



弘達金融控股有限公司

HongDa Financial Holding Limited

(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：1822)



2019

ANNUAL REPORT
年報

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Corporate Information

公司資料

DIRECTORS

Executive Directors

Mr. Qiu Bin (*Chairman and Chief Executive Officer*)
(appointed on 12 March 2020)

Ms. Chen Xiaohang (resigned as Chief Executive Officer
on 12 March 2020)

Non-executive Director

Mr. Cheng Chai Fu (appointed on 1 April 2020)

Independent Non-executive Directors

Mr. Wong Yiu Kit, Ernest

Mr. Zhao Xianming

Dr. Guan Huanfei

Mr. An Dong (appointed on 12 March 2020)

COMPANY SECRETARY

Mr. Im Kai Chuen Stephen (appointed on 17 March 2020)

AUTHORISED REPRESENTATIVES

Mr. Qiu Bin (appointed on 12 March 2020)

Mr. Im Kai Chuen Stephen (appointed on 17 March 2020)

AUDIT COMMITTEE

Mr. Zhao Xianming (*Chairman*)

Mr. Wong Yiu Kit, Ernest

Dr. Guan Huanfei

Mr. An Dong (appointed on 12 March 2020)

NOMINATION COMMITTEE

Mr. Qiu Bin (*Chairman*)

(appointed on 12 March 2020)

Dr. Guan Huanfei

Mr. Wong Yiu Kit, Ernest

Mr. Zhao Xianming

Mr. An Dong (appointed on 12 March 2020)

REMUNERATION COMMITTEE

Mr. Wong Yiu Kit, Ernest (*Chairman*)

Mr. Zhao Xianming

Dr. Guan Huanfei

Mr. An Dong (appointed on 12 March 2020)

董事

執行董事

邱 斌先生(主席兼首席執行官)

(於二零二零年三月十二日獲委任)

陳驍航女士(於二零二零年三月十二日
辭任首席執行官)

非執行董事

鄭濟富先生(於二零二零年四月一日獲委任)

獨立非執行董事

黃耀傑先生

趙憲明先生

關浣非博士

安 東先生(於二零二零年三月十二日獲委任)

公司秘書

嚴啓銓先生(於二零二零年三月十七日獲委任)

授權代表

邱 斌先生(於二零二零年三月十二日獲委任)

嚴啓銓先生(於二零二零年三月十七日獲委任)

審核委員會

趙憲明先生(主席)

黃耀傑先生

關浣非博士

安 東先生(於二零二零年三月十二日獲委任)

提名委員會

邱 斌先生(主席)

(於二零二零年三月十二日獲委任)

關浣非博士

黃耀傑先生

趙憲明先生

安 東先生(於二零二零年三月十二日獲委任)

薪酬委員會

黃耀傑先生(主席)

趙憲明先生

關浣非博士

安 東先生(於二零二零年三月十二日獲委任)

Corporate Information

公司資料

HONG KONG SHARE REGISTRAR

Tricor Investor Services Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

WEBSITE

www.hongdafin.com

STOCK CODE

01822

LEGAL ADVISOR

(Hong Kong Law)
Nixon Peabody CWL
5th Floor, Standard Chartered Bank Building
4-4A Des Voeux Road Central
Hong Kong

PRINCIPAL BANKER

Bank of Communications Co., Ltd. Hong Kong Branch

AUDITORS

McMillan Woods (Hong Kong) CPA Limited
Certified Public Accountants
3rd Floor, Winbase Centre
208 Queen's Road Central
Hong Kong

REGISTERED OFFICE

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 2603, 26th Floor, West Tower, Shun Tak Centre
168 Connaught Road Central
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Royal Bank of Canada Trust Company
(Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road
George Town Grand
Cayman KY1-1110
Cayman Islands

香港股份登記處

卓佳證券登記有限公司
香港
皇后大道東 183 號
合和中心 22 樓

網址

www.hongdafin.com

股份代號

01822

法律顧問

(香港法例)
尼克松 • 鄭黃林律師行
香港
德輔道中 4-4A 號
渣打銀行大廈 5 樓

主要往來銀行

交通銀行股份有限公司，香港分行

核數師

長青(香港)會計師事務所有限公司
執業會計師
香港
皇后大道中 208 號
勝基中心 3 樓

註冊辦事處

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

總辦事處及香港主要營業地點

香港
干諾道中 168 號
信德中心西座 26 樓 2603 室

主要股份過戶登記處

Royal Bank of Canada Trust Company
(Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road
George Town Grand
Cayman KY1-1110
Cayman Islands

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

Car Rental Business

During the year, Beijing Tu An Car Rental Services Limited* (北京途安汽車租賃有限責任公司), the Group's indirect wholly-owned subsidiary, continued to render the car rental services business in China. For the year ended 31 December 2019, the car rental segment recorded a revenue of approximately HK\$20.3 million (2018: HK\$24.5 million) and a gross profit of approximately HK\$2.2 million (2018: HK\$1.5 million), representing a gross profit margin of approximately 10.8% (2018: 6.2%). The Group will maintain its developmental strategies in order to enhance its capacity and capture incremental market share.

Materials Trading Business

In 2019, the macroeconomy around the world was filled with uncertainties and economic upheaval, which led to a decline in the materials trading volume during the year. For the year ended 31 December 2019, the Group's materials trading segment recorded a revenue of approximately HK\$632.5 million (2018: HK\$1,064.9 million) and a gross profit of approximately HK\$32.1 million (2018: HK\$55.1 million), representing a gross profit margin of approximately 5.1% (2018: 5.2%).

Financing Services and Investment Business

The Group, through a wholly-owned subsidiary, continued to conduct money lending business in Hong Kong through the provision of loans, by utilizing a money lenders licence under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong).

Having considered the risk of financing and investment business, the income contribution to and the existing financial position of the Group, the management decided to close its wholly-owned subsidiary, HongDa Securities Limited, and deregistered with the Securities and Futures Commission (SFC) as a Type 1 licensed corporation. The Group will be more cautious in controlling business risks and reducing expansion in new business and will keep looking for an opportunity to divest.

* The English name of this entity represented management's best knowledge in translating the Chinese name as no English name has been registered or available.

業務回顧

汽車租賃業務

年內，本集團間接全資附屬公司北京途安汽車租賃有限責任公司繼續於中國提供汽車租賃服務業務。截至二零一九年十二月三十一日止年度，汽車租賃分部錄得約20,300,000港元(二零一八年：24,500,000港元)之收益及約2,200,000港元(二零一八年：1,500,000港元)之毛利，毛利率約10.8%(二零一八年：6.2%)。本集團將維持其發展策略，以提升其經營業務的能力及獲取更大市場份額。

材料貿易業務

二零一九年，全球宏觀經濟充滿不確定因素且經濟動盪，導致年內材料貿易量下跌。於截至二零一九年十二月三十一日止年度，本集團材料貿易分部錄得約632,500,000港元(二零一八年：1,064,900,000港元)之收益及約32,100,000港元(二零一八年：55,100,000港元)之毛利，毛利率約5.1%(二零一八年：5.2%)。

融資服務及投資業務

本集團透過全資附屬公司持有放債人條例(香港法例第163章)項下之放債人牌照，繼續以提供貸款之方式，於香港進行放債業務。

經考慮融資及投資業務之風險、對本集團之收益貢獻及本集團現時財務狀況，管理層決定結束全資附屬公司弘達金控證券有限公司，並向證券及期貨事務監察委員會(證監會)取消註冊第1類持牌法團。本集團將更審慎控制業務風險及減少擴展新業務，並將繼續尋找機會出售業務。

* 該實體的英文名稱為管理層盡其所深知翻譯之中文名稱，因其並無註冊或可用之英文名稱。

Management Discussion and Analysis

管理層討論及分析

FUTURE OUTLOOK

Although a partial trade agreement between the United States and China was signed, it did not represent a definitive cooling of the trade war or a means of resolving continuing tensions between the two countries over technological and geopolitical issues. In terms of Hong Kong, the business environment is becoming more precarious in light of on-going social unrest, which will exacerbate the slowdown in all industries and exert pressure on economic growth.

Looking forward, the Group expects that the market in 2020 will remain challenging and demanding. The competitive and volatile operating environment in the financial industry in Hong Kong will continue to exert pressure on the market. Despite the foregoing, the Group will continue to pursue long-term business and profitability growth in line with its corporate mission and goals. The Group will continue to adopt prudent capital management and liquidity risk management to preserve adequate buffer to meet the challenges ahead. We believe that the Group will create fruitful return for our shareholders in the long run.

The scope and intensity of the recent outbreak of COVID-19 worldwide is expected to create disruptions and uncertainties in economic and business activities of population in the countries affected. The extent to which national and global economies and financial markets would be adversely impacted, would be difficult to predict with any accuracy at this stage. However, one encouraging sign has emerged that the incumbent governments of developed economies have implemented aggressive policies and measures to mitigate the unfavourable effects and to lend support to their respective economy. The Group will continue to monitor the situation closely and any financial impact on the operations of the Group, which would be reflected in the consolidated financial statements of the Group for the financial year 2020.

未來展望

儘管中美簽訂部分貿易協議，然而並不代表貿易戰正式降溫，亦非緩和兩國因技術及地緣政治議題而關係持續緊張之方法。就香港而言，社會持續動盪導致營商環境漸趨不穩，使全部行業發展雪上加霜，並為經濟增長施加壓力。

展望未來，本集團預期二零二零年市場仍然充滿挑戰，香港金融行業經營環境競爭激烈且變幻無常，將持續為市場帶來壓力。儘管出現上述各項，惟本集團將繼續尋求長期業務及盈利能力增長，與企業使命及目標一致。本集團將繼續採取謹慎態度管理資本及流動資金風險，充足準備，以應對面前挑戰。本集團相信，長遠而言，本集團將為股東帶來豐碩回報。

近期全球爆發新冠肺炎，範圍及嚴重程度預期對受影響國家人口造成經濟及商業活動的混亂與不確定性。國內及全球經濟與金融市場將受到若干程度的不利影響，在現階段難以準確預測。然而，出現一個令人鼓舞的跡象，發達經濟體系之現任政府已採取積極政策及措施以減輕不利影響，並為其各自之經濟提供支援。本集團將繼續密切留意有關情況及對本集團業務產生之財務影響，有關影響將在本集團二零二零財政年度之綜合財務報表中反映。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW

Results of the group

Revenue

During the year ended 31 December 2019, the Group recorded a revenue of approximately HK\$654.3 million, which represented a decrease of approximately 40.4% as compared to the revenue of approximately HK\$1,097.6 million as recorded for the year ended 31 December 2018. The decrease was mainly resulted from the decrease in materials trading volume from approximately HK\$1,064.9 million for the year ended 31 December 2018 to approximately HK\$632.5 million for the year ended 31 December 2019.

Cost of sales and services rendered

Cost of sales and services rendered of the Group declined by approximately 40.5% from approximately HK\$1,031.6 million for the year ended 31 December 2018 to approximately HK\$614.3 million for the year ended 31 December 2019. The decrease was mainly attributable to the decrease in sales volume of materials trading during the period under review.

Gross profit and margin

The Group recorded a gross profit of approximately HK\$40.1 million for the year ended 31 December 2019, representing a decrease of approximately 39.3% as compared to the gross profit recorded in the prior year. The gross profit margin increased by approximately 0.1% from 6.0% for the year ended 31 December 2018 to 6.1% for the year ended 31 December 2019.

財務回顧

本集團業績

收益

截至二零一九年十二月三十一日止年度，本集團錄得收益約654,300,000港元，較截至二零一八年十二月三十一日止年度錄得的收益約1,097,600,000港元減少約40.4%。該減少主要由於材料貿易量由截至二零一八年十二月三十一日止年度約1,064,900,000港元減少至截至二零一九年十二月三十一日止年度約632,500,000港元。

銷售成本及提供的服務

本集團的銷售成本及提供的服務由截至二零一八年十二月三十一日止年度約1,031,600,000港元減少約40.5%至截至二零一九年十二月三十一日止年度約614,300,000港元。該減少幅主要由於回顧期內材料貿易銷量有所減少。

毛利及毛利率

截至二零一九年十二月三十一日止年度，本集團錄得毛利約40,100,000港元，較往年錄得毛利下跌約39.3%。毛利率由截至二零一八年十二月三十一日止年度的6.0%上升約0.1%至截至二零一九年十二月三十一日止年度的6.1%。

Management Discussion and Analysis

管理層討論及分析

Other income, gains and losses, net

Other income, gains and losses, net of the Group decreased by approximately 115.1%, from net gains of approximately HK\$334.1 million for the year ended 31 December 2018 to net losses of approximately HK\$50.6 million for the year ended 31 December 2019. The decrease was primarily due to the net effect of the (i) fair value loss on financial assets at fair value through profit or loss of approximately HK\$90.0 million (2018: fair value gain on financial assets at fair value through profit or loss of approximately HK\$177.6 million); (ii) fair value loss on investment property of approximately HK\$11.7 million (2018: fair value gain on investment property of approximately HK\$26.3 million); (iii) fair value gain on derivative financial instruments in relation to convertible bonds of approximately HK\$6.2 million (2018: HK\$90.8 million); and (iv) gain on disposal of a subsidiary of approximately HK\$10.9 million (2018: Nil).

Selling and distribution expenses

Selling and distribution expenses of the Group increased from approximately HK\$7.6 million during the year ended 31 December 2018 to approximately HK\$7.9 million for the year ended 31 December 2019. The stable level of expenses was mainly due to steady PRC selling and distribution staff costs incurred in facilitating business operations.

Administrative expenses

Administrative expenses of the Group decreased by approximately 18.6% from approximately HK\$123.5 million for the year ended 31 December 2018 to approximately HK\$100.5 million for the year ended 31 December 2019. The decrease was mainly due to the review of the Group's manpower by streamlining and restructuring staff, which reduced the costs by approximately HK\$23.5 million to utilise resources in a more efficient manner.

Finance costs

Finance costs increased from approximately HK\$156.1 million for the year ended 31 December 2018 to approximately HK\$158.6 million for the year ended 31 December 2019. The increase was mainly due to more interest incurred on convertible bonds as a result of additional interests charged for the renewal of convertible bonds during the year.

其他收入、收益及虧損淨額

本集團的其他收入、收益及虧損淨額由截至二零一八年十二月三十一日止年度的收益淨額約334,100,000港元減少約115.1%至截至二零一九年十二月三十一日止年度的虧損淨額約50,600,000港元。該減少主要由於下列之淨影響所致：(i)按公平值計入損益之金融資產公平值虧損約90,000,000港元(二零一八年：按公平值計入損益之金融資產公平值收益約177,600,000港元)；(ii)投資物業公平值虧損約11,700,000港元(二零一八年：投資物業公平值收益約26,300,000港元)；(iii)可換股債券相關衍生金融工具公平值收益約6,200,000港元(二零一八年：90,800,000港元)；及(iv)出售一間附屬公司收益約10,900,000港元(二零一八年：無)。

銷售及分銷費用

本集團的銷售及分銷費用由截至二零一八年十二月三十一日止年度的約7,600,000港元增加至截至二零一九年十二月三十一日止年度的約7,900,000港元。有關開支水平穩定，主要由於促進業務運營產生之中國銷售及分銷員工成本穩定。

行政費用

本集團之行政費用由截至二零一八年十二月三十一日止年度約123,500,000港元減少約18.6%至截至二零一九年十二月三十一日止年度約100,500,000港元。該減少主要由於乃本集團檢討人力資源，精簡及重組人手，節約成本約23,500,000港元，以更有效地利用資源。

融資成本

融資成本由截至二零一八年十二月三十一日止年度約156,100,000港元增加至截至二零一九年十二月三十一日止年度約158,600,000港元。該增加主要由於年內因重續可換股債券而收取的額外利息導致可換股債券產生更多利息。

Management Discussion and Analysis

管理層討論及分析

Income tax expense

The Group recorded an income tax expense of approximately HK\$14.4 million for the year ended 31 December 2019 (2018: income tax expense of approximately HK\$27.7 million), which was mainly due to the net effect of (i) the derecognition of deferred tax liabilities as a result of the fair value loss on investment property and fair value loss on financial assets at fair value through profit or loss; and (ii) the derecognition of deferred tax assets in relation to allowance for ECLs on trade receivables as it is no longer probable that sufficient taxable profit will be available to allow the deferred tax assets to be utilised during the year.

Liquidity and Financial Position

Current assets	流動資產
Current liabilities	流動負債
Current ratio	流動比率

At 31 December 2019, cash and cash equivalents of the Group amounted to approximately HK\$14.0 million (2018: HK\$17.9 million). As at 31 December 2019, the Group had interest-bearing bank and other borrowings amounted approximately HK\$500.8 million (2018: HK\$715.5 million) and the Group also has liability component of convertible bonds of approximately HK\$437.2 million (2018: HK\$345.4 million).

On the basis of the considerations as disclosed in the note 2 of the consolidated financial statements of the Group for the year ended and as of 31 December 2019, the Board is confident that the Group will have sufficient financial resources to meet its debt repayment and finance needs for its operations for the foreseeable future.

所得稅開支

截至二零一九年十二月三十一日止年度，本集團錄得所得稅開支約14,400,000港元(二零一八年：所得稅開支約27,700,000港元)，主要由於下列淨影響(i)投資物業公平值虧損以及按公平值計入損益的金融資產公平值虧損，導致終止確認遞延稅項負債；及(ii)應收賬款預期信貸虧損撥備相關遞延稅項資產終止確認，此乃由於再無足夠應課稅溢利可讓該遞延稅項資產於年內得以使用。

流動資金及財務資源

2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
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Current assets	流動資產	433,266	1,134,065
Current liabilities	流動負債	1,063,556	606,457
Current ratio	流動比率	0.41	1.87

於二零一九年十二月三十一日，本集團的現金及現金等價物約為14,000,000港元(二零一八年：17,900,000港元)。於二零一九年十二月三十一日，本集團之計息銀行及其他借貸約為500,800,000港元(二零一八年：715,500,000港元)，而本集團亦擁有可換股債券負債約為437,200,000港元(二零一八年：345,400,000港元)。

根據本集團截至二零一九年十二月三十一日止年度及於該日的綜合財務報表附註2所披露考慮因素，董事會深信本集團於可見將來有充裕財務資源應付其債項償還及其業務的融資需要。

Management Discussion and Analysis

管理層討論及分析

Gearing Ratio

資產負債比率

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Total interest-bearing bank and other borrowings and liability components of convertible bonds	計息銀行及其他借貸及可換股債券負債總額	938,025	1,060,973
Total assets	資產總值	1,150,016	2,039,568
Gearing ratio	資產負債比率	81.6%	52.0%

The increase in the gearing ratio was mainly due to the decrease in total assets as a result of loss incurred for the year.

資產負債比率增加乃主要由於年內產生的虧損導致資產總值減少所致。

As at 31 December 2019, the maturity profile of the interest-bearing bank and other borrowings of the Group falling due within one year and from the second year to third year, amounted to approximately HK\$484.1 million (2018: HK\$360.1 million) and HK\$16.7 million (2018: HK\$355.5 million), respectively, of which bank and other borrowings of approximately HK\$233.6 million (2018: HK\$354.2 million) and approximately HK\$58.8 million (2018: HK\$49.1 million) were denominated in US dollar and Renminbi respectively.

於二零一九年十二月三十一日，本集團於一年內及由第二年至第三年間到期的計息銀行及其他借貸分別約為484,100,000港元(二零一八年：360,100,000港元)及16,700,000港元(二零一八年：355,500,000港元)，其中銀行及其他借貸約233,600,000港元(二零一八年：354,200,000港元)及約58,800,000港元(二零一八年：49,100,000港元)分別以美元及人民幣計值。

As at 31 December 2019, the maturity profile of the liability components of the Group's issued convertible bonds falling due within one year and from the second year amounted to approximately HK\$437.2 million (2018: HK\$93.7 million) and nil (2018: HK\$251.8 million), respectively.

於二零一九年十二月三十一日，本集團於一年內及由第二年起到期已發行可換股債券負債分別約為437,200,000港元(二零一八年：93,700,000港元)及無(二零一八年：251,800,000港元)。

Management Discussion and Analysis

管理層討論及分析

Capital Structure

The capital of the Company comprises only ordinary shares. As at 31 December 2019, the total number of the ordinary shares of the Company was 6,810,750,454 (with an aggregate nominal value of HK\$68,108,000). There is no change in the total number of issued shares during the period under review.

Charges on the Group's Assets

At 31 December 2019, certain of the Group's other borrowings were secured by the Group's trade receivables of gross amount approximately HK\$600.6 million (2018: HK\$665.6 million), investment property of approximately HK\$237.7 million (2018: HK\$250.5 million) and restricted bank balances of approximately HK\$Nil (2018: HK\$ 12.0 million).

Foreign Currency Exposure

The foreign currency exposure of the Group primarily arises from revenue or income generated, cost and expenses incurred and certain bank and other borrowings denominated in currencies other than the functional currency of the Group's operating units. For the Group's operating units that have United States dollar and Renminbi as their functional currencies, their foreign currency transactions and the units' monetary assets and liabilities denominated in foreign currencies that were translated at the functional currency rates of exchange ruling at 31 December 2019 were mainly denominated in Hong Kong dollars. The Group expected that the exposure to exchange rates fluctuation was not significant and therefore had not engaged in any hedging activities.

Contingent Liabilities

At 31 December 2019, the Group provided a corporate guarantee in favour of an independent third party in respect of a loan facility granted to an associate of the Group up to an aggregate amount of approximately HK\$205.0 million (2018: HK\$205.0 million), of which HK\$29.9 million (2018: HK\$17.7 million) has been utilised. The financial liabilities in respect of the fair value of this financial guarantee of approximately HK\$25.8 million (2018: Nil) has been recognised as at 31 December 2019.

資本架構

本公司的資本僅由普通股組成。於二零一九年十二月三十一日，本公司普通股總數為6,810,750,454股（面值總額為68,108,000港元）。已發行股份總數於本回顧期間並無變動。

本集團資產抵押

於二零一九年十二月三十一日，本集團之應收賬款總額約600,600,000港元（二零一八年：665,600,000港元）、投資物業約237,700,000港元（二零一八年：250,500,000港元）及受限制銀行結餘約零港元（二零一八年：12,000,000港元）已作為若干其他借貸的抵押。

外幣風險敞口

本集團的外幣風險主要來自所得收益或收入、所產生成本及開支以及以本集團營運單位功能貨幣以外的貨幣列值的若干銀行及其他借貸。就本集團以美元及人民幣作為功能貨幣的營運單位而言，其外幣交易及有關單位以外幣（按功能貨幣於二零一九年十二月三十一日的適用匯率換算為外幣）列值的貨幣資產及負債主要以港元列值。本集團預期匯率波動風險並不重大，故並無進行任何對沖活動。

或然負債

於二零一九年十二月三十一日，本集團就本集團一間聯營公司獲授的貸款融資向一名獨立第三方提供公司擔保，總金額最高約205,000,000港元（二零一八年：205,000,000港元），其中29,900,000港元（二零一八年：17,700,000港元）已動用。與該財務擔保公平值相關的金融負債約25,800,000港元（2018年：無）已於二零一九年十二月三十一日確認。

Management Discussion and Analysis

管理層討論及分析

Capital Commitments

As at the end of the reporting period, the Group had outstanding capital commitments amounted to approximately 89.4 million (2018: HK\$136.2 million).

DIVIDENDS

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

EMPLOYEES AND EMOLUMENT POLICY

At 31 December 2019, the Group employed a total of 42 (2018: 147) employees. Total costs including the emoluments of the directors of the Company, amounted to approximately HK\$29.9 million for the year (2018: approximately HK\$53.4 million). The emolument policy of the Group is determined with reference to the performance, qualifications and experience of individual employees (including Directors), as well as the results of the Group and the market conditions. The Group provides discretionary bonus, medical insurance, provident fund, education subsidy and training to its employees.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES OR ASSOCIATED COMPANIES

Save as disclosed in this report, the Group had no material acquisition or disposal of subsidiaries or associates during the year ended 31 December 2019. As at 31 December 2019, the Group had no specific plan for major investment or acquisition for major capital assets or other business. However, the Group will continue to identify new opportunities for business development.

資本承擔

於報告期末，本集團之未償付資本承擔約為89,400,000港元(二零一八年：136,200,000港元)。

股息

董事會並不建議就截至二零一九年十二月三十一日止年度派付任何股息(二零一八年：無)。

僱員及薪酬政策

於二零一九年十二月三十一日，本集團僱用合共42名(二零一八年：147名)僱員。年內，成本總額(包括本公司董事酬金)約為29,900,000港元(二零一八年：約53,400,000港元)。本集團的薪酬政策參照個別僱員(包括董事)的表現、資歷及經驗、本集團業績及市況釐定。本集團向其僱員提供酌情花紅、醫療保險、公積金、教育津貼及培訓。

重大收購及出售附屬公司或聯營公司

除本報告披露者外，本集團於截至二零一九年十二月三十一日止年度並無重大收購或出售附屬公司或聯營公司。於二零一九年十二月三十一日，本集團並無有關重大資本資產或其他業務之具體重大投資或收購計劃。然而，本集團將繼續物色新業務發展機會。

Biographical Details of Directors

董事的詳細履歷

DIRECTORS

Executive Directors

Mr. Qiu Bin, aged 52, holds a Master of Business Administration Degree from the City University of Macau. He had worked with various large corporations in mainland China and been responsible for project investment, assets restructuring, property development and property leasing and management. Mr. Qiu has over 15 years of experience in investment management. Mr. Qiu was the general manager of China Technology Education Trust Association during the period from January 2009 to October 2011. Mr. Qiu was the executive director of Suncity Group Holdings Limited (Stock code: 1383), the shares of which are listed on the main board of the Stock Exchange, during the period from June 2012 to May 2015. He was also the executive director of Sheng Yuan Holdings Limited (Stock code: 851), the shares of which are listed on the main board of the Stock Exchange, during the period from July 2017 to February 2020.

Ms. Chen Xiaohang, aged 34, has been appointed as the chief executive officer of the Company since 16 August 2016 and has been further appointed as an Executive Director of the Company since 19 April 2017. On 12 March 2020, Ms Chen resigned as chief executive officer of the Company. Ms. Chen holds a master degree in Business Administration from the Hong Kong University of Science and Technology, a master degree in Global Communications from the Chinese University of Hong Kong and dual bachelor degrees in Broadcasting Journalism and Marketing from Wuhan University. Ms. Chen had worked in iPR Ogilvy, responsible for IPO public relations projects and investor relations and media relations concerning listed enterprises in Hong Kong. Thereafter she joined NCF Media group and acted as its co-chief executive officer.

董事

執行董事

邱斌先生，52歲，持有澳門城市大學工商管理碩士學位。彼曾於中國內地多間大型公司工作，負責項目投資、資產重組、房地產開發、物業租賃及管理。邱先生在投資管理方面積逾15年經驗。邱先生於二零零九年一月至二零一一年十月期間擔任中國科技教育基金會總經理。邱先生於二零一二年六月至二零一五年五月期間曾任太陽城集團控股有限公司(股份代號：1383)執行董事，該公司股份於聯交所主板上市。彼於二零一七年七月至二零二零年二月期間亦為盛源控股有限公司(股份代號：851)執行董事，該公司股份於聯交所主板上市。

陳驍航女士，34歲，自二零一六年八月十六日起獲委任為本公司首席執行官，並自二零一七年四月十九日起再獲委任為本公司執行董事。於二零二零年三月十二日，陳女士辭任本公司首席執行官。陳女士持有香港科技大學工商管理碩士學位、香港中文大學全球傳播碩士學位，以及武漢大學廣播電視新聞學及市場營銷雙學士學位。陳女士曾任職於iPR奧美公關，負責企業上市公關項目及香港上市公司的投資者關係與媒體關係，其後彼加入網信傳媒並出任聯席行政總裁。

Biographical Details of Directors

董事的詳細履歷

Non-executive Director

Mr. Cheng Chai Fu, aged 57, graduated from Victoria University of Wellington, New Zealand with a bachelor degree in commerce and administration in 1990 and obtained a Master of Business Administration from Murray State University, Kentucky of the United States of America in 2000. Mr. Cheng has been an associate member of The Hong Kong Institute of Chartered Secretaries, Hong Kong Institute of Certified Public Accountants and Institute of Chartered Accountants of New Zealand. Mr. Cheng has extensive experience in the areas of auditing, accounting and company secretarial work. Mr. Cheng worked as the company secretary and financial controller of Bingo Group Holdings Limited (Stock Code: 8220) from August 2008 to October 2009. Mr. Cheng worked as the company secretary of Hanergy Thin Film Power Group Limited (Stock Code: 566) from March 2010 to January 2015. He also worked as an in-house company secretary of the Company from January 2015 to December 2015 and the company secretary of China Regenerative Medicine International Limited (Stock Code: 8158) from January 2016 to January 2019 respectively. He also served as an independent non-executive director of Legend Strategy International Holdings Group Company Limited (Stock Code: 1355) from March 2017 to September 2018. He is currently the independent non-executive director of One Real International Holdings Limited (Stock Code: 8245).

非執行董事

鄭濟富先生，57歲，於一九九零年畢業於新西蘭威靈頓維多利亞大學並取得商業及行政學士學位，於二零零零年獲美國肯德基州Murray State University頒授工商管理學碩士學位。鄭先生為香港特許秘書公會會員、香港會計師公會會員及紐西蘭特許會計師公會會員。鄭先生於審核、會計及公司秘書工作方面擁有豐富的經驗。鄭先生於二零零八年八月至二零零九年十月曾任比高集團控股有限公司(股份代號：8220)的公司秘書及財務總監。鄭先生於二零一零年三月至二零一五年一月曾任漢能薄膜發電集團有限公司(股份代號：566)公司秘書。彼亦曾於二零一五年一月至二零一五年十二月擔任本公司內部公司秘書及於二零一六年一月至二零一九年一月擔任中國再生醫學國際有限公司(股份代號：8158)的公司秘書。彼亦於二零一七年三月至二零一八年九月曾任枋濬國際集團控股有限公司(股份代號：1355)的獨立非執行董事。彼目前為安悅國際控股有限公司(股份代號：8245)的獨立非執行董事。

Biographical Details of Directors

董事的詳細履歷

Independent Non-executive Directors

Mr. Wong Yiu Kit, Ernest, aged 52, has been appointed as an Independent Non-executive Director of the Company since 16 July 2014. He is also the Chairman of the Remuneration Committee, a member of the Audit Committee and the Nomination Committee of the Company. Mr. Wong graduated from the University of Hong Kong with a bachelor degree of Business Administration. He also obtained a master degree of Science in Investment Management from the Hong Kong University of Science and Technology and a master degree of Science in Electronic Engineering from the Chinese University of Hong Kong. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, the Association of Chartered Certified Accountants and the Institute of Chartered Accountants in England and Wales. Mr. Wong is also a charter-holder of Chartered Financial Analyst and a member of Hong Kong Securities Institute.

Mr. Wong has served as the president and the group chief financial officer of KVB Kunlun Holdings Limited since 2011 and he is also an executive director, the chief financial officer and the company secretary of CLSA Premium Limited (formerly known as KVB Kunlun Financial Group Limited) (Stock Code: 6877). Mr. Wong has also served as the independent non-executive director of Renheng Enterprise Holdings Limited (Stock Code: 3628), Progressive Path Group Holdings Limited (Stock Code: 1581), China Regenerative Medicine International Limited (Stock Code: 8158) and Aidigong maternal & Child Health Limited (formerly known as Common Splendor International Health Industry Limited) (Stock Code: 286); and the non-executive director of Adamas Finance Asia Ltd (formerly known as China Private Equity Investment Holdings Limited, a company listed on the Alternative Investment Market of London Stock Exchange Plc. and Frankfurt Stock Exchange). He also assumed various positions such as the executive director and the chief financial officer of China Private Equity Investment Holdings Limited, the chief financial officer of Hong Kong Applied Science and Technology Research Institute Company Limited and the vice president of Vertex Management (HK). He had been an independent non-executive director of Legend Strategy International Holdings Group Company Limited (Stock Code: 1355) and had also held various management positions in Guangdong Investment Limited and Transpac Capital Limited.

獨立非執行董事

黃耀傑先生，52歲，自二零一四年七月十六日起獲委任為本公司之獨立非執行董事，彼亦為本公司薪酬委員會主席及審核委員會和提名委員會成員。黃先生畢業於香港大學，獲頒工商管理學士學位。彼亦持有香港科技大學投資管理理學碩士學位及香港中文大學電子工程學理學碩士學位。彼為香港會計師公會、英國特許公認會計師公會及英格蘭及威爾士特許會計師公會資深會員。黃先生亦是特許財務分析師特許資格持有人及香港證券專業學會會員。

黃先生自二零一一年起擔任KVB昆侖集團控股有限公司之總裁兼集團首席財務官，彼亦是CLSA Premium Limited(前稱昆侖國際金融集團有限公司)(股份代號：6877)之執行董事、首席財務官兼公司秘書。黃先生分別擔任仁恒實業控股有限公司(股份代號：3628)、進昇集團控股有限公司(股份代號：1581)、中國再生醫學國際有限公司(股份代號：8158)及愛帝宮母嬰健康股份有限公司(前稱同佳國際健康產業集團有限公司)(股份代號：286)之獨立非執行董事，並擔任Adamas Finance Asia Ltd(前稱福泰投資集團有限公司，一間於倫敦證券交易所另類投資市場及法蘭克福證券交易所上市之公司)之非執行董事。彼亦曾先後擔任福泰投資集團有限公司之執行董事兼財務總監、香港應用科技研究院有限公司之財務總監及祥峰投資之副總裁。彼曾任朥濬國際集團控股有限公司(股份代號：1355)之獨立非執行董事，亦曾於粵海投資有限公司及匯亞集團擔任管理職務。

Biographical Details of Directors

董事的詳細履歷

Mr. Wong is also actively involved in public services and is now serving as the deputy chairman of the HKU Convocation, a court member of The University of Hong Kong, a committee member of the Association of Chartered Certified Accountants Hong Kong, and a member of the Twelfth Shandong Province Committee of the Chinese People's Political Consultative Conference. Mr. Wong was the immediate past president of the Hong Kong University Graduates Association.

Mr. Zhao Xianming, aged 43, has been appointed as an Independent Non-executive Director of the Company since 16 July 2014. He is also the Chairman of the Audit Committee, and a member of the Remuneration Committee and the Nomination Committee of the Company. He assumed various positions such as the supervisor of the legal and auditorial center of Fanhua Construction Group Limited* (泛華建設集團有限公司), the general legal counsel, the vice-president and the board secretary of China Agritech Inc. (a company listed on the NASDAQ Stock Market). He graduated from China Foreign Affairs University with a master degree of International Law and is a certified enterprise risk manager.

Dr. Guan Huanfei, aged 62, has been appointed as an Independent Non-executive Director of the Company since 22 June 2018. Dr. Guan has extensive experience in the finance and insurance industry in Hong Kong and the PRC. He served various senior managerial positions in the People's Insurance Company of China (Jilin Branch) (中國人民保險公司吉林省分公司), the business department of Hong Kong and Macao Regional Office of China Insurance Group (中國保險港澳管理處), Ming An Insurance Company (Hong Kong) Limited and China Pacific Insurance Co., (HK) Limited. Dr. Guan also held offices at the Bank of Communications, including the deputy chairman of the risk asset management committee, deputy chairman of credit asset management committee, chairman of loan verification committee, deputy general manager of the Bank of Communications Hong Kong Branch, the director of Bank of Communications Trustee Limited, the chairman and chief executive of China BOCOM Insurance Co., Limited and an executive director and general manager of BoComm Life Insurance Company Limited. Dr. Guan is also an economic and technical consultant of Jilin Provincial Government (吉林省人民政府經濟技術顧問).

黃先生亦熱心投入公職，現為香港大學畢業生議會副主席、香港大學校董、英國特許公認會計師公會香港分會理事，以及第十二屆中國人民政治協商會議山東省委員。黃先生剛卸任香港大學畢業同學會會長。

趙憲明先生，43歲，自二零一四年七月十六日起已獲委任為本公司之獨立非執行董事。彼亦為本公司審核委員會主席及薪酬委員會和提名委員會成員。彼擔任泛華建設集團有限公司之法務審計中心總監、China Agritech Inc. (一間於納斯達克證券市場上市之公司)之總法律顧問、副總裁及董事會秘書等多個職務。彼畢業於外交學院，獲頒國際法碩士學位，並為企業風險管理師。

關洸非博士，62歲，自二零一八年六月二十二日起獲委任為本公司之獨立非執行董事。關博士於香港及中國金融及保險業擁有豐富經驗。彼曾於中國人民保險公司吉林省分公司、中國保險港澳管理處、香港民安保險有限公司及中國太平洋保險(香港)有限公司出任不同之高級管理層職位。關博士亦曾於交通銀行任職，包括擔任風險資產管理委員會副主任委員、信貸資產管理委員會副主任委員、貸款審查委員會主任委員、交通銀行香港分行副總經理、交通銀行信託有限公司董事、中國交銀保險有限公司董事長兼行政總裁及交銀康聯人壽保險有限公司之執行董事及總經理。關博士亦為吉林省人民政府經濟技術顧問。

Biographical Details of Directors

董事的詳細履歷

Dr. Guan is an independent non-executive director of China Nonferrous Mining Corporation Limited (Stock Code: 1258), Sunwah Kingsway Capital Holdings Limited (Stock Code: 188), Huarong International Financial Holdings Limited (Stock Code: 993) and China Shandong Hi-Speed Financial Group Limited (Stock Code: 412). He was the chairman emeritus of Culturecom Holdings Limited (Stock Code: 343) and the chairman of the board of directors of UCAN.COM Group Limited, a subsidiary of Culturecom Holdings Limited, from July 2013 to March 2016. Dr. Guan was an executive director of Greater Bay Area Investments Group Holdings Limited (formerly known as CCT Land Holdings Limited) (Stock Code: 261) from May 2015 to September 2017 and an independent non-executive director of Silver Base Group Holdings Limited (Stock Code: 886) from March 2008 to January 2011. He was re-designated as an executive director and appointed as the chief executive officer of Silver Base Group Holdings Limited from January 2011 to December 2012 and has been engaged as its senior consultant since January 2013. Dr. Guan was a non-executive director of Ping An Securities Group (Holdings) Limited (Carrying on business in Hong Kong as PAN Securities Group Limited) (Stock Code: 231) from 1 December 2017 to 21 June 2018. Dr. Guan has been a part-time researcher of the Insurance Research Centre of Fudan University since 2004. He has also been appointed as a part-time lecturer of professional degree of Fudan University since 2013. Dr. Guan obtained his doctoral degree in Economics in 2000 from Wuhan University and was a post-doctoral researcher in Theoretical Economics with Fudan University from 2000 to 2002.

關博士現任中國有色礦業有限公司(股份代號：1258)、新華匯富金融控股有限公司(股份代號：188)、華融國際金融控股有限公司(股份代號：993)及中國山東高速金融集團有限公司(股份代號：412)之獨立非執行董事。彼於二零一三年七月至二零一六年三月曾任文化傳信集團有限公司(股份代號：343)榮譽主席及其附屬公司UCAN.COM Group Limited之董事會主席。於二零一五年五月至二零一七年九月，曾任大灣區投資控股集團有限公司(前稱中建置地集團有限公司)(股份代號：261)之執行董事。於二零零八年三月至二零一一年一月，關博士曾任銀基集團控股有限公司(股份代號：886)之獨立非執行董事，於二零一一年一月至二零一二年十二月調任為該公司之執行董事並獲委任為行政總裁，自二零一三年一月起獲轉聘為該公司之高級顧問。於二零一七年十二月一日至二零一八年六月二十一日，關博士又曾任平安證券集團(控股)有限公司(以萬安證券集團有限公司之名稱在香港經營業務)(股份代號：231)之非執行董事。關博士自二零零四年起一直為復旦大學保險研究中心之兼任研究員。自二零一三年起，彼亦獲聘為復旦大學專業學位兼職導師。關博士於二零零零年獲武漢大學頒發經濟博士學位，並於二零零零年至二零零二年為復旦大學理論經濟學博士後研究員。

Biographical Details of Directors

董事的詳細履歷

Mr. An Dong, aged 49, holds a Master's Degree in Laws from the China University of Political Science and Law, and has participated in the Private Equity Investment Program of Peking University HSBC Business School. Mr. An holds a Lawyer's Licence of the People's Republic of China, and the Professional Qualifications Certificate (Intermediate Level) issued by the China General Chamber of Commerce. Mr. An has extensive experience in legal affairs in corporate and banking sector, and he is specialised in asset restructuring, equity transfer, merger and acquisition, share issuance, real estate operation and investment, private equity management, as well as financial and economic litigation. Mr. An has joined Beijing Bairui Law Firm (Shenzhen) as a partner since December 2008 and also served as general manager of Shenzhen Both Coasts Investment Management Co., Ltd. Mr. An has been appointed as an independent non-executive director of Freeman FinTech Corporation Limited (Stock Code: 279) since August 2017 and Sheng Yuan Holdings Limited (Stock Code: 851) since November 2019.

安東先生，49歲，持有中國政法大學法學碩士學位，曾參與北京大學滙豐商學院私募股權投資項目。安先生持有中華人民共和國律師執業證及中國商業聯合會頒發的資質證書(中級)。安先生於公司及銀行業法律事務方面擁有豐富經驗，專門從事資產重組、股權轉移、併購、股份發行、房地產業務及投資、私募股權管理以及金融及經濟訴訟。安先生自二零零八年十二月起作為合作夥伴加入北京市百瑞(深圳)律師事務所，並擔任深圳兩岸投資管理有限公司總經理。安先生自二零一七年八月起獲委任為民眾金融科技控股有限公司(股份代號：279)及自二零一九年十一月起獲委任為盛源控股有限公司(股份代號：851)的獨立非執行董事。

Corporate Governance Report

企業管治報告

The Board is pleased to present this corporate governance report for the year ended 31 December 2019. This report highlights the key corporate governance practices of the Company.

CORPORATE GOVERNANCE PRACTICES

The Company acknowledges the importance of good corporate governance practices and procedures and regards a pre-eminent board of directors, sound internal controls and accountability to all shareholders as the core elements of its corporate governance principles. The Company endeavours to ensure that its businesses are conducted in accordance with rules and regulations, and applicable codes and standards. The Company has adopted the Code Provisions of the Corporate Governance Code (the “Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

Except as described in the following:

- (i) code provisions A.6.7 of the code as the Directors Ms. Wang Li and Mr. Zhao Xianming were unable to attend the annual general meeting of the Company held on 31 May 2019 due to their other business engagement; and
- (ii) Code provision A.2.1 of the Code sets out that the roles of the chairman and the chief executive officer (“CEO”) should be separate and should not be performed by the same individual. The roles of the chairman and CEO of the Company are both assumed by Mr. Qiu Bin (appointed on 12 March 2020), and the Board believes that the roles of both Chairman and CEO vested in the same individual would enable the Company to achieve higher responsiveness, efficiency and effectiveness when formulating business strategies and executing business plans.

