemes are set out in note 31 to the consolidated financial statements.

附註：

1. 曾濤先生自二零一九年五月六日起辭任執行董事職務。彼所持有之購股權於其辭任當日失效。
2. 郭偉龍先生自二零一九年九月十日起辭任執行董事職務。彼所持有之購股權於其辭任當日失效。
3. 購股權持有人僅可按下列方式行使其購股權(惟須達成若干特定條件)：
 - 獲授出之50%購股權可於二零一七年四月一日至二零二五年三月二十九日期間行使；及
 - 獲授出之其餘50%購股權可於二零一八年四月一日至二零二五年三月二十九日期間行使。
4. 購股權持有人僅可按下列方式行使其購股權(惟須達成若干特定條件)：
 - 獲授出之50%購股權可於二零一八年七月十四日至二零二六年七月十三日期間行使；及
 - 獲授出之其餘50%購股權可於二零一九年七月十四日至二零二六年七月十三日期間行使。

本公司購股權計劃之詳情載於綜合財務報表附註31。

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

As at 31 December 2019, the following person (other than the Directors and chief executives of the Company) had interests or short positions in the shares and underlying shares of the Company, being 5% or more of the Company's issued share capital, which would fall to be disclosed to the Company pursuant to provision of divisions 2 and 3 of Part XV of the SFO, or as known to the Company or recorded in the register required to be kept under section 336 of the SFO and in accordance with information received by the Company.

主要股東及其他人士於本公司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XV部第2及3分部條文須向本公司披露或據本公司所知或根據證券及期貨條例第336條須存置之登記冊所記錄及按照本公司獲得之資料，以下人士(本公司董事及最高行政人員除外)於本公司股份及相關股份中擁有佔本公司已發行股本5%或以上之權益或淡倉。

Name of Shareholders	Capacity/Nature of interest	Number of shares interested in or deemed to be interested (Long position) 擁有權益或被視為擁有權益之股份數目 (好倉)	Approximate percentage of interest in the Company (Long position) 佔本公司權益之概約百分比 (好倉)	Notes
股東姓名／名稱	身份／權益性質			附註
Mr. King 景先生	Interest in controlled corporation 於受控制法團之權益	4,209,150,000	38.19%	1
	Beneficial owner 實益擁有人	327,550,000	2.97%	
Mystery Idea Limited ("Mystery Idea")	Beneficial owner 實益擁有人	2,701,170,000	24.51%	
Ever Success Ventures Limited ("Ever Success")	Beneficial owner 實益擁有人	9,000,000	0.08%	1
Better Joint Venture Limited ("Better Joint Venture")	Interest in controlled corporation 於受控制法團之權益	1,455,660,000	13.21%	2
	Beneficial owner 實益擁有人	43,320,000	0.39%	2
Carnival Group International Holdings Limited ("Carnival") 嘉年華國際控股有限公司(「嘉年華」)	Interest in controlled corporation 於受控制法團之權益	1,455,660,000	13.21%	3
Swift Fortune Investments Limited ("Swift Fortune") 捷發投資有限公司(「捷發」)	Beneficial owner 實益擁有人	1,455,660,000	13.21%	3
Mr. Wang Xu 王旭先生	Interest in controlled corporation 於受控制法團之權益	1,201,600,000	10.90%	4
State Frontier Limited ("State Frontier") 邦領有限公司(「邦領」)	Beneficial owner 實益擁有人	1,201,600,000	10.90%	4

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Name of Shareholders	Capacity/Nature of interest	Number of shares interested in or deemed to be interested (Long position) 擁有權益或被視為擁有權益之股份數目 (好倉)	Approximate percentage of interest in the Company (Long position) 佔本公司權益之概約百分比 (好倉)	Notes
股東姓名/名稱	身份/權益性質			附註
Mr. Zhao Zhen Zhong 趙振中先生	Interest in controlled corporation 於受控制法團之權益	592,941,176	5.38%	5
Superb Fortune Limited ("Superb Fortune")	Beneficial owner 實益擁有人	592,941,176	5.38%	5
Guangzhou Yuexiu Holdings Limited 廣州越秀集團有限公司	Security interest 證券權益	1,000,000,000	9.07%	6
Ministry of Finance of the PRC 中國財政部	Interest in controlled corporation 於受控制法團之權益	589,751,535	5.35%	7
China Huarong Asset Management Co., Ltd. 中國華融資產管理股份有限公司	Interest in controlled corporation 於受控制法團之權益	589,751,535	5.35%	7
China Huarong Overseas Investment Holdings Co., Limited 中國華融海外投資控股有限公司	Interest in controlled corporation 於受控制法團之權益	589,751,535	5.35%	7
Guangdong Jinfeng Group Co., Ltd. 廣東錦峰集團有限公司	Interest in controlled corporation 於受控制法團之權益	589,751,535	5.35%	7
Huarong Zhiyuan Investment Management Co., Ltd. 華融致遠投資管理有限責任公司	Interest in controlled corporation 於受控制法團之權益	589,751,535	5.35%	7
Huarong Huaqiao Asset Management Co., Ltd. 華融華僑資產管理股份有限公司	Interest in controlled corporation 於受控制法團之權益	589,751,535	5.35%	7
Mr. Sun Siu Kit 孫少杰先生	Interest in controlled corporation 於受控制法團之權益	589,751,535	5.35%	7

Notes:

(1) Based on the notice of disclosure of interests of Mr. King filed with the Stock Exchange on 13 June 2019, Mr. King is deemed to be interested in (i) 43,320,000 shares of the Company held through Better Joint Venture; (ii) 2,701,170,000 shares of the Company held through Mystery Idea; (iii) 9,000,000 shares of the Company held through Ever Success; and (iv) 1,455,660,000 shares of the Company held through Swift Fortune under the SFO. Each of Better Joint Venture, Mystery Idea and Ever Success is wholly-owned by Mr. King. Swift Fortune is wholly-owned by Carnival, which in turn is indirectly owned as to approximately 31.12% by Mr. King.

附註：

(1) 根據景先生於二零一九年六月十三日向聯交所遞交之權益披露通知以及證券及期貨條例，景先生被視為於(i)透過Better Joint Venture持有之43,320,000股本公司股份；(ii)透過Mystery Idea持有之2,701,170,000股本公司股份；(iii)透過Ever Success持有之9,000,000股本公司股份及(iv)透過捷發持有之1,455,660,000股本公司股份中擁有權益。Better Joint Venture、Mystery Idea及Ever Success各自由景先生全資擁有。捷發由嘉年華全資擁有，而嘉年華由景先生間接擁有約31.12%權益。

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- (2) Based on the notice of disclosure of interests of Better Joint Venture filed with the Stock Exchange on 20 March 2019, Better Joint Venture held 43,320,000 shares of the Company, and is deemed to be interested in 1,455,660,000 shares of the Company held through Swift Fortune under the SFO. Swift Fortune is wholly-owned by Carnival.
- (2) 根據Better Joint Venture於二零一九年三月二十日向聯交所遞交之權益披露通知以及證券及期貨條例，Better Joint Venture持有本公司43,320,000股股份，並被視為於透過捷發持有之1,455,660,000股本公司股份中擁有權益。捷發由嘉年華全資擁有。
- (3) Based on the notice of disclosure of interests of Better Joint Venture filed with the Stock Exchange on 20 March 2019, Carnival is deemed to be interested in 1,455,660,000 shares of the Company held through Swift Fortune under the SFO. Swift Fortune is wholly-owned by Carnival.
- (3) 根據證券及期貨條例，嘉年華被視為於透過捷發持有之1,455,660,000股本公司股份中擁有權益。捷發由嘉年華全資擁有。
- (4) Mr. Wang Xu is deemed to be interested in 1,201,600,000 shares of the Company held through State Frontier under the SFO. State Frontier is wholly-owned by Mr. Wang Xu.
- (4) 根據證券及期貨條例，王旭先生被視為於透過邦領持有之1,201,600,000股本公司股份中擁有權益。邦領由王旭先生全資擁有。
- (5) Mr. Zhao Zhen Zhong is deemed to be interested in 592,941,176 shares of the Company held through Superb Fortune under the SFO. Superb Fortune is wholly-owned by Mr. Zhao Zhen Zhong.
- (5) 根據證券及期貨條例，趙振中先生被視為於透過Superb Fortune持有之592,941,176股本公司股份中擁有權益。Superb Fortune由趙振中先生全資擁有。
- (6) These security interests are held by Yue Xiu Investment Consultants Limited, which is in turn wholly-owned by Yue Xiu Securities Holdings Limited, which is in turn wholly-owned by Yue Xiu Enterprises (Holdings) Limited, which is wholly-owned by Guangzhou Yuexiu Holdings Limited.
- (6) 該等證券權益由越秀投資諮詢有限公司持有，越秀投資諮詢有限公司由越秀證券控股有限公司全資擁有，越秀證券控股有限公司由越秀企業(集團)有限公司全資擁有，而越秀企業(集團)有限公司則由廣州越秀集團有限公司全資擁有。
- (7) Based on the notice of disclosure of interests on each of China Huarong Asset Management Co., Ltd. (“**Huarong AM**”), China Huarong Overseas Investment Holdings Co., Limited (“**Huarong Overseas**”), Ministry of Finance of the PRC (the “**MOF**”), Mr. Sun Siu Kit (“**Mr. Sun**”), Huarong Zhiyuan Investment Management Co., Ltd. (“**Huarong Zhiyuan**”), Huarong Huaqiao Asset Management Co., Ltd. (“**Huarong Huaqiao**”) and Guangdong Jinfeng Group Co., Ltd. (“**Guangdong Jinfeng**”) on 6 January 2017, Brilliant Nexus Limited (“**Brilliant Nexus**”) is interested in (i) 60,400,000 shares of the Company; and (ii) 529,351,535 underlying shares of the Company held by Kingdom Harvest Limited (“**Kingdom Harvest**”). Brilliant Nexus is wholly-owned by Huarong Overseas. The 529,351,535 underlying shares represent a maximum of 529,351,535 new shares that may be issued upon full conversion of the convertible bonds which are owned by Kingdom Harvest. Kingdom Harvest is wholly-owned by Huarong Overseas. Huarong Overseas is wholly-owned by Huarong Huaqiao. Huarong Huaqiao is owned as to 51% by Huarong Zhiyuan and as to 40% by Guangdong Jinfeng. Huarong Zhiyuan is wholly-owned by Huarong AM, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 02799). Huarong AM is owned as to approximately 67.75% by the MOF. Guangdong Jinfeng is wholly-owned by Hong Kong Jinfeng Group Co., Ltd. (“**Hong Kong Jinfeng**”), which is in turn wholly-owned by Mr. Sun. Each of Huarong Overseas, Huarong Huaqiao, Huarong Zhiyuan, Guangdong Jinfeng, Huarong AM, the MOF, Hong Kong Jinfeng and Mr. Sun is deemed to be interested in the shares or underlying shares of the Company in which Brilliant Nexus and Kingdom Harvest are interested in under the SFO.
- (7) 根據中國華融資產管理股份有限公司(「**華融資產管理**」)、中國華融海外投資控股有限公司(「**華融海外**」)、中國財政部(「**財政部**」)、孫少杰先生(「**孫先生**」)、華融致遠投資管理有限責任公司(「**華融致遠**」)、華融華僑資產管理股份有限公司(「**華融華僑**」)及廣東錦峰集團有限公司(「**廣東錦峰**」)各自於二零一七年一月六日之權益披露通知，Brilliant Nexus Limited(「**Brilliant Nexus**」)於(i) 60,400,000股本公司股份；及於(ii)由Kingdom Harvest Limited(「**Kingdom Harvest**」)持有之529,351,535股本公司相關股份中擁有權益。Brilliant Nexus由華融海外全資擁有。該529,351,535股相關股份指Kingdom Harvest所擁有之可換股債券獲悉數轉換時可能發行之最多529,351,535股新股份。Kingdom Harvest由華融海外全資擁有。華融海外由華融華僑全資擁有。華融華僑由華融致遠擁有51%權益及由廣東錦峰擁有40%權益。華融致遠由華融資產管理(其股份於聯交所主板上市，股份代號：02799)全資擁有。華融資產管理由財政部擁有約67.75%權益。廣東錦峰由香港錦峰集團有限公司(「**香港錦峰**」)全資擁有，而香港錦峰由孫先生全資擁有。根據證券及期貨條例，華融海外、華融華僑、華融致遠、廣東錦峰、華融資產管理、財政部、香港錦峰及孫先生各自被視為於Brilliant Nexus及Kingdom Harvest擁有權益之本公司股份或相關股份中擁有權益。

Report of the Directors

董事會報告

Save as disclosed above, as at 31 December 2019, the Directors were not aware of any person or corporation (other than the Director or chief executives of the Company) who had, or was deemed or taken to have, any interests or short positions in any shares or underlying shares of the Company which would fall to be disclosed to the Company under the provision of divisions 2 and 3 of Part XV of the SFO and has recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information publicly available to the Company and within the knowledge of the Directors, the Company has maintained the public float as required under the Listing Rules throughout the Year and has continued to maintain such float as at the date of this annual report.

EVENTS AFTER THE REPORTING PERIOD

Details of the significant events after the reporting period of the Group are set out in note 38 to the consolidated financial statements.

AUDITOR

The consolidated financial statements of the Company for the Year were audited by Mazars CPA Limited, who will retire, and being eligible, offer themselves for re-appointment at the 2020 AGM. A resolution will be submitted to the 2020 AGM to re-appoint Mazars CPA Limited as auditor of the Company.

ON BEHALF OF THE BOARD

Qian Feng

Executive Director

Hong Kong, 8 May 2020

除上文所披露者外，於二零一九年十二月三十一日，本公司董事並不知悉任何人士或法團（除本公司董事或最高行政人員外）於本公司任何股份或相關股份中擁有或視為或當作擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露並已記錄於本公司根據證券及期貨條例第336條須存置之登記冊之任何權益或淡倉。

公眾持股量之充足程度

基於本公司所得之公開資料及就董事所知，本公司於整個本年度已維持上市規則所規定之公眾持股量，並於本年報日期繼續維持該持股量。

報告期後事項

本集團於報告期後發生之重大事項詳情載於綜合財務報表附註38。

核數師

本公司本年度之綜合財務報表由中審眾環（香港）會計師事務所有限公司審核，其將任滿告退，並符合資格及願意於二零二零年股東週年大會上應聘連任。將於二零二零年週年大會上提呈一項決議案，續聘中審眾環（香港）會計師事務所有限公司為本公司之核數師。

代表董事會

錢楓

執行董事

香港，二零二零年五月八日



Corporate Governance Report

企業管治報告

The Company recognises that good governance standards maintained throughout the Group serves as an effective risk management mechanism for the Company. The Board is committed to ensuring a high level of corporate governance standards.

CORPORATE GOVERNANCE PRACTICES

The Board has adopted its own code on corporate governance practices which incorporate all the code provisions in the Corporate Governance Code (the “**CG Code**”) as set out in Appendix 14 to the Listing Rules. The Company will continue to enhance the corporate governance standards throughout the Group and ensure further standards be put in place by reference to the recommended best practices whenever suitable and appropriate.

Save as disclosed below, in the opinion of the Directors, the Company has complied with all relevant code provisions set out in the CG Code during the Year.

Code provision A.2.1 stipulated that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Since Mr. Kwok Kenneth Wai Lung resigned as an executive Director and chief executive officer of the Company (the “**Chief Executive Officer**”) on 1 September 2019, the Company had not appointed any individual to take up the position of the chairman of the Board (the “**Chairman**”) and the Chief Executive Officer and role and functions of Chairman and the Chief Executive Officer have been performed by the executive Director. The Board will continually review its current structure and the need of appointment of a suitable person(s) to perform the role of Chairman and Chief Executive Officer.

本公司確認，本集團上下奉行之良好管治標準能有效地管理本公司之風險。董事會致力確保維持高企業管治水平。

企業管治常規

董事會已採納自訂企業管治常規守則，該守則加入於上市規則附錄十四載列之企業管治守則(「**企業管治守則**」)之所有守則條文。本公司將繼續提升本集團整體之企業管治標準，確保於合適及適當之時參考建議最佳常規採用進一步之標準。

除下文所披露者外，董事認為，本公司於本年度已遵守企業管治守則所載之全部相關守則條文。

守則條文A.2.1訂明主席與行政總裁的角色應有區分，並不應由一人同時兼任。自郭璋瓏先生於二零一九年九月一日辭任本公司執行董事及行政總裁(「**行政總裁**」)後，本公司並無委任任何人士擔任董事會主席(「**主席**」)及行政總裁，而主席及行政總裁的角色及職能已由執行董事履行。董事會將持續檢討其現行架構及委任合適人選履行主席及行政總裁職責之需要。

Corporate Governance Report

企業管治報告

Code provision A.4.1 stipulated that non-executive Directors should be appointed for a specific term and be subject to re-election. Mr. Chin Hon Siang, an independent non-executive Director, and each of Mr. Zhang Xiaoman, Mr. Huang Xin and Mr. Leung Ka Tin, being former independent non-executive Directors, resigned on 6 May 2019, 5 February 2020 and 16 March 2020 respectively, were not appointed for specific term. However, all non-executive Directors are subject to retirement by rotation and re-election at the annual general meeting of the Company pursuant to article 116 of the Articles.

Code provision D.1.4 stipulated that directors should clearly understand delegation arrangements in place, and therefore the company should have formal letters of appointment for directors setting out the key terms and conditions of their appointment. There are no service contract nor letter of appointment of Mr. Chin Hon Siang, an independent non-executive Director, Mr. Tsang To, Mr. Kwok Kenneth Wai Lung and Ms. Hau Ying, being former executive Directors resigned on 6 May 2019, 10 September 2019 and 13 November 2019 respectively, and Mr. Zhang Xiaoman, Mr. Huang Xin and Mr. Leung Ka Tin, being former independent non-executive Directors resigned on 6 May 2019, 5 February 2020 and 16 March 2020 respectively. The Board will nevertheless review the need to have the formal letter and service contract from time to time.

Code provision E.1.2 stipulated that the chairman of the Board should attend the annual general meeting. He should also invite the chairman of the audit, remuneration, nomination and any other committees (as appropriate) to attend the annual general meeting. Mr. Chin Hon Siang, being an independent non-executive Director and the chairman of each of the Audit Committee, the Nomination Committee and the Remuneration Committee (collectively, the “**Board Committees**”) of the Company, was unable to attend the annual general meeting of the Company held on 28 June 2019 (the “**2019 AGM**”) due to his other business engagements.

守則條文第A.4.1訂明非執行董事之委任應有指定任期，並須接受重選。獨立非執行董事陳鴻先先生及前獨立非執行董事張小滿先生、黃欣先生及梁家鈺先生(分別於二零一九年五月六日、二零二零年二月五日及二零二零年三月十六日辭任)之委任並無指定任期。然而，按照細則第116條，全體非執行董事須於本公司股東週年大會上輪流告退並接受重選。

守則條文D.1.4規定董事應清楚瞭解現行的授權安排，因此，公司應有正式的董事委任書，列明有關委任的主要條款及條件。獨立非執行董事陳鴻先先生、前執行董事曾濤先生、郭瑋瓏先生及侯影女士(分別於二零一九年五月六日、二零一九年九月十日及二零一九年十一月十三日辭任)，以及前獨立非執行董事張小滿先生、黃欣先生及梁家鈺先生(分別於二零一九年五月六日、二零二零年二月五日及二零二零年三月十六日辭任)並無任何服務合約或委任函。然而，董事會將不時檢討是否需要訂立正式委任函及服務合約。

守則條文E.1.2規定董事會主席應出席股東週年大會。其亦應邀請審核委員會、薪酬委員會、提名委員會及任何其他委員會(視情況而定)之主席出席股東週年大會。本公司獨立非執行董事兼審核委員會、提名委員會及薪酬委員會(統稱“**董事委員會**”)主席陳鴻先先生由於其他公務而未能出席本公司於二零一九年六月二十八日舉行的股東週年大會(「**二零一九年股東週年大會**」)。



Corporate Governance Report

企業管治報告

NON-COMPLIANCE WITH RULES 3.10(1), 3.21 AND 3.25 OF THE LISTING RULES

Following the resignation of Mr. Huang Xin as independent non-executive Director on 5 February 2020, the Company only had two independent non-executive Directors, thus the number of the independent non-executive Directors fell below the minimum number required under Rule 3.10(1) of the Listing Rules. As a result of the insufficient number of independent non-executive Directors, the Company had also failed to comply with the requirements set out in Rule 3.21 of the Listing Rules with regard to the minimum number of members and the composition of the Audit Committee and Rule 3.25 of the Listing Rules with regard to the composition requirement of the Remuneration Committee.

Following the appointment of Mr. Su Jiang as independent non-executive Director on 29 April 2020, the number of independent non-executive Directors had satisfied the minimum number required under Rule 3.10(1) of the Listing Rules. The Company also met the requirements set out in Rules 3.21 and 3.25 of the Listing Rules with regard to the composition of the Audit Committee and the Remuneration Committee respectively.

DIRECTORS' SECURITIES TRANSACTIONS

Conduct on Share Dealings

The Company has adopted the Model Code as the Company's code of conduct for dealing in securities of the Company by the Directors. All relevant Directors confirmed that they have complied with the required standards as set out in the Model Code throughout the Year.

未能遵守上市規則第3.10(1)、3.21及3.25條

黃欣先生於二零二零年二月五日辭任獨立非執行董事後，本公司只有兩名獨立非執行董事，因此獨立非執行董事的人數少於上市規則第3.10(1)條的最低人數要求。由於獨立非執行董事的人數不足，本公司亦未能符合上市規則第3.21條所載有關審核委員會成員之最低人數及組成規定，以及上市規則第3.25條有關薪酬委員會之組成規定。

蘇江先生於二零二零年四月二十九日獲委任為獨立非執行董事後，獨立非執行董事之人數已符合上市規則第3.10(1)條的最低人數要求。本公司亦符合上市規則第3.21條及第3.25條所載分別有關審核委員會及薪酬委員會之組成規定。

董事之證券交易

股份買賣操守

本公司已採納標準守則為董事進行本公司證券交易的操守守則。所有相關董事確認彼等於本年度內已遵守操守守則所載之規定標準。

Corporate Governance Report

企業管治報告

CORPORATE MANAGEMENT

Board of Directors

As at the date of this report, the Board is comprised of five members including two executive Directors, namely Mr. Qian Feng and Mr. Li Xiaoguang, and three independent non-executive Directors, namely Mr. Chin Ho Siang, Mr. Chan Tsang Mo and Mr. Su Jiang. The biographical details of the Directors are set out on pages 16 to 18 of this annual report. The executive Directors are responsible for managing the Group's business, including business development, corporate strategies and company policies. The independent non-executive Directors endeavor to assist the Board to maintain high standards of financial and other mandatory reporting standards as well as providing adequate checks and balance for safeguarding the interest of Shareholders and the Company as a whole. The management was delegated the authority and responsibility by the Board for the daily management of the Group.

Independent Non-executive Directors

Pursuant to the Listing Rules, the Company has received written confirmation from each of Mr. Chin Hon Siang, Mr. Chan Tsang Mo and Mr. Su Jiang, being the independent non-executive Directors as of the date of this report, of his independence to the Company, and the Company considered each of them is independent under Rule 3.13 of the Listing Rules.

Terms of Appointment of Non-Executive Directors

Mr. Chin Hon Siang, an independent non-executive Director, was not appointed for specific term.

Each of Mr. Chan Tsang Mo and Mr. Su Jiang, independent non-executive Directors, was appointed for a term of one year. Either party has the right to terminate the appointment by giving not less than three month's written notice to the other party.

Each of such appointment is subject to the retirement by rotation and re-election at least once in every three years pursuant to the Articles and the CG Code.

企業管理

董事會

於本報告日期，董事會由五名成員組成，包括兩名執行董事錢楓先生及李小廣先生以及三名獨立非執行董事陳鴻先先生、陳增武先生及蘇江先生。董事之履歷載於本年報第16至18頁。執行董事負責管理本集團之業務，包括業務發展、企業策略及公司政策。獨立非執行董事致力協助董事會維持高水平之財政及其他強制性申報標準，並作出充份制衡，以保障股東及本公司之整體利益。董事會向管理層轉授權力及責任以管理本集團日常事務。

獨立非執行董事

根據上市規則，於本報告日期，本公司已接獲各獨立非執行董事陳鴻先先生、陳增武先生及蘇江先生發出之確認書，確認其獨立於本公司，而本公司認為彼等均為上市規則第3.13條下之獨立人士。

非執行董事之委任條款

獨立非執行董事陳鴻先先生並無固定任期。

獨立非執行董事陳增武先生及蘇江先生各自任期為一年。任何一方有權透過向另一方發出不少於三個月書面通知終止委任。

每項委任均須按細則及企業管治守則至少三年一次輪流告退並接受重選。

Corporate Governance Report

企業管治報告

BOARD DIVERSITY POLICY

The Board has adopted a board diversity policy (the “**Board Diversity Policy**”) and delegated certain duties under the Board Diversity Policy to the Nomination Committee. The Company recognizes and embraces the benefits of having a diverse Board to enhance the quality of its performance. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other qualities of Directors. These differences will be taken into account in determining the optimum composition of the Board. All Board appointments will be based on merit while taking into account diversity (including but not limited to skills, professional experience, educational background, knowledge, expertise, culture, independence, age and gender). The Nomination Committee will review and adopt the above measurements when it reviewed the composition of the Board and it will also review the Board Diversity Policy, as appropriate, to ensure its effectiveness from time to time. After reviewing the structure, size, composition and diversity of the Board, the Nomination Committee considered that the existing Board was appropriately structured.

Directors’ Training

All Directors should keep abreast of the responsibilities as a Director, and of the conduct and business activities of the Company. The Company is responsible for arranging and funding suitable training for its Directors.

All relevant Directors have participated in continuous professional development and provided a record of training they received for the year ended 31 December 2019 to the Company. The Company has also continuously updated Directors on the latest developments regarding the Listing Rules and other applicable regulatory requirements, to ensure compliance and enhance their awareness of good corporate governance practices. Training record of each relevant Directors received for the year ended 31 December 2019 is summarised below:

董事會多元化政策

董事會已採納董事會多元化政策(「**董事會多元化政策**」)，並將董事會多元化政策下若干職責轉授予提名委員會。本公司認同並深信董事會成員多元化對提升其表現裨益良多。真正多元化之董事會包括具備不同專長、地區及行業經驗、背景、種族、性別及其他資歷之董事，並可加以善用。在制定董事會成員的最佳組合時將考慮上述差異。所有董事會成員之委任均以用人唯才為原則，同時亦會顧及多元化因素(包括但不限於技能、專業經驗、教育背景、知識、專長、文化、獨立性、年齡及性別)。提名委員會在檢討董事會組成時將審閱及採納上述計量且亦會審閱董事會多元化政策(如適合)，以不時確保其效力。經檢討董事會之架構、規模、成員組合及多元化程度後，提名委員會認為現時的董事會架構合適。

董事培訓

全體董事應緊貼董事所負責任之最新資訊以及本公司之方針及業務活動。本公司有責任為其董事安排及撥資進行合適培訓。

所有相關董事已參與持續專業發展，並已向本公司提供其於截至二零一九年十二月三十一日止年度接受培訓之記錄。本公司亦持續向董事告知上市規則及其他適用監管規定的最新進展，以確保符合規定及提高彼等對良好企業管治常規的認識。各相關董事於截至二零一九年十二月三十一日止年度所接受之培訓記錄概要如下：

Corporate Governance Report

企業管治報告

Training Received

所接受之培訓

Notes

附註

Executive Directors

Mr. Qian Feng

Mr. Li Xiaoguang

執行董事

錢楓先生

李小廣先生

B

N/A 不適用

Independent Non-Executive Directors

Mr. Chin Hon Siang

Mr. Chan Tsang Mo

Mr. Su Jiang

獨立非執行董事

陳鴻先先生

陳增武先生

蘇江先生

B

N/A 不適用

N/A 不適用

Notes:

- A. Reading articles, training materials and updates as regards legal and regulatory changes and matters of relevance to the Directors in the discharge of their duties.
- B. Attending training courses/seminars/conferences on topics relating to directors' duties and the Listing Rules.

附註：

- A. 閱覽有關法律和監管變動以及履行董事責任相關事務之文章、培訓材料及更新資訊。
- B. 參加有關董事職責及上市規則的培訓課程／研討會／會議。

Board Process

The Board meets regularly throughout the year to discuss the overall strategy as well as the operational and financial performance of the Group. During the Year, the Board held 14 Board meetings. Individual attendance records on Board meetings and Board Committees' meetings are set out on page 45 of this annual report. Directors who are considered having conflict of interests or material interests in the proposed transactions or issues to be discussed would not be counted in the quorum of meeting and would abstain from voting on the relevant resolutions subject to certain exceptions set out in the Articles. Any Director or Board Committees member may take independent professional advice at the expense of the Company should they so wish.

董事會程序

董事會全年定期舉行會議，討論整體策略以及本集團之經營及財務表現。於本年度，董事會曾舉行14次董事會會議。個別出席董事會會議及董事委員會會議之紀錄載於本年報第45頁。被認為於建議交易或將予討論事宜中存在利益衝突或擁有重大權益之董事，將不會計入會議法定人數，並會放棄就相關決議案投票，惟細則所載之若干例外情況除外。董事或董事委員會成員可按意願獲取獨立專業意見，費用由本公司承擔。

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Attendance of members at Board Meetings, Board Committees Meetings and General Meeting

The following table indicates the number of Board, Board Committees and general meetings during the Year and the number of attendance by each of the Directors:

董事會會議、董事委員會會議及股東大會之成員出席率

下表顯示董事會、董事委員會及股東大會於本年度內舉行會議之數目及各董事出席該等會議之次數：

Name of Directors 董事姓名	Number of meetings attended/held 出席/舉行會議次數				
	Board Meetings 董事會會議	Audit Committee Meetings 審核委員會會議	Remuneration Committee Meetings 薪酬委員會會議	Nomination Committee Meetings 提名委員會會議	General Meeting 股東大會
Executive Directors 執行董事					
Mr. Qian Feng (Note 1) 錢楓先生(附註1)	—	N/A 不適用	N/A 不適用	N/A 不適用	—
Mr. Kwok Kenneth Wai Lung (Note 2) 郭瑋瓏先生(附註2)	13/13	N/A 不適用	N/A 不適用	N/A 不適用	1/1
Mr. Tsang To (Note 3) 曾濤先生(附註3)	5/6	N/A 不適用	1/1	N/A 不適用	—
Mr. Yip Denis Shing Fai (Note 4) 葉成輝先生(附註4)	0/1	N/A 不適用	N/A 不適用	N/A 不適用	—
Mr. Yuen Wenxin (Note 5) 袁文心先生(附註5)	0/1	N/A 不適用	N/A 不適用	N/A 不適用	—
Ms. Hau Ying (Note 6) 侯影女士(附註6)	8/8	N/A 不適用	—	N/A 不適用	1/1
Independent Non-Executive Directors 獨立非執行董事					
Mr. Chin Hon Siang 陳鴻先生	10/14	2/2	3/3	3/3	0/1
Mr. Zhang Xiaoman (Note 7) 張小滿先生(附註7)	1/6	1/1	1/2	1/2	—
Mr. Huang Xin 黃欣先生	7/14	2/2	3/3	3/3	0/1
Mr. Leung Ka Tin (Note 8) 梁家鈿先生(附註8)	7/8	1/1	0/1	0/1	1/1

Note:

- Mr. Qian Feng has been appointed as an executive Director with effect from 11 November 2019. No Board meeting or general meeting was held since then.
- Mr. Kwok Kenneth Wai Lung resigned as an executive Director with effect from 10 September 2019. His attendance above were stated by reference to the number of meetings held during his tenure.
- Mr. Tsang To resigned as an executive Director with effect from 6 May 2019. His attendance above were stated by reference to the number of meetings held during his tenure. No general meeting was held during his tenure.

附註：

- 錢楓先生於二零一九年十一月十一日獲委任為執行董事。此後並無舉行董事會會議或股東大會。
- 郭瑋瓏先生自二零一九年九月十日起辭任執行董事。上述彼之出席次數乃參考其任職期間舉行之會議次數列示。
- 曾濤先生自二零一九年五月六日起辭任執行董事。上述彼之出席次數乃參考其任職期間舉行之會議次數列示。於其任職期間並無舉行股東大會。

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4. Mr. Yip Denis Shing Fai resigned as an executive Director with effect from 10 January 2019. His attendance above was stated by reference to the number of meeting held during his tenure. No general meeting was held during his tenure.
5. Mr. Yuen Wenxin resigned as an executive Director with effect from 10 January 2019. His attendance above was stated by reference to the number of meeting held during his tenure. No general meeting was held during his tenure.
6. Ms. Hau Ying has been appointed as an executive Director with effect from 6 May 2019. In addition, she resigned as executive Director with effect from 11 November 2019. Her attendance above were stated by reference to the number of meetings held during her tenure. No Remuneration Committee meeting was held during her tenure.
7. Mr. Zhang Xiaoman resigned as an independent non-executive Director with effect from 6 May 2019. His attendance above were stated by reference to the number meetings held during his tenure. No general meeting was held during his tenure.
8. Mr. Leung Ka Tin has been appointed as an independent non-executive Director with effect from 6 May 2019. His attendance above were stated by reference to the number of meetings held since then.

Board minutes are kept by the Company Secretary of the Company (the “**Company Secretary**”) and are open for inspection by the Directors. Every Board member is entitled to have access to Board papers and related materials and has unrestricted access to the advice and services of the Company Secretary, and has the liberty to seek external professional advice if so required.

4. 葉成輝先生自二零一九年一月十日起辭任執行董事。上述彼之出席次數乃參考其任職期間舉行之會議次數列示。於其任職期間並無舉行股東大會。
5. 袁文心先生自二零一九年一月十日起辭任執行董事。上述彼之出席次數乃參考其任職期間舉行之會議次數列示。於其任職期間並無舉行股東大會。
6. 侯影女士自二零一九年五月六日起獲委任為執行董事。另外，彼自二零一九年十一月十一日起辭任執行董事。上述彼之出席次數乃參考其任職期間舉行之會議次數列示。於其任職期間並無舉行薪酬委員會會議。
7. 張小滿先生自二零一九年五月六日起辭任獨立非執行董事。上述彼之出席次數乃參考其任職期間舉行之會議次數列示。於其任職期間並無舉行股東大會。
8. 梁家鈿先生自二零一九年五月六日起獲委任為獨立非執行董事。上述彼之出席次數乃參考其後舉行之會議次數列示。

董事會會議紀錄由本公司公司秘書(「**公司秘書**」)保存，並可供董事查閱。每名董事會成員均有權取得董事會文件及相關材料，在取得公司秘書之意見及服務方面亦不受限制，並可自由尋求外部專業意見(如有需要)。



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Directors' Duties

The Board in charge of leadership and supervision on the Group's affairs and is collectively responsible for promoting the success of the Group. Each Director has a duty to act in good faith and in the best interests of the Company.

Matters that require decisions by the Board normally include but not limited to overall Group strategies, major acquisitions and disposals, annual and interim results, recommendation on the appointment or reappointment of directors, and other significant operational and financial matters. Directors are kept up-to-date by monthly management information on a timely basis as well as on major changes that may affect the Group's businesses, including relevant rules and regulations.

The Board acknowledges its responsibility to prepare the financial statements and have them audited on an annual basis. The Company has adopted the generally accepted accounting standards in Hong Kong in preparing financial statements and the financial statements have been prepared on a going concern basis. Reasonable and prudent judgment and estimates have been made. For the management's position, view and assessment on the disclaimer of opinion, and Audit Committee's view on the disclaimer of opinion, please refer to pages 12 to 13 of this annual report. The Group announces its financial results on a timely basis.

Corporate Governance Functions

The Board is responsible for performing the corporate governance duties including:

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

董事之職責

董事會之職責為領導及監督本集團事務，並須共同負責為本集團之成功作出努力。各董事有責任真誠地為本公司之最佳利益行事。

須提交董事會決定之事宜一般包括(但不限於)本集團整體策略、主要收購事項及出售事項、年度及中期業績、有關任命或重新任命董事之推薦建議以及其他重大營運及財務事宜。各董事均會透過每月管理資料適時獲得可能影響本集團業務之重大變動之最新資訊，包括相關規則及規例。

董事會知悉其有責任編製並每年審核財務報表。本公司於編製財務報表時採納香港公認會計原則，而財務報表乃按持續經營基礎編製，並已作出合理而審慎之判斷及估計。有關管理層關於不發表意見之意見、觀點及評估以及審核委員會關於不發表意見之觀點，請參閱本年報第12至13頁。本集團適時公告其財務業績。

企業管治職能

董事會負責履行企業管治責任，包括：

- (a) 制訂及檢討本公司之企業管治政策及常規；
- (b) 檢討及監察董事及高級管理人員之培訓及持續專業發展；
- (c) 檢討及監察本公司有關遵守法律及監管規定方面之政策及常規；
- (d) 制訂、檢討及監察適用於僱員及董事之操守守則及合規手冊(如有)；及

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(e) to review the Company's compliance with Appendix 14 to the Listing Rules.

During the Year, the Board reviewed the corporate governance policy and practices of the Company.

Indemnification of Directors and Officers

The Directors and officers are indemnified under a directors' and officers' liability insurance against any liability incurred by them in the discharge of their duties while holding office as the Directors and officers of the Company.

Chairman and Chief Executive Officer

Code provision A.2.1 stipulated that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Since Mr. Kwok Kenneth Wai Lung resigned as an executive Director and Chief Executive Officer on 1 September 2019, the Company had not appointed any individual to take up the position of the Chairman and the Chief Executive Officer and role and functions of Chairman and the Chief Executive Officer have been performed by the executive Director. The Board will continually review its current structure and the need of appointment of a suitable person(s) to perform the role of Chairman and Chief Executive Officer.

BOARD COMMITTEES

The Board established the Audit Committee, the Remuneration Committee and the Nomination Committee with defined terms of reference. Each of the Board Committees is chaired by independent non-executive Director.

(e) 檢討本公司遵守上市規則附錄十四之情況。

年內，董事會已檢討本公司之企業管治政策及常規。

董事及高級職員之彌償保證

董事及高級職員於擔任本公司董事及高級職員時，為履行職責而招致之任何責任，均可根據董事及高級職員責任保險獲得彌償。

主席及行政總裁

守則條文A.2.1訂明主席與行政總裁的角色應有區分，並不應由一人同時兼任。自郭瑋瓏先生於二零一九年九月一日辭任執行董事及行政總裁後，本公司並無委任任何人士擔任主席及行政總裁，而主席及行政總裁的角色及職能已由執行董事履行。董事會將持續檢討其現行架構及委任合適人選履行主席及行政總裁職責之需要。

董事委員會

董事會已成立具有界定職權範圍之審核委員會、薪酬委員會及提名委員會。各董事委員會均由獨立非執行董事擔任主席。

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(a) Audit Committee

The Company has established the Audit Committee with written terms of reference in compliance with the Listing Rules. As at the date of this report, the Audit Committee has three members comprising all the independent non-executive Directors, namely Mr. Chin Hon Siang, Mr. Chan Tsang Mo and Mr. Su Jiang with Mr. Chin Hon Siang being the chairman of the Audit Committee. The Audit Committee has reviewed the audit findings, the accounting principles and practices adopted by the Group, the Listing Rules and statutory compliance, and has discussed auditing, internal control, risk management and financial reporting matters (including the interim and annual financial statements) with senior management and the auditor. In addition, the Audit Committee has also reviewed the adequacy of resources, qualifications and experience of staff of the Group's accounting and financial reporting function.

During the Year, the Audit Committee held two meetings and the attendance of each member is set out in the section headed "Attendance of members at Board Meetings, Board Committees Meetings and General Meeting".

A summary of the work performed by the Audit Committee during the Year is listed below:—

- (1) to review the Group's annual and interim financial statements;
- (2) to review the external auditor's plan for the audit of the Group's accounts;
- (3) to review the internal control procedures and the financial reporting systems of the Group; and
- (4) to make recommendations with respect to the reappointment of the auditor of the Company.

(a) 審核委員會

本公司已根據上市規則成立審核委員會，並以書面方式列明其職權範圍。於本報告日期，審核委員會由三位成員組成，包括所有獨立非執行董事陳鴻先生、陳增武先生及蘇江先生，而陳鴻先生為審核委員會主席。審核委員會已審閱核數結果、本集團採納之會計原則及常規、上市規則及法定合規情況，並聯同高級管理層及核數師討論審核、內部監控、風險管理及財務申報事宜(包括中期及年度財務報表)。此外，審核委員會亦已審閱本集團會計及財務申報職能之員工在資源、資格及經驗方面是否足夠。

於本年度，審核委員會舉行兩次會議，各成員之出席情況載於「董事會會議、董事委員會會議及股東大會之成員出席率」一節。

本年度內審核委員會進行的工作概述如下：

- (1) 審閱本集團之年度及中期財務報表；
- (2) 檢討外聘核數師有關本集團帳目之審核計劃；
- (3) 檢討本集團之內部監控程序及財務申報系統；及
- (4) 就續聘本公司核數師作出推薦建議。

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(b) Remuneration Committee

The Company has established the Remuneration Committee with written terms of reference in compliance with the Listing Rules. As at the date of this report, the Remuneration Committee has three members comprising all the independent non-executive Directors, namely Mr. Chin Hon Siang, Mr. Chan Tsang Mo and Mr. Su Jiang with Mr. Chin Hon Siang being the chairman of the Remuneration Committee. The primary duties of the Remuneration Committee are to review and determine the remuneration policy and make recommendations to the Board on remuneration packages of the Directors and management executives. No Director is involved in deciding his own remuneration.

The Remuneration Committee has adopted the approach under code provision B.1.2(c)(i) of the CG Code to make recommendations to the Board on remuneration packages of the Directors and the members of senior management. The emoluments payable to Directors are determined with reference to the duties and responsibilities, qualifications, experience of individuals and the prevailing market conditions.

During the Year, the Remuneration Committee held three meetings and the attendance of each member is set out in the section headed "Attendance of members at Board Meetings, Board Committees Meetings and General Meeting".

A summary of the work performed by the Remuneration Committee during the Year is listed below:—

- (1) to review the remuneration policies and remuneration packages of the Directors of the Company; and
- (2) to consider and recommended to the Board the remuneration package for the proposed Directors.

(c) Nomination Committee

The Company has established the Nomination Committee with written terms of reference in compliance with the Listing Rules. As at the date of this report, the Nomination Committee has three members comprising all the independent non-executive Directors, namely Mr. Chin Hon Siang, Mr. Chan Tsang Mo and Mr. Su Jiang with Mr. Chin Hon Siang being the chairman of the Nomination Committee. The primary duties of the Nomination Committee are to review the structure, size and composition of the Board, and select and make recommendations to the Board on the appointment of Directors and senior management.

(b) 薪酬委員會

本公司已根據上市規則成立薪酬委員會，並以書面方式列明其職權範圍。於本報告日期，薪酬委員會由三位成員組成，包括所有獨立非執行董事陳鴻先生、陳增武先生及蘇江先生，而陳鴻先生為薪酬委員會主席。薪酬委員會之主要職責為檢討及釐定薪酬政策，並就董事及管理級行政人員之薪酬待遇向董事會提供建議。概無董事參與釐定其本身之薪酬。

薪酬委員會已採納企業管治守則的守則條文B.1.2(c)(i)項下的方式，就董事及高級管理層成員的薪酬待遇向董事會提供建議。支付予董事的酬金乃根據個人職責、資格、經驗及現行市況而釐定。

於本年度，薪酬委員會舉行三次會議，各成員之出席情況載於「董事會會議、董事委員會會議及股東大會之成員出席率」一節。

本年度內薪酬委員會進行的工作概述如下：

- (1) 檢討本公司董事之薪酬政策及待遇；及
- (2) 考慮並向董事會建議候任董事的薪酬待遇。

(c) 提名委員會

本公司已根據上市規則成立提名委員會，並以書面方式列明其職權範圍。於本報告日期，提名委員會由三位成員組成，包括所有獨立非執行董事陳鴻先生、陳增武先生及蘇江先生，而陳鴻先生為提名委員會主席。提名委員會之主要職責為檢討董事會之架構、規模及成員組合，以及就委任董事及高級管理人員進行甄選，並向董事會作出推薦建議。

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To ensure changes to the Board composition can be managed without undue disruption, there should be a formal, considered and transparent procedure for selection, appointment and re-appointment of Directors, as well as plans in place for orderly succession (if considered necessary), including periodical review of such plans. The appointment of a new Director (to be an additional Director or fill a casual vacancy as and when it arises) or any re-appointment of Directors is a matter for decision by the Board upon the recommendation of the proposed candidate by the Nomination Committee.

The criteria to be applied in considering whether a candidate is qualified shall be his or her ability to devote sufficient time and attention to the affairs of the Company and contribute to the diversity of the Board as well as the effective carrying out by the Board of the responsibilities which, in particular, are set out as follows:—

1. participating in Board meetings to bring an independent judgment on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conducts;
2. taking the lead where potential conflicts of interests arise;
3. serving on the Audit Committee, the Remuneration Committee and the Nomination Committee (in the case of candidate for non-executive Director) and other relevant Board Committees, if invited;
4. bringing a range of business and financial experience to the Board, giving the Board and any committee on which he or she serves the benefit of his or her skills, expertise, and varied backgrounds and qualifications and diversity through attendance and participation in the Board/Board Committee meetings;
5. scrutinising the Company's performance in achieving agreed corporate goals and objectives, and monitoring the reporting of performance;

為確保董事會的變更能夠在不受干擾的情況下進行，在甄選、委任及重選董事時的過程應為正式且審慎和具透明度，及有序地計劃繼承(如果認為有必要)，當中包括定期審查該計劃。任命新董事(額外董事或填補臨時空缺)或重新委任董事，均由董事會根據提名委員會對建議候選人的推薦意見作出決定。

考慮候選人是否符合資格建基於彼能否付出足夠時間和精力處理公司的事務，並有助於董事會的多樣化以及有效執行董事會職責，尤其是以下責任：

1. 參加董事會會議並就公司策略、政策、績效、問責制、資源、主要任命和行為守則等問題作出獨立判斷；
2. 出現潛在利益衝突時發揮領導作用；
3. 如為非執行董事候選人，倘受邀時，須在審核委員會、薪酬委員會和提名委員會以及其他相關董事委員會任職；
4. 通過定期出席和參與董事會及其擔任成員的委員會會議並以其技能、專業知識、不同背景及資歷與多元化為董事會／董事委員會帶來一系列的商業和財務經驗；
5. 審核本公司達成其商定的企業目標及指標表現，並監督績效報告；

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6. ensuring the Board Committees on which he or she serves to perform their powers and functions conferred on them by the Board; and
7. conforming to any requirement, direction and regulation that may from time to time be prescribed by the Board or contained in the constitutional documents of the Company or imposed by legislation or the Listing Rules, where appropriate.

During the Year, the Nomination Committee held three meetings and the attendance of each member is set out in the section headed "Attendance of members at Board Meetings, Board Committees Meetings and General Meeting".

A summary of the work performed by the Nomination Committee during the Year is listed below:—

- (1) to review the size, composition and structure of the Board;
- (2) to assess the independence of the independent non-executive Directors;
- (3) to make recommendation to the Board on the re-election of retiring Directors at the 2019 AGM; and
- (4) to make recommendation of new Director candidates for the Board's approval.

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board is committed to providing a balanced, clear and comprehensive assessment of the financial performance and prospects of the Group in all the disclosures made to the Shareholders and the regulatory authorities.

Timely release of interim and annual results announcements reflects the Board's commitment to provide transparent and up-to-date disclosures of the Group's performance.

6. 確保所服務的董事委員會履行董事會賦予他們的權力和職能；及
7. 須遵守董事會不時訂明或載於本公司的組織章程文件，或法例規定，或根據上市規則(如適用)之任何規定、指示及規例。

於本年度，提名委員會舉行三次會議，各成員之出席情況載於「董事會會議、董事委員會會議及股東大會之成員出席率」一節。

本年度內提名委員會進行的工作概述如下：

- (1) 檢討董事會之規模、成員組合及架構；
- (2) 評估獨立非執行董事之獨立性；
- (3) 就重選二零一九年股東週年大會上之退任董事向董事會作出建議；及
- (4) 向董事會作出新董事候選人之建議以供批准。

問責及審核

財務申報

董事會致力於向股東及監管機構作出之披露資料中，就本集團之財務表現及前景提供不偏不倚、清晰而全面之評估。

適時發佈中期及年度業績公告，反映董事會致力提供有關本集團表現之具透明度及最新披露資料。

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The Board, assisted by the Audit Committee, oversees the financial reporting process and the quality of the financial reporting of the Group. The Audit Committee reviews and monitors the integrity of the Group's annual and interim financial statements. It also reviews the appropriateness of the Group's accounting policies and the changes to these policies as well as ensuring these financial statements comply with accounting standards and regulatory requirements.

The Directors acknowledge their responsibilities for preparing the accounts of the Company and the responsibilities of the external auditor with in respect to financial reporting which are set out in the Independent Auditor's Report on pages 60 to 63.

SENIOR MANAGEMENT EMOLUMENTS

For the Year, the number of members of the senior management being entitled to emoluments within the following bands were as follows:

Emoluments Band	酬金範圍	For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度
HK\$1,000,000 and below	1,000,000 港元及以下	2
HK\$1,000,001 to HK\$1,500,000	1,000,001 港元至 1,500,000 港元	1
HK\$1,500,001 to HK\$2,000,000	1,500,001 港元至 2,000,000 港元	—
HK\$2,000,001 and above	2,000,001 港元及以上	—

Pursuant to Appendix 16 to the Listing Rules, the emoluments of the employees who are Directors and who are amongst the five highest paid individuals are set out in note 6 to the consolidated financial statements.

在審核委員會協助下，董事會監督本集團財務申報程序及財務申報之質素。審核委員會檢討及監察本集團年度及中期財務報表之完整性，亦檢討本集團會計政策及該等政策之變更是否恰當，以及確保該等財務報表符合會計準則及監管規定。

董事確認彼等有責任編製本公司帳目，而外聘核數師就財務申報所負之責任載於第60至63頁之獨立核數師報告。

高級管理人員酬金

於本年度，有關獲得酬金的於以下酬金範圍內的高級管理成員酬金如下：

根據上市規則附錄十六，董事及五位最高薪人士的僱員酬金載於綜合財務報表附註6。

Corporate Governance Report

企業管治報告

AUDITOR'S REMUNERATION

The fees paid/payable to the Company's auditor, Mazars CPA Limited, in respect of audit services and non-audit services for the year ended 31 December 2019 amounted to HK\$1,700,000 and HK\$485,000 respectively. Fees for non-audit services, which mainly consist of review of disclosure of financial information in 2019 interim report and agreed upon procedures in connection with the Environmental, Social and Governance Report and internal audit function of HK\$320,000 and HK\$165,000, respectively.

COMPANY SECRETARY

The Company Secretary is responsible to the Board for ensuring that Board procedures are followed and that the Board is fully briefed on all legislative, regulatory and corporate governance developments and that it has regard to them when making decisions and would also facilitate induction and professional development of Directors. The Company Secretary is also directly responsible for the Group's compliance with the continuing obligations of the Listing Rules, the Codes on Takeovers and Mergers and Share Repurchases, the Companies Ordinance, the SFO and other applicable laws, rules and regulations.