The Board reviews at least annually the corporate governance practices of the Company to ensure its continuous compliance with the Code, and make appropriate changes if considered necessary. The Company was in compliance with the applicable code provisions in the Code (the “Code Provision”) for the year ended 31 December 2019. The following sections set out the principles in the Code as they have been applied by the Company, including any deviations therefrom, for the year under review.

董事會欣然呈列截至二零一九年十二月三十一日止年度的企業管治報告。本報告側重於本公司的主要企業管治常規。

企業管治常規

本公司深明良好企業管治常規及程序的重要性，確信傑出的董事會、良好的內部監控、向全體股東負責乃企業管治原則的核心要素。本公司致力確保其業務遵守有關規則及規例，以及符合適用守則及標準。本公司採納香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四所載企業管治守則（「守則」）的守則條文。

惟下述事項除外：

- (i) 守則的第A.6.7條守則條文，原因乃董事王莉女士及趙憲明先生因其他要務在身而未能出席本公司於二零一九年五月三十一日舉行的股東週年大會；及
- (ii) 守則的第A.2.1條守則條文訂明，主席及首席執行官（「首席執行官」）的角色應有所區分，且不應由同一人士擔任。本公司主席及首席執行官的角色皆由邱斌先生（於二零二零年三月十二日獲委任）承擔，而董事會認為，主席及首席執行官的職務由同一人士擔任將使本公司於制定業務策略及實施業務計劃時實現更高回應性、效率及效益。

董事會每年至少檢討本公司的企業管治常規一次，以確保本公司一直遵守守則並於彼等認為需要時作出適當更改。本公司於截至二零一九年十二月三十一日止年度內一直遵守守則的適用守則條文（「守則條文」）。以下各節載述本公司於回顧年度應用守則的原則，包括任何偏離情況。

Corporate Governance Report

企業管治報告

BOARD

The Company is governed by the Board, which is responsible for overseeing the overall strategy and development of the Company, as well as monitoring the internal control policies and evaluating the financial performance of the Group. The Board sets the overall strategies and directions for the Group with a view to developing its business and enhancing the shareholders' value.

As at the date of this annual report, the Board comprises two executive Directors, one non-executive Director and four independent non-executive Directors.

The Board is characterised by significant diversity and has a balance of skills and experience appropriate for the requirements of the business of the Company. The Directors' biographical information is set out in the section headed "Biographical Details of Directors" of this annual report.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Mr. Qiu Bin, the Chairman of the Company is responsible for the overall strategic planning and management of the Group. Code provision A.2.1 requires that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Qiu, being the Chairperson of the Board, has also been appointed as the Chief Executive Officer of the Group who will keep provided strong and consistent leadership to achieve strategic business growth of the Group to enable a better execution of long-term strategies. All the Board members will be ensured to keep abreast of adequate, complete and reliable information by Mr. Qiu on issues to be discussed at Board meetings. Moreover, the four independent Non-Executive Directors (the "INEDs") provide independent and professional opinion on issues addressed at Board meetings and therefore, the Board believes that there is a balance of power and authority governed by the current Board structure with more than half of them being the INEDs and does not intend to make any change in the composition of the Board. The Board will continue to review the Board composition from time to time and shall make necessary changes when appropriate in a timely manner accordingly and inform the Company's shareholders.

董事會

本公司由董事會管治，董事會須負責監督本公司的整體策略和發展，以及監察內部監控政策及評估本集團的財務表現。董事會制訂本集團的整體策略及方針，以發展業務及提高股東價值。

於本年報日期，董事會由兩名執行董事、一名非執行董事及四名獨立非執行董事。

董事會具顯著多元化特色，於本公司業務所需適當技巧及經驗方面亦取得平衡。董事的履歷載列於本年報「董事的詳細履歷」一節。

主席及首席執行官

本公司主席邱斌先生負責本集團的整體策略規劃及管理。守則條文第A.2.1條規定主席及首席執行官的角色應有所區分，且不應由同一人士擔任。董事會主席邱先生亦獲委任為本集團首席執行官，彼將繼續給予強勁及貫徹一致的領導，從而達成本集團的策略性業務增長，令長期策略得以更有效執行。全體董事會成員將確保就將於董事會會議上討論的事宜及時了解邱先生提供充足、完整及可靠的資料。此外，四名獨立非執行董事（「獨立非執行董事」）會就董事會會議上提及的事宜提供獨立且專業的意見，因此，董事會相信，現時董事會架構中超過一半成員為獨立非執行董事足以制衡權力，故無意對董事會成員組合作出任何變動。董事會將繼續不時檢討董事會成員組合，於適當時候及時相應作出所需變動，並知會本公司股東。

Corporate Governance Report

企業管治報告

INDEPENDENT NON-EXECUTIVE DIRECTORS

Pursuant to Rules 3.10(1) and 3.10(2) of the Listing Rules, the Company has appointed four independent non-executive Directors and one of them has appropriate professional qualifications or accounting or related financial management expertise as at the date of this annual report.

Pursuant to Rule 3.10A of the Listing Rules, the number of independent non-executive Directors of the Company represents not less than one-third of the Board.

The Company has received from each of its independent non-executive Directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and the Company considers that all of the independent non-executive Directors are independent.

獨立非執行董事

根據上市規則第3.10(1)及3.10(2)條，本公司已委任四名獨立非執行董事，於本年報日期，彼等其中一名具備適當的專業資格或在會計或相關財務管理方面的專業知識。

根據上市規則第3.10A條，本公司獨立非執行董事的人數佔董事會人數不少於三分之一。

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出的年度確認書，且本公司認為全體獨立非執行董事均屬獨立人士。

Corporate Governance Report

企業管治報告

During the Year, the attendance of each Director is set out below: 年內，各董事的出席情況如下：

Director	董事	Meeting attended/ meetings entitled to attend 實際出席次數/ 有權出席次數
Executive Directors		
Mr. Qiu Bin (Chairman and Chief Executive Officer) (appointed on 12 March 2020)	邱斌先生(主席兼首席執行官) (於二零二零年三月十二日獲委任)	0/0
Ms. Chen Xiaohang (resigned as Chief Executive Officer on 12 March 2020)	陳驍航女士(於二零二零年三月十二日辭任 首席執行官)	4/4
Ms. Tung Shun (resigned on 12 March 2020)	董淳女士(於二零二零年三月十二日辭任)	4/4
Non-executive Directors		
Mr. Cheng Chai Fu (appointed on 1 April 2020)	鄭濟富先生 (於二零二零年四月一日獲委任)	0/0
Ms. Wang Li (resigned on 15 November 2019)	王莉女士 (於二零一九年十一月十五日辭任)	2/4
Mr. Li Xiaolu (resigned on 28 August 2019)	李曉蘆先生 (於二零一九年八月二十八日辭任)	3/3
Independent Non-executive Directors		
Mr. Wong Yiu Kit, Ernest	黃耀傑先生	4/4
Mr. Zhao Xianming	趙憲明先生	2/4
Dr. Guan Huanfei	關浣非博士	4/4
Mr. An Dong (appointed on 12 March 2020)	安東先生 (於二零二零年三月十二日獲委任)	0/0

All the independent non-executive Directors (“INEDs”) were appointed for a specific term but are subject to retirement by rotation and re-election at the annual general meetings in accordance with the Articles of Association of the Company.

所有獨立非執行董事(「獨立非執行董事」)均有訂明具體任期，惟須依照本公司組織章程細則於股東週年大會輪值退任及重選。

COMMITTEES

As part of the corporate governance practices, the Board has established the remuneration committee, nomination committee, and audit committee. All of the committees are chaired by and composed of INEDs with terms of reference in accordance with the principles set out in the Code.

委員會

在企業管治常規中，董事會已成立薪酬委員會、提名委員會及審核委員會。所有委員會均由獨立非執行董事擔任主席和組成，並已按照守則所載的原則備有書面職權範圍。

Corporate Governance Report

企業管治報告

REMUNERATION COMMITTEE

The Company established a remuneration committee (the “**Remuneration Committee**”) on 27 November 2009 with written terms of reference. As at the date of this annual report, the Remuneration Committee comprises four INEDs, namely Mr. Wong Yiu Kit, Ernest, Mr. Zhao Xianming, Dr. Guan Huanfei and Mr. An Dong, and is chaired by Mr. Wong Yiu Kit, Ernest.

The primary duties of the Remuneration Committee are formulating remuneration policies, determining the specific remuneration packages of Executive Directors and making recommendations to the Board on the remuneration of Directors. As at the date of this annual report, the Remuneration Committee reviewed and made recommendations on the remuneration packages of the existing Directors.

Details of the remuneration paid to members of the senior management of the Group (including the Directors) by band for the Year are set out below:

薪酬委員會

本公司於二零零九年十一月二十七日成立備有書面職權範圍的薪酬委員會（「**薪酬委員會**」）。於本年報日期，薪酬委員會的成員包括四名獨立非執行董事，即黃耀傑先生、趙憲明先生、關浣非博士及安東先生。黃耀傑先生為該委員會的主席。

薪酬委員會的主要職務為制訂薪酬政策、釐定執行董事的具體薪酬待遇，以及向董事會提出有關董事薪酬的建議。於本年報日期，薪酬委員會曾檢討現有董事的薪酬待遇並提出建議。

本年度已付本集團高級管理層成員（包括董事）之薪酬範圍如下：

Remuneration band	薪酬範圍	Number of senior management (including the Directors) 高級管理層(包括董事)之人數
Below HK\$1,000,000	低於 1,000,000 港元	6
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 to HK\$2,500,000	2,000,001 港元至 2,500,000 港元	3

During the Year, one Remuneration Committee meeting was held and the attendance of each member is set out below:

年內，薪酬委員會舉行了一次會議，下文載列各成員的出席情況：

Committee Member	委員	Attendance 出席情況
Mr. Wong Yiu Kit, Ernest	黃耀傑先生	1/1
Mr. Zhao Xianming	趙憲明先生	1/1
Dr. Guan Huanfei	關浣非博士	1/1
Mr. An Dong (appointed on 12 March 2020)	安東先生(於二零二零年三月十二日獲委任)	0/0

Corporate Governance Report

企業管治報告

NOMINATION COMMITTEE

The Company established a nomination committee (the “**Nomination Committee**”) on 27 November 2009 with written terms of reference. As at the date of this annual report, the Nomination Committee comprises one ED and four INEDs, namely Mr. Qiu Bin, Mr. Wong Yiu Kit, Ernest, Mr. Zhao Xianming Dr. Guan Huanfei and Mr. An Dong, and is chaired by Mr. Qiu Bin.

The primary duties of the Nomination Committee are reviewing the structure, size and composition of the Board, formulating relevant procedures for nomination of directors, identifying qualified individuals to become members of the Board and making recommendation to the Board on the appointment or re-appointment of directors. As at the date of this annual report, the Nomination Committee reviewed the composition of the Board and made recommendations to the Board.

Board Diversity Policy

The Company aims to build and maintain a Board with a diversity of Directors, including but not limited to gender, age, cultural and educational background, or professional experience. The Board has adopted a Board Diversity Policy which sets out the approach to achieve and maintain diversity on the Board.

The Nomination Committee will discuss and agree annually measurable objectives for implementing diversity on the Board and recommend them to the Board for adoption.

Director Nomination Policy

The Committee shall consider, among others, the following criteria in evaluating and selecting candidates for directorships:

- Character and integrity;
- Personal attributes including professional qualifications, skills, knowledge, experience and expertise that are relevant to the Company’s business and corporate strategy, and the ability to provide insights and practical wisdom based on those attributes;

提名委員會

本公司於二零零九年十一月二十七日成立備有書面職權範圍的提名委員會（「**提名委員會**」）。於本年報日期，提名委員會的成員包括一名執行董事及四名獨立非執行董事，即邱斌先生、黃耀傑先生、趙憲明先生、關浣非博士及安東先生。邱斌先生為該委員會的主席。

提名委員會的主要職務為檢討董事會的架構、大小和組成、制定提名董事的相關程序、物色合資格人士擔任為董事會成員，以及向董事會提出有關任免董事的建議。本年報日期，提名委員會檢討董事會的組成及向董事會提出建議。

董事會多元化政策

本公司矢志建立及維持董事會董事多元化，包括但不限於性別、年齡、文化及教育背景或專業經驗。董事會已採納董事會多元化政策，該政策載列實現並維持董事會多元化的方法。

提名委員會將每年討論並協定關於實施董事會多元化的可計量目標，並向董事會提出意見以供採納。

董事提名政策

評估及甄選候選人擔任董事職務時董事會應考慮（其中包括）以下標準：

- 品格及誠信；
- 個人特性，包括與本公司業務及企業戰略相關的專業資質、技術、知識、經驗及專長，以及基於該等特性帶來遠見及實踐智慧的能力；

Corporate Governance Report

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- Willingness to devote adequate time to discharge duties as a Board member, other directorships, memberships of various committees and significant commitments;
- For independent non-executive directors to be appointed in accordance with the Listing Rules and whether the candidates would be considered independent with reference to the independence guidelines set out in the Listing Rules;
- Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with senior management of the Company;
- Board Diversity Policy and any measurable objectives adopted by the Committee for achieving diversity on the Board; and
- Any other perspectives appropriate to the Company's business.
- 付出足夠時間履行作為董事會成員、其他董事職務、各委員會成員的職責及作出巨大貢獻的意願；
- 就根據上市規則獲委任的獨立非執行董事，及參考上市規則所載獨立性指引確認候選人是否被視為獨立；
- 與其他董事會成員形成良好工作關係並促進董事會與本公司高級管理層的工作關係的能力；
- 董事會多元化政策及委員會為實現董事會多元化採納的任何可計量目標；及
- 適用本公司業務的任何其他潛在適用方面。

During the Year, one Nomination Committee meetings were held and the attendance of each member is set out below:

年內，召開一次提名委員會會議，各成員出席情況載列如下：

Committee Member	委員	Attendance 出席情況
Mr. Qiu Bin (appointed on 12 March 2020)	邱 斌先生(於二零二零年三月十二日獲委任)	0/0
Mr. Wong Yiu Kit, Ernest	黃耀傑先生	1/1
Mr. Zhao Xianming	趙憲明先生	1/1
Dr. Guan Huanfei	關浣非博士	1/1
Mr. An Dong (appointed on 12 March 2020)	安 東先生(於二零二零年三月十二日獲委任)	0/0

AUDIT COMMITTEE

As at the date of this annual report, the audit committee of the Company (the "Audit Committee") comprises four INEDs, namely Mr. Zhao Xianming (*chairman*) Mr. Wong Yiu Kit, Ernest, Dr. Guan Huanfei and Mr. An Dong. The primary duties of the Audit Committee are to supervise the internal control policies, the financial reporting systems and procedures of the Company, to review the financial statements and reports of the Group, and to review the terms of engagement and scope of audit work of the external auditors. The audited financial statements of the Group for the year ended 31 December 2019 have been reviewed by the Audit Committee.

審核委員會

於本年報日期，本公司審核委員會（「審核委員會」）包括四名獨立非執行董事，即趙憲明先生（主席）、黃耀傑先生、關浣非博士及安東先生。審核委員會的主要職務為監督本公司的內部監控政策、財務申報系統和程序、審閱本集團的財務報表和報告，以及檢討外聘核數師的委聘條款和審核工作的範圍。審核委員會已審閱本集團截至二零一九年十二月三十一日止年度的經審核財務報表。

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The Audit Committee has met the external auditors of the Company, McMillan Woods (Hong Kong) CPA Limited, and reviewed the Group's results for the year ended 31 December 2019.

審核委員會曾與本公司之外聘核數師長青(香港)會計師事務所有限公司會面，亦曾審閱本集團截至二零一九年十二月三十一日止年度之業績。

As at the date of this annual report, the Audit Committee reviewed the risk management and internal control systems, as well as the interim and annual results of the Group, which, in the opinion of the audit committee, were prepared in compliance with the applicable accounting standards and the Listing Rules.

於本年報日期，審核委員會審閱本集團的風險管理及內部監控系統，以及中期及全年業績。審核委員會認為，該等業績乃按照適用會計準則及上市規則而編製。

During the Year, two Audit Committee meetings were held and the attendance of each member is set out below:

年內，審核委員會舉行了二次會議，下文載列各成員的出席情況：

Committee Member	委員	Attendance 出席情況
Mr. Wong Yiu Kit, Ernest	黃耀傑先生	2/2
Mr. Zhao Xianming	趙憲明先生	2/2
Dr. Guan Huanfei	關浣非博士	2/2
Mr. An Dong (appointed on 12 March 2020)	安東先生(於二零二零年三月十二日獲委任)	0/0

Corporate Governance Function

The Board does not have a corporate governance committee. The functions that would be carried out by a corporate governance committee are performed by the Board as a whole and are as follows:

企業管治職能

董事會並無設立企業管治委員會，企業管治委員會應承擔的職能由董事會全體共同承擔如下：

- | | |
|---|---|
| <ol style="list-style-type: none"> to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board; to review and monitor the training and continuous professional development of Directors and senior management; to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements; | <ol style="list-style-type: none"> 制定及檢討本公司的企業管治政策及常規，並向董事會提供推薦意見； 檢討及監察董事及高級管理人員的培訓及持續專業發展； 檢討及監察本公司在遵守法律及監管規定方面的政策及常規； |
|---|---|

Corporate Governance Report

企業管治報告

4. to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors; and
5. to review the Company's compliance with the Code and disclosure in the Corporate Governance Report.

The corporate governance policy is formulated with an emphasis on the Board's quality, effective internal control, stringent disclosure practices and transparency and accountability to all shareholders of the Company. The Board strives to comply with the code provisions and reviews its corporate governance policy regularly in order to maintain high standards of business ethics and corporate governance, and to ensure the full compliance of our operations with applicable laws and regulations.

During the Year, members of the Board have reviewed and discussed, among other things, the Company's policies and practices on corporate governance at regular board meetings. They have also reviewed and monitored the training and continuous professional development of directors, and the Company's policies and practices on compliance with legal and regulatory requirements as well as its disclosure in the Corporate Governance Report. The Board has reviewed the code of conduct applicable to employees and directors setting out the standards of behavior that the Company expects from them and the guidelines on how they should handle different situations in business dealings with the Group.

COMPLIANCE WITH THE MODEL CODE SET OUT IN APPENDIX 10 TO THE LISTING RULES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules (the "Model Code"). The Company periodically issues notices to the Directors reminding them of the general prohibition on dealing in the Company's listed securities during the blackout periods before the publication of announcements of results. The Company has confirmed, having made specific enquiry of the Directors, all the Directors have complied with the Model Code throughout the period under review.

4. 制定、檢討及監察員工及董事的操守準則及合規手冊(如有)；及
5. 檢討本公司遵守守則的情況及在企業管治報告內的披露。

制定企業管治政策的重點在於董事會的質素，有效的內部監控，嚴格的披露常規及對本公司全體股東的透明度及責任。董事會致力遵守守則條文並定期檢討其企業管治政策以維持高標準的商業道德及企業管治，以及確保本公司的營運全面遵守適用的法律及條例。

年內，董事會成員已於定期董事會會議檢討及討論(其中包括)本公司的企業管治政策及常規。彼等亦已檢討及監察董事的培訓及持續專業發展，及本公司在遵守法律及監管規定方面的政策及常規，以及其於企業管治報告中的披露。董事會已檢討適用於員工及董事的行為守則，當中列明本公司對彼等所期望的行為標準並就處理本集團業務交易的各種情況作出指引。

遵守上市規則附錄十所載的標準守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)。本公司定期向董事發出通知，提醒彼等於刊發業績公佈前的禁制期內全面禁止買賣本公司的上市證券。經向董事作出特定查詢後，本公司確認全體董事已於回顧期間遵守標準守則。

Corporate Governance Report

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DIRECTORS' RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for overseeing the preparation of the accounts of the Company. The Directors are not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern.

AUDITOR'S REMUNERATION

The statement of the external auditor of the Company about their reporting responsibilities on the Company's consolidated financial statements for the year ended 31 December 2019 is set out in the section "Independent Auditor's Report" of this annual report.

The Group's external auditor provided the following services to the Group for the year ended 31 December 2019:

董事就財務報表的責任

董事確認彼等監督本公司賬目的編製的責任。董事並無察覺關於可能對本公司持續經營能力存在重大疑問的事件或狀況的任何重大不確定性。

核數師酬金

本公司外聘核數師有關彼等對本公司截至二零一九年十二月三十一日止年度綜合財務報表的申報責任的聲明，載於本年報「獨立核數師報告」一節。

本集團的外聘核數師於截至二零一九年十二月三十一日止年度為本集團提供下列服務：

		HK\$'000 千港元
Audit services	核數服務	2,510
Non-audit services*	非核數服務*	379

* The non-audit services mainly comprised review of interim financial information, tax services and financial due diligence services.

* 非核數服務主要包括審閱中期財務資料，稅務服務及財務盡職調查服務。

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges that it is its duty to monitor the risk management and internal control systems of the Group on an ongoing basis and review their effectiveness. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

風險管理及內部監控

董事會明白其職責為持續監察本集團的風險管理及內部監控系統並檢討其效能。有關系統旨在管理而非排除未能達到業務目標之風險，且僅能為防止重大錯誤陳述或損失提供合理而非絕對之保證。

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During the Year, the Board, through the Audit Committee, conducted review of both design and implementation effectiveness of the risk management and internal control systems of the Group, covering all material controls, including financial, operational and compliance controls, with a view to ensuring that resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions are adequate. In this respect, the Audit Committee communicates any material issues to the Board.

During the Year, the Group appointed BT Corporate Governance Limited ("**BTCG**") to:

- assist in identifying and assessing the risks of the Group through a series of workshops and interviews; and
- independently perform internal control review and assess effectiveness of the Group's risk management and internal control systems.

The results of the independent review and assessment were reported to the Audit Committee and the Board. Moreover, improvements in internal control and risk management measures as recommended by BTCG to enhance the risk management and internal control systems of the Group and mitigate risks of the Group were adopted by the Board. Based on the findings and recommendations of BTCG as well as the comments of the Audit Committee, the Board considered the internal control and risk management systems effective and adequate.

Our Enterprise Risk Management Framework

HongDa Financial Holding Limited established its enterprise risk management framework in 2017. While the Board has the overall responsibility to ensure that sound and effective internal controls are maintained, management is responsible for designing and implementing an internal control system to manage all kinds of risks faced by the Group.

年內，董事會通過審核委員會檢討本集團風險管理及內部監控系統的設計及執行效能，涵蓋所有重大監控措施(包括財務、營運及合規監控)，確保本集團會計、內部審核及財務報告職能的資源、員工資歷、培訓計劃及預算充足。就此而言，審核委員會向董事會匯報任何重大事項。

年內，本集團已委任哲慧企管專才有限公司(「**哲慧企管**」)以：

- 透過進行一系列的工作坊及訪問，協助識別及評估本集團的風險；及
- 獨立進行內部監控檢討及評估本集團的風險管理及內部監控系統之效能。

企管專才已向審核委員會及董事會匯報獨立檢討及評估結果。此外，董事會已採納哲慧企管就提升本集團風險管理及內部監控系統及減低本集團風險所建議的內部監控及風險管理改善措施。根據哲慧企管之評估結果及推薦建議以及審核委員會之意見，董事會認為內部監控及風險管理系統屬有效及充份。

企業風險管理架構

弘達金融控股有限公司於二零一七年設立其企業風險管理架構。董事會全盤負責維持完善及有效的內部監控，而管理層則負責設計及執行內部監控系統，以管理本集團面對的所有類別的風險。

Corporate Governance Report

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Through the risk identification and assessment processes, risks are identified, assessed, prioritized and allocated treatments. Our risk management framework follows the COSO Enterprise Risk Management — Integrated Framework, which allows the Board and management to manage the risks of the Group effectively. The Board receives regular reports through the Audit Committee that oversees risk management and internal audit functions.

Our Risk Control Mechanism

The Group adopts a “three lines of defence” corporate governance structure with operational management and controls performed by operations management, coupled with risk management monitoring carried out by the finance and compliance team and independent internal audit outsourced to and conducted by BTCG. The Group maintains a risk register to keep track of all identified major risks of the Group. The risk register provides the Board, the Audit Committee, and management with a profile of its major risks and records management’s action taken to mitigate the relevant risks. Each risk is evaluated at least annually based on its likelihood of occurrence and potential impact upon the Group. The risk register is updated by management as the risk owners with addition of new risks and/or removal of existing risks, if applicable, at least annually, after the annual risk evaluation has been performed. This review process can ensure that the Group proactively manages the risks faced by it in the sense that all risk owners have access to the risk register and are aware of and alert to those risks in their areas of responsibility so that they can take follow-up actions in an efficient manner.

Our risk management activities are performed by management on an ongoing process. The effectiveness of our risk management framework will be evaluated at least annually, and periodic management meetings are held to update the progress of risk monitoring efforts. Management is committed to ensuring that risk management forms part of the daily business operation processes in order to align risk management with corporate goals in an effective manner.

透過風險識別及評估程序，風險得以識別、評估、訂定優先次序及分配處理方法。風險管理架構遵從COSO企業風險管理 — 整合架構，讓董事會及管理層可有效管理本集團的風險。董事會通過負責監督風險管理及內部審核職能的審核委員會定期收取報告。

風險監控機制

本集團採納「三道防線」的企業管治架構，由營運管理層進行營運管理及監控，並由財務及合規團隊進行風險管理監控，以及外判予哲慧企管並由其進行獨立內部審核。本集團保存一份風險登記冊，以記錄本集團所有已識別主要風險。該風險登記冊為董事會、審核委員會及管理層提供其主要風險概況及管理層為減低相關風險所採取的行動的紀錄。各項風險最少每年按其發生的可能性及對本集團的影響予以評估。風險登記冊乃由管理層（作為風險承擔者）最少每年於進行年度風險評估後更新新增風險及／或撤除現有風險（倘適用）。該檢討程序可確保本集團積極管理其面對的風險，令所有風險承擔者可參閱該風險登記冊，並注意彼等職責範疇的風險及保持警覺，從而有效地採取跟進措施。

管理層負責持續進行風險管理活動。風險管理架構的效能將最少每年予以評估，而管理層會議亦將定期舉行以更新風險監控成果的最新進展。管理層致力確保風險管理成為日常業務營運過程的一部份，以有效保持風險管理及企業目標一致。

Corporate Governance Report

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The Group has established internal control procedures for the handling and dissemination of inside information in order to comply with Chapter 13 of the Listing Rules as well as Part XIVA of the Securities and Futures Ordinance. The internal control mechanism includes information flow and reporting processes, confidentiality arrangements, disclosure procedures, and staff training arrangements, etc.

The Company will continue to engage external independent professionals to review the Group's system of internal controls and risk management annually and further enhance the Group's internal control and risk management systems as appropriate.

There is currently no internal audit function within the Group. The directors have reviewed the need for an internal audit function and are of the view that in light of the size, nature and complexity of the business of the Group, it would be more cost effective to appoint external independent professionals to perform internal audit function for the Group in order to meet its needs. Nevertheless, the directors will continue to review at least annually the need for an internal audit function.

SHAREHOLDERS' RIGHTS

Procedures for Shareholders to Convene an Extraordinary General Meeting ("EGM")

Pursuant to the Articles of Association of the Company, any one or more members of the Company holding at the date of the deposit of the requisition not less than one-tenth of such of the paid-up capital of the Company as at the date of the deposit carries the right of voting at general meetings shall at all times have the right, by written requisition to the Board or the Company Secretary, to require an EGM to be called by the Board for the transaction of any business specified in such requisition; and the meeting shall be held within two (2) months after the deposit of such requisition. If within twenty one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board will be reimbursed to the requisitionist(s) by the Company.

本集團已就處理及發佈內幕消息制定內部監控程序，以遵守上市規則第13章及證券及期貨條例第XIVA部。內部監控機制包括消息流向與申報流程、保密安排、披露程序及員工培訓安排等。

本公司將繼續委聘外部獨立專家每年檢討本集團的內部監控及風險管理，並於適當時候進一步提升本集團的內部監控及風險管理系統。

目前，本集團並無內部審核職能。董事已檢討內部審核職能的需要，並認為就本集團的規模、性質及業務的複雜程度而言，委任外部獨立專家履行本集團所需的內部審核職能更合符成本效益。然而，董事將至少每年持續檢討內部審核職能的需要。

股東權利

股東召開股東特別大會（「股東特別大會」）的程序

根據本公司的組織章程細則，任何一名或多名本公司股東，於提出要求當日持有本公司附有可於股東大會上投票權利不少於十分之一的實繳股本，有權隨時向董事會或公司秘書發出書面要求，要求董事會召開股東特別大會，以處理該要求內註明的任何事務。該大會須於提出要求後兩(2)個月內舉行。倘董事會未能於收到要求後二十一(21)日內召開該大會，提出要求人士可按相同方式舉行股東特別大會，而因董事會未能召開大會以致提出要求人士產生的一切合理開支，將由本公司償付予提出要求人士。

Corporate Governance Report

企業管治報告

Communication with Shareholders and Procedures for Putting forward Proposals at a General Meeting

All published information, including all the statutory announcements and press releases, is promptly posted on the Group's website at www.hongdafin.com. Shareholders can also send enquiries to the Board or the Company Secretary, and/or proposals to be put forward at shareholders' meeting for shareholders' consideration by email at ir@hongdafin.com or directly by raising questions at the annual general meeting of the Company.

INVESTOR RELATIONS

The Company believes that maintaining a high level of transparency is a key to enhancing investor relations. It is committed to a policy of open and timely disclosure of corporate information to its shareholders and investment public.

The Company updates its shareholders on its latest business developments and financial performance through its annual and interim reports, announcements and circulars. The corporate website of the Company (www.hongdafin.com) has provided an effective communication platform to the public and the shareholders.

CONSTITUTIONAL DOCUMENTS

During the Year, there were no changes to the Company's constitutional documents.

COMPANY SECRETARY

The company secretary of the Company has duly complied with the relevant training requirement under the Listing Rules.

與股東的溝通及於股東大會上提呈建議的程序

所有刊載資料(包括所有法定公告及新聞稿)均會迅速在本集團網站www.hongdafin.com發佈。股東亦可通過發送郵件至ir@hongdafin.com向董事會或公司秘書查詢及/或發送將於股東大會上提呈以供股東考慮的建議,或於本公司的股東週年大會上直接提問。

投資者關係

本公司相信,維持高透明度是提升投資者關係的關鍵,並致力保持向其股東及投資大眾公開及適時披露公司資料的政策。

本公司透過其年度及中期報告、公佈及通函向其股東更新其最新業務發展和財務表現。本公司的公司網站(www.hongdafin.com)已為公眾人士及股東提供一個有效的溝通平台。

憲章文件

於年內,本公司之憲章文件並無更改。

公司秘書

本公司之公司秘書已妥為遵守根據上市規則有關培訓之規定。

Environmental, Social and Governance Report

環境、社會及管治報告

INTRODUCTION

The 2019 Environmental, Social and Governance Report (the “**Report**”) presented by HongDa Financial Holding Limited (“**the Company**”), together with its subsidiaries (collectively referred to as “**the Group**”) is a detailed report following the requirements set forth in the ESG Reporting Guide under Appendix 27 of the Listing Rules governing the Main Board. This report captures our major ESG policies, initiatives and performance of the Group for the year ended 31 December 2019 (“**the Reporting Period**”).

SCOPE OF REPORT

The Group is mainly engaged in three business lines including (i) trading business of electronic materials; (ii) car rental business; (iii) financial services and investment business. This report will be primarily focus on the car rental business in Beijing and the Group’s Hong Kong headquarter, since these are the areas that represent the majority of the Group’s social, environmental and economic impacts.

引言

二零一九年環境、社會及管治報告(「**本報告**」)由弘達金融控股有限公司(「**本公司**」)，連同其附屬公司(統稱「**本集團**」)提呈，為根據主板上市規則附錄二十七項下《環境、社會及管治報告指引》所載規定編製的詳細報告。本報告載列本集團截至二零一九年十二月三十一日止年度(「**報告期**」)的主要環境、社會及管治政策、措施及表現。

報告的範圍

本集團主要從事三大業務系列，當中包括(i)電子材料貿易業務，(ii)汽車租賃業務，(iii)金融服務及投資業務。本報告內容主要集中在北京的汽車租賃業務以及本集團的香港總部，原因在於對該等領域產生的影響佔本集團社會、環境及經濟影響的大部分。

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MATERIALITY ASSESSMENT

Following the discussion between our senior management team and operational staff, we have identified the ESG issues related to the Group. These issues have been evaluated according to the importance to our stakeholders as well as the Group. The major ESG issues are listed below:

ESG aspects as set forth in the ESG Reporting Guide

A. Environmental

A1 Emissions

A2 Use of resources

A3 The environment and natural resources

B. Social

B1 Employment

B2 Health and safety

B3 Development and training

B4 Labour standards

B5 Supply chain management

B6 Product responsibility

B7 Anti-corruption

B8 Community investment

Material ESG issues

Carbon, Sulphur oxides (SOx), Nitrogen oxides (NOx), particulate matter (PM) emissions and waste management

Electricity and paper consumption

Measures in reducing environmental impact

Labour practices

Workplace health and safety

Staff development and training

Anti-forced labour

Supplier management

Product and service responsibility, quality assurance

Anti-corruption policy

Community involvement

重要性評估

在與我們的高級管理團隊及營運人員進行討論後，我們確定與本集團相關的環境、社會及管治問題。根據該等問題對我們的利益相關者以及本集團的重要性，對相關問題進行了評估。以下列出了主要環境、社會及管治問題：

《環境、社會及管治報告指引》

中提出的環境、社會及管治方面

重大環境、社會及管治問題

A. 環境

A1 排放

A2 資源使用

A3 環境及天然資源

碳、硫氧化物(SOx)、氮氧化物(NOx)、顆粒物(PM)排放及廢物管理

電力及紙張消耗情況

減少環境影響的措施

B. 社會

B1 僱傭

B2 健康及安全

B3 發展及培訓

B4 勞工標準

B5 供應鏈管理

B6 產品責任

B7 反腐敗

B8 社區投資

勞工慣例

工作場所健康及安全

員工發展及培訓

反強迫勞動

供應商管理

產品及服務責任、質量保證

反腐敗政策

社區參與

The Group has followed the “comply or explain” provisions set out in the ESG Reporting Guide for the Reporting Period. ESG data from our vendors or service providers is not included in this report as it is difficult to verify with existing resources.

本集團已遵守本報告期《環境、社會及管治報告指引》所載的「遵守或解釋」條文。我們的供應商或服務供應商所提供的環境、社會及管治數據則不包括在本報告內，此乃由於該等數據很難通過現有資源進行驗證。

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環境、社會及管治報告

A. ENVIRONMENTAL

The Group's car rental business is closely related to environmental protection and the usage of natural resources. The Group has implemented a number of environmental protection management policies, mechanisms and measures, in order to ensure the sustainable development and operation of the Group. The Group is committed to improve the efficiency of energy and resources usage, and also follows relevant local environmental regulations and international general practices, in the effort to conserve natural resources and protect the environment.

The Group's car rental subsidiary strictly abides by the regulation ("北京市租賃小客車數量配置暫行辦法") of Beijing Transportation Bureau in the PRC. During the reporting period, the Group did not have any environmental-related penalties or serious non-compliance with relevant standards, rules and regulations.

A1. Emissions

Sulphur oxides (SOx), Nitrogen oxides (NOx) and particulate matter (PM) emissions

The source of SOx, NOx and particulate matter mainly generates from private vehicles of car rental business. The amount of SOx, NOx produced by our operations in Hong Kong and China regions are shown in the table below:

Region	Number of private cars (Petrol) 私家車數目 (汽油)	Total SOx emissions (g) ¹ 硫氧化物 排放總量(克) ¹	Total NOx emissions (g) ² 氮氧化物 排放總量(克) ²	Total PM emissions (g) ³ 顆粒物總 排放量(克) ³
地區				
Hong Kong 香港	0	N/A 不適用	N/A ⁴ 不適用 ⁴	N/A 不適用
China 中國	135	N/A 不適用	345,391.88	44,574.17

¹ Cars are refuelled by customers, therefore no SOx emissions data are available.

² Formula: NOx emissions (g) = kilometres travelled x Emission Factor

³ Formula: PM emissions (g) = kilometres travelled x Emission Factor

⁴ During the reporting period, there is no motor vehicle in the HK region.

A. 環境

本集團的汽車租賃業務與環境保護及天然資源使用密切相關。本集團已實施多項環境保護管理政策、機制及措施，以確保本集團可持續發展及營運。本集團致力於提高能源及資源使用效益，並遵守當地有關環境法規及國際通用做法，努力保護天然資源及保護環境。

本集團的汽車租賃附屬公司嚴格遵守中國北京市交通委員會運輸管理局發佈的《北京市租賃小客車數量配置暫行辦法》。報告期內，本集團並無任何環境相關處罰或嚴重不符合有關標準、規則及規定的情況。

A1. 排放

硫氧化物(SOx)、氮氧化物(NOx)及顆粒物(PM)排放

硫氧化物、氮氧化物及顆粒物主要來自汽車租賃業務的私家車輛。我們在香港及中國地區營運產生的硫氧化物、氮氧化物數量如下表所示：

¹ 汽車由客戶加油，因此不存在硫氧化物排放數據。

² 公式：氮氧化物排放量(克)=行駛公里數x排放因子

³ 公式：顆粒物排放量(克)=行駛公里數x排放因子

⁴ 報告期內，於香港地區並無汽車。

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The Group has considered vehicle emission as a key issue in air pollution since it has a detrimental impact on people's health. Therefore, the Group actively seeks methods to save gasoline and protect the environment by prioritizing purchasing and using electric vehicles (EVs). By the end of 2019, the Group has 76 electric cars for car rental business (approximately 31.1% of the total 244 cars).

In addition, the Group has several car maintenances that keeping all vehicles in the best condition. We believe that routinely and high-quality vehicle maintenance can keep cars in top operating conditions, therefore lower the pollutant emission.

Carbon emissions

The major source of indirect carbon emission is the electricity consumption in the workplace. In order to reduce our carbon footprint, please refer to the "A2 Use of resources" section below for measures that we have implemented. As to the approximate amount of carbon dioxide (CO₂) generated from our electrical usage in Hong Kong and China regions, the figures are shown in the table below:

Region	Total carbon emissions (tCO ₂ e) ⁵	Total carbon emissions per floor area (tonnes/m ²)	Total carbon emissions per employee (tonnes/employee)
地區	碳排放總量(噸二氧化碳當量) ⁵	每單位建築面積碳排放總量(噸/平方米)	每名僱員碳排放總量(噸/僱員)
Hong Kong 香港	20.058	0.038	0.997
China 中國	18.568	0.068	1.547

⁵ Formula: Total carbon emissions (t)=Total use of electricity x Emission Factor

本集團認為汽車排放為空氣污染的關鍵問題，原因在於其對人民健康產生不利影響。因此，本集團透過改善採購工作及使用電動汽車 (EVs)，積極尋求方法節省汽油及保護環境。截至二零一九年底，本集團汽車租賃業務共有76輛電動汽車(約佔汽車總數244輛的31.1%)。

此外，本集團亦有若干汽車維修保養措施，令所有汽車保持最佳狀態。我們相信，常規及優質汽車維修保養工作可讓汽車維持最佳運行狀況，從而減少污染物排放。

碳排放

工作場所的電力消耗乃間接碳排放的主要來源。為了減少我們的碳足印，我們已經實施了若干措施，請參閱下文「A2資源使用」一節。關於我們在香港及中國地區使用電力所產生的二氧化碳(CO₂)概約數量情況，其數據如下表所示：

⁵ 公式：碳排放總量(噸)=電力消耗總量x排放因子

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Waste management

During the reporting period, no hazardous waste was noted in our business activities including the trading business of electronic materials. Our non-hazardous waste is mainly from our daily activities such as regular trash can waste and some packaging wastes. The major land waste is the paper used for job management and office documents. The Group has established environmental policies to reduce and handle the waste. Our non-hazardous waste is dealt with appropriately and is disposed of in a proper manner by waste disposal company in each region.

A2. Our Use of Resources

The resources used by the Group are principally attributed to electricity, water and paper consumed at our offices.

Use of electricity

Electricity is consumed during daily business operations in our offices including the use of indoor lighting, air-conditioning, functioning of office equipment and equipment related to repair and maintenance etc. The amount of electricity consumption of Hong Kong and China regions are shown in the table below:

Region	Total energy consumption (kWh)	Total energy consumption per floor area (kWh/m ²)	Total energy consumption per employee (Kwh/employee)
地區	能源消耗總量 (千瓦時)	每單位建築面積能源消耗總量 (千瓦時/平方米)	每名僱員能源消耗總量 (千瓦時/僱員)
Hong Kong 香港	25,389	48.73	1,269.45
China 中國	22,000	80.00	1,833.33

廢物管理

報告期內，我們的業務活動（包括電子材料貿易業務）並未發現有害廢物。我們的無害廢物主要來自我們的日常活動，如常規垃圾桶廢物及若干包裝廢物。主要的土地浪費來自用於工作管理及辦公文件的紙張。本集團已制定減少及處理廢物的環保政策。我們的無害廢物得到妥善處理，並由廢物處理公司在各地區以適當的方式處置。

A2. 我們的資源使用

本集團使用的資源主要來自我們辦公室消耗的電力、水及紙張。

用電情況

我們的辦公室在日常業務營運中（包括使用室內照明、空調、辦公設備及與維修保養相關設備等）消耗電力。香港及中國地區的電力消耗量如下表所示：

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In order to enhance the environment protection and save energy consumption, the Group has established energy saving measures:

- The Group is using LED light in the office;
- Lighting should be switched off while staff are off duty;
- Staff are encouraged to switch off all nonessential items (e.g. photocopiers) during non-office hours.

Water usage

Our business activities require water usage is relatively minimal through our business activities. The majority of our water usage comes from water supplies for our offices. The approximate amount of water usage for Hong Kong and China regions are shown in the table below:

Region	Total water consumption (m ³)	Total water consumption per floor area (m ³ /m ²)	Total water consumption per employee (m ³ /employee)
地區	用水總量 (立方米)	每單位建築面積用水總量 (立方米/平方米)	每名僱員用水總量 (立方米/僱員)
Hong Kong	N/A	N/A	N/A
香港	不適用	不適用	不適用
China	180.00	0.65	15.00
中國			

Although the usage of water is small, we also encourage staff to be environmental-friendly by reminding them to turn off water tap after use.

為加強環保及節能，本集團制定了節能措施：

- 本集團在辦公室使用LED燈；
- 員工下班時應關閉照明；
- 鼓勵員工在非辦公時間關閉所有非必需品(例如影印機)。

用水情況

我們進行業務活動時，所需用水量相對輕微。我們的大部分用水來自辦公室供水。下表列出香港及中國地區用水量的概約情況：

儘管用水量較少，惟我們亦鼓勵員工保護環境，提醒員工在使用後關閉水龍頭。

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Packing materials and paper usage

The major packing materials used in the Group are wooden boxes, which are provided and packed by supplier. The Group transfers goods to customers from warehouse or supplier without unloading the packing. Therefore, there is no packing material needed to be disposed during the logistics process. In terms of paper consumption during the year, the approximate amount of paper usage for Hong Kong and China regions are shown in the table below:

包裝材料及紙張使用情況

本集團使用的主要包裝材料乃供應商提供及包裝的木箱。本集團將貨品由倉庫或供應商轉移至客戶時無須拆卸包裝。因此，進行物流時無需棄置包裝材料。就本年度的用紙量而言，香港及中國地區的用紙量大致如下表所示：

Region	Number of A4 paper consumed (sheet)	Total number of paper used per employee (sheet/employee)
地區	A4紙消耗量 (張)	每名僱員用紙總量 (張/僱員)
Hong Kong 香港	30,000	833
China 中國	30,000	2,500

To reduce the amount of paper consumption, we encourage staff to be mindful when printing documents and make use of double-sided printing whenever possible. Non-essential items should be used in e-format. Any documents that are no longer in use should be shredded and recycled.

為減少紙張消耗量，我們鼓勵僱員在打印文檔時謹慎行事，並於可行情況下使用雙面打印。非重要文檔應使用電子版本。任何不再使用的文檔應在碎紙後回收。

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A3. Environment and natural resources

The Group actively manages the possible impacts of its operations on the environment, and continues to reduce our footprint. We closely monitored the use of natural resources in our operations and emissions. In addition to comply with all relevant laws and regulations concerning environmental protection, we are committed to incorporate environmental considerations into our business practices while raising awareness among our staff and customers.

In terms of reducing the environmental impact, we have mainly focused on the reduction of vehicle emission and adopted above measures to protect the environment.

B. SOCIAL

B1. Employment

The management is aware of the value of employees, as well as their impacts on the Group to achieve our missions and objectives.

To maintain a pleasant, healthy, safe, and productive working environment, we have implemented procedures and policies in all aspects of the Group's business operations and integrated in our Employee Handbook and human resources policy. Our Group is also committed to provide a supportive office environment for employees, in order to promote a healthy work-life balance.

Our Group complies with laws relating to compensation, dismissal, equal opportunity, anti-discrimination, rest periods, working hours, and other benefits and welfares.

A3. 環境及天然資源

本集團積極管理其營運可能對環境帶來的影響，並繼續減少我們的碳足印。我們密切監察業務中所用天然資源及排放物。除遵守與環保有關的所有相關法例法規外，我們致力將環保考慮因素納入業務慣例，同時提高員工及客戶的環保意識。

就減少對環境造成的影響而言，我們主要專注減少汽車排放量，並採取上述措施保護環境。

B. 社會

B1. 僱傭

管理層明白僱員的價值以及彼等對本集團實現使命及目標產生的影響。

為保持愉快、健康、安全及富有成效的工作環境，我們已在本集團業務運營的各個方面實施了程序及政策，並納入了我們的僱員手冊及人力資源政策中。本集團亦致力提供可支援僱員工作環境，提倡工作生活充分平衡。

本集團遵守有關賠償、解僱、平等機會、反歧視、休息時間、工作時間以及其他利益及福利的法律。

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In our Employee Handbook, we have outlined the Group's general procedures and practices regarding employment, compensation and benefits. The terms, which included compensation and dismissal, working hours, rest periods and other benefits and welfares, have been specified in our employment contract. We have established a reporting channel for our employees to express any concerns in good faith. It is ensured that concerns would be handled properly without any fear of reprisal or any negative impacts. During the Reporting Period, there were no non-compliance cases noted in relation to employment laws and regulations.

We acknowledge that the foundation to our success is our employees. The Group employs 20 and 12 in Hong Kong and China respectively, in which 17 (53.13%) of them are senior to middle management executives. 16% of its workforce are aged 30 or below, while 68.75% are in the age group of 31 to 50, and 15.25% are 51 or above. Our workforce breakdown by gender is 43.75% male and 56.25% female. In terms of educational profile, 96.875% of the employees have tertiary qualifications or above.

B2. Health and Safety

The Group values the health and well-being of our employees. Therefore, the Group is dedicated to maintain a safe, hygienic and productive workplace by minimising the potential risk of accidents, injuries and exposure in relation to health risks. We encourage our employees to keep the work place tidy to minimise accidental incidents. We have policies in place and are in compliance with the relevant laws pertaining to health and safety and providing a healthy safe work environment as well as protecting employees from occupational hazards.

The Group did not violate any health and safety laws and regulations of Hong Kong during the Reporting Period.

在我們的僱員手冊中，我們概述本集團有關僱傭、薪酬及福利的一般程序及常規。涉及賠償及解僱、工作時間、休息時間及其他利益及福利等的條款已在我們的僱傭合約中訂明。我們已設立舉報渠道，供僱員真誠表達所關注問題。我們確保所關注問題將獲適當處理而無需擔心遭受報復或任何負面影響。報告期內，概無發現與僱傭法律法規有關的不合規案件。

我們明白，我們成功的基礎在於我們的僱員。本集團在香港及中國分別僱用20名及12名僱員，其中17名(53.13%)為高層至中層管理人員。僱員當中，16%年齡在30歲或以下，68.75%處於31歲至50歲之年齡組別，另15.25%年齡在51歲或以上。按性別劃分，僱員當中，43.75%為男性，56.25%為女性。在教育程度方面，96.875%的僱員擁有大專或以上學歷。

B2. 健康及安全

本集團重視僱員的健康及福祉。因此，本集團致力透過盡力減少事故、傷害的潛在風險及與健康有關的風險維持安全、衛生及高效的工作場所。我們鼓勵僱員保持工作場所整潔，以盡量減少意外事件發生。我們制定了相關政策，並遵守有關健康及安全的相關法律，提供健康安全的工作環境，並保護僱員免受職業危害。

報告期內，本集團並無違反香港任何健康及安全法律法規的情況。

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B3. Development and Training

Continuous development and training opportunities are important for the growth of our employees. The Group has provided professional and high-quality orientations to all new employees, in which new joiners are required to complete. It also includes the general safety and specific department training, so that all employees are equipped with the skill set for their individual role.

The Group also provides our employees with adequate developments and trainings to ensure that they maintain a high level of competency to stay competitive in today's fast-changing world. In addition, we encourage employees to participate in external trainings to acquire necessary professional skills and enhance team spirit. Employees are encouraged to pursue growth and continuous learning and training. Training allowance, as one of our compensation benefits, are offered to employees who will attend examinations organised by professional bodies or academic institutions.

During the Reporting Period, our employees have participated in programmes or seminar(s) organised by the Group or other qualified professional bodies or regulatory authorities in areas of, including but not limited to, prevention of bribery and inside information. Relevant training development materials would be provided, in order to keep employees informed of the latest updates in the market, as well as the latest changes in the legal and regulatory field.

B3. 發展及培訓

持續發展及培訓機會對於僱員成長十分重要。本集團為所有新僱員提供專業及優質定向培訓，其中，新僱員必須完成。有關培訓亦包括一般安全及特定部門培訓，從而讓所有僱員具備其個人崗位所需技能。

本集團亦為僱員提供充分的發展及培訓，以確保彼等的能力維持於高水平，從而在現今瞬息萬變的世界中保持競爭力。此外，我們鼓勵僱員參加外部培訓，以獲得必要的專業技能，並增強團隊精神。我們鼓勵僱員追求成長以及持續學習及培訓。培訓津貼將作為薪酬福利之一，就僱員參加由專業團體或學術機構舉辦的考試提供。

於報告期內，我們的僱員曾參加由本集團或其他合資格專業機構或監管機構舉辦的課程或研討會，內容包括但不限於防範賄賂及內幕信息。我們會提供相關培訓發展材料，以使僱員知悉市場的最新發展以及法律及監管環境的最新變化。

Environmental, Social and Governance Report

環境、社會及管治報告

B4. Labour Standards

The Group have committed to create a work environment free of discrimination and harassment where everyone is treated with dignity and respect, regardless of age, marital status, pregnancy, race and religion. All staffs are working on a voluntary basis with agreed terms between employees and the Group to ensure that they are under protection of labour law from different jurisdictions.

During the Reporting Period, the Group has complied with all relevant labour standards. No violation regarding to the age of employment and labour dispute has incurred between the Group and employees.

B5. Supply Chain Management

We review and evaluate suppliers regularly to ensure that the quality of our products and quality control procedures are in line with our Group's requirements and expectations of our customers. In the future, we will incorporate sustainability considerations into our sourcing practices including procurement of other office equipment and communicate with suppliers on their environmental and social responsibilities to identify opportunities to improve their current environmental and social practices.

B6. Product Responsibility

We have developed measures, procedures and policies to address the issue of vehicle quality, in order to ensure that all vehicles that supplied to our customers meet our requirements for product safety and quality. Before leasing to customers, we have ensured all vehicles are in good conditions with completed vehicles quality checking label registry under Beijing Transportation Bureau ("北京市交通委員會運輸管理局"). A background assessment and a product quality check will be performed by the Group before any suppliers admitted as qualified.

B4. 勞動標準

本集團致力於創造不存在歧視及騷擾的工作環境，當中不論年齡、婚姻狀況、懷孕、種族及宗教信仰如何，我們對待所有僱員時，一律給予尊嚴及尊重。所有僱員均按自願基準按僱員與本集團約定的條款工作，以確保彼等獲得不同司法權區的勞動法保護。

報告期內，本集團已遵守所有相關勞工標準。本集團與僱員之間並無出現有關僱傭年齡及勞資糾紛的任何違規行為。

B5. 供應鏈管理

我們定期審核及評估供應商，以確保產品質量及質量控制程序符合本集團的要求及客戶的期望。在未來，我們將於採購常規中納入可持續發展的考慮因素，有關常規包括採購其他辦公設備，並與供應商就其環境及社會責任進行溝通，以找出改善其當前環境及社會實踐的機會。

B6. 產品責任

我們制定措施、程序及政策，以處理汽車質量問題，從而確保向客戶供應的所有汽車均符合我們對產品安全及質量的要求。在向客戶出租汽車前，我們已確保所有汽車均處於良好狀態，並完成北京市交通委員會運輸管理局所規定汽車質量檢查標籤登記。本集團將在供應商獲給予資格前，對其進行背景評估及產品質量檢查。

Environmental, Social and Governance Report

環境、社會及管治報告

B7. Anti-corruption

A system with good moral integrity and anti-corruption mechanism is the cornerstone for a sustainable and healthy development of the Group. To constantly monitor the corruption risks in our operating environments, we have established a Code of Conduct which sets out the basic standard to be followed by all directors and employees, and procedures for accepting benefits and dealing with conflicts of interest in the business. The Code is also with reference to the Prevention of Bribery Ordinance of Hong Kong and the details of Section 9 (1) of the Prevention of Bribery Ordinance of Hong Kong. The policy is strictly implemented in the operation of the Group.

The Group has also established a whistle blowing policy to provide a channel for employees to report violations, corruption, bribery and other suspicious incidents in full confidence. Our Group will provide full support to employees who raise their concerns in good faith and the aforementioned issue will be handled by management in a professional and appropriate manner. In 2019, there were no reported cases of corruption or bribery.

B8. Community Investment

As a socially responsible corporation, we assess local needs, promote community engagement, and share the well-being of the community that we serve. We also believe that our business will only prosper within a sustainable community. We encourage and support our employees' engagement in volunteering to benefit local communities. Moving forward, the Group is committed to promote and support long-term community investment in the future.

B7. 反貪污

具有良好道德操守及反腐機制的體系是本集團持續健康發展的基石。為持續監控我們營運環境中的腐敗風險，我們已制定一套行為準則，有關行為準則規定所有董事及僱員應遵守的基本準則以及在處理業務時接受利益及處理利益衝突的程序。該行為準則亦參考了《香港防止賄賂條例》及《香港防止賄賂條例》第9(1)條的詳細規定。該政策在本集團的業務中嚴格執行。

本集團亦制定舉報政策，為僱員安心舉報違規行為、腐敗行為、賄賂行為及其他可疑事件提供渠道。本集團將為僱員真誠提出所關注問題提供全力支援，而上述問題將由管理層以專業及適當的方式處理。於二零一九年，概無任何人舉報腐敗或賄賂行為。

B8. 社區投資

作為一間對社會負責任的公司，我們會評估當地需要，促進社區參與，並分享我們所服務社區的福祉。我們亦相信只有在可持續發展的社區內，業務方能蓬勃發展。我們鼓勵並支持僱員參與義工服務以造福當地社區。展望未來，本集團在未來會致力推動及支持長期的社區投資。

Report of the Directors

董事會報告

The directors of the Company (the “**Directors**” or the “**Board**”) hereby present their report and the audited financial statements for the year ended 31 December 2019.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities of the principal subsidiaries are set out in note 41 to the consolidated financial statements.

BUSINESS REVIEW

A review of the business of the Group during the Year and a discussion on the Group’s future business development are provided in the Management Discussion and Analysis on pages 4 to 11 of this annual report. Description of the financial risk management objectives and policies of the Group can be found in note 6 to the consolidated financial statements.

RESULTS AND DIVIDENDS

The Group’s loss for the year ended 31 December 2019 and the Group’s financial position at that date are set out in the consolidated financial statements on pages 68 to 72.

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

DIVIDEND POLICY

The Company has a specified Dividend Policy, under which the Board shall also take into account, inter alia, the operating results, cash flow, financial condition and capital requirements of the Group and the interests of the Shareholders of the Company as a whole when proposing any dividend payout. The Company’s distribution of dividends shall also be subject to any restrictions under the Companies Law of the Cayman Islands and the Articles of Association of the Company as well as all applicable laws, rules and regulations.

The Dividend Policy allows the Board to declare special dividends from time to time in addition to the interim and/or annual dividends. There is no guarantee that any particular amount of dividends will be distributed for any specific periods.

本公司董事(「**董事**」或「**董事會**」)謹此提呈彼等的報告及截至二零一九年十二月三十一日止年度的經審核財務報表。

主要業務

本公司的主要業務為投資控股。其主要附屬公司的詳細主要業務載於綜合財務報表附註41。

業務回顧

本集團於年內的業務回顧及就本集團未來業務發展的討論於本年報第4至11頁的管理層討論及分析中提供。有關本集團財務風險管理目標及政策的描述載於綜合財務報表附註6。

業績及股息

本集團截至二零一九年十二月三十一日止年度的虧損及本集團於該日的財務狀況載於第68至72頁的綜合財務報表。

董事會不建議就截至二零一九年十二月三十一日止年度派付任何股息(二零一八年：無)。

股息政策

本公司有既定股息政策，董事會在考慮派發任何股息時，會考慮(其中包括)本集團的經營業績、現金流量、財務狀況、資本需求以及本公司股東的整體利益。本公司派發股息亦受開曼群島公司法及本公司章程細則以及任何適用法律、法規及規則的規限。

股息政策容許董事會可以在中期及/或全年股息外不時向股東宣派特別股息。任何既定期間概無保證宣派任何特定金額的股息。

Report of the Directors

董事會報告

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of its Directors, the Directors confirm that the Company has maintained during the year under review the amount of public float as required under the Listing Rules.

SHARE CAPITAL, SHARE OPTIONS, WARRANTS AND CONVERTIBLE BONDS

Details of movements in the Company's share capital and convertible bonds during the year are set out in notes 39 and 35 to the financial statements, respectively.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets and liabilities of the Group for the last five financial years, as extracted from the audited financial statements, is set out on pages 223 to 224. This summary does not form part of the audited financial statements.

PRE-EMPTIVE RIGHTS

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

DISTRIBUTABLE RESERVES

The Company's distributable reserves comprise the share premium, other reserves and accumulated losses. As at 31 December 2019, the Company had no distributable reserves (2018: HK\$678,703,000).

足夠公眾持股量

基於本公司可公開獲得的資料，據董事所知，董事確認本公司年內持續檢討上市規則所規定公眾持股量。

股本、購股權、認股權證及可換股債券

年內，本公司股本及可換股債券的變動詳情分別載於財務報表附註39及35。

購買、出售或贖回本公司上市證券

本公司及其任何附屬公司年內概無購買、出售或贖回本公司之上市證券。

財務資料摘要

本集團過去五個財政年度的已刊發業績、資產及負債摘要(摘錄自經審核財務報表)載於第223至224頁。該摘要並不構成經審核財務報表的一部分。

優先購買權

本公司的組織章程細則或開曼群島法例並無載有優先購買權的條文，規定本公司須按比例向現有股東提呈發售新股份。

可供分派儲備

本公司的可供分派儲備包括股份溢價，其他儲備及累計虧損。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：678,703,000港元)。

Report of the Directors

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's five largest customers accounted for 97% of the total sales for the year and sales to the largest customer included therein amounted to 43%. Purchases from the Group's five largest suppliers accounted for 99% of the total purchases for the year and purchases from the largest supplier included therein amounted to 42%.

None of the Directors or any of their associates or any shareholders (which, to the best knowledge of the directors, own more than 5% of the Company's issued share capital) had any beneficial interests in the Group's five largest customers and suppliers.

DIRECTORS

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

Executive Directors ("ED(s)")

Mr. Qiu Bin (appointed on 12 March 2020)

Ms. Chen Xiaohang

Non-executive Directors ("NED(s)")

Mr. Cheng Chai Fu (appointed on 1 April 2020)

Independent Non-executive Directors ("INED(s)")

Mr. Wong Yiu Kit, Ernest

Mr. Zhao Xianming

Dr. Guan Huanfei

Mr. An Dong (appointed on 12 March 2020)

In accordance with Articles 83(3) and 84(1) of the Articles of Association of the Company (the "**Articles of Association**"), Mr. Qiu Bin, Mr. Cheng Chai Fu, Mr. An Dong shall retire at the forthcoming annual general meeting (the "**AGM**") and, being eligible, would offer themselves for re-election.

主要客戶及供應商

於回顧年度內，本集團五大客戶的銷售額佔本年度總銷售額的97%，其中最大客戶的銷售額佔43%。本集團五大供應商的採購額佔本年度總採購額的99%，其中最大供應商的採購額佔42%。

董事或其任何聯繫人士或任何股東（盡董事所知擁有本公司已發行股本逾5%者）概無於本集團五大客戶及供應商中擁有任何實益權益。

董事

年內及直至本年報日期為止的董事為：

執行董事（「執行董事」）：

邱斌先生（於二零二零年三月十二日獲委任）

陳驍航女士

非執行董事（「非執行董事」）

鄭濟富先生（於二零二零年四月一日獲委任）

獨立非執行董事（「獨立非執行董事」）

黃耀傑先生

趙憲明先生

關浣非博士

安東先生（於二零二零年三月十二日獲委任）

根據本公司的組織章程細則（「**組織章程細則**」）第83(3)條及第84(1)條，邱斌先生、鄭濟富先生、安東先生應於即將舉行的股東週年大會（「**股東週年大會**」）上退任，並符合資格且願意重選連任。

Report of the Directors

董事會報告

CONFIRMATION OF INDEPENDENCE

The Company has received an annual confirmation of independence from each of the INEDs pursuant to Rule 3.13 of the Listing Rules. The Company considers the INEDs to be independent as at the date of this annual report.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

The biographical details of the Directors and the senior management of the Group are set out on pages 12 to 17 of this annual report.

DIRECTORS' SERVICE CONTRACTS

No director has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

CONTRACT OF SIGNIFICANCE

Save as disclosed in this annual report, no contract of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a director had a material interest, whether directly or indirectly, subsisted during or at the end of the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the Year and up to the date of this annual report, no Directors are considered to have interests in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, as defined in the Listing Rules.

EMOLUMENT POLICY

The emolument policy of the Group is determined with reference to the performance, qualifications and experience of individual employees (including Directors), as well as the results of the Group and the market conditions. The Group provides discretionary bonus, medical insurance, provident fund, education subsidy and training to its employees. The Company has adopted a share option scheme as an incentive to eligible participants, details of which are set out below in the section "Share Option Scheme".

獨立性的確認

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出的獨立性年度確認書。本公司認為於本年報日期，獨立非執行董事均屬獨立。

董事及高級管理層的詳細履歷

董事及本集團高級管理層的詳細履歷載於本年報第12至17頁。

董事的服務合約

概無董事與本公司訂立不可於一年內由本公司免付賠償(法定賠償除外)而終止的服務合約。

重大合約

除本年報所披露者外，於年內或年結日，本公司或任何其附屬公司概無訂立任何涉及對本集團業務有重大關係而董事直接或間接在其中擁有重大權益的重要合約。

董事於競爭業務之權益

於年內及截至本年報日期為止，按上市規則之定義，概無董事被視作於直接或間接與本集團業務構成競爭或可能構成競爭的業務中擁有權益。

薪酬政策

本集團之薪酬政策乃參考個別員工(包括董事)之表現、資格及經驗及本集團之業績以及市場條件釐定。本集團提供酌情花紅、醫療保險、公積金、教育補貼及員工培訓。本公司已採納購股權計劃作為對合資格參與者的鼓勵。其詳情載於下文「購股權計劃」一節。

Report of the Directors

董事會報告

Details of the emoluments of the Directors and five highest paid individuals are set out in notes 13 and 14 to the financial statements, respectively.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 31 December 2019, none of the Directors or chief executives of the Company or their respective associates had registered any short positions in the share capital of the Company and underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "**SFO**")), as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (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 adopted by the Company.

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

As at 31 December 2019, so far as is known to the Directors, the following persons (other than the Directors of the Company) had interests or short positions in the shares or underlying shares of the Company, being 5% or more of the total issued share capital of the Company, as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

董事及五名最高薪酬人士的薪酬詳情，分別載於財務報表附註13及14。

董事於本公司股份、相關股份及債券的權益及淡倉

於二零一九年十二月三十一日，本公司董事或主要行政人員或彼等各自的聯繫人士概無於本公司股本及本公司或其任何相聯法團（定義見證券及期貨條例（「**證券及期貨條例**」）第XV部）的相關股份或債券中擁有任何已登記的權益及淡倉而須根據證券及期貨條例第352條記錄於登記冊內，或已根據本公司所採納的上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「**標準守則**」）知會本公司及香港聯合交易所有限公司（「**聯交所**」）。

主要股東及其他人士於本公司股份、相關股份及債券的權益及淡倉

於二零一九年十二月三十一日，據董事所知，下列人士（本公司董事除外）於本公司股份或相關股份中擁有的權益或淡倉（佔本公司已發行股本總額5%或以上）已記錄於本公司須根據證券及期貨條例第336條存置的登記冊內：

Report of the Directors

董事會報告

Long position in the shares:

股份的好倉：

Name of substantial shareholders 主要股東名稱／姓名	Capacity/Nature of interest 身份／權益性質	Number of Shares interested 擁有權益的股份數目	Percentage of the Company's issued share capital (Note 2) 佔本公司已發行 股本的百分比 (附註2)
Sino Merchant Car Rental Limited (Note 1) 華商租車有限公司(附註1)	Beneficial owner 實益擁有人	3,499,233,889	51.38%
China Orient Asset Management Corporation 中國東方資產管理公司	Person having a security interest in shares 於股份擁有證券權益之人士	2,261,473,889	33.20%

Notes:

附註：

(1) These 3,499,233,889 shares are registered in the name of Sino Merchant Car Rental Limited (a company incorporated in the British Virgin Islands) ("Sino Merchant"), the entire issued share capital of which is owned as to 60% by Ms. Deng Shufen and 40% by Ms. Liu Jianguan. Ms. Deng Shufen and Ms. Liu Jianguan are deemed to be interested in all the shares and underlying shares in which Sino Merchant is interested by virtue of the SFO. As Mr. Dai Yumin is the spouse of Ms. Deng Shufen, he is deemed to be interested in the shares and the underlying shares which Ms. Deng Shufen is deemed to be interested in for the purpose of the SFO.

(1) 此等3,499,233,889股股份乃以華商租車有限公司(一間於英屬維爾京群島註冊成立之公司,「華商租車」)之名義登記,其全部已發行股本由鄧淑芬女士擁有60%及劉江瀅女士擁有40%。就證券及期貨條例而言,鄧淑芬女士及劉江瀅女士被視為於華商租車擁有權益之所有股份及相關股份中擁有權益。由於戴昱敏先生為鄧淑芬女士之配偶,故就證券及期貨條例而言,彼被視為於鄧淑芬女士被視為擁有權益之股份及相關股份中擁有權益。

(2) The percentage of shareholding is calculated on the basis of 6,810,750,454 shares in issue as at 31 December 2019.

(2) 持股百分比乃按於二零一九年十二月三十一日6,810,750,454股已發行股份之基準計算得出。

Save as disclosed above, as at 31 December 2019, no person (other than the Directors whose interests are set out in the section headed "Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company" above) had registered an interest or a short position in the Shares or underlying shares of the Company that was required to be recorded in the register of the Company pursuant to section 336 of the SFO.

除上文所披露者外,於二零一九年十二月三十一日,概無人士(其權益載於上文「董事於本公司股份、相關股份及債券的權益及淡倉」一節的董事除外)於本公司的股份或相關股份中擁有已登記的權益或淡倉而須根據證券及期貨條例第336條記錄於本公司的登記冊內。

Report of the Directors

董事會報告

SHARE OPTION SCHEME

The existing share option scheme was adopted on 3 June 2016 (the “**Scheme**”) by the shareholders. The purpose of the Scheme is providing incentives and rewards to eligible participants who contribute to the success of the Group. The Scheme was adopted for a period of 10 years commencing from 3 June 2016 and will remain in force until 2 June 2026.

Eligible participant under the Scheme includes any full-time or part-time employees, executives (including executive, non-executive and independent non-executive Directors) of the Company or any of its subsidiaries, any suppliers of goods or services, any customers, any person or entity that provides research, development or other technological support, any shareholder of any member of the Group, any adviser or consultant to any area of business or business development of any member of the Group and any other groups, or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group.

The subscription price shall be determined by the Board but shall not be less than the highest of (i) the closing price of Shares as stated in the daily quotations sheets issued by the Stock Exchange on the date of the offer for grant which must be a business day; (ii) the average closing price of Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of the offer for the grant; and (iii) the nominal value of the Shares.

Upon acceptance of the options, the grantee shall pay HK\$1 to the Company as nominal consideration for the grant. The acceptance of an offer of the grant of the option must be made within 21 days from the date of offer for grant. An option may be exercised in accordance with the terms of the Scheme at any time during a period to be determined and notified by the Board which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof. Unless otherwise determined by the Board and stated in the offer for the grant to a grantee, there is no minimum period required under the Scheme for the holding of an option before it can be exercised and no performance target which needs to be achieved by a grantee before the options can be exercised.

購股權計劃

現有購股權計劃乃由股東於二零一六年六月三日採納(「**該計劃**」)。該計劃旨在對本集團成功作出貢獻的合資格參與者給予獎勵及報酬。該計劃的年期自二零一六年六月三日起為期10年，並維持有效直至二零二六年六月二日。

該計劃項下的合資格參與者包括本公司或其任何附屬公司的任何全職或兼職僱員、行政人員(包括執行、非執行及獨立非執行董事)、任何商品或服務供應商、任何客戶、任何提供研發或其他技術支持的人士或實體、本集團任何成員公司的任何股東、本集團任何成員公司的任何業務範圍或業務發展的任何顧問或諮詢人，以及任何以合營公司、業務聯盟或其他業務安排的方式貢獻或可能貢獻本集團發展及增長的其他組別或類別參與者。

認購價將由董事會釐定，惟將不少於以下的最高者：(i)於提呈授出要約日期(必須為營業日)聯交所發出的每日報價表所載的股份收市價；(ii)於緊接提呈授出要約日期前五個營業日聯交所發出的每日報價表所載的股份平均收市價；及(iii)股份的面值。

承授人接納購股權時須就授出向本公司支付1港元的名義代價，而授出購股權的要約必須於提呈授出要約日期起計21日內予以接納。購股權可根據該計劃的條款於董事會釐定及通知的期間內隨時予以行使，該期間不得超過自授出日期起計十年，並受限於提早終止條款。除董事會另行釐定及於致承授人的要約中有訂明者外，該計劃項下概無就購股權可予行使前持有購股權訂有最短期限，且可行使購股權前承授人無需達致任何表現目標。

Report of the Directors

董事會報告

Based on 6,481,375,000 shares in issue as at the date of adoption of the Scheme, the maximum number of shares to be issued upon the exercise of options that may be granted under the Scheme are 648,137,500 shares, being 10% of the shares in issue as at the date of adoption. The total number of shares available for issue under the Scheme is 648,137,500 shares, representing 9.5% of the total number of Shares in issue as at 31 December 2019. The maximum entitlement of each participant shall not in any 12-month period exceed 1% of the Company's issued share capital from time to time.

For the year ended 31 December 2019, no option was granted under the Scheme. In addition, there was no outstanding share option under the Scheme as at 31 December 2018 and 31 December 2019.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the Year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Directors or their respective spouses or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

There has been no transaction, arrangement or contract of significance to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries was a party and in which a Director of the Company or an entity connected with the Director is or was materially interested, either directly or indirectly, subsisting during or at the end of the Year.

根據於採納該計劃日期已發行的6,481,375,000股股份，行使根據該計劃可授出的購股權時將予發行的最高股份數目為648,137,500股股份，即於採納日期時已發行股份的10%。該計劃項下可予發行的股份總數為648,137,500股，佔於二零一九年十二月三十一日已發行股份總數的9.5%。每名參與人士於任何十二個月期間的最高配額不得超過本公司不時已發行股本的1%。

截至二零一九年十二月三十一日止年度，概無根據該計劃授出購股權。此外，於二零一八年十二月三十一日及二零一九年十二月三十一日，該計劃項下並無尚未行使的購股權。

購買股份或債券的安排

年內概無向任何董事或彼等各自的配偶或未成年子女授出透過收購本公司股份或債券而獲取利益的權利，彼等亦無行使任何該等權利；本公司或任何其附屬公司亦非任何讓董事獲取任何其他法人團體該等權利之安排的訂約方。

董事於交易、安排或合約中的權益

本公司、其控股公司、或其任何附屬公司或同系附屬公司概無訂立本公司董事或與董事有關連的實體於其中擁有或曾擁有重大權益（無論直接或間接），並於年內或年末仍然生效的重大交易、安排或合約。

Report of the Directors

董事會報告

PERMITTED INDEMNITY

Pursuant to the Company's Articles of Association, subject to the applicable laws and regulations, every Director shall be indemnified and secured harmless out of the assets and profits of the Company against all actions, costs, charges, losses, damages and expenses which they or any of them may incur or sustain in or about the execution of their duty in their offices. Such permitted indemnity provision had been in force throughout the Year and up to the date of this report. The Company has arranged appropriate directors' and officers' liability insurance coverage for the directors and officers of the Group.

EQUITY-LINKED AGREEMENTS

Other than the convertible bonds and the share option scheme of the Company, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the Year or subsisted at the end of the Year.

RELATED PARTY TRANSACTIONS

Significant related party transactions entered into by the Group during the year ended 31 December 2019 is disclosed in note 46 to the financial statements.

None of the "Related Party Transactions" as disclosed in note 46 to the financial statements for the Year constituted discloseable non-exempted connected transaction or non-exempted continuing connected transaction under the Listing Rules.

EVENT AFTER THE REPORTING PERIOD

The Group has no significant events after the reporting period.

ENVIRONMENTAL, SOCIETY AND CORPORATE RESPONSIBILITY

The environmental, social and governance Report is set out on pages 32 to 43 of this annual report.

獲准許彌償

根據本公司組織章程細則，受限於適用法律及法規，每名董事須有權就其於執行職務或與此有關的情況而可能產生或持續出現的一切或任何行動、成本、費用、虧損、損害及支出自本公司資產及溢利中獲得彌償及擔保。有關獲准許彌償條文於年內直至本報告日期生效。本公司已投購適當董事及高級職員責任保險以彌償本集團董事及高級職員的責任。

股票掛鈎協議

除本公司可換股債券及購股權計劃外，概無股票掛鈎協議將或可能導致本公司發行股份或規定本公司須訂立任何將或可能導致本公司發行股份的協議由本公司於年內訂立或於年末仍然生效。

關連方交易

本集團於截至二零一九年十二月三十一日止年度訂立的重大關連方交易於財務報表附註46披露。

年內財務報表附註46所披露之「關連方交易」並未構成上市規則項下之須予披露非豁免關連交易或非豁免持續關連交易。

報告期後事項

本集團於報告期後並無發生重大事項。

環境、社會及企業責任

環境、社會及管治報告載於本年報第32至43頁。

COMPLIANCE WITH LAWS, RULES AND REGULATIONS

The Company encourages its employees to understand, comply with and keep themselves abreast of the laws, rules and regulations applicable to their positions and the operation of the businesses of the Group as any violation could jeopardize the integrity of the Group. The Company has employed suitable personnel and engaged professional advisers as and when appropriate to provide legal advice on the applicability, existence or interpretation of any laws, rules and regulations. The Board is not aware of any violation of the applicable laws, rules and regulations that had a significant impact on the business and/or operation of the Group during the year ended 31 December 2019.

RELATIONSHIPS WITH KEY STAKEHOLDERS

The Group's success lies also on the support from key stakeholders, including but not limited employees, customers, bankers, service providers and shareholders.

Employees

The Group treasures our employees as the most important and valuable assets of the Group. The objective of the Group's human resources management is to reward and recognise our employees by providing a competitive remuneration package, appropriate incentives, and opportunities within the Group for career advancement.

Customers

The Group is committed to provide excellent services to our customers with a view to maintaining steady business and asset growth as well as long term profitability.

Bankers

To order to ensure adequate market penetration and access, the Group has maintained excellent relationship with our bankers and has been soliciting funds from our bankers as and when necessary.

遵守法律、規則及法規

由於任何違規將損害本集團之誠信，本公司鼓勵其員工理解、遵守及了解與其職位及本集團業務營運相關之法律、規則及法規之最新情況。本公司已委任合適人選並委聘專業顧問適時提供任何法律、規則及法規之適用性、存在或詮釋。董事會並不知悉截至二零一九年十二月三十一日止年度之任何違反適用法律、規則及法規對本集團之業務及／或營運有重大影響。

與主要利益相關者之關係

本集團之成功亦有賴於主要利益相關者之支持，包括但不僅限於僱員、客戶、往來銀行、服務供應商及股東。

僱員

本集團珍視我們的僱員，視彼等為本集團最重要的寶貴資產。本集團人力資源管理之目標為透過提供具競爭力之薪酬待遇、適當之獎勵及本集團內職位晉升之機會以給予我們的僱員獎賞及認可。

客戶

本集團致力於向我們的客戶提供卓越服務，以期維持穩定的業務及資產增長以及長期的盈利能力。

往來銀行

為確保充分滲透及進入市場，本集團與我們的往來銀行維持良好的關係，並於必要時自我們的往來銀行籌集資金。

Report of the Directors

董事會報告

Service Providers

The Group's good relationships with its key service providers are important in provision of effective and efficient services to our customers and meeting business challenges. The key service providers comprise system and equipment vendors, external consultants which provide professional services, and other business partners which provide value-added services to the Group.

Shareholders

One of the corporate goals of the Group is to enhance corporate value to our shareholders. Description of the shareholders' rights and our investor relations can be found in the section of "**Corporate Governance Report**" on pages 18 to 31 of this annual report.

AUDITOR

The consolidated financial statements of the Group for the year ended 31 December 2019 have been audited by McMillan Woods (Hong Kong) CPA Limited ("**McMillan Woods**"). McMillan Woods was appointed on 18 March 2020 as the independent auditor of the Company to fill the casual vacancy following the resignation of Moore Stephens on 18 March 2020. Save for the above, there were no other changes in the Company's auditor in the past three years. McMillan Woods will retire at the conclusion of the forthcoming AGM and, being eligible, has offered itself for re-appointment at the forthcoming AGM. A resolution for reappointment of McMillan Woods as auditor of the Company will be proposed at the forthcoming AGM.

On behalf of the Board

Qiu Bin

Chairman and Executive Director

Hong Kong, 12 May 2020

服務供應商

為向客戶提供有效及高效的服務以及應對業務挑戰，本集團與其主要服務供應商維持良好關係至關重要。主要服務供應商包括系統及設備供應商、提供專業服務的外聘顧問及向本集團提供增值服務的其他業務夥伴。

股東

本集團其中一項公司目標乃為我們的股東提升公司價值。有關股東權利及投資者關係之描述載於本年報第18至31頁之「**企業管治報告**」一節。

核數師

本集團截至二零一九年十二月三十一日止年度的綜合財務報表已由長青(香港)會計師事務所有限公司(「**長青**」)審核。長青於二零二零年三月十八日獲委任為本公司的獨立核數師，以填補大華馬施雲於二零二零年三月十八日辭任後的臨時空缺。除上述者外，本公司核數師於過往三年並無其他變動。長青將在應屆股東週年大會結束時退任，且符合資格願意於應屆股東週年大會上續聘。本公司將於應屆股東週年大會上提呈續聘長青為核數師的決議案。

代表董事會

主席兼執行董事

邱斌

香港，二零二零年五月十二日

Independent Auditor's Report

獨立核數師報告



To the shareholders of HongDa Financial Holding Limited
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of HongDa Financial Holding Limited (the “**Company**”) and its subsidiaries (the “**Group**”) set out on pages 68 to 222, 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.

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

長青

致弘達金融控股有限公司全體股東
(於開曼群島註冊成立的有限公司)

意見

吾等已審核載於第68至222頁弘達金融控股有限公司(「**貴公司**」)及其附屬公司(「**貴集團**」)的綜合財務報表，包括於二零一九年十二月三十一日的綜合財務狀況表以及截至該日止年度的綜合損益及其他全面收入表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

吾等認為，該等綜合財務報表已根據香港會計師公會(「**香港會計師公會**」)頒佈的香港財務報告準則(「**香港財務報告準則**」)真實而公平地反映 貴集團於二零一九年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例的披露要求妥為編製。

Independent Auditor's Report

獨立核數師報告

To the shareholders of HongDa Financial Holding Limited
(Incorporated in the Cayman Islands with limited liability)

BASIS FOR OPINION

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

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 2 to the consolidated financial statements which indicate that the Group incurred a loss of approximately HK\$721,074,000 for the year ended 31 December 2019 and as at 31 December 2019, the Group had net current liabilities of approximately HK\$630,290,000. These conditions, along with other matters as set forth in note 2 to the consolidated financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. Notwithstanding the above, the consolidated financial statements have been prepared on a going concern basis, the validity of which is dependent upon the outcomes of the Group's plans and measures as set forth in note 2 to the consolidated financial statements to obtain source of funding in the immediate and longer term, at a level sufficient to finance the working capital requirements of the Group in the foreseeable future. Our opinion is not modified in respect to this matter.

致弘達金融控股有限公司全體股東
(於開曼群島註冊成立的有限公司)

意見基礎

吾等根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審核。在該等準則下，吾等的責任於報告內「核數師就審核綜合財務報表須承擔的責任」一節進一步闡述。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。吾等相信，吾等獲得的審核憑證能充分及適當地為吾等的審核意見提供基礎。

有關持續經營的重大不確定性

謹請留意綜合財務報表附註2，其顯示截至二零一九年十二月三十一日止年度，貴集團計及虧損約721,074,000港元，而於二零一九年十二月三十一日，貴集團的流動負債淨額約為630,290,000港元。該等情況，連同於綜合財務報表附註2所載其他事項，顯出重大不確定性的存在，其對貴集團持續經營的能力將產生重大疑慮。鑒於上文所述，綜合財務報表已按持續經營基準編製，其有效性取決於綜合財務報表附註2所載貴集團的計劃及措施的成果，以在短期及長期內按足以為貴集團於可見將來的營運資金需求提供資金的水平獲得資金來源。吾等在這方面的意見是無保留的。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS

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

1. Allowances for expected credit losses ("**ECLs**") on trade receivables;
2. Impairment of assets of the car rental segment; and
3. Fair value of financial assets at fair value through profit or loss ("**FVTPL**").

關鍵審核事項

根據吾等的專業判斷，關鍵審核事項為吾等審核本期間的綜合財務報表中最為重要的事項。吾等在審核整體綜合財務報表及就此達致意見時處理此等事項，而不會就此等事項單獨發表意見。吾等已識別的關鍵審核事項為：

1. 應收賬款預期信貸虧損(「**預期信貸虧損**」)撥備；
2. 汽車租賃分部的資產減值；及
3. 按公平值計入損益(「**按公平值計入損益**」)的金融資產公平值。

Independent Auditor's Report

獨立核數師報告

To the shareholders of HongDa Financial Holding Limited
(Incorporated in the Cayman Islands with limited liability)

致弘達金融控股有限公司全體股東
(於開曼群島註冊成立的有限公司)

KEY AUDIT MATTERS (continued)

關鍵審核事項 (續)

Key audit matter	How our audit addressed the key audit matter	關鍵審核事項	吾等的審核如何處理該關鍵審核事項
<p>Allowances for ECLs on trade receivables Refer to notes 5(g), 6(b) and 27 to the consolidated financial statements.</p> <p>As at 31 December 2019, the Group had trade receivables of approximately HK\$348,405,000 (net of allowance for ECLs of approximately HK\$485,916,000).</p> <p>Allowances for ECLs on trade receivables are based on management's estimate of the lifetime ECLs, which are estimated by taking into account the credit loss experience, ageing of the trade receivables, debtors' settlement records and financial status, expected timing and amount of realisation of outstanding balances and ongoing business relationship with debtors. Management also considered forward-looking information that may impact the debtors' abilities to repay the outstanding balances in order to estimate the allowances for ECLs on trade receivables.</p>	<ul style="list-style-type: none"> — Obtaining an understanding of the internal control that the Group has designed and implemented to manage and monitor its credit risk; — Assessing the appropriateness of ECLs model by evaluating and testing the key data and assumptions used by management; 	<p>應收賬款預期信貸虧損撥備 請參閱綜合財務報表附註 5(g)、6(b) 及 27。</p> <p>於二零一九年十二月三十一日，貴集團的應收賬款約 348,405,000 港元（經扣除預期信貸虧損撥備約 485,916,000 港元）。</p> <p>應收賬款預期信貸虧損撥備乃基於管理層對全期預期信貸虧損的估計作出，而對全期預期信貸虧損的估計計及信貸虧損經驗、應收賬款的賬齡、債務人的結算記錄、債務人的財務狀況、預期變現未結算結餘的時間及金額以及與債務人的持續業務關係。管理層亦計及可能影響債務人償還未結算結餘的能力的前瞻性資料，以估計應收賬款預期信貸虧損撥備。</p>	<ul style="list-style-type: none"> — 了解 貴集團設計及實施用以管理及監察其信貸風險的內部控制； — 透過評估及測試管理層所用主要數據及假設評估預期信貸虧損模式的適宜性；

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KEY AUDIT MATTERS (continued)

關鍵審核事項(續)

Key audit matter

(continued)

How our audit addressed the

key audit matter (continued)

關鍵審核事項

(續)

吾等的審核如何處理該

關鍵審核事項(續)

Allowances for ECLs on trade receivables (continued)

Refer to notes 5(g), 6(b) and 27 to the consolidated financial statements. (continued)

應收賬款預期信貸虧損撥備(續)

請參閱綜合財務報表附註5(g)、6(b)及27。
(續)

We have identified allowances for ECLs on trade receivables as a key audit matter because the estimation of lifetime ECL involved significant management judgements and estimates.