The Company has engaged an external professional company secretarial services provider, Uni-1 Corporate Services Limited ("Uni-1"), to provide compliance and full range of company secretarial services to the Group in order to assist the Group to cope with the changing regulatory environment.

Ms. Leung Ngan Yi ("**Ms. Leung**"), the representative of Uni-1, was appointed as the Company Secretary.

Mr. Qian Feng, the executive Director, is the primary point of contact at the Company for the Company Secretary.

核數師酬金

於截至二零一九年十二月三十一日止年度，就審核及非審核服務已付／應付本公司核數師中審眾環(香港)會計師事務所有限公司之費用分別為1,700,000港元及485,000港元。非審核服務費用主要涵蓋審閱二零一九年中期報告所披露之財務資料及有關環境、社會及管治報告以及內部審核職能之已協定程序分別為320,000港元及165,000港元。

公司秘書

公司秘書向董事會負責，確保董事會程序得以遵從，並保證董事會已就全部法例、監管及企業管治發展獲得全面簡報，且董事會作出決定時已考慮彼等之意見，並負責安排董事之入職培訓及專業發展。公司秘書亦直接負責確保本集團履行上市規則、香港公司收購、合併及股份回購守則、公司條例、證券及期貨條例以及其他適用法例、規則及規例下之持續責任。

本公司已委任統一企業服務有限公司(「統一」)(一間提供公司秘書服務之外部專業公司)為本集團提供合規及各項公司秘書服務，以協助本集團應付持續變動的規管環境。

統一之代表梁雁怡女士(「**梁女士**」)獲委任為公司秘書。

執行董事錢楓先生為公司秘書於本公司之主要聯絡人。



Corporate Governance Report

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

The Board recognizes the overall responsibility for the establishment, maintenance, and review of an internal control system that provides reasonable assurance of the reliability and integrity of financial and operational information, effectiveness and efficiency of operations, the safeguarding of assets and the compliance with laws and regulations. This system of internal control is designed to manage rather than eliminate all risks of failure where its goal is to provide reasonable but not absolute assurance regarding the achievement of organisational objectives.

The Board, through its Audit Committee and external auditor, conducted review of the effectiveness of the Group's risk management and internal control system which covers all material controls, including financial, operational and compliance control.

The risk management contains the following processes, which are connected to setting up targets, identification of risks, risk prioritisation and assessment, risk owner appointment, review, handling, reporting, follow-up, monitoring and reacting to identified risks.

The Group's internal audit function is performed by an internal audit team, which reports directly to the Board and Audit Committee.

With the adoption of a risk-based approach, the internal audit team takes the lead to evaluate the risk management and internal control systems of the Group by reviewing all its major operations on a cyclical basis. The audit reviews cover all material controls including financial, operational and compliance controls. Results of the audit reviews in the form of internal audit reports are submitted to the members of the Audit Committee for discussion at the Audit Committee meetings. The internal audit reports are also followed up by the internal audit team to ensure that findings previously identified have been properly resolved.

The Board also engaged an external professional firm to conduct the annual review of the effectiveness of the risk management and internal control systems for the Year. The Group has properly followed all recommendations, and ensures these recommendations will be implemented within a reasonable time.

風險管理及內部監控

董事會確認其有整體責任成立、維持及檢討內部監控系統，以合理地確保財務及營運資料之可靠性及完整性、營運效率及效益、保障資產及遵守法律及法規。此內部監控系統乃為管理而非消除所有錯誤之風險而設，旨在就達成組織目標提供合理而非絕對之保證。

董事會透過審核委員會及外部核數師檢討本集團風險管理及內部監控系統之成效，有關系統涵蓋所有重大監控事宜，包括財務、營運及遵例監控。

風險管理包括以下程序，其涉及設立目標、識別風險、風險優次排序及評估、委任風險負責人、審閱、處理、報告、跟進、監察及回應所識別之風險。

本集團之內部審核職能由內部審核團隊履行，其直接向董事會及審核委員會報告。

隨著採用以風險為基礎之方法，內部審核團隊牽頭，透過週期性檢討本集團所有主要營運，評估本集團之風險管理及內部監控系統。該審核檢討覆蓋所有重要監控，包括財務、營運及合規監控。審核檢討之結果會以內部審核報告形式向審核委員會成員匯報，以便於審核委員會會議上討論。內部審核報告亦會由內部審核團隊跟進，確保報告先前識別之事項已妥善解決。

董事會亦委聘外部專業事務所，對本年度風險管理及內部監控系統之成效進行年度檢討。本集團已妥為跟進所有建議，並確保有關建議將於合理時間內落實。

Corporate Governance Report

企業管治報告

The Company regulates the handling and propagation of inside information according to the “Guidelines on Disclosure of Inside Information” published by the Securities and Futures Commission in June 2012 and as indicated in the corporate responsibility policy and various affiliate proceedings to ensure inside information remains confidential until the disclosure of such information is appropriately approved, and the propagation of such information is efficiently and consistently made. The Company regularly reminds the Directors and employees about the due compliance with all policies regarding the inside information with the latest regulatory updates.

The Board has conducted a review of the systems of risk management and internal control for the Year to ensure the effectiveness and adequacy of the systems. Such review shall be conducted annually. The Board considered that the risk management and internal systems of Company for the Year were effective and adequate.

SHAREHOLDERS’ RIGHTS

The general meetings of the Company provide an opportunity for communication between the Shareholders and the Board. An annual general meeting of the Company shall be held in each year and at the place as may be determined by the Board. Each general meeting, other than an annual general meeting, shall be called an extraordinary general meeting.

本公司按照證券及期貨事務監察委員會於二零一二年六月發佈之「內幕消息披露指引」以及按公司責任政策和多項附屬程序所列監管內幕消息之處理及發佈，以確保內幕消息於獲適當批准披露前一直保密，並以有效及一致之方式發佈。本公司定期提醒董事及僱員妥善遵守有關內幕消息之所有政策，並提供最新監管資訊。

董事會已檢討本年度之風險管理及內部監控系統以確保其屬有效及足夠。該等檢討須每年進行。董事會認為，本公司本年度之風險管理及內部監控系統屬有效及足夠。

股東權利

本公司之股東大會乃股東與董事會之溝通機會。本公司每年於董事會可能釐定之地點舉行股東週年大會。除股東週年大會外，各個股東大會稱為股東特別大會。

Convening Extraordinary General Meeting and Putting Forward Proposals at Shareholders' Meetings

Pursuant to the Articles, shareholders are requested to follow Article 72 of the Articles to propose new resolutions at the general meetings. Pursuant to Article 72 of the Articles, general meetings shall be convened on the written requisition of any two or more members of the Company deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. General meetings may also be convened on the written requisition of any one member of the Company which is a recognized clearing house (or its nominee(s)) deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitioner, provided that such requisitioner held as at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company which carries the right of voting at general meetings of the Company. If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting, the requisitioner(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitioner(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

If a Shareholder, who is entitled to attend and vote at the relevant general meeting, wishes to nominate a person (not being the nominating shareholder) to stand for election as a Director, he or she should give a notice to the Company Secretary in writing of the intention to propose a person for election as a Director and notice in writing by that person of his or her willingness to be so elected, no earlier than the day after the dispatch of the notice of the relevant general meeting and no later than 7 days prior to the date appointed for the relevant general meeting.

召開股東特別大會及於股東大會上提呈建議

細則要求股東依循細則第72條於股東大會上提呈新決議案。根據細則第72條，股東大會須在兩名或以上本公司股東向本公司於香港之主要辦事處或(倘本公司並無主要辦事處)註冊辦事處送達書面要求之情況下召開，書面要求須列明大會目的，並由提出要求之人士簽署，惟提出要求之人士於遞交要求當日須持有有權於本公司股東大會投票之本公司繳足股本不少於十分一。股東大會亦可在一名屬認可結算所之本公司股東(或其代名人)向本公司於香港之主要辦事處或(倘本公司並無主要辦事處)註冊辦事處送達書面要求之情況下召開，書面要求須列明大會目的，並由提出要求之人士簽署，惟提出要求之人士於遞交要求當日須持有有權於本公司股東大會投票之本公司繳足股本不少於十分一。倘董事會未有於提交要求當日起計21日內正式召開大會，提出要求之人士或當中持有彼等總投票權過半之任何人士可自行以與董事會召開大會相同之方式(盡可能相近)召開股東大會，惟如此召開之大會不可遲於提交要求當日起計三個月後召開，而提出要求之人士因董事會未能完成有關要求而產生之所有合理開支，將由本公司向彼等作出補償。

倘有權出席相關股東大會並於會上投票之股東有意提名任何人士(並非作出提名之股東)參選董事，應向公司秘書發出書面意向通知，表示建議該名人士參選董事，而該名人士亦應向本公司秘書發出書面通知，表明願意參選。有關通知須於相關股東大會通告寄發翌日至相關股東大會指定舉行日期前七日期間送交本公司秘書。

Corporate Governance Report

企業管治報告

Procedures for directing Shareholders' enquiries to the Board

Shareholders may send written enquiries to the Company for the attention of the Company Secretary at the Company's principal place of business in Hong Kong.

DIVIDEND POLICY

The Company has adopted a dividend policy ("**Dividend Policy**") on 29 March 2019, pursuant to which the Company may declare and distribute dividends to the Shareholders to allow Shareholders to share the Company's profits and for the Company to retain adequate reserves for future growth. The recommendation of the payment of any dividend is subject to the absolute discretion of the Board, and any declaration of final dividend will be subject to the approval of the Shareholders. In proposing any dividend payout, the Board shall also take into account, inter alia, the Group's financial results, the general financial condition of the Group, the Group's current and future operations, the level of the Group's debts to equity ratio, return on equity and the relevant financial covenants, liquidity position and capital requirement of the Group, surplus received from the Company's subsidiaries and any other factors that the Board deem appropriate. The Company's ability to pay dividends is also subject to the requirements of the Listing Rules and all relevant applicable laws, rules and regulations in the Cayman Islands, Hong Kong and the Articles. The Board will continually review the Dividend Policy and reserves the right in its sole and absolute discretion to update, amend and/or modify the Dividend Policy at any time, and the Dividend Policy shall in no way constitute a legally binding commitment by the Company that dividends will be paid in any particular amount and/ or in no way obligate the Company to declare a dividend at any time or from time to time.

股東向董事會作出查詢之程序

股東可將向本公司作出之書面查詢送交本公司之香港主要營業地點，註明收件人為公司秘書。

股息政策

本公司已於二零一九年三月二十九日採納股息政策(「**股息政策**」)，據此，本公司可向股東宣派及分派股息，讓股東分享本公司利潤，同時讓本公司預留足夠儲備供日後發展之用。任何派付股息之建議董事會全權酌情決定，而宣派末期股息須待股東批准後方可作實。於建議宣派股息時，董事會須考慮(其中包括)本集團之財務業績、本集團之整體財務狀況、本集團現時及未來營運、本集團之債務與股本比率、股權回報率及相關財務契約水平、本集團之流動資金狀況及資金需求、向本公司附屬公司所收取之盈利及董事會認為適當之其他因素。本公司派付股息之能力亦視乎上市規則以及開曼群島及香港所有相關適用法律、規則及法規以及細則之規定。董事會將持續檢討股息政策並保留其全權及絕對酌情權以隨時更新、修訂及/或修改股息政策。股息政策不會以任何方式構成本公司須派付任何特定金額之股息之具法律約束力承諾及/或不以任何方式令本公司有責任隨時或不時宣派股息。



Corporate Governance Report 企業管治報告

INVESTOR RELATIONS AND COMMUNICATIONS

The Company continues to pursue a proactive policy in promoting investor relations and communication with Shareholders and investors. In an effort to enhance communications with Shareholders and investors, the Company maintains a website (www.rentiantech.com) to disseminate information relating to the latest business developments and all Company announcements. The Company regards the annual general meetings as an important event as it provides direct communication between the Board and its Shareholders. All Shareholders are given at least a minimum of 20 clear business days notice of the date and venue of the annual general meeting at which time the Directors and the Board Committees members are available to answer questions on the business. The Company supports the CG Code's principle to encourage shareholder participation. The Board, according to the Listing Rules, will conduct voting at the 2020 AGM by poll. The results of the Company voting will be announced on the website of the Stock Exchange and the Company respectively.

CONSTITUTIONAL DOCUMENTS

During the Year, there was no change in the Company's constitutional documents.

投資者關係及溝通

本公司繼續採取主動促進投資者關係及與股東和投資者溝通之政策。為加強與股東及投資者之溝通，本公司已設立一個網站(www.rentiantech.com)，方便發放有關最新業務發展之資料及本公司所有公告。本公司將股東週年大會視為重要活動，因股東週年大會可讓董事會與其股東直接溝通。全體股東於股東週年大會舉行前至少有最短20個完整營業日獲通知大會舉行日期及地點，而董事及董事委員會成員屆時會於會上回應有關業務之提問。本公司支持企業管治守則鼓勵股東參與之原則。董事會將根據上市規則，於二零二零年股東週年大會上以投票表決方式進行投票。本公司之投票結果將分別於聯交所網站及本公司網站公告。

憲章文件

於本年度內，本公司之憲章文件並無變動。

Independent Auditor's Report

獨立核數師報告



MAZARS CPA LIMITED

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To the shareholders of
Rentian Technology Holdings Limited
(Incorporated in the Cayman Islands with limited liability)

致仁天科技控股有限公司全體股東
(於開曼群島註冊成立的有限公司)

DISCLAIMER OF OPINION

We were engaged to audit the consolidated financial statements of Rentian Technology Holdings Limited (the “**Company**”) and its subsidiaries (together the “**Group**”) set out on pages 64 to 238, 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, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

不發表意見

吾等已獲聘請審計列載於第64頁至238頁的仁天科技控股有限公司(「**貴公司**」)及其附屬公司(統稱「**貴集團**」)的綜合財務報表，該等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，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、綜合現金流量表，以及綜合財務報表附註(包括主要會計政策概要)。

吾等不就 貴集團的綜合財務報表發表意見。由於吾等的報告中不發表意見的基準一節所述事項均屬重大，吾等未能取得充分而適當的審核憑證以作為就綜合財務報表提供審計意見的基礎。在所有其他方面，吾等認為綜合財務報表已根據香港公司條例的披露規定妥為編製。

Independent Auditor's Report

獨立核數師報告

BASIS FOR DISCLAIMER OF OPINION

Material uncertainty related to going concern

As discussed in note 2 to the consolidated financial statements, at 31 December 2019, the Group had net current liabilities and capital deficiency of HK\$1,107,296,000 and HK\$633,427,000 respectively, and the Group has incurred losses since 2018 and reported a loss of HK\$1,695,117,000 for the year ended 31 December 2019. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

The validity of the going concern assumption is dependent on the successful and favourable outcomes of the measures being taken by the management of the Company and the development of the events as described in note 2 to the consolidated financial statements. The management of the Company is of the opinion that the Group would be able to continue as a going concern. Therefore, the consolidated financial statements have been prepared on a going concern basis, and do not include any adjustments relating to the recognition of provisions or the realisation and reclassification of non-current assets and non-current liabilities that may be necessary if the Group is unable to continue as a going concern.

We were unable to obtain sufficient appropriate audit evidence regarding the use of going concern assumption in the preparation of the consolidated financial statements. Should the going concern assumption be inappropriate, adjustments may have to be made to reflect the situation that assets may need to be realised at the amounts other than which they are currently recorded in the consolidated statement of financial position at 31 December 2019.

In addition, the Group may have to recognise further liabilities that might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively.

不發表意見的基準

有關持續經營的重大不明朗因素

誠如綜合財務報表附註2所述，於二零一九年十二月三十一日，貴集團錄得約1,107,296,000港元的流動負債淨額及633,427,000港元的資本虧絀，而貴集團自二零一八年起產生虧損，並於截至二零一九年十二月三十一日止年度錄得1,695,117,000港元的虧損。該等情況顯示存在之重大不明朗因素將使貴集團持續經營之能力出現重大疑問。

持續經營假設的有效性取決於綜合財務報表附錄2所述貴公司管理層採取措施能否達到成功及利好之成果以及事態發展。貴公司管理層認為貴集團將有能力持續經營。因此，綜合財務報表是按持續經營基礎編製，而並無包括倘貴集團未能持續經營時可能需要就有關確認撥備或變現及重新分類非流動資產及非流動負債作出之任何調整。

吾等未能就於編製綜合財務報表時使用持續經營假設獲得充分而適當的審核憑證。倘持續經營假設不適用，可能須作出調整，以反映資產可能需要按現時於二零一九年十二月三十一日的綜合財務狀況表所記錄者以外金額變現的情況。

此外，貴集團亦可能需要確認可能產生的額外負債，並分別將非流動資產及非流動負債重新分類為流動資產及流動負債。

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 consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

The audit committee is responsible for overseeing the Group's financial reporting process.

董事及負責管治人員就綜合財務報表的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製真實而中肯的綜合財務報表，並對董事判定為必須為使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述的內部監控負責。

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

審核委員會負責監督貴集團的財務報告過程。



Independent Auditor's Report 獨立核數師報告

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

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with Hong Kong Standards on Auditing issued by the HKICPA and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

This report is made solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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.

Mazars CPA Limited

Certified Public Accountants

Hong Kong, 8 May 2020

The engagement director on the audit resulting in this independent auditor's report is:

Chan Hiu Fun

Practising Certificate Number: P05709

核數師就審計綜合財務報表的責任

吾等負責按香港會計師公會所頒佈的《香港審計準則》，就 貴集團的綜合財務報表進行審核，並發表核數師報告。然而，由於報告內「不發表意見的基準」一節所述的事宜，吾等未能取得充分合適的審計憑證，就綜合財務報表的審核意見提供基準。

本報告僅向 閣下(作為整體)報告，除此之外本報告別無其他目的。吾等不會就本報告的內容向任何其他人士負責或承擔任何責任。

根據香港會計師公會的專業會計師道德守則(「守則」)，吾等獨立於 貴集團，並已遵循守則履行其他道德責任。

中審眾環(香港)會計師事務所有限公司

執業會計師

香港，二零二零年五月八日

負責此審計項目與簽發此獨立核數師報告的項目董事為：

陳曉奮

執業證書號碼：P05709

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收入報表

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

		Note 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue	收益	3(a)	175,507	1,134,936
Cost of sales	銷售成本		(658,908)	(924,459)
Gross (loss) profit	毛(虧)利		(483,401)	210,477
Other income	其他收入	3(b)	25,904	38,540
Selling and distribution expenses	銷售及分銷開支		(113,469)	(128,191)
General and administrative expenses	一般及行政開支		(280,265)	(279,445)
Changes in fair value of financial assets at fair value through profit or loss	於損益帳按公平值處理之財務資產之公平值變動	19	(146,584)	(1,479,954)
Loss allowances on trade and other receivables, and loan receivables	貿易及其他應收款項以及應收貸款之虧損備抵		(420,313)	(142,754)
Loss from operation	經營虧損		(1,418,128)	(1,781,327)
Finance costs	財務成本	5(a)	(142,748)	(205,698)
Share of result of associates	應佔聯營公司之業績	15	(26)	—
Changes in fair value of contingent consideration payables	應付或然代價之公平值變動		—	16,524
Forfeiture of a deposit paid for acquisition of a subsidiary	沒收就收購一間附屬公司已支付之按金		—	(3,000)
Impairment of intangible assets	無形資產減值	13	(14,124)	(59,419)
Impairment of goodwill	商譽減值	14	(120,110)	(897,375)
Loss before taxation	除稅前虧損	5	(1,695,136)	(2,930,295)
Taxation	稅項	8	19	(16,381)
Loss for the year	年內虧損		(1,695,117)	(2,946,676)
Other comprehensive loss:	其他全面虧損：			
<i>Items that will not be reclassified to profit or loss:</i>	<i>不會重新分類至損益帳之項目：</i>			
Changes in fair value of financial assets designated at fair value through other comprehensive income	指定於其他全面收入按公平值處理之財務資產之公平值變動	17	(14,295)	(34,239)
			(14,295)	(34,239)

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收入報表

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

	Note	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
	附註		
<i>Items that are or may be reclassified to profit or loss:</i>			
Exchange differences arising from translation of foreign operations	會或可能重新分類至損益帳之項目： 換算海外業務所產生之匯兌差額	(8,839)	(53,474)
		(8,839)	(53,474)
Other comprehensive loss for the year	年內其他全面虧損	(23,134)	(87,713)
Total comprehensive loss for the year	年內全面虧損總額	(1,718,251)	(3,034,389)
Loss attributable to:	虧損歸屬於：		
Owners of the Company	本公司擁有人	(1,541,664)	(2,835,001)
Non-controlling interests	非控股權益	(153,453)	(111,675)
		(1,695,117)	(2,946,676)
Total comprehensive loss attributable to:	全面虧損總額歸屬於：		
Owners of the Company	本公司擁有人	(1,561,852)	(2,909,675)
Non-controlling interests	非控股權益	(156,399)	(124,714)
		(1,718,251)	(3,034,389)
		HK cents	HK cents
		港仙	港仙
Basic loss per share	每股基本虧損	(13.99)	(25.49)
Diluted loss per share	每股攤薄虧損	(13.99)	(25.49)

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2019 於二零一九年十二月三十一日

		Note	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	11	51,886	82,029
Right-of-use assets	使用權資產	12	35,595	—
Intangible assets	無形資產	13	52,102	67,873
Goodwill	商譽	14	123,982	244,092
Interest in associates	於聯營公司的權益	15	3,692	—
Financial assets designated at fair value through other comprehensive income	指定於其他全面收入按公平值處理之財務資產	17	218,966	233,261
Financial assets at fair value through profit or loss	於損益帳按公平值處理之財務資產	19	—	20,285
Pledged bank deposits	已質押銀行存款	22	2,950	1,808
Deferred tax assets	遞延稅項資產	26	3,567	3,828
			492,740	653,176
Current assets	流動資產			
Inventories	存貨	18	217,780	201,835
Financial assets at fair value through profit or loss	於損益帳按公平值處理之財務資產	19	165,559	2,262,871
Loan receivables	應收貸款	20	—	149,609
Trade and other receivables	貿易及其他應收款項	21	371,227	709,258
Income tax receivables	應收所得稅		1,648	3,004
Pledged bank deposits	已質押銀行存款	22	4,553	9,451
Bank balances and cash	銀行結存及現金	23	225,912	335,913
			986,679	3,671,941
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	24	424,939	448,524
Lease liabilities	租賃負債	25	9,608	—
Income tax payables	應繳所得稅		41,787	42,504
Interest-bearing borrowings	計息借貸	25	445,067	1,324,863
Promissory notes	承兌票據	27	475,928	645,975
Convertible bonds	可換股債券	29	696,646	672,117
			2,093,975	3,133,983

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2019 於二零一九年十二月三十一日

		Note	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		附註		
Net current (liabilities) assets	流動(負債)資產淨值		(1,107,296)	537,958
Total assets less current liabilities	資產總值減流動負債		(614,556)	1,191,134
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債	25	14,783	—
Interest-bearing borrowings	計息借貸	25	—	121
Deferred tax liabilities	遞延稅項負債	26	4,088	4,609
Promissory notes	承兌票據	27	—	90,662
			18,871	95,392
NET (LIABILITIES) ASSETS	(負債)資產淨值		(633,427)	1,095,742
Capital and reserves	股本及儲備			
Share capital	股本	30	11,022	11,022
Reserves	儲備		(679,150)	893,300
Equity attributable to owners of the Company	本公司擁有人應佔股權		(668,128)	904,322
Non-controlling interests	非控股權益		34,701	191,420
TOTAL (DEFICIT) EQUITY	(虧絀)股權總值		(633,427)	1,095,742

These consolidated financial statements on pages 64 to 238 were approved and authorised for issue by the Board of Directors on 8 May 2020 and signed on its behalf by

第64至238頁之綜合財務報表由以下人士代表董事會於二零二零年五月八日簽署批准及授權刊發

Qian Feng
Director

錢楓
董事

Li Xiaoguang
Director

李小廣
董事

Consolidated Statement of Changes in Equity

綜合股東權益變動表

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

		Attributable to the owners of the Company 歸屬於本公司擁有人														
		Share capital	Treasury shares	Share premium	Share-based payment reserve 以股份支付之款項儲備	Capital reserve	Capital redemption reserve	Fair value reserve (non-recycling) 公平值儲備(非經常性)	Convertible bonds equity reserve 可換取債券權益儲備	Foreign currency translation reserve	Other reserve	Statutory reserve	Retained profits (Accumulated losses) 保留溢利(累計虧損)	Non-controlling interests	Total equity	
		股本	庫存股份	股份溢價	資本儲備	資本贖回儲備	(非經常性) 公平值儲備	權益儲備	外幣換算儲備	其他儲備	法定儲備	(累計虧損) 保留溢利	小計	非控股權益	股權總值	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
			(Note j) (附註j)	(Note a) (附註a)	(Note b) (附註b)	(Note c) (附註c)	(Note d) (附註d)	(Note e) (附註e)	(Note f) (附註f)	(Note g) (附註g)	(Note h) (附註h)	(Note i) (附註i)				
At 1 January 2018 (previously stated)	於二零一八年一月一日 (過往呈列)	11,148	—	3,142,766	109,897	10,482	1,173	—	23,012	10,599	(42,943)	11,661	562,419	3,840,214	467,364	4,307,578
Changes in accounting policies on adoption of Hong Kong Financial Reporting Standard 9	採納香港財務報告準則第9號 之會計政策變動	—	—	—	—	—	—	20,000	—	(414)	—	—	(15,181)	4,405	(6,407)	(2,002)
At 1 January 2018 (restated)	於二零一八年一月一日 (經重列)	11,148	—	3,142,766	109,897	10,482	1,173	20,000	23,012	10,185	(42,943)	11,661	547,238	3,844,619	460,957	4,305,576
Loss for the year	年內虧損	—	—	—	—	—	—	—	—	—	—	—	(2,835,001)	(2,835,001)	(111,675)	(2,946,676)
Other comprehensive loss for the year	年內其他全面虧損	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Items that will not be reclassified to profit or loss:	不會重新分類至損益賬之項目:	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Changes in fair value of equity instruments designated as at fair value through other comprehensive income	指定於其他全面收入按公平值處理之股本工具之公平值變動	—	—	—	—	—	—	(34,239)	—	—	—	—	—	—	—	(34,239)
		—	—	—	—	—	—	(34,239)	—	—	—	—	—	—	—	(34,239)
Items that are or may be reclassified to profit or loss:	會或可能重新分類至損益賬之項目:	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Exchange differences arising from translation of foreign operations	換算海外業務所產生之匯兌差額	—	—	—	—	—	—	—	—	(40,435)	—	—	—	—	(40,435)	(13,039)
		—	—	—	—	—	—	—	—	(40,435)	—	—	—	—	(40,435)	(13,039)
Other comprehensive loss for the year	年內其他全面虧損	—	—	—	—	—	—	(34,239)	—	(40,435)	—	—	—	(74,674)	(13,039)	(87,713)
Total comprehensive loss for the year	年內全面虧損總額	—	—	—	—	—	—	(34,239)	—	(40,435)	—	—	(2,835,001)	(2,909,675)	(124,714)	(3,034,389)
Transfer	轉撥	—	—	—	—	—	—	—	—	—	—	5,082	(5,082)	—	—	—

Consolidated Statement of Changes in Equity

綜合股東權益變動表

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

Attributable to the owners of the Company

歸屬於本公司擁有人

	Share capital	Treasury shares	Share premium	Share-based payment reserve	Capital reserve	Capital redemption reserve	Fair value reserve (non-recycling)	Convertible bonds equity reserve	Foreign currency translation reserve	Other reserve	Statutory reserve	Retained profits (Accumulated losses)	Non-controlling interests	Total equity	
	股本	庫存股份	股份溢價	以股份支付之款項儲備	資本儲備	資本贖回儲備	公平值儲備 (非經常性)	可換取債券權益儲備	外幣換算儲備	其他儲備	法定儲備	保留溢利 (累計虧損)	小計	非控股權益	股東總值
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	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 j) (附註j)	(Note a) (附註a)	(Note b) (附註b)	(Note c) (附註c)	(Note d) (附註d)	(Note e) (附註e)	(Note f) (附註f)	(Note g) (附註g)	(Note h) (附註h)	(Note i) (附註i)				
Transactions with owners	與擁有人進行之交易														
Contributions and distributions	出資及分派														
Shares repurchased and cancelled	(126)	—	(20,876)	—	—	126	—	—	—	—	—	(126)	(21,002)	—	(21,002)
Shares repurchased but not cancelled	—	(4)	(297)	—	—	—	—	—	—	—	—	—	(301)	—	(301)
Dividends paid to non-controlling shareholders	—	—	—	—	—	—	—	—	—	—	—	—	—	(145,955)	(145,955)
Reversal of equity-settled share-based payments	—	—	—	(9,681)	—	—	—	—	—	—	—	—	(9,681)	—	(9,681)
Share options forfeited during the year	—	—	—	(31,444)	—	—	—	—	—	—	—	31,444	—	—	—
	(126)	(4)	(21,173)	(41,125)	—	126	—	—	—	—	—	31,318	(30,984)	(145,955)	(176,939)
Changes in ownership interests	擁有權益變動														
Disposals of interests in subsidiaries without loss of control	—	—	—	—	—	—	—	—	—	362	—	—	362	1,132	1,494
	—	—	—	—	—	—	—	—	—	362	—	—	362	1,132	1,494
Total transactions with owners	(126)	(4)	(21,173)	(41,125)	—	126	—	—	—	362	—	31,318	(30,622)	(144,823)	(175,445)
Transfer	—	—	—	—	—	—	(933)	—	—	—	933	—	—	—	—
At 31 December 2018	11,022	(4)	3,121,593	68,772	10,482	1,299	(14,239)	22,079	(30,250)	(42,581)	16,743	(2,260,594)	904,322	191,420	1,095,742

Consolidated Statement of Changes in Equity

綜合股東權益變動表

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

		Attributable to the owners of the Company 歸屬於本公司擁有人														
		Share capital	Treasury shares	Share premium	Share-based payment reserve	Capital reserve	Capital redemption reserve	Fair value reserve (non-recycling)	Convertible bonds equity reserve	Foreign currency translation reserve	Other reserve	Statutory reserve	Accumulated losses	Sub-total	Non-controlling interests	Total equity
		股本	庫存股份	股份溢價	款項撥備	資本撥備	資本贖回撥備	(非經常性) 公平值儲備	可換取債券 權益儲備	外幣換算儲備	其他儲備	法定儲備	累計虧損	小計	非控股權益	股東總值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	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 j) (附註j)	(Note a) (附註a)	(Note b) (附註b)	(Note c) (附註c)	(Note d) (附註d)	(Note e) (附註e)	(Note f) (附註f)	(Note g) (附註g)	(Note h) (附註h)	(Note i) (附註i)				
At 1 January 2019	於二零一九年一月一日	11,022	(4)	3,121,593	68,772	10,482	1,299	(14,239)	22,079	(30,250)	(42,581)	16,743	(2,260,594)	904,332	191,420	1,095,742
Loss for the year	年內虧損	-	-	-	-	-	-	-	-	-	-	-	(1,541,664)	(1,541,664)	(153,453)	(1,695,117)
Other comprehensive loss for the year	年內其他全面虧損															
Items that will not be reclassified to profit or loss:	不會重新分類至損益之項目:															
Changes in fair value of financial assets designated as at fair value through other comprehensive income	指定於其他全面收入按公平值處理之財務資產之公平值變動	-	-	-	-	-	-	(14,295)	-	-	-	-	-	(14,295)	-	(14,295)
		-	-	-	-	-	-	(14,295)	-	-	-	-	-	(14,295)	-	(14,295)
Items that are or may be reclassified to profit or loss:	會或可能重新分類至損益之項目:															
Exchange differences arising from translation of foreign operations	換算海外業務所產生之匯兌差額	-	-	-	-	-	-	-	-	(5,893)	-	-	-	(5,893)	(2,946)	(8,839)
		-	-	-	-	-	-	-	-	(5,893)	-	-	-	(5,893)	(2,946)	(8,839)
Other comprehensive loss for the year	年內其他全面虧損	-	-	-	-	-	-	(14,295)	-	(5,893)	-	-	-	(20,188)	(2,946)	(23,134)
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	-	-	-	(14,295)	-	(5,893)	-	-	(1,541,664)	(1,561,852)	(156,399)	(1,718,251)

Consolidated Statement of Changes in Equity

綜合股東權益變動表

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

		Attributable to the owners of the Company 歸屬於本公司擁有人														
		Share capital	Treasury shares	Share premium	Share-based payment reserve	Capital reserve	Capital redemption reserve	Fair value reserve (non-recycling)	Convertible bonds reserve	Foreign currency translation reserve	Other reserve	Statutory reserve	Accumulated losses	Sub-total	Non-controlling interests	Total equity
		股本	庫存股份	股份溢價	款項撥備	資本撥備	資本贖回撥備	(非經常性) 公平值儲備	可換取儲備	外幣換算儲備	其他儲備	法定儲備	累計虧損	小計	非控股權益	股東總值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	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 j) (附註j)	(Note a) (附註a)	(Note b) (附註b)	(Note c) (附註c)	(Note d) (附註d)	(Note e) (附註e)	(Note f) (附註f)	(Note g) (附註g)	(Note h) (附註h)	(Note i) (附註i)				
Transactions with owners	與擁有人進行之交易															
Contributions and distributions	出資及分派															
Shares repurchased but not cancelled (Note 30(a))	已購回但未註銷股份 (附註30(a))	-	-	(6)	-	-	-	-	-	-	-	-	-	(6)	-	(6)
Dividends paid to non-controlling shareholders	向非控股股東派付之股息	-	-	-	-	-	-	-	-	-	-	-	-	-	(7,558)	(7,558)
Reversal of equity-settled share-based payments	撥回以權益結算以股份支付之款項	-	-	-	(2,851)	-	-	-	-	-	-	-	-	(2,851)	-	(2,851)
Share options forfeited during the year	年內沒收之購股權	-	-	-	(30,382)	-	-	-	-	-	-	-	30,382	-	-	-
		-	-	(6)	(33,233)	-	-	-	-	-	-	-	30,382	(2,857)	(7,558)	(10,415)
Changes in ownership interests	擁有權益變動															
Disposals of interests in subsidiaries without loss of control (Note 34)	出售附屬公司之權益(並無改變控制權)(附註34)	-	-	-	-	-	-	-	-	-	(7,741)	-	-	(7,741)	7,238	(503)
		-	-	-	-	-	-	-	-	-	(7,741)	-	-	(7,741)	7,238	(503)
Total transactions with owners	與擁有人進行之交易總額	-	-	(6)	(33,233)	-	-	-	-	-	(7,741)	-	30,382	(10,598)	(320)	(10,918)
Transfer	轉撥	-	-	-	-	-	-	(22,079)	-	-	-	-	22,079	-	-	-
At 31 December 2019	於二零一九年十二月三十一日	11,022	(4)	3,121,587	35,539	10,482	1,299	(28,534)	-	(36,143)	(50,322)	16,743	(3,749,797)	(668,128)	34,701	(633,427)

Consolidated Statement of Changes in Equity

綜合股東權益變動表

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

Notes:

- (a) Share premium represents the excess of the net proceeds or consideration from issuance of the Company's shares over their par value.
- (b) The share-based payment reserve comprises the fair value at the grant date of unexercised share options granted to and other share-based payment transactions with employees of the Group and is dealt with in accordance with the accounting policy as set out in Note 2 to the consolidated financial statements.
- (c) The capital reserve represents the remaining credit balance pursuant to the Group's capital reorganisation that took place in prior years.
- (d) The capital redemption reserve has been set up in accordance with the provisions of the Companies Law of the Cayman Islands on repurchases and cancellations of the Company's shares.
- (e) Fair value reserve (non-recycling) has been set up and is dealt with in accordance with the accounting policies adopted for the changes of fair value in the financial assets designated at fair value through other comprehensive income as set out in Note 2 to the consolidated financial statements.
- (f) The convertible bonds equity reserve represents the equity component (conversion right) of the convertible bonds issued as set out in Note 2 to the consolidated financial statements.
- (g) The foreign currency translation reserve has been set up and is dealt with in accordance with the accounting policies adopted for foreign currency translation as set out in Note 2 to the consolidated financial statements.
- (h) The other reserve has been set up to deal with the changes in ownership interests in subsidiaries that do not result in a loss of control. The difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised in equity.
- (i) In accordance with the relevant laws and regulations in the People's Republic of China (the "PRC"), it is required to appropriate 10% of the annual statutory net profits of the PRC subsidiaries (as reported in the respective statutory financial statements of the PRC subsidiaries prepared in accordance with the PRC accounting regulations), after offsetting any prior years' losses as determined under the PRC accounting standards, to the statutory surplus reserve fund before distributing the net profit. If the accumulated statutory reserve reaches 50% of the registered capital of the respective PRC subsidiaries, the subsidiary is not required to make any further appropriation.
- (j) The balance represents the amount of share capital attributable to the ordinary shares of the Company repurchased but not cancelled by the Company. At 31 December 2019, 4,030,000 (2018: 3,760,000) ordinary shares of the Company are repurchased but not cancelled.

附註：

- (a) 股份溢價指發行本公司股份之所得款項淨額或代價超出其面值之部分。
- (b) 以股份支付之款項儲備包括已授予本集團僱員但尚未行使之購股權於授出日期之公平值及與本集團僱員進行之其他以股份支付之交易，乃按照綜合財務報表附註2 所載之會計政策處理。
- (c) 資本儲備指根據本集團於過往年度進行股本重組之餘下貸方結餘。
- (d) 資本贖回儲備已按照開曼群島公司法之條文成立，用於購回及註銷本公司股份。
- (e) 公平值儲備(不重新分類)已成立並按綜合財務報表附註2 所載就指定於其他全面收入按公平值處理之財務資產之公平值變動所採納之會計政策處理。
- (f) 可換股債券權益儲備指按綜合財務報表附註2 所載已發行可換股債券之權益部分(轉換權)所採納之會計政策處理。
- (g) 外幣換算儲備已成立並按綜合財務報表附註2 所載就外幣換算所採納之會計政策處理。
- (h) 其他儲備已成立以處理並無導致失去控制權之附屬公司擁有權益變動。非控股權益調整金額與已付或已收代價公平值之間的差額乃於權益確認。
- (i) 按照中華人民共和國(「中國」)相關法律及法規，中國附屬公司在根據中國會計準則對銷過往年度任何虧損後及於分派純利前，須將其每年法定純利(按根據中國會計法規編製之中國附屬公司相關法定財務報表所呈報)之10% 轉撥至法定盈餘公積金。倘累計法定儲備達有關中國附屬公司註冊資本之50%，則該附屬公司毋須再作任何轉撥。
- (j) 該結餘指本公司已購回但並無註銷之本公司普通股應佔股本金額。於二零一九年十二月三十一日，4,030,000 股(二零一八年：3,760,000 股)本公司普通股已予購回但尚未予註銷。

Consolidated Statement of Cash Flow

綜合現金流量表

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

	Note	2019	2018
	附註	二零一九年 HK\$'000 千港元	二零一八年 HK\$'000 千港元
OPERATING ACTIVITIES	經營業務		
Loss before taxation	除稅前虧損	(1,695,136)	(2,930,295)
Amortisation expenses	攤銷開支	4,830	31,635
Amortisation of deferred day-one gain	遞延首日收益攤銷	(8,922)	(11,070)
Allowance for write down of inventories	撇減存貨備抵	7,501	2,655
Changes in fair value of contingent consideration payables	應付或然代價之公平值變動	—	(16,524)
Changes in fair value of financial assets at fair value through profit or loss	於損益帳按公平值處理之財務資產之公平值變動	146,584	1,479,954
Depreciation expenses	折舊開支	39,536	23,420
Reversal of equity-settled share-based payments	撥回以權益結算以股份支付之款項	(2,851)	(9,681)
Exchange difference	匯兌差額	2,749	19,968
Finance charges on obligations under finance leases	融資租賃債務之財務支出	—	10
Forfeiture of a deposit paid for acquisition of a subsidiary	沒收就收購一間附屬公司已支付之按金	—	3,000
Impairment of goodwill	商譽減值	120,110	897,375
Impairment of intangible assets	無形資產減值	14,124	59,419
Impairment of prepayments	預付款項減值	30,812	—
Increase in loss allowance on other receivables	其他應收款項虧損備抵增加	237,833	—
Increase in loss allowance on trade receivables	貿易應收款項虧損備抵增加	51,551	118,377
Increase in loss allowance on loan receivables	應收貸款虧損備抵增加	130,929	24,377
Interest expenses on convertible bonds	可換股債券利息開支	53,444	70,094
Interest expenses on promissory notes	承兌票據利息開支	42,782	53,067
Interest expenses on interest-bearing borrowings	計息借貸利息開支	45,559	82,527
Interest expenses on lease liabilities	租賃負債利息開支	963	—
Interest income from financial institutions	來自財務機構之利息收入	(1,992)	(10,627)

Consolidated Statement of Cash Flow

綜合現金流量表

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

	Note	2019	2018
	附註	二零一九年	二零一八年
		HK\$'000	HK\$'000
		千港元	千港元
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	1,715	300
Share of result of associates	應佔聯營公司之業績	26	—
Changes in working capital:	營運資金變動：		
Financial assets at fair value through profit or loss	於損益帳按公平值處理之財務資產	1,970,739	(186,882)
Inventories	存貨	(26,978)	(55,317)
Loan receivables	應收貸款	18,443	(48,777)
Trade and other receivables	貿易及其他應收款項	7,431	189
Trade and other payables	貿易及其他應付款項	(34,350)	32,030
Cash generated from (used in) operations	經營所得(所用)現金	1,157,432	(370,776)
Income tax refund (paid)	已退還(已付)所得稅	540	(28,833)
Net cash generated from (used in) operating activities	經營業務所得(所用)現金淨額	1,157,972	(399,609)
INVESTING ACTIVITIES	投資活動		
Refund from acquisition of a subsidiary	收購一間附屬公司之返款	—	1,500
Decrease (Increase) in pledged bank deposits	已質押銀行存款減少(增加)	3,756	(5,229)
Acquisition of associates	收購聯營公司	(367)	—
Advance to an associate	支付予一間聯營公司之墊款	(3,356)	—
Interest income received from financial institutions	已收來自財務機構之利息收入	1,992	10,627
Addition to intangible assets	增添無形資產	(3,663)	(5,521)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	296	321
Purchase of property, plant and equipment	購買物業、廠房及設備	(11,133)	(25,615)
Settlement of profit guarantee	溢利保證結算	—	(5,718)
Net cash used in investing activities	投資活動所用現金淨額	(12,475)	(29,635)

Consolidated Statement of Cash Flow

綜合現金流量表

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

	Note 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
FINANCING ACTIVITIES			
融資活動			
Dividends paid to non-controlling shareholders of subsidiaries		(7,558)	(145,955)
New bank borrowings raised		6,711	243,206
New margin loan raised		—	685,499
New other borrowings raised		—	141,000
Repayment of lease liabilities		(12,876)	—
Net (payment) proceeds from disposal of ownership interests in subsidiaries that does not result in a loss of control	34	(503)	1,494
Repayment of bank borrowings		(200,850)	(42,125)
Repayment of margin loan		(685,499)	(425,079)
Repayment of obligations under finance leases		—	(154)
Repayment of promissory notes		(265,278)	(226,000)
Repurchase of shares	30	(6)	(21,303)
Interest expenses paid		(83,315)	(151,094)
Net cash (used in) generated from financing activities		(1,249,174)	59,489
Net decrease in cash and cash equivalents		(103,677)	(369,755)
Cash and cash equivalents at beginning of year		335,913	738,495
Effect on exchange rate changes on cash and cash equivalents		(6,324)	(32,827)
Cash and cash equivalents at end of year, represented by bank balances and cash		225,912	335,913
Major of non-cash transactions			
重大非現金交易			
Issuance of promissory notes as the subscription consideration of equity instruments designated as at fair value through profit or loss	27	—	225,000

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

1. CORPORATION INFORMATION

Rentian Technology Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The functional currency of the Company and its subsidiaries (collectively referred to as the “**Group**”) is Hong Kong dollars (“**HK\$**”) except for those subsidiaries established in the People’s Republic of China (the “**PRC**”), Renminbi (“**RMB**”) is the functional currency.

The address of the registered office, principal place of business activities and particulars of the Company are set out in the “Corporation Information” section of the annual report for 2019.

2. PRINCIPAL ACCOUNTING POLICIES

Basis of preparation

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”), which collective term includes all applicable HKFRSs, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

A summary of the principal accounting policies adopted by the Group is set out below.

1. 公司資料

仁天科技控股有限公司(「**本公司**」)在開曼群島註冊成立為獲豁免有限公司，其股份於香港聯合交易所有限公司(「**聯交所**」)主板上市。

本公司及其附屬公司(統稱「**本集團**」)之功能貨幣為港元，惟在中華人民共和國(「**中國**」)成立之附屬公司之功能貨幣為人民幣。

本公司註冊辦事處地址、主要營業地點及詳情載於二零一九年年報「公司資料」一節。

2. 主要會計政策

編製基準

本綜合財務報表乃按照香港財務報告準則(香港財務報告準則為一統稱，包括香港會計師公會頒佈之所有適用香港財務報告準則、香港會計準則及詮釋)、香港公認會計原則及香港公司條例之披露規定編製。本綜合財務報表亦符合聯交所證券上市規則(「**上市規則**」)之適用披露條文。

本集團所採納主要會計政策之概要載列如下。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Basis of preparation (Continued)

The Group recorded a loss of HK\$1,695,117,000 (2018: HK\$2,946,676,000) for the year ended 31 December 2019 and as that date, had net current liabilities of HK\$1,107,296,000 (2018: net current assets of HK\$537,958,000) and net liabilities of HK\$633,427,000 (2018: net assets of HK\$1,095,742). There is a material uncertainty related to these conditions that may cast significant doubt on the Group's ability to continue as a going concern and therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

Management has prepared cash flow projections which cover a period of fifteen months from 31 December 2019 and are updated for the latest circumstances of the latest practicable date. The directors of the Company (the "Directors") have reviewed the Group's cash flow projections. The Directors closely monitor the Group's liquidity position and financial performance and have initiated measures to improve the Group's cash flows. These measures include obtaining additional financing from certain financial institutions. The Group has obtained letters of undertakings from the controlling shareholder and certain companies controlled by the controlling shareholder confirming that they will provide financial support to the Group to meet its present and future financial obligations as they fall due in the next fifteen months.

In the opinion of the Directors, in light of the above, the Group will have sufficient working capital to fulfill its financial obligations as and when they fall due in the coming fifteen months from 31 December 2019. Accordingly, the Directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

2. 主要會計政策(續)

編製基準(續)

截至二零一九年十二月三十一日止年度，本集團錄得虧損1,695,117,000港元(二零一八年：2,946,676,000港元)，截至該日，流動負債淨額為1,107,296,000港元(二零一八年：流動資產淨額537,958,000港元)，淨負債為633,427,000港元(二零一八年：淨資產1,095,742港元)。該等條件存有重大不確定性，可能對本集團之持續經營能力構成重大疑問，本集團因此可能無法於日常業務過程中變現其資產及解除其負債。

管理層已編製現金流量預測，當中涵蓋於二零一九年十二月三十一日後之十五個月期間，並已於最後實際可行日期作出更新。本公司董事(「董事」)已審閱本集團之現金流量預測。董事密切監察本集團之流動資金狀況及財務表現，並已採取措施改善本集團之現金流量，有關措施包括從若干金融機構取得額外融資。本集團收到控股股東及若干由控股股東控制之公司之承諾函，確認彼等將為本集團提供財務支持以應付其於未來十五個月到期之現時及未來財務責任。

董事認為，鑑於上述所言，本集團將有足夠營運資金履行於二零一九年十二月三十一日後之十五個月內到期之財務責任。因此，董事信納，按持續經營基準編製綜合財務報表屬適當之舉。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Basis of preparation (Continued)

Should the Group be unable to continue as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts and to provide for any further liabilities which might arise. The effect of these adjustments has not been reflected in the consolidated financial statements.

These consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2018 consolidated financial statements except for the adoption of the following new/revised HKFRSs issued by the HKICPA, which are relevant to the Group and effective for the annual period beginning on 1 January 2019:

Annual Improvements to HKFRSs	2015–2017 Cycle
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments
Amendments to HKAS 19	Employee Benefits
Amendments to HKAS 28	Investments in Associates and Joint Ventures
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
HKFRS 16	Leases

Except for HKFRS 16 as described below, the adoption of the above new/revised HKFRSs does not have any significant impact on the consolidated financial statements of the Group.

2. 主要會計政策(續)

編製基準(續)

倘本集團無法繼續持續經營，則須作出調整，以將資產價值撇減至其可收回金額，並就任何可能產生之其他負債計提撥備。該等調整之影響並無於綜合財務報表中反映。

本綜合財務報表之編製基準與二零一八年綜合財務報表所採納之會計政策貫徹一致，惟採用以下由香港會計師公會頒佈、與本集團有關且於二零一九年一月一日開始之年度期間生效之新訂／經修訂香港財務報告準則除外：

香港財務報告準則之年度改進	二零一五年至二零一七年週期
香港(國際財務報告詮釋委員會)－詮釋第23號	有關所得稅處理方法之不確定因素
香港會計準則第19號之修訂	僱員福利
香港會計準則第28號之修訂	於聯營公司及合營公司之投資
香港財務報告準則第9號之修訂	具有負補償之預付特性
香港財務報告準則第16號	租賃

除下文所述的香港財務報告準則第16號外，採納上述新訂／經修訂的香港財務報告準則對本集團的合併財務報表並無重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Adoption of new/ revised HKFRSs

HKFRS 16: Leases

HKFRS 16 replaces HKAS 17 and related Interpretations for annual periods beginning on or after 1 January 2019. It significantly changes, among others, the lessee accounting by replacing the dual-model under HKAS 17 with a single model which requires a lessee to recognise right-of-use assets and lease liabilities for the rights and obligations created by all leases with a term of more than 12 months, unless the underlying asset is of low value. HKFRS 16 also requires enhanced disclosures to be provided by lessees and lessors.

The Group has applied HKFRS 16 for the first time at 1 January 2019 (i.e. the date of initial application, the "DIA") using the modified retrospective approach in which comparative information has not been restated and continues to be reported under HKFRS 17.

The Group also elected to use the transition practical expedient not to reassess whether a contract was, or contained, a lease at the DIA and the Group applied HKFRS 16 only to contracts that were previously identified as leases applying HKAS 17 and to contracts entered into or changed on or after the DIA that are identified as leases applying HKFRS 16.

Before the adoption of HKFRS 16, lease contracts were classified as operating or finance lease in accordance with the Group's accounting policies applicable prior to the DIA.

Upon adoption of HKFRS 16, the Group recognised right-of-use assets and lease liabilities for leases previously classified as operating leases and finance lease at the DIA, except for leases for which the underlying asset is of low value, and applied the following practical expedients on a lease-by-lease basis.

2. 主要會計政策(續)

採納新訂／經修訂香港財務報告準則

香港財務報告準則第16號：租賃

香港財務報告準則第16號於二零一九年一月一日或之後開始的年度期間取代香港會計準則第17號及相關詮釋。此安排對承租人之會計處理方式造成重大變動(其中包括)，以單一模式取代香港會計準則第17號所指定的雙重模式，規定除相關資產價值極低外，承租人須就因租期逾12個月的所有租賃而產生的權利及義務確認使用權資產及租賃負債。香港財務報告準則第16號亦規定承租人及出租人須提供更詳盡披露。

本集團已於二零一九年一月一日(即首次應用日期)首次採用經修訂追溯法(比較資料未予重列，繼續根據香港財務報告準則第17號申報)應用香港財務報告準則第16號。

本集團亦選擇使用過渡實際權宜方法，而非重新評估合約是否屬於首次應用日期的租賃或包含於首次應用日期的租賃，且本集團僅將香港財務報告準則第16號應用於先前採用香港會計準則第17號被釐定為租賃的合約，以及於首次應用日期或之後訂立或更改，採用香港財務報告準則第16號釐定為租賃的合約。

於採納香港財務報告準則第16號前，租賃合約乃根據本集團於首次應用日期之前適用的會計政策分類為經營租賃或融資租賃。

採納香港財務報告準則第16號後，對於先前於首次應用日期被分類為經營租賃及融資租賃的租賃，本集團已確認使用權資產及租賃負債，惟相關資產價值較低的租賃除外，及本集團按逐項租賃基準應用以下實際權宜方法。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Adoption of new/ revised HKFRSs (Continued)

HKFRS 16: Leases (Continued)

- (a) Applied a single discount rate to a portfolio of leases with reasonably similar characteristics;
- (b) Adjusted the right-of-use assets at the DIA by the provision for onerous leases recognised immediately before the DIA by applying HKAS 37, as an alternative to performing an impairment review at the DIA;
- (c) Did not recognise right-of-use assets and lease liabilities to leases for which the lease term ends within 12 months of the DIA ("**short-term leases**") and low-value assets;
- (d) Excluded initial direct costs from the measurement of the right-of-use assets at the DIA;
- (e) Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

At the DIA, right-of-use assets were, on a lease-by-lease basis, measured at an amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised immediately before the DIA.

Lease liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the DIA. The weighted average incremental borrowing rate applied to the lease liabilities at the DIA is 7.81%.

2. 主要會計政策(續)

採納新訂／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)

- (a) 對具有合理相似特徵的租賃組合採用單一折現率；
- (b) 於首次應用日期，透過對緊接首次應用日期前應用香港會計準則第37號確認的虧損性租賃計提撥備而調整使用權資產，作為於首次應用日期進行減值評估之替代方法；
- (c) 概無對租賃期為首次應用日期的12個月內終止的租賃(「**短期租賃**」)及低價值資產確認使用權資產及租賃負債；
- (d) 於首次應用日期計量使用權資產時不計入初步直接成本。
- (e) 倘合約包含延長或終止租賃的選擇權，則可使用事後判斷確定租賃期。

於首次應用日期，使用權資產乃根據逐項租賃基準按相等於租賃負債的金額計量，並根據與緊接首次應用日期之前確認的租賃有關的任何預付或應計租賃付款額進行調整。

租賃負債乃按剩餘租賃付款的現值計量，並使用承租人於首次應用日期的增量借款利率進行折現。於首次應用日期，適用於租賃負債的加權平均增量借款利率為7.81%。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Adoption of new/ revised HKFRSs (Continued)

HKFRS 16: Leases (Continued)

Reconciliation of operating lease commitments disclosed applying HKAS 17 at 31 December 2018 and lease liabilities recognised at the DIA is as follows.

		HK\$'000 千港元
Operating lease commitments at 31 December 2018	於二零一八年十二月三十一日之經營租賃承擔	36,158
Less: Short-term lease	減：短期租賃	(4,555)
Add: Liabilities for leases previously classified as finance lease	加：先前分類為融資租賃的租賃負債	279
Gross lease liability at 1 January 2019	於二零一九年一月一日之租賃負債總額	31,882
Discounted operating lease commitments as at 1 January 2019	於二零一九年一月一日之折讓經營租賃承擔	(1,551)
Lease liabilities at 1 January 2019	於二零一九年一月一日之租賃負債	30,331

At the DIA, all right-of-use assets were presented within the line item "right-of-use assets" on the consolidated statement of financial position. Besides, lease liabilities including those previously presented under "interest-bearing borrowings" were shown separately on the consolidated statement of financial position.

As a result, transfer was made at the DIA to reflect the changes in presentation:

2. 主要會計政策(續)

採納新訂／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)

於二零一八年十二月三十一日應用香港會計準則第17號披露之經營租賃承擔金額及於首次應用日期確認之租賃負債對帳如下。

於首次應用日期，所有使用權資產呈列於綜合財務狀況表的「使用權資產」項目內。此外，租賃負債(包括先前於「計息借款」項下呈列者)於綜合財務狀況表中單獨呈列。

因此，於首次應用日期作出轉撥，以反應呈列方式的變化：

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Adoption of new/ revised HKFRSs (Continued)

HKFRS 16: Leases (Continued)

2. 主要會計政策(續)

採納新訂／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)

		31 December 2018 二零一八年 十二月 三十一日 HK\$'000 千港元	Impact on initial application of HKFRS 16 首次採納香港 財務報告準則 第16號的影響 HK\$'000 千港元	1 January 2019 二零一九年 一月一日 HK\$'000 千港元
Assets	資產			
Property, plant and equipment	物業、廠房及設備	12,290	(12,290)	—
Right-of-use assets	使用權資產	—	42,342	42,342
Liabilities	負債			
Interest-bearing borrowings	計息借款	279	(279)	—
Lease liabilities	租賃負債	—	30,331	30,331

Basis of measurement

The measurement basis used in the preparation of these consolidated financial statements is historical cost, except for financial assets at FVPL and Designated FVOCI, which are measured at fair value as explained in the accounting policies set out below.

計量基準

編製本綜合財務報表所採用之計量基準為歷史成本，惟如下文載列之會計政策所述，於損益帳按公平值處理及指定於其他全面收入按公平值處理之財務資產以公平值計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries as at 31 December each year. The financial statements of the subsidiaries are prepared for the same reporting year as that of the Company using consistent accounting policies.

All intra-group balance, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated in full. The results of subsidiaries are consolidated from the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

Non-controlling interests are presented, separately from owners of the Company, in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position. The non-controlling interests in the acquiree, that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in event of liquidation, are measured initially either at fair value or at the present ownership instruments' proportionate share in the recognised amounts of the acquiree's identifiable net assets. This choice of measurement basis is made on an acquisition-by-acquisition basis. Other types of non-controlling interests are initially measured at fair value, unless another measurement basis is required by HKFRSs.

2. 主要會計政策(續)

綜合基準

綜合財務報表包括本公司及其所有附屬公司截至每年十二月三十一日為止之財務報表。附屬公司之財務報表乃於與本公司相同之報告年度使用與本公司貫徹一致之會計政策編製。

集團內公司間之所有結餘、交易、收支及集團內公司間交易所產生盈虧會全數對銷。附屬公司之業績由本集團取得控制權當日起至有關控制權終止當日止綜合計算。

非控股權益於綜合全面收入報表及綜合財務狀況表之股權中與本公司擁有人分開呈列。於被收購公司之非控股權益為現時擁有權權益，賦予持有人權利於被收購公司清盤時按比例攤分被收購公司之資產淨值，初步按公平值或按現時擁有權工具所佔被收購公司可識別資產淨值已確認金額之比例計量。計量基準會因應逐項收購選擇。除非香港財務報告準則規定採納另一計量基準，否則其他類型非控股權益初步按公平值計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

Contingent consideration arising from business combination

Any contingent consideration to be transferred by the acquirer is recognised at acquisition-date fair value. Subsequent adjustments to consideration are recognised against goodwill only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is re-measured at subsequent reporting dates with the corresponding gain or loss being recognised in profit or loss.

Allocation of total comprehensive income

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

2. 主要會計政策(續)

綜合基準(續)

業務合併產生之或然代價

將由收購方轉讓之任何或然代價按收購日期之公平值確認。其後對代價之調整於調整源自於計量期(最長為收購日期起計12個月)內所取得有關於收購日期之公平值之新資料時,方於商譽確認。不符合作為計量期間調整之或然代價公平值變動之其後會計處理取決於或然代價如何分類。分類為權益之或然代價不會於其後報告日期重新計量,而其後結算於權益內入帳。分類為資產或負債之或然代價會於其後報告日期重新計量,而相應盈虧於損益帳中確認。

分配全面收入總額

損益及其他全面收入各組成部分會歸屬於本公司擁有人及非控股權益。全面收入總額會歸屬於本公司擁有人及非控股權益,即使此舉會導致非控股權益之結餘出現虧絀。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

Changes in ownership interest

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

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest determined at the date when control is lost and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests at the date when control is lost. The amounts previously recognised in other comprehensive income in relation to the disposed subsidiary are accounted for on the same basis as would be required if the holding company had directly disposed of the related assets or liabilities. Any investment retained in the former subsidiary and any amounts owed by or to the former subsidiary are accounted for as a financial asset, associate, joint venture or others as appropriate from the date when control is lost.

2. 主要會計政策(續)

綜合基準(續)

擁有權權益變動

倘本集團於附屬公司之擁有權權益出現變動，但並無導致本集團失去對該附屬公司之控制權，則入帳列作股權交易。本集團會調整控股與非控股權益之帳面金額，以反映彼等於附屬公司之相關權益之變動。非控股權益之調整款額與已付或已收代價之公平值兩者間之任何差額，會直接於股權確認並歸屬於本公司擁有人。

當本集團失去對附屬公司之控制權時，出售損益按(i)已收代價之公平值及於失去控制權當日所釐定任何保留權益之公平值之總額與(ii)該附屬公司之資產(包括商譽)及負債以及任何非控股權益於失去控制權當日之帳面金額兩者間之差額計算。先前就已出售附屬公司於其他全面收入確認之款額，按控股公司直接出售相關資產或負債所須使用之相同基準入帳。在前附屬公司保留之任何投資及該前附屬公司所結欠或應收之任何金額，會由失去控制權當日起入帳列作財務資產、聯營公司、合營公司或其他項目(如適用)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Subsidiaries

A subsidiary is an entity that is controlled by the Group. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control.

In the Company's statement of financial position which is presented within these notes, investments in subsidiaries are stated at cost less impairment losses. The carrying amount of the investment is reduced to its recoverable amount on an individual basis, if it is higher than the recoverable amount. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

The Group's investments in associates are accounted for under the equity method of accounting. Under the equity method, the investment is initially recorded at cost and adjusted thereafter for the post-acquisition changes in the Group's share of the investee's net assets and any impairment loss relating to the investment. Except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee, the Group discontinues recognising its share of further losses when the Group's share of losses of the investee equals or exceeds the carrying amount of its interest in the investee, which includes any long term interests that, in substance, form part of the Group's net investment in the investee.

2. 主要會計政策(續)

附屬公司

附屬公司指受本集團控制之實體。當本集團就參與實體業務所得可變動回報承擔風險或享有權利，並能透過其於該實體之權力影響該等回報時，本集團即控制該實體。如有事實及情況顯示一項或多項控制權要素出現變化，則本集團會重新評估其是否控制接受投資公司。

於附註內呈列之本公司財務狀況表中，於附屬公司之投資按成本減去減值虧損入帳。投資之帳面金額如高於可收回金額，按個別基準扣減至其可收回金額。本公司按已收及應收股息基準將附屬公司之業績入帳。

聯營公司

聯營公司指本集團對其擁有重大影響力之實體。重大影響力指參與接受投資公司財務及營運政策決定但並非控制或共同控制有關政策之權力。

本集團於聯營公司之投資以權益會計法入帳。根據權益會計法，有關投資初步按成本入帳，其後就本集團應佔接受投資公司資產淨值之收購後變動及與該投資相關之任何減值虧損作出調整。倘本集團應佔接受投資公司之虧損相等於或超過其於該接受投資公司之權益(包括任何實質上構成本集團於該接受投資公司之淨投資一部分之長期權益)之帳面金額，則本集團不再確認其應佔之進一步虧損，惟本集團已產生法定或推定責任，或已代表該接受投資公司付款，則作別論。

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2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Associates (Continued)

Goodwill arising on an acquisition of an associate is measured as the excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of the acquired associate. Such goodwill is included in interests in associates. On the other hand, any excess of the Group's share of its net fair value of identifiable assets and liabilities over the cost of investment is recognised immediately in profit or loss as an income.

Unrealised profits and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's interest in the investees, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

Goodwill

Goodwill arising on an acquisition of a business is measured at the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previously held equity interest in the acquiree over the acquisition date amounts of the identifiable assets acquired and the liabilities assumed of the acquired business.

Goodwill on acquisition of business is recognised as a separate asset and is carried at cost less accumulated impairment losses, which is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. For the purpose of impairment test and determination of gain or loss on disposal, goodwill is allocated to cash-generating units ("CGUs"). An impairment loss on goodwill is not reversed.

2. 主要會計政策(續)

聯營公司(續)

收購聯營公司產生之商譽按投資成本超出本集團應佔所收購聯營公司之可識別資產及負債公平淨值之差額計量。有關商譽計入於聯營公司之權益內。另一方面，本集團應佔其可識別資產及負債公平淨值超出投資成本之任何差額即時於損益帳確認為收入。

本集團與其聯營公司之間進行交易所產生之未變現盈虧會予以對銷，惟以本集團於該等接受投資公司之權益為限；而倘未變現虧損提供證據顯示所轉讓資產出現減值，則有關虧損會即時於損益帳確認。

商譽

收購業務產生之商譽按所轉撥之代價、於被收購公司之任何非控股權益金額及於被收購公司之先前所持股本權益之公平值超出所收購業務之已購入可識別資產及所承擔負債之收購當日金額之差額計量。

收購業務之商譽會確認為一項獨立資產，按成本減累計減值虧損列帳，並每年作減值測試，或於有事件發生或情況有變而顯示帳面值可能減值時進行較頻密之減值測試。就減值測試及釐定出售盈虧而言，商譽被分配至現金產生單位（「現金產生單位」）。商譽之減值虧損不予撥回。

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2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Goodwill (Continued)

On the other hand, any excess of the acquisition date amounts of identifiable assets acquired and the liabilities assumed of the acquired business over the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree, if any, after reassessment, is recognised immediately in profit or loss as an income from bargain purchase.

Any resulting gain or loss arising from remeasuring the previously held equity interests in the acquiree at the acquisition date fair value is recognised in profit or loss or other comprehensive income, as appropriate.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Repairs and maintenance are charged to profit or loss during the year in which they are incurred.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual values over their estimated useful life. Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis and depreciated separately. The principal annual rates used for this purpose are as follows:

Buildings	5%
Leasehold improvement	20%-50%
Moulds	10%-30%
Plant and machinery	9%-20%
Furniture, fixture and equipment	18%-50%
Motor vehicles	18%-33%

2. 主要會計政策(續)

商譽(續)

另一方面，重新評估後所收購業務之已購入可識別資產及所承擔負債之收購當日金額超出所轉撥代價、於被收購公司之任何非控股權益金額及收購公司先前於被收購公司所持權益之公平值總額之任何差額(如有)，隨即於損益帳確認為一項議價購買收入。

任何自重新計量先前所持被收購公司之股本權益於收購日期所產生收益或虧損公平值於損益帳或其他全面收入中確認(如適用)。

物業、廠房及設備

物業、廠房及設備按成本減累計折舊及減值虧損列帳。物業、廠房及設備項目之成本包括其購買價及令資產達致其營運狀況及運送至其運作地點作擬定用途之任何直接應佔費用。維修及保養開支於產生當年在損益帳中扣除。

折舊按直線法計算，以於各物業、廠房及設備項目之估計可用年期將該等物業、廠房及設備項目之成本撇銷至其餘值。倘物業、廠房及設備項目各部分具有不同可用年期，則項目成本按合理基準分配及分開折舊。就此使用之主要年率如下：

樓宇	5%
租賃物業裝修	20%-50%
模具	10%-30%
廠房及機器	9%-20%
傢具、裝置及設備	18%-50%
汽車	18%-33%

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2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Property, plant and equipment (Continued)

Before 1 January 2019:

Assets held under finance leases are depreciated over the shorter of their expected useful lives or the terms of the leases.

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 derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the year in which the item is derecognised.

Intangible assets

Trademarks

Trademarks acquired in a business combination are recognised at fair value at the acquisition date. Trademarks that have an indefinite useful life are tested annually for impairment or more frequently if events or changes in circumstances indicate that the carrying amount may be impaired and carried at cost less accumulated impairment losses.

Customer relationships, customer contracts, computer software copyright and software patents

The customer relationships, customer contracts, computer software copyright and software patents acquired in a business combination are recognised at fair value at the acquisition date. Amortisation is provided on the straight-line basis over their estimated useful lives of 2-10 years.

Research and development costs

Research costs are expensed as incurred. Costs incurred on development activities, which involve the application of research findings to a plan or design for the production of new or substantially improved products and processes, are capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources to complete the development.

2. 主要會計政策(續)

物業、廠房及設備(續)

於二零一九年一月一日之前：

根據融資租賃持有之資產按其預計可用年期或租期之較短期間折舊。

物業、廠房及設備項目於出售時或預期持續使用該資產不會產生未來經濟利益時終止確認。終止確認資產所產生之任何盈虧(按出售所得款項淨額與項目帳面金額之差額計算)計入項目終止確認年度之損益帳。

無形資產

商標

在業務合併中購入之商標按收購日期之公平值確認。無限定可用年期之商標每年作減值測試，或於有事件發生或情況有變而顯示帳面金額可能減值時進行較頻密之減值測試，並按成本減累計減值虧損列帳。

客戶關係、客戶合約、電腦軟件版權及軟件專利

在業務合併中購入之客戶關係、客戶合約、電腦軟件版權及軟件專利按收購日期之公平值確認。攤銷於其2至10年之估計可用年期內以直線法撥備。

研究及開發成本

研究成本於產生時確認為開支。開發活動成本(涉及將研究結果應用於生產全新產品或大幅改進產品及工序之計劃或設計)若在產品或工序在技術及商業上可行，且本集團具有足夠資源完成開發時將會撥充資本。

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2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments

Financial assets

Recognition and derecognition

Financial assets are recognised when and only when the Group becomes a party to the contractual provisions of the instruments and on a trade date basis.

A financial asset is derecognised when and only when (i) the Group's contractual rights to future cash flows from the financial asset expire or (ii) the Group transfers the financial asset and either (a) it Group transfers substantially all the risks and rewards of ownership of the financial asset, or (b) it Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but it does not retain control of the financial asset.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises the financial asset to the extent of its continuing involvement and an associated liability for amounts it may have to pay.

Financial assets (except for trade receivables without a significant financing component) are initially recognised at their fair value plus, in the case of financial assets not carried at FVPL, transaction costs that are directly attributable to the acquisition of the financial assets. Such trade receivables are initially measured at their transaction price.

2. 主要會計政策(續)

財務工具

財務資產

確認及終止確認

當且僅當本集團成為該等工具之合約條文之一方時，財務資產方會確認，而於確認時乃以交易日期為基準。

當且僅當 (i) 本集團於財務資產未來現金流量之合約權利屆滿，或 (ii) 本集團轉讓該財務資產，同時 (a) 本集團轉移該項財務資產擁有權之絕大部分風險及回報，或 (b) 本集團既無轉移亦無保留該項財務資產擁有權之絕大部分風險及回報，且並無保留該項財務資產之控制權時，方會終止確認財務資產。

倘本集團保留被轉移財務資產擁有權之絕大部分風險及回報，則本集團繼續確認該項財務資產，同時就所收所得款項確認抵押借貸。

倘本集團既無轉移亦無保留已轉移財務資產擁有權之絕大部分風險及回報，並繼續控制該項財務資產，則本集團按其持續參與程度確認該項財務資產，並就可能須支付之金額確認相關負債。

財務資產(不包括並無重大融資部分之貿易應收款項)初步按公平值另加(如並非於損益帳按公平值列帳)收購財務資產直接應佔之交易成本確認。有關貿易應收款項初步按其交易價格計量。

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2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and measurement

On initial recognition, a financial asset is classified as (i) measured at amortised cost; (ii) debt investment measured at fair value through other comprehensive income (“**Mandatory FVOCI**”); (iii) equity investment measured at fair value through other comprehensive income (“**Designated FVOCI**”); or (iv) measured at fair value through profit or loss (“**FVPL**”).

The classification of financial assets at initial recognition depends on the Group’s business model for managing the financial assets and the financial asset’s contractual cash flow characteristics. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing them, in which case all affected financial assets are reclassified on the first day of the first annual reporting period following the change in the business model (the “**reclassification date**”).

Derivatives embedded in a hybrid contract in which a host is an asset within the scope of HKFRS 9 are not separated from the host. Instead, the entire hybrid contract is assessed for classification.

1) Financial assets measured at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVPL:

- (i) it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

2. 主要會計政策(續)

財務工具(續)

財務資產(續)

分類及計量

於初始確認時，財務資產分類為(i)按攤銷成本計量；(ii)於其他全面收入按公平值計量的債務投資(「**強制於其他全面收入按公平值處理**」)；(iii)於其他全面收入按公平值計量的股權投資(「**指定於其他全面收入按公平值處理**」)；或(iv)於損益帳按公平值計量(「**於損益帳按公平值處理**」)。

於初始確認時，財務資產分類取決於本集團管理財務資產及之業務模式及財務資產之合約現金流量特點。財務資產於初始確認後不會進行重新分類，除非本集團改變管理財務資產之業務模式，在此情況下，所有受影響之相關財務資產於業務模式變更後首個年度報告期間之首日進行重新分類(「**重新分類日期**」)。

嵌入混合合約(其主要資產為香港財務報告準則第9號範圍內之資產)中之衍生工具不得與主要資產分別計量。取而代之，混合合約整項作分類評估。

1) 按攤銷成本計量之財務資產

倘財務資產符合以下兩項條件及並非指示於損益帳按公平值處理，則按攤銷成本計量：

- (i) 以收取合約現金流量為目的而持有財務資產之經營模式下持有；及

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2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and measurement (Continued)

1) Financial assets measured at amortised cost (Continued)

- (ii) its 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 at amortised cost are subsequently measured using the effective interest rate method and are subject to impairment. Gains and losses arising from impairment, derecognition or through the amortisation process are recognised in profit or loss.

2) Mandatory FVOCI

A financial asset is measured at Mandatory FVOCI if both of the following conditions are met and is not designated as at FVPL:

- (i) it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The financial asset is subsequently measured at fair value. Interest calculated using the effective interest method, impairment gains or losses and foreign exchange gains and losses are recognised in profit or loss. Other gains or losses are recognised in other comprehensive income until the financial asset is derecognised. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified to profit or loss as a reclassification adjustment.

2. 主要會計政策(續)

財務工具(續)

財務資產(續)

分類及計量(續)

1) 按攤銷成本計量之財務資產(續)

- (ii) 其合約條款於指定日期產生之現金流量僅為支付本金及未償還本金之利息。

按攤銷成本計量之財務資產其後採用實際利率法計量，並可能會出現減值。減值、終止確認或攤銷過程產生之收益及虧損於損益帳確認。

2) 強制於其他全面收入按公平值處理

倘財務資產符合以下兩項條件及並非指示於損益帳按公平值處理，則強制於其他全面收入按公平值處理計量：

- (i) 以收取合約現金流量為目的而持有財務資產之經營模式下持有；及
- (ii) 其合約條款於指定日期產生之現金流量僅為支付本金及未償還本金之利息。

財務資產其後按公平值計量。利用實際利率法計算之利息、減值收益或虧損以及外匯收益及虧損於損益帳中確認。其他收益或虧損於其他綜合收入中確認，直至財務資產終止確認。財務資產終止確認時，之前於其他全面收入中呈報之累計收益或虧損將重新分類至損益帳，列作重新分類調整。

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2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and measurement (Continued)

3) Designated FVOCI

Upon initial recognition, the Group may make an irrevocable election to present subsequent changes in the fair value of an investment in an equity instrument that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 applies in other comprehensive income. The classification is determined on an instrument-by-instrument basis.

These equity investments are subsequently measured at fair value and are not subject to impairment. Dividends are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other gains or losses are recognised in other comprehensive income and shall not be subsequently reclassified to profit or loss. Upon derecognition, the cumulative gain or loss is transferred directly to accumulated profits or losses.

4) Financial assets at FVPL

These investments include financial assets that are not measured at amortised cost or FVOCI, including financial assets held for trading, financial assets designated upon initial recognition as at FVPL, and financial assets resulting from a contingent consideration arrangement in a business combination to which HKFRS 3 applies and financial assets that are otherwise required to be measured at FVPL. They are carried at fair value, with any resultant gain and loss recognised in profit or loss, which does not include any dividend or interest earned on the financial assets. Dividend or interest income is presented separately from fair value gain or loss.

2. 主要會計政策(續)

財務工具(續)

財務資產(續)

分類及計量(續)

3) 指定於其他全面收入按公平值處理於初始確認後，本集團可作出不可撤回之選擇，於其他綜合收入呈列股本工具投資公平值之其後變動，倘該等投資既非持作買賣，亦非收購人於確認業務合併中之或然代價(香港財務報告準則第3號適用)。分類乃按個別工具基準釐定。

該等股本工具其後按公平值計量及毋須作出減值。除非股息明確表示為收回部分投資成本，否則股息於損益帳中確認。其他收益或虧損於其他全面收入中確認，且其後不會重新分類至損益帳。於終止確認後，累計收益或虧損將直接轉移至損益帳。

4) 於損益帳按公平值處理之財務資產

該等投資包括並非按攤銷成本計量或於其他全面收入按公平值處理之財務資產，其中包括持作買賣之財務資產、於初步確認時指定於損益帳按公平值處理之財務資產及業務合併中或然代價安排產生之財務資產(香港財務報告準則第3號適用)，以及因其他理由須以於損益帳按公平值處理計量之財務資產，以公平值列帳，所產生之任何盈虧於損益帳確認，惟不包括任何自財務資產所賺取之股息或利息。股息或利息收入與公平值收益或虧損分開呈列。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and measurement (Continued)

4) Financial assets at FVPL (Continued)

A financial asset is classified as held for trading if it is:

- (i) acquired principally for the purpose of selling it in the near term;
- (ii) part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking on initial recognition; or
- (iii) a derivative that is not a financial guarantee contract or not a designated and effective hedging instrument.

Financial assets are designated at initial recognition as at FVPL only if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains or losses on them on different bases.

Financial liabilities

Recognition and derecognition

Financial liabilities are recognised when and only when the Group becomes a party to the contractual provisions of the instruments.

A financial liability is derecognised when and only when the liability is extinguished, that is, when the obligation specified in the relevant contract is discharged, cancelled or expires.

2. 主要會計政策(續)

財務工具(續)

財務資產(續)

分類及計量(續)

4) 於損益帳按公平值處理之財務資產(續)

財務資產如屬以下各項，則分類為持作買賣：

- (i) 主要為於短期內出售而購入；
- (ii) 於初始確認時，其集中管理且有跡象顯示近期出現實際短期獲利之已識別財務工具組合之一部分；或
- (iii) 並非財務擔保合約或並非指定有效對沖工具之衍生工具。

財務資產僅會於初步確認時指定於損益帳按公平值處理可消除或大幅減少因按不同基準計量資產或負債或確認盈虧而導致計量或確認方法不一之情況時，方可如此指定。

財務負債

確認及終止確認

當且僅當本集團成為該等工具之合約條文之一方時，財務負債方會確認。

當且僅當財務負債於負債終絕時方終止確認，即相關合約訂明之責任獲解除、註銷或屆滿時。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities (Continued)

Classification and measurement

Financial liabilities are initially recognised at their fair value plus, in the case of financial liabilities not carried at FVPL, transaction costs that are directly attributable to the issue of the financial liabilities.

The Group's financial liabilities include contingent consideration payables, trade and other payables, interest-bearing borrowings, promissory notes and convertible bonds. All financial liabilities, except for financial liabilities at FVPL, are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method, unless the effect of discounting would be insignificant, in which case they are stated at cost.

Financial liabilities at FVPL include financial liabilities held for trading, financial liabilities designated upon initial recognition as at FVPL and financial liabilities that are contingent consideration of an acquirer in a business combination to which HKFRS 3 applies. They are carried at fair value, with any resultant gain and loss (including interest expenses) recognised in profit or loss, except for the portion of fair value changes of financial liabilities designated at FVPL that are attributable to the credit risk of the liabilities which is presented in other comprehensive income unless such treatment would create or enlarge an accounting mismatch in profit or loss. The amounts presented in other comprehensive income shall not be subsequently transferred to profit or loss. Upon derecognition, the cumulative gain or loss is transferred directly to accumulated profits or losses. Interest expenses are presented separately from fair value gain or loss.

2. 主要會計政策(續)

財務工具(續)

財務負債(續)

分類及計量

財務負債初始按公平值計量，而倘財務負債並非於損益帳按公平值處理，則加上發行財務負債直接應佔之交易成本。

本集團之財務負債包括應付或然代價、貿易及其他應付款項、計息借貸、承兌票據及可換股債券。所有財務負債(於損益帳按公平值處理之財務負債除外)初步按公平值確認，其後以實際利率法按攤銷成本計量，惟倘貼現影響並不重大，則按成本列帳。

於損益帳按公平值處理之財務負債包括持作買賣之財務負債、於初步確認時指定於損益帳按公平值處理之財務負債及業務合併中或然代價安排產生之財務負債(香港財務報告準則第3號適用)，以公平值列帳，所產生之任何盈虧(包括利息開支)於損益帳確認，惟不包括於其他綜合收入中呈列之負債信貸風險所產生之指定於損益帳按公平值處理之財務負債變動部分，除非有關處理將構成或擴大損益的會計錯配。於其他綜合收入所呈列之金額其後不得轉移至損益帳。於終止確認後，累計收益或虧損已直接轉移至累計損益帳。利息開支與公平值收益或虧損分開呈列。

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities (Continued)

Classification and measurement (Continued)

A financial liability is classified as held for trading if it is:

- (i) acquired principally for the purpose of selling it in the near term;
- (ii) part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking on initial recognition; or
- (iii) a derivative that is not a financial guarantee contract or not a designated and effective hedging instrument.

Financial liabilities are designated at initial recognition as at FVPL only if:

- (i) the designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains or losses on them on different bases;
- (ii) they are part of a group of financial liabilities or financial assets and financial liabilities that are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or
- (iii) they contain one or more embedded derivatives, in which case the entire hybrid contract may be designated as a financial liability at FVPL, except where the embedded derivatives do not significantly modify the cash flows or it is clear that separation of the embedded derivatives is prohibited.

2. 主要會計政策(續)

財務工具(續)

財務負債(續)

分類及計量(續)

財務負債如屬以下各項，則分類為持作買賣：

- (i) 主要為於短期內出售而購入；
- (ii) 於初始確認時，其集中管理且有跡象顯示近期出現實際短期獲利之已識別財務工具組合之一部分；或
- (iii) 並非財務擔保合約或並非指定有效對沖工具之衍生工具。

財務負債僅會於下列情況下於初步確認時指定為於損益帳按公平值處理：

- (i) 該項指定消除或大幅減少因按不同基準計量資產或負債或確認盈虧而導致處理方法不一之情況；
- (ii) 其屬受管理且根據明文風險管理策略按公平值基準評估表現之一組財務資產或財務負債及財務負債之一部分；或
- (iii) 其包含一項或以上嵌入式衍生工具，於此情況下，整份混合合約或會指定為於損益帳按公平值處理之財務負債，惟倘嵌入式衍生工具不能大幅改變現金流量或明顯不得將嵌入式衍生工具分開則除外。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities (Continued)

Classification and measurement (Continued)

Derivatives embedded in a hybrid contract with a host that is not an asset within the scope of HKFRS 9 are treated as separate derivatives when they meet the definition of a derivative, their economic characteristics and risks are not closely related to those of the host, and the hybrid contract is not measured at FVPL.

Impairment of financial assets and other items

The Group recognises loss allowances for expected credit losses (“ECL”) on financial assets that are measured at amortised cost (including loan receivables, trade receivables, other receivables, pledged bank deposits and cash and cash equivalents) to which the impairment requirements apply in accordance with HKFRS 9. Except for the specific treatments as detailed below, at each reporting date, the Group measures a loss allowance for a financial asset at an amount equal to the lifetime ECL if the credit risk on that financial asset has increased significantly since initial recognition. If the credit risk on a financial asset has not increased significantly since initial recognition, the Group measures the loss allowance for that financial asset at an amount equal to 12-month ECL.

Measurement of ECL

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls over the expected life of the financial instrument.

For financial assets, a credit loss is the present value of the difference between the contractual cash flows that are due to an entity under the contract and the cash flows that the entity expects to receive.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument while 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

2. 主要會計政策(續)

財務工具(續)

財務負債(續)

分類及計量(續)

嵌入混合合約(其主要資產並非香港財務報告準則第9號範圍內之資產)中之衍生工具符合衍生工具定義、經濟特徵及風險與主合約並非密切關連，而混合合約並非按於損益帳按公平值處理計量，則其被視作獨立衍生工具。

財務資產及其他項目之減值

本集團就按攤銷成本計量之財務資產(包括應收貸款、貿易應收款項、其他應收款項、已質押銀行存款以及現金及現金等價物)確認預期信貸虧損(「預期信貸虧損」)之虧損備抵，根據香港財務報告準則第9號應用有關減值規定。除下文所詳述之特定處理外，於各報告日期，倘財務資產之信貸風險自初始確認起大幅增加，本集團會按相等於全期預期信貸虧損之金額計量財務資產之虧損備抵。倘財務資產之信貸風險自初始確認起並無大幅增加，本集團會按相等於12個月預期信貸虧損之金額計量財務資產之虧損備抵。

計量預期信貸虧損

預期信貸虧損為信貸虧損之概率加權估計。信貸虧損以財務工具之預計年內所有預計現金不足額之現值計量。

就財務資產而言，信貸虧損為根據合約應付實體之合約現金流量與實體預期收取之現金流量間之差額現值。

全期預期信貸虧損指因財務工具預期年內所有可能發生之違約事件而導致之預期信貸虧損，而12個月預期信貸虧損指預期因報告日期後12個月內可能發生之財務工具違約事件而導致之全期預期信貸虧損之部分。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Impairment of financial assets and other items (continued)

Measurement of ECL (continued)

Where ECL is measured on a collective basis, the financial instruments are grouped based on the following one or more shared credit risk characteristics:

- (i) past due information
- (ii) nature of instrument
- (iii) nature of collateral
- (iv) industry of debtors
- (v) geographical location of debtors
- (vi) external credit risk ratings

Loss allowance is remeasured at each reporting date to reflect changes in the financial instrument's credit risk and loss since initial recognition. The resulting changes in the loss allowance are recognised as an impairment gain or loss in profit or loss with a corresponding adjustment to the carrying amount of the financial instrument, except in the case of Mandatory FVOCI, the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve (recycling).

2. 主要會計政策(續)

財務工具(續)

財務資產及其他項目之減值(續)

計量預期信貸虧損(續)

倘預期信貸虧損按集體基準計量，則財務工具基於以下一項或以下之共同信貸風險特徵分類：

- (i) 逾期資料
- (ii) 工具性質
- (iii) 抵押品性質
- (iv) 債務人之行業
- (v) 債務人之地理位置
- (vi) 外部信貸風險評級

虧損備抵於各報告日期重新計量，以反映自初始確認起之財務工具信貸風險及虧損之變動。於虧損備抵所引致之變動於損益帳中確認為減值收益或虧損，並對財務工具之帳面金額作出相應之調整，惟於強制於其他全面收入按公平值處理時，虧損備抵則於其他綜合收入中確認並於公平值儲備(會重新分類)中累計。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Impairment of financial assets and other items (continued)

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that the Group may not receive the outstanding contractual amounts in full if the financial instrument that meets any of the following criteria:

- (i) 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); or
- (ii) there is a breach of financial covenants by the counterparty.

Assessment of significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this 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. Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial instrument has increased significantly since initial recognition when (i) failure to make payments of principal or interest on their contractually due dates; (ii) an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available); (iii) an actual or expected significant deterioration in the operating results of the debtor; and (iv) existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

2. 主要會計政策(續)

財務工具(續)

財務資產及其他項目之減值(續)

違約之定義

本集團認為以下各項就內部信貸風險管理而言構成違約事件，原因為過往經驗顯示，倘財務工具符合以下任何條件，本集團可能無法悉數收回未償還合約金額：

- (i) 內部產生或取自外部來源之資料表明，債務人不太可能向債權人(包括本集團)悉數還款(不計及本集團持有之任何抵押品)；或
- (ii) 交易對手違反財務契約。

信貸風險顯著增加之評估

在評估財務工具之信貸風險自初始確認以來有否顯著增加時，本集團會比較分別於報告日期與於初始確認日期評估之財務工具違約風險。在進行重新評估時，本集團會考慮合理且具理據支持之定量及定性資料，包括過往經驗及在無須付出過多成本及努力下即可獲得之前瞻性資料。不論上述評估結果如何，在下列情況下，本集團認為財務工具的信用風險自初始確認以來已大幅增加：(i) 未能在合約到期日支付本金或利息；(ii) 財務工具之外部或內部信貸評級(如有)出現實際或預期之重大下跌情況；(iii) 債務人經營業績出現實際或預期之重大倒退；及(iv) 技術、市場、經濟或法律環境之現有或預測變動對債務人向本集團履行責任之能力構成重大不利影響。

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Impairment of financial assets and other items (continued)

Assessment of significant increases in credit risk (continued)

Notwithstanding the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

Low credit risk

A financial instrument is determined to have low credit risk if:

- (i) it has a low risk of default;
- (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and
- (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Simplified approach of ECL

For trade and other receivables without a significant financing components or otherwise for which the Group applies the practical expedient not to account for the significant financing components and operating and finance lease receivables, the Group applies a simplified approach in calculating ECL. The Group recognises a loss allowance based on lifetime ECL at each reporting date and has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

2. 主要會計政策(續)

財務工具(續)

財務資產及其他項目之減值(續)

信貸風險顯著增加之評估(續)

儘管存有上文所述者，倘財務工具於報告日期獲確定具有低信貸風險，則本集團假設財務工具之信貸風險自初始確認以來並無顯著增加。

低信貸風險

財務負債如屬以下各項，則獲確定為具有低信貸風險：

- (i) 其違約風險較低；
- (ii) 借款人於短期內絕對有能力履行其合約現金流量之義務；及
- (iii) 經濟及商業條件長遠之不利變化不一定會降低借款人履行合約現金流義務之能力。

預期信貸虧損之簡化方法

對於並無重大融資成分之貿易及其他應收款項或本集團適用之實際權宜(不計入重大融資成分以及經營及融資租賃應收款項)，本集團採用簡化方法計算預期信貸虧損。本集團根據各個報告日期之全期預期信貸虧損確認虧損備抵，並建立基於其過往信貸虧損經驗作出之撥備矩陣，並就債務人之特定因素及經濟狀況之前瞻性因素作出調整。

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Impairment of financial assets and other items (continued)

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 the financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (i) significant financial difficulties of the issuer or the borrower;
- (ii) a breach of contract, such as a default or past due event;
- (iii) 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;
- (iv) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- (v) the disappearance of an active market for that financial assets because of financial difficulties; and
- (vi) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

2. 主要會計政策(續)

財務工具(續)

財務資產及其他項目之減值(續)

信貸減值財務資產

當發生一項或多項對財務資產估計未來現金流量有負面影響之事件時，財務資產即出現信貸減值。財務資產出現信貸減值之證據包括以下可觀察事件：

- (i) 發行人或借款人面對重大財務困難；
- (ii) 違反合約，如欠繳或逾期事件；
- (iii) 借款人之貸款人因與借款人有關之經濟或合約原因，向借款人授出貸款人在其他情況下不會考慮授出之優惠；
- (iv) 借款人可能將告破產或進行其他財務重組；
- (v) 財務資產因發行人出現財務困難而失去活躍市場；及
- (vi) 以大幅折扣購買或源生一項財務資產，該折扣反映已產生信貸虧損。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Impairment of financial assets and other items (continued)

Write-off

The Group writes off a financial asset when the Group has no reasonable expectations of recovering the contractual cash flows on a financial asset in its entirety or a portion thereof. The Group has a policy of writing off the gross carrying amount when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities under the Group's procedures for recovery of amounts due, taking into account legal advice if appropriate. Any subsequent recovery is recognised in profit or loss.

Convertible bonds

The component of the convertible bonds that exhibits characteristics of a liability is recognised as a liability in the consolidated statement of financial position, net of issue costs.

On the issue of the convertible bonds, the fair value of the liability component is determined using a market rate for a similar bond that does not have a conversion option; and this amount is carried as a long-term liability on the amortised cost basis until extinguished on conversion or redemption. The early redemption option components are measure at fair value at the issue date. In subsequent period, the early redemption option component is measure at fair value with changes in fair value recognised in profit or loss.

2. 主要會計政策(續)

財務工具(續)

財務資產及其他項目之減值(續)

撇銷

當本集團並無合理預期收回全部或部分財務資產之合約現金流量時，則會撇銷該財務資產。當本集團確定債務人並無可產生足夠現金流量以償還撇銷金額之資產或收入來源時，本集團會實行一項撇銷帳面總額之政策。本集團預期不會從大幅收回撇銷金額。然而，於適當情況下，在考慮法律意見後，本集團可能仍會根據收款程序處理被撇銷之財務資產。其後收回之任何款項於損益帳中確認。

可換股債券

可換股債券具負債特徵之部分於綜合財務狀況表確認為負債，當中扣除發行成本。

於發行可換股債券時，負債部分之公平值採用不帶換股權之類似債券之市場利率釐定，而此金額按攤銷成本基準列為長期負債，直至於轉換或贖回時被消除為止。提早贖回權部分按發行當日之公平值計量。於往後期間，提早贖回權部分按公平值計量，公平值變動會於損益帳確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Convertible bonds (Continued)

The remainder of the proceeds is allocated to the conversion option that is recognised and included in the convertible bonds equity reserve within shareholders' equity, net of issue costs. The value of the conversion option carried in equity is not changed in subsequent years. When the conversion option is exercised, the balance of the convertible bonds equity reserve is transferred to share capital or other appropriate reserve. When the conversion option remains unexercised at the expiry date, the balance remained in the convertible bonds equity reserve is transferred to retained profits. No gain or loss is recognised in profit or loss upon conversion or expiration of the option.

Issue costs are apportioned between the liability and equity components of the convertible bonds based on the allocation of proceeds to the liability and equity components when the instruments are first recognised. Transaction costs that relate to the issue of the convertible bonds are allocated to the liability and equity components in proportion to the allocation of proceeds.

Cash equivalents

For the purpose of the consolidated statement of cash flows, cash equivalents represent short-term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value.

Revenue recognition

Dividend income from investments is recognised when the Group's rights to receive payment have been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

2. 主要會計政策(續)

可換股債券(續)

所得款項結餘分配至已確認並計入股東權益內可換股債券權益儲備之換股權，當中扣除發行成本。於權益列帳之轉換權之價值於其後年度不變。當換股權獲行使時，可換股債券權益儲備之結餘會轉撥至股本或其他適當儲備。當換股權於到期日仍未行使時，可換股債券權益儲備之結餘會轉撥至保留溢利。換股權獲轉換或到期時不會於損益帳中確認任何收益或虧損。

發行成本乃根據首次確認可換股債券之負債及權益部分時所得款項分配至該等工具之比例，分配至可換股債券之負債及權益部分。發行可換股債券相關之交易費用按所得款項分配比例分配至負債及權益部分。

現金等價物

就綜合現金流量表而言，現金等價物指可隨時轉換為可知數額現金而所承受之價值變動風險不大之短期高流動性投資項目。

收益確認

來自投資之股息收入於本集團收取付款之權利確定後確認。有關股息之經濟利益極有可能將會流入本集團且股息能可靠地計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Revenue recognition

Revenue from contracts with customers within HKFRS 15

Nature of goods or services

The Group's revenue from the integrated smart internet-of-things ("IoT") solutions ("IoT solution"), human-machine interactive devices ("HMID") and intelligent documentation service ("IDS") businesses represents the sale of electronic, printer, terminal and hardware products to enterprise customers and the provision of information technology related consultation services and printing outsourcing services.

Identification of performance obligations

At contract inception, the Group assesses the goods or a service promised in a contract with a customer and identifies as a performance obligation each promise to transfer to the customer either:

- (a) a good or service (or a bundle of goods or services) that is distinct; or
- (b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

A good or service that is promised to a customer is distinct if both of the following criteria are met:

- (a) the customer can benefit from the good or service either on its own or together with other resources that are readily available to the customer (i.e. the good or service is capable of being distinct); and
- (b) the Group's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (i.e. the promise to transfer the good or service is distinct within the context of the contract).

2. 主要會計政策(續)

收益確認(續)

香港財務報告準則第15號之來自客戶合約之收益

貨品或服務之性質

本集團來自整合智能物聯網(「物聯網」)解決方案(「物聯網解決方案」、人機互動商業終端(「人機互動」)及智能檔案服務(「智能檔案服務」)業務之收益指向企業客戶銷售電子、打印機、終端及硬件產品以及提供有關顧問服務之資訊科技及打印外包服務。

識別履約責任

於合約開始時，本集團評估合約內向客戶承諾之貨物或服務，並將每個轉讓予客戶之承諾識別為履約責任：

- (a) 不同貨品及服務(或一組貨品或服務)；或
- (b) 不同之商品及大致相同服務，其具有向客戶轉讓之相同模式。

倘符合以下兩項準則，向客戶承諾之貨品或服務則屬不同：

- (a) 客戶可單獨或連同客戶隨時可得之其他資源(從貨品或服務中受益即能夠區別貨品或服務)；及
- (b) 本集團向客戶轉讓貨品或服務之承諾可與合約中之其他承諾分開識別(即轉讓貨品或服務之承諾就合約而言屬不同)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Revenue from contracts with customers within HKFRS 15 (Continued)

Timing of revenue recognition

Revenue is recognised when (or as) the Group satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset.

The Group transfers control of a good or service over time and, therefore, satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- (a) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- (b) the Group's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced; or
- (c) 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.

If a performance obligation is not satisfied over time, the Group satisfies the performance obligation at a point in time when the customer obtains control of the promised asset. In determining when the transfer of control occurs, the Group considers the concept of control and such indicators as legal title, physical possession, right to payment, significant risks and rewards of ownership of the asset, and customer acceptance.

2. 主要會計政策(續)

收益確認(續)

香港財務報告準則第15號之來自客戶合約之收益(續)

收益確認時間

當本集團履行合約中之履約責任，即向客戶轉讓承諾貨品或服務(即資產)時，確認收益。當客戶取得資產之控制權時，即轉讓該資產。

本集團於一段時間內轉讓貨品或服務之控制權，因此於一段時間內履行了履約責任並確認收益，前提為符合以下其中一項準則：

- (a) 客戶於本集團履約之同時取得並消耗由本集團履約所提供之利益；
- (b) 本集團之履約創建或改良一項資產(例如在建工程)，而客戶在資產被創建或改良之過程中控制該資產；或
- (c) 本集團之履約並未創建一項對本集團而言可用於替代用途之資產，而本集團就迄今為止已完成之履約擁有取得付款之可執行權利。

倘於一段時間內未有履行履約責任，則本集團於客戶取得對承諾資產之控制權時履行履約責任。於確定何時轉移控制權時，本集團考慮控制權之概念以及如合法所有權、實際擁有權、支付權、資產所有權之重大風險及回報以及客戶承兌等指標。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Revenue from contracts with customers within HKFRS 15 (Continued)

Timing of revenue recognition (Continued)

Sale of product is recognised at a point in time at which the customer obtains the control of the promised asset, which generally coincides with the time when the goods are delivered to customers and the title is passed.

Service income of consultation and printing outsourcing services are recognised over time when services are rendered.

For revenue recognised over time under HKFRS 15, provided the outcome of the performance obligation can be reasonably measured, the Group applies the output method (i.e. based on the direct measurements of the value to the customer of the goods or services transferred to date relative to the remaining goods or services promised under the contract) to measure the progress towards complete satisfaction of the performance obligation because the method provides a faithful depiction of the Group's performance and reliable information is available to the Group to apply the method. Otherwise, revenue is recognised only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation. The Group applies the output method as services completed to date over the life of the contract.

When the contract contains a significant financing component (i.e. the customer or the Group is provided with a significant benefit of financing the transfer of goods or services to the customer), in determining the transaction price, the Group adjusts the promised consideration for the effects of the time value of money. The effect of the significant financing component is recognised as an interest income or interest expense separately from revenue from contracts with customers in profit or loss.

2. 主要會計政策(續)

收益確認(續)

香港財務報告準則第15號之來自客戶合約之收益(續)

收益確認時間(續)

銷售產品於客戶取得承諾資產控制權之時間點確認，通常與貨品交付予客戶及所有權通過之時間一致。

顧問及打印外包服務之服務收入於提供服務之期間確認。

就根據香港財務報告準則第15號於一段時間內確認之收益而言，倘履約責任之結果可予合理計量，則本集團採用輸出法(即根據直接將對客戶迄今為止轉移之貨品或服務價值與合約中承諾之剩餘貨品或服務比較計量)，以衡量履約責任完全履行之進度，原因為該方法能中肯描述本集團之表現，而本集團可採用該方法提供可靠之資料。否則，本集團僅以所產生成本為限確認收益，直至其可合理計量履約責任的結果。本集團就迄今已完成合約年期之服務應用輸出法。

倘合約包含重大融資部分(即向客戶轉讓貨品或服務為客戶或本集團帶來重大利益)，本集團於釐定交易價格時就金額時間值之影響而調整已承諾之代價金額。重大融資部分之影響與來自客戶合約之收益分開於損益帳中確認為利息收入或利息開支。

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Revenue from contracts with customers within HKFRS 15 (Continued)

Transaction price: significant financing components

The Group determines the interest rate that is commensurate with the rate that would be reflected in a separate financing transaction between the Group and its customer at contract inception by reference to, where appropriate, the interest rate implicit in the contract (i.e. the interest rate that discounts the cash selling price of the goods or services to the amount paid in advance or arrears), the prevailing market interest rates, the Group's borrowing rates and other relevant creditworthiness information of the customer of the Group.

Interest income

Interest income from financial assets is recognised using the effective interest method. For financial assets measured at amortised cost or Mandatory FVOCI that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the assets while it is applied to the amortised cost (i.e. the gross carrying amount net of loss allowance) in case of credit-impaired financial assets.

Contract assets and contract liabilities

If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the contract is presented as a contract asset, excluding any amounts presented as a receivable. Conversely, if a customer pays consideration, or the Group has a right to an amount of consideration that is unconditional, before the Group transfers a good or service to the customer, the contract is presented as a contract liability when the payment is made or the payment is due (whichever is earlier). A receivable is the Group's right to consideration that is unconditional or only the passage of time is required before payment of that consideration is due.