— Challenging the assumptions including both historical and forward-looking information used to determine the ECLs; and

— Enquiring management for the status of each of the material outstanding trade receivables as supported by corroborative audit evidence, such as historical credit losses data, on-going business relationship with those debtors by taking account of settlement records and contract with those debtors and economic outlook that is relevant to the operations of those debtors.

— Assessing the disclosures made in the consolidated financial statements in relation to the Group's credit risk exposure.

吾等已確認對應收賬款預期信貸虧損撥備為關鍵審核事項，原因為估計全期預期信貸虧損涉及重大管理層判斷及估計。

— 質疑有關假設(包括用以釐定預期信貸虧損的過往及前瞻性資料)；及

— 向管理層諮詢各重大未結算應收賬款狀況，有關狀況以過往信貸虧損數據、與該等債務人的持續業務關係等經證實審核憑證支持，並計及與該等債務人的結算記錄及合約以及與該等債務人業務經營相關的經濟前景。

— 評估綜合財務報表中就貴集團信貸風險敞口作出的披露。

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KEY AUDIT MATTERS (continued)

關鍵審核事項 (續)

Key audit matter
(continued)

How our audit addressed the key audit matter (continued)

關鍵審核事項
(續)

吾等的審核如何處理該關鍵審核事項 (續)

Impairment of assets of the car rental segment

Refer to notes 5(e), 18, 20 and 22 to the consolidated financial statements.

汽車租賃分部資產減值

請參閱綜合財務報表附註5(e)、18、20及22。

As at 31 December 2019, the Group had property, plant and equipment, right-of-use assets and intangible assets of approximately HK\$21,871,000, HK\$1,200,000 and HK\$38,248,000 respectively, attributable to the car rental segment.

— Evaluating the reasonableness of significant assumptions used in the cash flow projections, such as budgeted revenue growth and profit margins of the Car Rental CGU, by taking into account of the historical results and the performance and future prospect of comparable companies;

於二零一九年十二月三十一日，貴集團的汽車租賃分部應估的物業、廠房及設備、使用權資產及無形資產分別約21,871,000港元、1,200,000港元及38,248,000港元。

— 透過考慮可資比較公司的過往業績、表現及未來前景，評估現金流量預測中使用的重要假設的合理性，例如預算收益增長及汽車租賃現金產生單位的溢利率；

The Group determined that these intangible assets including those having indefinite useful life, together with related property, plant and equipment and right-of-use assets forming the car rental segment as a cash-generating unit ("Car Rental CGU"), are tested for impairment at least on an annual basis, as assisted by an external valuation expert.

— Challenging the reasonableness of the pre-tax discount rate, including the appropriateness of inputs used, such as comparable companies, benefit rates and adjustments reflecting the risk specific to the Car Rental CGU. We also evaluated the sensitivity of management estimates and assumptions used in cash flow projections; and

貴集團釐定該等無形資產(包括無特定使用年期者)，連同構成汽車租賃分部(為現金產生單位)(「汽車租賃現金產生單位」)的相關物業、廠房及設備以及使用權資產乃在外聘估值專家協助下至少每年進行減值測試。

— 質疑稅前貼現率之合理性，包括所用輸入數據的適宜性，如可資比較公司、獲益率及反映汽車租賃現金產生單位特定風險的調整。吾等亦評估進行現金流量預測所使用的管理層估計及假設的敏感度；及

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KEY AUDIT MATTERS (continued)

關鍵審核事項(續)

Key audit matter
(continued)

How our audit addressed the key audit matter (continued)

關鍵審核事項
(續)

吾等的審核如何處理該關鍵審核事項 (續)

Impairment of assets of the car rental segment (continued)
Refer to notes 5(e), 18, 20 and 22 to the consolidated financial statements. (continued)

汽車租賃分部資產減值 (續)
請參閱綜合財務報表附註5(e)、18、20及22。(續)

We have identified impairment of property, plant and equipment, right-of-use assets and intangible assets of the Car Rental CGU as a key audit matter because the valuation of which is based on cash flow projections prepared by management which involved significant judgements and estimates.

— Evaluating the objectivity, capabilities and competency of the external valuation expert. We also involved our auditor's valuation expert to assist us in evaluating and testing the assumptions and methodologies used by management in their impairment assessment.

吾等已確認對汽車租賃現金產生單位的物業、廠房及設備、使用權資產及無形資產的減值為關鍵審核事項，原因為該等估值乃基於管理層編制的現金流量預測，其涉及重大判斷及估計。

— 對外聘估值專家的客觀性、能力及資質進行評估。吾等亦委聘內部估值專家協助吾等評估及測試管理層於減值評估中採用的假設及方法。

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KEY AUDIT MATTERS (continued)

關鍵審核事項(續)

Key audit matter
(continued)

How our audit addressed the key audit matter (continued)

關鍵審核事項
(續)

吾等的審核如何處理該關鍵審核事項(續)

Fair value of financial assets at FVTPL

Refer to notes 5(h), 7 and 25 to the consolidated financial statements.

按公平值計入損益的金融資產公平值

請參閱綜合財務報表附註5(h)、7及25。

As at 31 December 2019, the Group had financial assets at FVTPL including investments in unlisted fund, equity investments and an acquired convertible bond with an aggregate carrying amount of approximately HK\$453,395,000. Based on management's assessment, a fair value loss on financial assets at FVTPL of approximately HK\$89,963,000 was recognised in consolidated profit or loss for the year ended 31 December 2019.

— Evaluating the valuation techniques, inputs and assumptions through comparison with the valuation techniques that are commonly used in the market, evaluation, including independent price verification of valuation inputs using external market data, and comparison with valuation outcomes obtained from various pricing sources. As part of these procedures, we evaluated the comparable recent market transactions used in the valuations; and

於二零一九年十二月三十一日，貴集團按公平值計入損益的金融資產(包括非上市資金投資、權益投資及已收購可換股債券)總賬面值約453,395,000港元。基於管理層評估，約89,963,000港元的按公平值計入損益的金融資產公平值虧損已於截至二零一九年十二月三十一日止年度的綜合損益中確認。

— 透過與市場常用估值方法進行比較、利用外部市場數據評估(包括獨立價格核證)估值輸入數據及與自不同定價來源獲得之估值結果進行比較，評估估值方法、輸入數據及假設。於該等程序中，吾等評估估值所用可資比較近期市場交易；及

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KEY AUDIT MATTERS (continued)

關鍵審核事項(續)

Key audit matter
(continued)

How our audit addressed the key audit matter (continued)

關鍵審核事項
(續)

吾等的審核如何處理該關鍵審核事項 (續)

Fair value of financial assets at FVTPL (continued)

按公平值計入損益的金融資產公平值 (續)

Refer to notes 5(h), 7 and 25 to the consolidated financial statements. (continued)

請參閱綜合財務報表附註5(h)、7及25。(續)

Management determined the fair value of financial assets at FVTPL using market approach and binomial pricing model based on arm's length comparable transactions of the investees. To support its determination of the fair value, management engaged an external valuation expert to perform valuations of the financial assets at FVTPL at the end of the reporting period. Such valuations involve the determination of the valuation models and the selection of the different inputs and the assumptions made in the valuation models by management and the external valuation expert. Any changes in valuation models adopted and inputs and assumptions applied could lead to significant changes in the results of fair value measurement.

We identified fair value of financial assets at FVTPL as a key audit matter because the valuation of financial instruments without a quoted price is a complex area and involves a higher degree of estimation, uncertainty and judgement.

- Evaluating the objectivity, capabilities and competency of the external valuation expert. We also involved our auditor's valuation expert to assist us in evaluating and testing the assumptions and methodologies used by management in their impairment assessment.
- Reviewing the appropriateness of the disclosures in the consolidated financial statements.

管理層根據投資對象之公平可比交易採用市場法及二項式定價模式釐定按公平值計入損益之金融資產的公平值。為支持其釐定公平值，於報告期末，管理層聘請外聘估值專家對按公平值計入損益之金融資產進行估值。有關估值涉及釐定估值模式及選擇不同輸入數據及管理層及外聘估值專家於估值模式中所用假設。所採納估值模式及所應用輸入數據及假設如有任何變動，均可能導致於公平值計量的結果出現重大變動。

- 對外聘估值專家的客觀性、能力及資質進行評估。吾等亦委聘內部估值專家協助吾等評估及測試管理層於減值評估中採用的假設及方法。
- 審閱綜合財務報表中披露資料的適當性。

吾等確認按公平值計入損益之金融資產之公平值為關鍵審核事項，原因是對並無報價之金融工具進行估值屬複雜範疇，且涉及高度估計、不確定性及判斷。

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獨立核數師報告

To the shareholders of HongDa Financial Holding Limited
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OTHER INFORMATION

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

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

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

RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

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其他資料

董事須對其他資料承擔責任。其他資料包括年報所載的資料，惟綜合財務報表及吾等的核數師報告除外。

吾等對綜合財務報表作出的意見並無涵蓋其他資料，而吾等亦不會對其他資料發表任何形式的核證結論。

就吾等審核綜合財務報表而言，吾等的責任為閱讀其他資料，從而考慮其他資料是否與綜合財務報表或吾等於審核過程中獲悉的資料存在重大抵觸，或似乎存在重大錯誤陳述。基於吾等已執行的工作，倘吾等認為此其他資料出現重大錯誤陳述，吾等須報告該事實。吾等就此並無任何事項須報告。

董事就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露要求，編製真實而公平地反映情況的綜合財務報表，及董事釐定對編製綜合財務報表屬必要的有關內部監控，以使該等綜合財務報表不會存在由於欺詐或錯誤而導致的重大錯誤陳述。

在編製綜合財務報表時，董事須負責評估貴集團持續經營的能力，並披露與持續經營有關的事項(如適用)。除非董事擬將貴集團清盤或停止營運，或除此以外並無其他實際可行的辦法，否則須採用以持續經營為基礎的會計法。

貴公司董事在審核委員會的協助下履行監督貴集團財務報告流程的職責。

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獨立核數師報告

To the shareholders of HongDa Financial Holding Limited

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

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

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

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

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

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核數師就審核綜合財務報表須承擔的責任

吾等的目標為合理確定此等綜合財務報表整體而言不會存在由於欺詐或錯誤而導致的重大錯誤陳述，並發出載有吾等意見的核數師報告。吾等報告僅給予全體股東，不作其他用途。吾等概不就本報告的內容對任何其他人士負責或承擔任何責任。

合理確定屬高層次的核證，惟根據香港審計準則進行的審核工作不能保證總能察覺所存在的重大錯誤陳述。錯誤陳述可因欺詐或錯誤產生，倘個別或整體在合理預期情況下可影響使用者根據該等綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

根據香港審計準則進行審核的過程中，吾等運用專業判斷並保持職業懷疑態度。吾等亦：

- 識別及評估綜合財務報表由於欺詐或錯誤而導致的重大錯誤陳述風險，因應此等風險設計及執行審核程序，獲得充分適當的審核憑證為吾等的意見提供基礎。由於欺詐涉及合謀串通、偽造、故意遺漏、誤導性陳述或凌駕內部監控，因此未能發現由此造成的重大錯誤陳述風險較未能發現由於錯誤而導致的重大錯誤陳述風險更高。
- 了解與審核有關的內部控制，以設計適用於有關情況的審核程序，惟不會就貴集團的內部監控成效發表意見。

Independent Auditor's Report

獨立核數師報告

To the shareholders of HongDa Financial Holding Limited

(Incorporated in the Cayman Islands with limited liability)

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

致弘達金融控股有限公司全體股東

(於開曼群島註冊成立的有限公司)

核數師就審核綜合財務報表須承擔的責任(續)

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

Independent Auditor's Report

獨立核數師報告

To the shareholders of HongDa Financial Holding Limited

(Incorporated in the Cayman Islands with limited liability)

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

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

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

McMillan Woods (Hong Kong) CPA Limited

Certified Public Accountants

Lo Ka Ki

Audit Engagement Director

Practising Certificate Number — P06633

3/F., Winbase Centre,

208 Queen's Road Central, Hong Kong

Hong Kong, 12 May 2020

致弘達金融控股有限公司全體股東

(於開曼群島註冊成立的有限公司)

核數師就審核綜合財務報表須承擔的責任(續)

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

吾等亦向審核委員會提交聲明,確認吾等已遵守有關獨立性的道德要求,並就所有被合理認為可能影響吾等獨立性的關係及其他事宜及相關防範措施(如適用)與審核委員會進行溝通。

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

長青(香港)會計師事務所有限公司

執業會計師

盧家麒

審核項目董事

執業證書編號 — P06633

香港皇后大道中208號

勝基中心3樓

香港,二零二零年五月十二日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收入表

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

		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	9	654,318	1,097,593
Cost of sales and services rendered	銷售成本及提供的服務		(614,262)	(1,031,644)
Gross profit	毛利		40,056	65,949
Other income, gains and losses, net	其他收入、收益及虧損淨額	10	(50,584)	334,068
Allowances for expected credit losses ("ECLs") on trade, loan and other receivables, net	應收賬款、應收貸款及其他 應收款項預期信貸虧損 (「預期信貸虧損」)撥備淨額		(382,779)	(198,039)
Impairment of amount due from a joint venture	應收一間合營公司款項減值		-	(15,003)
Impairment of amount due from an associate	應收一間聯營公司款項減值		(8,783)	-
Provision for financial guarantee	財務擔保撥備		(25,800)	-
Selling and distribution expenses	銷售及分銷費用		(7,860)	(7,641)
Administrative expenses	行政費用		(100,517)	(123,478)
Other expenses	其他開支		(6,823)	(8,798)
(Loss)/profit from operation	經營所得(虧損)/溢利		(543,090)	47,058
Finance costs	融資成本	11	(158,603)	(156,100)
Share of results of joint ventures	應佔合營公司業績		(551)	4,183
Share of results of an associate	應佔一間聯營公司業績		(4,480)	(107,938)
Loss before tax	除稅前虧損	12	(706,724)	(212,797)
Income tax expense	所得稅開支	15	(14,350)	(27,651)
Loss for the year	年內虧損		(721,074)	(240,448)
Other comprehensive income, net of tax	其他全面收入，扣除稅項			
Items that may be subsequently reclassified to profit or loss	其後可能重新分類至 損益的項目			
Exchange differences arising on translation of foreign operations	換算境外業務的匯兌差額		(502)	1,752
Share of other comprehensive income of an associate	應佔一間聯營公司的 其他全面收入		-	(1,814)
Other comprehensive income for the year	年內其他全面收入		(502)	(62)

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收入表

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

		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
Loss and total comprehensive income for the year	年內虧損及全面收入總額		(721,576)	(240,510)
Loss for the year attributable to:	以下各方應佔年內虧損：			
Owners of the Company	本公司擁有人		(691,607)	(226,976)
Non-controlling interests	非控股權益		(29,467)	(13,472)
			(721,074)	(240,448)
Loss and total comprehensive income for the year attributable to:	以下各方應佔年內虧損及全面收入總額：			
Owners of the Company	本公司擁有人		(692,701)	(226,982)
Non-controlling interests	非控股權益		(28,875)	(13,528)
			(721,576)	(240,510)
Loss per share attributable to owners of the Company	本公司擁有人應佔每股虧損			
Basic and diluted (HK cent)	基本及攤薄(港仙)	17	(10.15)	(3.37)

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 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			
Property, plant and equipment	物業、廠房及設備	18	22,696	21,784
Investment property	投資物業	19	237,651	250,549
Right-of-use assets	使用權資產	20	2,760	–
Goodwill	商譽	21	–	–
Intangible assets	無形資產	22	38,248	38,970
Interests in joint ventures	於合營公司的權益	23	1,091	1,642
Interest in an associate	於一間聯營公司的權益	24	–	2,985
Deferred tax assets	遞延稅項資產	37	–	33,802
Long term prepayments and deposits	長期預付款項及按金	29	–	12,071
Financial assets at fair value through profit or loss (“FVTPL”)	按公平值計入損益 (「按公平值計入損益」)的 金融資產	25	414,304	543,700
			716,750	905,503
Current assets	流動資產			
Inventories	存貨	26	5,898	6,722
Trade receivables	應收賬款	27	348,405	746,139
Loan receivable	應收貸款	28	–	–
Financial assets at FVTPL	按公平值計入損益的金融資產	25	39,091	–
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	29	25,434	351,216
Tax recoverable	可收回稅項		444	103
Restricted cash	受限制現金	30	–	11,973
Bank balances	銀行結餘	30	13,994	17,912
			433,266	1,134,065

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 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current liabilities	流動負債			
Trade payables	應付賬款	31	244	2,401
Other payables and accruals	其他應付款項及應計款項	32	110,667	143,935
Interest-bearing bank and other borrowings	計息銀行及其他借貸	33	484,165	360,077
Lease liabilities	租賃負債	34	4,060	–
Amounts due to joint ventures	應付合營公司款項	23	–	2,462
Derivative financial instruments	衍生金融工具	35	1,430	220
Convertible bonds	可換股債券	35	437,190	93,675
Financial guarantee	財務擔保	36	25,800	–
Provision for obligation on a joint venture	於合營公司的責任撥備	23	–	3,087
Provision for reinstatement costs	復原成本撥備	38	–	600
			1,063,556	606,457
Net current (liabilities)/assets	流動(負債)/資產淨額		(630,290)	527,608
Total assets less current liabilities	資產總值減流動負債		86,460	1,433,111
Non-current liabilities	非流動負債			
Other payables	其他應付款項	32	9	4,281
Interest-bearing other borrowings	計息其他借貸	33	16,670	355,451
Lease liabilities	租賃負債	34	2,800	–
Derivative financial instruments	衍生金融工具	35	–	6,400
Convertible bonds	可換股債券	35	–	251,770
Deferred tax liabilities	遞延稅項負債	37	48,563	68,398
			68,042	686,300
NET ASSETS	資產淨值		18,418	746,811

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 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Equity	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本	39	68,108	68,108
Reserves	儲備		9,514	709,032
			77,622	777,140
Non-controlling interests	非控股權益		(59,204)	(30,329)
TOTAL EQUITY	權益總額		18,418	746,811

The consolidated financial statements on pages 68 to 222 were approved and authorised for issue by the Board of Directors on 12 May 2020 and signed on its behalf by:

第68頁至222頁的綜合財務報表由董事會於二零二零年五月十二日批准及授權刊發，並由下列董事代為簽署：

Qiu Bin

邱斌

Chairman and Executive Director

主席兼執行董事

Chen Xiaohang

陳驍航

Executive Director

執行董事

Consolidated Statement of Changes in Equity

綜合權益變動表

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

		Attributable to owners of the Company 本公司擁有人應佔								
		Share capital	Share premium	Capital reserve	Available-for-sale investments reserve	Foreign currency translation reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		股本	股份溢價	股本儲備	可供出售投資儲備	外幣匯兌儲備	累計虧損	總計	非控股權益	權益總額
		(note 40(a))	(note 40(a))	(note 40(b))	(note 40(b))	(note 40(c))	(note 40(c))			
		(附註40(a))	(附註40(a))	(附註40(b))	(附註40(b))	(附註40(c))	(附註40(c))			
		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
At 1 January 2018	於二零一八年一月一日	66,342	1,009,032	-	22,768	(6,102)	(149,629)	942,411	(17,940)	924,471
Adjustment on initial application of HKFRS 9	就首次應用香港財務報告準則第9號作出的調整	-	-	-	(22,768)	-	17,464	(5,304)	-	(5,304)
Restated balance at 1 January 2018	於二零一八年一月一日的經重列結餘	66,342	1,009,032	-	-	(6,102)	(132,165)	937,107	(17,940)	919,167
Loss and total comprehensive income for the year	年內虧損及全面收入總額	-	-	-	-	(6)	(226,976)	(226,982)	(13,528)	(240,510)
Share capital of non-controlling interests not yet paid	尚未支付的非控股權益股本	-	-	-	-	-	-	-	1,139	1,139
Capital contribution	出資	-	-	14,568	-	-	-	14,568	-	14,568
Issue of ordinary shares on placing	發行配售普通股	1,766	51,208	-	-	-	-	52,974	-	52,974
Shares issue expenses	股份發行開支	-	(527)	-	-	-	-	(527)	-	(527)
At 31 December 2018 and 1 January 2019	於二零一八年十二月三十一日及於二零一九年一月一日	68,108	1,059,713	14,568	-	(6,108)	(359,141)	777,140	(30,329)	746,811
Adjustment on initial application of HKFRS 16	就首次應用香港財務報告準則第16號作出的調整	-	-	-	-	-	(6,842)	(6,842)	-	(6,842)
Restated balance at 1 January 2019	於二零一九年一月一日的經重列結餘	68,108	1,059,713	14,568	-	(6,108)	(365,983)	770,298	(30,329)	739,969
Loss and total comprehensive income for the year	年內虧損及全面收入總額	-	-	-	-	(1,094)	(691,607)	(692,701)	(28,875)	(721,576)
Capital contribution	出資	-	-	25	-	-	-	25	-	25
At 31 December 2019	於二零一九年十二月三十一日	68,108	1,059,713	14,593	-	(7,202)	(1,057,590)	77,622	(59,204)	18,418

Consolidated Statement of Cash Flows

綜合現金流量表

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

	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
Operating activities	經營活動		
Loss before tax	除稅前虧損	(706,724)	(212,797)
Adjustments for:	經以下各項調整：		
Finance costs	融資成本	152,636	156,100
Share of results of joint ventures	應佔合營公司業績	551	(4,183)
Share of results of an associate	應佔一間聯營公司業績	4,480	107,938
Interest income	利息收入	(29,602)	(26,169)
Depreciation on property, plant and equipment	物業、廠房及設備折舊	7,252	8,949
Depreciation on right-of-use assets	使用權資產折舊	140	–
(Gain)/loss on disposal of subsidiaries	出售附屬公司(收益)/虧損	(10,877)	1,001
Write-off of items of property, plant and equipment	物業、廠房及設備項目撇銷	661	500
Write-off of other receivables	其他應收款項撇銷	1,481	–
Gain on disposal of items of property, plant and equipment, net	出售物業、廠房及設備項目的 收益淨額	(1,084)	(2,109)
Impairment of property, plant and equipment	物業、廠房及設備減值	–	1,119
Impairment of intangible assets	無形資產減值	–	924
Provision for financial guarantee	財務擔保撥備	25,800	–
Allowances for ECLs on trade, other and loan receivables	應收賬款、其他應收款項及應收 貸款預期信貸虧損撥備	382,779	198,039
Fair value loss/(gain) on financial assets at FVTPL	按公平值計入損益的金融資產 公平值虧損/(收益)	89,963	(177,571)
Impairment of amount due from a joint venture	應收一間合營公司款項減值	–	15,003
Impairment of amount due from an associate	應收一間聯營公司款項減值	8,783	–
Write-off of inventories	存貨撇銷	35	16
Gain on disposal of listed securities	出售上市證券收益	(881)	–
Dividend income from unlisted equity investments	非上市權益投資產生的 股息收入	–	(9,708)
Fair value gain on derivative financial instruments in relation to convertible bonds	可換股債券相關衍生 金融工具的公平值收益	(6,210)	(90,793)
Loss on modification of convertible bonds	可換股債券的修訂虧損	–	5,700
Fair value loss/(gain) on investment property	投資物業公平值虧損/(收益)	11,681	(26,330)
Waiver of amount due to a joint venture	豁免應付一間合營公司款項	(1,765)	–

Consolidated Statement of Cash Flows

綜合現金流量表

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

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
	Note 附註		
Operating loss before movements in working capital	營運資金變動前的經營虧損	(70,901)	(54,371)
Decrease in inventories	存貨減少	789	370
Decrease in trade receivables	應收賬款減少	100,131	83,481
Decrease/(increase) in deposits, prepayments and other receivables	按金、預付款項及其他應收款項減少/(增加)	242,602	(140,910)
(Decrease)/increase in trade payables	應付賬款(減少)/增加	(2,157)	4,797
(Decrease)/increase in other payables and accruals	其他應付款項及應計款項(減少)/增加	(67,071)	15,329
Increase in amount due from an associate	應收一間聯營公司款項增加	(1,495)	(8,202)
Cash generated from/(used in) operations	經營活動所得/(所用)現金	201,898	(99,506)
Interest and bank charges paid	已付利息及銀行收費	(29,004)	(72,866)
Interest element of lease paid	已付租賃的利息部份	(614)	-
Overseas taxes paid	已付海外稅項	-	(21)
Hong Kong Profits Tax paid	已付香港利得稅	(321)	(2,782)
Net cash generated from/(used in) operating activities	經營活動所得/(所用)現金淨額	171,959	(175,175)
Investing activities	投資活動		
Purchases of items of property, plant and equipment	購買物業、廠房及設備項目	(13,127)	(12,591)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目的所得款項	4,938	3,354
Additions to an investment property	添置一項投資物業	-	(4,997)
Proceeds from disposal of subsidiaries	出售附屬公司所得款項	10,589	496
Proceeds from disposal of financial assets at FVTPL	出售按公平值計入損益的金融資產所得款項	342	-
Dividend received	已收股息	-	9,708
Purchases of listed securities	購買上市證券	(2,619)	-
Proceeds from disposal of listed securities	出售上市證券所得款項	3,500	-
Investment in a joint venture	於一間合營公司的投資	-	(3,670)
Movements of balance with joint venture	合營公司結餘變動	(692)	5,172
Purchases of financial assets at FVTPL	購買按公平值計入損益的金融資產	-	(243,815)
Decrease in restricted cash	受限制現金減少	11,973	1
Interest received	已收利息	26,007	845
Net cash from/(used in) investing activities	投資活動所得/(所用)現金淨額	40,911	(245,497)

Consolidated Statement of Cash Flows

綜合現金流量表

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

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
	Note 附註		
Financing activities	融資活動		
Proceeds from issue of shares on placing, net of transaction costs	發行配售股份所得款項 (扣除交易成本)	–	52,447
Proceeds from issue of preference shares of a subsidiary	發行一間附屬公司優先股的所得款項	25	14,568
Other borrowings raised	其他借貸所得	33,577	385,762
Repayment of bank and other borrowings	償還銀行及其他貸款	(247,198)	(43,299)
Principal elements of lease payments	租賃付款的主要部份	(2,794)	–
Net cash (used in)/from financing activities	融資活動(所用)/所得現金淨額	(216,390)	409,478
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(3,520)	(11,194)
Cash and cash equivalents at 1 January	於一月一日的現金及現金等價物	17,912	29,409
Effect of foreign exchange rate changes	外匯利率變動的影響	(398)	(303)
Cash and cash equivalents at 31 December	於十二月三十一日的現金及現金等價物	13,994	17,912
Analysis of the balances of cash and cash equivalents	現金及現金等價物結餘分析		
Bank and cash balances	銀行及現金結餘	13,994	17,912
	30		

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

1. CORPORATE INFORMATION

HongDa Financial Holding Limited (the “Company”) was incorporated in the Cayman Islands with limited liability. The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. During the reporting period, the Company’s principal place of business in Hong Kong has been changed from Suite 3618, Level 36, Two Pacific Place, 88 Queensway, Hong Kong to Suite 2603, 26th Floor, West Tower, Shun Tak Centre, 168–200 Connaught Road Central, Hong Kong. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

As at 31 December 2019, the directors of the Company are of the opinion that Sino Merchant Car Rental Limited (“Sino Merchant”), a company incorporated in the British Virgin Islands (“BVI”), is the immediate and ultimate holding company of the Company; Ms. Deng Shufen and Ms. Liu Jiangyuan, the shareholders of Sino Merchant, are the ultimate controlling parties of the Company.

The Company is an investment holding company. The principal activities of its subsidiaries are principally engaged in (i) provision of car rental and other services; (ii) trading of materials; and (iii) provision of financing services and investment holding.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). HKFRSs comprise all applicable Hong Kong Financial Reporting Standards (“HKFRS”); Hong Kong Accounting Standards (“HKAS”); and Interpretations. 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”) and with the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). Significant accounting policies adopted by the Group are disclosed below.

1. 公司資料

弘達金融控股有限公司(「本公司」)是一間於開曼群島註冊成立的有限公司。本公司註冊辦事處的地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。於報告期間，本公司在香港的主要營業地點由香港金鐘道88號太古廣場二座36樓3618室變更為香港干諾道中168–200號信德中心西座26樓2603室。本公司股份於香港聯合交易所有限公司(「聯交所」)主板上市。

於二零一九年十二月三十一日，本公司董事認為華商租車有限公司(「華商」)(一間於英屬處女群島(「英屬處女群島」)註冊成立的公司)為本公司的直接及最終控股公司，而鄧淑芬女士及劉江媛女士(彼等為華商股東)則為本公司的最終控股方。

本公司為一間投資控股公司。其附屬公司的主要活動為主要從事(i)提供汽車租賃及其他服務；(ii)材料貿易；及(iii)提供融資服務及投資控股。

2. 編製基準

該等綜合財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)而編製。香港財務報告準則包括所有適用的香港財務報告準則(「香港財務報告準則」)、香港會計準則(「香港會計準則」)及詮釋。該等綜合財務報表亦遵守聯交所證券上市規則(「上市規則」)的適用披露規定及香港法例第622章香港公司條例的披露要求。本集團所採納的重大會計政策披露於下文。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. BASIS OF PREPARATION (continued)

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

Going concern assumption

For the year ended 31 December 2019, the Group incurred a loss of approximately HK\$721,074,000 and as at 31 December 2019, the Group had net current liabilities of approximately HK\$630,290,000. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. In preparing these consolidated financial statements, the directors of the Company have given careful consideration to the impact of the current and anticipated future liquidity of the Group. The validity of the Group to operate as a going concern is dependent upon the successful outcomes of the Group to achieve the successful outcome of the plans and measures as described below, at a level sufficient to finance the working capital requirements of the Group for the next twelve months. Having considered the below plans and measures together with the cash flow projection, the directors considered that it is appropriate to adopt the going concern in preparing these consolidated financial statements.

2. 編製基準(續)

香港會計師公會已頒佈若干於本集團當前會計期間首次生效或可供提前採納的新訂及經修訂香港財務報告準則。於當前及過往會計期間，由於首次應用該等與本集團有關的新訂及修訂所引致的任何會計政策變動已反映於該等綜合財務報表中，其資料載於附註3。

持續經營假設

截至二零一九年十二月三十一日止年度，本集團計及虧損約721,074,000港元，而於二零一九年十二月三十一日，本集團的流動負債淨額約為630,290,000港元。該等情況顯出重大不確定性的存在，其對本集團持續經營的能力將產生重大疑慮。於編製該等綜合財務報表時，本公司董事已審慎考慮本集團當前及預期的未來流動資金的影响。本集團能否持續經營取決於本集團如下所述於計劃及措施取得成果後的成功結果，其水平足以為本集團未來12個月的營運資金需求提供資金。經考慮下述計劃及措施連同現金流量預測後，董事認為在編製該等綜合財務報表時採用持續經營屬適當。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. BASIS OF PREPARATION (continued)

Going concern assumption (continued)

In order to strengthen the Group's capital base and liquidity in the foreseeable future, the Group has taken the following plans and measures:

- negotiating with respective lenders to renew and extend existing borrowings upon their maturities, in which an extension agreement for the borrowings of HK\$120,000,000 had been entered into between the Company and the lender to extend the repayment terms to 11 March 2021;
- Sino Merchant confirms its intention to provide adequate financial support to the Group as necessary to ensure the Group's continuing operation for a period of at least twelve months from the date of the letter of intention, i.e. 30 March 2020;
- implementing an active cost-saving measures to control administrative costs through various ways to improve operating cash flows at a level sufficient to sustain the working capital requirements of the Group; and
- reviewing its investments and actively considering to realise certain of investment properties and/or financial assets at FVTPL in order to enhance the financial position of the Group whenever it is necessary.

Based on the cash flow projections of the Group and having taken into account the available financial resources of the Group with the above measures, the directors have concluded that the Group is able to continue as a going concern and to meet their financial obligations as and when they fall due for the next twelve months. Should the Group be unable to continue as a going concern, adjustments would have to be made to the consolidated financial statements to adjust the value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and current liabilities respectively. The effects of these potential adjustments have not been reflected in these consolidated financial statements.

2. 編製基準(續)

持續經營假設(續)

為加強本集團於可見將來的資金基礎及流動性，本公司已採取以下計劃及措施：

- 與各貸款人就於到期後重續及延長現有借貸期進行磋商，其中本公司與貸款人已就借貸120,000,000港元訂立延期協議，以延長還款期至二零二一年三月十一日；
- 華商租車確認其有意向本集團提供足以確保本集團自意向書日期(即二零二零年三月三十日)起計至少12個月期間持續經營所需的財務支持；
- 實施積極成本控制措施，以透過不同方法控制行政成本，從而按足以維持本集團營運資金要求的水平改善營運現金流量；及
- 審閱投資及積極考慮於必要時將若干投資物業及／或按公平值計入損益的金融資產變現，以改善本集團財務狀況。

基於本集團的現金流量預測及經考慮本集團可動用的財務資源及上述措施，董事認為本集團能夠繼續持續經營，並可於其財務責任在未來12個月到期時履行該等責任。倘本集團無法繼續持續經營，則須對綜合財務報表作出調整，以將本集團資產的價值調整至其可收回金額、對可能產生的任何進一步負債計提撥備及將非流動資產及負債分別重新分類為流動資產及流動負債。該等潛在調整的影響並無於該等綜合財務報表內反映。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. ADOPTION OF NEW AND REVISED HKFRSs

(a) Application of new and revised HKFRSs

The HKICPA has issued a new HKFRS, HKFRS 16 Leases, and a number of amendments to HKFRSs that are first effective for the current accounting period of the Group.

Except for HKFRS 16, none of the developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

HKFRS 16 Leases

HKFRS 16 supersedes HKAS 17 Leases, and the related interpretations, HK(IFRIC) 4 Determining whether an Arrangement contains a Lease, HK(SIC) 15 Operating Leases-Incentives and HK(SIC) 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. HKFRS 16 introduced a single accounting model for lessees, which requires a lessee to recognise a right-of-use asset and a lease liability for all leases, except for leases that have a lease term of 12 months or less and leases of low-value assets.

Lessor accounting under HKFRS 16 is substantially unchanged from HKAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in HKAS 17. Therefore, HKFRS 16 did not have an impact on leases where the Group is the lessor. The lessor accounting requirements are brought forward from HKAS 17 substantially unchanged.

3. 採納新訂及經修訂的香港財務報告準則

(a) 採納新訂及經修訂的香港財務報告準則

香港會計師公會已頒佈新訂香港財務報告準則、香港財務報告準則第16號及若干於本集團當前會計期間首次生效的經修訂香港財務報告準則。

除香港財務報告準則第16號外，概無任何發展情況對本集團如何編製或呈列當前或過往期間的業績及財務狀況造成重大影響。本集團並無應用於當前會計期間尚未生效的任何新訂準則或詮釋。

香港財務報告準則第16號「租賃」

香港財務報告準則第16號取代香港會計準則第17號「租賃」及相關詮釋、香港（國際財務報告詮釋委員會）第4號「釐定安排是否包括租賃」、香港（準則詮釋委員會）第15號「經營租賃 — 優惠」及香港（準則詮釋委員會）第27號「評估涉及租賃法律形式交易的內容」。香港財務報告準則第16號為承租人引入單一會計模式，要求承租人就所有租賃確認使用權資產及租賃負債，惟租賃期為12個月或以下的租賃及低價值資產租賃除外。

香港財務報告準則第16號大致沿用香港會計準則第17號的出租人會計處理方式。出租人將繼續使用與香港會計準則第17號中的類似原則將租賃分類為經營或融資租賃。因此，香港財務報告準則第16號對本集團作為出租人的租賃並無影響。沿用香港會計準則第17號的出租人會計規定大致上維持不變。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. ADOPTION OF NEW AND REVISED HKFRSs (continued)

(a) Application of new and revised HKFRSs (continued)

HKFRS 16 Leases (continued)

HKFRS 16 also introduces additional qualitative and quantitative disclosure requirements which aim to enable users of the financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an entity.

The Group has initially applied HKFRS 16 as from 1 January 2019. The Group has elected to use the modified retrospective approach and has therefore recognised the cumulative effect of initial application as an adjustment to the opening balance of equity at 1 January 2019. Comparative information has not been restated and continues to be reported under HKAS 17.

Further details of the nature and effect of the changes to previous accounting policies and the transition options applied are set out below:

(i) *New definition of a lease*

The change in the definition of a lease mainly relates to the concept of control. HKFRS 16 defines a lease on the basis of whether a customer controls the use of an identified asset for a period of time, which may be determined by a defined amount of use. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

3. 採納新訂及經修訂的香港財務報告準則(續)

(a) 採納新訂及經修訂的香港財務報告準則(續)

香港財務報告準則第16號「租賃」 (續)

香港財務報告準則第16號亦引入額外定性及定量披露要求，旨在讓財務報表使用者評估租賃對實體財務狀況、財務表現及現金流量的影響。

本集團自二零一九年一月一日起首次應用香港財務報告準則第16號。本集團已選擇使用經修訂追溯法，因此將首次應用的累計影響確認為二零一九年一月一日的期初權益結餘的調整。比較資料不予重列，並繼續根據香港會計準則第17號報告。

有關過往會計政策變動的性質及影響以及所應用的過渡選擇權進一步詳情載列如下：

(i) *租賃的新定義*

租賃定義的變動主要涉及控制的概念。香港財務報告準則第16號根據客戶是否於一段期間內控制已識別資產的使用而定義租賃，其可藉界定的使用量釐定。倘客戶既有權指示已識別資產的使用，亦有權自該使用中獲得絕大部分經濟利益，則控制權已轉移。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. ADOPTION OF NEW AND REVISED HKFRSs (continued)

(a) Application of new and revised HKFRSs (continued)

HKFRS 16 Leases (continued)

(i) New definition of a lease (continued)

The Group applies the new definition of a lease in HKFRS 16 only to contracts that were entered into or changed on or after 1 January 2019. For contracts entered into before 1 January 2019, the Group has used the transitional practical expedient to grandfather the previous assessment of which existing arrangements are or contain leases. Accordingly, contracts that were previously assessed as leases under HKAS 17 continue to be accounted for as leases under HKFRS 16 and contracts previously assessed as non-lease service arrangements continue to be accounted for as executory contracts.

(ii) Lessee accounting and transitional impact

HKFRS 16 eliminates the requirement for a lessee to classify leases as either operating leases or finance leases, as was previously required by HKAS 17. Instead, the Group is required to capitalise all leases when it is the lessee, including leases previously classified as operating leases under HKAS 17, other than those short-term leases and leases of low-value assets which are exempt.

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied the incremental borrowing rates at the date of initial application. The average incremental borrowing rates applied by the relevant group entities range from approximately 10.2% to 14.0%.

3. 採納新訂及經修訂的香港財務報告準則(續)

(a) 採納新訂及經修訂的香港財務報告準則(續)

香港財務報告準則第16號「租賃」(續)

(i) 租賃的新定義(續)

本集團僅對於二零一九年一月一日或之後訂立或變更的合約應用香港財務報告準則第16號中的租賃新定義。對於二零一九年一月一日前訂立的合約，本集團已採用過渡性可行權宜方法，以令對現有安排為租賃或包含租賃的過往評估不受新規定限制。因此，先前根據香港會計準則第17號評估為租賃的合約繼續按香港財務報告準則第16號入賬列為租賃，而先前評估為非租賃服務安排的合約繼續入賬列為待履行合約。

(ii) 承租人會計處理及過渡影響

香港財務報告準則第16號取消承租人將租賃分類為經營租賃或融資租賃的規定(如香港會計準則第17號先前所規定)。相反，本集團作為承租人時，須資本化所有租賃(包括先前根據香港會計準則第17號分類為經營租賃的租賃)，惟短期租賃及低價值資產租賃則獲豁免。

於確認先前分類為經營租賃的租賃負債時，本集團於首次應用日期已應用增量借貸利率。相關集團實體所應用的平均增量借貸利率介乎10.2%至14.0%。

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

3. ADOPTION OF NEW AND REVISED HKFRSs (continued)

(a) Application of new and revised HKFRSs (continued)

HKFRS 16 Leases (continued)

(ii) Lessee accounting and transitional impact (continued)

To ease the transition to HKFRS 16, the Group applied the following recognition exemption and practical expedients at the date of initial application of HKFRS 16:

- elected not to apply the requirements of HKFRS 16 in respect of the recognition of lease liabilities and right-of-use assets to leases for which the remaining lease term ends within 12 months from the date of initial application of HKFRS 16, i.e. where the lease term ends on or before 31 December 2019;
- applied a single discount rate to a portfolio of leases with a similar remaining term for similar class of underlying assets in a similar economic environment. Specifically, discount rate for certain leases of leasehold lands and properties was determined on a portfolio basis;
- used hindsight based on facts and circumstances as at date of initial application in determining the lease term for the Group's leases with extension options;
- excluded initial direct costs from measuring the right-of-use assets at the date of initial application; and

3. 採納新訂及經修訂的香港財務報告準則(續)

(a) 採納新訂及經修訂的香港財務報告準則(續)

香港財務報告準則第16號「租賃」 (續)

(ii) 承租人會計處理及過渡影響 (續)

為方便過渡至香港財務報告準則第16號，本集團於首次應用香港財務報告準則第16號當日應用下列確認豁免及可行權宜方法：

- 對於剩餘租賃期於首次應用香港財務報告準則第16號當日起計12個月內屆滿(即租賃期於二零一九年十二月三十一日或之前屆滿)的租賃，選擇不就確認租賃負債及使用權資產應用香港財務報告準則第16號的規定；
- 就類似經濟環境內相似類別相關資產並具類似剩餘租賃期的租賃組合應用單一貼現率。具體而言，若干租賃土地及物業租賃的貼現率乃按投資組合釐定。
- 根據於首次應用日期的事實及情況使用事後方式為本集團具有延長選擇權的租賃釐定租賃期；
- 於首次應用日期計量使用權資產時撇除初始直接成本；及

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3. ADOPTION OF NEW AND REVISED HKFRSs (continued)

(a) Application of new and revised HKFRSs (continued)

HKFRS 16 Leases (continued)

(ii) *Lessee accounting and transitional impact* (continued)

- relied on the assessment of whether leases are onerous by applying HKAS 37 as an alternative to an impairment review.