2. 主要會計政策(續)

收益確認(續)

香港財務報告準則第15號之來自客戶合約之收益(續)

交易價格：重大融資部分

本集團根據合約中隱含利率(即將貨品或服務之現金售價與預付或拖欠金額折扣之利率)、現行市場利率、本集團之借貸利率及本集團客戶之其他相關信譽資料(視適用者而定)於合約開始時釐定本集團與其客戶之獨立融資交易所反映比率相應之利率。

利息收入

來自財務資產之利息收入運用實際利息法確認。就按攤銷成本計量或強制於其他全面收入按公平值處理且並無信貸減值之財務資產而言，實際利率適用於資產之帳面總額，而就具信貸減值之財務資產而言，其適用於攤銷成本(即扣除虧損備抵之帳面總額)。

合約資產及合約負債

倘本集團透過於客戶支付代價前或在支付到期應付前將貨品或服務轉移予客戶，合約將呈列為合約資產，不包括呈列為應收款項之任何金額。相反，倘客戶支付代價，或本集團有權無條件取得代價金額，則於本集團向客戶轉讓貨品或服務前，合約將於作出付款或付款到期應付(以較早者為準)時呈列為合約負債。應收款項為本集團無條件或在支付到期代價前所需時間流逝之取得代價權利。

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Contract assets and contract liabilities (Continued)

For a single contract or a single set of related contracts, either a net contract asset or a net contract liability is presented. Contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the “**functional currency**”). The consolidated financial statements are presented in Hong Kong Dollars (“**HK\$**”), which is the Company's functional currency, and rounded to the nearest thousands unless stated otherwise.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Foreign exchange gains and losses resulting from the retranslation of non-monetary items carried at fair value are recognised in profit or loss except for those arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the gains or losses are also recognised directly in equity.

2. 主要會計政策(續)

合約資產及合約負債(續)

單一合約或一組相關合約以合約資產淨值或合約負債淨額呈列。無關合約之合約資產及合約負債並不按淨額基準呈列。

外幣換算

本集團各實體之財務報表內所列項目依照各實體營運所在之主要經濟環境所用貨幣(「**功能貨幣**」)計量。綜合財務報表以本公司之功能貨幣港元呈列，而非另有指明，否則會四捨五入至最接近之千位。

外幣交易採用交易當日之匯率換算為功能貨幣。因結算該等交易及按年結日匯率換算以外幣計值之貨幣資產及負債而產生之外匯收益及虧損於損益帳中確認。因重新換算以公平值列帳之非貨幣項目而產生之外匯收益及虧損於損益帳中確認，惟倘有關收益及虧損乃因重新換算直接於股權確認收益及虧損之非貨幣項目而產生，則同樣直接於股權確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Foreign currency translation (Continued)

The results and financial position of all the group entities that have a functional currency different from the presentation currency (“**foreign operations**”) are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented and, where applicable, goodwill and fair value adjustments on the carrying amounts of assets and liabilities arising on an acquisition of a foreign operation which are to be treated as assets and liabilities of that foreign operation, are translated at the closing rate at end of the reporting period;
- Income and expenses for each statement of comprehensive income are translated at average exchange rate;
- All resulting exchange differences arising from the above translation and exchange differences arising from a monetary item that forms part of the Group’s net investment in a foreign operation are recognised as a separate component of equity;
- On the disposal of a foreign operation, which includes the disposal of the Group’s entire interest in a foreign operation, a disposal involving the loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in an associate that includes a foreign operation of which the retained interest is no longer equity-accounted for, the cumulative amount of the exchange differences relating to the foreign operation that is recognised in other comprehensive income and accumulated in the separate component of equity is reclassified from equity to profit or loss when the gain or loss on disposal is recognised;

2. 主要會計政策(續)

外幣換算(續)

功能貨幣有別於呈列貨幣之各集團實體(「**海外業務**」)之業績及財務狀況，乃按以下方式換算為呈列貨幣：

- 於各財務狀況表呈列之資產及負債，以及(如適用)就收購海外業務產生之資產及負債(被視為該海外業務之資產及負債)帳面金額作出之商譽及公平值調整，按報告期結束日之收市匯率換算；
- 各全面收入報表之收入及開支按平均匯率換算；
- 所有因上述換算而產生之匯兌差額及因構成本集團於海外業務之淨投資一部分之貨幣項目而產生之匯兌差額，確認為股權之獨立部分；
- 出售海外業務(包括出售本集團於海外業務之全部權益，涉及喪失包含海外業務附屬公司之控制權之出售事項，或部分出售於包含海外業務之聯營公司之權益，而不再以權益會計法處理當中之保留權益)時，涉及該海外業務而於其他全面收入中確認並於股權獨立部分中累計之匯兌差額累計金額於確認出售盈虧時由股權重新分類至損益帳；

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Foreign currency translation (Continued)

- On the partial disposal of the Group's interest in a subsidiary that includes a foreign operation which does not result in the Group losing control over the subsidiary, the proportionate share of the cumulative amount of the exchange differences recognised in the separate component of equity is re-attributed to the non-controlling interests in that foreign operation and are not recognised in profit or loss;
- On all other partial disposals, which includes partial disposal of associates that do not result in the Group losing significant influence, the proportionate share of the cumulative amount of exchange differences recognised in the separate component of equity is reclassified to profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the weighted average cost method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period of the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

2. 主要會計政策(續)

外幣換算(續)

- 部分出售本集團包含海外業務之附屬公司之權益，而本集團不會因此喪失對該附屬公司之控制權時，於股權獨立部分確認之按比例應佔匯兌差額之累計金額部分重新歸入該海外業務之非控股權益，且不會於損益帳確認；
- 至於所有其他部分出售(包括部分出售聯營公司，而本集團不會因此喪失重大影響力)，於股權獨立部分確認之按比例應佔匯兌差額之累計金額部分重新分類至損益帳。

存貨

存貨按成本及可變現淨值兩者中之較低者列帳。成本包括全部購買成本及(如適用)使存貨達致目前地點及狀況產生之其他成本。成本按加權平均成本法計算。可變現淨值指日常業務過程中之估計售價減估計銷售所需成本。

存貨一經出售，其帳面金額於相關收益之確認期間確認為開支。存貨撇減至可變現淨值之任何金額及所有存貨虧損於撇減或虧損之發生期間確認為開支。倘存貨之任何撇減出現任何逆轉，則逆轉金額於逆轉發生期間確認為原確認作開支之存貨扣減。

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Impairment of other assets

At the end of each reporting period, the Group reviews internal and external sources of information to assess whether there is any indication that its property, plant and equipment, intangible assets, right-of-use assets and interests in subsidiaries may be impaired or impairment loss previously recognised no longer exists or may be reduced. If any such indication exists, the recoverable amount of the asset is estimated, based on the higher of its fair value less costs of disposal and value-in-use (“VIU”). In addition, the Group tests its intangible assets that have indefinite useful lives and intangible assets that are not yet available for use for impairment by estimating their recoverable amount on an annual basis and whenever there is an indication that those assets may be impaired. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the smallest group of assets that generates cash flows independently (i.e. a cash-generating unit).

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 CGU is reduced to its recoverable amount. Impairment losses are recognised as expense in profit or loss immediately.

A reversal of impairment loss is limited to the carrying amount of the asset or CGU that would have been determined had no impairment loss been recognised in prior years. Reversal of impairment loss is recognised as income in profit or loss immediately.

2. 主要會計政策(續)

其他資產之減值

於各報告期結束日，本集團審閱內部及外部所得資料，以評估是否有跡象顯示其物業、廠房及設備、無形資產、使用權資產及於附屬公司之權益可能出現減值，或先前確認之減值虧損是否不再存在或可能有所減少。倘有任何該等跡象存在，則根據其公平值減出售成本及使用價值(以較高者為準)估計該項資產之可收回金額。此外，本集團每年藉估計其可收回金額，對具有不限定可用年期之無形資產及目前不可使用之無形資產進行減值測試，並於有跡象顯示該等資產或會減值時作減值測試。倘無法估計個別資產之可收回金額，本集團則估計可獨立產生現金流量之最小資產組別(即現金產生單位)之可收回金額。

倘資產或現金產生單位之可收回金額估計低於其帳面金額，則資產或現金產生單位之帳面金額會減至其可收回金額。減值虧損即時於損益帳確認為開支。

撥回之減值虧損以假設在過往年度並無確認減值虧損之情況下釐定之資產或現金產生單位之帳面金額為限。撥回之減值虧損即時於損益帳確認為收入。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Borrowing costs

Borrowing costs incurred, net of any investment income on the temporary investment of the specific borrowings, that are directly attributable to the acquisition, construction or production of qualifying assets, i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the years necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, the fair value is credited to a deferred income account/recognised as a deduction from the carrying amount of the relevant asset and is released to profit or loss over the expected useful life of the relevant asset on a systematic basis.

Leases

Applicable from 1 January 2019

The Group assesses whether a contract is, or contains, a lease at inception of the contract. 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.

2. 主要會計政策(續)

借貸成本

收購、建造或生產合資格資產(即需要一段頗長時間始能達至其擬定用途或出售之資產)之直接應佔借貸成本,在扣除特定借貸之任何暫時性投資之投資收入後,會撥充資本作為該等資產成本之一部分。於該等資產大致上可作其擬定用途或出售時,該等借貸成本將會停止撥充資本。所有其他借貸成本於產生期間確認為開支。

政府補助

倘有合理保證將會收取政府補助及將符合所有附帶條件,則有關補助將按公平值確認。當補助涉及開支項目時,會按有系統基準於需配合補助之年度確認為收入,以抵銷擬用作補償之成本。倘補助涉及資產,則將公平值計入遞延收入帳戶/確認為有關資產帳面金額之扣減,並於有關資產之預期可用年期按有系統基準撥入損益帳。

租賃

自二零一九年一月一日起適用

本集團於合約起始時評估合約是否屬於或包含租賃。倘合約賦予控制權於一段時間內使用已識別資產以換取代價,則該合約屬於或包含租賃。

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Leases (Continued)

Applicable from 1 January 2019 (Continued)

As lessee

The Group applies the recognition exemption to short-term leases and low-value asset leases. Lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The Group has elected not to separate non-lease components from lease components, and accounts for each lease component and any associated non-lease components as a single lease component.

Amounts payable by the Group that do not give rise to a separate component are considered to be part of the total consideration that is allocated to the separately identified components of the contract.

The Group recognises a right-of-use asset and a lease liability at the DIA.

The right-of-use asset is initially measured at cost, which comprises:

- (a) the amount of the initial measurement of the lease liability;
- (b) any lease payments made at or before the commencement date, less any lease incentives received;
- (c) any initial direct costs incurred by the Group; and
- (d) an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, 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, unless those costs are incurred to produce inventories.

2. 主要會計政策(續)

租賃(續)

自二零一九年一月一日起適用(續)

作為承租人

本集團對短期租賃及低價值資產租賃應用確認豁免。該等租賃相關的租賃付款按直線法於租賃期內確認為開支。

本集團已選擇不從租賃組成部分中分離出非租賃組成部分，並對各個租賃組成部分及任何相關非租賃組成部分入帳作為單獨租賃組成部分。

本集團未產生單獨組成部分之應付款項被視作分配至合約單獨可識別組成部分之總代價之一部分。

本集團於首次應用日期確認使用權資產及租賃負債。

使用權資產乃按成本進行初始計量，其中包括：

- (a) 租賃負債的初始計量金額；
- (b) 於開始日期或之前所作的任何租賃付款，減已收取的任何租賃優惠；
- (c) 本集團產生的任何初始直接成本；及
- (d) 本集團拆除及移除相關資產、恢復相關資產所在場地或將相關資產恢復至租賃條款及條件所規定狀態將予產生的估計成本，除非該等成本乃因生產存貨而產生。

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Leases (Continued)

Applicable from 1 January 2019 (Continued)

As lessee (Continued)

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability. Depreciation is provided on a straight-line basis over the shorter of the lease term and the estimated useful lives of the right-of-use asset as follows:

Buildings	5%
Properties	Over the lease term
Motor vehicles	18%-33%

The lease liability is initially measured at the present value of the lease payments that are not paid at the DIA. The lease payments included in the measurement of the lease liability comprise the following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or a rate;
- amounts expected to be payable under residual value guarantees;
- exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease.

The lease payments are discounted using the interest rate implicit in the lease, or where it is not readily determinable, the incremental borrowing rate of the lessee.

2. 主要會計政策(續)

租賃(續)

自二零一九年一月一日起適用(續)

作為承租人(續)

隨後，使用權資產按成本減任何累計折舊及任何累計減值虧損計量，並就租賃負債的任何重新計量作出調整。於租賃期及使用權資產之估計可使用年期之較短者按直線法計提折舊，如下：

樓宇	5%
物業	按租期
汽車	18%-33%

租賃負債乃按於首次應用日期尚未支付之租賃付款現值進行初始計量。計入租賃負債計量的租賃付款包括下列於租賃期內使用相關資產使用權且於開始日期尚未支付之付款：

- 固定付款(包括實質性固定付款)減任何應收租賃優惠；
- 取決於指數或利率之可變租賃付款；
- 根據剩餘價值擔保預期應付之款項；
- 購買權的行使價(倘本集團合理確定行使該等權利)；及
- 終止租賃的罰沒款項(倘租賃條款載明本集團有權終止租賃)。

租賃付款使用租賃的隱含利率貼現，或倘該利率無法可靠地釐定，則採用承租人之增量借貸利率。

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Leases (Continued)

Applicable from 1 January 2019 (Continued)

As lessee (Continued)

Subsequently, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability and by reducing the carrying amount to reflect the lease payments made.

The lease liability is remeasured using a revised discount rate when there are changes to the lease payments arising from a change in the lease term or the reassessment of whether the Group will be reasonably certain to exercise a purchase option.

The lease liability is remeasured by using the original discount rate when there is a change in the residual value guarantee, the in-substance fixed lease payments or the future lease payments resulting from a change in an index or a rate (other than floating interest rate). In case of a change in future lease payments resulting from a change in floating interest rates, the Group remeasures the lease liability using a revised discount rate.

The Group recognises the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. If the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the remeasurement in profit or loss.

A lease modification is accounted for as a separate lease if

- (a) the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- (b) the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

2. 主要會計政策(續)

租賃(續)

自二零一九年一月一日起適用(續)

作為承租人(續)

隨後，租賃負債透過增加帳面值以反映租賃負債之利息及調減帳面值以反映已付的租賃付款進行計量。

當租賃期出現變動而產生租賃付款變動或重新評估本集團是否將合理確定行使購買選擇權時，租賃負債使用經修訂貼現率進行重新計量。

當剩餘價值擔保、實質固定租賃付款或未來租賃付款因指數或利率(浮動利率除外)變動而發生變化時，租賃負債通過使用原折現率重新計量。倘浮動利率變動導致未來租賃付款有所變化，則本集團會使用經修訂的折現率重新計量租賃負債。

本集團將租賃負債之重新計量金額確認為對使用權資產之調整。倘使用權資產帳面值減少至零且於租賃負債計量進一步調減，本集團將於損益中確認任何重新計量之剩餘金額。

倘出現以下情況，租賃修改則作為單獨租賃入帳：

- (a) 該修改透過增加一項或以上相關資產之使用權而擴大租賃範圍；及
- (b) 租賃代價增加之金額相當於經擴大範圍對應之單獨價格及為反映特定合約之情況而對該單獨價格進行之任何適當調整。

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Leases (Continued)

Applicable from 1 January 2019 (Continued)

As lessee (Continued)

When a lease modification is not accounted for as a separate lease, at the effective date of the lease modification,

- (a) the Group allocates the consideration in the modified contract on the basis of relative stand-alone price as described above.
- (b) the Group determines the lease term of the modified contract.
- (c) the Group remeasures the lease liability by discounting the revised lease payments using a revised discount rate over the revised lease term.
- (d) for lease modifications that decrease the scope of the lease, the Group accounts for the remeasurement of the lease liability by decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease and recognising any gain or loss relating to the partial or full termination of the lease in profit or loss.
- (e) for all other lease modifications, the Group accounts for the remeasurement of the lease liability by making a corresponding adjustment to the right-of-use asset.

2. 主要會計政策(續)

租賃(續)

自二零一九年一月一日起適用(續)

作為承租人(續)

當租賃修改並未於租賃修改生效日期作為單獨租賃入帳，

- (a) 本集團根據上述相對單獨價格將代價分配至經修訂合約。
- (b) 本集團釐定經修訂合約之租賃期。
- (c) 本集團透過於經修訂租賃期使用經修訂貼現率對經修訂租賃付款進行貼現以重新計量租賃負債。
- (d) 就縮減租賃範圍之租賃修改而言，本集團透過減少使用權資產之帳面值將租賃負債之重新計量計入損益，以反映部分或全面終止該租賃及於損益中確認任何與部分或全面終止該租賃相關之收益或虧損。
- (e) 就所有其他租賃修改而言，本集團透過對使用權資產作出相應調整，對租賃負債進行重新計量。

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綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Leases (Continued)

Applicable before 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.

Assets held under finance leases are recognised as assets of the Group at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as finance lease obligation. Finance charges, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are charged to profit or loss over the term of the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease.

Lease incentives are recognised in profit or loss as an integral part of the net consideration agreed for the use of leased asset.

Employee benefits

Short term employee benefits

Salaries, annual bonuses, paid annual leave and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees.

2. 主要會計政策(續)

租賃(續)

於二零一九年一月一日前適用

凡租賃條款將擁有權之絕大部分風險及回報轉移予承租人之租賃，皆分類為融資租賃。所有其他租賃則分類為經營租賃。

根據融資租賃持有之資產按租賃資產之公平值或最低租賃付款現值之較低者確認為本集團資產。結欠出租人之相應負債計入綜合財務狀況表作為融資租賃債務。融資費用指租賃承擔總額與已收購資產公平值之差額，於相關租賃期內自損益帳扣除，以反映各會計期間債務餘額之固定定期費率。

根據經營租賃應付之租金於相關租賃期內以直線法自損益帳扣除。

租賃優惠於損益帳確認為使用租賃資產所協定之淨代價之一部分。

僱員福利

短期僱員福利

薪金、年度花紅、有薪年假及非貨幣福利之成本計入僱員提供相關服務之年度。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Employee benefits (Continued)

Defined contribution plans

The Group, other than overseas and PRC subsidiaries, operates Mandatory Provident Fund (“MPF”) schemes to provide retirement benefits for its full time permanent employees in Hong Kong. The obligations for contributions to retirement benefit schemes are recognised as expenses in profit or loss as incurred. The assets of the schemes are held separately from those of the Group with independent trustees.

Pursuant to the law and regulations of the PRC, contributions to the defined contribution retirement schemes for the Group’s PRC staff are made to the relevant government authorities in the PRC, which are calculated on certain percentages of the applicable payroll costs as stipulated under the requirements in the PRC. These contributions are recognised as expenses in profit or loss as incurred.

Long service payment

The Group’s net obligation in respect of long service payment under the Hong Kong Employment Ordinance is the amount of expected future benefit that employees have earned in return for their services in the current and prior periods. The obligation is calculated using the projected unit credit method and discounted to its present value and after deducting the fair value of any related assets, including retirement scheme benefit. Re-measurements are recognised in profit or loss in the year in which they arise.

Other long-term employee benefits: Contingent payments under profit guarantee arrangements

The Group’s obligation in respect of contingent payments is the amount of expected future benefit that employees have earned in return for their services in the current and prior periods under the profit guarantee arrangements. The obligation is calculated using the projected unit credit method and discounted to its present value. The measurement takes into account various factors including the expectation of attaining the earning targets. Re-measurements are recognised in profit or loss in the year in which they arise.

2. 主要會計政策(續)

僱員福利(續)

界定供款計劃

本集團(海外及中國附屬公司除外)營辦強制性公積金(「強積金」)計劃，為其香港全職永久僱員提供退休福利。向退休福利計劃供款之責任於產生時在損益帳確認為開支。計劃資產由獨立受託人持有，與本集團之資產分開。

根據中國之法律及法規，本集團為其中國員工制定之界定供款退休計劃之供款會交予中國有關政府機構，供款需按中國規定以適用薪資成本之若干百分比計算。該等供款於產生時在損益帳確認為開支。

長期服務金

本集團根據香港僱傭條例有關長期服務金之責任淨額為僱員於本期間及過往期間提供服務所賺取之預期未來福利金額。有關責任乃以預期單位貸記法計算，並貼現至其現值，再扣除任何相關資產(包括退休計劃福利)之公平值。重新計量於產生年度在損益帳確認。

其他長期僱員福利：溢利保證安排下之或然付款

本集團之或然付款責任為僱員根據溢利保證安排於本期間及過往期間提供服務所賺取之預期未來福利金額。有關責任使用預期單位貸記法計算，並貼現至其現值。有關計量計及多項因素，包括達至盈利目標之預期。重新計量於產生年度在損益帳確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Share-based payment transactions

Equity-settled transactions

The Group's employees, including directors, receive remuneration in the form of share-based payment transactions, whereby the employees rendered services in exchange for shares or rights over shares. The cost of such transactions with employees is measured by reference to the fair value of the equity instruments at the grant date. The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a reserve within equity. The fair value is determined using the binomial model, taking into account any market conditions and non-vesting conditions.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the vesting conditions are to be fulfilled, ending on the date on which the entitlement of relevant employees to the award is no longer conditional on the satisfaction of any non-market vesting conditions ("vesting date"). During the vesting period, the number of share options that is expected to vest ultimately is reviewed. Any adjustment to the cumulative fair value recognised in prior periods is charged/credited to profit or loss for the year of the review, with a corresponding adjustment to the reserve within equity.

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 options reserve will be transferred to retained profits.

2. 主要會計政策(續)

以股份付款之交易

以股權結算之交易

本集團僱員(包括董事)提供服務以換取股份或有關股份之權利時,即以股份付款之交易方式收取薪酬。與僱員進行該等交易之成本乃參考股本工具於授出日期之公平值計量。向僱員授出之購股權之公平值確認為僱員成本,而股權內之儲備會相應增加。公平值乃使用二項式模型釐定,當中已考慮任何市場條件及非歸屬條件。

以股權結算之交易之成本連同股權之相應增加於達成歸屬條件之期間確認,直至有關僱員不再須達成任何非市場歸屬條件而可享有有關獎勵之日(「歸屬日期」)為止。本公司於歸屬期內審閱預期最終歸屬之購股權數目。已於過往期間確認之累計公平值之任何調整於審閱年度於損益帳扣除/計入,並於股權內對儲備作出相應之調整。

當購股權於歸屬日期後被沒收或於到期日仍未獲行使時,之前於購股權儲備確認之金額會轉撥至保留溢利。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Taxation

The charge for current income tax is based on the results for the year as adjusted for items that are non-assessable or disallowed. It is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided, using the liability method, on all temporary differences at end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, any deferred tax arising from initial recognition of goodwill; or other asset or liability in a transaction other than a business combination that at the time of the transaction affects neither the accounting profit nor taxable profit or loss is not recognised.

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

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, tax losses and credits can be utilised.

Deferred tax is provided on temporary differences arising on investment in subsidiaries and associates, except where the timing of the reversal of the temporary differences is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

2. 主要會計政策(續)

稅項

即期所得稅支出乃按就無須課稅或不得抵扣項目調整之年內業績計算，並使用於報告期結束日已實行或大致上已實行之稅率計算。

遞延稅項乃使用負債法，就資產與負債之稅基與該等資產及負債於綜合財務報表內之帳面金額於報告期結束日之所有暫時差額作出撥備。然而，倘遞延稅項因初步確認商譽而產生，或因業務合併以外之交易之其他資產或負債而產生，而進行交易時對會計溢利或應課稅溢利或虧損均無影響，則不予確認。

遞延稅項資產及負債乃按照於報告期結束日已實行或大致上實行之稅率及稅務法律，按照預期將於收回資產或償還負債之期間適用之稅率計量。

遞延稅項資產在極可能有未來應課稅溢利以動用可抵扣暫時差額、稅項虧損及稅項抵免時確認。

遞延稅項按於附屬公司及聯營公司之投資所產生之暫時差額作出撥備，惟本集團可控制暫時差額之撥回時間，以及暫時差額不大可能於可見未來撥回之情況除外。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Related parties

A related party is a person or entity that is related to the Group.

- (a) A person or a close member of that person's family is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of the holding company of the Group.
- (b) An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same group (which means that each holding company, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.

2. 主要會計政策(續)

關連人士

關連人士為與本集團有關連之人士或實體。

- (a) 任何人士或其近親如符合以下情況，即與本集團有所關連：
- (i) 擁有本集團之控制權或共同控制權；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團控股公司之主要管理人員。
- (b) 任何實體如符合以下任何條件，即與本集團有所關連：
- (i) 該實體與本集團屬同一集團之成員公司(意即控股公司、附屬公司及同系附屬公司各自互有關連)。
 - (ii) 一個實體為另一實體之聯營公司或合營公司(或另一實體為當中成員之集團之成員之聯營公司或合營公司)。
 - (iii) 兩個實體均為同一第三方之合營公司。
 - (iv) 一個實體為第三方實體之合營公司，而另一實體為該第三方之聯營公司。
 - (v) 該實體為一離職後福利計劃，而其受益人為本集團或與其有關連之實體之僱員。倘本集團本身為該計劃，則發起之僱主亦與本集團有所關連。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Related parties (Continued)

(b) (Continued)

- (vi) The entity is controlled or jointly controlled by a person identified in (a).

- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a holding company of the entity).

- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the holding company of the Group.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (a) that person's children and spouse or domestic partner;

- (b) children of that person's spouse or domestic partner; and

- (c) dependants of that person or that person's spouse or domestic partner.

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture.

2. 主要會計政策(續)

關連人士(續)

(b) (續)

- (vi) 該實體受(a)項列明之人士控制或共同控制。

- (vii) (a)(i)項列明之人士對該實體有重大影響力或為該實體(或其控股公司)之主要管理人員。

- (viii) 該實體或該實體所屬集團之任何成員公司為本集團或本集團控股公司提供主要管理人員服務。

任何人士之近親為可能預期於與該實體之交易中影響該名人士或受該名人士影響之家族成員，包括：

- (a) 該名人士之子女及配偶或同居伴侶；

- (b) 該名人士之配偶或同居伴侶之子女；及

- (c) 該名人士或其配偶或同居伴侶之受養人。

於關連人士之定義中，聯營公司包括該聯營公司之附屬公司，而合營公司包括該合營公司之附屬公司。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

Critical accounting estimates and judgements

Estimates and assumptions concerning the future and judgements are made by the management in the preparation of the consolidated financial statements. They affect the application of the Group's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. Where appropriate, revisions to accounting estimates are recognised in the period of revision and future periods, in case the revision also affects future periods.

2. 主要會計政策(續)

分類報告

經營分類及於綜合財務報表申報之各分類項目金額均按定期提供予本集團最高層行政管理人員之財務資料劃分，以於本集團各業務及地區之間分配資源及評估其表現。

個別重大經營分類於進行財務報告時不會合併計算，惟倘若若干分類具有類似經濟特性，以及產品及服務性質、生產程序性質、客戶種類或類型、分銷產品或提供服務之方法以及監管環境性質相類似時則作別論。並非個別重大之經營分類在上述大部分條件共通時可予合併。

關鍵會計估計及判斷

管理層於編製綜合財務報表時會作出關於未來之估計及假設以及判斷。有關估計、假設及判斷會影響本集團會計政策之應用情況、資產、負債、收入及開支之申報金額以及所披露之資料，並持續根據經驗及相關因素(包括在各種情況下相信對未來事件作出之合理預期)評估。於適用時，會計估計之修訂會於作出修訂之期間及未來期間(如有關修訂同時影響未來期間)確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Critical accounting estimates and judgements

(Continued)

(i) *Estimation uncertainty*

Loss allowance for ECL

The Group's management estimates the loss allowance for trade and other receivables, and loan receivables by using various inputs and assumptions including risk of a default and expected loss rate. The estimation involves high degree of uncertainty which is based on the Group's historical information, existing market conditions as well as forward-looking estimates at the end of each reporting period. Where the expectation is different from the original estimate, such difference will impact the carrying amount of trade and receivables, and loan receivables. Details of the key assumption and inputs used in estimating ECL are set out in Note 36(b) to the consolidated financial statements.

Allowance for inventories

The Group's management reviews the condition of inventories at the end of each reporting period, and makes allowance for inventories that are identified as obsolete, slow-moving or no longer recoverable or suitable for use in production. The Group carries out the inventory review on a product-by-product basis and makes allowances by reference to the latest market prices and current market conditions.

2. 主要會計政策(續)

關鍵會計估計及判斷(續)

(i) *估計不確定因素*

預期信貸虧損之虧損備抵

本集團之管理層運用違約風險及預期虧損率等多項輸入項目及假設估計貿易及其他應收款項以及應收貸款之虧損備抵。估計涉及高度不確定因素，此乃根據本集團於各報告期末之過往資料、現行市場狀況及前瞻性估計。倘估計有別於原先估計，有關差額將影響貿易及其他應收款項以及應收貸款之帳面值。有關估計預期信貸虧損時所用主要假設及輸入項目詳情載於綜合財務報表附註36(b)。

存貨備抵

本集團之管理層於各報告期末檢討存貨情況，就確認為過時、滯銷或不可能回收或不適合用於生產之存貨作出備抵。本集團就各項產品逐一檢討存貨，並根據市場價格及現行市況作出備抵。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Critical accounting estimates and judgements

(Continued)

(i) Estimation uncertainty (Continued)

Impairment of goodwill and intangible assets with indefinite useful life

The Group determines whether goodwill and intangible assets with indefinite useful life are impaired at least on an annual basis. This requires an estimation of the VIU of the CGUs to which the goodwill and intangible assets with indefinite useful life are allocated. Estimating the VIU requires the Group to make an estimate of the expected cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

Details of the estimates used to calculate the recoverable amounts of goodwill and intangible assets with indefinite useful life are given in Notes 14 and 13 to the consolidated financial statements respectively.

Based on the Group's assessment, amount of HK\$120,110,000 and HK\$14,124,000 have been provided for the impairment of goodwill and intangible assets respectively (2018: HK\$897,375,000 and HK\$59,419,000 respectively).

2. 主要會計政策(續)

關鍵會計估計及判斷(續)

(i) 估計不確定因素(續)

商譽及具有不限定可用年期之無形資產減值

本集團至少每年一次釐定商譽及具有不限定可用年期之無形資產有否減值。釐定商譽有否減值需估計獲分配商譽及具有不限定可用年期之無形資產之現金產生單位之使用價值。本集團估計使用價值時，需估計該現金產生單位預期產生之現金流量，並選出適當之貼現率計算該等現金流量之現值。

有關用於計算具有不限定可用年期之商譽及無形資產可收回金額之估算詳情分別載於綜合財務報表附註14及13。

根據本集團之評估，已分別作出約120,110,000港元及14,124,000港元之商譽及無形資產減值撥備(二零一八年：897,375,000港元及59,419,000港元)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Critical accounting estimates and judgements

(Continued)

(i) Estimation uncertainty (Continued)

Provision for impairment of prepayment made to suppliers

The Group makes prepayments to suppliers in accordance with the purchase order entered into with the suppliers. These prepayments are to be offset against future services provided from suppliers.

The Group does not require collateral or other security against its prepayments to suppliers. The Group estimates the provision for impairment of prepayment made to suppliers based on evaluation of utilisation, ageing analysis of accounts and market volatilities. The identification of impairment requires management's judgements and estimates. Where the actual outcome or expectation in future is different from the original estimation, such difference will have impact on the carrying value of the prepayment made to suppliers and impairment in the period in which such estimate has been changed.

2. 主要會計政策(續)

關鍵會計估計及判斷(續)

(i) 估計不確定因素(續)

預付供應商款項之減值撥備

本集團按照與供應商訂立的採購訂單向供應商支付預付款項。該等預付款項將抵銷供應商日後所提供的服務。

本集團並無要求就其預付供應商的款項提供抵押品或其他擔保。本集團根據對使用率、帳齡分析及市場波動性的評估估計預付供應商款項的減值撥備。確定減值需要管理層的判斷及估計。倘實際結果或未來預期有別於原有估計，則該差異將會影響預付供應商款項的帳面價值及該估計變動期間的減值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Critical accounting estimates and judgements

(Continued)

(i) Estimation uncertainty (Continued)

Deferred tax liabilities

Deferred tax liabilities have not been provided for the withholding tax that would be payable on the undistributed earnings of certain entities of the Group in the PRC as those earnings are not expected to be distributable in the foreseeable future. Details of deferred tax liabilities are disclosed in Note 26 to the consolidated financial statements.

Useful lives and impairment of property, plant and equipment, and rights-of-use assets

The Group's management reviews the residual value, useful lives and depreciation method of property, plant and equipment, and rights-of-use assets at the end of each reporting period, through careful consideration with regards to expected usage, wear-and-tear and potential technical obsolescence to usage of the assets.

In determining whether an asset is impaired or the event previously causing the impairment no longer exists, the Group's management has to assess whether an event has occurred that may affect the asset value or such event affecting the asset value has not been in existence. If any such indication exists, the recoverable amounts of the asset would be determined by reference to the higher of VIU and fair value less costs of disposal. VIU is determined using the discounted cash flow method. Owing to inherent risk associated with estimations in the timing and magnitude of the future cash flows and fair value less costs of disposal, the estimated recoverable amount of the asset may be different from its actual recoverable amount and profit or loss could be affected by accuracy of the estimations.

2. 主要會計政策(續)

關鍵會計估計及判斷(續)

(i) 估計不確定因素(續)

遞延稅項負債

鑑於本集團若干中國實體之未分派盈利預期不會於可見將來可予分派，本集團並未就該等盈利應付之預扣稅作出遞延稅項負債撥備。有關遞延稅項負債之詳情於綜合財務報表附註26披露。

物業、廠房及設備，及使用權資產之可用年期及減值

本集團管理層於各報告期結束日審慎考慮對資產之預計用量、損耗及技術過時之潛在性，以檢討物業、廠房及設備，及使用權資產之殘值、可用年期及折舊方法。

在釐定資產是否出現減值或過往導致減值之事件是否不再存在時，本集團管理層須評估有否出現可能影響資產價值之事件或該影響資產價值之事件是否並不存在。倘有任何該等跡象存在，則會參考使用價值及公平值減出售成本兩者中之較高者釐定資產之可收回金額。使用價值乃採用貼現現金流量法釐定。鑑於估計未來現金流量及公平值減出售成本之時間及數額涉及固有風險，資產之估計可收回金額或會與實際可收回金額有所不同，而有關估計之準確度可能對損益帳造成影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Critical accounting estimates and judgements

(Continued)

(i) Estimation uncertainty (Continued)

Estimated useful life of customer relationships, customer contracts, computer software copyrights and software patents

The Group determines the estimated useful life and related amortisation charge for customer relationships, customer contracts, computer software copyrights and software patents classified as intangible assets with reference to the estimated period that the Group intends to derive future economic benefits from the use of customer relationships, customer contracts, computer software copyrights and software patents. The Group will assess annually and revise the useful life of customer relationships, customer contracts, computer software copyrights and software patents to reflect the actual economic benefits derived from the customer relationships, customer contracts, computer software copyrights and software patents.

Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The directors of the Company have determined the appropriate valuation techniques and inputs for fair value measurements.

2. 主要會計政策(續)

關鍵會計估計及判斷(續)

(i) 估計不確定因素(續)

客戶關係、客戶合約、電腦軟件版權及軟件專利之估計可用年期

本集團參照本集團擬透過利用分類為無形資產之客戶關係、客戶合約、電腦軟件版權及軟件專利產生未來經濟利益之估計期間釐定客戶關係、客戶合約、電腦軟件版權及電腦軟件版權之估計可用年期及相關攤銷開支。本集團將每年評估及修訂客戶關係、客戶合約、電腦軟件版權及軟件專利之可用年期，以反映從客戶關係、客戶合約、電腦軟件版權及軟件專利產生之實際經濟利益。

公平值計量及估值過程

為進行財務匯報，本集團部分資產及負債乃按公平值計量。本公司董事已決定合適之估值技術及公平值計量輸入項目。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Critical accounting estimates and judgements

(Continued)

(i) Estimation uncertainty (Continued)

Fair value measurements and valuation processes
(Continued)

In estimating the fair value of the Group's financial assets designated at FVOCI or FVPL, promissory notes, contingent consideration payables, convertible bonds, share options granted and other employee benefits, the Group uses market-observable data to the extent it is available. The management of the Group will exercise their judgements based on their experience to establish and determine the appropriate valuation techniques and inputs to the valuation model. Where there is a material change in the fair value of the assets/liabilities, the causes of the fluctuations will be reported to the directors of the Company. Notes 17, 19, 27, 29 and 31 to the consolidated financial statements provide detailed information about the valuation techniques, inputs and key assumptions used in the determination of those assets and liabilities.

Discount rates for calculating lease liabilities – as lessee

The Group uses the lessee's incremental borrowing rates to discount future lease payments since interest rates implicit in the leases are not readily determinable. In determining the discounts rates for its leases, the Group refers to a rate that is readily observable as the starting point and then applies judgement and adjusts such observable rate to determine the incremental borrowing rate.

2. 主要會計政策(續)

關鍵會計估計及判斷(續)

(i) 估計不確定因素(續)

公平值計量及估值過程(續)

於估計本集團指定於其他全面收入或損益帳按公平值處理之財務資產、承兌票據、應付或然代價、可換股債券、已授出購股權及其他僱員福利之公平值時，本集團會利用市場可觀察數據(以可獲得者為限)。本集團之管理層將按經驗行使判斷，以制訂及釐定合適之估值技術及估值模型輸入項目。倘資產／負債公平值出現重大變動，則會向本公司董事匯報造成有關波動之原因。綜合財務報表附註17、19、27、29及31提供關於釐定該等資產及負債時所用估值技術、輸入項目及主要假設之詳細資料。

計算租賃負債所用貼現率—作為承租人

由於租賃中隱含的利率難以釐定，本集團運用承租人增量借款利率貼現未來租賃款項。於釐定租賃貼現率時，本集團參考可直接觀察之利率作為起始點，其後對該可觀察利率運用判斷並作出調整，以釐定增量借款利率。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Critical accounting estimates and judgements

(Continued)

(ii) Judgement

Control over Enterprise Development Holdings Limited

As at 31 December 2018, the Group held 42.99% equity interests in Enterprise Development Holdings Limited (“**Enterprise Development**”), a company incorporated in the Cayman Islands with limited liability and its shares are listed on the Main Board of the Stock Exchange. Mr. King Pak Fu (“**Mr. King**”) (controlling shareholder of the Company) undertook that he shall cast the voting rights controlled by him in Enterprise Development in the same manner and the same way as does the Group in all shareholders’ meetings. As at 31 December 2018, Mr. King held approximately 14.43% equity interests in Enterprise Development through his wholly-owned investment vehicles and therefore, together with the voting rights held by Mr. King, the Group has 57.42% voting rights in aggregate in Enterprise Development. Accordingly, the financial results of Enterprise Development have been consolidated in the consolidated financial statements of the Company as at 31 December 2018.

After the net disposal of 4.27% equity interests held by the Group during the reporting period, the Group held 38.72% equity interests in Enterprise Development, together with the voting rights held by Mr. King of approximately 14.15% equity interests in Enterprise Development through his wholly-owned investment vehicles, the Group has 52.87% voting rights in aggregate in Enterprise Development. Therefore, the Group continues to consolidate the financial results of Enterprise Development. Details of the equity interests net disposed during the year are set out in Note 34 to the consolidated financial statements.

2. 主要會計政策(續)

關鍵會計估計及判斷(續)

(ii) 判斷

對企展控股有限公司之控制權

於二零一八年十二月三十一日，本集團持有企展控股有限公司(「企展」，一間於開曼群島註冊成立之有限公司，其股份於聯交所主板上市)42.99%股本權益。景百孚先生(「景先生」，本公司之控股股東)承諾其於全部股東會議上行使其所控制企展之表決權之方式及方法，會與本集團相同。於二零一八年十二月三十一日，景先生透過其全資擁有之投資工具持有企展約14.43%股本權益，因此，連同景先生持有之表決權，本集團合計擁有企展57.42%表決權。因此，企展之財務業績已於本公司於二零一八年十二月三十一日之綜合財務報表中綜合入帳。

於報告期內淨出售本集團所持4.27%股本權益後，本集團持有企展38.72%股本權益，連同景先生透過其全資擁有之投資工具持有企展約14.15%股本權益之表決權，本集團合共擁有企展52.87%表決權。因此，本集團繼續將企展之財務業績綜合入帳。年內淨出售股本權益之詳情載於綜合財務報表附註34。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. PRINCIPAL ACCOUNTING POLICIES (Continued)

Critical accounting estimates and judgements

(Continued)

Future changes in HKFRSs

At the date of authorisation of these consolidated financial statements, the HKICPA has issued the following new/revised HKFRSs that are not yet effective for the current year, which the Group has not early adopted.

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

¹ Effective for annual periods beginning on or after 1 January 2020

² Effective for acquisitions that occur 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 The effective date to be determined

The Group is in the process of assessing the possible impact on the future adoption of the new/revised HKFRSs, but are not yet in a position to reasonably estimate their impact on the Company's consolidated financial statements.

2. 主要會計政策(續)

關鍵會計估計及判斷(續)

香港財務報告準則之未來變動

於授權刊發本綜合財務報表當日，香港會計師公會已頒佈以下新訂／經修訂香港財務報告準則，該等準則於本年度尚未生效，而本集團亦未有提早採用。

香港會計準則第1號及香港會計準則第8號之修訂	重大之定義 ¹
香港會計準則第39號、香港財務報告準則第7號及香港財務報告準則第9號之修訂	利率基準改革 ¹
香港財務報告準則第3號之修訂	業務之定義 ²
香港財務報告準則第17號	保險合約 ³
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間之資產出售或注資 ⁴

¹ 於二零二零年一月一日或之後開始之年度期間生效

² 於二零二零年一月一日或之後開始之首個年度期間或之後出現收購時生效

³ 於二零二一年一月一日或之後開始之年度期間生效

⁴ 生效日期待定

本集團現正評估日後採納該等新訂／經修訂香港財務報告準則可能產生之影響，惟目前尚未能夠合理地估計對本公司綜合財務報表之影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. REVENUE AND OTHER INCOME

An analysis of the Group's revenue and other income by category:

3. 收益及其他收入

本集團收益及其他收入按分類之分析：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
(a) Revenue	收益		
<u>Revenue from contracts with customers within HKFRS 15</u>	<u>香港財務報告準則第15號之來自客戶合約之收益</u>		
Sale of products	銷售產品	589,029	788,430
Rendering of services	提供服務	339,037	445,472
		<u>928,066</u>	<u>1,233,902</u>
<u>Revenue from other sources</u>	<u>來自其他來源之收益</u>		
Dividend income from financial assets at FVPL	於損益帳按公平值處理之財務資產之股息收入	—	52,547
Interest income from financial assets at FVPL	於損益帳按公平值處理之財務資產之利息收入	12,571	2,318
Net realised loss on disposal of financial assets at FVPL (Note i)	出售於損益帳按公平值處理之財務資產之已變現虧損淨額(附註i)	(766,758)	(167,523)
Interest income from loan receivables	應收貸款之利息收入	1,628	13,692
		<u>(752,559)</u>	<u>(98,966)</u>
		<u>175,507</u>	<u>1,134,936</u>

Note:

- (i) Represented the proceeds from the sale of investments at FVPL of HK\$1,386,945,000 (2018: HK\$1,762,099,000) less relevant costs and carrying value of the investments sold of HK\$2,153,703,000 (2018: HK\$1,929,622,000).
- (ii) The amount of revenue recognised for the year ended 31 December 2019 that was included in the contract liabilities at the beginning of the year is HK\$36,454,000 (2018: HK\$34,684,000).

附註：

- (i) 指出售於損益帳按公平值處理之投資之所得款項1,386,945,000港元(二零一八年：1,762,099,000港元)減相關成本及已出售投資之帳面值2,153,703,000港元(二零一八年：1,929,622,000港元)。
- (ii) 計入年初合約負債之截至二零一九年十二月三十一日止年度已確認之收益金額為36,454,000港元(二零一八年：34,684,000港元)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. REVENUE AND OTHER INCOME (Continued)

3. 收益及其他收入(續)

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
(b) Other income	其他收入		
Amortisation of deferred day-one gain (Note 27)	遞延首日收益攤銷(附註27)	8,922	11,070
Government grant	政府補助	7,984	13,667
Interest income from financial institutions	來自財務機構之利息收入	1,992	10,627
Exchange gain	匯兌收益	3,843	—
Others	其他	3,163	3,176
		25,904	38,540

Note: Government grant represent rewards to certain subsidiaries of the Company located in the PRC with no further obligations and conditions to be complied with.

附註：政府補助指對本公司若干位於中國之附屬公司作出之獎勵，毋須遵守其他義務及條件。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. REVENUE AND OTHER INCOME (Continued)

(c) Disaggregation of revenue

3. 收益及其他收入(續)

(c) 收益分類

		Year ended 31 December 2019 截至二零一九年十二月三十一日止年度			
		IoT solution 物聯網 解決方案 HK\$'000 千港元	HMID 人機互動 HK\$'000 千港元	IDS 智能檔案服務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Revenue from contracts with customers within HKFRS 15	香港財務報告準則第15號之來自客戶合約之收益				
Major products	主要產品				
IoT solutions products	物聯網解決方案產品	55,198	—	—	55,198
HMID electronic products	人機互動電子產品	—	41,729	—	41,729
Printer products	打印機產品	—	188,744	—	188,744
Terminals, software and hardware products	終端、軟件及硬件產品	18,884	284,474	—	303,358
		74,082	514,947	—	589,029
Major services	主要服務				
Provision of IoT solutions services	提供物聯網解決方案服務	138,428	—	—	138,428
Provision of printing outsourcing services	提供打印外包服務	—	—	192,593	192,593
Others	其他	—	8,016	—	8,016
		138,428	8,016	192,593	339,037
Total revenue	總收益	212,510	522,963	192,593	928,066
Timing of revenue recognition	收益確認時間				
At a point in time	於某一時點確認	74,082	514,947	—	589,029
Over time	隨時間確認	138,428	8,016	192,593	339,037
		212,510	522,963	192,593	928,066

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. REVENUE AND OTHER INCOME (Continued)

(c) Disaggregation of revenue

3. 收益及其他收入(續)

(c) 收益分類

Year ended 31 December 2018
截至二零一八年十二月三十一日止年度

		IoT solution 物聯網 解決方案 HK\$'000 千港元	HMID 人機互動 HK\$'000 千港元	IDS 智能檔案服務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Revenue from contracts with customers within HKFRS 15	香港財務報告準則第15號之來自客戶合約之收益				
Major products	主要產品				
IoT solutions products	物聯網解決方案產品	102,643	—	—	102,643
HMID electronic products	人機互動電子產品	—	80,622	—	80,622
Printer products	打印機產品	—	287,622	—	287,622
Terminals, software and hardware products	終端、軟件及硬件產品	22,676	294,867	—	317,543
		<u>125,319</u>	<u>663,111</u>	<u>—</u>	<u>788,430</u>
Major services	主要服務				
Provision of IoT solutions services	提供物聯網解決方案服務	213,537	—	—	213,537
Provision of printing outsourcing services	提供打印外包服務	—	—	225,750	225,750
Others	其他	—	6,185	—	6,185
		<u>213,537</u>	<u>6,185</u>	<u>225,750</u>	<u>445,472</u>
Total revenue	總收益	<u>338,856</u>	<u>669,296</u>	<u>225,750</u>	<u>1,233,902</u>
Timing of revenue recognition	收益確認時間				
At a point in time	於某一時點確認	125,319	663,111	—	788,430
Over time	隨時間確認	213,537	6,185	225,750	445,472
		<u>338,856</u>	<u>669,296</u>	<u>225,750</u>	<u>1,233,902</u>

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SEGMENTAL INFORMATION

The following is an analysis of the Group's revenue and results by operating segments, based on information provided to the chief operating decision maker (the "CODM") who is the executive directors of the Company, for the purpose of allocating resources to segments and assessing their performance. This is also the basis upon which the Group is arranged and organised.

During the years ended 31 December 2019 and 2018, there are four reportable and operating segments as follows:

- (a) IoT solution
- (b) HMID
- (c) IDS
- (d) Securities and other investment ("Investing")

The Group's other operating segments do not meet any of the quantitative thresholds for determining as reportable segments. The information of these other operating segment is included in the "Unallocated" column.

Segments results represent the results from each reportable segment without allocation of finance costs. The following analysis is the measure reported to executive directors, being the CODM, for the purposes of resources allocation and assessment of segment performance.

For the purpose of monitoring segment performance and allocating resources between segments, all direct segment assets and liabilities are grouped under respective reportable segments and the remaining assets and liabilities are grouped as unallocated corporate assets and liabilities.

4. 分類資料

下文是基於為將資源分配至各分類及評估該等分類之表現而向主要營運決策人(「主要營運決策人」)(即本公司執行董事)提供的資料，按經營分類對本集團收益及業績進行之分析。此亦為本集團安排及組織之基礎。

於截至二零一九年及二零一八年十二月三十一日止年度，本集團有以下四個可報告及經營分類：

- (a) 物聯網解決方案
- (b) 人機互動
- (c) 智能檔案服務
- (d) 證券及其他投資(「投資」)

本集團其他經營分類並不達到釐定可報告分類之任何量化最低要求。該等其他經營分類之資料已計入「未經分配」一欄。

分類業績指各可報告分類之業績，當中並無分配財務成本。以下分析為向執行董事(即主要營運決策人)作出報告之方法，以供分配資源及評估分類表現。

就監察分類表現及於各分類間分配資源而言，所有直接分部資產及負債根據有關可報告分部分類，而餘下資產及負債分類為未分配企業資產及負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SEGMENTAL INFORMATION (Continued)

By business segments

An analysis of the Group's revenue and results by reportable segment is set out below:

4. 分類資料(續)

按業務分類

本集團收益及業績按可報告分類之分析載列如下：

		Year ended 31 December 2019 截至二零一九年十二月三十一日止年度					
		IoT solution 物聯網 解決方案 HK\$'000 千港元	H MID 人機互動 HK\$'000 千港元	IDS 智能檔案服務 HK\$'000 千港元	Investing 投資 HK\$'000 千港元	Unallocated 未經分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Revenue from contracts with customers within HKFRS 15	香港財務報告準則第15號 之來自客戶合約之收益						
Sale of products, at a point in time	於某一時點銷售產品	74,082	514,947	—	—	—	589,029
Rendering of services, over time	隨時間提供服務	138,428	8,016	192,593	—	—	339,037
		<u>212,510</u>	<u>522,963</u>	<u>192,593</u>	<u>—</u>	<u>—</u>	<u>928,066</u>
Revenue from other sources	來自其他來源之收益						
Interest income from financial assets at FVPL	於損益帳按公平值處理之 財務資產之利息收入	—	—	—	12,571	—	12,571
Net realised loss on disposal of financial assets at FVPL	出售於損益帳按公平值處 理之財務資產之已變現 虧損淨額	—	—	—	(766,758)	—	(766,758)
Interest income from loan receivables	應收貸款之利息收入	—	—	—	—	1,628	1,628
		<u>—</u>	<u>—</u>	<u>—</u>	<u>(754,187)</u>	<u>1,628</u>	<u>(752,559)</u>
Total revenue	總收益	<u>212,510</u>	<u>522,963</u>	<u>192,593</u>	<u>(754,187)</u>	<u>1,628</u>	<u>175,507</u>
Operating results	經營業績						
Segment results	分類業績	<u>(382,657)</u>	<u>(92,989)</u>	<u>22,247</u>	<u>(912,467)</u>	<u>(186,522)</u>	<u>(1,552,388)</u>
Finance costs	財務成本						<u>(142,748)</u>
Loss before taxation	除稅前虧損						<u>(1,695,136)</u>
Other information	其他資料						
Segment assets	分類資產	<u>376,488</u>	<u>626,682</u>	<u>82,694</u>	<u>391,451</u>	<u>2,104</u>	<u>1,479,419</u>
Segment liabilities	分類負債	<u>(157,485)</u>	<u>(217,774)</u>	<u>(55,072)</u>	<u>(1,494,061)</u>	<u>(188,454)</u>	<u>(2,112,846)</u>

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SEGMENTAL INFORMATION (Continued)

By business segments (Continued)

4. 分類資料(續)

按業務分類(續)

		Year ended 31 December 2019 截至二零一九年十二月三十一日止年度					
		IoT solution 物聯網 解決方案 HK\$'000 千港元	HMID 人機互動 HK\$'000 千港元	IDS 智能檔案服務 HK\$'000 千港元	Investing 投資 HK\$'000 千港元	Unallocated 未經分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Other information	其他資料						
Additions to property, plant and equipment and intangible assets	添置物業、廠房及設備以及無形資產	6,248	2,112	6,281	—	155	14,796
Loss allowance on trade receivables	貿易應收款項虧損備抵	(36,828)	(13,926)	(797)	—	—	(51,551)
Loss allowance on loan receivables	應收貸款虧損備抵	—	—	—	—	(130,929)	(130,929)
Loss allowance on other receivables	其他應收款項虧損備抵	(77,699)	(99,707)	—	—	(60,427)	(237,833)
Allowance for write down of inventories	撇減存貨備抵	—	(7,501)	—	—	—	(7,501)
Change in fair value of financial assets at FVPL	於損益帳按公平值處理之財務資產之公平值變動	—	—	—	(146,584)	—	(146,584)
Depreciation and amortisation	折舊及攤銷	(22,772)	(9,365)	(10,049)	—	(2,180)	(44,366)
Impairment of goodwill	商譽減值	(120,110)	—	—	—	—	(120,110)
Impairment of intangible assets	無形資產減值	(14,124)	—	—	—	—	(14,124)
Impairment of prepayment	預付款項減值	(30,812)	—	—	—	—	(30,812)
Research and development costs	研究及開發成本	(13,383)	(6,453)	(3,006)	—	—	(22,842)
Reversal of share-based payment in respect of share options	撥回有關購股權之以股份支付之款項	—	—	—	—	2,851	2,851

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

4. SEGMENTAL INFORMATION (Continued)

By business segments (Continued)

4. 分類資料(續)

按業務分類(續)

		Year ended 31 December 2018 截至二零一八年十二月三十一日止年度					
		IoT solution 物聯網 解決方案 HK\$'000 千港元	H MID 人機互動 HK\$'000 千港元	IDS 智能檔案服務 HK\$'000 千港元	Investing 投資 HK\$'000 千港元	Unallocated 未經分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Revenue from contracts with customers within HKFRS 15	香港財務報告準則第15號 之來自客戶合約之收益						
Sale of products, at a point in time	於某一時點銷售產品	125,319	663,111	—	—	—	788,430
Rendering of services, over time	隨時間提供服務	213,537	6,185	225,750	—	—	445,472
		<u>338,856</u>	<u>669,296</u>	<u>225,750</u>	<u>—</u>	<u>—</u>	<u>1,233,902</u>
Revenue from other sources	來自其他來源之收益						
Dividend income from financial assets at FVPL	於損益帳按公平值處理之 財務資產之股息收入	—	—	—	52,547	—	52,547
Interest income from financial assets at FVPL	於損益帳按公平值處理之 財務資產之利息收入	—	—	—	2,318	—	2,318
Net realised loss on disposal of financial assets at FVPL	出售於損益帳按公平值處 理之財務資產之已變現 虧損淨額	—	—	—	(167,523)	—	(167,523)
Interest income from loan receivables	應收貸款之利息收入	—	—	—	—	13,692	13,692
		<u>—</u>	<u>—</u>	<u>—</u>	<u>(112,658)</u>	<u>13,692</u>	<u>(98,966)</u>
Total revenue	總收益	<u>338,856</u>	<u>669,296</u>	<u>225,750</u>	<u>(112,658)</u>	<u>13,692</u>	<u>1,134,936</u>
Operating results	經營業績						
Segment results	分類業績	<u>(1,131,541)</u>	<u>13,640</u>	<u>27,179</u>	<u>(1,596,798)</u>	<u>(37,077)</u>	<u>(2,724,597)</u>
Finance costs	財務成本						<u>(205,698)</u>
Loss before taxation	除稅前虧損						<u>(2,930,295)</u>
Other information	其他資料						
Segment assets	分類資產	<u>825,820</u>	<u>675,618</u>	<u>96,160</u>	<u>2,517,466</u>	<u>210,053</u>	<u>4,325,117</u>
Segment liabilities	分類負債	<u>(208,675)</u>	<u>(234,528)</u>	<u>(54,931)</u>	<u>(2,543,444)</u>	<u>(187,797)</u>	<u>(3,229,375)</u>

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SEGMENTAL INFORMATION (Continued)

By business segments (Continued)

4. 分類資料(續)

按業務分類(續)

Year ended 31 December 2018
截至二零一八年十二月三十一日止年度

	IoT solution 物聯網 解決方案 HK\$'000 千港元	HMID 人機互動 HK\$'000 千港元	IDS 智能檔案服務 HK\$'000 千港元	Investing 投資 HK\$'000 千港元	Unallocated 未經分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Other information						
Other information						
其他資料						
Additions to property, plant and equipment and intangible assets	18,021	4,952	8,137	—	26	31,136
添置物業、廠房及設備以及無形資產						
Loss allowance on trade receivables	(106,402)	(11,816)	(159)	—	—	(118,377)
貿易應收款項虧損備抵						
Loss allowance on loan receivables	—	—	—	—	(24,377)	(24,377)
應收貸款虧損備抵						
Allowance for write down of inventories	—	(2,655)	—	—	—	(2,655)
撇減存貨備抵						
Change in fair value of financial assets at FVPL	—	—	—	(1,479,954)	—	(1,479,954)
於損益帳按公平值處理之財務資產之公平值變動						
Change in fair value of contingent consideration payables	16,524	—	—	—	—	16,524
應付或然代價之公平值變動						
Depreciation and amortisation	(41,998)	(7,405)	(4,181)	—	(1,471)	(55,055)
折舊及攤銷						
Forfeiture of a deposit paid for acquisition of a subsidiary	(3,000)	—	—	—	—	(3,000)
沒收就收購一間附屬公司已支付之按金						
Impairment of goodwill	(897,375)	—	—	—	—	(897,375)
商譽減值						
Impairment of intangible assets	(59,419)	—	—	—	—	(59,419)
無形資產減值						
Research and development costs	(16,718)	(5,939)	(2,749)	—	—	(25,406)
研究及開發成本						
Reversal of share-based payment in respect of share options	—	—	—	—	9,681	9,681
撥回有關購股權之以股份支付之款項						

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

4. SEGMENTAL INFORMATION (Continued)

Geographical information

The Group operates in two principal geographical areas: Hong Kong (country of domicile) and the PRC.

The following table sets out information about geographical location of (i) the Group's revenue from external customers; and (ii) the Group's property, plant and equipment, rights-of-use assets, intangible assets and goodwill ("specified non-current assets"). The geographical location of customers is based on the location at which the services are provided or the goods are delivered. The geographical location of specified non-current assets is based on the physical location of the assets, in the case of property, plant and equipment, the location of the operation to which they are allocated, in the case of intangible assets and goodwill.

Revenue from external customers

		Year ended 31 December 2019 截至二零一九年 十二月三十一日止年度		Year ended 31 December 2018 截至二零一八年 十二月三十一日止年度		
		The PRC 中國 HK\$'000 千港元	Hong Kong 香港 HK\$'000 千港元	The PRC 中國 HK\$'000 千港元	Hong Kong 香港 HK\$'000 千港元	Overseas 海外 HK\$'000 千港元
Revenue from contracts with customers within HKFRS 15	香港財務報告準則第15號之來自客戶合約之收益					
Sale of products	銷售產品	589,029	—	786,134	—	2,296
Rendering of services	提供服務	339,037	—	445,472	—	—
Revenue from other sources	來自其他來源之收益					
Dividend income from financial assets at FVPL	於損益帳按公平值處理之財務資產之股息收入	—	—	—	52,547	—
Interest income from financial assets at FVPL	於損益帳按公平值處理之財務資產之利息收入	—	12,571	—	2,318	—
Net realised (loss) gain on disposal of financial assets at FVPL	出售於損益帳按公平值處理之財務資產之已變現(虧損)收益淨額	—	(766,758)	—	(167,523)	—
Interest income from loan receivables	應收貸款利息收入	—	1,628	—	13,692	—
		—	(752,559)	—	(98,966)	—
		928,066	(752,559)	1,231,606	(98,966)	2,296

4. 分類資料(續)

地區資料

本集團主要於兩個地理位置營運：香港(註冊地點)及中國。

下表載列有關(i)本集團來自外部客戶之收益；及(ii)本集團物業、廠房及設備、使用權資產、無形資產及商譽(「指定非流動資產」)之地理位置資料。客戶之地理位置以提供服務或交付貨品之位置為基礎。指定非流動資產之地理位置以資產本身所在地(倘屬物業、廠房及設備)、所分配營運之位置(倘屬無形資產及商譽)為基礎。

來自外部客戶之收益

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綜合財務報表附註

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

4. SEGMENTAL INFORMATION (Continued)

Geographical information (Continued)

Specified non-current assets

The PRC	中國
Hong Kong	香港

Information about major customers

No single customer individually contributed 10% or more of the Group's revenue for the years ended 31 December 2019 and 2018.

4. 分類資料(續)

地區資料(續)

指定非流動資產

2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
263,360	391,696
205	2,298
263,565	393,994

有關主要客戶之資料

於截至二零一九年及二零一八年十二月三十一日止年度，概無單一客戶為本集團收益貢獻10%或以上。

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綜合財務報表附註

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

5. LOSS BEFORE TAXATION

Loss before taxation is stated after charging (crediting):

5. 除稅前虧損

除稅前虧損經扣除(計入)下列各項後列帳：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
(a) Finance costs	財務成本		
Interest on promissory notes (Note 27)	承兌票據利息(附註27)	42,782	53,067
Interest on convertible bonds (Note 29)	可換股債券利息(附註29)	53,444	70,094
Interest on interest-bearing borrowings	計息借貸利息	45,559	82,527
Interest expenses for financial liabilities at amortised cost	按攤銷成本列帳之財務負債利息開支	141,785	205,688
Interest on lease liabilities	租賃負債利息	963	—
Finance charges on obligations under finance leases	融資租賃債務之融資費用	—	10
		142,748	205,698
(b) Other items	其他項目		
Loss allowance on trade receivables	貿易應收款項虧損備抵	51,551	118,377
Loss allowance on loan receivables	應收貸款虧損備抵	130,929	24,377
Loss allowance on other receivables	其他應收款項虧損備抵	237,833	—
Allowance for write-down of inventories	撇減存貨備抵	7,501	2,655
Amortisation of intangible assets**	無形資產攤銷**	4,830	31,635
Auditor's remuneration	核數師酬金		
— Audit-related assurance services	— 核數相關鑒證服務	1,700	1,650
— Other services	— 其他服務	485	653
Cost of inventories*	存貨成本*	435,499	597,601
Depreciation	折舊		
— Property, plant and equipment	— 物業、廠房及設備	26,009	23,420
— Right-of-use assets	— 使用權資產	13,527	—
Impairment of prepayment**	預付款項減值**	30,812	—
Exchange loss, net	匯兌虧損淨額	—	1,722

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綜合財務報表附註

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

5. LOSS BEFORE TAXATION (Continued)

5. 除稅前虧損(續)

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
(b) Other items (Continued)	其他項目(續)		
Lease payment on short-term lease	短期租賃之租賃付款	11,341	—
Operating lease charges on premises under HKAS 17	根據香港會計準則第17號之物業經營租賃支出	—	25,775
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	1,715	300
Research and development costs	研究及開發成本	<u>22,842</u>	<u>25,406</u>
Staff costs, including directors' remuneration:	員工成本，包括董事薪酬：		
— Salaries and other allowances	— 薪金及其他津貼	196,918	224,123
— Contributions to defined contribution plans	— 界定供款計劃供款	27,282	34,354
— Share-based payment in respect of share options	— 有關購股權之以股份支付之款項	<u>(2,851)</u>	<u>(9,681)</u>

Note: * Cost of inventories includes HK\$31,678,000(2018: HK\$38,272,000) relating to staff costs, depreciation and operating lease charges, the amounts of which are also included in the respective total amounts disclosed separately above for each of these types of expenses.

** Included in "General and administrative expenses" in the consolidated statement of profit or loss and other comprehensive income.

附註：* 存貨成本包括與員工成本、折舊及經營租賃支出相關之31,678,000港元(二零一八年：38,272,000港元)，有關款項亦已按各開支類別計入上文個別披露之相關總金額內。

** 計入綜合損益及其他全面收入報表之「一般及行政開支」。

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綜合財務報表附註

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

6. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

(a) Directors' and chief executive's emoluments

The aggregate amounts of emoluments received or receivable by the Company's directors and chief executive are as follows:

6. 董事及最高行政人員酬金

(a) 董事及最高行政人員酬金

本公司董事及最高行政人員已收或應收之酬金總額如下：

		Year ended 31 December 2019 截至二零一九年十二月三十一日止年度				
		Basic salaries, allowance and other benefits	Discretionary bonus	Retirement benefit scheme contributions	Equity- settled share-based payment	Total
		Fees				
		袍金	酌情花紅	退休福利 計劃供款	以股份支付 之款項	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
			(Note (i)) (附註(i))		(Note (ii)) (附註(ii))	
Executive directors	執行董事					
Mr. Qian Feng (Appointed on 11 November 2019)	錢楓先生(於二零一九年十一月十一日獲委任)	—	208	—	—	208
Ms. Hau Ying ("Ms. Hau") (Appointed on 6 May 2019 and resigned on 11 November 2019)	侯影女士(「侯女士」) (於二零一九年五月六日獲委任及於二零一九年十一月十一日辭任)	—	722	79	—	801
Mr. Kwok Kenneth Wai Lung ("Mr. Kwok") (Resigned on 10 September 2019)	郭璋瓏先生(「郭先生」) (於二零一九年九月十日辭任)	—	1,188	—	12	583
Mr. Tsang To (Resigned on 6 May 2019)	曾濤先生(於二零一九年五月六日辭任)	—	126	—	6	(41)
Mr. Yuen Wenxin (Resigned on 10 January 2019)	袁文心先生(於二零一九年一月十日辭任)	—	54	—	2	56
Mr. Yip Denis Shing Fai ("Mr. Yip") (Resigned on 10 January 2019)	葉成輝先生(「葉先生」)(於二零一九年一月十日辭任)	—	—	—	—	—
Independent non-executive directors	獨立非執行董事					
Mr. Chin Hon Siang	陳鴻先先生	240	—	—	—	240
Mr. Leung Ka Tin (Appointed on 6 May 2019 and resigned on 16 March 2020)	梁家鈿先生(於二零一九年五月六日獲委任及於二零二零年三月十六日辭任)	157	—	—	—	157
Mr. Huang Xin (Resigned on 5 February 2020)	黃欣先生(於二零二零年二月五日辭任)	—	—	—	—	—
Mr. Zhang Xiaoman (Resigned on 6 May 2019)	張小滿先生(於二零一九年五月六日辭任)	84	—	—	—	84
		481	2,298	79	(790)	2,088

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綜合財務報表附註

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

6. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

(a) Directors' and chief executive's emoluments (Continued)

6. 董事及最高行政人員酬金(續)

(a) 董事及最高行政人員酬金(續)

		Year ended 31 December 2018 截至二零一八年十二月三十一日止年度					
		Fees	Basic salaries, allowance and other benefits 基本薪金、 津貼及 其他福利	Discretionary bonus 酌情花紅	Retirement benefit scheme contributions 退休福利 計劃供款	Equity-settled share-based payment 權益結算 以股份支付 之款項	Total
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元 (Note (i)) (附註(i))	HK\$'000 千港元	HK\$'000 千港元 (Note (ii)) (附註(ii))	HK\$'000 千港元
Executive directors	執行董事						
Mr. Kwok Kenneth Wai Lung ("Mr. Kwok")	郭璋瓏先生(「郭先生」)	—	2,375	—	18	(677)	1,716
Mr. Yuen Wenxin (Appointed on 10 January 2018 and resigned on 10 January 2019)	袁文心先生 (於二零一八年一月十日 獲委任及於二零一九年 一月十日辭任)	—	1,952	—	18	—	1,970
Mr. Bai Xuefei (Appointed on 1 June 2018 and resigned on 17 July 2018)	白雪飛先生 (於二零一八年六月一日 獲委任及於二零一八年 七月十七日辭任)	—	511	—	3	—	514
Ms. Yang Xiaoying (Resigned on 17 July 2018)	楊曉櫻女士 (於二零一八年七月 十七日辭任)	—	858	—	11	—	869
Mr. Tsang To	曾濤先生	—	360	—	18	(319)	59
Mr. Yip Denis Shing Fai ("Mr. Yip") (Resigned on 10 January 2019)	葉成輝先生(「葉先生」) (於二零一九年一月十日 辭任)	—	5,781	—	16	—	5,797
Independent non-executive directors	獨立非執行董事						
Mr. Zhang Xiaoman	張小滿先生	240	—	—	—	—	240
Mr. Chin Hon Siang	陳鴻先先生	240	—	—	—	—	240
Mr. Huang Xin	黃欣先生	240	—	—	—	—	240
		<u>720</u>	<u>11,837</u>	<u>—</u>	<u>84</u>	<u>(996)</u>	<u>11,645</u>

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綜合財務報表附註

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

6. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

(a) Directors' and chief executive's emoluments (Continued)

Note:

- (i) Mr. Kwok and Ms. Hua are entitled to a discretionary bonus in an amount to be determined by the board of directors which is subject to a cap. No discretionary bonus was paid or payable to Mr. Kwok for the year ended 31 December 2019 and 2018.
- (ii) Equity-settled share-based payment represents share options granted to the directors of the Company under a share option scheme adopted by the Company. The value of these share options is measured according to the Group's accounting policies for share-based payment transactions.

Details of share options granted to the directors of the Company and other employees, including the principal terms and number of options granted, are set out in Note 31 to the consolidated financial statements.

No director waived and agreed to waive any emoluments during the years ended 31 December 2019 and 2018. No incentive payment was paid to director to join the Group for the year ended 31 December 2019 (2018: HK\$1,730,000). No compensation for loss of office was paid or payable to any director for both years.

(b) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Company's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at end of the reporting period or at any time during the years ended 31 December 2019 and 2018.

6. 董事及最高行政人員酬金(續)

(a) 董事及最高行政人員酬金(續)

註：

- (i) 郭先生及Hua女士有權收取酌情花紅，金額將由董事會釐定並受上限金額所規限。於截至二零一九年及二零一八年十二月三十一日止年度概無向郭先生支付或應付酌情花紅。
- (ii) 權益結算以股份支付之款項指根據本公司所採納之購股權計劃授予本公司董事之購股權。該等購股權之價值按本集團有關以股份付款之交易之會計政策計量。

有關向本公司董事及其他僱員授予購股權之詳情(包括主要條款及授出購股權數目)載於綜合財務報表附註31。

於截至二零一九年及二零一八年十二月三十一日止年度，並無董事放棄或同意放棄任何酬金。於截至二零一九年十二月三十一日止年度，概無向董事支付作為加盟本集團之獎金(二零一八年：1,730,000港元)。於兩個年度內，本集團概無向任何董事支付或應付任何款項作為離職補償。

(b) 董事於交易、安排或合約中之重大權益

概無本公司董事於本公司就其業務所訂立，並於報告期結束日或截至二零一九年及二零一八年十二月三十一日止年度內任何時間有效之重大交易、安排及合約中擁有直接或間接重大權益。

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

7. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Among the five individuals with the highest emoluments, two (2018: three) are executive directors whose emoluments are disclosed in Note 6 to the consolidated financial statements.

The emoluments paid to the remaining three (2018: two) individuals during the year were as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Basic salaries, share option and allowances	基本薪金、購股權及津貼	2,649	2,993
Retirement benefit scheme contributions	退休福利計劃供款	31	18
		2,680	3,011

The emoluments fell within the following bands:

		Number of individuals 人數	
		2019 二零一九年	2018 二零一八年
Less than HK\$1,000,001	少於 1,000,001 港元	2	—
HK\$1,000,001 – HK\$1,500,000	1,000,001 港元至 1,500,000 港元	1	1
HK\$1,500,001 – HK\$2,000,000	1,500,001 港元至 2,000,000 港元	—	1
		3	2

During the year ended 31 December 2019, no incentive payment (2018: HK\$1,730,000) were paid by the Group to the five highest paid individuals (including directors and other employees) as an inducement to join or upon joining the Group and no emoluments (2018: HK\$Nil) were paid by the Group to the five highest paid individuals (including directors and other employees) as compensation for loss of office.

7. 最高薪人士

五位最高薪人士中兩位(二零一八年：三位)為執行董事，彼等之酬金於綜合財務報表附註6內披露。

年內已付其餘三位(二零一八年：兩位)人士之酬金如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Basic salaries, share option and allowances	基本薪金、購股權及津貼	2,649	2,993
Retirement benefit scheme contributions	退休福利計劃供款	31	18
		2,680	3,011

酬金介乎以下範圍：

		Number of individuals 人數	
		2019 二零一九年	2018 二零一八年
Less than HK\$1,000,001	少於 1,000,001 港元	2	—
HK\$1,000,001 – HK\$1,500,000	1,000,001 港元至 1,500,000 港元	1	1
HK\$1,500,001 – HK\$2,000,000	1,500,001 港元至 2,000,000 港元	—	1
		3	2

於截至二零一九年十二月三十一日止年度，本集團概無向五位最高薪人士(包括董事及其他僱員)支付(二零一八年：1,730,000港元)作為鼓勵加盟或加盟本集團時之獎金，且本集團並無向五位最高薪人士(包括董事及其他僱員)支付酬金作為離職補償(二零一八年：零港元)。

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

8. TAXATION

Hong Kong Profits Tax has not been provided as the Group's entities either have no assessable profit or incurred a loss for taxation purposes for the years ended 31 December 2019 and 2018.

The applicable PRC Enterprise Income Tax ("EIT") for the PRC subsidiaries is at the statutory rate of 25% (2018: 25%) based on their taxable profit, unless otherwise specified below.

Six (2018: seven) PRC subsidiaries of the Company have been officially designated by the local tax authority as "High and New Technology Enterprises". A reduced tax rate of 15% (2018: 15%) for the period of three years was granted as long as those PRC subsidiaries meet the high-tech enterprise qualification.

In 2017, a PRC subsidiary of the Company was qualified as software enterprises and granted a tax holiday of two-year tax exemption followed by three-year 50% tax reduction (subject to annual review), starting from the first profit making year from the PRC tax perspective under the then effective tax regulations. This PRC subsidiary made the first-year profit in 2016. As a result, it is subject to EIT at 12.5% from 2018 to 2020 and at 25% from 2021 onwards.

Withholding tax represents tax charged by the PRC tax authority on dividends distributed by the Group's PRC subsidiary during the year.

8. 稅項

由於本集團之實體於截至二零一九年及二零一八年十二月三十一日止年度並無應課稅溢利或產生稅務虧損，故並無計提香港利得稅撥備。

除非下文另有指明，否則中國附屬公司之適用中國企業所得稅（「企業所得稅」）乃根據其應課稅溢利按25%（二零一八年：25%）之法定稅率計算。

本公司六間（二零一八年：七間）中國附屬公司獲地方稅務機關正式認定為「高新技術企業」。該等中國附屬公司於符合高新技術企業資格之期間可享有三年期15%（二零一八年：15%）之減免稅率。

於二零一七年，本公司一間中國附屬公司為合資格軟件企業，可根據當時有效之稅務法規由首個獲利年度（就中國稅務層面而言）起享有免繳兩年稅項之稅務優惠期，隨後三年可減免50%稅項（須經每年檢討）。此中國附屬公司之首個獲利年度為二零一六年。因此，該附屬公司二零一八年至二零二零年按12.5%之稅率繳納企業所得稅，由二零二一年起按25%之稅率繳納企業所得稅。

預扣稅指中國稅務機關就本集團中國附屬公司於本年度內分派股息所收取得稅項。

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8. TAXATION (Continued)

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current tax	本期稅項		
PRC EIT	中國企業所得稅		
Current year	本年度	5,177	10,574
Over provision in prior year	過往年度超額撥備	(5,078)	(4,110)
		99	6,464
Withholding tax	預扣稅	—	31,878
Deferred tax (Note 26)	遞延稅項(附註26)	(118)	(21,961)
Tax (credit) expenses for the year	年內稅項(抵免)開支	(19)	16,381

Reconciliation of tax expenses

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loss before taxation	除稅前虧損	(1,695,136)	(2,930,295)
Tax at rate applicable to the jurisdictions concerned	按有關司法權區適用之稅率計算之稅項	(287,255)	(489,798)
Non-deductible expenses	不可扣稅開支	68,590	185,171
Tax exempted revenue	免稅收益	(3,583)	(16,797)
Results of associates	聯營公司業績	3	—
Unrecognised tax losses	未確認之稅項虧損	186,798	308,939
Unrecognised temporary difference	未確認之暫時差額	42,194	—
Over provision in prior year	過往年度超額撥備	(5,078)	(4,110)
Withholding tax	預扣稅	—	31,878
Others	其他	(1,688)	1,098
Tax (credit) expenses for the year	年內稅項(抵免)開支	(19)	16,381

The weighted average applicable tax rate was 16.95% (2018: 16.72%), representing the weighted average of the rates of taxation prevailing in the territories in which the Group operates.

加權平均適用稅率為 16.95% (二零一八年：16.72%)，即本集團營運所在地區之當前加權平均稅率。

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綜合財務報表附註

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

9. DIVIDENDS

The directors of the Company do not recommend any payment of final dividend for the years ended 31 December 2019 and 2018.

9. 股息

本公司董事不建議宣派截至二零一九年及二零一八年十二月三十一日止年度的末期股息。

10. LOSS PER SHARE

The calculations of basic and diluted loss per share are based on the following data:

10. 每股虧損

每股基本及攤薄虧損乃基於以下數據計算：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Numerator	分子		
Loss attributable to owners of the Company used in computing basic and diluted loss per share	用於計算每股基本及攤薄虧損之本公司擁有人應佔虧損	<u>(1,541,664)</u>	<u>(2,835,001)</u>
		2019 二零一九年 '000 shares 千股	2018 二零一八年 '000 shares 千股
Denominator	分母		
Weighted average number of ordinary shares in issue during the year used in computing basic and diluted loss per share	用於計算每股基本及攤薄虧損之年內已發行普通股加權平均數	<u>11,018,567</u>	<u>11,123,292</u>

Notes:

- (a) The weighted average number of ordinary shares in issue during the years ended 31 December 2019 and 2018 takes into account the effects arising from the repurchasing of shares during the years ended 31 December 2019 and 2018 as set out in Note 30 to the consolidated financial statements.
- (b) For the years ended 31 December 2019 and 2018, other dilutive potential ordinary shares were excluded from the calculation of diluted loss per share as their inclusion would have been anti-dilutive or the specific conditions were not met.

附註：

- (a) 於截至二零一九年及二零一八年十二月三十一日止年度之已發行普通股加權平均數已計及綜合財務報表附註30所載於截至二零一九年及二零一八年十二月三十一日止年度購回股份所產生之影響。
- (b) 於截至二零一九年及二零一八年十二月三十一日止年度，計算每股攤薄虧損時已剔除其他潛在攤薄普通股，原因為計入該等普通股會有反攤薄影響或特定條件尚未達成。

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11. PROPERTY, PLANT AND EQUIPMENT

11. 物業、廠房及設備

		Buildings outside Hong Kong 位於香港境外 之樓宇 HK\$'000 千港元	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Moulds 模具 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Furniture, fixtures and equipment 傢具、裝置及 設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Carrying amount	帳面金額							
At 1 January 2018	於二零一八年一月一日	13,565	9,776	16,537	23,196	20,036	1,664	84,774
Additions	添置	—	6,057	3,419	10,818	4,784	537	25,615
Disposals	出售	—	—	—	(38)	(409)	(174)	(621)
Depreciation	折舊	(617)	(4,684)	(6,085)	(3,958)	(7,331)	(745)	(23,420)
Exchange realignments	匯兌調整	(677)	(443)	(754)	(1,473)	(906)	(66)	(4,319)
		<u>12,271</u>	<u>10,706</u>	<u>13,117</u>	<u>28,545</u>	<u>16,174</u>	<u>1,216</u>	<u>82,029</u>
At 31 December 2018	於二零一八年十二月三十一日							
		<u>12,271</u>	<u>10,706</u>	<u>13,117</u>	<u>28,545</u>	<u>16,174</u>	<u>1,216</u>	<u>82,029</u>
At 31 December 2018	於二零一八年十二月三十一日							
Cost	成本	13,159	23,413	31,612	35,021	33,071	2,978	139,254
Accumulated depreciation	累計折舊	(888)	(12,707)	(18,495)	(6,476)	(16,897)	(1,762)	(57,225)
		<u>12,271</u>	<u>10,706</u>	<u>13,117</u>	<u>28,545</u>	<u>16,174</u>	<u>1,216</u>	<u>82,029</u>
Carrying amount	帳面金額							
At 1 January 2019	於二零一九年一月一日	<u>12,271</u>	<u>10,706</u>	<u>13,117</u>	<u>28,545</u>	<u>16,174</u>	<u>1,216</u>	<u>82,029</u>
Adoption of HKFRS 16	採納香港財務報告準則第16號	(12,271)	—	—	—	—	(19)	(12,290)
At 1 January 2019 (restated)	於二零一九年一月一日 (經重列)	—	10,706	13,117	28,545	16,174	1,197	69,739
Additions	添置	—	4,742	1,319	1,050	3,707	315	11,133
Disposals	出售	—	(992)	(2)	(371)	(631)	(15)	(2,011)
Depreciation	折舊	—	(7,112)	(4,604)	(7,591)	(6,276)	(426)	(26,009)
Exchange realignments	匯兌調整	—	(133)	(179)	(401)	(232)	(21)	(966)
		<u>—</u>	<u>7,211</u>	<u>9,651</u>	<u>21,232</u>	<u>12,742</u>	<u>1,050</u>	<u>51,886</u>
At 31 December 2019	於二零一九年十二月三十一日							
		<u>—</u>	<u>7,211</u>	<u>9,651</u>	<u>21,232</u>	<u>12,742</u>	<u>1,050</u>	<u>51,886</u>
At 31 December 2019	於二零一九年十二月三十一日							
Cost	成本	—	24,172	32,358	34,087	32,459	2,199	125,275
Accumulated depreciation	累計折舊	—	(16,961)	(22,707)	(12,855)	(19,717)	(1,149)	(73,389)
		<u>—</u>	<u>7,211</u>	<u>9,651</u>	<u>21,232</u>	<u>12,742</u>	<u>1,050</u>	<u>51,886</u>

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11. PROPERTY, PLANT AND EQUIPMENT

(Continued)

No property, plant and equipment at end of the reporting period (2018: HK\$12,271,000) were pledged to secure loans (2018: HK\$5,693,000) as at 31 December 2019.

At 31 December 2018, the net book value of the Group's property, plant and equipment included an amount of HK\$19,000 and HK\$12,271,000 in respect of assets held under finance leases and leasehold buildings outside Hong Kong respectively. They are reclassified to right-of-use assets upon the adoption of HKFRS 16 at 1 January 2019.

12. LEASES

The Group as lessee

Right-of-use assets

Carrying amount

At 1 January 2019 —
upon adoption of
HKFRS 16

Additions

Depreciation

Written off

Exchange differences

At 31 December 2019

At 31 December 2019

Cost

Accumulated
depreciation

Net carrying amount

帳面金額

於二零一九年一月一
日—於採納香港
財務報告準則
第16號時

添置

折舊

撇銷

匯兌差額

於二零一九年十二月
三十一日

於二零一九年十二月
三十一日

成本

累計折舊

帳面淨值

Properties 物業 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Buildings 樓宇 HK\$'000 千港元	Total 總計 HK\$'000 千港元
30,052	19	12,271	42,342
9,684	—	—	9,684
(12,918)	(19)	(590)	(13,527)
(2,263)	—	—	(2,263)
(434)	—	(207)	(641)
24,121	—	11,474	35,595
34,947	763	12,929	48,639
(10,826)	(763)	(1,455)	(13,044)
24,121	—	11,474	35,595

11. 物業、廠房及設備(續)

於報告期結束日並無物業、廠房及設備(二零一八年: 12,271,000 港元)已作質押, 作為於二零一九年十二月三十一日之貸款(二零一八年: 5,693,000 港元)之抵押。

於二零一八年十二月三十一日, 本集團物業、廠房及設備之帳面淨值包括有關根據融資租賃持有之資產及租用位於香港境外之樓宇之 19,000 港元及 12,271,000 港元。該等資產於二零一九年一月一日採納香港財務報告準則第 16 號時重新分類為使用權資產。

12. 租賃

本集團作為承租人

使用權資產

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12. LEASES (Continued)

The Group as lessee (Continued)

Right-of-use assets (Continued)

The Group leases various properties, buildings and motor vehicles for its daily operations. Lease terms range from 1 to 20 years and negotiated on an individual basis and contain similar terms and conditions. The Group has applied incremental borrowing rate of 7.81% to the lease liabilities.

Until 31 December 2018, leases of properties and motor vehicles were classified as operating lease and finance lease respectively. Payments made under operating lease were charged to profit or loss on a straight-line basis over the period of the lease and the carrying amount of the obligation under finance lease was reduced to reflect the payments made under finance lease.

From 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the lease asset is available for use by the Group, except for short-term lease and low-value assets. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Restrictions or covenants

Most of the leases impose a restriction that, unless the approval is obtained from the lessor, the right-of-use asset can only be used by the Group and the Group is prohibited from selling or pledging the underlying assets.

For leases of properties, the Group is required to keep those properties in a good state of repair and return the properties in their original condition at the end of the lease.

12. 租賃(續)

本集團作為承租人(續)

使用權資產(續)

本集團就日常營運租賃各種物業、樓宇及汽車。租賃期限按個別情況進行協商，介乎1至20年不等，並包含相若條款及條件。本集團對租賃負債採用7.81%的增量借款利率。

於二零一八年十二月三十一日之前，物業及汽車租賃分別分類為經營租賃及融資租賃。經營租賃下的付款於租期內按直線法自損益扣除，融資租賃下的債務帳面金額則作出扣減，以反映融資租賃下的付款。

自二零一九年一月一日起，租賃確認為使用權資產，並在租賃資產可供本集團使用當日確認相應負債，惟短期租賃及低價值資產租賃除外。每筆租賃付款乃分配至負債及融資成本。融資成本於租期內自損益扣除，以計算出各期間負債餘下結餘的固定週期利率。使用權資產乃按資產可使用年期或租期(以較短者為準)以直線法折舊。

限制或契諾

大部分租賃均規定有限制，即除非獲得出租人的批准，否則使用權資產僅可由本集團使用，且本集團不得出售或抵押相關資產。

就物業租賃而言，本集團須將該等物業保持於良好的維修狀態，並於租賃屆滿時以原有狀態歸還物業。

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12. LEASES (Continued)

The Group as lessee (Continued)

The Group has recognised the following amounts for the year:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Lease payments:	租賃付款：		
Short-term leases	短期租賃	11,341	—
Operating lease payments	經營租賃付款	—	25,775
Expenses recognised in profit or loss	於損益確認之開支	11,341	25,775
Repayment of lease liabilities	償還租賃負債	12,876	—
Interests on lease liabilities	租賃負債利息	963	—
Total cash outflow for leases	租賃現金流出總額	25,180	25,775

Commitments under leases

At 31 December 2019, the Group was committed to HK\$1,889,000 for short-term leases.

At 31 December 2018, the Group had total future minimum lease payments under non-cancellable operating leases, which are payable as follows:

		HK\$'000 千港元
Within one year	於一年內	15,844
In the second to fifth years inclusive	第二至第五年(包括首尾兩年)	19,890
Over five years	五年以上	424
		36,158

12. 租賃(續)

本集團作為承租人(續)

本集團於本年度確認以下金額：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Lease payments:	租賃付款：		
Short-term leases	短期租賃	11,341	—
Operating lease payments	經營租賃付款	—	25,775
Expenses recognised in profit or loss	於損益確認之開支	11,341	25,775
Repayment of lease liabilities	償還租賃負債	12,876	—
Interests on lease liabilities	租賃負債利息	963	—
Total cash outflow for leases	租賃現金流出總額	25,180	25,775

租賃承擔

於二零一九年十二月三十一日，本集團承擔1,889,000港元之短期租賃。

於二零一八年十二月三十一日，本集團根據不可撤銷經營租賃有未來最低租賃付款總額，該等款項須按以下方式支付：

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13. INTANGIBLE ASSETS

13. 無形資產

		Computer software copyright 電腦軟件版權 HK\$'000 千港元	Customer contracts 客戶合約 HK\$'000 千港元	Customer relationships 客戶關係 HK\$'000 千港元	Software patents 軟件專利 HK\$'000 千港元	Trademarks 商標 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Carrying amount	帳面金額						
At 1 January 2018	於二零一八年一月一日	1,875	1,299	93,114	18,363	40,752	155,403
Additions	添置	—	—	—	5,521	—	5,521
Amortisation	攤銷	(651)	(974)	(27,934)	(2,076)	—	(31,635)
Impairment	減值	(1,224)	—	(58,195)	—	—	(59,419)
Exchange realignments	匯兌調整	—	—	—	(1,090)	(907)	(1,997)
At 31 December 2018	於二零一八年十二月三十一日	—	325	6,985	20,718	39,845	67,873
At 31 December 2018	於二零一八年十二月三十一日						
Cost	成本	2,961	2,976	136,677	23,167	39,845	205,626
Accumulated amortisation	累計攤銷	(1,737)	(2,651)	(71,497)	(2,449)	—	(78,334)
Accumulated impairment	累計減值	(1,224)	—	(58,195)	—	—	(59,419)
		—	325	6,985	20,718	39,845	67,873
Carrying amount	帳面金額						
At 1 January 2019	於二零一九年一月一日	—	325	6,985	20,718	39,845	67,873
Additions	添置	—	—	—	3,663	—	3,663
Amortisation	攤銷	—	(325)	(2,993)	(1,512)	—	(4,830)
Impairment	減值	—	—	—	(12,710)	(1,414)	(14,124)
Exchange realignments	匯兌調整	—	—	—	(210)	(270)	(480)
At 31 December 2019	於二零一九年十二月三十一日	—	—	3,992	9,949	38,161	52,102
At 31 December 2019	於二零一九年十二月三十一日						
Cost	成本	2,961	2,976	136,677	26,374	39,555	208,543
Accumulated amortisation	累計攤銷	(1,737)	(2,976)	(74,490)	(3,896)	—	(83,099)
Accumulated impairment	累計減值	(1,224)	—	(58,195)	(12,529)	(1,394)	(73,342)
		—	—	3,992	9,949	38,161	52,102

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13. INTANGIBLE ASSETS (Continued)

Customer contracts, certain customer relationships and software patents were acquired as a result of the acquisition of Enterprise Development in April 2017. Amortisation for customer contracts, customer relationships and software patents are provided on the straight-line basis over their estimated useful lives of 2, 4 and 10 years respectively and their carrying amounts are measured at cost less accumulated amortisation and impairment losses.

Certain customer relationships and computer software copyright were acquired as a result of the acquisition of the Next Concept International Investment Limited (“**Next Concept**”) and its subsidiaries (collectively referred as “**Next Concept Group**”) in April 2016. Amortisation is provided on the straight-line basis over their estimated useful lives of 5 years. The carrying amounts of customer relationships and computer software copyright are measured at cost less accumulated amortisation and impairment losses.

Trademarks were acquired as a result of the acquisition of Smart Express Development Limited (“**Smart Express**”) and its subsidiaries in September 2014 and Enterprise Development in April 2017. The trademarks acquired have been granted for period of 10 years by the relevant government and can be renewed at the expiry date of each trademark with insignificant cost. Coupled with the fact that previous trademarks acquired have been previously renewed for further 10 years with an option of renewal at the expiry date, the Group has determined that these assets have an indefinite useful life. Trademarks are therefore measured at cost less accumulated impairment losses. As at 31 December 2019 and 2018, trademarks were tested for impairment (see Note 14)

As at 31 December 2019, the directors of the Company consider the operating environment of Enterprise Development in the PRC continues to be very challenging which indicated that the business of Enterprise Development will experience significant decline in the future. Those intangible assets acquired as a result of the acquisition of the Enterprise Development were tested for impairment (see Note 14) and impairment loss of HK\$14,124,000 was recognised for the year ended 31 December 2019 (2018: HK\$59,419,000).

13. 無形資產(續)

客戶合約、若干客戶關係及軟件專利乃因於二零一七年四月收購企展而購入。客戶合約、客戶關係及軟件專利之攤銷於分別為2年、4年及10年之估計可用年期內以直線法計提，而其帳面金額按成本減累計攤銷及減值虧損計量。

若干客戶關係及電腦軟件版權乃因於二零一六年四月收購進念國際投資有限公司(「**進念**」)及其附屬公司(統稱「**進念集團**」)而購入。攤銷於其5年之估計可用年期內以直線法撥備。客戶關係及電腦軟件版權之帳面金額按成本減去累計攤銷及減值虧損計量。

商標乃因分別於二零一四年九月及二零一七年四月收購Smart Express Development Limited(「**Smart Express**」)及其附屬公司以及企展而購入。所收購之商標已獲有關政府批予10年期，並可於各商標到期當日以極低費用續期。有鑑於先前收購之商標已再續期10年，並附帶於各商標到期當日續期之選擇權，本集團認定該等資產具有不限定可用年期。因此，商標按成本減累計減值虧損計量。於二零一九年及二零一八年十二月三十一日，商標已進行減值測試(見附註14)。

於二零一九年十二月三十一日，本公司之董事認為，企展於中國之營商環境仍屬困難，表示企展之業務日後將會錄得大幅下降，而該等因收購企展而收購之無形資產已進行減值測試(見附註14)，截至二零一九年十二月三十一日止年度已確認減值虧損14,124,000港元(二零一八年：59,419,000港元)。

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14. GOODWILL

Reconciliation of carrying amount	帳面金額對帳
At beginning of the reporting period	於報告期初
Impairment losses	減值虧損
At end of the reporting period	於報告期末
At 31 December	於十二月三十一日
Cost	成本
Accumulated impairment losses	累計減值虧損

Goodwill arose because the consideration paid for the acquisitions effectively included amounts in relation to the benefits originated from future market development and the assembled workforce of the acquired businesses. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill recognised is expected to be deductible for income tax purposes.

The carrying amounts of trademarks with indefinite useful lives (see Note 13) as at 31 December 2019 includes an amount of HK\$32,260,000 (2018: HK\$32,495,000) and HK\$5,901,000 (2018: HK\$7,350,000) which are attributable to the Group's CGU of Fujian Start Computer Equipment Company Limited * ("FSCE") and its subsidiaries (collectively referred as "FSCE Group") and Enterprise Development respectively.

14. 商譽

2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
244,092	1,141,467
(120,110)	(897,375)
123,982	244,092
1,341,467	1,341,467
(1,217,485)	(1,097,375)
123,982	244,092

產生商譽之原因為就收購事項所支付之代價實際上包括源自未來市場發展及所收購業務集人力之利益金額。該等利益由於不符合可識別無形資產之確認條件，故不會與商譽分開確認。預期已確認之商譽不可用於扣減所得稅。

具有不限定期限之商標(見附註13)於二零一九年十二月三十一日之帳面金額包括32,260,000港元(二零一八年: 32,495,000港元)之款項及5,901,000港元(二零一八年: 7,350,000港元)，乃分別來自本集團福建實達電腦設備有限公司(「實達外設」)及其附屬公司(統稱「實達外設集團」)以及企展之現金產生單位。

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14. GOODWILL (Continued)

All of the goodwill related to the operating segments of HMID and IoT solution. Goodwill is monitored by the management at each CGU within HMID and IoT solution segments.

The carrying amount of goodwill was allocated to the Group's CGUs identified as follows:

14. 商譽(續)

所有商譽乃關於人機互動經營分類及物聯網解決方案經營分類。管理層會按以下人機互動分類及物聯網解決方案分類之各個現金產生單位監察商譽。

商譽帳面金額分配至本集團所識別各現金產生單位如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
HMID business segment	人機互動業務分類		
FSCE Group	實達外設集團	114,786	114,786
IoT solution business segment	物聯網解決方案業務分類		
Shenzhen CNEOP Technology Company Limited * (“CNEOP”)	深圳市中光遠科技有限公司 (「中光遠」)	3,792	3,792
Shenzhen Hexicom Technologies Company Limited * (“Hexicom”)	深圳市海億康科技有限公司 (「海億康」)	—	9,135
Guangzhou Wealth-Depot Logistics Technology Company Limited * (“Wealth-Depot”)	廣州大庫工業設備有限公司 (「大庫」)	2,009	7,609
Hangzhou Lepei Telecommunication Company Limited * (“Lepei”)	杭州樂佩通信有限公司 (「樂佩」)	3,395	25,741
Enterprise Development	企展	—	71,631
Beijing Weein Software Technology Company Limited * (“Weein”)	北京微應軟件科技有限公司 (「微應」)	—	11,398
		123,982	244,092

* The official names are in Chinese and the English names are translated for identification purpose only.

* 官方名稱以中文為準，英文翻譯名稱僅供識別之用。

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14. GOODWILL (Continued)

The Group has engaged independent valuers, APAC Asset Valuation and Consulting Limited (“APAC”) to perform an appraisal of the value of FSCE Group, CNEOP, Hexicom, Wealth-Depot, Lepei and Weein, and Valplus Consulting Limited (“Valplus”) to perform an appraisal of the value of Enterprise Development. The recoverable amounts of CGUs have been determined on the basis of higher of the CGUs’ fair value less costs of disposal and VIU calculations.

As at 31 December 2019 and 2018, based on the valuation reports prepared by APAC, the recoverable amounts for the HMID business segment’s CGU was determined based on VIU calculations using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rate applied to the cash flow projections is 17% (2018: 17%) and cash flows beyond the five-year are extrapolated using a growth rate of 3% (2018: 3%). Based on the assessment, the recoverable amount for the HMID business segment’s CGU was estimated to be higher than its carrying amount and no impairment loss was recognised for the years ended 31 December 2019 and 2018.

As at 31 December 2019, based on the valuation reports prepared by APAC, the VIU of CNEOP, Hexicom, Wealth-Depot, Lepei and Weein, were higher than its fair value less costs of disposal. The recoverable amounts of these CGUs were therefore determined based on the VIU calculations using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rates applied to the projections was 20% to 21% (2018: 19% to 31%) and cash flows beyond the five-year period are extrapolated using a growth rate of 3% (2018: 3%). The key assumptions have been determined based on past performance and management expectations for the industry development. The discount rates used was pre-tax and reflect specific risks relating to these CGUs. Based on the valuations the recoverable amount of certain CGUs was lower than their carrying amounts, impairment losses of HK\$48,479,000 was recognised for the year ended 31 December 2019 (2018: HK\$833,495,000).

14. 商譽(續)

本集團已委聘獨立估值師亞太資產評估及顧問有限公司(「亞太」)評估實達外設集團、中光遠、海億康、大庫、樂佩及微應之價值，及委聘瑋鉞顧問有限公司(「瑋鉞」)評估企展之價值。現金產生單位之可收回金額按現金產生單位公平值減處置成本及使用價值計算法(以較高者為準)釐定。

於二零一九年及二零一八年十二月三十一日，根據亞太所編製之估值報告，人機互動業務分類現金產生單位之可收回金額以高級管理層所批准涵蓋5年期之財政預算使用現金流量預測進行使用價值計算法釐定。現金流量預測所用貼現率為17%(二零一八年：17%)，而5年期後之現金流量乃使用3%(二零一八年：3%)之增長率推算。於截至二零一九年及二零一八年十二月三十一日止年度，基於有關評估，人機互動業務分類現金產生單位之可收回金額估計高於帳面金額，故並無確認減值虧損。

於二零一九年十二月三十一日，根據亞太所編製之估值報告，中光遠、海億康、大庫、樂佩及微應之使用價值均高於其公平值減出售成本。因此，該等現金產生單位之可收回金額以高級管理層所批准涵蓋5年期之財政預算使用現金流量預測進行使用價值計算法釐定。現金流量預測所用貼現率為20%至21%(二零一八年：19%至31%)，而5年期後之現金流量乃使用3%(二零一八年：3%)之增長率推算。主要假設由管理層按過去表現及對行業發展之預期釐定。所用貼現率為稅前並能反映該等現金產生單位之特定風險。於截至二零一九年十二月三十一日止年度，基於有關評估，若干現金產生單位之可收回金額低於帳面金額，故已確認減值虧損48,479,000港元(二零一八年：833,495,000港元)。

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綜合財務報表附註

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

14. GOODWILL (Continued)

As at 31 December 2019, based on the valuation report prepared by Valplus, the fair value less costs of disposal of Enterprise Development was higher than its VIU calculations using cash flow projections based on financial budgets covering a five-year period approved by senior management. The recoverable amounts of Enterprise Development were therefore determined based on fair value less costs of disposal, which is the quoted market price of Enterprise Development on the Stock Exchange at end of the reporting period. As the recoverable amount was lower than the carrying amount of Enterprise Development, an impairment loss of HK\$71,631,000 was recognised for the year ended 31 December 2019 (As at 31 December 2018, based on the valuation report prepared by Graval Consulting Limited, the VIU calculations using cash flow projections based on financial budgets covering a five-year period approved by senior management was higher than the fair value less costs of disposal. The recoverable amounts of Enterprise Development were therefore determined based on its VIU. The discount rates applied to the projection was 23% and cash flows beyond the five-year period are extrapolated using a growth rate of 3%. The key assumptions have been determined based on past performance and management expectations for the industry development. The discount rates used was pre-tax and reflect specific risks relating to Enterprise Development. Based on the valuations, the recoverable amounts of Enterprise Development were lower than their carrying amounts, impairment losses of HK\$63,880,000 was recognised for the year ended 31 December 2018).

14. 商譽(續)

於二零一九年十二月三十一日，根據瑋鉞所編製之估值報告，於企展之公平值減出售成本高於其使用價值，使用價值乃以高級管理層所批准涵蓋5年期之財政預算使用現金流量預測計算。因此，按公平值減出售成本(即企展於報告期結束日在聯交所所報市價)釐定企展之可收回金額。由於企展之可收回金額低於帳面金額，故就截至二零一九年十二月三十一日止年度確認減值虧損71,631,000港元(於二零一八年十二月三十一日：根據博浩企業顧問有限公司所編製之估值報告，以高級管理層所批准涵蓋5年期之財政預算使用現金流量預測進行使用價值計算法釐定之使用價值高於公平值減出售成本。因此，企展之可收回金額按其使用價值釐定。現金流量預測所用貼現率為23%，而5年期後之現金流量乃使用3%之增長率推算。主要假設按過去表現及管理層對行業發展之預期釐定。所用貼現率為稅前並能反映企展之特定風險。基於有關評估，企展之可收回金額低於其帳面金額，故已於截至二零一八年十二月三十一日止年度確認減值虧損63,880,000港元)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

14. GOODWILL (Continued)

The directors considered that the goodwill related to the operating segment of IoT solution business were impaired as significant reduction in a number of major customers following the fierce market competition and the uncertainties casted by US-China trade war that resulted in a decline of revenue during the current year and reduced anticipated cash flows from the future operating synergies from exploiting the customer base of the Group's existing businesses. It is expected that future performance in IoT solution business will follow the actual situation in the current year and aggregate impairment loss on goodwill of HK\$120,110,000 was recognised in profit or loss for the year ended 31 December 2019 (2018: HK\$897,375,000).