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

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 Income Taxes requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption.

3. 採納新訂及經修訂的香港財務報告準則(續)

(a) 採納新訂及經修訂的香港財務報告準則(續)

香港財務報告準則第16號「租賃」 (續)

(ii) *承租人會計處理及過渡影響* (續)

- 透過應用香港會計準則第37號作為減值檢討的替代方法，評估租賃是否屬有償。

就計量本集團確認使用權資產及相關租賃負債的租賃交易的遞延稅項而言，本集團首先釐定稅項扣減是否歸因於使用權資產或租賃負債。

就稅項扣減歸因於租賃負債的租賃交易而言，本集團將香港會計準則第12號「所得稅」規定分別應用於使用權資產及租賃負債。由於應用首次確認豁免，有關使用權資產及租賃負債的暫時差額並未於首次確認時於租賃期內確認。

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3. ADOPTION OF NEW AND REVISED HKFRSs (continued)

(a) Application of new and revised HKFRSs (continued)

HKFRS 16 Leases (continued)

(ii) Lessee accounting and transitional impact (continued)

The following table reconciles the operating lease commitments as at 31 December 2018 as disclosed in note 45 to the consolidated financial statements to the opening balance for lease liabilities recognised as at 1 January 2019:

		HK\$'000 千港元
Operating lease commitments disclosed as at 31 December 2018	於二零一八年十二月三十一日披露的經營租賃承擔	34,356
Less: Short-term leases and other leases with remaining lease term ending on or before 31 December 2019	減：短期租賃及剩餘租賃期於二零一九年十二月三十一日或之前屆滿的其他租賃	(26,117)
Total future interest expenses	未來利息開支總額	(1,397)
Present value of remaining lease payments, discounted using the incremental borrowing rate and lease liabilities recognised as at 1 January 2019	於二零一九年一月一日確認的剩餘租賃款項剩餘現值，使用增量借貸利率及租賃負債進行貼現	6,842
Of which are:	其中：	
Current lease liabilities	流動租賃負債	2,638
Non-current lease liabilities	非流動租賃負債	4,204
		6,842

The right-of-use assets in relation to leases previously classified as operating leases have been recognised at an amount equal to the amount recognised for the remaining lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the consolidated statement of financial position at 31 December 2018.

3. 採納新訂及經修訂的香港財務報告準則(續)

(a) 採納新訂及經修訂的香港財務報告準則(續)

香港財務報告準則第16號「租賃」(續)

(ii) 承租人會計處理及過渡影響(續)

下表將綜合財務報表附註45中披露的二零一八年十二月三十一日經營租賃承擔與二零一九年一月一日確認的租賃負債期初餘額進行對賬：

先前分類為經營租賃的租賃相關使用權資產已按相等於餘下租賃負債的已確認金額的金額確認，並按與於二零一八年十二月三十一日的綜合財務狀況表確認的租賃有關的任何預付或應計租賃付款金額進行調整。

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3. ADOPTION OF NEW AND REVISED HKFRSs (continued)

(a) Application of new and revised HKFRSs (continued)

HKFRS 16 Leases (continued)

(ii) Lessee accounting and transitional impact (continued)

The following table summarizes the impacts of the adoption of HKFRS 16 on the Group's consolidated statement of financial position:

3. 採納新訂及經修訂的香港財務報告準則(續)

(a) 採納新訂及經修訂的香港財務報告準則(續)

香港財務報告準則第16號「租賃」(續)

(ii) 承租人會計處理及過渡影響(續)

下表概述採納香港財務報告準則第16號對本集團綜合財務狀況表的影響：

Line items in the consolidated statement of financial position impacted by the adoption of HKFRS 16 受採納香港財務報告準則第16號影響的綜合財務狀況表項目		Effects of adoption of HKFRS 16 採納香港財務報告準則第16號的影響			
		Carrying amount as at 31 December 2018 於二零一八年十二月三十一日的賬面值	Recognition of leases 租賃確認	Impairment recognised 已確認減值	Carrying amount as at 1 January 2019 於二零一九年一月一日的賬面值
	Note 附註	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Assets	資產				
Right-of-use assets	使用權資產	-	6,842	(6,842)	-
Liabilities	負債				
Lease liabilities	租賃負債	-	(6,842)	-	(6,842)

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

3. ADOPTION OF NEW AND REVISED HKFRSs (continued)

(a) Application of new and revised HKFRSs (continued)

HKFRS 16 Leases (continued)

(iii) *Impact of the financial results and cash flows of the Group*

After the initial recognition of right-of-use assets and lease liabilities as at 1 January 2019, the Group as a lessee is required to recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the previous policy of recognising rental expenses incurred under operating leases on a straight-line basis over the lease term. This results in a positive impact on the reported profit from operations in the Group's consolidated statement of profit or loss, as compared to the results if HKAS 17 had been applied during the year.

In the consolidated statement of cash flows, the Group as a lessee is required to split rentals paid under capitalised leases into their principal element and interest element (note 42(d)). These elements are classified as financing cash outflows and operating cash outflows respectively. Although total cash flows are unaffected, the adoption of HKFRS 16 therefore results in a significant change in presentation of cash flows within the consolidated statement of cash flows (note 42(d)).

3. 採納新訂及經修訂的香港財務報告準則(續)

(a) 採納新訂及經修訂的香港財務報告準則(續)

香港財務報告準則第16號「租賃」 (續)

(iii) *對本集團財務業績及現金流量的影響*

於二零一九年一月一日初步確認使用權資產及租賃負債後，本集團作為承租人須確認租賃負債未償還結餘產生的利息開支及使用權資產折舊，而非如先前政策於租賃期內按直線法確認經營租賃項下產生的租金開支。與香港會計準則第17號已於年內應用的結果相比，這將為本集團綜合損益表中的經營所得呈報溢利帶來正面影響。

於綜合現金流量表中，本集團作為承租人須將資本化租賃項下的已付租金分為其本金部分及利息部分(附註42(d))。該等部分乃分別分類為融資現金流出及經營現金流出。儘管現金流量總額不受影響，惟採納香港財務報告準則第16號對綜合現金流量表內的現金流量呈列方式造成重大變動(附註42(d))。

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綜合財務報表附註

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

3. ADOPTION OF NEW AND REVISED HKFRSs (continued)

(a) Application of new and revised HKFRSs (continued)

HKFRS 16 Leases (continued)

(iii) *Impact of the financial results and cash flows of the Group* (continued)

The following tables give an indication of the estimated impact of the adoption of HKFRS 16 on the Group's financial result and cash flows for the year ended 31 December 2019, by adjusting the amounts reported under HKFRS 16 in these consolidated financial statements to compute estimates of the hypothetical amounts that would have been recognised under HKAS 17 if this superseded standard had continued to apply in 2019 instead of HKFRS 16, and by comparing these hypothetical amounts for 2019 with the actual 2018 corresponding amounts which were prepared under HKAS 17.

3. 採納新訂及經修訂的香港財務報告準則(續)

(a) 採納新訂及經修訂的香港財務報告準則(續)

香港財務報告準則第16號「租賃」 (續)

(iii) 對本集團財務業績及現金流量的影響(續)

下表顯示採納香港財務報告準則第16號對本集團截至二零一九年十二月三十一日止年度的財務業績及現金流量造成的估計影響，方式為於該等綜合財務報表中調整根據香港財務報告準則第16號呈報的金額，以計算本應根據香港會計準則第17號確認的假設金額估計(倘該被取代準則而非香港財務報告準則第16號於二零一九年繼續適用)，並將該等二零一九年假設金額與根據香港會計準則第17號編製的二零一八年實際相應金額進行比較。

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For the year ended 31 December 2019
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3. ADOPTION OF NEW AND REVISED HKFRSs (continued)

(a) Application of new and revised HKFRSs (continued)

HKFRS 16 Leases (continued)

(iii) Impact of the financial results and cash flows of the Group (continued)

3. 採納新訂及經修訂的香港財務報告準則(續)

(a) 採納新訂及經修訂的香港財務報告準則(續)

香港財務報告準則第16號「租賃」(續)

(iii) 對本集團財務業績及現金流量的影響(續)

	2019 二零一九年			2018 二零一八年	
			Deduct: Estimated amounts related to	Hypothetical amounts for 2019 as if under HKAS 17	Compared to amounts reported for 2018 under HKAS 17
	Amounts reported under HKFRS 16	Add back: HKFRS 16 depreciation and interest expense	operating lease as if under HKAS 17 (note)		
	根據 香港財務報告 準則第16號 呈報的金額 HK\$'000 千港元	加上：香港 財務報告準則 第16號折舊 及利息開支 HK\$'000 千港元	扣減：有關 經營租賃的 估計金額 (猶如根據 香港會計 準則第17號) HK\$'000 千港元	二零一九年 假設金額 (猶如根據 香港會計準則 第17號) HK\$'000 千港元	與二零一八年 根據香港 會計準則 第17號呈報 的金額比較 HK\$'000 千港元

Consolidated financial result for year ended 31 December 2019 impacted by the adoption of HKFRS 16:	受採納香港財務報告準則 第16號影響的截至 二零一九年十二月三十一日 止年度綜合財務業績：					
(Loss)/profit from operation	經營所得(虧損)/溢利	(543,090)	140	(3,408)	(546,358)	47,058
Finance costs	融資成本	(158,603)	614	-	(157,989)	(156,100)
Loss before tax	除稅前虧損	(706,724)	754	(3,408)	(709,378)	(212,797)
Loss for the year	年內虧損	(721,074)	754	(3,408)	(723,728)	(240,448)

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For the year ended 31 December 2019
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3. ADOPTION OF NEW AND REVISED HKFRSs (continued)

(a) Application of new and revised HKFRSs (continued)

HKFRS 16 Leases (continued)

(iii) Impact of the financial results and cash flows of the Group (continued)

3. 採納新訂及經修訂的香港財務報告準則(續)

(a) 採納新訂及經修訂的香港財務報告準則(續)

香港財務報告準則第16號「租賃」(續)

(iii) 對本集團財務業績及現金流量的影響(續)

	2019 二零一九年		2018 二零一八年
Amounts reported under HKFRS 16	Estimated amounts related to operating leases as if under HKAS 17 (note)	Hypothetical amounts for 2019 as if under HKAS 17	Compared to amounts reported for 2018 under HKAS 17
根據 香港財務報告 準則第16號 呈報的金額 HK\$'000 千港元	有關經營租賃的 估計金額(猶如 根據香港會計 準則第17號) (附註) HK\$'000 千港元	二零一九年 假設金額(猶如 根據香港會計 準則第17號) HK\$'000 千港元	與二零一八年 根據香港會計準則 第17號呈報的 金額比較 HK\$'000 千港元

Line items in the consolidated statement of cash flows for year ended 31 December 2019 impacted by the adoption of HKFRS 16: 受採納香港財務報告準則第16號影響的截至二零一九年十二月三十一日止年度綜合現金流量表項目：

Cash generated from/(used in) operations	經營所得/(所用)現金	201,898	(3,408)	198,490	(99,506)
Interest element of lease paid	已付租賃的利息部分	(614)	614	-	-
Net cash generated from/(used in) operating activities	經營活動所得/(所用)現金淨額	171,959	(2,794)	169,165	(175,175)
Capital element of lease payments	租賃付款的資本部分	(2,794)	2,794	-	-
Net cash (used in)/from financing activities	融資活動(所用)/所得現金淨額	(216,390)	2,794	(213,596)	409,478

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3. ADOPTION OF NEW AND REVISED HKFRSs (continued)

(a) Application of new and revised HKFRSs (continued)

HKFRS 16 Leases (continued)

(iii) *Impact of the financial results and cash flows of the Group* (continued)

Note: The “estimated amounts related to operating leases” is an estimate of the amounts of the cash flows in 2019 that relate to leases which would have been classified as operating leases, if HKAS 17 had still applied in 2019. This estimate assumes that there were no difference between rentals and cash flows and that all of the new leases entered into in 2019 would have been classified as operating leases under HKAS 17, if HKAS 17 had still applied in 2019. Any potential net tax effect is ignored.

3. 採納新訂及經修訂的香港財務報告準則(續)

(a) 採納新訂及經修訂的香港財務報告準則(續)

香港財務報告準則第16號「租賃」 (續)

(iii) 對本集團財務業績及現金流量的影響(續)

附註：「有關經營租賃的估計金額」指與本應分類為經營租賃的租賃有關的二零一九年現金流量金額估計(倘香港會計準則第17號於二零一九年仍然適用)。該估計假設租金與現金流量之間並無差異，且於二零一九年訂立的所有新租賃本應根據香港會計準則第17號分類為經營租賃(倘香港會計準則第17號於二零一九年仍然適用)。任何潛在稅項影響淨額均忽略不計。

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3. ADOPTION OF NEW AND REVISED HKFRSs (continued)

(b) New and revised HKFRSs in issue but not yet effective

The Group has not early applied new and revised HKFRSs that have been issued but are not yet effective for the financial year beginning on 1 January 2019. These new and revised HKFRSs include the following which may be relevant to the Group.

3. 採納新訂及經修訂的香港財務報告準則(續)

(b) 已頒佈但尚未生效的新訂及經修訂香港財務報告準則

本集團並無提早應用已頒佈但尚未於二零一九年一月一日開始的財政年度生效的新訂及經修訂香港財務報告準則。該等新訂及經修訂香港財務報告準則包括以下可能與本集團相關的準則。

**Effective for
accounting periods
beginning on or after
於以下日期或之後開始
的會計期間生效**

Amendments to HKFRS 3 Definition of a Business 香港財務報告準則第3號修訂「業務的定義」	1 January 2020 二零二零年一月一日
Amendments to HKAS 1 and HKAS 8 Definition of Material 香港會計準則第1號及香港會計準則第8號修訂「重大的定義」	1 January 2020 二零二零年一月一日
Amendments to HKFRS 10 and HKAS 28 香港財務報告準則第10號及香港會計準則第28號修訂	To be determined 待定
Amendments to HKFRS 9, HKAS 39 and HKFRS 7 Interest Rate Benchmark Reform 香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則 第7號修訂「利率基準改革」	1 January 2020 二零二零年一月一日

The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

本集團正在對該等修訂及新訂準則預期將於初步應用期間產生的影響作出評估。迄今結論為採納該等準則不大可能對綜合財務報表造成重大影響。

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綜合財務報表附註

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4. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared under the historical cost convention, unless mentioned otherwise in the accounting policies, such as investment property and certain financial instruments that are measured at fair value.

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 5.

The significant accounting policies applied in the preparation of the consolidated financial statements are set out below.

(a) Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December. Subsidiaries are entities over which the Group has control. 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 has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties. A potential voting right is considered only if the holder has the practical ability to exercise that right.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

4. 主要會計政策

除會計政策另有所述者外，該等綜合財務報表乃根據歷史成本慣例編製，如投資物業及若干以公平值計量的金融工具。

編製符合香港財務報告準則的綜合財務報表須使用若干關鍵會計估計。這亦須管理層在應用本集團會計政策的過程中行使其判斷。涉及較高程度判斷或複雜程度的範疇或有關假設及估計對綜合財務報表而言屬重大的範疇於附註5披露。

於編製綜合財務報表時應用的主要會計政策載列如下。

(a) 綜合入賬

綜合財務報表包括本公司及其附屬公司截至十二月三十一日止編製的財務報表。附屬公司為本集團擁有控制權的實體。當本集團因其參與實體業務而承擔可變回報風險或有權享有可變回報，且有能力透過其對該實體的權力影響該等回報時，則本集團控制該實體。當本集團擁有令其目前有能力指導相關活動（即對實體回報造成重大影響的活動）的現有權利時，則本集團對該實體擁有權力。

於評估控制權時，本集團會考慮其潛在投票權及其他各方持有的潛在投票權。僅當持有人有實際能力行使該權利時方予考慮潛在投票權。

附屬公司自控制權轉移至本集團當日起綜合入賬。該等附屬公司自控制權終止當日起終止綜合入賬。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(a) Consolidation (continued)

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill and any accumulated foreign currency translation reserve relating to that subsidiary.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the Company. Non-controlling interests are presented in the consolidated statement of financial position and consolidated statement of changes in equity within equity. Non-controlling interests are presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of profit or loss and total comprehensive income for the year between the non-controlling shareholders and owners of the Company.

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

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment loss, unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

4. 主要會計政策(續)

(a) 綜合入賬(續)

導致失去控制權的出售一間附屬公司收益或虧損指(i)銷售代價公平值加於該附屬公司保留的任何投資公平值與(ii)本公司分佔該附屬公司資產淨值加有關該附屬公司的任何餘下商譽及任何累計外幣換算儲備之間的差額。

集團內公司間交易、結餘及未變現溢利予以對銷。除非交易提供已轉讓資產減值的憑證，否則未變現虧損亦予以對銷。附屬公司的會計政策於必要時已作更改，以確保與本集團採納的政策一致。

非控股權益指本公司不直接或間接應佔的附屬公司權益。非控股權益乃於綜合財務狀況表及綜合權益變動表的權益內呈列。非控股權益乃於綜合損益及其他全面收入表內呈列為年內損益及全面收入總額於非控股股東與本公司擁有人之間的分派。

損益及其他全面收入的各組成部分乃歸屬於本公司擁有人及非控股股東，即使此舉引致非控股權益出現虧絀結餘。

於本公司的財務狀況表中，於一間附屬公司的投資乃按成本減減值虧損列賬，除非該投資分類為持作出售(或計入分類為持作出售的出售組別)則另作別論。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(b) Business combination and goodwill

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The consideration transferred in a business combination is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and any contingent consideration. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Identifiable assets and liabilities of the subsidiary in the acquisition are measured at their acquisition-date fair values.

The excess of the sum of the consideration transferred over the Group's share of the net fair value of the subsidiary's identifiable assets and liabilities is recorded as goodwill. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the sum of the consideration transferred is recognised in consolidated profit or loss as a gain on bargain purchase which is attributed to the Group.

In a business combination achieved in stages, the previously held equity interest in the subsidiary is remeasured at its acquisition-date fair value and the resulting gain or loss is recognised in consolidated profit or loss. The fair value is added to the sum of the consideration transferred in a business combination to calculate the goodwill.

4. 主要會計政策(續)

(b) 業務合併及商譽

採用收購法將業務合併中所收購的一間附屬公司列賬。業務合併中所轉讓代價乃按於收購日期所交出資產、所發行股本工具、所產生負債及任何或然代價的公平值計量。收購相關成本於有關成本產生及享有服務期間確認為開支。於收購中附屬公司的可識別資產及負債，均按其於收購日期的公平值計量。

所轉讓代價總額超出本集團應佔附屬公司可識別資產及負債的公平淨值的份額列作商譽。本集團應佔可識別資產及負債的公平淨值超出所轉讓代價總額的差額於綜合損益內確認為本集團應佔議價收購收益。

於分階段進行的業務合併中，先前所持附屬公司的股權按其於收購日期的公平值重新計量，由此產生的收益或虧損於綜合損益內確認。於業務合併中，公平值將計入所轉讓代價總額以計算商譽。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(b) Business combination and goodwill (continued)

The non-controlling interests in the subsidiary are initially measured at the non-controlling shareholders' proportionate share of the net fair value of the subsidiary's identifiable assets and liabilities at the acquisition date.

After initial recognition, goodwill is measured at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs") or groups of CGUs that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the Group at which the goodwill is monitored for internal management purposes. Goodwill impairment reviews are undertaken annually, or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of the CGU containing the goodwill is compared to its recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

4. 主要會計政策(續)

(b) 業務合併及商譽(續)

於附屬公司的非控制權益初步按於收購日期非控股股東應佔附屬公司可識別資產及負債的公平淨值比例計量。

於初步確認後，商譽按成本減累計減值虧損計量。就減值測試而言，業務合併所獲商譽會分配至預期將受益於合併協同效應的各現金產生單位（「現金產生單位」）或現金產生單位組別。商譽所分配的各單位或單位組別指本集團就內部管理目的而監察商譽的最低層次。須就商譽每年進行減值檢討，或當有事件出現或情況改變顯示可能出現減值時，作出更頻密檢討。包含商譽的現金產生單位賬面值與可收回金額作比較，可收回金額為使用價值與公平值減出售成本的較高者。任何減值即時確認為開支，且其後不會撥回。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(c) Associates

Associates are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of an entity but is not control or joint control over those policies. The existence and effect of potential voting rights that are currently exercisable or convertible, including potential voting rights held by other entities, are considered when assessing whether the Group has significant influence. In assessing whether a potential voting right contributes to significant influence, the holder's intention and financial ability to exercise or convert that right is not considered.

Investment in an associate is accounted for in the consolidated financial statements by the equity method and is initially recognised at cost. Identifiable assets and liabilities of the associate in an acquisition are measured at their fair values at the acquisition date. The excess of the cost of the investment over the Group's share of the net fair value of the associate's identifiable assets and liabilities is recorded as goodwill. The goodwill is included in the carrying amount of the investment and is tested for impairment together with the investment at the end of each reporting period when there is objective evidence that the investment is impaired. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss.

4. 主要會計政策(續)

(c) 聯營公司

聯營公司為本集團擁有重大影響力的實體。重大影響力為參與實體財務及經營政策決定的權力，惟並非對該等政策的控制權或共同控制權。於評估本集團是否擁有重大影響力時會考慮現時可予行使或可予轉換的潛在投票權(包括其他實體持有的潛在投票權)的存在及影響。於評估潛在投票權是否產生重大影響力時，持有人行使或轉換該權利的意圖及財務能力不予考慮。

於一間聯營公司的投資按權益法於綜合財務報表內入賬，並初步按成本確認。所收購聯營公司的可識別資產及負債按其於收購日期的公平值計量。投資成本超出本集團分佔該聯營公司可識別資產及負債公平淨值的部分列賬為商譽。倘有客觀證據顯示投資出現減值，則商譽計入投資賬面值，並於各報告期末連同投資進行減值測試。本集團分佔可識別資產及負債公平淨值超出收購成本的任何部分於綜合損益內確認。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(c) Associates (continued)

The Group's share of an associate's post-acquisition profits or losses and other comprehensive income is recognised in consolidated statement of profit or loss and other comprehensive income. When the Group's share of losses in an associate equals or exceeds its interest in the associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The gain or loss on the disposal of an associate that results in a loss of significant influence represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that associate and (ii) the Group's entire carrying amount of that associate (including goodwill) and any related accumulated foreign currency translation reserve. If an investment in an associate becomes an investment in a joint venture, the Group continues to apply the equity method and does not remeasure the retained interest.

Unrealised profits on transactions between the Group and its associates are eliminated to the extent of the Group's interests in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

4. 主要會計政策(續)

(c) 聯營公司(續)

本集團分佔聯營公司收購後溢利或虧損及其他全面收入於綜合損益及其他全面收入表內確認。倘本集團分佔聯營公司虧損相等於或超出其於聯營公司的權益(包括任何實質上構成本集團於聯營公司投資淨額一部分的長期權益)，則本集團不會確認進一步虧損，除非其已產生責任或代表聯營公司作出付款則另作別論。倘聯營公司其後錄得溢利，則本集團僅於其分佔溢利相等於分佔未確認虧損後方會恢復確認其分佔的該等溢利。

導致失去重大影響力的出售一間聯營公司收益或虧損指(i)銷售代價公平值加於該聯營公司保留的任何投資公平值與(ii)本集團於該聯營公司的全部賬面值(包括商譽)及任何有關累計外幣換算儲備之間的差額。倘於一間聯營公司的投資成為於一間合營公司的投資，則本集團繼續應用權益法及不會重新計量保留權益。

本集團與其聯營公司之間交易的未變現溢利以本集團於該聯營公司的權益為限予以對銷。除非交易提供已轉讓資產減值的憑證，否則未變現虧損亦予以對銷。聯營公司的會計政策於必要時已作更改，以確保與本集團採納的政策一致。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(d) Joint arrangements

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Relevant activities are activities that significantly affect the returns of the arrangement. When assessing joint control, the Group considers its potential voting rights as well as potential voting rights held by other parties. A potential voting right is considered only if the holder has the practical ability to exercise that right.

A joint arrangement is either a joint operation or a joint venture. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. The Group has assessed the type of each of its joint arrangements and determined them to all be joint ventures.

Investment in a joint venture is accounted for in the consolidated financial statements by the equity method and is initially recognised at cost. Identifiable assets and liabilities of the joint venture in an acquisition are measured at their fair values at the acquisition date. The excess of the cost of the investment over the Group's share of the net fair value of the joint venture's identifiable assets and liabilities is recorded as goodwill. The goodwill is included in the carrying amount of the investment and is tested for impairment together with the investment at the end of each reporting period when there is objective evidence that the investment is impaired. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss.

4. 主要會計政策(續)

(d) 合營安排

合營安排為兩名或以上人士擁有共同控制權的安排。共同控制權指按照合約協定對一項安排共享控制權，僅於相關活動要求享有控制權的各方作出一致同意的決定時存在。相關活動為對安排回報造成重大影響的活動。於評估共同控制權時，本集團會考慮其潛在投票權及其他各方持有的潛在投票權。僅當持有人有實際能力行使該權利時方予考慮潛在投票權。

合營安排指共同經營或合營公司。共同經營為一項合營安排，據此對該安排擁有共同控制權的各方就該安排對資產擁有權利及對負債承擔責任。合營公司為一項合營安排，據此對該安排擁有共同控制權的各方對該安排資產淨值擁有權利。本集團已評估其各合營安排的類別，並釐定該等安排全屬合營公司。

於一間合營公司的投資按權益法於綜合財務報表內入賬，並初步按成本確認。所收購合營公司的可識別資產及負債按其於收購日期的公平值計量。投資成本超出本集團分佔該合營公司可識別資產及負債公平淨值的部分列賬為商譽。倘有客觀證據顯示投資出現減值，則商譽計入投資賬面值，並於各報告期末連同投資進行減值測試。本集團分佔可識別資產及負債公平淨值超出收購成本的任何部分於綜合損益內確認。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(d) Joint arrangements (continued)

The Group's share of a joint venture's post-acquisition profits or losses and other comprehensive income is recognised in consolidated statement of profit or loss and other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The gain or loss on the disposal of a joint venture that results in a loss of joint control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that joint venture and (ii) the Group's entire carrying amount of that joint venture (including goodwill) and any related accumulated foreign currency translation reserve. If an investment in a joint venture becomes an investment in an associate, the Group continues to apply the equity method and does not remeasure the retained interest.

Unrealised profits on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interests in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

4. 主要會計政策(續)

(d) 合營安排(續)

本集團分佔合營公司收購後溢利或虧損及其他全面收入於綜合損益及其他全面收入表內確認。倘本集團分佔合營公司虧損相等於或超出其於合營公司的權益(包括任何實質上構成本集團於合營公司投資淨額一部分的長期權益)，則本集團不會確認進一步虧損，除非其已產生責任或代表合營公司作出付款則另作別論。倘合營公司其後錄得溢利，則本集團僅於其分佔溢利相等於分佔未確認虧損後方會恢復確認其分佔的該等溢利。

導致失去共同控制權的出售一間合營公司收益或虧損指(i)銷售代價公平值加於該合營公司保留的任何投資公平值與(ii)本集團於該合營公司的全部賬面值(包括商譽)及任何有關累計外幣換算儲備之間的差額。倘於一間合營公司的投資成為於一間聯營公司的投資，則本集團繼續應用權益法及不會重新計量保留權益。

本集團與其合營公司之間交易的未變現溢利以本集團於該合營公司的權益為限予以對銷。除非交易提供已轉讓資產減值的憑證，否則未變現虧損亦予以對銷。合營公司的會計政策於必要時已作更改，以確保與本集團採納的政策一致。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(e) Foreign currency translation

(i) *Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong Dollars ("HK\$"), which is the Company's functional and presentation currency.

(ii) *Transactions and balances in each entity's financial statements*

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

Non-monetary items that are measured at fair values in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

4. 主要會計政策(續)

(e) 外幣換算

(i) *功能及呈列貨幣*

計入本集團各實體財務報表的項目均使用實體經營所在主要經濟環境的貨幣(「功能貨幣」)計量。綜合財務報表以港元(「港元」)為本公司功能及呈列貨幣)呈列。

(ii) *各實體財務報表的交易及結餘*

以外幣計值的交易於初步確認時使用交易日期的現行匯率換算為功能貨幣。以外幣計值的貨幣資產及負債於各報告期末按匯率換算。因該換算政策而產生的收益及虧損於損益內確認。

按公平值計量並以外幣計值的非貨幣項目均使用公平值釐定日期的匯率換算。

倘非貨幣項目的收益或虧損於其他全面收入內確認，則該收益或虧損的任何匯兌組成部分於其他全面收入內確認。倘非貨幣項目的收益或虧損於損益內確認，則該收益或虧損的任何匯兌組成部分於損益內確認。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(e) Foreign currency translation (continued)

(iii) Translation on consolidation

The results and financial position of all the Group's entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses are translated at average exchange rates for the period (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and
- All resulting exchange differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of monetary items that form part of the net investment in foreign entities are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are reclassified to consolidated profit or loss as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

4. 主要會計政策(續)

(e) 外幣換算(續)

(iii) 綜合賬目的換算

功能貨幣有別於本公司呈列貨幣的所有本集團實體的業績及財務狀況均按以下方式換算為本公司的呈列貨幣：

- 於各財務狀況表呈列的資產及負債按該財務狀況表日期的收市匯率換算；
- 收入及開支按該期間的平均匯率換算(除非該平均匯率並非交易日期的現行匯率累計影響的合理約數，在該情況下，收入及開支按交易日期的匯率換算)；及
- 所有因此產生的匯兌差額均於其他全面收入內確認，並於外幣換算儲備內累計。

於綜合賬目時，換算構成境外實體投資淨額一部分的貨幣項目產生的匯兌差額均於其他全面收入內確認，並於外幣換算儲備內累計。當出售境外業務時，有關匯兌差額將作為出售收益或虧損的一部分重新分類至綜合損益。

收購境外實體產生的商譽及公平值調整被視為境外實體的資產及負債，並按收市匯率換算。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(f) Property, plant and equipment

Property, plant and equipment are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in profit or loss during the period in which they are incurred.

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their cost less their residual values over the estimated useful lives on a straight-line basis. The principal annual rates are as follows:

Furniture, fixtures and office equipment	10% to 33.33%
Leasehold improvements	Over the shorter of the term of the lease or 25%
Motor vehicles	20% to 25%

The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period.

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss.

4. 主要會計政策(續)

(f) 物業、廠房及設備

物業、廠房及設備於綜合財務狀況表按成本減其後累計折舊及其後累計減值虧損(如有)列賬。

其後成本僅於與該項目有關的未來經濟利益將有可能流入本集團，且該項目的成本能夠可靠計量時，方計入資產賬面值或確認為獨立資產(如適用)。所有其他維修及保養於其產生期間在損益內確認。

物業、廠房及設備折舊按足以撇銷其成本減其剩餘價值的利率於估計可使用年期以直線法計算。本年年利率如下：

傢俬、裝置及辦公室設備	10%至33.33%
租賃物業裝修	租賃期內或25%，以較短者為準
汽車	20%至25%

剩餘價值、可使用年期及折舊法於各報告期末予以審閱及調整(如適用)。

出售物業、廠房及設備收益或虧損為出售所得款項淨額與相關資產賬面值之間的差額，並於損益內確認。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(g) Investment properties

Investment properties are land and/or buildings held to earn rentals and/or for capital appreciation. An owned investment property is measured initially at its cost including all direct costs attributable to the property.

After initial recognition, the investment property is stated at its fair value. Gains or losses arising from changes in fair value of the investment property are recognised in profit or loss for the period in which they arise.

The gain or loss on disposal of an investment property is the difference between the net sales proceeds and the carrying amount of the property, and is recognised in profit or loss. Rental income from investment properties is accounted for as described in note 4(v) to the consolidated financial statements.

(h) Leases

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

4. 主要會計政策(續)

(g) 投資物業

投資物業乃指持作賺取租金及／或資本增值的土地及／或樓宇。所擁有投資物業初步按其成本(包括所有該物業應佔直接成本)計量。

於初步確認後，投資物業按其公平值列賬。投資物業公平值變動產生的收益或虧損於其產生期間在損益內確認。

出售一項投資物業收益或虧損為出售所得款項淨額與該物業賬面值之間的差額，並於損益內確認。來自投資物業的租金收入按綜合財務報表附註4(v)所述入賬。

(h) 租賃

於合約開始時，本集團會評估該合約是否為或包含租賃。倘合約為換取代價而給予在一段時間內控制已識別資產使用的權利，則該合約為或包含租賃。倘客戶有權指示已識別資產的使用及從該使用中獲得絕大部分經濟利益，則表示擁有控制權。

Notes to the Consolidated Financial Statements

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(h) Leases (continued)

(i) *The Group as a lessee*

Policy applicable from 1 January 2019

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method. Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and hence are charged to profit or loss in the accounting period in which they are incurred.

4. 主要會計政策(續)

(h) 租賃(續)

(i) *本集團作為承租人*

自二零一九年一月一日起適用的政策

於租賃開始日期，本集團確認使用權資產及租賃負債，惟租賃期為12個月或以下的短期租賃及低價值資產租賃則除外。當本集團就低價值資產訂立租賃，則本集團決定是否按個別租賃基準將租賃資本化。與該等尚未資本化的租賃有關的租賃付款於租賃期內按系統化基準確認為開支。

倘租賃已資本化，則租賃負債初步於租賃期內按應付租賃付款的現值確認，並使用租賃中隱含的利率進行貼現，或倘該利率無法輕易釐定，則使用相關增量借貸利率。於初步確認後，租賃負債按攤銷成本計量，而利息開支則使用實際利率法計算。不取決於指數或利率的可變租賃付款並不計入租賃負債的計量，故於其產生的會計期間自損益扣除。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(h) Leases (continued)

(i) *The Group as a lessee* (continued)

Policy applicable from 1 January 2019 (continued)

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses.

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

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

4. 主要會計政策(續)

(h) 租賃(續)

(i) *本集團作為承租人* (續)

自二零一九年一月一日起適用的政策 (續)

於租賃資本化時確認的使用權資產初步按成本計量，當中包括租賃負債的初步金額加任何於開始日期或之前作出的租賃付款及所產生的任何初步直接成本。在適用的情況下，使用權資產成本亦包括拆卸及移除相關資產或將相關資產或相關資產所在地復原的成本估計，按其現值貼現並扣減任何已收租賃優惠。使用權資產其後按成本減累計折舊及減值虧損列賬。

本集團合理確定於租賃期結束時獲得相關租賃資產擁有權的使用權資產自開始日期起至可使用年期結束止計提折舊。否則，使用權資產於其估計可使用年期及租賃期兩者中的較短者按直線法計提折舊。

倘未來租賃付款因指數或利率變動而出現變動，或本集團剩餘價值擔保項下預期應付的金額估計出現變動，或因重新評估本集團是否將合理確定行使購買、延長或終止選擇權而產生變動，則重新計量租賃負債。倘租賃負債以此方式重新計量，則對使用權資產的賬面值作出相應調整，或倘使用權資產的賬面值已調減至零，則於損益內列賬。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(h) Leases (continued)

(i) *The Group as a lessee* (continued)

Policy applicable from 1 January 2019 (continued)

The Group presents right-of-use assets that do not meet the definition of investment properties and lease liabilities separately in the consolidated statement of financial position.

Policy prior to 1 January 2019

In the comparative period, as a lessee the Group classified leases as finance leases if the leases transferred substantially all the risks and rewards of ownership to the Group. Leases which did not transfer substantially all the risks and rewards of ownership to the Group were classified as operating leases.

Where the Group had the use of assets held under operating leases, payments made under the leases were charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis was more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received were recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals were charged to profit or loss in the accounting period in which they were incurred.

(ii) *The Group as a lessor*

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to the ownership of an underlying assets to the lessee. If this is not the case, the lease is classified as an operating lease.

4. 主要會計政策 (續)

(h) 租賃 (續)

(i) *本集團作為承租人* (續)

自二零一九年一月一日起適用的政策 (續)

本集團於綜合財務狀況表內單獨呈列不符合投資物業及租賃負債定義的使用權資產。

於二零一九年一月一日前的政策

於比較期間，本集團作為承租人在租賃已將擁有權的絕大部分風險及回報轉移至本集團的情況下將租賃分類為融資租賃。並無將擁有權的絕大部分風險及回報轉移至本集團的租賃則分類為經營租賃。

倘本集團使用根據經營租賃持有的資產，則根據租賃作出的付款於租賃期涵蓋的會計期間內按等額分期的方式自損益扣除，惟另有其他準則更能代表源自租賃資產的利益模式則除外。已收租賃優惠於損益內確認為所作出的租賃付款淨額總額的不可或缺部分。或然租金於其產生的會計期間內自損益扣除。

(ii) *本集團作為出租人*

倘本集團擔任出租人，則於租賃開始時釐定各租賃是否為融資租賃或經營租賃。倘租賃將相關資產擁有權附帶的絕大部分風險及回報轉移至承租人，則分類為融資租賃。倘不屬於以上情況，則租賃分類為經營租賃。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(i) Intangible assets (other than goodwill)

The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

Vehicle rental business licence and licence plates are accounted for as intangible assets with indefinite useful lives and are not amortised. They are stated at cost less any impairment losses.

(j) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out basis. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

(k) Contract liabilities

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue. A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised.

(l) Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

4. 主要會計政策(續)

(i) 無形資產(商譽除外)

於業務合併中收購無形資產的成本乃於收購日期的公平值。無形資產的可使用年期乃評估為具特定年期或無特定年期。無特定可使用年期的無形資產每年個別或按現金產生單位級別進行減值測試。該等無形資產不予攤銷。無特定年期的無形資產的可使用年期每年進行檢討，以釐定無特定年期的評估是否仍然適當。如不適當，則按預期基準將可使用年期的評估由無特定年期變更為具特定年期而入賬。

汽車租用業務牌照及車牌乃作為無特定可使用年期的無形資產入賬及不予攤銷。該等無形資產按成本減任何減值虧損列賬。

(j) 存貨

存貨按成本及可變現淨值兩者中的較低者入賬。成本按先進先出基準釐定。可變現淨值乃於日常業務過程中的估計售價減作出銷售所需的估計成本。

(k) 合約負債

當客戶在本集團確認相關收入之前支付代價時，則合約負債被確認。倘本集團在本集團確認相關收入之前擁有無條件收取代價的權利，則合約負債亦被確認。於該等情況下，相應的應收款項亦將確認。

(l) 確認及終止確認金融工具

倘本集團成為工具合約條文的訂約方，則金融資產及金融負債於綜合財務狀況表內確認。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(l) Recognition and derecognition of financial instruments (continued)

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. 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 its retained interest in the asset and an associated liability for amounts it may have to pay. 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.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

4. 主要會計政策(續)

(l) 確認及終止確認金融工具(續)

金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債(按公平值計入損益的金融資產及金融負債除外)直接應佔的交易成本於初步確認時加至或扣自金融資產或金融負債的公平值(如適用)。收購按公平值計入損益的金融資產或金融負債直接應佔的交易成本即時於損益內確認。

本集團僅於來自資產的現金流量合約權利屆滿，或於其將金融資產及資產擁有權的絕大部分風險及回報轉移至另一實體時，方會終止確認金融資產。倘本集團並無轉移或保留擁有權的絕大部分風險及回報，且繼續控制已轉讓資產，則本集團就其或須支付的金額確認其於資產及相關負債中的保留權益。倘本集團保留已轉讓金融資產擁有權的絕大部分風險及回報，則本集團繼續確認金融資產並確認已收所得款項的抵押借貸。

於及僅於本集團的責任遭解除、註銷或屆滿時，本集團方會終止確認金融負債。已終止確認金融負債的賬面值與已付及應付代價(包括任何已轉讓非現金資產或已承擔負債)之間的差額於損益內確認。

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截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(l) Recognition and derecognition of financial instruments (continued)

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

(m) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

4. 主要會計政策(續)

(l) 確認及終止確認金融工具(續)

倘有法定可強制執行權利抵銷已確認金額，且有意按淨額基準結算或同時變現資產及結算負債，則金融資產及負債互相抵銷，而有關淨額則於綜合財務狀況表內呈報。法定可強制執行權利不得依賴未來事件而定，且必須於正常業務過程中及在公司或對手方違約、無法償債或破產的情況下強制執行。

(m) 金融資產

所有常規買賣的金融資產按交易日基準確認及終止確認。常規買賣指須於市場法規或慣例設定的時間框架內交付資產的金融資產買賣。所有已確認金融資產其後整體按攤銷成本或公平值計量，惟視乎金融資產的分類而定。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(m) Financial assets (continued)

Debt investments

Debt investments held by the Group are classified into one of the following measurement categories:

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest. Interest income from the investment is calculated using the effective interest method.
- fair value through other comprehensive income (“FVTOCI”) — recycling, if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale. Changes in fair value are recognised in other comprehensive income, except for the recognition in profit or loss of expected credit losses, interest income (calculated using the effective interest method) and foreign exchange gains and losses. When the investment is derecognised, the amount accumulated in other comprehensive income is recycled from equity to profit or loss.
- FVTPL if the investment does not meet the criteria for being measured at amortised cost or FVTOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

4. 主要會計政策 (續)

(m) 金融資產 (續)

債務工具

本集團持有的債務工具分類為以下其中一個計量類別：

- 按攤銷成本，倘投資持作收取合約現金流量（僅為本金及利息付款）。投資所得利息收入使用實際利率法計算。
- 按公平值計入其他全面收入（「按公平值計入其他全面收入」）— 可劃轉，倘投資合約現金流量僅包括本金及利息付款，且投資乃於其目的為同時收取合約現金流量及出售的業務模式中持有。公平值變動於其他全面收入內確認，惟預期信貸虧損、利息收入（使用實際利率法計算）以及外匯收益及虧損於損益內確認則除外。倘終止確認投資，則於其他全面收入內累計的金額由權益轉入損益。
- 按公平值計入損益，倘投資不符合按攤銷成本或按公平值計入其他全面收入（可劃轉）計量的標準。投資公平值變動（包括利息）於損益內確認。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(m) Financial assets (continued)

Equity investments

An investment in equity securities is classified as FVTPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the Group makes an election to designate the investment at FVTOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on an instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained earnings. It is not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVTPL or FVTOCI, are recognised in profit or loss as other income.