15. INTERESTS IN ASSOCIATES

The interests in associates are set out below:

14. 商譽(續)

董事認為，有關物聯網解決方案業務之經營分類之商譽已減值，原因為市場競爭激烈及中美貿易戰造成不確定因素，導致本年度收益減少，並減低了本集團現有業務發掘客戶群之未來營運協同效益所產生預期現金流量，致使主要客戶數目大幅下降。預期物聯網業務日後之表現將與本年度之實際情況一致，商譽減值虧損總額120,110,000港元已於截至二零一九年十二月三十一日止年度之損益帳中確認(二零一八年：897,375,000港元)。

15. 於聯營公司之權益

於聯營公司之權益載列如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cost of investment	投資成本	367	—
Share of post-acquisition results	應佔收購後業績	(26)	—
Amount due from an associate	應收一間聯營公司款項	3,356	—
Exchange difference	匯兌差額	(5)	—
		3,692	—

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綜合財務報表附註

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

15. INTERESTS IN ASSOCIATES (Continued)

Notes:

- (a) The loans to associates are unsecured, interest-free and the settlement of which is neither planned nor likely to occur in the foreseeable future.
- (b) Details of the associates at the end of the reporting period are as follows:

Name of associates	Place of incorporation and operation	Particulars of issued and paid up share capital	Proportion of value of issued/registered capital held by the Company	Principal activities
聯營公司名稱	註冊成立及營運地點	已發行及繳足股本詳情	本公司所持有已發行／註冊資本之價值比例 Directly 直接	主要業務
Shenzhen Zhi Lian Yi Da Software Technology Company Limited (深圳市智聯易達軟體科技有限公司)*	The PRC	Registered and paid-up capital of RMB500,000	40%	Provision of integrate business software solution
深圳市智聯易達軟體科技有限公司	中國	註冊及繳足股本 人民幣 500,000 元		提供綜合業務軟件解決方案
Qing Nong Integrated of ThingsTechnology Research (Luoyang) Company Limited (“Qing Nong”)	The PRC	Registered and paid-up capital of RMB1,000,000	30%	Provision of integrate business software solution
(清農物聯網科技研究院(洛陽)有限公司)*				
清農物聯網科技研究院(洛陽)有限公司	中國	註冊及繳足股本 人民幣 1,000,000 元		提供綜合業務軟件解決方案
(「清農」)				

* The official names are in Chinese and the English names are translated for identification purpose only.

As at 31 December 2019, all of the above associates are accounted for using the equity method in these consolidated financial statements.

(c) Fair value of associates

As at 31 December 2019, all of Group's associates are private companies and there is no quoted market price available.

15. 於聯營公司之權益(續)

附註：

- (a) 給予聯營公司的貸款為無抵押、免息、及在可見將來並無計劃亦無可能結清。
- (b) 於報告期結束日聯營公司之詳情如下：

* 官方名稱以中文為準，英文翻譯名稱僅供識別之用。

於二零一九年十二月三十一日，上述所有聯營公司均採用權益法於本綜合財務報表中入帳。

(c) 聯營公司之公平值

於二零一九年十二月三十一日，本集團所有聯營公司均為私人公司，並無可用的市場報價。

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綜合財務報表附註

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

16. SUBSIDIARIES

Details of the principal subsidiaries at end of the reporting period are as follows:

16. 附屬公司

主要附屬公司於報告期結束日之詳情如下：

Name of subsidiaries 附屬公司名稱	Place of incorporation/Type of legal entity 註冊成立地點/ 法律實體類別	Place of operation 經營地點	Particulars of issued and fully paid share capital/ registered capital 已發行及繳足 股本/註冊資本詳情	Percentage of equity interests held by the Company		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
Gauteng Focus Limited	The BVI/limited liability company 英屬處女群島/有限公司	Hong Kong 香港	—	100%	—	Investment holding 投資控股
Loyal Fine Limited	The BVI/limited liability company 英屬處女群島/有限公司	Hong Kong 香港	United States Dollar ("US\$") 1 1美元	100%	—	Investment holding 投資控股
Easy Talent Limited ("Easy Talent") 智易有限公司(「智易」)	The BVI/limited liability company 英屬處女群島/有限公司	Hong Kong 香港	US\$10 10美元	—	65.79%	Investment holding 投資控股
Enterprise Development 企展	The Cayman Islands/limited liability company 開曼群島/有限公司	Hong Kong 香港	HK\$52,650,898 ordinary share 52,650,898港元普通股	—	38.72% (2018: 42.99%) (二零一八年： 42.99%)	Investment holding 投資控股
Forefront International (Hong Kong) Limited 福方(香港)有限公司	Hong Kong/limited liability company 香港/有限公司	Hong Kong 香港	HK\$100,000 ordinary shares HK\$6,000,000 non-voting deferred shares (Note (i)) 100,000港元普通股 6,000,000港元無投票權遞延股份(附註(i))	—	100%	Provision of management services for the Group 為本集團提供管理服務
Great Develop Group Limited 拓盈集團有限公司	Hong Kong/limited liability company 香港/有限公司	Hong Kong 香港	HK\$1 ordinary share 1港元普通股	—	100%	Investment holding 投資控股
Holly Good Group Limited 浩金集團有限公司	Hong Kong/limited liability company 香港/有限公司	Hong Kong 香港	HK\$1 ordinary share 1港元普通股	—	100%	Investment holding 投資控股

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

16. SUBSIDIARIES (Continued)

16. 附屬公司(續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/Type of legal entity 註冊成立地點/ 法律實體類別	Place of operation 經營地點	Particulars of issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of equity interests held by the Company 本公司所持股本權益百分比		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
Jiashengtai (HK) Limited 嘉盛泰(香港)有限公司	Hong Kong/Limited liability company 香港/有限公司	Hong Kong 香港	HK\$1 ordinary share 1港元普通股	—	51%	Investment holding 投資控股
King Billion International Limited 景億國際有限公司	Hong Kong/Limited liability company 香港/有限公司	Hong Kong 香港	HK\$1 ordinary share 1港元普通股	—	100%	Investment holding 投資控股
Luck Success Development Limited	The BVI/Limited liability company 英屬處女群島/有限公司	Hong Kong 香港	—	—	100%	Investment holding 投資控股
Next Concept 進念	The BVI/Limited liability company 英屬處女群島/有限公司	Hong Kong 香港	US\$100 100美元	—	51%	Investment holding 投資控股
Premium Talent Group Limited	The BVI/Limited liability company 英屬處女群島/有限公司	Hong Kong 香港	—	—	100%	Investment holding 投資控股
Red Square Group Limited 方鴻集團有限公司	Hong Kong/Limited liability company 香港/有限公司	Hong Kong 香港	HK\$1 ordinary share 1港元普通股	—	100%	Investment holding 投資控股
Rentian Finance Company Limited 仁天財務有限公司	Hong Kong/Limited liability company 香港/有限公司	Hong Kong 香港	HK\$2,000,000 ordinary shares 2,000,000港元普通股	—	100%	Money-lending 貸款
Sino Wealthy Limited	The BVI/Limited liability company 英屬處女群島/有限公司	Hong Kong 香港	US\$1 1美元	—	100%	Trading of securities 證券買賣
Smart Express	The BVI/Limited liability company 英屬處女群島/有限公司	Hong Kong 香港	US\$2 2美元	—	100%	Investment holding 投資控股

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

16. SUBSIDIARIES (Continued)

16. 附屬公司(續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/Type of legal entity 註冊成立地點/ 法律實體類別	Place of operation 經營地點	Particulars of issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of equity interests held by the Company		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
Beijing Orient LegendMaker Software Development Company Limited * (北京東方龍馬軟件發展有限公司) 北京東方龍馬軟件發展有限公司	The PRC/Limited liability company 中國/有限責任公司	The PRC 中國	Registered and paid-up capital of RMB110,000,000 註冊及繳足資本人民幣110,000,000元	—	65.79%	Provision of integrated business software solutions 提供綜合商業軟件解決方案
Weein (北京微應軟件科技有限公司)	The PRC/Limited liability company 中國/有限責任公司	The PRC 中國	Registered capital of RMB20,408,163 and paid-up capital of RMB11,548,163 (Note ii) 註冊資本人民幣20,408,163元及繳足資本人民幣11,548,163元 (附註ii)	—	51%	Provision in (i) research, development and production of mobile internet technology consulting services; (ii) the provision of Tencent Wechat's enterprise technology solutions; and (iii) the operation of network carrier's mobile marketing and education institution's mobile servicing platform (i) 提供移動互聯網技術諮詢服務的研究、開發及生產；(ii) 提供騰訊微信企業技術解決方案；及(iii) 經營網絡營運商移動營銷及教育機構移動服務平台
微應 (北京微應軟件科技有限公司)	中國/有限責任公司	中國	註冊資本人民幣20,408,163元及繳足資本人民幣11,548,163元 (附註ii)			

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

16. SUBSIDIARIES (Continued)

16. 附屬公司(續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/Type of legal entity 註冊成立地點/ 法律實體類別	Place of operation 經營地點	Particulars of issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of equity interests held by the Company		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
CNEOP (深圳市中光遠科技有限公司)	The PRC/Limited liability company	The PRC	Registered capital of RMB20,000,000 and paid-up capital of RMB20,000,000	—	61%	Research, development and production of mobile data capture intelligence terminals; provision of IoT application and solutions based on automatic identification and data capture technologies; and operation of IoT data servicing platform
中光遠 (深圳市中光遠科技有限公司)	中國/有限責任公司	中國	註冊資本人民幣20,000,000元及繳足資本人民幣20,000,000元			移動數據智能採集終端之研發與生產；基於自動識別與數據採集技術提供物聯網應用及解決方案；及物聯網資料服務平台運營
FSCE (福建實達電腦設備有限公司)	The PRC/Limited liability company	The PRC	Registered and paid-up capital of RMB148,181,800	—	100%	Design, manufacturing and distribution of printers, terminals and POS electronic products and provision of related services under its own brand name "Start" in the PRC
實達外設 (福建實達電腦設備有限公司)	中國/有限責任公司	中國	註冊及繳足資本人民幣148,181,800元			於中國設計、製造及分銷打印機、終端機及POS電子產品，並以自有品牌名稱「實達(Start)」提供相關服務
Hexicom (深圳市海億康科技有限公司)	The PRC/Limited liability company	The PRC	Registered and paid-up capital of RMB30,000,000	—	70%	Research and development, manufacturing and sales of IoT and Industrial 4.0 network solutions in the PRC
海億康 (深圳市海億康科技有限公司)	中國/有限責任公司	中國	註冊及繳足資本人民幣30,000,000元			於中國研發、製造及銷售物聯網及工業4.0網絡解決方案

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16. SUBSIDIARIES (Continued)

16. 附屬公司(續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/Type of legal entity 註冊成立地點/ 法律實體類別	Place of operation 經營地點	Particulars of issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of equity interests held by the Company 本公司所持股本權益百分比		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
Jiangsu Start Dima Data Processing Company Limited * (江蘇實達迪美數據處理有限公司)	The PRC/Limited liability company	The PRC	Registered and paid-up capital of RMB13,000,000	—	76.92%	Software and technology development and printing outsourcing services in the PRC 於中國從事軟件及技術開發以及打印外包服務
江蘇實達迪美數據處理有限公司	中國/有限責任公司	中國	註冊及繳足資本人民幣13,000,000元			
Lepei (杭州樂佩通信有限公司)	The PRC/Limited liability company	The PRC	Registered and paid-up capital of RMB1,300,000	—	52.50%	Research and development, design and manufacturing of optical transmission network equipment and software products for Gigabit-Capable Passive Optical Network and Ethernet Passive Optical Network communication 研發、設計及製造千兆無源光網路及乙太網無源光網路通信相關之光纖傳輸網路設備及軟件產品
樂佩 (杭州樂佩通信有限公司)	中國/有限責任公司	中國	註冊及繳足資本人民幣1,300,000元			
Qingdao Jiashengtai Technology Services Co. Ltd * (青島嘉盛泰科技服務有限公司)	The PRC/Limited liability company	The PRC	Registered capital of US\$2,000,000 and paid-up capital of US\$400,000	—	51%	One-stop solution, including but not limited to marketing research, software design, IT solution and strategic business consultation and development, to companies in the commodities industry in the PRC 向中國大宗商品行業之公司提供一站式解決方案，包括但不限於市場推廣研究、軟件設計、資訊科技解決方案及策略業務諮詢及開發
青島嘉盛泰科技服務有限公司	中國/有限責任公司	中國	註冊資本2,000,000美元及繳足資本400,000美元			

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

16. SUBSIDIARIES (Continued)

16. 附屬公司(續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/Type of legal entity 註冊成立地點/ 法律實體類別	Place of operation 經營地點	Particulars of issued and fully paid share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Percentage of equity interests held by the Company 本公司所持股本權益百分比		Principal activities 主要業務
				Directly 直接	Indirectly 間接	
Wealth-Depot (廣州大庫工業設備有限公司)	The PRC/Limited liability company	The PRC	Registered capital RMB30,000,000 and paid-up capital of RMB7,296,000 (Note iii)	—	83%	Design and manufacture of the standard returnable radio-frequency identification smart bins, implementation of smart warehouse and smart logistics solution
大庫 (廣州大庫工業設備有限公司)	中國/有限責任公司	中國	註冊資本人民幣30,000,000元及繳足資本人民幣7,296,000元(附註iii)			設計及製造標準可流通射頻識別智能物流箱，實施智慧倉儲及智慧物流之解決方案

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16. SUBSIDIARIES (Continued)

Unless stated otherwise, the percentage of equity interests held by the Company for the years ended 31 December 2019 and 2018 are the same.

* The official names are in Chinese and the English names are translated for identification purpose only.

Notes:

- (i) Holders of deferred shares have no rights to vote at general meetings or receive any dividend. Upon winding up, they are entitled to one half of the balance of the company's assets after HK\$100,000,000,000 has been distributed to holders of ordinary shares.
- (ii) The remaining registered share capital of RMB8,860,000 are committed by non-controlling shareholders to inject on or before 31 December 2020.
- (iii) The remaining registered capital of RMB18,844,320 and RMB3,859,680 are committed by the Group and non-controlling shareholders respectively to inject on or before 11 September 2045.

None of the subsidiaries had any loan capital in issue at any time during the years ended 31 December 2019 and 2018.

16. 附屬公司(續)

除非另有指明，否則本公司於截至二零一九年及二零一八年十二月三十一日止年度持有相同股本權益百分比。

* 官方名稱以中文為準，英文翻譯名稱僅供識別之用。

附註：

- (i) 遞延股份之持有人無權在股東大會上投票，亦無權收取任何股息。在清盤時，該公司資產中 100,000,000,000 港元將首先用於分派予普通股之持有人，而餘額之一半由遞延股份之持有人享有。
- (ii) 其餘註冊股本人民幣 8,860,000 元由非控股股東於二零二零年十二月三十一日或之前注入。
- (iii) 其餘註冊資本人民幣 18,844,320 元及人民幣 3,859,680 元分別由本集團及非控股股東於二零四五年九月十一日或之前注入。

各附屬公司於截至二零一九年及二零一八年十二月三十一日止年度內任何時間並無任何已發行借貸資本。

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16. SUBSIDIARIES (Continued)

Financial information of subsidiaries with individually material non-controlling interests (“NCI”)

The following table shows the information relating to Next Concept Group and Easy Talent and its subsidiaries (collectively referred to as “**Easy Talent Group**”) that have material NCI. The summarised financial information represents amounts before inter-company eliminations.

16. 附屬公司(續)

擁有個別重大非控股權益之附屬公司之財務資料

下表顯示有關擁有重大非控股權益之進念集團及智易及其附屬公司(統稱「**智易集團**」)之資料。財務資料概要指公司間對銷前之數額。

		Next Concept Group 進念集團	
		2019 二零一九年	2018 二零一八年
Proportion of NCI’s ownership interests	非控股權益之擁有權權益比例	<u>49%</u>	<u>49%</u>
		HK\$’000 千港元	HK\$’000 千港元
Current assets	流動資產	63,680	184,322
Non-current assets	非流動資產	1,158	2,703
Current liabilities	流動負債	(174,727)	(176,240)
Non-current liabilities	非流動負債	<u>—</u>	<u>—</u>
Net assets	資產淨值	<u>(109,889)</u>	<u>10,785</u>
Carrying amount of NCI	非控股權益之帳面金額	<u>(53,846)</u>	<u>5,285</u>

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16. SUBSIDIARIES (Continued)

Financial information of subsidiaries with individually material non-controlling interests ("NCI") (Continued)

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue	收益	<u>307</u>	<u>8,070</u>
Loss for the year	年內虧損	<u>(119,589)</u>	<u>(101,164)</u>
Total comprehensive loss for the year	年內全面虧損總額	<u>(120,674)</u>	<u>(119,219)</u>
Loss attributable to NCI	歸屬於非控股權益之虧損	<u>(58,599)</u>	<u>(49,570)</u>
Dividends paid to NCI	已付非控股權益之股息	<u>—</u>	<u>137,154</u>
Net cash flows used in: Operating activities	用於下列各項之現金流量淨額： 經營業務	<u>(29,679)</u>	<u>(3,212)</u>
Investing activities	投資活動	<u>1,138</u>	<u>10,934</u>
Financing activities	融資活動	<u>928</u>	<u>(189,382)</u>

16. 附屬公司(續)

擁有個別重大非控股權益之附屬公司之財務資料(續)

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16. SUBSIDIARIES (Continued)

Financial information of subsidiaries with individually material non-controlling interests ("NCI") (Continued)

16. 附屬公司(續)

擁有個別重大非控股權益之附屬公司之財務資料(續)

		Easy Talent Group 智易集團	
		2019 二零一九年	2018 二零一八年
Proportion of NCI's ownership interests	非控股權益之擁有權權益比例	36.77%	34.21%
		HK\$'000 千港元	HK\$'000 千港元
Current assets	流動資產	200,814	275,349
Non-current assets	非流動資產	24,172	35,864
Current liabilities	流動負債	(43,165)	(59,879)
Non-current liabilities	非流動負債	(2,138)	(1,742)
Net assets	資產淨值	179,683	249,592
Carrying amount of NCI	非控股權益之帳面金額	66,069	85,376

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16. SUBSIDIARIES (Continued)

Financial information of subsidiaries with individually material non-controlling interests ("NCI") (Continued)

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue	收益	115,314	179,021
Loss for the year	年內虧損	(66,707)	(36,903)
Total comprehensive loss for the year	年內全面虧損總額	(69,662)	(53,186)
Loss attributable to NCI	歸屬於非控股權益之虧損	(24,528)	(12,625)
Dividends paid to NCI	已付非控股權益之股息	—	—
Net cash flows used in: Operating activities	用於下列各項之現金流量淨額： 經營業務	10,576	(3,561)
Investing activities	投資活動	(3,640)	(5,016)
Financing activities	融資活動	(31,900)	(1,360)

16. 附屬公司(續)

擁有個別重大非控股權益之附屬公司之財務資料(續)

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17. FINANCIAL ASSETS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

17. 指定於其他全面收入按公平值處理之財務資產

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Unlisted equity securities in a private limited company incorporated outside Hong Kong	於香港境外註冊成立之私人有限公司之非上市股本證券	218,966	233,261

The balance represents the Group's equity interests in Co-Lead Holdings Limited ("Co-Lead"), a company incorporated in the BVI with limited liabilities. As at 31 December 2019 and 2018, the Group held 8.58% equity interests in Co-Lead. The principal activity of Co-Lead is investment holding.

During the year ended 31 December 2019, a decrease in fair value of HK\$14,295,000 (2018: HK\$34,239,000) in Co-Lead was recognised in fair value reserve (non-recycling). The fair value of Co-Lead was determined by Access Partner Consultancy & Appraisals Limited ("Access Partner"), an independent valuer, which was based on the price-to-net book value ("P/B") ratios of the comparable companies and adjusted by minority discounts at end of the reporting period and is categorised within level 3 of the fair value hierarchy.

No investment in financial assets designated at FVOCI has been disposed of during the year. There was no transfers of any cumulative gain or loss arising from financial assets designated at FVOCI within equity during the current year.

該結餘指本集團於一間於英屬處女群島註冊成立之有限公司Co-Lead Holdings Limited(「Co-Lead」)之股本權益。於二零一九年及二零一八年十二月三十一日，本集團持有Co-Lead之8.58%股本權益。Co-Lead之主要業務為投資控股。

於截至二零一九年十二月三十一日止年度，Co-Lead之公平值減少14,295,000港元(二零一八年：34,239,000港元)已於公平值儲備(不重新分類)中確認。Co-Lead之公平值由獨立估值師亞克碩顧問及評估有限公司(「亞克碩」)釐定，此乃根據可資比較公司於報告期結束日之市帳率，並就少數權益折讓作出調整而定，其已分類為公平值架構級別三計量。

本年度概無出售有關指定於其他全面收入按公平值處理之財務資產投資。本年度權益內亦無於其他全面收入按公平值處理之財務資產所產生之任何累計收益或虧損轉移。

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18. INVENTORIES

Raw materials	原材料
Work-in-progress	在製品
Finished goods	製成品

18. 存貨

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
	99,531	111,939
	36,270	33,660
	81,979	56,236
	217,780	201,835

At end of the reporting period, all inventories, excluding those fully provided for with nil carrying value, are stated at cost.

於報告期結束日，除帳面值為零並已計提全數撥備之存貨外，所有存貨均按成本列帳。

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19. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

19. 於損益帳按公平值處理之財務資產

		Note 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Held for trading	持作買賣			
Equity securities listed in Hong Kong	香港上市股本證券	(a)	6,243	1,696,636
Bonds listed outside Hong Kong	香港境外上市之債券	(a)	—	348,765
Others mandatorily measured at FVPL	其他強制於損益帳按公平值處理計量			
Wealth management products, unlisted	財富管理產品，非上市	(b)	12,863	55,565
Unlisted equity securities in a private limited company incorporated outside Hong Kong	於香港境外註冊成立之私人有限公司之非上市股本證券	(c)	121,790	136,212
Unlisted equity securities in a private limited company incorporated in Hong Kong	於香港註冊成立之私人有限公司之非上市股本證券	(d)	24,663	25,693
Unlisted partnership investments	非上市合夥投資	(e), (f)	—	20,285
			165,559	2,283,156
Analysed as:	分析為：			
Current portion	流動部分		165,559	2,262,871
Non-current portion	非流動部分		—	20,285
			165,559	2,283,156

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

19. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Notes:

- (a) The fair values of listed equity securities and listed bonds are based on quoted market prices in active markets at end of the reporting period.

During the year ended 31 December 2019, the fair value loss on listed equity securities and listed bonds of HK\$54,103,000 and HK\$Nil (2018: HK\$812,945,000 and HK\$31,305,000) were recognised in profit or loss respectively.

- (b) As at 31 December 2019 and 2018, the unlisted wealth management products comprise of unlisted funds and financial products.

As at 31 December 2019, these unlisted wealth management products were subscribed from certain banks in the PRC (2018: (i) a company registered and approved by Securities and Futures Commission of Hong Kong; and (ii) a bank in the PRC). These products were redeemable at the discretion of the Group from time to time and the intention of holding them was for short-term investment. Included in these products, HK\$12,863,000 (2018: HK\$22,875,000) and HK\$Nil (2018: HK\$32,690,000) were denominated in RMB and US\$ respectively.

The fair values of these products were reported and provided by the fund managers and the banks. During the year ended 31 December 2019, no change in fair value on these products (2018: fair value loss of HK\$291,779,000 was recognised in profit or loss).

- (c) The balance represents the Group's equity interests in Satinu Resources Group Limited ("Satinu"), a company incorporated in the BVI with limited liabilities. Due to the allotment of new shares to other investors during 2019, the Group's equity interests in Satinu were diluted from 2.11% to 1.76% at end of the reporting period. The principal activities of Satinu are provision of integrated financial services, securities brokerage services, money lending, securities and other direct investments.

During the year ended 31 December 2019, the fair value loss of HK\$14,422,000 (2018: HK\$35,028,000) in respect of the investments in Satinu was recognised in profit or loss. The fair value of the equity interests in Satinu was determined by Access Partner, based on the P/B approach and adjusted by minority discounts at end of the reporting period and is categorised within level 3 of the fair value hierarchy.

19. 於損益帳按公平值處理之財務資產(續)

附註：

- (a) 上市股本證券及上市債券之公平值乃基於報告期結束日在活躍市場所報之市價計算。

於截至二零一九年十二月三十一日止年度，上市股本證券及上市債券之公平值虧損分別為54,103,000港元及零港元(二零一八年：812,945,000港元及31,305,000港元)已於損益帳中確認。

- (b) 於二零一九年及二零一八年十二月三十一日，非上市財富管理產品包括非上市基金及財務產品。

於二零一九年十二月三十一日，該等非上市財富管理產品乃向中國之若干銀行(二零一八年：向(i)一間已登記及經香港證券及期貨事務監察委員會認可之公司；及(ii)中國一間銀行)認購。該等產品可由本集團不時酌情贖回，旨在作為短期投資持有。該等產品中，12,863,000港元(二零一八年：22,875,000港元)及零港元(二零一八年：32,690,000港元)分別以人民幣及美元計值。

該等產品之公平值由基金經理及銀行報告及提供。於截至二零一九年十二月三十一日止年度，該等產品之公平值並無變動(二零一八年：公平值虧損291,779,000港元已於損益帳中確認)。

- (c) 該結餘指本集團於Satinu Resources Group Limited ("Satinu")，一間於英屬處女群島註冊成立之有限公司)之股本權益。由於二零一九年向其他投資者配發新股份，本集團於Satinu之股本權益於報告期結束日由2.11%攤薄至1.76%。Satinu之主要業務為提供綜合財務服務、證券經紀服務、借貸、證券及其他直接投資。

於截至二零一九年十二月三十一日止年度，有關於Satinu投資之公平值虧損14,422,000港元(二零一八年：35,028,000港元)已於損益帳中確認。Satinu股本權益之公平值由亞克頓釐定，此乃根據於報告期結束日採用市帳率方法，並就少數權益折讓作出調整而定，其已分類為公平值架構級別三計量。

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19. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Notes: (Continued)

- (d) The balance represents the Group's equity interests in Simagi Finance Company Limited ("Simagi"), a company incorporated in Hong Kong with limited liability. Due to the allotment of new shares to other investors during 2019, the Group's equity interests in Simagi were diluted from 10.10% to 10.07% at end of the reporting period. The principal activity of Simagi is engaging in money lending business.

During the year ended 31 December 2019, the fair value loss of HK\$1,030,000 (2018: HK\$22,976,000) in respect of the investments in Simagi was recognised in profit or loss. The fair value of the equity interests in Simagi was determined by Access Partner, based on the price-to-earning ("P/E") approach and adjusted by minority discounts at end of the reporting period and is categorised within level 3 of the fair value hierarchy.

- (e) In March 2017, the Group entered into a subscription agreement with an independent third party and agreed to contribute US\$10,000,000 (representing approximately 5.69% of the committed capital of the partnership at the date of subscription) in a private partnership incorporated in the Cayman Islands ("Partnership Commitment A"). As at 31 December 2018, the Group held 4.59% of the committed capital of the partnership.

During the year ended 31 December 2019, the Group has failed to make timely payment of the Partnership Commitment A and the Group's interest of 4.59% in the partnership has been removed. In view of such incidents, the fair value loss of HK\$20,285,000 (2018: HK\$3,135,000) was recognised in profit or loss.

- (f) In May 2019, the Group entered into a partnership agreement with an independent third party and agreed to contribute RMB99,999,999 (representing approximately 99.99% of the committed capital of the partnership at the date of subscription) in a private partnership incorporated in the PRC, which is registered and approved by the Asset Management Association of China ("Partnership Commitment B"). During the year ended 31 December 2019, the Group has contributed RMB50,000,000 (equivalent to approximately HK\$56,744,000) and the remaining committed capital will be contributed on or before 19 December 2033. During the year ended 31 December 2019, fair value loss of HK\$56,744,000 was recognised in profit or loss.

19. 於損益帳按公平值處理之財務資產(續)

附註：(續)

- (d) 該結餘指本集團於 Simagi Finance Company Limited (「Simagi」，一間於香港註冊成立之有限公司) 之股本權益。由於二零一九年向其他投資者配發新股份，本集團於 Simagi 之股本權益於報告期結束日由 10.10% 攤薄至 10.07%。Simagi 之主要業務為從事借貸業務。

於截至二零一九年十二月三十一日止年度，有關於 Simagi 投資之公平值虧損 1,030,000 港元(二零一八年：22,976,000 港元)已於損益帳中確認。Simagi 股本權益之公平值由亞克頓釐定，此乃根據於報告期結束日採用市盈率方法，並就少數權益折讓作出調整而定，其已分類為公平值架構級別三計量。

- (e) 於二零一七年三月，本集團與一名獨立第三方訂立認購協議，並同意向一個於開曼群島註冊成立之私人合夥出資 10,000,000 美元(相當於該合夥於認購日期之已承諾資本約 5.69%) (「合夥承諾 A」)。於二零一八年十二月三十一日，本集團持有該合夥之已承諾資本 4.59%。

於截至二零一九年十二月三十一日止年度，本集團未能及時支付合夥承諾 A，故本集團於該合夥企業中之 4.59% 權益已被移除。有鑑於此，已於損益帳確認公平值虧損 20,285,000 港元(二零一八年：3,135,000 港元)。

- (f) 於二零一九年五月，本集團與一名獨立第三方訂立認購協議，並同意向一個於中國註冊成立之私人合夥(已於中國登記及經中國證券投資基金業協會認可)出資人民幣 99,999,999 元(相當於該合夥於認購日期之已承諾資本約 99.99%) (「合夥承諾 B」)。於截至二零一九年十二月三十一日止年度，本集團已出資人民幣 50,000,000 元(相當於約 56,744,000 港元)，餘下已承諾資本將於二零三三年十二月十九日或之前注入。於截至二零一九年十二月三十一日止年度，公平值虧損 56,744,000 港元已於損益帳中確認。

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20. LOAN RECEIVABLES

The balance comprises loan receivables from:

Loan receivables from third parties	應收第三方之貸款
Loan receivables from a related company	應收一間關聯公司之貸款
Less: Loss allowance	減：虧損備抵

Notes:

- (a) At end of the reporting period, (1) loan receivables of HK\$19,958,000 were unsecured, carried at fixed interest rate of 15% per annum (2018: HK\$129,298,000 were unsecured, carried at fixed interest rate of ranging from 15% to 18% per annum) and within the respective maturity dates; and (2) remaining loan receivables of HK\$149,975,000 were unsecured, carried at fixed interest rate of ranging from 5% to 18% (2018: HK\$64,978,000 were unsecured, carried at fixed interest rate of ranging from 5% to 15% per annum) per annum and overdue.
- (b) The loan receivables from a related company was unsecured, carried fixed interest rate at 8% and is repayable within one year.
- (c) The total gross amount of loan receivables of HK\$131,007,000 (2018: HK\$108,805,000) and HK\$44,826,000 (2018: HK\$85,471,000) were denominated in HK\$ and RMB respectively.
- (d) Information about the Group's exposure to credit risk and loss allowance for loan receivables is included in Note 36(b) to the consolidated financial statements.

20. 應收貸款

有關結餘包括源於下列各項之應收貸款：

Note 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
	169,933	194,276
	5,900	—
36(b)	(175,833)	(44,667)
	—	149,609

附註：

- (a) 於報告期結束日，(1) 19,958,000港元之應收貸款為無抵押，按固定年利率15厘計息(二零一八年：129,298,000港元之應收貸款為無抵押，按固定年利率介乎15厘至18厘計息)且各自並無逾期；及(2) 149,975,000港元之其餘應收貸款為無抵押，按固定年利率介乎5厘至18厘(二零一八年：64,978,000港元之應收貸款為無抵押及按固定年利率介乎5厘至15厘計息)計息及已逾期。
- (b) 應收一間關聯公司之貸款為無抵押，按固定年利率8厘計息，及須於一年內償還。
- (c) 合共為131,007,000港元(二零一八年：108,805,000港元)及44,826,000港元(二零一八年：85,471,000港元)之應收貸款總額分別以港元及人民幣計值。
- (d) 有關本集團就應收貸款所面對之信貸風險及虧損備抵資料載於綜合財務報表附註36(b)。

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綜合財務報表附註

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21. TRADE AND OTHER RECEIVABLES

21. 貿易及其他應收款項

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
	Note 附註		
Trade receivables	貿易應收款項		
Trade receivables		324,744	452,323
Less: Loss allowance		<u>(104,088)</u>	<u>(134,483)</u>
	(a)	<u>220,656</u>	<u>317,840</u>
Notes receivables	應收票據	1,377	2,337
Other receivables	其他應收款項		
Prepayments to suppliers, net of impairment	向供應商預付之款項，扣除減值	85,667	225,419
Prepayments	預付款項	2,262	4,030
Deposits and other debtors, net of loss allowance	按金及其他應收帳款，扣除虧損備抵	61,265	159,632
		<u>149,194</u>	<u>389,081</u>
		<u>371,227</u>	<u>709,258</u>

Notes:

- (a) The ageing analysis of trade receivables, net of loss allowance, based on the invoice date, is as follows:

附註：

- (a) 貿易應收款項(扣除虧損備抵)按發票日期之帳齡分析如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within 90 days	90天內	162,561	212,906
91 – 180 days	91至180天	19,411	9,858
181 – 365 days	181至365天	17,916	25,534
Over 365 days	365天以上	<u>20,768</u>	<u>69,542</u>
		<u>220,656</u>	<u>317,840</u>

The Group allows a credit period of 30 – 90 (2018: 30 – 90) days to its customers.

本集團給予其客戶30至90(二零一八年：30至90)天之信貸期。

Information about the Group's exposure to credit risks and loss allowance for trade receivables is included in Note 36(b) to the consolidated financial statements.

有關本集團所面對之信貸風險及貿易應收款項虧損備抵之資料載於綜合財務報表附註36(b)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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21. TRADE AND OTHER RECEIVABLES (Continued)

Notes: (Continued)

- (b) Notes receivables were not past due at end of the reporting period and will mature within 30 to 180 days (2018: 30 to 180 days).
- (c) These prepayments to suppliers are unsecured, interest free and will be used to offset against future purchases from suppliers.

In respect of prepayments made to suppliers, individual credit evaluations are performed on all suppliers requiring prepayments over a certain amount. These evaluations focus on the supplier's past history and take into account information specific to the supplier as well as pertaining to the economic environment in which the supplier operates.

The directors have reassessed the recoverability of the unutilised prepayments based on all relevant information available to the Group. The directors consider that there is significant uncertainty on the recovery of certain prepayments. Accordingly, an impairment loss of HK\$30,812,000 (2018: Nil) has been recognised in the consolidated statement of profit or loss and other comprehensive income during the year ended 31 December 2019.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each supplier. The default risk of the industry and country in which suppliers operate also has an influence on credit risk but to a lesser extent. At the end of each reporting period, the Group has a certain concentrations of credit risk as 11% (2018: 22%) and 22% (2018: 30%) of the total prepayments made to the Group's largest supplier and the five largest suppliers respectively.

- (d) Information about the Group's exposure to credit risks and loss allowance for other receivables is included in Note 36(b) to the consolidated financial statements.

21. 貿易及其他應收款項(續)

附註：(續)

- (b) 應收票據於報告期結束日並未逾期，將於30至180天(二零一八年：30至180天)內到期。
- (c) 該等預付供應商之款項為無抵押、免息及將用於抵銷未來向供應商購貨之金額。

就預付供應商之款項而言，將對所有需要預付一定金額的供應商進行單獨的信貸評估。該等評估着眼於供應商之過往紀錄，並計及供應商之特定資料及與供應商經營所在經濟環境有關之資料。

董事已根據本集團可獲得之所有相關資料重新評估未動用預付款項之可收回性。董事認為，若干預付款項能否收回存在大量不確定性。因此，已於截至二零一九年十二月三十一日止年度之綜合損益及其他全面收益表中確認減值虧損30,812,000港元(二零一八年：無)。

本集團面對之信貸風險主要受每名供應商之個別特點影響。供應商經營所在行業及國家的違約風險亦對信貸風險有較小程度的影響。於各報告期結束日，由於預付款項中11%(二零一八年：22%)及22%(二零一八年：30%)分別為預付本集團最大供應商及五大供應商之款項，故本集團出現一定的集中信貸風險。

- (d) 有關本集團所面對之信貸風險及其他應收款項虧損備抵之資料載於綜合財務報表附註36(b)。

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22. PLEDGED BANK DEPOSITS

At end of the reporting period, the Group pledged bank deposits amounting to HK\$7,503,000 (2018: HK\$11,259,000) to banks to secure trade finance facilities and banking facilities granted to subsidiaries. Deposits amounting to HK\$4,553,000 (2018: HK\$9,451,000) have a maturity period within one year and are therefore classified as current assets. Deposits amounting to HK\$2,950,000 (2018: HK\$1,808,000) have a maturity period more than one year and are therefore classified as non-current assets. The pledged bank deposits carry average interest rate at 0.57% (2018: 0.3%) per annum as at 31 December 2019. The pledged bank deposits will be released upon the settlement of relevant trade finance facilities and banking facilities.

23. BANK BALANCES AND CASH

At end of the reporting period, the bank balances of the Group denominated in RMB amounted to HK\$215,137,000 (2018: HK\$315,835,000). The government of the PRC has implemented foreign exchange control and the remittance of these funds out of the PRC is subject to exchange restrictions imposed by the government of the PRC.

22. 已質押銀行存款

於報告期結束日，本集團向多家銀行質押銀行存款7,503,000港元(二零一八年：11,259,000港元)，作為授予附屬公司之貿易融資信貸及銀行融資之抵押。4,553,000港元(二零一八年：9,451,000港元)之存款期限為一年內，因此分類為流動資產。2,950,000港元(二零一八年：1,808,000港元)之存款期限為一年以上，因此分類為非流動資產。於二零一九年十二月三十一日，已質押銀行存款按平均年利率0.57厘(二零一八年：0.3厘)計息。已質押銀行存款將於相關貿易融資信貸及銀行融資結清後獲解除。

23. 銀行結存及現金

於報告期結束日，本集團以人民幣計值之銀行結存為215,137,000港元(二零一八年：315,835,000港元)。中國政府已實施外匯管制，而將該等資金匯出中國須受限於中國政府施加之匯兌限制。

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綜合財務報表附註

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24. TRADE AND OTHER PAYABLES

		Note	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		附註		
Trade payables to third parties	第三方貿易應付款項	(a)	189,224	215,548
Notes payables	應付票據		15,304	25,824
Other payables	其他應付款項			
Accrued charges	應計費用		88,266	87,582
Interest payables	應付利息		48,822	31,364
Other creditors	其他應付帳款	(b)	45,743	51,635
Trade deposits received	已收貿易按金	(c)	37,580	36,571
			220,411	207,152
			424,939	448,524

Notes:

- (a) The credit period of trade payables is normally within 90 (2018: 90) days. The ageing analysis of the trade payables, based on the invoice date is as follows:

Within 90 days	90天內
91 – 180 days	91至180天
181 – 365 days	181至365天
Over 365 days	365天以上

- (b) The balance included amounts due to a selling shareholder of CNEOP of HK\$33,360,000 (2018: HK\$33,360,000).

24. 貿易及其他應付款項

		Note	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
		附註		
Trade payables to third parties	第三方貿易應付款項	(a)	189,224	215,548
Notes payables	應付票據		15,304	25,824
Other payables	其他應付款項			
Accrued charges	應計費用		88,266	87,582
Interest payables	應付利息		48,822	31,364
Other creditors	其他應付帳款	(b)	45,743	51,635
Trade deposits received	已收貿易按金	(c)	37,580	36,571
			220,411	207,152
			424,939	448,524

附註：

- (a) 貿易應付款項之信貸期一般於90(二零一八年：90)天內償付。貿易應付款項按發票日期之帳齡分析如下：

Within 90 days	90天內	145,979	169,219
91 – 180 days	91至180天	10,364	5,648
181 – 365 days	181至365天	9,405	13,064
Over 365 days	365天以上	23,476	27,617
		189,224	215,548

- (b) 該結餘包括應付中光遠一名售股股東之款項33,360,000港元(二零一八年：33,360,000港元)。

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綜合財務報表附註

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

24. TRADE AND OTHER PAYABLES (Continued)

Notes: (Continued)

- (c) The balance represents the contract liabilities from contracts with customers within HKFRS 15 at end of the reporting period and the movements (excluding those arising from increases and decreases both occurred within the same year) of the contract liabilities during the year are as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At 1 January	於一月一日	36,571	34,213
Recognised as revenue	確認為收益	(36,454)	(34,684)
Receipt of advances or recognition of receivables	收取預先支付或確認應收款項	38,126	38,985
Exchange realignment	匯兌調整	(663)	(1,943)
At 31 December	於十二月三十一日	37,580	36,571

As at 31 December 2019 and 2018, all contract liabilities are expected to be settled within next 12 months.

24. 貿易及其他應付款項(續)

附註：(續)

- (c) 該結餘指於報告期結束日根據香港財務報告準則第15號與客戶訂立之合約產生之合約負債，而合約負債於年內之變動(不包括於同一年度增加及減少產生之變動)如下：

於二零一九年及二零一八年十二月三十一日，預期所有合約負債將於未來12個月內償付。

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25. INTEREST-BEARING BORROWINGS AND OTHER BORROWINGS

25. 計息借貸及其他借貸

	Note 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Interest-bearing borrowings			
Bank borrowings, unsecured and guaranteed	(a)	7,830	28,405
Bank borrowings, secured and unguaranteed		—	14,801
Bank borrowings, secured and guaranteed	(b)	180,000	200,000
Bank borrowings, unsecured and unguaranteed	(c)	2,237	—
Margin loan, secured and unguaranteed		—	685,499
Loan from a third party, unsecured and unguaranteed	(d)	5,000	5,000
Loans from financial institutions, secured and guaranteed	(e)	250,000	391,000
Obligations under finance leases	(f)	—	279
		445,067	1,324,984
The maturity of the interest-bearing borrowings are as follows:			
Within 1 year or on demand		445,067	1,324,863
2 to 5 years		—	121
		445,067	1,324,984
Portion classified as current liabilities		(445,067)	(1,324,863)
Non-current portion		—	121
Analysis of the amount due based on scheduled payment dates set out in the loan agreements (ignoring the effect of any repayment on demand clause) is as follows:			
Within 1 year or on demand		445,067	1,324,863
2 to 5 years		—	121
		445,067	1,324,984
Lease liabilities			
Current portion		9,608	—
Non-current portion		14,783	—
		24,391	—

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

25. INTEREST-BEARING BORROWINGS AND OTHER BORROWINGS (Continued)

Notes:

(a) Bank borrowings, unsecured and guaranteed

The bank borrowings were denominated in RMB (2018: RMB) and carried interest at prevailing interest rate of loan prime rate plus 0.2% per annum (2018: at the prevailing interest rate of loan prime rate plus 178 basis points; or (ii) at prevailing interest rate of loan prime rate plus 0.55% per annum; or (iii) at fixed rate of ranging of 5.655% to 8% per annum). At end of the reporting period, (i) bank borrowings of HK\$2,237,000 were guaranteed by non-controlling shareholders of a subsidiary; (ii) bank borrowings of HK\$3,356,000 were guaranteed by a subsidiary; and the remaining bank borrowings of HK\$2,237,000 were guaranteed by a non-controlling shareholder and a third party (2018: (i) bank borrowings of HK\$5,180,000 were guaranteed by non-controlling shareholders of a subsidiary; (ii) bank borrowings of HK\$5,009,000 were guaranteed by a director of a subsidiary, non-controlling shareholders of a subsidiary and a third party; (iii) bank borrowings of HK\$6,831,000 were guaranteed by a subsidiary; and (iv) bank borrowings of HK\$11,385,000 were guaranteed by the controlling shareholder of the Company and a third party). The bank borrowings are wholly repayable within one year.

(b) Bank borrowings, secured and guaranteed

The bank borrowings carried interest at The Hong Kong Interbank Offered Rate (“HIBOR”) plus 5.6% per annum (2018: HIBOR plus 4.6% per annum). The bank borrowings were secured by the charges over the entire issued share capital in certain subsidiaries of the Company, guaranteed by the controlling shareholder of the Company (2018: the same). The bank borrowings are overdue as at 21 March 2020 and classified as on demand as at 31 December 2019 (2018: due in March 2019).

(c) Bank borrowings, unsecured and unguaranteed

The bank borrowings were denominated in RMB and carried interest at the prevailing interest rate of loan prime rate plus 15% of loan prime rate per annum. The bank borrowings are wholly repayable within one year.

(d) Loan from a third party, unsecured and unguaranteed

The loan due to an independent third party is carried interest rate of 9% per annum (2018: 9% per annum) and is repayable within one year.

25. 計息借貸及其他借貸(續)

附註：

(a) 銀行借貸，無抵押及有擔保

該等銀行借貸以人民幣(二零一八年：人民幣)計值，按現行最優惠貸款年利率加0.2厘(二零一八年：按(i)現行最優惠貸款年利率加178個基點；或(ii)現行最優惠貸款年利率加0.55厘；或(iii)固定年利率介乎5.655厘至8厘)計息。於報告期結束日，(i) 2,237,000港元之銀行借貸由一間附屬公司之非控股股東擔保；(ii) 3,356,000港元之銀行借貸由一間附屬公司擔保；及2,237,000港元之其餘銀行借貸由一名非控股股東及一名第三方擔保(二零一八年：(i) 5,180,000港元之銀行借貸由一間附屬公司之非控股股東擔保；(ii) 5,009,000港元之銀行借貸由一間附屬公司之董事、一間附屬公司之非控股股東及一名第三方擔保；(iii) 6,831,000港元之銀行借貸由一間附屬公司擔保；及(iv) 11,385,000港元之銀行借貸由本公司控股股東及一名第三方擔保)。該等銀行借貸須於一年內悉數償還。

(b) 銀行借貸，有抵押及有擔保

該等銀行借貸按香港銀行同業拆息加年利率5.6厘(二零一八年：香港銀行同業拆息加年利率4.6厘)計息。該等銀行借貸以本公司若干附屬公司全部已發行股本之押記作抵押，由本公司之控股股東擔保(二零一八年：相同)。於二零二零年三月三十一日，該等銀行借貸已逾期，並於二零一九年十二月三十一日分類為按要求償還(二零一八年：於二零一九年三月到期)。

(c) 銀行借貸，無抵押及無擔保

該等銀行借貸以人民幣計值，按現行最優惠貸款年利率上浮15%計息。該等銀行借貸須於一年內悉數償還。

(d) 來自一名第三方之貸款，無抵押及無擔保

來自一名獨立第三方之貸款按年利率9厘計息(二零一八年：年利率9厘)，須於一年內償還。

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25. INTEREST-BEARING BORROWINGS AND OTHER BORROWINGS (Continued)

Notes: (Continued)

(e) Loans from financial institutions, secured and guaranteed

The loans due to financial institutions of HK\$250,000,000 (2018: HK\$250,000,000) is secured by 203,854,292 share of Enterprise Development, guaranteed by the controlling shareholder of the Company and carried interest rate at The Bank of China (Hong Kong) Limited ("BOCHK")'s HK\$ prime rate plus 2% per annum (2018: the same). The loans are overdue and classified as on demand as at 31 December 2019 (2018: due in July 2019). The remaining loans of HK\$141,000,000 as at 31 December 2018 was secured by a securities account, with a total market value of approximately HK\$451,396,000 as at 31 December 2018, guaranteed by the controlling shareholder of the Company and carried at fixed rate of 6.625%. The remaining loans were fully settled during the year ended 31 December 2019.

(f) Obligations under finance leases

For the year ended 31 December 2018, the obligations under finance leases are interest-bearing at 1.45% per annum and are repayable in monthly instalments with the final instalment due in April 2020.

At 31 December 2018

		Minimum lease payments 最低租賃付款	Present value of minimum lease payments 最低租賃付款現值
		HK\$'000 千港元	HK\$'000 千港元
Amount payable	應付款項		
Within one year	一年內	164	145
In the second to fifth years inclusive	第二至第五年(包括首尾兩年)	122	134
		286	279
Future finance charges	未來融資費用	(7)	
Present value of lease obligations	租賃債務現值	279	
Amount due for settlement within 12 months	於12個月內到期清償之金額		158
Amount due for settlement after 12 months	於12個月後到期清償之金額		121
			279

Upon the adoption of HKFRS 16 on 1 January 2019, obligations under finance leases were reclassified as lease liabilities on the consolidated statement of financial position.

25. 計息借貸及其他借貸(續)

附註：(續)

(e) 來自財務機構之貸款，有抵押及有擔保

該筆應付財務機構之貸款250,000,000港元(二零一八年：250,000,000港元)以203,854,292股企展股份作抵押，由本公司之控股股東擔保，按中國銀行(香港)有限公司(「中銀香港」)港元最優惠利率加年利率2厘計息(二零一八年：相同)。於二零一九年十二月三十一日，該貸款已逾期，並分類為按要求償還(二零一八年：於二零一九年七月到期)。於二零一八年十二月三十一日，141,000,000港元之餘下貸款由一個證券帳戶作抵押，該證券帳戶於二零一八年十二月三十一日之總市值約為451,396,000港元，由本公司控股股東擔保，並按年利率6.625厘計息。該等餘下貸款已於截至二零一九年十二月三十一日止年度悉數償還。

(f) 融資租賃債務

截至二零一八年十二月三十一日止年度，融資租賃債務按年利率1.45厘計息，須按月分期償還，最後一期還款於二零二零年四月到期。

於二零一八年十二月三十一日

	Minimum lease payments 最低租賃付款	Present value of minimum lease payments 最低租賃付款現值
	HK\$'000 千港元	HK\$'000 千港元
Amount payable		
Within one year	164	145
In the second to fifth years inclusive	122	134
	286	279
Future finance charges	(7)	
Present value of lease obligations	279	
Amount due for settlement within 12 months		158
Amount due for settlement after 12 months		121
		279

於二零一九年一月一日採納香港財務報告準則第16號後，融資租賃債務在綜合財務狀況表中重新分類為租賃負債。

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

26. DEFERRED TAXATION

The following is the analysis of major deferred taxation assets (liabilities) recognised by the Group and movement thereon:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	3,567	3,828
Deferred tax liabilities	遞延稅項負債	(4,088)	(4,609)
		(521)	(781)

26. 遞延稅項

以下為本集團所確認主要遞延稅項資產(負債)及其變動之分析：

		Allowance for trade and other receivables 貿易及其他 應收款項備抵 HK\$'000 千港元	Fair value adjustments 公平值 調整 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2018 (previously stated)	於二零一八年 一月一日 (過往呈列)	596	(26,528)	413	(25,519)
Effect on adoption of HKFRS 9	採納香港財務報告準 則第9號之影響	2,986	—	—	2,986
At 31 December 2017 and 1 January 2018 (previously stated)	於二零一七年十二 月三十一日及二零 一八年一月一日 (過往呈列)	3,582	(26,528)	413	(22,533)
Credited to profit or loss Exchange realignments	計入損益帳 匯兌調整	42 (190)	21,919 —	— (19)	21,961 (209)
At 31 December 2018 and 1 January 2019	於二零一八年十二 月三十一日及二零 一九年一月一日	3,434	(4,609)	394	(781)
Credited to profit or loss (note 8)	計入損益帳(附註8)	(403)	521	—	118
Exchange realignments	匯兌調整	149	—	(7)	142
At 31 December 2019	於二零一九年十二月 三十一日	3,180	(4,088)	387	(521)

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26. DEFERRED TAXATION (Continued)

At end of the reporting period, the Group had unrecognised tax losses of HK\$3,496,238,000 (2018: HK\$2,386,821,000) available for offsetting against future profits. No deferred tax asset has been recognised in respect of such tax losses and deductible temporary difference of HK\$213,292,000 (2018: HK\$Nil) due to the unpredictability of future profit streams. The expiry dates of unrecognized tax losses are as follows:

Tax losses without expiry date	並無到期日之稅項虧損
Tax losses expiring on 31 December 2023	於二零二三年十二月三十一日到期之稅項虧損
Tax losses expiring on 31 December 2024	於二零二四年十二月三十一日到期之稅項虧損

The accumulated profits of HK\$153,539,000 (2018: HK\$181,459,000) from certain PRC subsidiaries would be subject to additional tax if they are distributed. No deferred tax liabilities have been recognised in respect of the tax that would be payable on the distribution of the accumulated profits as the Company controls the dividend policy of these subsidiaries and in the opinion of the directors of the Company, these accumulated profits, at the present time, are retained for financing the continuing operations of the entities and no distribution would be made in the foreseeable future.