(n) Trade and other receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

Receivables are stated at amortised cost using the effective interest method less allowance for credit losses.

4. 主要會計政策(續)

(m) 金融資產(續)

股權投資

於股本證券的投資分類為按公平值計入損益，除非股權投資並非持作交易用途，且本集團於初步確認投資時選擇將投資指定為按公平值計入其他全面收入(不可劃轉)，致使公平值其後變動於其他全面收入內確認。該等選擇按個別工具基準作出，惟僅當發行人認為投資符合權益定義的情況下方可作出。倘作出有關選擇，則於其他全面收入內累計的金額仍將保留於公平值儲備(不可劃轉)，直至出售投資為止。於出售時，於公平值儲備(不可劃轉)內累計的金額轉入保留盈利，且不會轉入損益。股本證券投資所得股息(不論分類為按公平值計入損益或按公平值計入其他全面收入)於損益內確認為其他收入。

(n) 應收賬款及其他應收款項

於本集團擁有無條件權利收取代價時確認應收款項。倘該代價付款到期前僅須待時間推移，則收取代價的權利為無條件。倘於本集團擁有無條件權利收取代價前已確認收益，則該金額呈列為合約資產。

應收款項按攤銷成本使用實際利率法減信貸虧損撥備列賬。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(o) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated statement of cash flows. Cash and cash equivalents are assessed for ECL.

(p) Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under HKFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

(q) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

4. 主要會計政策(續)

(o) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、存放於銀行及其他金融機構的活期存款以及短期及高流動性投資，該等投資隨時可轉換為已知數額的現金，且所涉及的價值變動風險不大，並已於收購後三個月內到期。就綜合現金流量表而言，倘銀行透支須按要求償還且構成本集團現金管理的不可或缺部分，則亦作為現金及現金等價物的組成部分入賬。現金及現金等價物就預期信貸虧損進行評估。

(p) 金融負債及股本工具

金融負債及股本工具根據所訂立合約安排的實質內容以及香港財務報告準則項下金融負債及股本工具的定義分類。股本工具為證明經扣除其所有負債後於本集團資產的剩餘權益的任何合約。就特定金融負債及股本工具採納的會計政策載列如下。

(q) 借貸

借貸初步按公平值扣除產生的交易成本確認，其後採用實際利率法按攤銷成本計量。

除非本集團擁有無條件權利將負債還款期遞延至報告期後至少12個月，否則借貸分類為流動負債。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(r) Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- the amount determined in accordance with the ECL model under HKFRS 9 and
- the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of HKFRS 15.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

4. 主要會計政策(續)

(r) 財務擔保合約

在擔保簽訂的同時，財務擔保合約確認為一項金融負債。該負債按公平值初步計量並且後續按以下兩者孰高計量：

- 按香港財務報告準則第9號項下預期信貸虧損模式釐定的金額；及
- 初步確認的金額減去(如適用)，按香港財務報告準則第15號準則確認的累計收入。

財務擔保的公平值由基於債務工具下所要求的合約支付金額與無需保證的支付金額之間的或與作為承擔義務付給第三方的預計金額之間的現金流量差異的現值決定。

當與聯營公司的貸款或其他應付款項相關的擔保不提供補償時，公平值則作為投入列賬並確認為投資成本的一部分。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(s) Convertible bonds

Convertible bonds which entitle the holder to convert the bonds into equity instruments, other than into a fixed number of equity instruments at a fixed conversion price, are regarded as combined instruments consisting of a liability and a derivative component. At the date of issue, the fair value of the derivative component is determined using an option pricing model; this amount is carried as a derivative liability that is subsequently measured at FVTPL until extinguished on conversion or redemption. The remainder of the proceeds is allocated to the liability component and is carried as a liability at amortised cost using the effective interest method until extinguished on conversion or redemption.

Transaction costs are apportioned between the liability and derivative components of the convertible bonds based on the allocation of proceeds to the liability and derivative components on initial recognition. The portion related to the derivative component is expensed immediately.

(t) Trade and other payables

Trade and other payables 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 immaterial, in which case they are stated at cost.

(u) Equity instruments

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

4. 主要會計政策 (續)

(s) 可換股債券

賦予持有人權利將債券兌換為權益工具的可換股債券(按固定兌換價兌換為固定數目權益工具者除外)乃由負債及衍生部份組成的合併工具。於發行日期，衍生部份的公平值採用期權定價法釐定；該金額列為衍生負債，其後按公平值計入損益計量，直至兌換或贖回後撇銷為止。所得款項餘額列為負債部份，採用實際利率法按攤銷成本基準列為負債直至兌換或贖回後撇銷為止。

交易成本按可換股債券的負債及衍生部份於初步確認負債及衍生部份的所得款項分配。衍生部分相關部分即時計入費用。

(t) 應付賬款及其他應付款項

應付賬款及其他應付款項初步按公平值確認，其後採用實際利率法按攤銷成本計量，除非貼現影響甚微，若屬此情況則以成本列賬。

(u) 股本工具

本公司發行的股本工具按已收所得款項扣除直接發行成本入賬。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(v) Revenue and other income

Revenue is recognised when control over a product or service is transferred to the customer, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Revenue from the sale of materials is recognised when control of the goods has transferred, being when the goods have been shipped to the wholesaler's specific location (delivery). Following delivery, the wholesaler has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Group when the goods are delivered to the wholesaler as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Revenue from public relation and other financing services is recognised when the services are performed to the satisfaction of the customers, which is evidenced when the end products created by these services are delivered to the satisfaction of the customers. Revenue is recognised at a point in time.

4. 主要會計政策(續)

(v) 收益及其他收入

當產品或服務控制權以本集團預計有權獲得的代價金額(不包括代第三方收取的金額)轉移予客戶時, 收益予以確認。收益不包括增值稅或其他銷售稅, 並已扣除貿易折扣。

銷售物料收益於貨品控制權轉移時確認, 即貨品已交付至批發商指定地點(交付)或交付予最終客戶。付運後, 批發商可全權酌情釐定銷售貨品的分銷方式及價格, 並須承擔銷售貨品或貨品報廢及虧損風險的主要責任。本集團於貨品交付至批發商或最終客戶時確認應收款項, 此為代價權利成為無條件的時間點, 於付款到期前僅需要經過一段時間。

提供公共關係及其他融資服務的收益於執行服務令客戶滿意時予以確認, 其由該等服務創造的最終產品交付且客戶滿意時以茲證明。收益於時間點確認。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(v) Revenue and other income (continued)

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Variable lease payments that do not depend on an index or a rate are recognised as income in the accounting period in which they are earned.

Interest income is recognised as it accrues using the effective interest method.

(w) Employee benefits

(i) Employee leave entitlements

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

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(ii) Pension obligations

The Group contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Group to the funds.

4. 主要會計政策 (續)

(v) 收益及其他收入 (續)

經營租賃應收租金收入在租賃期所涵蓋的期間內均等地於損益中確認；但如有另一種方法更能代表使用租賃資產所得的利益模式則除外。授予的租金優惠應作為總應收租金的一部份損益確認。毋須視乎指數或利率的可變租金在賺取租金的會計期間確認為收入。

利息收入於應計時按實際利率法確認。

(w) 僱員福利

(i) 僱員休假權利

僱員可享有的年假及長期服務假期於應計予僱員時確認。本公司為僱員於直至報告期末提供的服務而產生的年假及長期服務假期的估計負債作出撥備。

僱員可享有的病假及產假直至放假時才確認。

(ii) 退休金責任

本集團向定額供款退休計劃供款，所有僱員均可參與。本集團與僱員按僱員基本薪金的百分比向計劃作出供款。計入損益的退休福利計劃成本指本集團向基金應付的供款。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(w) Employee benefits (continued)

(iii) Termination benefits

Termination benefits are recognised at the earlier of the dates when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs and involves the payment of termination benefits.

(x) Borrowing costs

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

(y) Taxation

Income tax represents the sum of the current tax and deferred tax.

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

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

4. 主要會計政策(續)

(w) 僱員福利(續)

(iii) 離職福利

離職福利於本集團不能再撤銷提供該等福利，及本集團確認重組成本並涉及支付離職福利的日期(以較早者為準)確認。

(x) 借貸成本

所有借貸成本於產生期間在損益中確認。

(y) 稅項

所得稅為即期稅項與遞延稅項的總和。

即期應付稅項乃按年度應課稅溢利計算。應課稅溢利與損益中所確認的溢利不同，因應課稅溢利不包括在其他年度應課稅收入或可扣減開支項目，而且不包括永遠毋須課稅及不可扣稅的項目。本集團的即期稅項負債，應按於報告期末已執行的或實質上已執行的稅率計算。

遞延稅項根據綜合財務報表中資產及負債的賬面值與用作計算應課稅溢利的相應計稅基礎兩者之間的差額確認。所有應課稅暫時性差異一般均會確認為遞延稅項負債，而只有當能夠獲得能用暫時性差異、未動用稅務虧損或未動用稅項抵免抵扣的應課稅溢利時，才能確認遞延稅項資產。倘暫時性差異產生自商譽或產生自既不影響應課稅溢利也不影響會計溢利的交易中的其他資產及負債(於業務合併者除外)的初步確認，則不會確認該等資產及負債。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(y) Taxation (continued)

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

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

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

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

4. 主要會計政策(續)

(y) 稅項(續)

遞延稅項資產的賬面值乃於各報告期末作出檢討，並在不再可能有足夠應課稅溢利收回全部或部份資產時作出相應調低。

遞延稅項乃按預期於有關負債結算或有關資產變現之期間適用之稅率根據報告期末已制定或大致上制定之稅率計算。遞延稅項於損益中確認，除非遞延稅項與其他全面收入或直接於權益中確認之項目有關，在此情況下，遞延稅項亦會於其他全面收入或直接於權益中確認。

遞延稅項負債乃按於附屬公司及聯營公司的投資以及於合營安排的權益而產生的應課稅暫時性差異確認，惟倘本集團可控制暫時性差異撥回並預期該暫時性差異將不會在可見將來撥回者除外。

遞延稅項資產和負債的計量反映按照本集團預期的方式，於報告期末，收回或清償其資產及負債的賬面值的稅務後果。

就計量本集團確認使用權資產及相關租賃負債的租賃交易的遞延稅項而言，本集團首先釐定稅項扣減是否歸因於使用權資產或租賃負債。

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綜合財務報表附註

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(y) Taxation (continued)

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

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

4. 主要會計政策 (續)

(y) 稅項 (續)

就計量按公平值模式計量的投資物業的遞延稅項而言，假定該等物業的賬面值可透過出售收回，除非假定被駁回則作別論。倘該投資物業可予折舊並於本集團的業務模式（其業務目標為隨時間而非透過出售消耗該投資物業所包含的絕大部分經濟利益）內持有，此假定則被駁回。倘假定被駁回，該等投資物業的遞延稅項按該等物業的預期收回方式計量。

就稅項扣減歸因於租賃負債的租賃交易而言，本集團將香港會計準則第12號規定分別應用於使用權資產及租賃負債。由於應用初步確認豁免，有關使用權資產及租賃負債的暫時差額並未於初步確認時於租賃期內確認。

遞延稅項資產及負債於有可合法強制執行權利將即期稅項資產抵銷即期稅項負債、與相同稅務機關徵收之所得稅有關且本集團擬按淨額基準清償其即期稅項資產及負債之情況下予以抵銷。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(z) Impairment of non-financial assets

Intangible assets that have an indefinite useful life are reviewed for impairment annually and whenever events or changes in circumstances indicate the carrying amount may not be recoverable.

The carrying amounts of other non-financial assets are reviewed at each reporting date for indications of impairment and where an asset is impaired, it is written down as an expense through the statement of profit or loss to its estimated recoverable amount. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. If this is the case, recoverable amount is determined for the cash-generating unit to which the asset belongs. Recoverable amount is the higher of value in use and the fair value less costs of disposal of the individual asset or the cash-generating unit.

Value in use is the present value of the estimated future cash flows of the asset/cash-generating unit. Present values are computed using pre-tax discount rates that reflect the time value of money and the risks specific to the asset/cash-generating unit whose impairment is being measured.

Impairment losses for cash-generating units are allocated first against the goodwill of the unit and then pro rata amongst the other assets of the cash-generating unit. Subsequent increases in the recoverable amount caused by changes in estimates are credited to profit or loss to the extent that they reverse the impairment.

4. 主要會計政策(續)

(z) 非金融資產減值

具無限可使用年期之無形資產每年及於發生事件或情況變化顯示賬面值可能無法收回時進行減值檢討。

於各報告日期就減值的跡象對其他非金融資產賬面值進行檢討，倘資產已減值，則透過損益表列為開支撇減至其估計可收回金額。可收回金額乃就個別資產釐定，除非該資產不會產生大致上獨立於其他資產或資產組別所產生者的現金流入。在此情況下，可收回金額乃根據該資產所屬的現金產生單位釐定。可收回金額為該個別資產或現金產生單位的使用價值與公平值減出售成本的較高者。

使用價值為資產／現金產生單位的估計未來現金流量的現值。現值按反映貨幣時間價值及資產／現金產生單位(計量減值者)之特定風險的稅前貼現率計算。

現金產生單位的減值虧損首先按商譽分配，再按比例分配至現金產生單位的其他資產。可收回金額因估計有變產生之其後增加計入損益，直至撥回減值。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(aa) Impairment of financial assets

The Group recognises a loss allowance for ECL on trade receivables, loan receivables, lease receivables, as well as on financial guarantee contracts. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables, loan receivables and lease receivables. The ECL on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

4. 主要會計政策(續)

(aa) 金融資產減值

本集團就應收賬款、應收貸款及應收租賃款項以及財務擔保合約上的預期信貸虧損確認虧損撥備。預期信貸虧損金額於各報告日期更新以反映信貸風險自首次確認相關金融工具以來的變動。

本集團始終就應收賬款、應收貸款及應收租賃款項確認全期預期信貸虧損。該等金融資產的預期信貸虧損將根據本集團過往信貸虧損經驗採用撥備矩陣進行估計，並按債務人的特定因素、一般經濟狀況以及於報告日期當前及預測狀況的評估(包括貨幣的時間價值(如適用))作出調整。

就所有其他金工具產而言，本集團於信貸風險自首次確認以來出現大幅上升時確認全期預期信貸虧損。然而，倘金融工具之信貸風險自首次確認以來並無大幅上升，本集團按與12個月預期信貸虧損相同的金額計量該金融工具的虧損撥備。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(aa) Impairment of financial assets (continued)

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument. In contrast, 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.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument 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. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

4. 主要會計政策(續)

(aa) 金融資產減值(續)

全期預期信貸虧損指於該金融工具的預期可使用年期內由所有可能違約事件造成的預期信貸虧損。相反，12個月預期信貸虧損指於報告日期後12個月內可能發生的金融工具違約事件預期會造成的全期預期信貸虧損部分。

信貸風險顯著增加

評估金融工具的信貸風險自首次確認後是否顯著增加時，本集團比較報告日期就金融工具產生的違約風險和於首次確認日期就金融工具產生的違約風險。於作出是次評估時，本集團均會考慮合理及有理據的定量及定性資料，包括過往經驗及毋須花費過度成本或努力即可獲得的前瞻性資料。所考慮的前瞻性資料包括獲取自經濟專家報告、金融分析師、政府機構、相關智囊團及其他類似組織的本集團債務人經營所在行業的未來前景，以及本集團核心業務相關的實際及預測經濟資料的各種外部來源。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(aa) Impairment of financial assets (continued)

Significant increase in credit risk (continued)

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

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

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

4. 主要會計政策 (續)

(aa) 金融資產減值 (續)

信貸風險顯著增加 (續)

具體而言，評估信貸風險自初步確認以來有否顯著增加時會考慮以下資料：

- 金融工具外部(如有)或內部信貸評級的實際或預期顯著轉壞；
- 特定金融工具信貸風險的外部市場指標顯著轉壞；
- 商業、金融或經濟情況目前或預期不利變動，預期將導致債務人償還債務能力顯著下降；
- 債務人經營業績實際或預期顯著轉壞；
- 同一債務人的其他金融工具信貸風險顯著增加；及
- 債務人的監管、經濟或技術環境的實際或預期重大不利變動，導致債務人償還債務能力顯著下降。

不論上述評估結果如何，本集團假設當合約付款逾期超30日時，金融資產的信貸風險已自初步確認以來顯著增加，除非本集團有合理可作為依據的資料顯示並非如此則作別論。

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綜合財務報表附註

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(aa) Impairment of financial assets (continued)

Significant increase in credit risk (continued)

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

- (i) The financial instrument has a low risk of default,
- (ii) The debtor 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.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of "investment grade" in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of "performing". Performing means that the counterparty has a strong financial position and there is no past due amounts.

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

4. 主要會計政策 (續)

(aa) 金融資產減值 (續)

信貸風險顯著增加 (續)

儘管存在上述情況，倘一項金融工具於報告日期被釐定為低信貸風險，則本集團假設該項金融工具之信貸風險自初步確認以來並無顯著增加。於下列情況下，一項金融工具將被釐定為低信貸風險：

- (i) 金融工具違約風險低；
- (ii) 債務人近期具充分能力履行合約現金流量責任；及
- (iii) 長期經濟及業務狀況之不利變動或會（但非必然）降低債務人履行合約現金流量責任的能力。

倘資產外部信貸評級為國際通用之「投資評級」或倘外部評級不可用，而資產內部評級為「表現出色」，則本集團認為該金融資產為低信貸風險。表現出色指交易對手財務狀況強勁且並無逾期款項。

本集團定期監控用以識別信貸風險有否顯著增加的標準的有效性，並修訂標準（倘適當）以確保標準能夠於金額逾期前識別信貸風險顯著增加。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(aa) Impairment of financial assets (continued)

Significant increase in credit risk (continued)

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

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

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 receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- 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).

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

4. 主要會計政策(續)

(aa) 金融資產減值(續)

信貸風險顯著增加(續)

就財務擔保合約而言，本集團成為不可撤銷承擔一方的日期被視為就金融工具減值評估進行確認的日期，故於估計信貸風險自財務擔保合約初始確認起是否有顯著上升時，本集團會考慮指定債務人違約風險的變動。

本集團定期監控用以識別信貸風險有否顯著增加的標準的有效性，並修訂標準(如適當)以確保標準能夠於金額逾期前識別信貸風險顯著增加。

違約定義

本集團認為以下情況就內部信貸風險管理目標而言構成違約事件，此乃由於過往經驗表明符合以下任何一項條件之應收款項一般無法收回。

- 交易對手違反財務契諾；或
- 內部產生或獲取自外部來源之資料顯示，債務人不太可能向債權人(包括本集團)全額還款(不計及本集團持有之任何抵押品)。

不論上文分析，本集團認為當金融資產逾期超過90日時，即屬發生違約，除非本集團有合理及有理據的資料證明較寬鬆的違約標準更為適用則當別論。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(aa) Impairment of financial assets (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 that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

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

Write-off policy

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

4. 主要會計政策 (續)

(aa) 金融資產減值 (續)

信貸減值金融資產

當發生對金融資產之估計未來現金流量造成不利影響之一個或多個事件時，即代表金融資產出現信貸減值。金融資產出現信貸減值之證據包括以下可觀察數據：

- 發行人或交易對手出現重大財政困難；
- 違反合約，例如拖欠或逾期支付；
- 交易對手借方就有關交易對手財政困難的經濟或合約原因，向交易對手作出借出方理應不會考慮的讓步；
- 交易對手很有可能破產或進行其他財務重組；或
- 因財政困難而導致金融資產失去活躍市場。

撇銷政策

當存在資料顯示債務人陷入重大財政困難，且並無實際收回資產的可能性時（包括債務人已進行清盤或進入破產程序，或就應收賬款而言，金額逾期超過兩年（以較早發生者為準）），本集團將撇銷金融資產。已撇銷金融資產仍可根據本集團收回程序並於適當情況下考慮法律意見後實施強制執行活動。任何收回資產乃於損益中確認。

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截至二零一九年十二月三十一日止年度

4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(aa) Impairment of financial assets (continued)

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the ECL estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the ECLs is consistent with the cash flows used in measuring the lease receivable in accordance with HKFRS 16 (since 1 January 2019) or HKAS 17 (prior to 1 January 2019).

For a financial guarantee contract, as the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

4. 主要會計政策(續)

(aa) 金融資產減值(續)

預期信貸虧損之計量及確認

預期信貸虧損的計量乃違約概率、違約虧損(即違約虧損程度)以及違約風險的函數。違約概率以及違約虧損的評估乃基於歷史數據按上述前瞻性資料所調整。以違約風險，就財務資產而言，其於資產於報告日期的賬面總值中反映；就財務擔保合約而言，風險包括於報告日期已提取的金額，連同任何預計將於未來違約日期(根據歷史趨勢、本集團對債務人的個別未來融資需求的理解，以及其他相關前瞻性資料釐定)前提取的額外金額。

就金融資產而言，預期信貸虧損乃根據合約應付本集團之所有合約現金流量與本集團預期收取之所有現金流量之間的差額(按初始實際利率貼現)所估計。就應收租賃款項而言，釐定預期信貸虧損所用現金流量與根據香港財務報告準則第16號(自二零一九年一月一日起)或香港會計準則第17號(於二零一九年一月一日前)計量應收租賃款項所用現金流量一致。

就財務擔保合約而言，由於本集團根據所擔保工具的條款僅須於債務人違約時作出付款，故有關的預期虧損撥備相當於償還持有人所產生信貸虧損的預期付款，減本集團預期自持有人、債務人或任何其他方收取的任何金額。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(aa) Impairment of financial assets (continued)

Measurement and recognition of ECL (continued)

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

(ab) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow is remote.

4. 主要會計政策 (續)

(aa) 金融資產減值 (續)

預期信貸虧損之計量及確認 (續)

倘本集團已於過往報告期間以相等於使用年期預期信貸虧損金額計量一項金融工具的虧損撥備，惟於當前報告日期釐定其不再符合使用年期預期信貸虧損的條件，則本集團於當前報告日期以相等於12個月預期信貸虧損金額計量虧損撥備，使用簡化法計量之資產者除外。

本集團於損益中確認所有金融工具之減值收益或虧損，並透過減值撥備相應調整所有金融工具之賬面值。

(ab) 撥備及或然負債

倘本集團因過往事件負上現有法律或推定責任而可能需要以經濟溢利流出履行責任，於能對有關金額作出可靠估計時，便會就未有確定時間或金額的負債確認撥備。倘貨幣時間價值重大，撥備則以履行責任預期所需支出的現值列報。

倘需要流出經濟溢利的可能性不大，或未能可靠估計有關金額，則除非流出經濟溢利的可能性極微，否則有關責任承擔將列作或然負債披露。須視乎一宗或多宗未來事件是否發生才能確定存在與否的潛在責任，除非流出經濟溢利的可能性極微，否則亦會披露為或然負債。

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4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

(ac) Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period are adjusting events and are reflected in the consolidated financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES

Critical judgements in applying accounting policies

In the process of applying the accounting policies, the directors have made the following judgements that have the most significant effect on the amounts recognised in the consolidated financial statements (apart from those involving estimations, which are dealt with below).

(a) Going concern basis

These consolidated financial statements have been prepared on a going concern basis, the validity of which depends upon the successful outcomes of the Group's plans and measures to strengthen its capital base and liquidity. Details are explained in note 2 to the consolidated financial statements.

(b) Significant increase in credit risk

As explained in note 4(aa), ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An assets move to stage 2 when its credit risk has increased significantly since initial recognition. HKFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Group takes into account qualitative and quantitative reasonable and supportable forward-looking information.

4. 主要會計政策(續)

(ac) 報告期後事項

為本集團於報告期末之業務狀況提供額外資料的報告期後事項為調整事項，並反映於綜合財務報表。並非調整事項的報告期後事項，倘屬重大，則於綜合財務報表附註內披露。

5. 關鍵判斷及主要假設

應用會計政策的關鍵假設

應用會計政策的過程中，董事已作出下列對於綜合財務報表確認的金額造成最重大影響的判斷(惟涉及估計者除外，涉及估計者按下文所述者處理)。

(a) 持續經營基準

該等綜合財務報表按持續經營基準編製，其有效性取決於本集團強化資本基礎及流動性的計劃及措施的成果。詳情於綜合財務報表附註2闡述。

(b) 信貸風險大幅增加

誠如附註4(aa)所闡述，預期信貸虧損就第一階段資產按等於12個月預期信貸虧損的撥備計量，就第二階段或第三階段資產按全期預期信貸虧損的撥備計量。如一項資產自初步確認後其信貸風險顯著增加，則其轉移至第二階段。香港財務報告準則第9號並沒有對信貸風險顯著增加的構成要素進行定義。評估一項資產的信貸風險是否顯著增加時，本集團將會考慮合理可依的定量及定性前瞻性資料。

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5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (continued)

(c) Deferred tax for investment property

For the purposes of measuring deferred tax for investment property that is measured using the fair value model, the directors have reviewed the Group's investment property portfolio and concluded that the Group's investment property is not held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. Therefore, in determining the Group's deferred tax for investment property, the directors have adopted the presumption that investment property measured using the fair value model are recovered through sale.

Key sources of estimation uncertainty

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

(d) Income taxes

The Company is subject to income taxes in several jurisdictions. Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

During the year ended 31 December 2019, income tax expense of approximately HK\$14,350,000 (2018: HK\$27,651,000) was charged to profit or loss based on the estimated results from the Group's operations.

5. 關鍵判斷及主要假設 (續)

(c) 投資物業遞延稅項

為了計量使用公平值模型計量的投資物業遞延稅項，董事已審閱本集團的投資物業組合並得出結論，本集團的投資物業並非以商業模式持有，該商業模式的目標乃隨時間消耗，而非通過出售來消耗投資物業所體現的所有經濟利益。因此，董事在確認本集團投資物業遞延稅項時，採用了按公平值模型計量的投資物業通過出售收回的假設。

估計不確定性的主要來源

於報告期末，有關日後主要假設及其他估計不確定性之主要來源闡述如下，此等假設及不確定性存在導致資產及負債賬面值於下一財政年度內出現重大調整之重大風險。

(d) 所得稅

本公司須於若干司法權區繳納所得稅。在釐定所得稅之撥備時，本公司須作出重大估計。於日常業務過程中，多項交易及計算均難以明確作出最終稅務釐定。倘該等事宜之最終稅務結果與最初記錄金額不同，該等差額將對涉及作出該等釐定之期內所得稅及遞延稅項撥備構成影響。

截至二零一九年十二月三十一日止年度，所得稅開支約14,350,000港元(二零一八年：27,651,000港元)已根據本集團估計經營業績自損益中扣除。

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5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (continued)

Key sources of estimation uncertainty (continued)

(e) Impairment of property, plant and equipment, intangible assets and right-of-use assets

Property, plant and equipment, intangible assets and right-of-use assets are stated at costs less accumulated depreciation/amortisation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgement and make estimation, particularly in assessing: (i) whether an event has occurred or any indicators that may affect the asset value; (ii) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (iii) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset (including right-of-use assets), the Group estimates the recoverable amount of the cash-generating unit to which the assets belongs. Changing the assumptions and estimates, including the discount rates or the growth rate in the cash flow projections, could materially affect the net present value used in the impairment test.

As at 31 December 2019, the carrying amount of property, plant and equipment, intangible assets and right-of-use assets were approximately HK\$22,696,000 (2018: HK\$21,784,000), HK\$38,248,000 (2018: HK\$38,970,000) and HK\$2,760,000 (2018: Nil) respectively.

5. 關鍵判斷及主要假設(續)

估計不確定性的主要來源(續)

(e) 物業、廠房及設備、無形資產及使用權資產減值

物業、廠房及設備、無形資產及使用權按成本減累計折舊／攤銷及減值(如有)列賬。於釐定資產是否減值時，本集團須進行判斷及估計，尤其評估：(i) 是否有事件已發生或有任何指標可能影響資產淨值；(ii) 資產賬面值是否能夠以可收回金額支持，如為使用價值，即按照持續使用資產估計的未來現金流量的淨現值；及(iii) 將應用於估計可收回金額的適當關鍵假設(包括現金流量預測及適當的貼現率)。當無法估計個別資產(包括使用權資產)的可收回金額時，本集團估計資產所屬現金產生單位的可收回金額。更改假設及估計，包括於現金流量預測內的貼現率或增長率，均可能嚴重影響減值測試所採用淨現值。

於二零一九年十二月三十一日，物業、廠房及設備、無形資產及使用權資產的賬面值分別約為22,696,000港元(二零一八年：21,784,000港元)、38,248,000港元(二零一八年：38,970,000港元)及2,760,000港元(二零一八年：無)。

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5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (continued)

Key sources of estimation uncertainty (continued)

(f) Fair value of investment property

The Group appointed an independent professional valuer to assess the fair value of the investment property. In determining the fair value, the valuer has utilised a method of valuation which involves certain estimates. The directors have exercised their judgement and are satisfied that the method of valuation and inputs used are reflective of the current market conditions.

As at 31 December 2019, the carrying amount of investment property was approximately HK\$237,651,000 (2018: HK\$250,549,000).

(g) Impairment of trade receivables

The management of the Group estimates the amount of impairment loss for ECL on trade receivables based on the credit risk of trade receivables. The amount of the impairment loss based on ECL model is measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. Where the future cash flows are less than expected, or being revised downward due to changes in facts and circumstances, a material impairment loss may arise.

As at 31 December 2019, the carrying amount of trade receivables was approximately HK\$348,405,000 (net of allowance for doubtful debts of approximately HK\$485,916,000 (2018: HK\$746,139,000 (net of allowance for doubtful debts of approximately HK\$188,219,000))).

5. 關鍵判斷及主要假設 (續)

估計不確定性的主要來源 (續)

(f) 投資物業公平值

本集團已委任獨立專業估值師就投資物業公平值進行評估。於釐定公平值時，估值師使用涉及若干估計之估值方法。董事行使彼等之判斷力並信納所用估值方法及輸入值足以反映目前市況。

於二零一九年十二月三十一日，投資物業賬面值約237,651,000港元(二零一八年：250,549,000港元)。

(g) 應收賬款減值

本集團管理層根據應收賬款之信貸風險估計應收賬款預期信貸虧損之減值虧損金額。根據預期信貸虧損模式計算的減值虧損金額按照本集團根據合約應付的所有合約現金流量與本集團預期收到的所有現金流量之間的差額計算，並按於初步確認時釐定的實際利率貼現。倘未來現金流量低於預期，或因事實及情況變化而下調，則可產生重大減值虧損。

於二零一九年十二月三十一日，應收賬款賬面值約為348,405,000港元(扣除呆賬撥備約485,916,000港元)(二零一八年：746,139,000港元(扣除呆賬撥備約188,219,000港元))。

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5. CRITICAL JUDGEMENTS AND KEY ESTIMATES (continued)

Key sources of estimation uncertainty (continued)

(h) Fair value of financial assets at FVTPL

The Group appointed an independent professional valuer to assess the fair value of financial assets at FVTPL that are not traded in an active market. In determining the fair value, the valuer has utilised a variety of methods and makes assumptions that are mainly based on market conditions existing at each reporting date. Valuation techniques used include the use or comparable recent arm's length transactions, discounted cash flow analysis and other valuation techniques commonly used by other market participants. Changes in assumptions on the valuation techniques could affect the reported fair values of these consolidated financial assets. The financial assets at FVTPL have been valued using market approach.

As at 31 December 2019, the carrying amount of financial assets at FVTPL was approximately HK\$453,395,000 (2018: HK\$543,700,000).

(i) Fair value of derivative component of convertible bonds

As disclosed in note 35 to the consolidated financial statements, the fair value of derivative component of convertible bonds at the date of issue and the end of the reporting period were determined using Binomial model. Application of Binomial model requires the Group to estimate the prominent factors affecting the fair value, including but not limited to, the expected life of the derivative component and the expected volatility of the share price of the Company. Where the estimation of these factors is different from those previously estimated, such differences will impact the fair value gain or loss on the derivative component in the period in which such determination is made.

The carrying amount of the derivative financial liabilities as at 31 December 2019 was approximately HK\$1,430,000 (2018: HK\$6,620,000).

5. 關鍵判斷及主要假設(續)

估計不確定性的主要來源(續)

(h) 按公平值計入損益的金融資產公平值

本集團委聘獨立專業估值師評估並非於活躍市場買賣的按公平值計入損益的金融資產的公平值。釐定公平值時，本集團採用多種方法及作出多項主要以各報告日期市況為基準的假設。所用估值方法包括使用可資比較近期公平交易、貼現現金流量分析及其他市場參與者普遍使用的其他估值方式。有關估值方法的假設變動可能影響該等綜合金融資產的報告公平值。按公平值計入損益的金融資產採用市場法進行估值。

於二零一九年十二月三十一日，按公平值計入損益的金融資產賬面值約為453,395,000港元(二零一八年：543,700,000港元)。

(i) 可換股債券衍生部分的公平值

誠如綜合財務報表附註35所披露，可換股債券衍生部分於發行日期及報告期末的公平值乃使用二項式模型釐定。應用二項式模型要求本集團估計影響公平值的主要因素，包括但不限於衍生部分的預期年期及公司股價的預期波動性。倘該等因素的估計與先前估計的結果不同，則該等差異將影響進行此確定期間的衍生部分的公平值損益。

於二零一九年十二月三十一日，衍生金融負債的賬面值約為1,430,000港元(二零一八年：6,620,000港元)。

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6. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk, interest rate risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Foreign currency risk

The Group has certain exposure to foreign currency risk as some of its transactions, assets and liabilities are denominated in the currencies other than the functional currency of the Group's entities such as HK\$, United States dollars ("US\$") and Renminbi ("RMB").

The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group monitors its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

The directors of the Group are of the opinion that the US\$ is pegged against HK\$ and the risk of movements in exchange rates between US\$ and HK\$ to be insignificant. Accordingly, no sensitivity analysis is performed on the movements in exchange rates between US\$ and HK\$.

No sensitivity analysis has been performed on the Group's financial assets and liabilities denominated in RMB as the directors of the Group are of opinion that they are not material to the Group.

6. 財務風險管理

本集團業務使其面對各種財務風險：外匯風險、信貸風險、利率風險及流動資金風險。本集團整體風險管理計劃聚焦於金融市場的不可預測性，尋求盡量減低對本集團財務表現的潛在不利影響。

(a) 外匯風險

本集團承受若干外幣風險，乃由於其若干交易、資產及負債均以本集團實體的功能貨幣以外的貨幣計價，例如港元、美元（「美元」）和人民幣（「人民幣」）。

本集團目前並未就外幣交易、資產及負債制訂外幣對沖政策。本集團會密切監視其外幣風險，並將於有需要時考慮對沖重大外幣風險。

本集團董事認為美元與港元掛鈎，美元與港元匯率變動風險甚微。因此，並無就美元與港元匯率變動進行敏感度分析。

並無就以人民幣計值的本集團金融資產及負債進行敏感度分析，此乃由於本集團董事認為有關金融資產及負債對本集團而言並不重大。

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6. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables and loan receivables) and from its financing activities, including deposits with banks and other financial institution, foreign exchange transactions and other financial instruments. The Group's exposure to credit risk arising from bank and cash balances is limited because the counterparties are banks with high credit-rating assigned by international credit-rating agencies, for which the Group considers to have low credit risk.

Except for the financial guarantee given by the Group as set out in note 36 to the consolidated financial statements, the Group does not provide any other guarantees which would expose the Group to credit risk. The maximum exposure to credit risk in respect of these financial guarantees at the end of the reporting period is disclosed in notes 6(d) and 36 to the consolidated financial statements.

Trade receivables

The Group has concentration of credit risk in certain individual customers. As at 31 December 2019, the 4 (2018: 4) largest trade debtors were approximately HK\$345,173,000 (2018: HK\$738,915,000) or approximately 99% (2018: 99%) of the Group's total trade receivables. The Group seeks to minimise its risk by dealing with counterparties which have good credit history.

6. 財務風險管理(續)

(b) 信貸風險

信貸風險指交易對手未能履行其於金融工具項下的責任而導致本集團財務損失的風險。本集團的信貸風險源自經營活動(主要為應收賬款及應收貸款)及源自金融活動,包括銀行及其他金融機構存款、外匯交易及其他金融工具。本集團所面對銀行及現金結餘產生之信貸風險有限,原因是交易對手獲國際信貸評級機構評定高信貸評級的銀行,本集團對此認為信貸風險為低。

除綜合財務報表附註36所述本集團給予的財務擔保外,本集團並無提供其他使本集團面臨信貸風險的擔保。該等財務擔保於報告期末的最大信貸風險於綜合財務報表附註6(d)及36披露。

應收賬款

本集團於若干個別客戶存在集中信貸風險。於二零一九年十二月三十一日,四(二零一八年:四)大應收賬款約為345,173,000港元(二零一八年:738,915,000港元)或佔本集團應收賬款總額約99%(二零一八年:99%)。本集團尋求透過於信貸記錄良好的對手方交易,以減低風險。

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6. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk (continued)

Trade receivables (continued)

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Individual credit evaluations are performed on all customers requiring credit over a certain amount. These 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. Trade receivables are due within 15 to 160 days from the date of billing. Normally, the Group does not obtain collateral from customers.

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

6. 財務風險管理(續)

(b) 信貸風險(續)

應收賬款(續)

客戶信貸風險由各業務單位管理，受限於本集團訂立的客戶信貸風險管理政策、程序及控制。對於所有要求若干信貸金額之客戶均會進行個別信貸評估。此等評估主要針對客戶以往到期時之還款紀錄及現時付款能力，並考慮客戶個別資料及有關客戶經營所在經濟環境之資料。應收賬款自發出賬單當日起計起15至160日內到期。一般情況下，本集團不會要求客戶提交任何抵押品。

本集團按相等於全期預期信貸虧損之金額計量應收賬款虧損撥備，有關金額乃使用撥備矩陣計算得出。由於根據本集團的過往信貸虧損經驗，不同客戶分類並未顯示出虧損模式的重大差異，故此基於逾期狀態的虧損撥備不會於本集團不同客戶群之間進一步區分。

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6. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk (continued)

Trade receivables (continued)

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables as at 31 December 2019:

		2019 二零一九年		
		Expected loss rate 預期虧損 比率 %	Gross carrying amount 賬面總值 HK\$'000 千港元	Loss allowance 虧損撥備 HK\$'000 千港元
Not yet due	尚未逾期	-	313	-
Within 90 days past due	逾期90天內	46%	73,777	33,591
90 to 180 days past due	逾期90天至180天	56%	556,581	309,360
Over 180 days past due	逾期180天以上	70%	203,650	142,965
			834,321	485,916
		2018 二零一八年		
		Expected loss rate 預期虧損比率 %	Gross carrying amount 賬面總值 HK\$'000 千港元	Loss allowance 虧損撥備 HK\$'000 千港元
Not yet due	尚未逾期	-	462	-
Within 90 days past due	逾期90天內	28%	193,554	54,994
90 to 180 days past due	逾期90天至180天	7%	514,243	37,914
Over 180 days past due	逾期180天以上	42%	226,099	95,311
			934,358	188,219

6. 財務風險管理 (續)

(b) 信貸風險 (續)

應收賬款 (續)

下表載列本集團於二零一九年十二月三十一日的信貸風險敞口及應收賬款預期信貸虧損相關資料：

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6. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk (continued)

Trade receivables (continued)

Expected loss rates are based on actual loss experience. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the trade receivables.

Movement in the loss allowance for trade receivables during the year is as follows:

6. 財務風險管理(續)

(b) 信貸風險(續)

應收賬款(續)

預期虧損比率基於實際虧損經驗。有關比率經調整，反映收集過往數據期間經濟狀況、目前狀況及本集團對應收賬款預計年期經濟狀況的看法的差異。

年內應收賬款虧損撥備變動如下：

		2019	2018
		二零一九年	二零一八年
		HK\$'000	HK\$'000
		千港元	千港元
At 1 January	於一月一日	188,219	6,823
Allowance made for the year	年內撥備	383,708	181,396
Reversals	撥回	(85,970)	-
Exchange difference	匯兌差額	(41)	-
At 31 December	於十二月三十一日	485,916	188,219

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6. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk (continued)

Loan receivable

As at 31 December 2019 and 2018, the Group lent the loan with face value of US\$2,000,000 (2018: US\$2,000,000) to an independent third party.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approval and other monitoring procedures to ensure that follow-up action is taken for the recoverable amount. In addition, the Group reviews the recoverable amount of each individual's loan receivables at the end of each reporting period to ensure that adequate impairment loss is made for irrecoverable amounts. As at 31 December 2019 and 2018, the loan receivable was secured by (i) the pledge of an aircraft leased to the borrower by a company wholly owned by the borrower's sole director; and (ii) 49% equity interests of the borrower.

The following table provides information about the Group's exposure to credit risk and ECLs for loan receivable as at 31 December 2019:

	2019 二零一九年		
Expected loss rate 預期虧損比率 %	Gross carrying amount 賬面總值 HK\$'000 千港元	Loss allowance 虧損撥備 HK\$'000 千港元	
More than 90 days past due 逾期90日以上	100%	15,629	15,629

6. 財務風險管理(續)

(b) 信貸風險(續)

應收貸款

於二零一九年及二零一八年十二月三十一日，本集團向獨立第三方貸款面值2,000,000美元(二零一八年：2,000,000美元)。

為盡量減低信貸風險，本集團管理層委派團隊負責釐定信貸限額、信貸審批及其他檢查程序，確保就可收回款項採取跟進行動。此外，本集團於各報告期末檢討個別應收貸款可收回金額，確保就無法收回款項作出足夠減值虧損。於二零一九年及二零一八年十二月三十一日，應收貸款由(i)借款人的唯一董事全資擁有的公司租賃予獨立借款人的飛機質押；及(ii)借款人49%的已發行股本作抵押。

下表載列本集團於二零一九年十二月三十一日的信貸風險敞口及應收貸款預期信貸虧損相關資料：

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6. FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk (continued) Loan receivable (continued)

6. 財務風險管理(續)

(b) 信貸風險(續) 應收貸款(續)

	Expected loss rate 預期虧損比率 %	2018 二零一八年 Gross carrying amount 賬面總值 HK\$'000 千港元	Loss allowance 虧損撥備 HK\$'000 千港元
More than 90 days past due 逾期90日以上	100%	15,629	15,629

Movement in the loss allowance for loan receivables during the year is as follows:

年內應收貸款虧損撥備變動如下：

		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		15,629	-
Allowance made for the year 年內撥備		-	15,629
At 31 December 於十二月三十一日		15,629	15,629

The Group is also exposed to credit risk in relation to debt investments that are measured at FVTPL. The maximum exposure at the end of the reporting period is the carrying amount of these investments of approximately HK\$39,091,000 (2018: HK\$39,659,000).

本集團亦面臨按公平值計入損益計量的債務投資相關信貸風險。於報告期末，最高風險敞口為該等投資賬面值約39,091,000港元(二零一八年：39,659,000港元)。

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6. FINANCIAL RISK MANAGEMENT (continued)

(c) Interest rate risk

The Group's time deposits, bank and other borrowings, lease liabilities and convertible bonds bear interests at fixed interest rates and therefore are subject to fair value interest rate risks.

The Group's exposure to interest-rate risk arises from its bank balances. These bank balances bear interests at variable rates that varied with the then prevailing market condition.

Except as stated above, the Group does not have other significant interest-bearing assets and liabilities at the end of reporting period, its income and operating cash flows are substantially independent of changes in market interest rates.

Sensitivity analysis on cash flow interest-rate risk has not been presented as the reasonably possible changes in market interest rate will not have significant impact on the Group's consolidated financial statements.

(d) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

6. 財務風險管理(續)

(c) 利率風險

本集團定期存款、銀行及其他借貸、租賃負債及可換股債券按固定利率計息，因此面對公平值利率風險。

本集團利率風險產生自銀行結餘。銀行結餘按浮動利率計息，隨當時市況浮動。

除上文所述者外，於報告期末，本集團並無其他重大計息資產及負債，其收入及經營現金流量很大程度獨立於市場利率變動。

由於市場利率合理可能變動將不會對本集團綜合財務報表造成重大影響，故並無呈列現金流量利率風險敏感度分析。

(d) 流動資金風險

本集團政策為定期監察目前及預期流動資金需要，確保維持足夠現金儲備，滿足短期及長期流動資金需要。

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6. FINANCIAL RISK MANAGEMENT (continued)

(d) Liquidity risk (continued)

As at 31 December 2019 and 2018, the maturity analyses based on contractual undiscounted cash flows of the Group's non-derivative financial liabilities are as follows:

6. 財務風險管理(續)

(d) 流動資金風險(續)

於二零一九年及二零一八年十二月三十一日，基於本集團非衍生金融負債合約未貼現現金流量的到期分析如下：

		On demand or less than 1 year 按要求或 少於1年 HK\$ 港元	Between 1 and 2 years 1至2年 HK\$ 港元	Between 2 and 5 years 2至5年 HK\$ 港元	Total undiscounted cash flow 未貼現 現金流量總額 HK\$ 港元
At 31 December 2019	於二零一九年 十二月三十一日				
Trade payables	應付賬款	244	-	-	244
Lease liabilities	租賃負債	4,620	2,611	347	7,578
Other payables and accruals	其他應付款項及應計費用	97,211	9	-	97,220
Convertible bonds	可換股債券	494,499	-	-	494,499
Interest-bearing bank and other borrowings (note)	計息銀行及 其他借貸(附註)	521,902	17,296	-	539,198
Financial guarantee	財務擔保	25,800	-	-	25,800
At 31 December 2018	於二零一八年 十二月三十一日				
Trade payables	應付賬款	2,401	-	-	2,401
Amounts due to joint ventures	應付合營公司款項	2,462	-	-	2,462
Other payables and accruals	其他應付款項及應計費用	133,639	4,281	-	137,920
Convertible bonds	可換股債券	123,884	337,122	-	461,006
Interest-bearing bank and other borrowings (note)	計息銀行及 其他借貸(附註)	407,873	368,156	-	776,029
Financial guarantee	財務擔保	17,656	-	-	17,656

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6. FINANCIAL RISK MANAGEMENT (continued)

(d) Liquidity risk (continued)

Note:

Included in the above interest-bearing bank and other borrowings of the Group was a term loan with a carrying amount of approximately HK\$16,762,000 (2018: HK\$17,648,000), which contained a repayment on demand clause giving the bank the right to call in the loan at any time. Accordingly, for the purpose of the above maturity profile, the contractual undiscounted payments of such loan of the Group in the amount of approximately HK\$16,762,000 (2018: HK\$17,648,000) were classified as "on demand".

The bank borrowings with a repayment on demand clause based on agreed scheduled repayments were classified as "on demand or less than 1 year". The amount includes interest payments computed using contractual rates was approximately HK\$18,179,000 (2018: HK\$18,260,000). Taking into account the Group's financial position, the directors do not consider that it is probable that the bank will exercise its discretion to demand immediate repayment. The directors believe that such bank borrowings will be repaid in accordance with the scheduled repayment dates.

(e) Categories of financial instruments at 31 December

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Financial assets:	金融資產：		
Financial assets at FVTPL	按公平值計入損益的金融資產	453,395	543,700
Financial assets at amortised cost	按攤銷成本計量的金融資產	384,563	1,120,655
Financial liabilities:	金融負債：		
Financial liabilities at FVTPL	按公平值計入損益的金融負債	1,430	6,620
Financial liabilities at amortised cost	按攤銷成本計量的金融負債	1,042,358	1,208,037
Financial guarantee	財務擔保	25,800	-

(f) Fair values

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair values.

6. 財務風險管理 (續)

(d) 流動資金風險 (續)

附註：

賬面值約16,762,000港元(二零一八年：17,648,000港元)的定期貸款計入上述本集團計息銀行及其他借貸，定期貸款包含按要求償還條款，給予銀行隨時收回貸款的權利。因此，就上述到期情況而言，本集團有關貸款合約未貼現付款約16,762,000港元(二零一八年：17,648,000港元)分類為「按要要求」。

根據協定計劃還款的按要求償還銀行借貸已分類為「按要要求或少於一年」。有關金額包括按合約比率計算的利息付款約為18,179,000港元(二零一八年：18,260,000港元)。經考慮本集團財務狀況，董事並不認為銀行將行使酌情權要求即時還款。董事相信有關銀行借貸將根據計劃還款日期償還。

(e) 於十二月三十一日的金融工具類別

(f) 公平值

於綜合財務狀況表反映的本集團金融資產及金融負債賬面值與各自公平值相約。

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7. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

7. 公平值計量

公平值為於計量日期市場參與者於有秩序交易中出售資產可收取或轉讓負債須支付的價格。下列公平值計量使用的公平值層級將公平值計量所用估值方法輸入數據分為三個層級：

第一級輸入數據：本集團於計量日期可於活躍市場獲得的相同資產或負債的報價(未經調整)。

第二級輸入數據：除第一級已納入的報價就資產或負債可直接或間接觀察輸入數據。

第三級輸入數據：資產或負債的不可觀察輸入數據。

本集團的政策是於事件發生當日或引致轉移情況變動當日確認該三個層級的轉入和轉出。

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7. FAIR VALUE MEASUREMENTS (continued)

(a) Disclosures of level in fair value hierarchy at 31 December 2019 and 2018:

7. 公平值計量(續)

(a) 於二零一九年及二零一八年十二月三十一日的公平值層級披露：

Description 描述	Fair value measurements using: 採用以下方式計量公平值：			Total 總計
	Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Recurring fair value measurements:	經常性公平值計量：			
Financial assets	金融資產			
Financial assets at FVTPL	按公平值計入損益的金融資產			
An acquired convertible bond	-	-	39,091	39,091
An unlisted fund investment	-	10,941	-	10,941
Unlisted equity securities	-	-	403,363	403,363
	-	10,941	442,454	453,395
Investment property	投資物業			
Commercial units	商業單位			
— The United States	-	-	237,651	237,651
Total	-	10,941	680,105	691,046
Recurring fair value measurements:	經常性公平值計量：			
Financial liabilities	金融負債			
Derivatives	衍生工具			
Derivative components of convertible bonds	-	-	1,430	-

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7. FAIR VALUE MEASUREMENTS (continued)

(a) Disclosures of level in fair value hierarchy at 31 December 2019 and 2018: (continued)

7. 公平值計量(續)

(a) 於二零一九年及二零一八年十二月三十一日的公平值層級披露：(續)

Description 描述	Fair value measurements using: 採用以下方式計量公平值：			Total 總計
	Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Recurring fair value measurements:	經常性公平值計量：			
Financial assets	金融資產			
Financial assets at FVTPL	按公平值計入損益的金融資產			
An acquired convertible bond	–	–	39,659	39,659
An unlisted fund investment	–	20,569	–	20,569
Unlisted equity securities	–	–	483,472	483,472
	–	20,569	523,131	543,700
Investment property	投資物業			
Commercial units	商業單位			
— The United States	–	–	250,549	250,549
Total	–	20,569	773,680	794,249
Recurring fair value measurements:	經常性公平值計量：			
Financial liabilities	金融負債			
Derivatives	衍生工具			
Derivative components of convertible bonds	–	–	6,620	6,620

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7. FAIR VALUE MEASUREMENTS (continued)

(b) Reconciliation of assets measured at fair value based on level 3:

Description 描述	Financial assets at FVTPL 按公平值計入損益的金融資產				2019 Total 二零一九年 總計 HK\$'000 千港元
	An acquired convertible bond 已收購可換股債券 HK\$'000 千港元	Unlisted equity securities 非上市權益證券 HK\$'000 千港元	Investment property 投資物業 HK\$'000 千港元		
At 1 January 2019 Fair value losses recognised in profit or loss	於二零一九年一月一日 於損益確認的公平值 虧損	39,659 (568)	483,472 (79,767)	250,549 (11,681)	773,680 (92,016)
Disposal	出售	-	(342)	-	(342)
Exchange difference	匯兌差額	-	-	(1,217)	(1,217)
At 31 December 2019	於二零一九年 十二月三十一日	39,091	403,363	237,651	680,105

Description 描述	Financial assets at FVTPL 按公平值計入損益的金融資產				2018 Total 二零一八年 總計 HK\$'000 千港元
	An acquired convertible bond 已收購可換股債券 HK\$'000 千港元	Unlisted equity securities 非上市權益證券 HK\$'000 千港元	Investment properties 投資物業 HK\$'000 千港元		
At 1 January 2018	於二零一八年一月一日	68	203,813	218,818	422,699
Impact of adoption of HKFRS 9 第9號的影響	採納香港財務報告準則 第9號的影響	39,239	-	-	39,239
Fair value gains recognised in profit or loss	於損益確認的公平值 收益	352	256,650	26,330	283,332
Purchases/additions	購買/添置	-	243,815	4,997	248,812
Disposals	出售	-	(220,000)	-	(220,000)
Exchange difference	匯兌差額	-	(806)	404	(402)
At 31 December 2018	於二零一八年 十二月三十一日	39,659	483,472	250,549	773,680

During the year ended 31 December 2019, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfer into or out of Level 3 for both financial assets and financial liabilities (2018: Nil).

截至二零一九年十二月三十一日止年度，金融資產及金融負債第一級與第二級之間並無任何公平值計量轉移，亦無金融資產及金融負債轉入或轉出第三級(二零一八年：無)。

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7. FAIR VALUE MEASUREMENTS (continued)

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 December 2019:

The Group's financial controller is responsible for the fair value measurements of assets and liabilities required for financial reporting purposes, including level 3 fair value measurements. The financial controller reports directly to the Board of Directors for these fair value measurements. Discussions of valuation processes and results are held between the financial controller and the Board of Directors at least twice a year.

For level 3 fair value measurements, the Group will normally engage external valuation experts with the recognised professional qualifications and recent experience to perform the valuations.

Level 3 fair value measurements

Description	Valuation technique	Unobservable inputs	Range	Effect on fair value for increase	Fair value	
					Assets/(Liabilities)	
描述	估值方法	不可觀察輸入數據	範圍	公平值的影響	二零一九年	二零一八年
					HK\$'000	HK\$'000
					千港元	千港元
Unlisted equity investments	Market approach	Third party pricing	HK\$403,363,000	Increase	403,363	483,472
非上市權益投資	市場法	第三級定價	403,363,000 港元	增加		
An acquired convertible bond	Binomial model	Volatility	40.71%	Increase	39,091	39,659
已收購可換股債券	二項式模型	波幅	(2018: 50.04%)	增加		
			(二零一八年: 50.04%)			
		Liquidity spread	3.90%	Decrease		
		流動性價差	(2018: 3.90%)	減少		
			(二零一八年: 3.90%)			

7. 公平值計量(續)

(c) 於二零一九年十二月三十一日本集團所用估值過程及公平值計量所用估值方法及輸入數據披露：

本集團財務總監負責財務報告所需的資產及負債公平值計量，包括第三級公平值計量。財務總監向董事會直接報告公平值計量。財務總監與董事會至少每年兩次討論估值過程及結果。

就第三級公平值公平值計量而言，本集團一般委聘擁有公認專業資格及近期經驗的外部估值專家進行估值。

第三級公平值計量

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7. FAIR VALUE MEASUREMENTS (continued)

- (c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 December 2019:
(continued)

Level 3 fair value measurements (continued)

7. 公平值計量(續)

- (c) 於二零一九年十二月三十一日本集團所用估值過程及公平值計量所用估值方法及輸入數據披露：(續)

第三級公平值計量(續)

Description	Valuation technique	Unobservable inputs	Range of inputs	Effect on fair value for increase of inputs	Fair value	
					Assets/(Liabilities)	
描述	估值方法	不可觀察輸入數據	範圍	公平值的影響	二零一九年	二零一八年
					HK\$'000	HK\$'000
					千港元	千港元
Commercial units located in United States 位於美國的商業單位	Depreciation replacement approach 折舊重置法	Estimated market price of the land per acre 每英畝土地估計 市場價格	US\$525,000 to US\$796,451 (2018: US\$396,451 to US\$833,333) 525,000美元 至796,451美元 (二零一八年：396,451美元 至833,333美元)	Increase 增加	237,651	250,549
		Estimated depreciated replacement cost 估計折舊重置成本	US\$14,383,277 (2018: US\$15,717,913) 14,383,277美元 (二零一八年：15,717,913美元)	Decrease 減少		
Derivative financial instruments of convertible bond 可換股債券衍生金融工具	Binomial model 二項式模型	Volatility 波幅	79.50% – 124.08% (2018: 70% – 91%) 79.50%至124.08% (二零一八年：70%至91%)	Increase 增加	(1,430)	(6,620)
		Liquidity spread 流動性價差	1.43% – 13.41% (2018: 7.50% – 13.40%) 1.43%至13.41% (二零一八年：7.50%至13.40%)	Decrease 減少		
		Discount rate 貼現率	10.5% (2018: 13%) (二零一八年：13%)	Decrease 減少		

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7. FAIR VALUE MEASUREMENTS (continued)

- (c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 December 2019: (continued)

Level 3 fair value measurements (continued)

During the two years, there were no change in the valuation techniques used.

Level 2 fair value measurements

The fair value of the unlisted fund investment is stated according to the valuation summaries provided by financial institution at the end of the reporting period, which is primarily based on the performance of the underlying investment portfolio.

8. SEGMENT INFORMATION

The Group has four operating segments as follows:

1. Car rental segment — primarily engages in the provision of car rental services;
2. Materials trading segment — primarily engages in the trading of materials;
3. Financing services and investments segment — primarily engages in money lending business through the provision of loans and financial investment holding; and
4. Others segment — engages in provision of other services, such as fund administration, public relations and property investment.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment results, which except unallocated interest income, unallocated other income and gains, unallocated depreciation, unallocated finance costs as well as corporate and other unallocated expenses and share of results of joint ventures are excluded from such measurement.

7. 公平值計量(續)

- (c) 於二零一九年十二月三十一日本集團所用估值過程及公平值計量所用估值方法及輸入數據披露：(續)

第三級公平值計量(續)

於兩個年度，所用估值方法並無變動。

第二級公平值計量

非上市基金投資公平值根據報告期末金融機構提供的估值概要呈列，主要基於相關投資組合表現。

8. 分部資料

本集團擁有四項經營分部，如下：

1. 汽車租賃分部 — 主要從事提供汽車租用業務；
2. 材料貿易分部 — 主要從事材料貿易的買賣；
3. 融資服務及投資分部 — 主要通過提供貸款從事放債業務及金融投資控股；及
4. 其他分部 — 從事提供其他服務，例如基金管理、公共關係及物業投資。

為作出資源分配決策及評估表現，管理層個別監察本集團經營分部的業績。分部表現乃按須予申報分部業績而進行評估，惟在計量時不包括未分配利息收入、未分配其他收入及收益、未分配折舊、未分配融資成本、企業及其他未分配開支，以及應佔合營公司業績。

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8. SEGMENT INFORMATION (continued)

Segment assets exclude certain financial assets at FVTPL, tax recoverable, cash and cash equivalents, restricted cash and other unallocated head office and corporate assets as these assets are managed on a group basis, as well as interests in joint ventures.

Segment liabilities exclude interest-bearing other borrowings, derivative financial instruments, convertible bonds, certain tax payable, deferred tax liabilities and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

8. 分部資料(續)

分部資產不包括若干按公平值計入損益的金融資產、可退回稅項、現金及現金等價物、受限制現金及其他未分配總公司及企業資產，原因為該等資產均以集團為基礎而進行管理以及為合營公司的權益。

分部負債不包括計息其他借貸、衍生金融工具、可換股債券、若干應付稅項及遞延稅項負債以及其他未分配總公司及企業負債，原因為該等負債均以集團為基礎而進行管理。

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8. SEGMENT INFORMATION (continued)

8. 分部資料(續)

		Car rental		Materials trading		Financing services and investments		Others		Total	
		汽車租賃		材料貿易		融資服務及投資		其他		總計	
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
		二零一九年	二零一八年	二零一九年	二零一八年	二零一九年	二零一八年	二零一九年	二零一八年	二零一九年	二零一八年
		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
Segment revenue:	分部收益：										
Sales of goods	銷售貨品	-	-	632,540	1,064,893	-	-	-	-	632,540	1,064,893
Car rental income	汽車租賃收入	20,252	24,538	-	-	-	-	-	-	20,252	24,538
Loan interest income	貸款利息收入	-	-	-	-	-	-	-	43	-	43
Service income	服務收入	-	-	-	-	-	-	1,526	8,119	1,526	8,119
Revenue	收益	20,252	24,538	632,540	1,064,893	-	-	1,526	8,162	654,318	1,097,593
Segment results	分部業績	300	(1,248)	(286,359)	(104,394)	(20,112)	69,187	(64,451)	(24,128)	(370,622)	(60,583)
Reconciliation:	對賬：										
Unallocated interest income	未分配利息收入									893	3,190
Unallocated other income and gains	未分配其他收入及收益 and gains									6,210	90,793
Unallocated depreciation	未分配折舊									(2,540)	(3,146)
Corporate and other unallocated expenses	企業及其他未分配開支									(190,768)	(93,390)
Unallocated finance costs	未分配融資成本									(155,313)	(153,844)
Share of losses of joint ventures	應佔合營公司之虧損									(551)	4,183
Loss before tax	除稅前虧損									(706,724)	(212,797)
Segment assets	分部資產	66,917	64,484	325,548	786,641	403,863	637,294	254,611	325,283	1,050,939	1,813,702
Reconciliation:	對賬：										
Corporate and other unallocated assets	企業及其他未分配資產									99,077	225,866
Total assets	資產總值									1,150,016	2,039,568

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8. SEGMENT INFORMATION (continued)

8. 分部資料(續)

		Car rental		Materials trading		Financing services and investments		Others		Total	
		汽車租賃		材料貿易		融資服務及投資		其他		總計	
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
		二零一九年	二零一八年	二零一九年	二零一八年	二零一九年	二零一八年	二零一九年	二零一八年	二零一九年	二零一八年
		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
Segment liabilities	分部負債	42,438	31,268	-	-	-	-	39,144	88,222	81,552	119,490
Reconciliation:	對賬:										
Corporate and other unallocated liabilities	企業及其他未分配負債									1,050,046	1,173,267
Total liabilities	負債總額									1,131,598	1,292,757
Other segment information:	其他分部資料:										
Finance costs	融資成本	2,404	2,223	-	-	-	-	886	33	3,290	2,256
Depreciation	折舊	4,595	5,728	-	-	-	-	257	75	4,852	5,803
Impairment of property, plant and equipment	物業、廠房及設備減值	-	1,119	-	-	-	-	-	-	-	1,119
Impairment of intangible assets	無形資產減值	-	924	-	-	-	-	-	-	-	924
Capital expenditure	資本開支	14,407	8,484	-	-	-	-	-	-	14,407	8,484

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For the year ended 31 December 2019
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8. SEGMENT INFORMATION (continued)

8. 分部資料(續)

	The United States 美國		The PRC 中國		Hong Kong 香港		Others 其他		Total 總計	
	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Revenue from external customers 來自外部客戶的收益	-	-	23,034	27,834	631,284	1,069,759	-	-	654,318	1,097,593
Non-current assets 非流動資產	274,535	300,017	431,677	507,510	13,592	97,976	-	-	716,750	905,503
Non-current assets (excluding financial instruments) 非流動資產 (金融工具除外)	237,936	263,218	61,859	60,837	2,651	37,748	-	-	302,446	361,803

Revenue from major customers

Revenues from customers of corresponding years contributing over 10% of the total revenue of the Group are as follows:

來自主要客戶的收益

來自相應年份的客戶收益佔本集團總收入的10%以上者如下：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Customer A 客戶 A	278,932	441,739
Customer B 客戶 B	190,354	184,929
Customer C 客戶 C	94,402	343,193
Customer D 客戶 D	66,214	—*

* The customer did not contribute over 10% of the total revenue of the Group for the year ended 31 December 2018.

* 截至二零一八年十二月三十一日止年度，客戶未佔本集團收益10%以上。

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9. REVENUE

Disaggregation of revenue from contract with customers by major products or service line for 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
Revenue	收益		
Within the scope of HKFRS 15:	於香港財務報告準則第15號 範疇內：		
Sales of goods	銷售貨物	632,540	1,064,893
Service income	服務收入	1,526	8,119
Other sources:	其他來源：		
Car rental income	汽車租賃收入	20,252	24,538
Loan interest income	貸款利息收入	-	43
		654,318	1,097,593

The Group derives revenue from the transfer of goods and services at a point in time and over time in the following major product line and geographical regions:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Time of revenue recognition:	確認收益的時間：		
At a point in time	於某個時間點	634,066	1,073,012
Geographical market:	地區市場：		
The PRC	中國	2,782	8,119
Hong Kong	香港	631,284	1,064,893
		634,066	1,073,012

9. 收益

年內，客戶合約收入按主要產品或服務線的分拆如下

本集團的收益來源於某個時間點及於一段時間在以下主要產品線及地區轉移產品及服務：

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10. OTHER INCOME, GAINS AND LOSSES, NET 10. 其他收入、收益及虧損淨額

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Other income	其他收入		
Bank interest income	銀行利息收入	36	45
Other interest income	其他利息收入	29,566	26,124
Dividend income from unlisted equity investments	非上市權益投資所得股息收入	-	9,708
Rental and management fee income	租賃及管理費收入	-	553
Waiver of amount due to a joint venture	豁免應付合一間合營公司款項	1,765	-
Others	其他	641	835
		32,008	37,265
Gains and losses, net	收益及虧損淨額		
Gain on disposal of items of property, plant and equipment, net	出售物業、廠房及設備項目的收益淨額	1,084	2,109
Fair value (loss)/gain on investment property	投資物業的公平值(虧損)/收益	(11,681)	26,330
Fair value (loss)/gain on financial assets at FVTPL	按公平值計入損益的金融資產公平值(虧損)/收益	(89,963)	177,571
Fair value gain on derivative financial instruments in relation to convertible bonds	可換股債券的衍生金融工具公平值收益	6,210	90,793
Gain on disposal of listed securities	出售上市證券收益	881	-
Gain on disposal of a subsidiary	出售一間附屬公司收益	10,877	-
		(82,592)	296,803
		(50,584)	334,068

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綜合財務報表附註

For the year ended 31 December 2019
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11. FINANCE COSTS

11. 融資成本

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Interest on lease liabilities	租賃負債利息	614	–
Interest on bank and other borrowings	銀行及其他貸款利息	52,091	64,285
Interest on convertible bonds	可換股債券利息	105,765	91,554
Bank charges	銀行手續費	133	261
		158,603	156,100

12. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/
(crediting):

12. 除稅前虧損

本集團之除稅前虧損已扣除／(抵免)以下各項：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cost of inventories sold	出售存貨成本	601,436	1,009,641
Depreciation on property, plant and equipment (note a)	物業、廠房及設備折舊(附註a)	7,252	8,949
Depreciation on right-of-use assets (note a)	使用權資產折舊(附註a)	140	–
Operating lease payments (note b)	經營租賃付款(附註b)		
— Land and buildings	— 土地及樓宇	–	15,151
— Motor vehicles	— 汽車	–	10,751
Auditor's remuneration	核數師酬金		
— audit services	— 核數服務	2,510	1,900
— non-audit services	— 非核數服務	379	200

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For the year ended 31 December 2019
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12. LOSS BEFORE TAX (continued)

12. 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
Employee benefit expenses (including directors' emoluments):	僱員福利開支 (包括董事酬金):		
Wages, salaries allowances, bonuses and benefits in kind	工資、薪金、津貼、花紅 及實物利益	27,819	47,264
Pension scheme contributions (defined contribution schemes) (note c)	退休金計劃供款 (定額供款計劃) (附註c)	2,103	6,157
		29,922	53,421
Exchange losses, net	匯兌虧損淨額	116	36
Research expenses	研究開支	2,501	9,486
Fair value gain on derivative financial instruments in relation to convertible bonds	可換股債券相關衍生金融工具 公平值收益	(6,210)	(90,793)
Loss on modification of convertible bonds	可換股債券的修訂虧損	-	5,700
Fair value loss/(gain) on financial assets at FVTPL	按公平值計入損益的金融 資產公平值虧損/(收益)	89,963	(177,571)
Fair value loss/(gain) on investment property	投資物業公平值虧損/(收益)	11,681	(26,330)
Allowances for ECL on trade receivables	應收賬款預期信貸虧損撥備	383,708	181,396
Reversal of allowance for ECL on trade receivables	應收賬款預期信貸虧損撥備撥回	(85,970)	-
Allowances for ECL on loan receivable	應收貸款的預期信貸虧損撥備	-	15,629
Allowances for ECL on other receivables	其他應收款項的預期信貸 虧損撥備	86,055	1,014
Reversal of allowance for ECL on other receivables	其他應收款項的預期信貸虧損撥備撥回	(1,014)	-
Provision for financial guarantee	財務擔保撥備	25,800	-
Impairment of property, plant and equipment	物業、廠房及設備減值	-	1,119
Impairment of intangible assets (note d)	無形資產減值 (附註d)	-	924

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For the year ended 31 December 2019
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12. LOSS BEFORE TAX (continued)

12. 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
Impairment of amount due from a joint venture	應收一間合營公司款項減值	-	15,003
Impairment of amount due from an associate	應收一間聯營公司款項減值	8,783	-
Write-off of inventories (note d)	存貨撇銷(附註d)	35	16
Write-off of property, plant and equipment (note d)	物業、廠房及設備撇銷(附註d)	661	500
Write-off of other receivables	其他應收款項撇銷	1,481	-
(Gain)/loss on disposal of subsidiaries	出售附屬公司(收益)/虧損	(10,877)	1,001
Gain on disposal of items of property, plant and equipment, net	出售物業、廠房及設備項目的收益淨額	(1,084)	(2,109)
Gain on disposal of listed securities	出售上市證券的收益	(881)	-

Notes:

- (a) Depreciation on property, plant and equipment and right-of-use assets of approximately HK\$4,522,000 (2018: HK\$5,623,000) and HK\$72,000 (2018: Nil) are included in cost of sales and services rendered.
- (b) Operating lease payments of approximately Nil (2018: HK\$10,751,000) are included in cost of sales and services rendered.
- (c) As at 31 December 2019 and 2018, the Group had no forfeited contributions available to reduce its contributions to its pension schemes in future years.
- (d) The amounts are included in other expenses.

附註：

- (a) 物業、廠房及設備以及使用權資產折舊約4,522,000港元(二零一八年：5,623,000港元)，而72,000港元(二零一八年：無)已計入銷售成本及提供的服務。
- (b) 約零(二零一八年：10,751,000港元)的經營租賃付款已計入銷售成本及提供的服務。
- (c) 於二零一九年及二零一八年十二月三十一日，本集團並無沒收供款可供削減其未來年度對其退休計劃作出的供款。
- (d) 有關金額已計入其他開支。

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綜合財務報表附註

For the year ended 31 December 2019
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13. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S REMUNERATION

13. 董事及首席執行官薪酬

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Fees	袍金	5,320	6,164
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	16	77
Pension scheme contributions (defined contribution scheme)	退休計劃供款(定額供款計劃)	36	122
		52	199
		5,372	6,363

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

年內概無董事放棄或同意放棄任何酬金安排。

(a) Independent non-executive directors

The fees paid or payable to independent non-executive directors during the year were as follows:

(a) 獨立非執行董事

年內已付或應付獨立非執行董事的袍金如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Mr. Fang Jun (retired on 30 May 2018)	方俊先生(於二零一八年五月三十日退休)	-	50
Dr. Guan Huanfei (appointed on 22 June 2018)	關浣非博士(於二零一八年六月二十二日獲委任)	120	63
Mr. Wong Yiu Kit, Ernest	黃耀傑先生	120	120
Mr. Zhao Xianming	趙憲明先生	120	120
		360	353

There were no other emolument payable to the independent non-executive directors during the year (2018: Nil).

年內，並無其他應付獨立非執行董事的薪酬(二零一八年：無)。

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13. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S REMUNERATION (continued)

(b) Executive directors, non-executive directors and the chief executive officer

13. 董事及首席執行官薪酬(續)

(b) 執行董事、非執行董事及首席執行官

		Salaries, allowances and benefits in kind 薪金、津貼 及實物福利	Pension scheme contributions 退休 計劃供款	Total remuneration 薪酬總額
	Fee 袍金	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
2019	二零一九年			
Executive directors:	執行董事：			
Ms. Tung Shun (resigned on 12 March 2020)	董潔女士(於二零二零年 三月十二日辭任)	2,000	8	18
Ms. Chen Xiaohang	陳曉航女士	2,000	8	18
		4,000	16	36
Non-executive directors:	非執行董事：			
Mr. Li Xiaolu (resigned on 28 August 2019)	李曉蘆先生(於二零一九年 八月二十八日辭任)	240	-	-
Ms. Wang Li (resigned on 15 November 2019)	王莉女士(於二零一九年 十一月十五日辭任)	720	-	-
		960	-	-
		4,960	16	36
				5,012

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13. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S REMUNERATION (continued)

(b) Executive directors, non-executive directors and the chief executive officer (continued)

	Fee	Salaries, allowances and benefits in kind	Pension scheme contributions	Total remuneration
	袍金 HK\$'000 千港元	薪金、津貼及實物福利 HK\$'000 千港元	退休計劃供款 HK\$'000 千港元	薪酬總額 HK\$'000 千港元
2018				
Executive directors:				
Ms. Tung Shun (appointed on 12 February 2018 and redesignated from non-executive director to executive director on 13 April 2018)		執行董事： 董淳女士(於二零一八年二月十二日獲委任並於二零一八年四月十三日從非執行董事調任為執行董事)		
	1,433	22	14	1,469
Ms. Chen Xiaohang	1,850	55	18	1,923
Mr. Gong Qingli (appointed on 19 April 2017 and resigned on 13 April 2018)	343	-	20	363
Ms. Deng Shufen (resigned on 5 February 2018)	118	-	70	188
	3,744	77	122	3,943
Non-executive directors:				
Ms. Tung Shun (appointed on 12 February 2018 and redesignated from non-executive director to executive director on 13 April 2018)		非執行董事： 董淳女士(於二零一八年二月十二日獲委任並於二零一八年四月十三日從非執行董事調任為執行董事)		
	160	-	-	160
Mr. Li Xiaolu (appointed on 19 April 2018)	672	-	-	672
Mr. Jiang Tengfei (resigned on 13 April 2018)	275	-	-	275
Ms. Wang Li	960	-	-	960
	2,067	-	-	2,067
	5,811	77	122	6,010

13. 董事及首席執行官薪酬(續)

(b) 執行董事、非執行董事及首席執行官(續)

(c) Directors' material interests in transactions, arrangements or contracts

Save for disclosed in note 46 to the consolidated financial statements, no other significant transaction, arrangement and contract in relation to the Group's business to which the Group was a party and in which a director of the Company and the directors' connected party had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

(c) 董事於交易、安排或合約中的重大利益

除綜合財務報表附註46所披露外，本集團為訂約方及本公司董事及董事關連方在本集團的業務中概無與本集團業務相關的其他重大交易、安排及合約年終或年內任何時間直接或間接存在的利息。

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14. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included two (2018: two) directors, details of whose remuneration are set out in note 13 above. Details of the remuneration for the year of the remaining three (2018: three) highest paid employees who are neither a director nor the chief executive officer of the Company 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
Salaries, allowances, bonuses and benefits in kind	薪金、津貼、花紅及實物福利	4,362	4,617
Pension scheme contributions (defined contribution scheme)	退休計劃供款(定額供款計劃)	54	117
		4,416	4,734

During the year, there was no discretionary bonus paid or payable to any directors or five highest paid employee of the Group.

The number of non-director highest paid employees whose remuneration fell within the following band is as follows:

		Number of employees 僱員人數	
		2019 二零一九年	2018 二零一八年
Below HK\$1,000,000	低於 1,000,000 港元	-	-
HK\$1,000,001 to HK\$1,500,000	1,000,001 港元至 1,500,000 港元	2	2
HK\$1,500,001 to HK\$2,000,000	1,500,001 港元至 2,000,000 港元	-	1
HK\$2,000,001 to HK\$2,500,000	2,000,001 港元至 2,500,000 港元	1	-

14. 五名最高薪的僱員

年內，五名最高薪的僱員包括兩名(二零一八年：兩名)董事，彼等的薪酬詳情載於上文附註13。年內，其餘三名(二零一八年：三名)非本公司董事或首席執行官的最高薪僱員的薪酬詳情如下：

年內，本集團概無已支付或應付予任何董事或五名最高薪僱員的酌情花紅。

薪酬介乎下列範圍的非董事最高薪僱員的人數如下：

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15. INCOME TAX EXPENSE

15. 所得稅開支

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current — Hong Kong Profits Tax	即期 — 香港利得稅		
Over-provision in prior years	過往年度超額撥備	—	(27)
Current — Elsewhere	即期 — 其他地區		
Over-provision in prior years	過往年度撥備過度	(20)	(79)
Withholding tax	預扣稅	—	970
Deferred tax (note 37)	遞延稅(附註37)	14,370	26,787
		14,350	27,651

Under the two-tiered profits tax regime, profits tax rate for the first HK\$2 million of assessable profits of qualifying corporations established in Hong Kong will be lowered to 8.25%, and profits above that amount will be subject to the tax rate of 16.5%.

PRC Enterprise Income Tax has been provided at a rate of 25% (2018: 25%).

Tax charge on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

Under the PRC tax law, dividends received by foreign investors from its investment in foreign-invested enterprises in respect of its profits earned since 1 January 2008 are subject to withholding tax at a rate of 10%.

在兩級制利得稅制度下，在香港成立的合資格法團首二百萬港元應課稅溢利的利得稅稅率將降低至8.25%，而超過該金額的溢利須按16.5%稅率繳稅。

中國企業所得稅乃按25%稅率(二零一八年：25%)作出撥備。

其他地區應課稅溢利的稅項開支乃採用本集團經營所在國家當前稅率根據現行的相關法例、詮釋及慣例計算。

根據中國稅法，境外投資者從所投資的外資企業於二零零八年一月一日起賺取的溢利所收取的有關股息須支付10%預扣稅。

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15. INCOME TAX EXPENSE (continued)

The reconciliation between the income tax expense and the product of loss before tax multiplied by the Hong Kong Profits Tax rate is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loss before tax	除稅前虧損	(706,724)	(212,797)
Tax at Hong Kong Profits Tax rate of 16.5% (2018: 16.5%)	按香港利得稅稅率 16.5% (二零一八年：16.5%) 計算的稅項	(116,609)	(35,112)
Effect of difference in tax rate/tax rule for specific jurisdiction or enacted by local tax authority	特定司法權區或當地稅務機構實行不同的稅率／稅務規則的影響	(6,864)	(2,248)
Losses attributable to joint ventures and an associate	合營公司及一間聯營公司應佔虧損	830	17,120
Withholding tax	預扣稅	-	970
Income not subject to tax	毋須課稅收入	(35,786)	(32,886)
Expenses not deductible for tax	不可扣稅開支	40,269	54,038
Tax losses not recognised	未確認稅項虧損	132,911	25,947
Over-provision in prior years	過往年度超額撥備	(20)	(106)
Others	其他	(381)	(72)
Income tax expense	所得稅開支	14,350	27,651

16. DIVIDENDS

No dividend was paid or proposed during the year ended 31 December 2019, nor has any dividend been proposed since the end of the reporting period (2018: Nil).

15. 所得稅開支(續)

所得稅開支與除稅前虧損乘以香港利得稅稅率的乘積之間的對帳如下：

16. 股息

截至二零一九年十二月三十一日止年度概無已派付或建議派付的股息，自報告期末以來亦未建議派付股息(二零一八年：無)。

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17. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic loss per share is based on the loss for the year attributable to owners of the Company of approximately HK\$691,607,000 (2018: HK\$226,976,000) and the weighted average number of ordinary shares of 6,810,750,454 (2018: 6,741,569,796) in issue during the year.

During the year, no adjustment had been made to the basic loss per share amounts presented in respect of a dilution as the impact of the potential dilutive ordinary shares outstanding had an anti-dilutive effect on the basic loss per share amounts presented for the year.

The calculation of basic and diluted loss per share is based on:

17. 本公司擁有人應佔每股虧損

每股基本虧損乃根據本公司擁有人應佔年內虧損約691,607,000港元(二零一八年：226,976,000港元)及年內已發行普通股的加權平均數6,810,750,454股(二零一八年：6,741,569,796股)計算。

於本年度，並無就攤薄對所呈列之每股基本虧損作出調整，原因為已發行在外之潛在攤薄普通股之影響對本年度所呈列之每股基本虧損具有反攤薄效應。

每股基本及攤薄虧損的計算乃基於：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loss	虧損		
Loss for the year attributable to owners of the Company used in the basis and diluted loss per share calculation:	計算每股基本及攤薄虧損時採用的本公司擁有人應佔年內虧損：	(691,607)	(226,976)
		Number of shares 股份數目	
		2019 二零一九年	2018 二零一八年
Shares	股份		
Weighted average number of ordinary shares in issue during the year used in the basic and diluted loss per share calculation	用於計算每股基本及攤薄虧損的本年度已發行普通股加權平均股數	6,810,750,454	6,741,569,796

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18. PROPERTY, PLANT AND EQUIPMENT

18. 物業、廠房及設備

		Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 千港元	Leasehold improvements 租賃裝修 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Cost	成本				
At 1 January 2018	於二零一八年一月一日	3,917	5,523	34,667	44,107
Additions	添置	3,753	-	8,838	12,591
Disposals	出售	-	-	(8,668)	(8,668)
Disposals of a subsidiary	出售附屬公司	(3,125)	-	-	(3,125)
Written-off	撇銷	-	(500)	-	(500)
Exchange difference	匯兌差額	(74)	-	(1,750)	(1,824)
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	4,471	5,023	33,087	42,581
Additions	添置	10	-	13,117	13,127
Disposals	出售	(336)	-	(10,643)	(10,979)
Written-off	撇銷	(2,047)	(5,023)	-	(7,070)
Exchange difference	匯兌差額	(41)	-	(803)	(844)
At 31 December 2019	於二零一九年十二月三十一日	2,057	-	34,758	36,815
Accumulated depreciation	累計折舊				
At 1 January 2018	於二零一八年一月一日	1,125	1,306	17,137	19,568
Charge for the year	年內開支	1,467	1,859	5,623	8,949
Disposals	出售	-	-	(7,423)	(7,423)
Disposals of a subsidiary	出售附屬公司	(543)	-	-	(543)
Impairment loss	減值虧損	-	-	1,119	1,119
Exchange difference	匯兌差額	(39)	-	(834)	(873)
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	2,010	3,165	15,622	20,797
Charge for the year	年內開支	958	1,858	4,436	7,252
Disposals	出售	(320)	-	(6,805)	(7,125)
Written-off	撇銷	(1,386)	(5,023)	-	(6,409)
Exchange difference	匯兌差額	(30)	-	(366)	(396)
At 31 December 2019	於二零一九年十二月三十一日	1,232	-	12,887	14,119
Carrying amount	賬面值				
At 31 December 2019	於二零一九年十二月三十一日	825	-	21,871	22,696
At 31 December 2018	於二零一八年十二月三十一日	2,461	1,858	17,465	21,784

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18. PROPERTY, PLANT AND EQUIPMENT

(continued)

The Group's motor vehicles are identified to be part of the car-rental cash-generating unit. During the year, impairment of approximately Nil (2018: HK\$1,119,000) was made on the property, plant and equipment since the recoverable amount of the car rental cash-generating unit is higher (2018: lower) than its carrying amount. Details of the impairment testing are set out in note 22 to the consolidated financial statements.

19. INVESTMENT PROPERTY

The Group's investment property consists of land plots with a vacant school campus in New York, the United States. The directors of the Company have determined that the investment property is a commercial property based on the nature, characteristics of the property. The Group's investment property was revalued with the measurement date on 31 December 2019 which was made reference to valuation performed by APAC Appraisal and Consulting Limited ("APAC"), independent professional qualified valuer. For the purpose of the valuation, management of the Group worked closely with the APAC to establish and determine the appropriate valuation techniques and inputs for Level 3 fair value measurements. Where there is a material change in the fair value of the assets, the causes of the fluctuations will be reported to the board of directors of the Company.