26. 遞延稅項(續)

於報告期結束日，本集團有未確認稅項虧損3,496,238,000港元(二零一八年：2,386,821,000港元)，可供抵銷未來溢利。由於未能預測未來溢利來源，故並無就該等稅項虧損及可扣減暫時差額213,292,000港元(二零一八年：零港元)確認遞延稅項資產。未確認之稅項虧損之到期日如下：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
	3,471,834	2,374,434
	12,387	12,387
	12,017	—
	3,496,238	2,386,821

若干中國附屬公司之累計溢利153,539,000港元(二零一八年：181,459,000港元)如被分派，將須繳納額外稅項。由於本公司控制該等附屬公司之股息政策，且本公司董事認為該等累計溢利目前保留作該等附屬公司之持續經營資金，不會於可見將來分派，故並無就分派該等累計溢利時應付之稅項確認遞延稅項負債。

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27. PROMISSORY NOTES

27. 承兌票據

		Debt component 債務部分 HK\$'000 千港元	Deferred day-one gain 遞延首日收益 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2018	於二零一八年 一月一日	715,338	24,486	739,824
Fair value of promissory notes issued at the inception date	已發行承兌票據於 初始日期之公平值	219,909	—	219,909
Interest charged for the year	年內利息支出	53,067	—	53,067
Interest payable on promissory notes included in other payables	計入其他應付款項之 承兌票據應付利息	(39,093)	—	(39,093)
Amortisation of deferred day-one gain	遞延首日收益攤銷	—	(11,070)	(11,070)
Settlement	結算	(226,000)	—	(226,000)
At 1 January 2019	於二零一九年 一月一日	723,221	13,416	736,637
Interest charged for the year (Note 5(a))	年內利息支出 (附註5(a))	42,782	—	42,782
Interest payable on promissory notes included in other payables	計入其他應付款項之 承兌票據應付利息	(29,291)	—	(29,291)
Amortisation of deferred day-one gain (Note 3(b))	遞延首日收益攤銷 (附註3(b))	—	(8,922)	(8,922)
Settlement	結算	(265,278)	—	(265,278)
At 31 December 2019	於二零一九年 十二月三十一日	471,434	4,494	475,928

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27. PROMISSORY NOTES (Continued)

The maturity of the promissory notes is as follows:	承兌票據之到期情況如下：
Within 1 year or on demand	一年內或按要求
2 to 5 years	二至五年
Over 5 years	五年以上
Portion classified as current liabilities	分類為流動負債之部分
Non-current portion	非流動部分

Promissory Notes A, Promissory Notes F, Promissory Notes G, Promissory Notes H and Promissory Notes I

In prior years, the Group issued several promissory notes ("Promissory Notes A", "Promissory Notes F", "Promissory Notes G", "Promissory Notes H" and "Promissory Notes I") of HK\$80,000,000, HK\$8,000,000, HK\$1,500,000, HK\$5,000,000 and HK\$450,000,000, at 5% interest rate per annum with 7 years of maturity, at 6% interest rate per annum with 4 years of maturity, at 6% interest rate per annum with 5 years of maturity, at 6% interest rate per annum with 7 years of maturity and at 6% interest rate per annum with 2 years of maturity from the date of issue respectively, to several independent third parties. Due to the breach of certain terms of the promissory notes, Promissory Notes A, F, G and H with maturity in 2021, 2021, 2022 and 2024 respectively have been reclassified as on demand as at 31 December 2019.

27. 承兌票據(續)

2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
475,928	645,975
—	85,662
—	5,000
475,928	736,637
(475,928)	(645,975)
—	90,662

承兌票據A、承兌票據F、承兌票據G、承兌票據H及承兌票據I

於過往年度，本集團發行分別80,000,000港元、8,000,000港元、1,500,000港元、5,000,000港元及450,000,000港元之多份承兌票據(「承兌票據A」、「承兌票據F」、「承兌票據G」、「承兌票據H」及「承兌票據I」)予數名獨立第三方，承兌票據A按年利率5厘發行，於由發行日期起計滿七年時到期，承兌票據F按年利率6厘發行，於由發行日期起計滿四年時到期，承兌票據G按年利率6厘發行，於由發行日期起計滿五年時到期，承兌票據H按年利率6厘發行，於由發行日期起計滿七年時到期，而承兌票據I按年利率6厘發行，於由發行日期起計滿兩年時到期。由於違反承兌票據的若干條款，於二零一九年十二月三十一日，分別於二零二一年、二零二一年、二零二二年及二零二四年到期的承兌票據A、F、G及H被重新分類為按要求償還。

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27. PROMISSORY NOTES (Continued)

Promissory Notes A, Promissory Notes F, Promissory Notes G, Promissory Notes H and Promissory Notes I (Continued)

During the year ended 31 December 2019, interest expenses on Promissory Notes A, Promissory Notes F, Promissory Notes G, Promissory Notes H and Promissory Notes I of HK\$10,592,000, HK\$480,000, HK\$90,000, HK\$300,000 and HK\$20,822,000 (2018: HK\$9,686,000, HK\$480,000, HK\$90,000, HK\$300,000 and HK\$32,746,000); and amortisation of deferred day-one gain on Promissory Notes A and Promissory Notes I of HK\$5,049,000 and HK\$3,873,000 (2018: HK\$5,050,000 and HK\$5,854,000) were recognised in profit or loss respectively.

Part of the Promissory Notes I of HK\$265,278,000 matured and was fully settled in 2019 and the remaining amount is overdue and classified as on demand as at 31 December 2019.

Promissory Notes C

In January 2016, the Group issued promissory notes of HK\$200,000,000 in aggregate at 4% interest rate per annum with 2 years of maturity from the date of issue to a financial institution in Hong Kong ("Promissory Notes C"). Promissory Notes C is guaranteed by the controlling shareholder of the Company and secured by the charges over the entire issued share capital in certain subsidiaries of the Company.

During the year ended 31 December 2019, no interest expenses on Promissory Notes C (2018: HK\$2,038,000); and no amortisation of deferred day-one gain on Promissory Notes C (2018: HK\$166,000) were recognised in profit or loss respectively as Promissory Notes C was fully settled in 2018.

Promissory Notes J and Promissory Notes K

In connection with the acquisition of financial assets at FVPL in August 2018, the Group issued two promissory notes ("Promissory Notes J" and "Promissory Notes K") of HK\$175,000,000 and HK\$50,000,000 to Satinu and Simagi respectively as subscription consideration. Promissory Notes J and Promissory Notes K were both issued at 6.5% interest rate per annum with 1 year of maturity from the date of issue. Promissory Notes J and K are overdue and classified as on demand as at 31 December 2019 (2018: due in August 2019).

27. 承兌票據(續)

承兌票據A、承兌票據F、承兌票據G、承兌票據H及承兌票據I(續)

於截至二零一九年十二月三十一日止年度，承兌票據A、承兌票據F、承兌票據G、承兌票據H及承兌票據I之利息開支分別10,592,000港元、480,000港元、90,000港元、300,000港元及20,822,000港元(二零一八年：9,686,000港元、480,000港元、90,000港元、300,000港元及32,746,000港元)；以及承兌票據A及承兌票據I之遞延首日收益攤銷分別5,049,000港元及3,873,000港元(二零一八年：5,050,000港元及5,854,000港元)已於損益帳確認。

265,278,000港元之部分承兌票據I已到期，並於二零一九年悉數結算。於二零一九年十二月三十一日，餘下金額已逾期，並分類為按要價償還。

承兌票據C

於二零一六年一月，本集團按年利率4厘發行合共200,000,000港元之承兌票據(「承兌票據C」)予香港一間財務機構，於由發行日期起計滿兩年時到期。承兌票據C由本公司控股股東提供擔保，並以本公司若干附屬公司全部已發行股本之押記作抵押。

於截至二零一九年十二月三十一日止年度，由於承兌票據C已於二零一八年悉數結清，故並無於損益帳確認承兌票據C的利息開支(二零一八年：2,038,000港元)及遞延首日收益攤銷(二零一八年：166,000港元)。

承兌票據J及承兌票據K

有關於二零一八年八月收購於損益帳按公平值處理之財務資產，本集團分別向Satinu及Simagi發行175,000,000港元及50,000,000港元之兩份承兌票據(「承兌票據J」及「承兌票據K」)，作為認購代價。承兌票據J及承兌票據K均按年利率6.5厘發行，於發行日期起計一年內到期。於二零一九年十二月三十一日，承兌票據J及承兌票據K已逾期，並分類為按要價償還(二零一八年：於二零一九年八月到期)。

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27. PROMISSORY NOTES (Continued)

Promissory Notes J and Promissory Notes K (Continued)

During the year ended 31 December 2019, interest expenses on Promissory Notes J and Promissory Notes K of HK\$7,797,000 and HK\$2,701,000 (2018: HK\$5,847,000 and HK\$1,880,000) were recognised in profit or loss respectively.

28. DEFINED CONTRIBUTION PLANS

The group companies in Hong Kong participate in the MPF scheme which is a defined contribution scheme managed by independent trustees. The assets of the fund are held separately from those of the group companies and are managed by independent professional fund managers. Under the MPF scheme, each of the companies (the employer) and its employees make monthly contributions to the MPF scheme at 5% of the employees' earnings as defined under the MPF legislation. The monthly contributions of each of the employees are subject to a cap of HK\$1,500 (2018: cap of HK\$1,500) and thereafter contributions are voluntary.

The employees of the Group's subsidiaries in the PRC are members of the state-managed retirement benefits scheme operated by the government of the PRC. These subsidiaries of the Group are required to contribute certain percentage of their payroll costs to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the specified contributions.

Contributions of HK\$27,282,000 (2018: HK\$34,354,000) were made during the year ended 31 December 2019.

At 31 December 2019 and 2018, the Group had no material forfeited contribution available to reduce its contributions to the retirement benefits scheme in future years.

27. 承兌票據(續)

承兌票據J及承兌票據K(續)

於截至二零一九年十二月三十一日止年度，承兌票據J及承兌票據K之利息開支分別7,797,000港元及2,701,000港元(二零一八年：5,847,000港元及1,880,000港元)已於損益帳確認。

28. 界定供款計劃

本集團旗下在香港之公司已參加強積金計劃，該計劃乃由獨立受託人管理之界定供款計劃。該基金之資產與本集團各公司之資產分開持有，並由獨立專業基金經理管理。根據強積金計劃，各公司(僱主)及其僱員須根據強積金法例所界定，各自每月向強積金計劃作出相等於僱員收入5%之供款。每名僱員之每月供款上限為1,500港元(二零一八年：上限1,500港元)，超出之供款純屬自願性質。

本集團中國附屬公司之僱員為中國政府所營辦國家管理退休福利計劃之成員。本集團之附屬公司須向退休福利計劃貢獻其工資成本之若干百分比，以作為福利資金。本集團關於退休福利計劃之唯一責任為作出指定供款。

本集團於截至二零一九年十二月三十一日止年度作出之供款為27,282,000港元(二零一八年：34,354,000港元)。

於二零一九年及二零一八年十二月三十一日，本集團並無重大已沒收供款可供扣減未來年度之退休福利計劃供款。

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29. CONVERTIBLE BONDS

The movement of liability component at amortised costs of the convertible bonds is as follows:

29. 可換股債券

可換股債券按攤銷成本之負債部分變動如下：

			2016	2017	
			Convertible	Convertible	Total
			Bonds	Bonds	總計
			二零一六年	二零一七年	
			可換股債券	可換股債券	
			(Note b)	(Note a)	
			(附註b)	(附註a)	
		Note	HK\$'000	HK\$'000	HK\$'000
		附註	千港元	千港元	千港元
At 1 January 2018	於二零一八年 一月一日		635,541	13,621	649,162
Interest charged for the year	年內利息支出		69,715	379	70,094
Interest payable on convertible bonds included in other payables	計入其他應付款項 之可換股債券應付 利息		(34,436)	—	(34,436)
Reclassification	重新分類	(a)	—	(14,000)	(14,000)
Exchange realignments	匯兌調整		1,297	—	1,297
			<u>36,576</u>	<u>(13,621)</u>	<u>22,955</u>
At 31 December 2018 and at 1 January 2019	於二零一八年十二月 三十一日及於二零 一九年一月一日		672,117	—	672,117
Interest charged for the year (Note 5(a))	年內利息支出 (附註5(a))		53,444	—	53,444
Interest payable on convertible bonds included in other payables	計入其他應付款項 之可換股債券應付 利息		(24,960)	—	(24,960)
Exchange realignments	匯兌調整		(3,955)	—	(3,955)
			<u>24,529</u>	<u>—</u>	<u>24,529</u>
At 31 December 2019	於二零一九年十二月 三十一日	(b)	<u>696,646</u>	<u>—</u>	<u>696,646</u>

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29. CONVERTIBLE BONDS (Continued)

The maturity of the convertible bonds is as follows:	可換股債券之到期情況如下：
Within 1 year or on demand	一年內或按要求
2 to 5 years	二至五年
Portion classified as current liabilities	分類為流動負債之部分
Non-current portion	非流動部分

Notes:

- (a) In August 2015, the Group completed the acquisition of 51% equity interests in CNEOP. As part and parcel of the acquisitions, the Group and a selling shareholder of CNEOP (the “Selling Shareholder”) entered into a profit guarantee agreement, pursuant to which the Company shall issue and allot the convertible bonds in the principal amounts up to the value of HK\$29,060,000 and pay up to HK\$8,290,000 in cash to the Selling Shareholder subject to the satisfaction of the profit indicator.

On 25 May 2017, the Company issued convertible bonds in the principal amount of HK\$14,000,000 (the “2017 Convertible Bonds”), at the adjusted conversion price of HK\$0.42 per share which is convertible into 33,333,333 conversion shares at maximum, to the Selling Shareholder B upon the satisfaction of the profit indicator for the years ended 31 December 2015 and 2016. The 2017 Convertible Bonds of HK\$14,000,000 were matured in 2018. None of the principal amount of the 2017 Convertible Bonds has been converted into conversion shares.

Due to the satisfaction of the profit indicator for the year ended 31 December 2017, the Group is obligated to issue convertible bonds in principal amount of HK\$15,060,000 and pay cash of HK\$4,300,000 to the Selling Shareholder. However, no convertible bond or cash has been issued or paid to the Selling Shareholder and the aggregate amount payable to the Selling Shareholder, including the 2017 Convertible Bonds, of HK\$33,360,000 was included in the “Trade and other payables” as at 31 December 2019 and 2018.

29. 可換股債券(續)

2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
696,646	672,117
—	—
696,646 (696,646)	672,117 (672,117)
—	—

附註：

- (a) 於二零一五年八月，本集團完成收購中光遠51%股本權益。作為收購的一部分，本集團與中光遠之售股股東(「售股股東」)訂立一份溢利保證協議，據此，在達成溢利指標之規限下，本公司將向售股股東發行及配發本金額價值最高29,060,000港元之可換股債券及支付最多8,290,000港元現金。

在達成截至二零一五年及二零一六年十二月三十一日止年度之溢利指標後，於二零一七年五月二十五日，本公司按經調整轉換價每股0.42港元向售股股東B發行本金額為14,000,000港元之可換股債券(「二零一七年可換股債券」)，最多可轉換為33,333,333股轉換股份。14,000,000港元之二零一七年可換股債券已於二零一八年到期。二零一七年可換股債券之本金額並無轉換為轉換股份。

由於截至二零一七年十二月三十一日止年度已達成溢利指標，本集團須發行本金額為15,060,000港元之可換股債券，並向售股股東支付現金4,300,000港元。然而，並無向售股股東發行可換股債券或支付現金，應付售股股東之總額33,360,000港元(包括二零一七年可換股債券)已於二零一九年及二零一八年十二月三十一日計入「貿易及其他應付款項」。

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29. CONVERTIBLE BONDS (Continued)

Notes:

- (b) On 9 September 2016, the Company, as the issuer, entered into a placing agreement with a lead manager, pursuant to which the Company conditionally agreed to issue, and the lead manager conditionally agreed to procure (a) the first round investors to subscribe for the initial convertible bonds in the principal amount of US\$80,000,000 (the “2016 Convertible Bonds I”); and (b) the second round investors to subscribe for, the additional convertible bonds in the principal amount of US\$30,000,000 (the “2016 Convertible Bonds II”), at the initial conversion price of HK\$0.586 per share (collectively referred to the “2016 Convertible Bonds”) based on the agreed exchange rate of US\$1 = HK\$7.755.

On 23 September 2016, the Company issued 2016 Convertible Bonds I of US\$80,000,000 to two investors which is convertible into 1,058,703,070 conversion shares at maximum. The 2016 Convertible Bonds I are secured, interest-bearing at 5.5% per annum and have a term of 3 years. The 2016 Convertible Bonds I of US\$80,000,000 were matured in September 2019. None of the principal amount of the 2016 Convertible Bonds I has been converted into conversion shares before the lapse of conversion period. The 2016 Convertible Bonds I were classified as on demand as at 31 December 2019.

29. 可換股債券(續)

附註：(續)

- (b) 於二零一六年九月九日，本公司(作為發行人)與牽頭經辦人訂立一份配售協議，據此，本公司有條件同意發行，而牽頭經辦人則有條件同意促使(a)首輪投資者認購首批可換股債券，本金額為80,000,000美元(「二零一六年可換股債券I」)；及(b)第二輪投資者認購額外可換股債券，本金額為30,000,000美元(「二零一六年可換股債券II」)，初步轉換價為每股0.586港元(統稱「二零一六年可換股債券」)，按協定匯率1美元兌7.755港元計算。

於二零一六年九月二十三日，本公司向兩名投資者發行80,000,000美元之二零一六年可換股債券I(最多可轉換為1,058,703,070股轉換股份)。二零一六年可換股債券I為有抵押、按年利率5.5厘計息及年期為三年。80,000,000美元之二零一六年可換股債券I已於二零一九年九月到期。概無二零一六年可換股債券I之本金額於轉換期失效前轉換為轉換股份。於二零一九年十二月三十一日，二零一六年可換股債券I已分類為按要求轉換。

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30. SHARE CAPITAL AND TREASURY SHARES

30. 股本及庫存股份

		2019 二零一九年			2018 二零一八年		
		No. of shares 股份數目 (Thousands) (千股)	Share capital 股本 HK\$'000 千港元	Treasury shares 庫存股份 HK\$'000 千港元	No. of shares 股份數目 (Thousands) (千股)	Share capital 股本 HK\$'000 千港元	Treasury shares 庫存股份 HK\$'000 千港元
Authorised:	法定：						
At beginning of the reporting period and at end of the reporting period	於報告期初及 於報告期結束日						
Ordinary shares of HK\$0.001 each	每股面值0.001港元之 普通股	5,000,000,000	5,000,000	—	5,000,000,000	5,000,000	—
Issued and fully paid:	已發行及繳足：						
At beginning of the reporting period	於報告期初						
Ordinary shares of HK\$0.001 each	每股面值0.001港元之 普通股	11,018,820	11,022	(4)	11,148,390	11,148	—
Shares repurchased (Note (a))	已購回股份(附註(a))	(270)	—	—	(129,570)	(126)	(4)
At end of the reporting period	於報告期結束日						
Ordinary shares of HK\$0.001 each	每股面值0.001港元之普通股	11,018,550	11,022	(4)	11,018,820	11,022	(4)
Shares repurchased but not cancelled	已購回但未註銷股份						
Number of shares (Note (b))	股份數目(附註(b))	4,030			3,760		
Total	總計	11,022,580			11,022,580		

Note:

(a) During the year ended 31 December 2019, pursuant to the general mandate given to the directors of the Company, the Company repurchased a total of 270,000 (2018: 129,570,000) of its shares on the Stock Exchange at a total consideration of HK\$6,000 (2018: HK\$21,303,000), in which no shares were cancelled (2018: 125,810,000 shares were cancelled). The nominal value of 4,030,000 (2018: 3,760,000) shares was recognised as treasury shares as at 31 December 2019.

The total consideration paid to repurchase these shares has been deducted from equity attributable to the owners of the Company.

(b) As at 31 December 2019, there are repurchased shares that were not cancelled of 4,030,000 shares (2018: 3,760,000 shares).

附註：

(a) 於截至二零一九年十二月三十一日止年度，根據授予本公司董事之一般授權，本公司按總代價6,000港元(二零一八年：21,303,000港元)於聯交所合共購回270,000股(二零一八年：129,570,000股)股份，其中並無股份被註銷(二零一八年：125,810,000股股份被註銷)。4,030,000股(二零一八年：3,760,000股)股份之面值已於二零一九年十二月三十一日確認為庫存股份。

就購回該等股份之總代價已從本公司擁有人應佔股權中扣減。

(b) 於二零一九年十二月三十一日，4,030,000股(二零一八年：3,760,000股)已購回股份並未註銷。

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31. SHARE OPTIONS

(a) Share option scheme

On 2 June 2017, with approval by the shareholders, the Company adopted a new share option scheme (the “**Scheme**”) for a period of 10 years to replace the share option scheme approved on 6 August 2007 that would otherwise expire on 6 August 2017.

Under the Scheme, the Company may grant options to directors and employees of the Group and any other persons who, in the sole discretion of the Board, have contributed or will contribute to the Group. The options will expire either after 10 years from the date of grant or upon the termination or the issuance of termination notice of the relevant grantee’s employment with the Group. The maximum number of shares to be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option scheme of the Company must not in aggregate exceed 30% of the total number of shares in issue from time to time.

The total number of shares which may be issued upon exercise of all options to be granted under the Scheme and any other share option scheme of the Company must not in aggregate exceed 10% of the shares in issue at the date of the passing of the relevant ordinary resolution. If any option is to be granted to connected person(s), it must be approved by independent non-executive directors or independent shareholders as the case may be.

The maximum number of shares in respect of which share options may be granted to a specifically identified single grantee under the Scheme (including exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares in issue.

31. 購股權

(a) 購股權計劃

於二零一七年六月二日，本公司在股東批准下採納一項新購股權計劃（「計劃」），有效期10年，以取代於二零零七年八月六日獲批准並應於二零一七年八月六日屆滿之購股權計劃。

根據計劃，本公司可向本集團董事及僱員以及董事會全權酌情認為曾經或將會對本集團作出貢獻之任何其他人士授出購股權。購股權將於由授出日期起計10年後或於終止或藉發出終止通知終止相關承授人與本集團之僱傭關係後失效。將於根據計劃及本公司任何其他購股權計劃授出但尚未行使之所有發行在外購股權獲行使時發行之股份數目上限，合共不得超過不時已發行股份總數之30%。

於根據計劃及本公司任何其他購股權計劃授出之所有購股權獲行使時可予發行之股份總數，合共不得超過於通過相關普通決議案當日已發行股份之10%。凡向關連人士授出購股權，均須經獨立非執行董事或獨立股東（視情況而定）批准。

於任何12個月期間內，根據計劃可向個別指明單一承授人授出之購股權（包括已行使、已註銷及未行使之購股權）所涉股份數目上限，不得超過已發行股份總數之1%。

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31. SHARE OPTIONS (Continued)

(a) Share option scheme (Continued)

Under the Scheme, the options granted may be accepted by a participant within 14 days from the date of such offer. A consideration of HK\$1 is payable on acceptance of the offer of grant of an option. The exercise period of the share options granted is determinable by the directors of the Company, and commences after a vesting period of no shorter than 12 months and ends on a date which is not later than 10 years from the date of offer of the share options. The subscription price for shares payable on exercise of share options granted under the Scheme shall be a price determined by the directors of the Company, but shall in any event not be less than the highest of (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer of grant, which must be a trading day; (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of the offer of grant; and (iii) the nominal value of share.

The options granted prior to and remaining outstanding at termination, if any, shall continue to be valid and exercisable in accordance with the terms of the Scheme.

31. 購股權(續)

(a) 購股權計劃(續)

根據計劃，參與者可於由要約日期起計14日內接納所獲授之購股權。接納授出購股權之要約時須支付1港元代價。所授出購股權之行使期由本公司董事釐定，於不少於12個月之歸屬期後開始，最遲於購股權要約日期起計滿10年之日結束。根據計劃授出之購股權獲行使時應付之股份認購價由本公司董事釐定，惟在任何情況下不得低於下列之最高者：(i) 股份於授出要約日期(必須為交易日)在聯交所每日報價表所列之收市價；(ii) 股份於緊接授出要約日期前五個交易日在聯交所每日報價表所列之平均收市價；及(iii) 股份面值。

於終止前已授出及於終止時仍未行使之購股權(如有)將繼續有效及可按照計劃之條款行使。

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31. SHARE OPTIONS (Continued)

(b) Movement in share option granted:

The following table discloses movements of the Company's share options held by directors and employees of the Group during the years ended 31 December 2019 and 2018:

2019:

Name of category of participant	Date of grant ^Δ	Exercise price	Outstanding at 1 January 2019	Reclassification during the year	Granted during the year	Exercised during the year	Lapsed/ Forfeited during the year	Outstanding at 31 December 2019	The closing price of the Company's shares quoted on the Stock Exchange immediately before the date of grant
參與者類別名稱	授出日期 ^Δ	行使價 HK\$ 港元	於二零一九年一月一日 尚未行使	年內重新分類	年內授出	年內行使	年內失效/沒收	於二零一九年十二月三十一日 尚未行使	本公司股份於緊接授出日期前在聯交所所報之收市價 HK\$ 港元
Directors in aggregate 董事總計	30 March 2015 二零一五年三月三十日	0.247	50,000,000	—	—	—	(50,000,000)	—	0.245
	14 July 2016 二零一六年七月十四日	0.520	33,000,000	—	—	—	(33,000,000)	—	0.530
Employees in aggregate 僱員總計	30 March 2015 二零一五年三月三十日	0.247	121,000,000	—	—	—	(34,500,000)	86,500,000	0.245
	14 July 2016 二零一六年七月十四日	0.520	165,800,000	—	—	—	(59,600,000)	106,200,000	0.530
			<u>369,800,000</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(177,100,000)</u>	<u>192,700,000</u>	
Weighted average exercise price (HK\$) 加權平均行使價(港元)			<u>0.394</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>0.390</u>	<u>0.397</u>	

31. 購股權(續)

(b) 已授出購股權之變動：

下表披露於截至二零一九年及二零一八年十二月三十一日止年度由本集團董事及僱員持有之本公司購股權之變動：

二零一九年：

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31. SHARE OPTIONS (Continued)

(b) Movement in share option granted:

2018:

Name of category of participant	Date of grant ^Δ	Exercise price	Outstanding at 1 January 2018 於二零一八年一月一日尚未行使	Reclassification during the year 年內重新分類	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed/ Forfeited during the year 年內失效/沒收	Outstanding at 31 December 2018 於二零一八年十二月三十一日尚未行使	The closing price of the Company's shares quoted on the Stock Exchange immediately before the date of grant 本公司股份於緊接授出日期前在聯交所所報之收市價 HK\$ 港元
Directors in aggregate 董事總計	30 March 2015 二零一五年三月三十日	0.247	110,000,000	—	—	—	(60,000,000)	50,000,000	0.245
	14 July 2016 二零一六年七月十四日	0.520	33,000,000	—	—	—	—	33,000,000	0.530
Employees in aggregate 僱員總計	30 March 2015 二零一五年三月三十日	0.247	286,863,900	—	—	—	(165,863,900)	121,000,000	0.245
	14 July 2016 二零一六年七月十四日	0.520	240,500,000	—	—	—	(74,700,000)	165,800,000	0.530
	6 December 2016 二零一六年十二月六日	0.493	50,000,000	—	—	—	(50,000,000)	—	0.495
			<u>720,363,900</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(350,563,900)</u>	<u>369,800,000</u>	
Weighted average exercise price (HK\$) 加權平均行使價(港元)			<u>0.368</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>0.340</u>	<u>0.394</u>	

Δ The options granted on 30 March 2015, 14 July 2016 were vested as follows:

50% of the share options granted will vest on the second anniversary of the date of grant, subject to the satisfaction of the certain specific conditions; and the remaining 50% of the share options granted will vest on the third anniversary of the date of grant, subject to the satisfaction of the certain specific conditions.

No share options were exercised for the years ended 31 December 2019 and 2018. As at 31 December 2019 and 2018, no share options were exercisable.

31. 購股權(續)

(b) 已授出購股權之變動：

二零一八年：

Name of category of participant	Date of grant ^Δ	Exercise price	Outstanding at 1 January 2018 於二零一八年一月一日尚未行使	Reclassification during the year 年內重新分類	Granted during the year 年內授出	Exercised during the year 年內行使	Lapsed/ Forfeited during the year 年內失效/沒收	Outstanding at 31 December 2018 於二零一八年十二月三十一日尚未行使	The closing price of the Company's shares quoted on the Stock Exchange immediately before the date of grant 本公司股份於緊接授出日期前在聯交所所報之收市價 HK\$ 港元
Directors in aggregate 董事總計	30 March 2015 二零一五年三月三十日	0.247	110,000,000	—	—	—	(60,000,000)	50,000,000	0.245
	14 July 2016 二零一六年七月十四日	0.520	33,000,000	—	—	—	—	33,000,000	0.530
Employees in aggregate 僱員總計	30 March 2015 二零一五年三月三十日	0.247	286,863,900	—	—	—	(165,863,900)	121,000,000	0.245
	14 July 2016 二零一六年七月十四日	0.520	240,500,000	—	—	—	(74,700,000)	165,800,000	0.530
	6 December 2016 二零一六年十二月六日	0.493	50,000,000	—	—	—	(50,000,000)	—	0.495
			<u>720,363,900</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(350,563,900)</u>	<u>369,800,000</u>	
Weighted average exercise price (HK\$) 加權平均行使價(港元)			<u>0.368</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>0.340</u>	<u>0.394</u>	

Δ 於二零一五年三月三十日及二零一六年七月十四日授出之購股權按下述方式歸屬：

待若干特定條件達成後，已授出購股權之50%將於授出日期之第二週年日歸屬；待若干特定條件達成後，已授出購股權其餘50%將於授出日期之第三週年日歸屬。

於截至二零一九年及二零一八年十二月三十一日止年度，概無購股權獲行使。於二零一九年及二零一八年十二月三十一日，並無購股權可行使。

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31. SHARE OPTIONS (Continued)

(c) Fair value of share options and assumptions

The fair value of the share options granted is measured at the date of grant, using the binomial option pricing model, taking into account the terms and conditions of the share-based arrangement except for non-market vesting conditions. The fair value calculated is inherently subjective and uncertain due to the assumptions made and the limitations of the model used. The inputs into the model are as follows:

Grant date	Weighted average fair value at grant date	The closing price of the Company's shares quoted on the Stock Exchange at grant date	Exercise price	Risk-free interest rate	Expected volatility	Expected life	Expected dividend yield
授出日期	於授出日期之加權平均公平值 HK\$ per share 每股港元	本公司股份於授出日期在聯交所所報之收市價 HK\$ per share 每股港元	行使價 HK\$ per share 每股港元	無風險利率	預期波幅	預期行使期	預期股息率
30 March 2015 二零一五年三月三十日	0.134	0.247	0.247	1.450%	66%	10 years 10年	N/A 不適用
14 July 2016 二零一六年七月十四日	0.205	0.520	0.520	0.925%	44%	10 years 10年	N/A 不適用

The expected volatility was determined by using the historical volatility of the Company's share price over the last one year of share option granted. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate.

During the year ended 31 December 2019, the fair value of equity-settled share-based payment in respect of the Scheme of HK\$2,851,000 was reversed (2018: HK\$9,681,000 was reversed) in profit or loss.

31. 購股權(續)

(c) 購股權公平值及假設

已授出購股權之公平值乃經考慮以股份為基礎安排之條款及條件(非市場歸屬條件除外)後，以二項式購股權定價模型於授出日期計量。因受到計算公平值時所作假設及所採用計算模型之限制，所計出之公平值本身屬主觀及不確定。計算模型所用之輸入項目如下：

預期波幅乃使用上一授出購股權年度本公司股價之歷史波幅釐定。計算購股權公平值所用之變數及假設乃以董事最佳估計作基礎。

於截至二零一九年十二月三十一日止年度，有關計劃之權益結算以股份支付之款項之公平值2,851,000港元已於損益帳撥回(二零一八年：已撥回9,681,000港元)。

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32. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

Details of the changes in the Group's liabilities from financing activities are as follows:

		Interest payables	Interest-bearing borrowings	Promissory notes	Convertible bonds	Lease liabilities	Total
		應付利息	計息借貸	承兌票據	可換股債券	租賃負債	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
		(Note 24)	(Note 25)	(Note 27)	(Note 29)	(Note 25)	
		(附註 24)	(附註 25)	(附註 27)	(附註 29)	(附註 25)	
At 1 January 2018	於二零一八年一月一日	26,392	724,938	739,824	649,162	—	2,140,316
Changes from financing cash flows:	融資現金流量變動：						
New bank borrowings raised	新造銀行借貸	—	243,206	—	—	—	243,206
New margin loan raised	新造孖展貸款	—	685,499	—	—	—	685,499
New other borrowings raised	新造其他借貸	—	141,000	—	—	—	141,000
Repayment of bank borrowings	償還銀行借貸	—	(42,125)	—	—	—	(42,125)
Repayment of margin loans	償還孖展貸款	—	(425,079)	—	—	—	(425,079)
Repayment of obligations under finance leases	償還融資租賃債務	—	(154)	—	—	—	(154)
Repayment of promissory notes	償還承兌票據	—	—	(226,000)	—	—	(226,000)
Interest expenses paid	已付利息開支	(151,094)	—	—	—	—	(151,094)
Total changes from financing cash flows	融資現金流量變動總額	(151,094)	602,347	(226,000)	—	—	225,253
Exchange realignments	匯兌調整	—	(2,301)	—	1,297	—	(1,004)
Other non-cash changes:	其他非現金變動：						
Finance costs	財務成本	82,537	—	53,067	70,094	—	205,698
Interest payables on convertibles bonds	可換股債券應付利息	34,436	—	—	(34,436)	—	—
Interest payables on promissory notes	承兌票據應付利息	39,093	—	(39,093)	—	—	—
Issuance of promissory notes as the subscription consideration	發行承兌票據作為認購代價	—	—	219,909	—	—	219,909
Transfer to other payables upon maturity	到期時轉入其他應付款項	—	—	—	(14,000)	—	(14,000)
Others	其他	—	—	(11,070)	—	—	(11,070)
Total other changes	其他變動總額	156,066	—	222,813	21,658	—	400,537

32. 融資活動所產生負債之變動

本集團融資活動所產生負債之變動詳情如下：

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32. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES (Continued)

32. 融資活動所產生負債之變動(續)

		Interest payables 應付利息 HK\$'000 千港元 (Note 24) (附註24)	Interest-bearing borrowings 計息借貸 HK\$'000 千港元 (Note 25) (附註25)	Promissory notes 承兌票據 HK\$'000 千港元 (Note 27) (附註27)	Convertible bonds 可換股債券 HK\$'000 千港元 (Note 29) (附註29)	Lease liabilities 租賃負債 HK\$'000 千港元 (Note 25) (附註25)	Total 總計 HK\$'000 千港元
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	31,364	1,324,984	736,637	672,117	—	2,765,102
Upon adoption of HKFRS 16	採納香港財務報告準則第16號後	—	(279)	—	—	30,331	30,052
		31,364	1,324,705	736,637	672,117	30,331	2,795,154
Changes from financing cash flows:	融資現金流量變動：						
New bank borrowings raised	新造銀行借貸	—	6,711	—	—	—	6,711
Repayment of bank borrowings	償還銀行借貸	—	(200,850)	—	—	—	(200,850)
Repayment of margin loans	償還孖展貸款	—	(685,499)	—	—	—	(685,499)
Repayment of lease liabilities	償還租賃負債	—	—	—	—	(12,876)	(12,876)
Repayment of promissory notes	償還承兌票據	—	—	(265,278)	—	—	(265,278)
Interest expenses paid	已付利息開支	(82,352)	—	—	—	(963)	(83,315)
Total changes from financing cash flows	融資現金流量變動總額	(82,352)	(879,638)	(265,278)	—	(13,839)	(1,241,107)
Exchange realignments	匯兌調整	—	—	—	(3,955)	(439)	(4,394)
Other non-cash changes:	其他非現金變動：						
Finance costs (Note 5(a))	財務成本(附註5(a))	45,559	—	42,782	53,444	963	142,748
Interest payables on convertibles bonds	可換股債券應付利息	24,960	—	—	(24,960)	—	—
Interest payables on promissory notes	承兌票據應付利息	29,291	—	(29,291)	—	—	—
New leases liabilities	新造租賃負債	—	—	—	—	9,684	9,684
Others	其他	—	—	(8,922)	—	(2,309)	(11,231)
Total other changes	其他變動總額	99,810	—	4,569	28,484	8,338	141,201
At 31 December 2019	於二零一九年十二月三十一日	48,822	445,067	475,928	696,646	24,391	1,690,854

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33. MARGIN FACILITIES

As at 31 December 2019, margin facilities of HK\$150,000,000 (2018: HK\$841,733,000) from certain regulated securities dealers were granted to the Group under which financials assets at FVPL of HK\$6,243,000 and 17,182,000 shares of Enterprise Development held by the Group (2018: financials assets at FVPL of HK\$1,556,315,000 and 39,682,000 shares of Enterprise Development) were treated as collateral for the facilities granted. None of these facilities were utilised as at 31 December 2019 (2018: HK\$685,499,000).

34. DISPOSAL OF INTERESTS IN SUBSIDIARIES WITHOUT LOSS OF CONTROL

Disposal of 4.27% equity interests in Enterprise Development

As at 31 December 2018, the Group held 42.99% equity interests in Enterprise Development. During the year ended 31 December 2019, the Group acquired additional 17,802,000 shares of Enterprise Development, representing 3.38% equity interests in Enterprise Development, on the Stock Exchange at an aggregate consideration of HK\$14,365,000 and the Group's equity interests in Enterprise Development increased to 46.37%. After that, the Group also disposed 40,302,000 shares of Enterprise Development, representing 7.65% equity interests in Enterprise Development, on the Stock Exchange at an aggregate proceed of HK\$13,862,000.

33. 孖展融資

於二零一九年十二月三十一日，若干受規管證券經紀向本集團授出孖展融資150,000,000港元(二零一八年：841,733,000港元)，據此，於損益帳按公平值處理之財務資產6,243,000港元及本集團持有之17,182,000股企展股份(二零一八年：於損益帳按公平值處理之財務資產1,556,315,000港元及39,682,000股企展股份)被視為獲授融資之抵押品處理。於二零一九年十二月三十一日，概無動用該等融資(二零一八年：685,499,000港元)。

34. 出售附屬公司之權益(並無改變控制權)

出售企展4.27%股本權益

於二零一八年十二月三十一日，本集團持有企展42.99%股本權益。截至二零一九年十二月三十一日止年度，本集團於聯交所以總代價14,365,000港元額外收購17,802,000股企展股份，相當於企展3.38%股本權益，本集團於企展之股本權益因此增加至46.37%。隨後，本集團亦於聯交所以所得款項總額13,862,000港元出售40,302,000股企展股份，相當於企展7.65%股本權益。

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34. DISPOSAL OF INTERESTS IN SUBSIDIARIES WITHOUT LOSS OF CONTROL (Continued)

Disposal of 4.27% equity interests in Enterprise Development (Continued)

Upon completion of the above transactions, the Group's equity interests in Enterprise Development were reduced from 42.99% to 38.72%, resulting in an increase in non-controlling interests of HK\$7,238,000 and an increase in equity attributable to the owners of the Company of HK\$7,741,000.

34. 出售附屬公司之權益(並無改變控制權)(續)

出售企展 4.27% 股本權益(續)

完成上述交易後，本集團於企展之股本權益由 42.99% 減至 38.72%，致使非控股權益增加 7,238,000 港元，而本公司擁有人應佔股權增加 7,741,000 港元。

		HK\$'000 千港元
Consideration paid in cash	已付現金代價	(14,365)
Consideration received in cash	已收現金代價	13,862
Disposal of interests in subsidiaries without loss of control	出售附屬公司之權益(並無改變控制權)	<u>(7,238)</u>
Difference recognised in other reserves included in equity	於其他儲備中確認並計入權益之差額	<u>(7,741)</u>

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35. RELATED PARTY TRANSACTIONS

In addition to information disclosed elsewhere in these consolidated financial statements, the Group had the following significant related party transactions during the year:

35. 關連人士交易

除本綜合財務報表其他部分所披露之資料外，本集團於年內進行之重大關連人士交易如下：

Related party relationship 關連人士關係	Nature of transaction 交易性質	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Key management personnel, i.e. the directors 主要管理人員(即董事)	Salaries and other allowances 薪金及其他津貼	2,858	12,557
	Contributions to defined contribution plans 界定供款計劃供款	20	84
	Equity-settled share-based payment 權益結算以股份支付之款項	(790)	(996)
	Total compensation 補償總額	2,088	11,645
Related company [^] 關連公司 [^]	Operating lease charges on premises under HKAS 17 物業經營租賃開支(根據香港會計 準則第17號)	—	4,160
	Repayment of lease liabilities and interest on lease liabilities 償還租賃負債及租賃負債利息	4,253	—
	Purchases of products 購買產品	1,976	3,097

[^] The related companies were controlled by the controlling shareholder.

[^] 該等關連公司由控股股東控制。

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36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments are financial assets designated at FVOCI, pledged bank deposits, bank balances and cash, interest-bearing borrowings, promissory notes and convertible bonds. The main purpose of these financial instruments is to raise and maintain finance for the Group's operations. The Group has various other financial instruments such as financial assets at FVPL, loan receivables, trade and other receivables, trade and other payables and lease liabilities, which arise directly from its business activities.

The accounting policies for financial instruments have been applied to the line items below:

36. 財務風險管理目標及政策

本集團之主要財務工具為指定於其他全面收入按公平值處理之財務資產、已質押銀行存款、銀行結存及現金、計息借貸、承兌票據以及可換股債券。此等財務工具之主要用途乃為本集團之營運籌集及維持融資。本集團有若干其他財務工具，如直接自其業務活動產生之於損益帳按公平值處理之財務資產、應收貸款、貿易及其他應收款項、貿易及其他應付款項以及租賃負債。

財務工具之會計政策已應用於以下各項：

		Financial assets at amortised cost 按攤銷成本 列帳之 財務資產 HK\$'000 千港元	Financial assets at FVPL 於損益帳 按公平值處理 之財務資產 HK\$'000 千港元	Designated FVOCI 指定於其他 全面收入 按公平值處理 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2019	於二零一九年 十二月三十一日				
Assets as per consolidated statement of financial position	列於綜合財務狀況表之 資產				
Financial assets designated at FVOCI	指定於其他全面收入 按公平值處理之 財務資產	—	—	218,966	218,966
Trade receivables	貿易應收款項	220,656	—	—	220,656
Notes receivables	應收票據	1,377	—	—	1,377
Deposits and other debtors	按金及其他應收帳款	61,265	—	—	61,265
Financial assets at FVPL	於損益帳按公平值處理 之財務資產	—	165,559	—	165,559
Pledged bank deposits	已質押銀行存款	7,503	—	—	7,503
Cash and cash equivalents	現金及現金等價物	225,912	—	—	225,912
Total	總計	516,713	165,559	218,966	901,238

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36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

36. 財務風險管理目標及政策(續)

At 31 December 2019	於二零一九年十二月三十一日	Financial liabilities at amortised cost 按攤銷成本 列帳之財務負債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Liabilities as per consolidated statement of financial position	列於綜合財務狀況表之負債		
Interest-bearing borrowings	計息借貸	445,067	445,067
Promissory notes	承兌票據	475,928	475,928
Convertible bonds	可換股債券	696,646	696,646
Trade payables	貿易應付款項	189,224	189,224
Notes payables	應付票據	15,304	15,304
Financial liabilities included in other payables	計入其他應付款項之財務負債	103,920	103,920
Lease liabilities	租賃負債	24,391	24,391
Total	總計	1,950,480	1,950,480

At 31 December 2018	於二零一八年十二月三十一日	Financial assets at amortised cost 按攤銷成本 列帳之 財務資產 HK\$'000 千港元	Financial assets at FVPL 於損益帳 按公平值處理 之財務資產 HK\$'000 千港元	Designated FVOCI 指定於其他 全面收入 按公平值處理 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Assets as per consolidated statement of financial position	列於綜合財務狀況表之資產				
Financial assets designated at FVOCI	指定於其他全面收入按公平值處理之財務資產	—	—	233,261	233,261
Loan receivables	應收貸款	149,609	—	—	149,609
Trade receivables	貿易應收款項	317,840	—	—	317,840
Notes receivables	應收票據	2,337	—	—	2,337
Deposits and other debtors	按金及其他應收帳款	159,632	—	—	159,632
Financial assets at FVPL	於損益帳按公平值處理之財務資產	—	2,283,156	—	2,283,156
Pledged bank deposits	已質押銀行存款	11,259	—	—	11,259
Cash and cash equivalents	現金及現金等價物	335,913	—	—	335,913
Total	總計	976,590	2,283,156	233,261	3,493,007

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36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

36. 財務風險管理目標及政策(續)

		Financial liabilities at amortised cost 按攤銷成本 列帳之財務負債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 December 2018	於二零一八年十二月三十一日		
Liabilities as per consolidated statement of financial position	列於綜合財務狀況表之負債		
Interest-bearing borrowings	計息借貸	1,324,984	1,324,984
Promissory notes	承兌票據	736,637	736,637
Convertible bonds	可換股債券	672,117	672,117
Trade payables	貿易應付款項	215,548	215,548
Notes payables	應付票據	25,824	25,824
Financial liabilities included in other payables	計入其他應付款項之財務負債	90,646	90,646
Total	總計	3,065,756	3,065,756

The main risks arising from the Group's financial instruments are equity price risk, credit risk, liquidity risk, interest rate risk and foreign currency risk. The directors of the Company generally adopt conservative strategies on its risk management and limit the Group's exposure to these risks to a minimum. The directors of the Company review and agree policies for managing each of these risks and they are summarised below.

(a) Equity price risk

The Group is exposed to equity price risk arising from financial assets at FVPL and financial assets designated as at FVOCI. The sensitivity analysis has been determined based on the exposure to equity price risk.

本集團財務工具所產生之主要風險為股價風險、信貸風險、流動資金風險、利率風險及外幣風險。本公司董事一般對風險管理採取審慎策略，並將本集團面對之風險減至最低。本公司董事檢討及協定有關管理以上各種風險之政策，各種風險已概列於下文。

(a) 股價風險

本集團面對之股價風險來自買賣計入於損益帳按公平值處理之財務資產及指定於其他全面收入按公平值處理之財務資產。敏感度分析乃根據所面對之股價風險釐定。

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36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(a) Equity price risk (Continued)

At end of the reporting period, if the fair value had been 10% (2018: 18%) higher or lower while all other variables were held constant, the Group's net loss would decrease or increase by HK\$15,270,000 and fair value reserve (non-recycling) would increase or decrease by HK\$21,897,000 (2018: net loss would decrease or increase by HK\$407,307,000 and fair value reserve (non-recycling) would increase or decrease by HK\$41,987,000) as a result of changes in fair value of investments. The Group's sensitivity to equity price has changed significantly during the year mainly due to more volatile price fluctuation.

The sensitivity analysis has been determined assuming that the reasonably possible changes in the equity prices or other relevant risk variables had occurred at end of the reporting period and had been applied to the exposure to equity price risk in existence at that date. It is also assumed that the fair values of the Group's investments would change in accordance with the historical correlation with the equity prices or the relevant risk variables, and that all other variables remain constant. The stated changes represent management's assessment of reasonably possible changes in the relevant equity price or the relevant risk variables over the period until the end of the next annual reporting period. The analysis is performed on the same basis for 2018.

In the opinion of the directors of the Company, the sensitivity analysis is unrepresentative of the inherent equity price risk because the exposure at the end of each reporting period does not reflect the exposure during the year.

36. 財務風險管理目標及政策(續)

(a) 股價風險(續)

於報告期結束日，倘若公平值上升或下跌10%（二零一八年：18%），在所有其他變數不變之情況下，投資公平值變動將令本集團虧損淨額減少或增加15,270,000港元，而其他股本儲備將增加或減少21,897,000港元（二零一八年：淨虧損減少或增加407,307,000港元，而公平值儲備（不重新分類）將增加或減少41,987,000港元）。本集團對股價之敏感度於年內因價格大幅波動而出現大幅變動。

敏感度分析乃假設股價或其他相關風險變數於報告期結束日出現合理可能變動而釐定，並適用於當日存在之股價風險。敏感度分析亦假設本集團投資之公平值隨相關股價或相關風險變數之歷史關係而變動，以及所有其他變數不變。上述變動指管理層對相關股價或相關風險變數於下年度報告期結束日前期間出現合理可能變動之評估。進行分析之基準與二零一八年相同。

本公司董事認為，由於各報告期結束日所面對之風險並不反映年內所面對之風險，故敏感度分析不能代表潛在股價風險。

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36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Credit risk

The carrying amount of financial assets recognised on the consolidated statement of financial position, which is net of impairment losses, represents the Group's exposure to credit risk without taking into account the value of any collateral held or other credit enhancements. The credit risk of the Group is primarily attributable to trade and other receivables, loan receivables, pledged bank deposits and bank balances.

Trade receivables

The Group trades only with recognised and creditworthy parties. It is the Group's policy that all customer who which to trade on credit terms are subject to credit verification procedures. The management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis. Credit evaluations of its customers' financial position and condition are performed on each and every major customer periodically. The Group limits its exposure to credit risk from trade receivables by establishing a maximum payment period of three months.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry and country in which customers operate also has an influence on credit risk but to a lesser extent. Credit evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates.

36. 財務風險管理目標及政策(續)

(b) 信貸風險

財務資產之帳面金額於綜合財務狀況表中確認，該款項已扣除減值虧損，並指本集團所面對之信貸風險，並無計及任何所持抵押品或其他信貸保證之價值。本集團信貸風險主要產生自貿易及其他應收款項、應收貸款、已質押銀行存款及銀行結存。

貿易應收款項

本集團僅與受認可及信譽良好之客戶進行交易。本集團之政策為所有有意以信貸條款進行交易之客戶，均須接受信貸審核程序。管理層設有信貸政策，並會持續監察該等信貸風險。本集團會定期就每名主要客戶之財務水平及狀況進行信貸評估。本集團透過設立為期三個月之最高付款期以控制其有關貿易應收款項之信貸風險。

本集團面對之信貸風險主要受每名客戶之個別特點影響。客戶經營所在行業及國家的違約風險亦對信貸風險有較小程度的影響。該等評估着眼於客戶過往之到期付款紀錄及目前之付款能力，並計及客戶之個別資料及與客戶經營所在經濟環境有關之資料。

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36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Credit risk (Continued)

Trade receivables (Continued)

At end of the reporting period, the Group had a concentration of credit risk as 12% (2018: 32%) and 39% (2018: 46%) of the trade receivables that were due from the Group's largest customer and the five largest customers respectively within the IoT solution segment, 13% (2018: 10%) and 44% (2018: 35%) of the trade receivables that were due from the Group's largest customer and the five largest customers respectively within the IDS segment and 8% (2018: 5%) and 26% (2018: 23%) of the trade receivables that were due from the Group's largest customer and the five largest customers respectively within the HMID segment.

The Group's customer base consists of a wide range of clients and the trade receivables are categorised by common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. The Group applies a simplified approach in calculating ECL for trade receivables and recognises a loss allowance based on lifetime ECL at each reporting date and has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The expected loss rate used in the provision matrix is calculated for each category based on actual credit loss experience over the past three years and adjusted for current and forward-looking factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's estimate on future economic conditions over the expected lives of the receivables. There was no change in the estimation techniques or significant assumptions made during the year.

36. 財務風險管理目標及政策(續)

(b) 信貸風險(續)

貿易應收款項(續)

於報告期結束日，由於貿易應收款項中12%(二零一八年：32%)及39%(二零一八年：46%)分別為應收本集團物聯網解決方案分類最大客戶及五大客戶之款項，13%(二零一八年：10%)及44%(二零一八年：35%)分別為應收本集團智能檔案服務分類最大客戶及五大客戶之款項，而8%(二零一八年：5%)及26%(二零一八年：23%)分別為應收本集團人機互動分類最大客戶及五大客戶之款項，本集團出現集中信貸風險之情況。

本集團之客戶群由多個客戶組成，貿易應收款項按代表客戶根據合約條款支付所有到期款項能力之共同風險特徵分類。本集團採用簡化方法計算貿易應收款項之預期信貸虧損，根據各個報告日期之全期預期信貸虧損確認虧損備抵，並建立基於其過往信貸虧損經驗作出之撥備矩陣，就債務人之特定因素及經濟狀況之前瞻性因素作出調整。撥備矩陣所用預期虧損率為根據過去三年之實際信貸虧損經驗計算每個類別之預期損失率，並就當前及前瞻因素進行調整，以反映收集過往數據期間經濟狀況、當前條件及本集團就應收款項預計年期之未來經濟狀況估計之間之差額。年內估計技術或所作出之重大假設並無變動。

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

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Credit risk (Continued)

Trade receivables (Continued)

The information about the exposure to credit risk and ECL for trade receivables using a provision matrix is summarised below.

As at 31 December 2019

Not past due	並未逾期
Within 90 days past due	逾期90天內
91 – 180 days past due	逾期91至180天
181 – 365 days past due	逾期181至365天
Over 365 days, past due (Note)	逾期365天以上(附註)

36. 財務風險管理目標及政策(續)

(b) 信貸風險(續)

貿易應收款項(續)

有關使用撥備矩陣之貿易應收款項信貸風險及預期信貸虧損之資料概述如下。

於二零一九年十二月三十一日

Expected loss rate 預期虧損率 %	Gross carrying amount 總帳面金額 HK\$'000 千港元	Loss allowance 虧損備抵 HK\$'000 千港元
2.38%	159,030	3,782
8.92%	31,776	2,835
10.83%	11,348	1,229
16.73%	23,002	3,849
92.78%	99,588	92,393
	324,744	104,088

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

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Credit risk (Continued)

Trade receivables (Continued)

As at 31 December 2018

		Expected loss rate 預期虧損率 %	Gross carrying amount 總帳面金額 HK\$'000 千港元	Loss allowance 虧損備抵 HK\$'000 千港元
Not past due	並未逾期	0.29%	216,996	638
Within 90 days past due	逾期90天內	1.54%	17,274	267
91 – 180 days past due	逾期91至180天	3.32%	19,617	651
181 – 365 days past due	逾期181至365天	6.65%	51,260	3,409
Over 365 days, past due (Note)	逾期365天以上(附註)	88.00%	147,176	129,518
			452,323	134,483

Note: Included credit impaired (but not purchased or originated) of HK\$14,514,000 (2018:HK\$84,519,000).

The Group does not hold any collateral over trade receivables as at 31 December 2019 and 2018.

36. 財務風險管理目標及政策(續)

(b) 信貸風險(續)

貿易應收款項(續)

於二零一八年十二月三十一日

	Expected loss rate 預期虧損率 %	Gross carrying amount 總帳面金額 HK\$'000 千港元	Loss allowance 虧損備抵 HK\$'000 千港元
並未逾期	0.29%	216,996	638
逾期90天內	1.54%	17,274	267
逾期91至180天	3.32%	19,617	651
逾期181至365天	6.65%	51,260	3,409
逾期365天以上(附註)	88.00%	147,176	129,518
		452,323	134,483

附註：包括信貸減值(但非購入或原本已發生)14,514,000港元(二零一八年：84,519,000港元)。

於二零一九年及二零一八年十二月三十一日，本集團並無就貿易應收款項持有任何抵押品。

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

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Credit risk (Continued)

Trade receivables (Continued)

As at 31 December 2019, the Group recognised loss allowance of HK\$104,088,000 (2018: HK\$134,483,000) on the trade receivables. The movement in the loss allowance for trade receivables during the year is summarised below.

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At beginning of the reporting period	於報告期初	134,483	22,091
Increase in allowance	備抵增加	51,551	118,377
Amount written off	撇銷金額	(80,005)	(145)
Exchange realignments	匯兌調整	(1,941)	(5,840)
At end of the reporting period	於報告期結束日	104,088	134,483

Loan receivables

The Group has adopted procedures in extending credit terms to loan borrowers and in monitoring its credit risk. The credit policy on extending credit terms to loan borrowers includes assessing and evaluating loan borrowers' creditworthiness and financial standing. Management also closely monitors all outstanding debts and reviews the collectability of other receivables periodically. At end of the reporting period, 25% (2018: 44%) and 79% (2018: 87%) of the total loan receivables were due from the Group's largest borrower and the five largest borrowers respectively within the unallocated segment.

36. 財務風險管理目標及政策(續)

(b) 信貸風險(續)

貿易應收款項(續)

於二零一九年十二月三十一日，本集團已就貿易應收款項確認虧損備抵 104,088,000 港元(二零一八年：134,483,000 港元)。年內貿易應收款項之虧損備抵變動於下文中概述。

應收貸款

本集團已採納若干有關給予貸款借款人之信貸期之程序以及監察有關信貸風險之程序。給予貸款借款人信貸期之信貸政策包括評定及評估貸款借款人之信用度及財務狀況。管理層亦會密切監察所有未收債項及定期審閱其他應收款項之收款情況。於報告期結束日，應收貸款總額中 25% (二零一八年：44%) 及 79% (二零一八年：87%) 分別為應收本集團最大借款人及五大借款人之款項，而該等借款人乃屬於未經分配分類。

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

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Credit risk (Continued)

Loan receivables (Continued)

The Group uses three categories for loan receivables which reflect their credit and how the loss allowance is determined for each of those categories. These internal credit risk rating are aligned to external credit rating companies, such as Standard and Poor, Moody's and Fitch.

A summary of the assumptions underpinning the Group's ECL model is as follows:

Category 類別	Company definition of category 公司針對各類之釋義	Basis for recognition of ECL provision 確認預期信貸虧損撥備之基準
Performing	Borrowers have a low risk of default and a strong capacity to meet contractual cash flows	12 month expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime
正常	借款人違約風險很低且有能力產生合約要求之現金流量	未來 12 個月之預期虧損。對於預期存續期在 12 個月內之資產，預期虧損基於其預期存續期計量
Special attention	Interest and/or principal repayments are 60 days past due	Lifetime expected losses
特別關注	利息及／或本金還款逾期 60 日	預期存續期內的虧損
Non-performing	Interest and/or principal repayments are 90 days past due; credit impaired (but not purchased or originated)	Lifetime expected losses
不良	利息及／或本金還款逾期 90 日；信貸減值(但非購入或原本已發生)	預期存續期內的虧損

36. 財務風險管理目標及政策(續)

(b) 信貸風險(續)

應收貸款(續)

本集團使用應收貸款之三個類別，反映其信貸及釐定各類別之虧損備抵之方式。該等內部信貸風險評級與標準普爾、穆迪及惠譽等外部信貸評級公司一致。

本集團預期信貸虧損模型基於之假設總結如下：

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

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Credit risk (Continued)

Loan receivables (Continued)

An analysis of changes in the gross amounts of loan receivables is as follows:

		Stage 1 第一階段 HK\$'000 千港元	Stage 2 第二階段 HK\$'000 千港元	Stage 3 第三階段 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Gross loan receivables as at 1 January 2019	於二零一九年一月一日之應收貸款總額	129,298	—	64,978	194,276
New loans originated	新貸款	28,814	—	—	28,814
Loans repaid during the year	年內已償還貸款	(42,952)	—	(3,400)	(46,352)
Exchange realignments	匯兌調整	(905)	—	—	(905)
Transfer to lifetime ECL (Stage 3)	轉撥至全期預期信貸虧損(第三階段)	(114,255)	—	114,255	—
As at 31 December 2019	於二零一九年十二月三十一日	—	—	175,833	175,833

		Stage 1 第一階段 HK\$'000 千港元	Stage 2 第二階段 HK\$'000 千港元	Stage 3 第三階段 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Gross loan receivables as at 1 January 2018	於二零一八年一月一日之應收貸款總額	126,226	—	20,290	146,516
New loans originated	新貸款	173,933	—	—	173,933
Loans repaid during the year	年內已償還貸款	(126,173)	—	—	(126,173)
Transfer to lifetime ECL (Stage 3)	轉撥至全期預期信貸虧損(第三階段)	(44,688)	—	44,688	—
As at 31 December 2018	於二零一八年十二月三十一日	129,298	—	64,978	194,276

36. 財務風險管理目標及政策(續)

(b) 信貸風險(續)

應收貸款(續)

應收貸款總額之變動分析如下：

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綜合財務報表附註

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

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Credit risk (Continued)

Loan receivables (Continued)

An analysis of credit risk exposure by the Group's internal credit rating system is as follows:

As at 31 December 2019

		於二零一九年十二月三十一日			
		Stage 1	Stage 2	Stage 3	Total
		第一階段	第二階段	第三階段	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Internal rating grades	內部信貸評級				
Performing	正常	—	—	—	—
Special attention	特別關注	—	—	—	—
Non-performing	不良	—	—	175,833	175,833
		—	—	175,833	175,833

As at 31 December 2018

		於二零一八年十二月三十一日			
		Stage 1	Stage 2	Stage 3	Total
		第一階段	第二階段	第三階段	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Internal rating grades	內部信貸評級				
Performing	正常	129,298	—	—	129,298
Special attention	特別關注	—	—	—	—
Non-performing	不良	—	—	64,978	64,978
		129,298	—	64,978	194,276

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

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Credit risk (Continued)

Loan receivables (Continued)

As at 31 December 2019, the Group recognised loss allowance of HK\$175,833,000 (2018: HK\$44,667,000) on the balances. The movement in the loss allowance for the balances during the year is summarised below.

		Stage 1 第一階段 HK\$'000 千港元	Stage 2 第二階段 HK\$'000 千港元	Stage 3 第三階段 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 31 December 2017	於二零一七年十二月三十一日	—	—	20,290	20,290
Increase in allowance	抵備增加	—	—	24,377	24,377
As at 31 December 2018	於二零一八年十二月三十一日	—	—	44,667	44,667
Increase in allowance	抵備增加	—	—	130,929	130,929
Exchange realignments	匯兌調整	—	—	237	237
As at 31 December 2019	於二零一九年十二月三十一日	—	—	175,833	175,833

Deposits and other debtors

The movement in the loss allowance of deposits and other debtors during the year is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At 1 January	於一月一日	—	—
Increase in loss allowance	虧損抵備增加	237,833	—
Exchange realignments	匯兌調整	(3,407)	—
At 31 December	於十二月三十一日	234,426	—

36. 財務風險管理目標及政策(續)

(b) 信貸風險(續)

應收貸款(續)

於二零一九年十二月三十一日，本集團已於餘額中確認虧損抵備175,833,000港元(二零一八年：44,667,000港元)。年內餘額之虧損抵備變動於下文概述。

按金及其他應收帳款

年內按金及其他應收帳款的虧損抵備變動情況如下：

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36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Credit risk (Continued)

Deposits and other debtors (Continued)

As at 31 December 2019, the Group has recognised an allowance for credit losses on deposits and other debtors of HK\$234,426,000 (2018: HK\$Nil) of which amounting to HK\$230,918,000 (2018: HK\$Nil) were individually determined to be credit impaired (but not purchased or originated) under ECLs during the year.

Pledged bank deposits and bank balances

The Group has limited credit risk with its money deposited in financial institutions and brokers, who are with high credit ratings and assessed as having low credit risk. The Group has not had any significant loss arising from non-performance by these parties in the past and management does not expect so in the future.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in these consolidated financial statements.

(c) Liquidity risk

Liquidity risk refers to the risk in which the Group is unable to meet its short-terms obligations. Liquidity risk is minimal and is managed by matching the payments and receipts cycles. The Group's operations are financed mainly through its business activities.

36. 財務風險管理目標及政策(續)

(b) 信貸風險(續)

按金及其他應收帳款(續)

於二零一九年十二月三十一日，本集團已確認按金及其他應收帳款的信貸虧損抵備234,426,000港元(二零一八年：零港元)，其中230,918,000港元(二零一八年：零港元)年內被單獨釐定為根據預期信貸虧損減值的信貸(但非購入或原本已發生)。

已質押銀行存款及銀行結存

本集團於財務機構及經紀之存款面對之信貸風險有限，原因是該等財務機構及經紀均具有高信用評級，獲評定為低信貸風險。本集團過往並無因有關人士不履行責任而產生重大虧損，而管理層預期日後亦不會出現該等情況。

信貸風險之最高額度為本綜合財務報表內各項財務資產之帳面金額。

(c) 流動資金風險

流動資金風險指本集團無力履行其短期責任之風險。流動資金風險微不足道，乃透過配合還款及收款週期加以管理。本集團之營運主要透過業務活動提供資金。

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36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(c) Liquidity risk (Continued)

The maturity profile of the Group's non-derivative financial liabilities at end of the reporting period, based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates at end of the reporting period) are summarised below:

36. 財務風險管理目標及政策(續)

(c) 流動資金風險(續)

於報告期結束日，按合約未貼現現金流量(包括利用合約利率或(如屬浮動)按照於報告期結束日之利率計算之利息款項)計算，本集團之非衍生財務負債之到期情況概列如下：

		On demand or within 1 year 按要求 或一年內 HK\$'000 千港元	1 to 2 years 一至二年 HK\$'000 千港元	2 to 5 years 二至五年 HK\$'000 千港元	Over 5 years 五年以上 HK\$'000 千港元	Total contractual undiscounted cash flows 合約未貼現 現金流量總額 HK\$'000 千港元	Total carrying amount 帳面總額 HK\$'000 千港元
At 31 December 2019	於二零一九年 十二月三十一日						
Trade and other payables	貿易及其他應付款項	386,287	—	—	—	386,287	386,287
Interest-bearing borrowings	計息借貸	459,450	—	—	—	459,450	445,067
Convertible bonds	可換股債券	717,791	—	—	—	717,791	696,646
Promissory notes	承兌票據	652,069	—	—	—	652,069	475,928
Lease liabilities	租賃負債	9,908	14,834	1,639	—	26,381	24,391
		2,225,505	14,834	1,639	—	2,241,978	2,028,319
At 31 December 2018	於二零一八年 十二月三十一日						
Trade and other payables	貿易及其他應付款項	410,881	—	—	—	410,881	410,881
Interest-bearing borrowings	計息借貸	1,342,130	55	—	—	1,342,185	1,324,984
Convertible bonds	可換股債券	725,441	—	—	—	725,441	672,117
Promissory notes	承兌票據	704,109	63,002	33,473	5,251	805,835	736,637
		3,182,561	63,057	33,473	5,251	3,284,342	3,144,619

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36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(d) Interest rate risk

The management believes that the Group's fair value interest rate risk is minimal and no sensitivity analysis is performed.

The Group is exposed to cash flow interest rate risk in relation to bank balances and variable-rate interest-bearing borrowings (see Notes 25(a), 25(b), 25(c) and 25(e)). The exposure to cash flow interest rate risk is mainly concentrated on the fluctuation of the prevailing interest rate of the loan prime rate, HIBOR, prime rate and BOCHK's HK\$ prime rate (2018: prevailing interest rate of the loan prime rate, HIBOR, prime rate and BOCHK's HK\$ prime rate) arising from the Group's bank borrowings, certain margin loans and loans from financial institutions (2018: bank borrowings, certain margin loans and loans from financial institutions). The Group currently does not have a formal interest rate hedging policy. However, the management monitors the interest rate exposure on an ongoing basis and will consider hedging the interest rate risk should the need arise.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for the variable-rate interest-bearing borrowings at end of the reporting period. The analysis is prepared assuming the liability outstanding at end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease in interest rates is used when reporting interest rate risk internally to management's assessment of the reasonably possible change in interest rates over the period until the end of the next annual reporting period.

36. 財務風險管理目標及政策(續)

(d) 利率風險

管理層相信，本集團之公平值利率風險微不足道，故並無進行敏感度分析。

本集團就銀行結存及浮息計息借貸(見附註25(a)、25(b)、25(c)及25(e))面對現金流量利率風險。所面對之現金流量利率風險主要集中於本集團銀行借貸、若干孖展貸款及來自財務機構之貸款(二零一八年：銀行借貸、若干孖展貸款及來自財務機構之貸款)所產生最優惠貸款之現行利率、香港銀行同業拆出息率、最優惠年利率及中銀香港港元最優惠年利率(二零一八年：最優惠借貸利率之現行利率、香港銀行同業拆出息率、最優惠年利率及中銀香港港元最優惠利率)波動。本集團現時並無正式利率對沖政策。然而，管理層持續監察所面對之利率風險，並將於有需要時考慮對沖利率風險。

敏感度分析

下文之敏感度分析乃按照浮息計息借貸於報告期結束日面對之利率風險釐定。編製敏感度分析時已假設於報告期結束日尚未償還之負債於整個年度尚未償還。內部向管理層報告利率風險以評估利率於下年度報告期結束日前期間之合理可能變動時，使用50個基點之利率升幅或跌幅。

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36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(d) Interest rate risk (Continued)

Sensitivity analysis (Continued)

If interest rates had been 50 basis points (2018: 50 basis points) higher/lower and all other variables were held constant, the Group's net loss for the year would increase/decrease by approximately HK\$2,200,337 (2018: loss for the year would increase/decrease by approximately HK\$2,390,000).

In the opinion of the directors of the Company, the sensitivity analysis is unrepresentative of the inherent interest rate risk because the exposure at the end of each reporting period does not reflect the exposure during the year.

(e) Currency risk

Substantially all of the Group's sales and operating costs are denominated in the functional currency of the group entity making the sales or incurring the costs. Accordingly, the management considers that the currency risk is not significant. The Group currently does not have a formal currency hedging policy in relation to currency risk. However, the management monitors the currency risk exposure on an ongoing basis and will consider hedging the currency risk should the need arise.

(f) Capital management

The objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to provide returns for shareholders. The Group manages its capital structure and makes adjustments, including payment of dividend to shareholders, return capital to shareholders or issue new shares or sell assets to reduce debts. No changes were made in the objectives, policies or processes during the years ended 31 December 2019 and 2018.

36. 財務風險管理目標及政策(續)

(d) 利率風險(續)

敏感度分析(續)

倘若利率上升／下跌50個基點(二零一八年：50個基點)，在所有其他變數不變之情況下，本集團年內虧損淨額將增加／減少約2,200,337港元(二零一八年：年內虧損將增加／減少約2,390,000港元)。

本公司董事認為，由於各報告期結束日所面對之風險並不反映年內所面對之風險，故敏感度分析不能代表潛在利率風險。

(e) 貨幣風險

本集團絕大部分銷售及經營成本乃以進行銷售或招致成本之集團實體之功能貨幣計值。因此，管理層認為貨幣風險並不重大。本集團現時並無關於貨幣風險之正式貨幣對沖政策。然而，管理層持續監察所面對之貨幣風險，並將於有需要時考慮對沖貨幣風險。

(f) 資本管理

本集團管理資本之目的為保障本集團能持續經營，並為股東帶來回報。本集團管理其資本架構並作出調整，包括向股東派付股息、向股東退還資本或發行新股或出售資產以減少債項。於截至二零一九年及二零一八年十二月三十一日止年度並無更改有關目標、政策或過程。

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36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(f) Capital management (Continued)

The Group monitors capital on the basis of debt-to-equity capital ratio, which is net debt divided by total (deficit) equity. The debt-to-equity capital ratios at end of the reporting period were as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Convertible bonds	可換股債券	696,646	672,117
Interest-bearing borrowings	計息借貸	445,067	1,324,984
Promissory notes	承兌票據	475,928	736,637
Lease liabilities	租賃負債	24,391	—
Total debt	債項總額	1,642,032	2,733,738
Less: Pledged bank deposits	減：已質押銀行存款	(7,503)	(11,259)
Less: Bank balances and cash	減：銀行結存及現金	(225,912)	(335,913)
Net debt	債項淨額	1,408,617	2,386,566
Total (deficit) equity	(虧絀)股權總值	(633,427)	1,095,742
Debt-to-equity capital ratio	債項與股權資本比率	(222.38)%	217.80%

36. 財務風險管理目標及政策(續)

(f) 資本管理(續)

本集團根據債項與股權資本比率(以債項淨額除以(虧絀)股權總值計算)監察資本。於報告期結束日之債項與股權資本比率如下：

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37. FAIR VALUE MEASUREMENTS

The following presents the assets and liabilities measured at fair value or required to disclose their fair value in these consolidated financial statements on a recurring basis at 31 December 2019 and 2018 across the three levels of the fair value hierarchy defined in HKFRS 13, Fair Value Measurement, with the fair value measurement categorised in its entirety based on the lowest level of input that is significant to that fair value measurement. The levels of inputs are defined as follows:

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

37. 公平值計量

下文呈列於二零一九年及二零一八年十二月三十一日按公平值計量或須於本綜合財務報表中按經常性基準根據香港財務報告準則第13號「公平值計量」所界定公平值架構三個級別披露公平值之資產及負債，當中會按對有關公平值計量有重大影響之最低輸入項目級別將整項公平值計量分類。輸入項目級別界定如下：

- 級別一（最高級別）：使用於計量日期本集團能夠於活躍市場上取得之相同財務資產或負債報價（未經調整）；
- 級別二：級別一所涵蓋報價以外，可直接或間接觀察之資產或負債輸入項目；
- 級別三（最低級別）：不可觀察資產或負債輸入項目。

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37. FAIR VALUE MEASUREMENTS (Continued)

a) Assets measured at fair value

37. 公平值計量(續)

a) 按公平值計量之資產

		31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元	Level 1 級別一 HK\$'000 千港元	Level 2 級別二 HK\$'000 千港元	Level 3 級別三 HK\$'000 千港元
Assets measured at fair value	按公平值計量之資產				
Financial assets designated at FVOCI	指定於其他全面收入按公平值處理之財務資產				
— Unlisted equity securities in a private limited company incorporated outside Hong Kong	— 於香港境外註冊成立之私人有限公司之非上市股本證券	218,966	—	—	218,966
Financial assets at FVPL	於損益帳按公平值處理之財務資產				
— Listed equity securities	— 上市股本證券	6,243	6,243	—	—
— Wealth management products, unlisted	— 財富管理產品，非上市	12,863	—	—	12,863
— Unlisted equity securities in a private limited company incorporated outside Hong Kong	— 於香港境外註冊成立之私人有限公司之非上市股本證券	121,790	—	—	121,790
— Unlisted equity securities in a private limited company incorporated in Hong Kong	— 於香港註冊成立之私人有限公司之非上市股本證券	24,663	—	—	24,663
		384,525	6,243	—	378,282

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37. FAIR VALUE MEASUREMENTS (Continued)

a) Assets measured at fair value (Continued)

		31 December 2018 二零一八年 十二月三十一日 HK\$'000 千港元	Level 1 級別一 HK\$'000 千港元	Level 2 級別二 HK\$'000 千港元	Level 3 級別三 HK\$'000 千港元
Assets measured at fair value	按公平值計量之資產				
Financial assets designated at FVOCI	指定於其他全面收入按公平值處理之財務資產				
— Unlisted equity securities in a private limited company incorporated outside Hong Kong	— 於香港境外註冊成立之私人有限公司之非上市股本證券	233,261	—	—	233,261
Financial assets at FVPL	於損益帳按公平值處理之財務資產				
— Listed equity securities	— 上市股本證券	1,696,636	1,696,636	—	—
— Listed bonds	— 上市債券	348,765	348,765	—	—
— Wealth management products, unlisted	— 財富管理產品，非上市	55,565	—	—	55,565
— Unlisted equity securities in a private limited company incorporated outside Hong Kong	— 於香港境外註冊成立之私人有限公司之非上市股本證券	136,212	—	—	136,212
— Unlisted equity securities in a private limited company incorporated in Hong Kong	— 於香港註冊成立之私人有限公司之非上市股本證券	25,693	—	—	25,693
— Unlisted partnership investments	— 非上市合夥投資	20,285	—	—	20,285
		<u>2,516,417</u>	<u>2,045,401</u>	<u>—</u>	<u>471,016</u>

During the years ended 31 December 2019 and 2018, there was no transfer between Level 1 and Level 2 fair value measurements and no transfer into and out of Level 3 fair value measurements.

於截至二零一九年及二零一八年十二月三十一日止年度，並無於公平值計量級別一與級別二之間進行轉撥，公平值計量級別三亦無轉入及轉出。

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37. FAIR VALUE MEASUREMENTS (Continued)

a) Assets measured at fair value (Continued)

The details of the movements of the recurring fair value measurements categorised as Level 3 of the fair value hierarchy are as follows:

Movements in Level 3 fair value measurements

31 December 2019

Description	描述	Financial assets designated at FVOCI – Unlisted equity securities in a private limited company incorporated outside Hong Kong	Financial assets at FVPL – Unlisted equity securities in a private limited company incorporated outside Hong Kong	Financial assets at FVPL – Unlisted equity securities in a private limited company incorporated in Hong Kong	Financial assets at FVPL – Unlisted partnership investments	Financial assets at FVPL – Wealth management products, unlisted	Total
		指定於其他全面收入 按公平值處理之財務 資產 — 一間於香港 境外註冊成立之 私人有限公司之 非上市股本證券	於損益帳按公平值 處理之財務資產 — 於香港境外 註冊成立之私人 有限公司之 非上市股本證券	於損益帳按公平值 處理之財務資產 — 於香港註冊成立之 私人有限公司之 非上市股本證券	於損益帳按公平值處 理之財務資產 — 非上市合夥投資	於損益帳按公平值處 理之財務資產 — 財富管理產品， 非上市	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At beginning of the reporting period	於報告期初	233,261	136,212	25,693	20,285	55,565	471,016
Initial recognition	初始確認	—	—	—	56,744	37,734	94,478
Disposal during the year	年內出售	—	—	—	—	(80,162)	(80,162)
Fair value changes	公平值變動	(14,295)	(14,422)	(1,030)	(77,029)	—	(106,776)
Exchange realignments	匯兌調整	—	—	—	—	(274)	(274)
At end of the reporting period	於報告期結束日	218,966	121,790	24,663	—	12,863	378,282

37. 公平值計量(續)

a) 按公平值計量之資產(續)

分類為公平值架構級別三之經常性
公平值計量之變動詳情如下：

公平值計量級別三之變動

二零一九年十二月三十一日

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37. FAIR VALUE MEASUREMENTS (Continued)

a) Assets measured at fair value (Continued)

Movements in Level 3 fair value measurements
(Continued)

31 December 2018

Description	描述	Financial assets designated at FVOCI - Unlisted equity securities in a private limited company incorporated outside Hong Kong	Financial assets at FVPL - Unlisted equity securities in a private limited company incorporated outside Hong Kong	Financial assets at FVPL - Unlisted equity securities in a private limited company incorporated in Hong Kong	Financial assets at FVPL - Unlisted partnership investments	Financial assets at FVPL - Wealth management products, unlisted	Contingent consideration payables	Total
		指定於其他全面收入 按公平值處理之 財務資產 — 一間於 香港境外註冊成立之 私人有限公司之 非上市股本證券	於損益帳按公平值 處理之財務資產 — 於香港境外註冊成立 之私人有限公司之 非上市股本證券	於損益帳按公平值 處理之財務資產 — 於香港註冊成立之 私人有限公司之 非上市股本證券	於損益帳按公平值 處理之財務資產 — 於香港註冊成立之 私人有限公司之 非上市股本證券	於損益帳按公平值 處理之財務資產 — 非上市合夥投資	於損益帳按公平值 處理之財務資產 — 財富管理產品， 非上市	應付或然代價
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At beginning of the reporting period	於報告期初	267,500	—	—	12,204	449,998	(16,713)	712,989
Initial recognition	初始確認	—	171,240	48,669	13,492	151,808	—	385,209
Disposal during the year	年內出售	—	—	—	—	(253,000)	—	(253,000)
Net return of capital contribution	歸還注資資本淨額	—	—	—	(2,311)	—	—	(2,311)
Fair value changes	公平值變動	(34,239)	(35,028)	(22,976)	(3,135)	(291,779)	16,524	(370,633)
Settlement to profit guarantee	清償溢利保證	—	—	—	—	—	5,718	5,718
Compensation from profit guarantee — other payables	溢利保證賠償 — 其他應付款項	—	—	—	—	—	(5,590)	(5,590)
Exchange realignments	匯兌調整	—	—	—	35	(1,462)	61	(1,366)
At end of the reporting period	於報告期結束日	233,261	136,212	25,693	20,285	55,565	—	471,016

The above fair value changes are reported as “changes in fair value of financial assets at FVPL/fair value of financial assets designated at FVOCI” in the consolidated statement of profit or loss and other comprehensive income.

上述公平值變動於綜合損益及其他全面收入報表內呈報為「於損益帳按公平值處理之財務資產之公平值／指定於其他全面收入按公平值處理之財務資產之公平值變動」。

37. 公平值計量(續)

a) 按公平值計量之資產(續)

公平值計量級別三之變動(續)

二零一八年十二月三十一日

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綜合財務報表附註

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

37. FAIR VALUE MEASUREMENTS (Continued)

a) Assets measured at fair value (Continued)

Description of the valuation techniques and inputs used in Level 3 fair value measurement

The Group recognises the fair values of unlisted equity securities in private limited companies incorporated outside Hong Kong, unlisted equity securities in a private limited company incorporated in Hong Kong and unlisted partnership investments at the end of each reporting period and fair values were determined by adopting P/B, P/E and asset-based approach respectively and adjusted by minority discounts.

The unlisted wealth management products' investment portfolio mainly comprises investment in debentures, bank debentures, bank saving, corporate bonds, listed securities and other investments in the PRC and global market with high credit rating (the "Investment") and the fair value of the Investment is reported by the financial institutions and external fund manager.

Valuation processes of the Group

The Group reviews estimation of fair values of the unlisted wealth management products, unlisted equity securities in private limited companies incorporated outside Hong Kong, unlisted equity securities in a private limited company incorporated in Hong Kong and unlisted partnership investments which are categorised into Level 3 of the fair value hierarchy. Reports with estimation of fair value are prepared by the financial institutions and external fund managers on a monthly basis and independent valuers on a semi-annually basis. Discussion of the valuation process and results with those charged with governance is held twice a year, to coincide with the reporting dates.

b) Assets and liabilities with fair value disclosure, but not measured at fair value

All other financial assets and liabilities including loan receivables, trade and other receivables, trade and other payables and interest-bearing borrowings are carried at amounts not materially different from their fair values as at 31 December 2019 and 2018.

37. 公平值計量(續)

a) 按公平值計量之資產(續)

公平值計量級別三採用之估值技術及輸入項目描述

本集團會確認於香港境外註冊成立之私人有限公司之非上市股本證券、於香港註冊成立之私人有限公司之非上市股本證券及非上市合夥投資於各報告期結束日之公平值，而該等公平值乃分別採用市帳率、市盈率及以資產為基礎法釐定，並就少數權益折讓作出調整。

非上市財富管理產品投資組合主要包括於債權證、銀行債權證、銀行儲蓄、公司債券、上市證券之投資以及於中國及全球市場具高信貸評級之其他投資(「投資」)，而投資之公平值由財務機構及外部基金經理報告。

本集團之估值過程

本集團會審閱分類為公平值架構級別三之非上市財富管理產品、於香港境外註冊成立之私人有限公司之非上市股本證券、於香港註冊成立之私人有限公司之非上市股本證券及非上市合夥投資及應付或然代價之公平值估計。財務機構及外部基金經理會每月編製附帶公平值估計之報告，而獨立估值師則每半年編製一次。管治人員會配合報告日期每年兩次討論估值過程及結果。

b) 須披露公平值但並非按公平值計量之資產及負債

於二零一九年及二零一八年十二月三十一日，所有其他財務資產及負債(包括應收貸款、貿易及其他應收款項、貿易及其他應付款項以及計息借貸)之列帳金額與公平值並無重大差別。

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38. OTHER EVENTS AND EVENTS AFTER THE REPORTING PERIOD

Other than disclosed elsewhere in these consolidated financial statements, a summary of other events and events transacted after end of the reporting period is set out below:

(a) Placing of new shares of Enterprise Development which constitute a deemed disposal of the Company

On 4 February 2020, Enterprise Development completed its placing and a total of 105,301,796 placing shares of Enterprise Development were allotted and issued to not less than six placees at the placing price of HK\$0.249 per placing share. The net proceeds arising from the placing amounted to approximately HK\$25.41 million (after deduction of commission and other expenses of the placing), which is intended to be used as general working capital of Enterprise Development.

Upon completion of the placing, Enterprise Development indirectly owned as to approximately 32.27% by the Company and 12.03% by Mr. King Pak Fu (“**Mr. King**”), the controlling shareholder of the Company. Together with Mr. King’s 12.03% voting right, the Company have 44.30% voting right at Enterprise Development. The Board has assessed the changes and concluded that the Company still has de facto control over Enterprise Development and the financial results of Enterprise Development will continue to be consolidated in that of the Company.

Details of the placing of new shares of Enterprise Development were set out in the announcements of the Company dated 21 January 2020, 29 January 2020 and 10 February 2020.

38. 其他事項及報告期後事項

除該等綜合財務報表其他部分所披露者外，其他事項及於報告期結束後進行之事項概述如下：

(a) 配售企展新股份(其構成本公司之視作出售事項)

於二零二零年二月四日，企展完成其配售事項，合共105,301,796股企展配售股份按配售價每股配售股份0.249港元配發及發行予不少於六名承配人。配售產生之所得款項淨額約為25,410,000港元(經扣除配售佣金及其他開支)，擬用作企展之一般營運資金。

於配售事項完成後，企展分別由本公司及本公司控股股東景百孚先生(「**景先生**」)間接擁有約32.27%及12.03%權益。連同景先生之12.03%投票權，本公司擁有企展44.30%投票權。董事會已評估有關變動，並認為本公司仍對企展擁有實質控制權，而企展之財務業績將繼續於本公司財務業績內綜合入帳。

有關配售企展新股份之詳情載於本公司日期為二零二零年一月二十一日、二零二零年一月二十九日及二零二零年二月十日之公告。

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38. OTHER EVENTS AND EVENTS AFTER THE REPORTING PERIOD (Continued)

(b) Negotiations on acquisition of businesses and disposal of subsidiaries

Negotiation on acquisition of businesses

The Company is endeavouring to negotiate with a potential vendor for the acquisition of a company engaged in investment management and consultation and financial technology business in the mainland China (the “**Target Company**”). The principal businesses of the Target Company include: 1) investment management and investment consultation; 2) financial technology business: focusing on AI-assisted investment advisory, big data platform and cloud service.

Details of the negotiation on acquisition of businesses were set out in the announcement of the Company dated 26 February 2020.

Negotiations on disposal of subsidiaries

The Company is negotiating with certain potential purchasers in respect of the disposal of subsidiaries namely Qingdao Jiashengtai Technology Services Co. Ltd* (青島嘉盛泰科技服務有限公司), Shenzhen CNEOP Technology Company Limited* (深圳市中光遠科技有限公司), Beijing Weein Software Technology Company Limited* (北京微應軟件科技有限公司) and Shenzhen Hexicom Technologies Company Limited* (深圳市海億康科技有限公司).

Details of the negotiations on disposal of subsidiaries were set out in four respective announcements of the Company all dated 26 February 2020.

38. 其他事項及報告期後事項(續)

(b) 洽談收購業務及出售附屬公司

洽談收購業務

本公司正努力與一位潛在賣方磋商收購一家於中國大陸經營投資管理及諮詢和金融科技業務的公司(「**目標公司**」)。目標公司的主要業務為：1) 投資管理及投資諮詢；2) 金融科技業務：專注於智能投顧、大數據平臺及雲端服務。

洽談收購業務之詳情載於本公司日期為二零二零年二月二十六日之公告。

洽談出售附屬公司

本公司正與若干潛在買家洽談出售附屬公司，即青島嘉盛泰科技服務有限公司、深圳市中光遠科技有限公司、北京微應軟件科技有限公司及深圳市海億康科技有限公司。

洽談出售附屬公司之詳情載於本公司日期均為二零二零年二月二十六日之四份有關公告。

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38. OTHER EVENTS AND EVENTS AFTER THE REPORTING PERIOD (Continued)

(c) Winding up orders against shareholders of the Company

As disclosed in the announcement of the Company dated 26 February 2020, it had come to the attention of the Board that two letters dated 22 January 2020 were issued by the Official Receiver's Office to the Company that winding up orders were made by the High Court of Hong Kong against Better Joint Venture Limited and Mystery Idea Limited, the substantial shareholders of the Company.

Details of the winding up orders against shareholders of the Company were set out in the announcement of the Company dated 26 February 2020.

(d) Winding up petition of the Company

On 19 March 2020, the Company received a winding up petition from the High Court of The Hong Kong Special Administrative Region (Companies Winding-up Proceedings No. 63 of 2020) (the "Petition") in respect of certain alleged indebtedness in the sum of approximately HK\$195 million owed to certain individual bondholders. The Petition is listed to be heard at 9:30 a.m. on 17 June 2020. The Company is seeking professional legal advice in respect of the Petition.

Details of the Petition were set out in the announcements of the Company dated 20 March 2020 and 31 March 2020.

(e) Impact of COVID-19

The recent escalation of COVID-19 to a global pandemic has an adverse impact on market sentiments and posed challenge to the whole world. The Group continues to closely monitor the development of the pandemic and takes all possible and reasonable measures to mitigate the effect on the Group's operations. Up to the date of issue of these consolidated financial statements, the assessment is still in progress.

38. 其他事項及報告期後事項(續)

(c) 針對本公司股東的清盤令

誠如本公司日期為二零二零年二月二十六日之公告所披露，董事會得悉，破產管理署向本公司發出兩份日期為二零二零年一月二十二日之函件，列明香港高等法院對 Better Joint Venture Limited 及 Mystery Idea Limited (本公司之主要股東) 下達清盤令。

有關針對本公司股東的清盤令之詳情載於本公司日期為二零二零年二月二十六日之公告。

(d) 本公司之清盤呈請

於二零二零年三月十九日，本公司接獲一份有關結欠若干個人債券持有人之若干聲稱債務合共約 195,000,000 港元之香港特別行政區高等法院清盤呈請(公司清盤案件 2020 年第 63 號)(「該呈請」)。該呈請將於二零二零年六月十七日上午九時三十分舉行聆訊。本公司正就該呈請尋求專業法律意見。

有關該呈請之詳情載於本公司日期為二零二零年三月二十日及二零二零年三月三十一日之公告。

(e) COVID-19 之影響

COVID-19 近日獲定性為全球大流行，對市場氣氛造成不利影響，並給全球各地帶來挑戰。本集團持續密切留意大流行之發展，並採取一切可行合理措施，以減低本集團業務所受之影響。截至該等綜合財務報表刊發日期，評估仍在進行中。

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綜合財務報表附註

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

39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

39. 本公司財務狀況表

		Notes 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Non-current assets	非流動資產			
Interests in subsidiaries	於附屬公司之權益	16	<u>178,673</u>	<u>2,226,050</u>
Current assets	流動資產			
Due from subsidiaries	應收附屬公司款項		<u>294,136</u>	<u>345,849</u>
Other receivables	其他應收款項		<u>932</u>	<u>2,383</u>
Bank balances and cash	銀行結存及現金		<u>3,520</u>	<u>647</u>
			<u>298,588</u>	<u>348,879</u>
Current liabilities	流動負債			
Other payables	其他應付款項		<u>90,174</u>	<u>70,666</u>
Interest-bearing borrowings	計息借貸		<u>180,000</u>	<u>200,000</u>
Promissory notes	承兌票據	27	<u>475,928</u>	<u>645,975</u>
Convertible bonds	可換股債券	29	<u>696,646</u>	<u>672,117</u>
			<u>1,442,748</u>	<u>1,588,758</u>
Net current liabilities	流動負債淨值		<u>(1,144,160)</u>	<u>(1,239,879)</u>
Total assets less current liabilities	資產總值減流動負債		<u>(965,487)</u>	<u>986,171</u>
Non-current liabilities	非流動負債			
Promissory notes	承兌票據	27	<u>—</u>	<u>90,662</u>
NET (LIABILITIES) ASSETS	(負債)資產淨值		<u>(965,487)</u>	<u>895,509</u>
Equity and reserves	股權及儲備			
Share capital	股本	30	<u>11,022</u>	<u>11,022</u>
Reserves	儲備	39(a)	<u>(976,509)</u>	<u>884,487</u>
TOTAL (DEFICIT) EQUITY	(虧絀)股權總值		<u>(965,487)</u>	<u>895,509</u>

This statement of financial position was approved and authorised for issue by the Board of Directors on 8 May 2020 and signed on its behalf by

Qian Feng
Director

Li Xiaoguang
Director

本財務狀況表經由以下人士代表董事會於二零二零年五月八日簽署批准及授權刊發

錢楓
董事

李小廣
董事

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綜合財務報表附註

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

39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

(a) Reserves

		Treasury shares	Share premium	Capital redemption reserve	Capital reserve	Contributed reserve	Convertible bonds equity reserve	Share option reserve	Retained profits (Accumulated losses)	Total
		庫存股份 HK\$'000 千港元	股份溢價 HK\$'000 千港元	資本贖回儲備 HK\$'000 千港元	資本儲備 HK\$'000 千港元	繳入盈餘 HK\$'000 千港元	可換股債券 權益儲備 HK\$'000 千港元	購股權儲備 HK\$'000 千港元	保留溢利 (累計虧損) HK\$'000 千港元	總計 HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	—	3,142,766	1,173	4,492	16,692	23,012	109,897	142,420	3,440,452
Loss for the year and total comprehensive loss for the year	年內虧損及年內全面虧損總額	—	—	—	—	—	—	—	(2,525,107)	(2,525,107)
Transaction with owners: Contributions and distributions	與擁有人進行之交易：出資及分派									
— Shares repurchased and cancelled	— 已回購及註銷之股份	—	(20,876)	126	—	—	—	—	(126)	(20,876)
— Shares repurchased but not cancelled	— 已回購但未註銷之股份	(4)	(297)	—	—	—	—	—	—	(301)
— Reversal of equity-settled share-based payments	— 發回以權益結算以股份支付之款項	—	—	—	—	—	—	(9,681)	—	(9,681)
— Share options forfeited during the year	— 年內沒收之購股權	—	—	—	—	—	—	(31,444)	31,444	—
Total transaction with owners	與擁有人進行之交易總額	(4)	(21,173)	126	—	—	—	(41,125)	31,318	(30,858)
Transfer	轉撥	—	—	—	—	—	(933)	—	933	—
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	(4)	3,121,593	1,299	4,492	16,692	22,079	68,772	(2,350,436)	884,487

39. 本公司財務狀況表(續)

(a) 儲備

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綜合財務報表附註

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

39. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

(a) Reserves (Continued)

	Treasury shares	Share premium	Capital redemption reserve	Capital reserve	Contributed reserve	Convertible bonds equity reserve	Share option reserve	Retained profits (Accumulated losses)	Total
	庫存股份	股份溢價	資本贖回儲備	資本儲備	繳入盈餘	可換股債券權益儲備	購股權儲備	保留溢利 (累計虧損)	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Loss for the year and total comprehensive loss for the year	—	—	—	—	—	—	—	(1,858,139)	(1,858,139)
Transaction with owners: Contributions and distributions									
— Shares repurchased but not cancelled	—	(6)	—	—	—	—	—	—	(6)
— Reversal of equity-settled share-based payments	—	—	—	—	—	—	(2,851)	—	(2,851)
— Share options forfeited during the year	—	—	—	—	—	—	(30,382)	30,382	—
Total transaction with owners	—	(6)	—	—	—	—	(33,233)	30,382	(2,857)
Transfer	—	—	—	—	—	(22,079)	—	22,079	—
At 31 December 2019	(4)	3,121,587	1,299	4,492	16,692	—	35,539	(4,156,114)	(976,509)

39. 本公司財務狀況表(續)

(a) 儲備(續)

	Treasury shares	Share premium	Capital redemption reserve	Capital reserve	Contributed reserve	Convertible bonds equity reserve	Share option reserve	Retained profits (Accumulated losses)	Total
	庫存股份	股份溢價	資本贖回儲備	資本儲備	繳入盈餘	可換股債券權益儲備	購股權儲備	保留溢利 (累計虧損)	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Loss for the year and total comprehensive loss for the year	—	—	—	—	—	—	—	(1,858,139)	(1,858,139)
Transaction with owners: Contributions and distributions									
— Shares repurchased but not cancelled	—	(6)	—	—	—	—	—	—	(6)
— Reversal of equity-settled share-based payments	—	—	—	—	—	—	(2,851)	—	(2,851)
— Share options forfeited during the year	—	—	—	—	—	—	(30,382)	30,382	—
Total transaction with owners	—	(6)	—	—	—	—	(33,233)	30,382	(2,857)
Transfer	—	—	—	—	—	(22,079)	—	22,079	—
At 31 December 2019	(4)	3,121,587	1,299	4,492	16,692	—	35,539	(4,156,114)	(976,509)

Financial Summary

財務概要

The following is a summary of the published results and assets and liabilities of Rentian Technology Holdings Limited (the "Company") and its subsidiaries (together the "Group") for the past five years.

以下為仁天科技控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)過去五年之已刊發業績以及資產及負債概要。

RESULTS

業績

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Revenue	收益	175,507	1,134,936	1,531,414	1,203,580	904,096
Cost of sales	銷售成本	(658,908)	(924,459)	(786,378)	(739,321)	(550,404)
Gross (loss) profit	毛(虧)利	(483,401)	210,477	745,036	464,259	353,692
Other income	其他收入	25,904	38,540	52,766	40,154	23,650
Selling and distribution expenses	銷售及分銷開支	(113,469)	(128,191)	(100,710)	(68,414)	(79,319)
General and administrative expenses	一般及行政開支	(280,265)	(279,445)	(376,055)	(314,305)	(171,415)
Other operating expenses	其他經營開支	—	—	—	—	(49)
Changes in fair value of financial assets at fair value through profit or loss	於損益帳按公平值處理之財務資產之公平值變動	(146,584)	(1,479,954)	284,739	264,436	(77,666)
Loss allowance on trade and other receivables, and loan receivables	貿易及其他應收款項以及應收貸款之虧損備抵	(420,313)	(142,754)	—	—	—
Changes in fair value of contingent consideration receivables	應收或然代價之公平值變動	—	—	186,757	—	—
Changes in fair value of contingent consideration payables	應付或然代價之公平值變動	—	16,524	—	—	—
Other gains/(losses), net	其他收益/(虧損)淨額	—	—	1,265	(1,157)	—
Forfeiture of a deposit paid for acquisition of a subsidiary	罰沒就收購一間附屬公司已支付之按金	—	(3,000)	—	—	—
Impairment loss of available-for-sale financial assets	可供出售財務資產之減值虧損	—	—	(61,109)	(41,114)	—
Impairment of intangible assets	無形資產減值	(14,124)	(59,419)	—	—	—
Impairment of goodwill	商譽減值	(120,110)	(897,375)	(200,000)	—	—
Finance costs	財務成本	(142,748)	(205,698)	(190,103)	(109,685)	(37,732)
Share of results of an associate/associates	應佔聯營公司之業績	(26)	—	1,473	18,960	48,059
Gain on bargain purchase on acquisition of an associate	收購一間聯營公司之議價購買收益	—	—	—	—	8,740
(Loss) Profit before taxation	除稅前(虧損)溢利	(1,695,136)	(2,930,295)	344,059	253,134	67,960
Taxation	稅項	19	(16,381)	(37,394)	(22,120)	(6,956)
(Loss) Profit for the year	年內(虧損)溢利	(1,695,117)	(2,946,676)	306,665	231,014	61,004
(Loss) Profit attributable to: Owners of the Company	(虧損)溢利歸屬於： 本公司擁有人	(1,541,664)	(2,835,001)	202,628	154,446	38,258
Non-controlling interests	非控股權益	(153,453)	(111,675)	104,037	76,568	22,746
		(1,695,117)	(2,946,676)	306,665	231,014	61,004

Financial Summary

財務概要

ASSETS AND LIABILITIES

資產及負債

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Non-current assets	非流動資產	492,740	653,176	1,702,149	1,848,292	920,767
Current assets	流動資產	986,679	3,671,941	5,208,539	3,588,320	2,547,185
Current liabilities	流動負債	2,093,975	(3,133,983)	(1,384,106)	(923,276)	(723,856)
Net current (liabilities) assets	流動(負債)資產淨值	(1,107,296)	537,958	3,824,433	2,665,044	1,823,329
Total assets less current liabilities	資產總值減流動負債	(614,556)	1,191,134	5,526,582	4,513,336	2,744,096
Non-current liabilities	非流動負債	(18,871)	(95,392)	(1,219,004)	(1,079,844)	(479,786)
Net (liabilities) assets	(負債)資產淨值	(633,427)	1,095,742	4,307,578	3,433,492	2,264,310



RENTIAN TECHNOLOGY HOLDINGS LIMITED
仁天科技控股有限公司*