18. 物業、廠房及設備(續)

本集團之汽車乃識別為汽車租賃現金產生單位之部份。於本年度，由於汽車租賃現金產生單位的可收回金額高於(二零一八年：低於)其賬面值，故物業、廠房及設備已作出減值約零(二零一八年：1,119,000港元)。有關減值測試的詳情載於綜合財務報表附註22。

19. 投資物業

		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	250,549	218,818
Addition for the year	本年度添置	-	4,997
Fair value (loss)/gain	公平值(虧損)/收益	(11,681)	26,330
Exchange difference	匯兌差額	(1,217)	404
At 31 December	於十二月三十一日	237,651	250,549

本集團之投資物業包括於美國紐約之地塊連空置校舍。本公司董事根據該物業之性質、特點，釐定該物業為商用物業。本集團投資物業於二零一九年十二月三十一日計量日期的重新估值乃參照獨立合資格估值師亞太評估諮詢有限公司(「亞太」)進行之估值。就估值而言，本集團管理層與亞太緊密合作建立及確定適合第三級公平值計量的估值方法及輸入數據。當資產公平值出現重大變動，將向本公司董事會匯報波動的原因。

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19. INVESTMENT PROPERTY (continued)

The investment property is held for leasing to third parties under operating leases and it remained vacant as at 31 December 2019 and 2018.

As at 31 December 2019, the Group's investment property of approximately HK\$237,651,000 (2018: HK\$250,549,000) was pledged for a loan note facility. Details are set out in note 33 to the consolidated financial statements.

Particulars of the Group's investment property are as follows:

Location	Use	Tenure	Attributable interest of the Group
地點	用途	業權	本集團應佔權益
150 Idle Hour Boulevard In the Hamlet of Oakdale Town of Islip Suffolk County of Long Island New York 11769 United States 美國紐約 11769 長島蘇福克縣 伊斯利普鎮奧克代爾村莊 Idle Hour Boulevard 150 號	School campus 校舍	Freehold 永久業權	51%

20. RIGHT-OF-USE ASSETS

19. 投資物業(續)

投資物業乃持作為經營租賃租賃予第三方，於二零一九年及二零一八年十二月三十一日仍為空置。

於二零一九年十二月三十一日，本集團投資物業約 237,651,000 港元(二零一八年：250,549,000 港元)已作為借貸票據融資額之抵押。有關詳情已載於綜合財務報表附註 33。

本集團投資物業的詳情如下：

20. 使用權資產

		Leased motor vehicles 租賃汽車 HK\$'000 千港元	Leased properties 租賃物業 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	-	-	-
Additions	添置	1,290	1,628	2,918
Depreciation	折舊	(72)	(68)	(140)
Exchange difference	匯兌差額	(18)	-	(18)
At 31 December 2019	於二零一九年十二月三十一日	1,200	1,560	2,760

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20. RIGHT-OF-USE ASSETS (continued)

Lease liabilities of approximately HK\$6,860,000 are recognised with related right-of-use assets of approximately HK\$2,760,000 as at 31 December 2019. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

20. 使用權資產(續)

於二零一九年十二月三十一日，確認租賃負債約6,860,000港元，相關使用權資產約為2,760,000港元。除出租人持有的租賃資產中的擔保權益外，租賃協議不施加任何其他契據。租賃資產不得用於借貸擔保。

		2019 二零一九年 HK\$'000 千港元
Depreciation expenses on right-of-use assets	使用權資產折舊開支	140
Interest expense on lease liabilities (included in finance costs)	租賃負債利息開支(計入金融成本)	614
Expenses relating to short-term lease (included in costs of sales and services rendered)	短期租賃相關開支 (計入銷售及提供服務的成本)	4,333

Details of total cash outflow for leases is set out in note 41(d) to the consolidated financial statements.

有關租賃現金流出總額詳情載於綜合財務報表附註41(d)。

For both years, the Group leases various offices and motor vehicles for its operations. Lease contracts are entered into for fixed term of 2 years to 3.2 years, but may have extension and termination options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

於兩年內，本集團租賃多個辦公室及汽車作其經營之用。租賃合約簽訂的固定期限為2年至3.2年，惟可能具有下述的延期及終止選擇權。租賃期乃在個別基礎上協商，並包含各種不同的條款及條件。於釐定租賃期及評估不可撤回期間的長度時，本集團應用合約的定義並釐定合約可強制執行的期間。

In addition, the Group reassesses whether it is reasonably certain to exercise an extension option, upon the occurrence of either a significant event or a significant change in circumstances that is within the control of the lessee. During the year ended 31 December 2019, there has been no such triggering event.

此外，當發生重大事件或承租人控制範圍內的情況發生重大變化時，本集團會重新評估其是否合理地確定行使延期選擇權。截至二零一九年十二月三十一日止年度，尚無此類觸發事件。

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21. GOODWILL

21. 商譽

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cost	成本		
At 1 January and 31 December	於一月一日及十二月三十一日	24,939	24,939
Accumulated impairment losses	累計減值虧損		
At 1 January and 31 December	於一月一日及十二月三十一日	(24,939)	(24,939)
Carrying amount	賬面值		
At 1 January and 31 December	於一月一日及十二月三十一日	-	-

Goodwill acquired through a business combination was allocated to the car rental cash-generating unit.

透過業務合併收購的商譽已被分配至汽車租賃現金產生單位。

The goodwill was fully impaired in the prior years and accordingly no further impairment assessment was performed for the years ended 31 December 2019 and 2018.

商譽於過往年度悉數減值，因此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進一步進行減值評估。

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22. INTANGIBLE ASSETS

22. 無形資產

		Vehicle rental		Total
		Licence plates	business licence	
		車牌	汽車租用業務牌照	總額
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Cost	成本			
At 1 January 2018	於二零一八年一月一日	15,586	49,754	65,340
Exchange difference	匯兌差額	(784)	(2,503)	(3,287)
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	14,802	47,251	62,053
Exchange difference	匯兌差額	(274)	(875)	(1,149)
At 31 December 2019	於二零一九年十二月三十一日	14,528	46,376	60,904
Accumulated impairment losses	累計減值虧損			
At 1 January 2018	於二零一八年一月一日	5,575	17,797	23,372
Impairment during the year	年內減值	220	704	924
Exchange difference	匯兌差額	(289)	(924)	(1,213)
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	5,506	17,577	23,083
Exchange difference	匯兌差額	(102)	(325)	(427)
At 31 December 2019	於二零一九年十二月三十一日	5,404	17,252	22,656
Carrying amount	賬面值			
At 31 December 2019	於二零一九年十二月三十一日	9,124	29,124	38,248
At 31 December 2018	於二零一八年十二月三十一日	9,296	29,674	38,970

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22. INTANGIBLE ASSETS (continued)

The license plates and vehicle rental business license with indefinite useful lives acquired through a business combination and were allocated to the car rental cash-generating unit for impairment testing. The license plates have no expiry dates and the vehicle rental business license is valid until 9 April 2020. In the opinion of the directors of the Company, the Group will be able to continuously renew the vehicle rental business license at minimal charges.

The Group carried out reviews of the recoverable amount of its intangible assets at the end of the reporting period, having regard to the market conditions of the Group's services. These intangible assets are allocated to the Group's car rental segment. No impairment loss of license plates and vehicle rental business license has been recognised in profit or loss during the year ended 31 December 2019 (2018: approximately HK\$924,000 was recognised). The recoverable amount of approximately HK\$93,369,000 (2018: HK\$97,161,000) for the relevant assets has been determined on the basis of their fair value less costs of disposal using income approach. The discount rate and the terminal rate used were 12.5% (2018: 12.0%) and 3% (2018: 3%) respectively.

22. 無形資產(續)

無特定可使用年期之車牌及汽車租用業務牌照乃透過業務合併收購，並分配至汽車租賃現金產生單位作減值測試。車牌並無屆滿日期，且汽車租用業務牌照有效期至二零二零年四月九日。本公司董事認為，本集團將能以最低費用繼續重續汽車租用業務牌照。

本集團已考慮本集團服務的市場狀況，對報告期末無形資產的可收回金額進行了檢討。該等無形資產分配至本集團的汽車租用分部上。截至二零一九年十二月三十一日止年度，概無車牌及租車業務牌照的減值虧損於損益中確認(二零一八年：約924,000港元已確認)。有關資產的可收回金額按其公平值減採用收入法出售的成本確定為約93,369,000港元(二零一八年：97,161,000港元)。已用貼現率及最終回報率分別為12.5%(二零一八年：12.0%)及3%(二零一八年：3%)。

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23. INTERESTS IN JOINT VENTURES

23. 於合營公司的權益

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Unlisted investments	非上市投資		
Share of net assets	應佔資產淨值	1,091	1,642
Amount due from a joint venture (note a)	應收一間合營公司款項(附註a)	15,003	15,003
Less: Provision for impairment	減：減值撥備	(15,003)	(15,003)
		1,091	1,642
Provision for obligation on a joint venture recognised in current liabilities (note b)	於流動負債中確認之合營公司的責任撥備(附註b)	-	(3,087)
Amounts due to joint ventures recognised in current liabilities (note a)	於流動負債中確認之應付合營公司款項(附註a)	-	(2,462)

Notes:

- (a) The amounts due from/to joint ventures included in the Group's non-current assets and current liabilities are unsecured, interest-free and are not expected to be repayable within twelve months from the end of the reporting period and form part of the net investment in the joint venture.
- (b) The directors of the Company are of the opinion that the Group has constructive obligation for these joint ventures. Accordingly, the Group shared its net liabilities and reflected these as provision for obligation.

附註：

- (a) 計入本集團非流動資產及流動負債之應收／應付合營公司款項為無抵押、不付息及預期毋須於報告期末起計12個月內償還，且構成於合營公司之淨投資之一部分。
- (b) 本公司董事認為本集團對該等合營公司具有推定責任。因此，本集團分佔其負債淨額，並反映為責任撥備。

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23. INTERESTS IN JOINT VENTURES (continued)

Particulars of the Group's joint ventures as at 31 December 2019 are as follows:

23. 於合營公司的權益 (續)

於二零一九年十二月三十一日，本集團合營公司之資料如下：

Name	Particulars of issued shares held	Place of registration and business	Percentage of			Principal activity
			Ownership interest	Voting power	Profit sharing	
名稱	持有之已發行股份詳情	營業地點	擁有着權益 (%)	投票權 (%)	應佔溢利 (%)	主要業務
Zither Clubhouse Limited	Ordinary shares	Hong Kong	– (2018: 50)	– (2018: 50)	– (2018: 50)	Operation of a clubhouse
古琴會所有限公司	普通股	香港	– (二零一八年： 50)	– (二零一八年： 50)	– (二零一八年： 50)	會所營運
Hong Kong Artificial Intelligence Laboratory Company Limited	Ordinary shares	Hong Kong	50 (2018: 50)	50 (2018: 50)	50 (2018: 50)	Tailoring artificial intelligence robotics solution for the restaurant, finance, hospitality, medical and education industry
香港人工智能應用實驗室有限公司	普通股	香港	50 (二零一八年： 50)	50 (二零一八年： 50)	50 (二零一八年： 50)	為餐飲、金融、酒店、醫療及教育行業定制人工智能機器人解決方案

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23. INTERESTS IN JOINT VENTURES (continued)

The following tables show the summarised financial information in respect of Zither Clubhouse Limited:

23. 於合營公司的權益(續)

下表展示古琴會所有限公司之財務資料摘要：

		2018 二零一八年 HK\$'000 千港元
Cash and cash equivalents	現金及現金等價物	196
Other current assets	其他流動資產	2,045
Current assets	流動資產	2,241
Non-current assets	非流動資產	3,855
Current liabilities	流動負債	(12,270)
Net liabilities	負債淨值	(6,174)
Reconciliation to the Group's interest in the joint venture:	與本集團於其合營公司中之權益對賬：	
Proportion of the Group's ownership	本集團所佔權益的百分比	50%
Carrying amount of the investment	投資之賬面值	-
Revenue	收益	13,591
Depreciation	折舊	3,500
Profit and total comprehensive income for the year	年內溢利及全面收入總計	12,421

On 1 February 2019, the Group disposed its entire equity interest of the joint venture together with a wholly-owned subsidiary. Details are set in note 42(b) to the consolidated financial statements.

於二零一九年二月一日，本集團出售其合營公司連同全資附屬公司的全部股權。有關詳情載於綜合財務報表附註42(b)。

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23. INTERESTS IN JOINT VENTURES (continued)

The following tables show the summarised financial information in respect of Hong Kong Artificial Intelligence Laboratory Company Limited:

23. 於合營公司的權益 (續)

下表展示香港人工智能應用實驗室有限公司之財務資料摘要：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cash and cash equivalents	現金及現金等價物	57	60
Other current assets	其他流動資產	2,260	3,360
Current assets	流動資產	2,317	3,420
Current liabilities	流動負債	(136)	(136)
Net assets	資產淨值	2,181	3,284
Reconciliation to the Group's interest in the joint venture:	與本集團於其合營公司中的權益對賬：		
Proportion of the Group's ownership	本集團所佔權益的百分比	50%	50%
Carrying amount of the investment	投資的賬面值	1,091	1,642
Loss and total comprehensive income for the year	年內虧損及全面收入總計	(1,102)	(4,056)

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24. INTEREST IN AN ASSOCIATE

24. 於一間聯營公司的權益

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Unlisted investment	非上市投資		
Share of net liabilities	應佔負債淨額	(129,735)	(125,255)
Loans to an associate	向一間聯營公司貸款	129,735	128,240
		-	2,985

The loans to an associate are unsecured, interest-free and have no fixed terms of repayment. In the opinion of the directors of the Company, these loans are considered as part of the Group's net investment in the associate.

向一間聯營公司貸款為無抵押、免息及並無固定還款期。本公司董事認為該等貸款被視為本集團於該聯營公司淨投資的一部份。

Particulars of the associate as at 31 December 2019 are as follows:

該聯營公司於二零一九年十二月三十一日之詳情如下：

Name	Particulars of issued shares held	Place of incorporation/ registration and business	Percentage of ownership interest attributable to the Group (%)	Principal activity
名稱	所持已發行股份詳情	註冊成立地點／註冊及業務地點	本集團應佔所有權百分比(%)	主要業務
King Focus International Limited ("King Focus") 景聚國際有限公司 (「景聚」)	Ordinary shares 普通股	The BVI/Hong Kong 英屬處女群島／香港	14* (2018: 14*) (二零一八年：14*)	Investment holding 投資控股

The Group's shareholding in the associate comprises equity shares held through a wholly-owned subsidiary of the Company.

本集團於該聯營公司的控股權包括透過本公司全資附屬公司所持有的權益股份。

* Although the Group holds less than 20% of the voting power of King Focus, in the opinion of the directors of the Company, the Group is able to exercise significant influence over the significant financial and operation decisions over the entity as one out of three directors of King Focus was designated by the Company.

* 儘管本集團持有景聚的投票權少於20%，惟本公司董事認為，本集團有能力對該實體的重大財務及經營決策行使重大影響，因景聚三位董事的其中一位由本公司所指定。

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24. INTERESTS IN AN ASSOCIATE (continued)

The following table shows the Group's share of the amounts of the immaterial associate that is accounted for using the equity method.

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At 31 December:	於十二月三十一日		
Carrying amounts of interests	利息賬面值	-	2,985
For the year ended 31 December	截至十二月三十一日止年度		
Loss from continuing operations	持續經營所得虧損	(4,480)	(107,938)
Loss and total comprehensive income	虧損及全面收入總額	(4,480)	(109,752)

The Group has not recognised loss for the year ended 31 December 2019 amounting to approximately HK\$7,561,000 (2018: Nil) for the associate. As at 31 December 2019, the accumulated losses not recognised were approximately HK\$7,561,000 (2018: Nil).

24. 於一間聯營公司的權益(續)

下表展示使用權益法計算的本集團應佔非重要聯營企業金額。

截至二零一九年十二月三十一日止年度，本集團並無就聯營公司確認虧損約7,561,000港元(二零一八年：無)。於二零一九年十二月三十一日，未確認的累計虧損約為7,561,000港元(二零一八年：無)。

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25. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

25. 按公平值計入損益的金融資產

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Non-current financial assets designated at FVTPL	指定為按公平值計入損益的非流動金融資產		
An acquired convertible bond (note a)	一項已收購可換股債券(附註a)	–	39,659
An unlisted fund investment (note b)	一項非上市基金投資(附註b)	10,941	20,569
Unlisted equity investments (note c)	非上市權益投資(附註c)	403,363	483,472
		414,304	543,700
Current financial assets designated at FVTPL	指定為按公平值計入損益的流動金融資產		
An acquired convertible bond (note a)	一項已收購可換股債券(附註a)	39,091	–

Notes:

附註：

(a) An acquired convertible bond

On 13 April 2017, the Company subscribed for a convertible bond ("Acquired Convertible Bond") with a principal amount of HK\$40,000,000 which was issued by Bartha International Limited (the "Bond Issuer"), an independent third party incorporated in Hong Kong. The maturity date of the Acquired Convertible Bond is 7 April 2020.

The Acquired Convertible Bond is convertible into shares of the Bond Issuer at the option of the Company at any time commencing from the date of issue and up to and including the 10th day prior to the date of maturity. Exact number of shares to be issued upon conversion will depend on the total number of shares of the Bond Issuer at the time of conversion and the amount of the Acquired Convertible Bond to be converted into shares. The Acquired Convertible Bond carries interest at a rate of 2.0% per annum, which is payable annually.

(b) An unlisted fund investment

On 26 May 2018, the Group subscribed for an unlisted fund investment at a cost of HK\$100,000,000, representing 100,000 fund units out of the total 300,000 fund units.

For investment inside the unlisted fund, in the absence of quoted market prices in active markets, the fair value of this investment under Level 2 is estimated by making reference to quoted prices from pricing services based on the net asset value of the unlisted fund investment.

(a) 一項已收購可換股債券

於二零一七年四月十三日，本公司認購由於香港註冊成立的獨立第三方Bartha International Limited(「債券發行人」)發行本金額為40,000,000港元的可換股債券(「已收購可換股債券」)。已收購可換股債券的到期日為二零二零年四月七日。

本公司可於發行日期起至到期日前第10日(包括該日)隨時選擇轉換已收購可換股債券為債券發行人的股份。轉換時將發行的確實股份數目將視乎債券發行人於轉換時的股份總數及將轉換為股份的已收購可換股債券數額。已收購可換股債券按年利率2.0%計息，利息須每年支付。

(b) 一項非上市基金投資

於二零一八年五月二十六日，本集團按成本100,000,000港元認購非上市基金投資，相當於合共300,000基金單位中的100,000個基金單位。

就非上市基金內的投資而言，在並無於活躍市場所報市價的情況下，第2層級項下該投資之公平值乃基於非上市基金投資資產淨值並參考定價服務之報價後估計所得。

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25. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Notes: (continued)

(c) Unlisted equity investments

Unlisted equity investments (note (iv))
Zhongxin (Heilongjiang) Internet
Microfinance Co., Ltd.* (note i)
Zuoshishi Technology Service (Beijing)
Company Limited* (note ii)
Spring Power Holdings Limited (note iii)
Higgs Wood Culture (Beijing) Co., Ltd.*

非上市權益投資 (附註 iv)
中新(黑龍江)互聯網小額貸款
有限公司*(附註 i)
做實事科技服務(北京)
有限公司*(附註 ii)
Spring Power Holdings Limited (附註 iii)
Higgs Wood Culture (Beijing) Co., Ltd.*

2019
二零一九年
HK\$'000
千港元

2018
二零一八年
HK\$'000
千港元

165,390

175,344

201,374

270,987

36,599

36,799

-

342

403,363

483,472

* The English name of these entities referred to in this note represented management's best efforts in translating the Chinese name of these entities as no English name has been registered or available.

(i) As at 31 December 2019 and 2018, the Group has 2% of the issued share capital of an unlisted company incorporated in the PRC principally engaged in internet microfinance business.

In the current year, the management engaged an independent qualified professional valuer to determine the fair value of this investment with reference to publicly available information of comparable companies applying a marketability discount. The valuer adopted the market approach to determine the valuation parameters derived from market prices and financial data of listed companies in a similar business and with a similar business model as that of the company being valued. The valuer applied a discount rate of 20% for the lack of liquidity of business operation being valued due to the fact that it was not a listed company.

* 該等實體於本附註的英文名稱為管理層盡最大努力翻譯該等實體之中文名稱，因其並無註冊或可用之英文名稱。

(i) 於二零一九年及二零一八年十二月三十一日，本集團擁有一間於中國註冊成立的非上市公司之2%已發行股本，該公司主要從事互聯網小額信貸業務。

於本年度，管理層委聘一名獨立合資格專業估值師釐定該項投資的公平值，估值乃採用市場性折價經參考可資比較公司的公開可得資料後釐定。估值師採用市場法根據具有與被評估公司類似業務及類似業務模式的上市公司的市場價格及財務數據釐定估值參數。估值師對被評估公司因其為非上市公司而缺乏流動性的業務運營採用20%的折讓率。

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25. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Notes: (continued)

(c) Unlisted equity investments (continued)

- (ii) As at 31 December 2019 and 2018, the Group has 11% of the issued share capital of an unlisted company incorporated in the PRC principally engaged in the innovation service for start-up technology companies and related investment activities.

In the current year, the management engaged an independent qualified professional valuer to determine the fair value of this investment with price of recent investment given the existence of recent transaction relevant to this unlisted company.

- (iii) As at 31 December 2019 and 2018, the Group has 2.9% of the issued share capital of an unlisted company incorporated in the BVI. The investee is an investment holding company, with a major subsidiary, Hanson Robotics Limited, engaged in development and manufacture of humanlike robots.

In the current year, the management engaged an independent qualified professional valuer to determine the fair value of this investment with price of recent investment given the existence of recent transaction and investment for the equity interest in this unlisted company.

- (iv) The fair values of these unlisted equity investments are measured using valuation technique with significant unobservable inputs and hence were classified as Level 3 of the fair value hierarchy.

25. 按公平值計入損益的金融資產 (續)

附註：(續)

(c) 非上市權益投資 (續)

- (ii) 於二零一九年及二零一八年十二月三十一日，本集團擁有一間於中國註冊成立的非上市公司之11%已發行股本，該公司主要為初創科技公司提供創新服務及投資相關服務。

於本年度，管理層委聘一名獨立合資格專業估值師釐定該項投資的公平值，鑒於近期存在與該非上市公司相關的交易，因此估值乃根據近期投資價格釐定。

- (iii) 於二零一九年及二零一八年十二月三十一日，本集團擁有一間於英屬處女群島註冊成立的非上市公司之2.9%已發行股本。投資對象為一間投資控股公司，其主要附屬公司漢森機器人公司，從事開發及生產類人機器人。

於本年度，管理層委聘一名獨立合資格專業估值師釐定該項投資的公平值，鑒於存在近期交易以及對非上市公司的股權投資，因此估值乃根據近期投資價格釐定。

- (iv) 該等非上市權益投資的公平值採用具有重大不可觀察輸入數據的估值技術計量，因此被歸類為公平值層級的第三級。

26. INVENTORIES

26. 存貨

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Merchandise	商品	5,898	6,722

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27. TRADE RECEIVABLES

27. 應收賬款

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade receivables	應收賬款	834,321	934,358
Less: Allowance for ECLs	減：預期信貸虧損撥備	(485,916)	(188,219)
		348,405	746,139

The Group's trading terms with its customers are mainly on credit with credit period generally from 15 to 160 days, or could be longer under certain circumstances. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. Overdue trade receivables are interest-bearing.

The Group generally does not hold any collateral or other credit enhancements over its trade receivable balances.

As at 31 December 2019, certain of the Group's other borrowings were secured by the Group's pledged trade receivables of gross amount approximately HK\$600,639,000 (2018: HK\$665,606,000).

The ageing analysis of trade receivables based on the invoice date, and net of allowance, is as follows:

本集團與客戶主要按信貸方式訂立貿易條款，信貸期一般介乎15天至160天，在有關情況下可能更長。本集團致力嚴格監控逾期應收賬款。高級管理人員會定期審查逾期的結餘。逾期應收賬款為計息。

本集團一般並無就其應收賬款結餘持有任何抵押品或信貸提升物。

於二零一九年十二月三十一日，本集團約600,639,000港元的應收賬款總額（二零一八年：665,606,000港元）已質押予本集團若干其他借貸作擔保。

根據發票日期，應收賬款（經扣除撥備）的賬齡分析如下：

		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	587	2,067
90 to 180 days	90至180天	1,229	3,908
Over 180 days	180天以上	346,589	740,164
Total	總計	348,405	746,139

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28. LOAN RECEIVABLE

28. 應收貸款

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loan receivable	應收貸款	15,629	15,629
Less: Allowance for ECLs	減：預期信貸虧損撥備	(15,629)	(15,629)
Current portion	即期部分	-	-

Loan receivable is secured, bears interest at 15% per annum and is repayable with a maturity period of 18 months from the date of agreement and was due on 21 March 2019.

As at 31 December 2019 and 2018, the loan receivable was secured by (i) the pledge of an aircraft leased to an independent borrower by a company wholly owned by the borrower's sole director; and (ii) 49% issued share capital of the borrower.

As at 31 December 2019, the allowance for ECLs is related to an individually impaired loan receivable of the independent borrower of approximately HK\$15,629,000 (2018: HK\$15,629,000) that default its repayment due on 21 March 2019.

應收貸款為有抵押，按年利率15%計息，償還期限自協議日期起計為18個月且於二零一九年三月二十一日到期。

於二零一九年及二零一八年十二月三十一日，應收貸款由(i)借款人的唯一董事全資擁有的公司租賃予獨立借款人的飛機質押；及(ii)借款人49%的已發行股本作抵押。

於二零一九年十二月三十一日，預期信貸虧損撥備與獨立借款人的個別減值應收貸款約15,629,000港元(二零一八年：15,629,000港元)有關，而該貸款(已於二零一九年三月二十一日到期)尚拖欠付款。

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29. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

29. 預付款項、按金及其他應收款項

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Prepayments	預付款項	3,270	18,656
Deposits	按金	4,082	75,761
Other receivables (Note a)	其他應收款項(附註a)	104,137	261,101
Amount due from an associate (Note b)	應收一間聯營公司款項(附註b)	-	8,783
Less: Allowance for ECLs	減：預期信貸虧損撥備	(86,055)	(1,014)
		25,434	363,287
Less: Portion classified as non-current assets	減：列為非流動資產的部分	-	(12,071)
Current portion	即期部分	25,434	351,216

Note:

- (a) During the year ended 31 December 2018, the Group had acquired and disposed of an unlisted equity fund at cost at HK\$220,000,000 and such consideration receivable is included in other receivables as at 31 December 2018. During the year ended 31 December 2019, approximately HK\$137,959,000 of the consideration receivable had been settled, allowance of ECLs for remaining balance had been provided during the year.
- (b) The amount due from an associate is unsecured, interest-free and repayable on demand.

Save for the allowance for ECLs on other receivables of approximately HK\$86,055,000 (2018: HK\$1,014,000) as at 31 December 2019 had been provided, none of the above assets is impaired at the end of the reporting period and the financial assets relate to deposits and other receivables for which there was no recent history of significant default or which are due from independent debtors that have a good relationship with the Group.

附註：

- (a) 截至二零一八年十二月三十一日止年度，本集團按成本220,000,000港元收購及出售非上市權益基金，而有關應收代價於二零一八年十二月三十一日計入其他應收款項中。截至二零一九年十二月三十一日止年度約137,959,000港元的應收代價經已結算，餘下結餘的預期信貸虧損已於年內計提撥備。
- (b) 應收一間合營公司款項為無抵押、免息及須於按要求時償還。

除已計提於二零一九年十二月三十一日的其他應收款項預期信貸虧損撥備約86,055,000港元(二零一八年：1,014,000港元)外，於報告期末，上述資產均未減值，而該等金融資產的按金及其他應收款項涉及近期並無巨額拖欠記錄或與本集團關係良好的獨立債務人。

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30. BANK BALANCES AND RESTRICTED CASH

30. 銀行結餘及受限制現金

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Bank balances	銀行結餘	11,980	29,885
Time deposits	定期存款	2,014	–
		13,994	29,885
Less: Restricted cash for an other borrowing	減：其他借貸的受限制現金	–	(11,973)
Cash and cash equivalents	現金及現金等價物	13,994	17,912

As at 31 December 2019, bank balances of the Group denominated in RMB amounted to approximately HK\$4,822,000 (2018: HK\$2,778,000). Conversion of RMB into other currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

As at 31 December 2018, the Group's restricted cash represents deposits pledged to an independent third party to secure a loan facility to the Group as set out in note 33 to the consolidated financial statements.

於二零一九年十二月三十一日，本集團以人民幣計值的銀行結餘約為4,822,000港元(二零一八年：2,788,000港元)。人民幣僅根據中國的《外匯管理條例及結匯、售匯及付匯管理規定》方可予兌換成其他貨幣，本集團獲准通過獲授權經營外匯業務的銀行將人民幣兌換為其他貨幣。

於二零一八年十二月三十一日，本集團的受限制現金指於綜合財務報表附註33中所載質押予獨立第三方以擔保本集團貸款融資的按金。

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31. TRADE PAYABLES

The ageing analysis of trade payables based on the invoice date 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
Within 30 days	30天內	156	518
31 to 60 days	31天至60天	29	1,014
Over 60 days	60天以上	59	869
		244	2,401

The trade payables are non-interest-bearing and normally settled on 30 to 90 days after the month-end statement.

31. 應付賬款

根據發票日期，應付賬款的賬齡分析如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within 30 days	30天內	156	518
31 to 60 days	31天至60天	29	1,014
Over 60 days	60天以上	59	869
		244	2,401

應付賬款為免息，一般於月結後30天至90天結算。

32. OTHER PAYABLES AND ACCRUALS

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Other payables	其他應付款項	57,621	37,933
Accruals	應計款項	44,357	42,537
Contract liabilities (note a)	合約負債(附註a)	8,698	2,233
Amount due to a non-controlling shareholder (note b)	應付一名非控股股東款項(附註b)	-	65,513
		110,676	148,216
Less: Portion classified as non-current liabilities	減：列為非流動負債部份	(9)	(4,281)
		110,667	143,935

Notes:

- (a) The Group's contract liabilities represent receipts in advance from customers of the Group's car rental and assets management segments.
- (b) The amount due to a non-controlling shareholder is unsecured, non-interest bearing and has no fixed term of repayment.

附註：

- (a) 本集團的合約負債為本集團的汽車租用及資產管理分部的預收客戶款項。
- (b) 應付一名非控股股東款項為無抵押、免息及並無固定還款期。

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33. INTEREST-BEARING BANK AND OTHER BORROWINGS

33. 計息銀行及其他借貸

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Bank borrowings — unsecured	銀行借貸 — 無抵押	16,762	17,648
Other borrowings — secured	其他借貸 — 已抵押	333,610	334,889
Other borrowings — unsecured	其他借貸 — 無抵押	150,463	362,991
		500,835	715,528

The borrowings are repayable as follows:

借貸須於以下期間償還：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within one year	一年內	379,111	360,077
More than one year, but not exceeding two years	超過一年但不超過兩年	121,724	355,451
		500,835	715,528
Portion of bank borrowings that are contained a repayment on demand clause (shown under current liabilities)	包含按要求償還條款的銀行借貸部分(於流動負債項下顯示)	(16,762)	(17,648)
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：須於12個月內償還的金額(列為流動負債)	(467,403)	(342,429)
Amount due for settlement after 12 months	須於12個月後償還的金額	16,670	355,451

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33. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued)

The carrying amounts of the Group's borrowings are denominated in the following currencies:

33. 計息銀行及其他借貸(續)

本集團借貸的賬面值以下列貨幣計值：

		HK\$ 港元 HK\$'000 千港元	USD 美元 HK\$'000 千港元	RMB 人民幣 HK\$'000 千港元	Total 總計 HK\$'000 千港元
2019	二零一九年				
Bank borrowings — unsecured	銀行借貸 — 無抵押	—	—	16,762	16,762
Other borrowings — secured	其他借貸 — 已抵押	100,000	233,610	—	333,610
Other borrowings — unsecured	其他借貸 — 無抵押	108,453	—	42,010	150,463
		208,453	233,610	58,772	500,835
2018	二零一八年				
Bank borrowings — unsecured	銀行借貸 — 無抵押	—	—	17,648	17,648
Other borrowings — secured	其他借貸 — 已抵押	100,000	234,889	—	334,889
Other borrowings — unsecured	其他借貸 — 無抵押	212,200	119,340	31,451	362,991
		312,200	354,229	49,099	715,528

The average interest rates at 31 December were as follows:

於十二月三十一日的平均利率如下：

		2019 二零一九年	2018 二零一八年
Bank borrowings — unsecured	銀行借貸 — 無抵押	10.2%	10.2%
Other borrowings — secured	其他借貸 — 已抵押	8.6%	8.6%
Other borrowings — unsecured	其他借貸 — 無抵押	5.77%	7.37%

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33. INTEREST-BEARING BANK AND OTHER BORROWINGS (continued)

As at 31 December 2019, the Group's credit facilities are secured by:

- (i) the Group's trade receivables of gross amount approximately HK\$600,639,000 (2018: HK\$665,606,000);
- (ii) share charges of certain subsidiaries of the Group;
- (iii) personal and corporate guarantees of certain directors and immediate and ultimate holding company;
- (iv) the Group's restricted bank balances of approximately Nil (2018: HK\$11,973,000); and
- (v) the Group's investment property of approximately HK\$237,651,000 (2018: HK\$250,549,000).

At 31 December 2019, the Group had approximately HK\$300,000,000 (2018: HK\$300,000,000) of available undrawn borrowing facilities.

33. 計息銀行及其他借貸(續)

於二零一九年十二月三十一日，本集團的信貸融資獲以下項目作擔保：

- (i) 本集團約600,639,000港元(二零一八年：665,606,000港元)的應收賬款總額；
- (ii) 本集團若干附屬公司的股份押記；
- (iii) 若干董事及直接及最終控股公司的個人及公司擔保；
- (iv) 本集團約零(二零一八年：11,973,000港元)的受限制銀行結餘；及
- (v) 本集團約237,651,000港元(二零一八年：250,549,000港元)的投資物業。

於二零一九年十二月三十一日，本集團的未提取借貸融資約300,000,000港元(二零一八年：300,000,000港元)。

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34. LEASE LIABILITIES

34. 租賃負債

		Present value of minimum lease payments			
		Minimum lease payments		lease payments	
		最低租賃付款		最低租賃付款現值	
		2019	2018	2019	2018
		二零一九年	二零一八年	二零一九年	二零一八年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Within one year	一年內	4,620	–	4,060	–
In the second to fifth years, inclusive	第二年至第五年(包括首尾兩年)	2,958	–	2,800	–
		7,578	–	6,860	–
Less: Future finance charges	減：未來融資開支	(718)	–	N/A 不適用	N/A 不適用
Present value of lease obligations	租賃承擔的現值	6,860	–	6,860	–
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：須於12個月內償還的金額(列為流動負債)			(4,060)	–
Amount due for settlement after 12 months	須於12個月後償還的金額			2,800	–

All finance lease payables are denominated in HK\$.

所有應付融資租賃乃以港元計值。

The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise lease liabilities relating to leases which were previously classified as operating leases under HKAS 17. Comparative information as at 31 December 2018 has not been restated. Further details on the impact of the transition to HKFRS 16 are set out in note 3 to the consolidated financial statements.

本集團透過採用經修訂追溯法已首次應用香港財務報告準則第16號，並調整於二零一九年一月一日的期初結餘以就先前根據香港會計準則第17號分類為經營租賃的有關租賃確認租賃負債。於二零一八年十二月三十一日的比較金額並無重列。有關過渡至香港財務報告準則第16號的影響的進一步詳情載於綜合財務報表附註3。

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35. CONVERTIBLE BONDS

On 17 May 2016, the Company issued 2018 convertible bond (the "2018 CB") and 2019 convertible bond (the "2019 CB") with principal amounts of HK\$100,000,000 and HK\$100,000,000 respectively. The maturity dates of 2018 CB and 2019 CB are 16 May 2018 and 16 May 2019, respectively.

The 2018 CB and 2019 CB are convertible at the option of bondholder at any time after the 40th day from the date of issue and up to the 10th day prior to the dates of maturity at an initial conversion price of HK\$0.35 per share (subject to adjustments). Based on the initial conversion price, the 2018 CB and 2019 CB are convertible into approximately 571,429,000 ordinary shares of the Company in aggregate. The 2018 CB and the 2019 CB, if not converted, will be redeemed at their outstanding principal amount together with any interest thereon, plus an additional amount of a compound return of 12% per annum over the outstanding principal amount at maturity. The 2018 CB and the 2019 CB carry interest at a rate of 5% per annum, payable semi-annually on 30 June and 31 December of a calendar year. The effective interest rates of the liability components of the 2018 CB and 2019 CB are 22.8% and 23.5%, respectively.

On 10 May 2018, the Company and the bondholder of 2018 CB entered into a deed of amendment, pursuant to which the maturity date of 2018 CB was extended from 16 May 2018 to 16 May 2020 and the interest rate was increased from 5% per annum to 6% per annum. Interest payment dates were not changed. To effect the extension, the bondholder requested the Company to settle the additional amount as described above and an amount of HK\$15,440,000 was paid thereof. The effective interest rate of the liability component of the extended 2018 CB is 25.5%.

35. 可換股債券

於二零一六年五月十七日，本公司發行二零一八年可換股債券（「二零一八年可換股債券」）及二零一九年可換股債券（「二零一九年可換股債券」），本金額分別為100,000,000港元及100,000,000港元。二零一八年可換股債券及二零一九年可換股債券的到期日分別為二零一八年五月十六日及二零一九年五月十六日。

二零一八年可換股債券及二零一九年可換股債券的持有人可於發行日期後40日至到期日10日前隨時選擇轉換，初始換股價為每股0.35港元（可予調整）。二零一八年可換股債券及二零一九年可換股債券按初始換股價轉換為合共約571,429,000股本公司普通股。任何尚未轉換的二零一八年可換股債券及二零一九年可換股債券將按其未換本金連同其任何利息贖回，另加就到期未償還本金額按年息率12%計算的複合回報。二零一八年可換股債券及二零一九年可換股債券按每年5厘計息，每半年支付一次，於每個曆年的六月三十日及十二月三十一日支付。二零一八年可換股債券及二零一九年可換股債券負債部分的實際利率分別為22.8%及23.5%。

於二零一八年五月十日，本公司與二零一八年可換股債券持有人訂立修訂契據，據此二零一八年可換股債券之到期日由二零一八年五月十六日延長至二零二零年五月十六日，而利率由年息5厘增加至年息6厘。利息付款日期並無變動。為使延長生效，債券持有人要求本公司結清上述額外金額並支付其中15,440,000港元。經延長二零一八年可換股債券負債部分之實際利率為25.5%。

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35. CONVERTIBLE BONDS (continued)

On 15 May 2019, the Company and the bondholder of 2019 CB entered into a deed of amendment, pursuant to which the maturity date of 2019 CB was extended from 16 May 2019 to 16 May 2021, the conversion price of 2019 CB was decreased from HK\$0.35 to HK\$0.1 per share and the interest rate was increased from 5% per annum to 6% per annum. Interest payment dates were not changed. To effect the extension, the bondholder requested the Company to settle the additional amount as described above and an amount of approximately HK\$25,493,000 was paid thereof. The effective interest rate of the liability component of the extended 2019 CB is 10.7%.

Both 2018 CB and 2019 CB have the following early redemption options. 2018 CB and 2019 CB holders have the right to require the Company to redeem the whole of the 2018 CB and 2019 CB respectively held by them prior to the maturity date at a redemption price equal to the respective principal amount of 2018 CB and 2019 CB together with accrued and unpaid interest and the additional amount upon the occurrence of certain events that are out of the Company's control.

In addition, for both 2018 CB and 2019 CB, the Company may, at any time prior to the maturity date, redeem in whole the 2018 CB and 2019 CB for the time being outstanding at their principal amount together with accrued and unpaid interest and the additional amount to the date fixed by the Company for redemption provided that at the date of redemption, at least 90% in principal amount of the 2018 CB and 2019 CB has already been converted, redeemed or purchased and cancelled.

35. 可換股債券(續)

於二零一九年五月十五日，本公司與二零一九年可換股債券的債券持有人訂立修訂契約，據此將二零一九年可換股債券的到期日從二零一九年五月十六日延長至二零二一年五月十六日，而二零一九年可換股債券的轉換價從每股0.35港元降至0.1港元，利率從每年5%提高至每年6%。利息支付日期未有更改。為進行延期，債券持有人要求公司如上述清償額外的金額，並已支付其中約25,493,000港元。已延期的二零一九年可轉換債券負債部分的實際利率為10.7%。

二零一八年可換股債券及二零一九年可換股債券有以下提早贖回選擇權。二零一八年可換股債券及二零一九年可換股債券持有人有權要求本公司於到期日前按等於二零一八年可換股債券及二零一九年可換股債券相關本金額之贖回價連同應計及未付利息及發生超出本公司控制範圍的若干事件後的額外金額贖回由彼等持有之全部二零一八年可換股債券及二零一九年可換股債券。

此外，就二零一八年可換股債券及二零一九年可換股債券而言，本公司可於到期日前任何時間，按其本金額連同應計及未付利息以及截至由本公司釐定之贖回日期止之額外金額，贖回當時尚未行使之全部二零一八年可換股債券及二零一九年可換股債券，惟於贖回日期二零一八年可換股債券及二零一九年可換股債券至少90%的本金額已轉換、贖回或收購及註銷。

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35. CONVERTIBLE BONDS (continued)

As such, the conversion option and the early redemption options are considered as a single derivative for fair value measurement purpose.

On 31 August 2017, the Company issued 2020 convertible bond (the "2020 CB") with a principal amount of HK\$200,000,000. The maturity date of 2020 CB is 30 August 2020.

The 2020 CB is convertible at the option of the bondholder at any time from and including the first anniversary from its date of issue up to the 10th day prior to the dates of maturity at an initial conversion price of HK\$0.35 per share (subject to adjustments). Based on the initial conversion price, the 2020 CB is convertible into approximately 571,429,000 ordinary shares of the Company. The 2020 CB, if not converted, will be redeemed at its outstanding principal amount together with any interest accrued thereon. The 2020 CB carries interest at a rate of 8% per annum, which is payable semi-annually on 18 June and 18 December of a calendar year. The effective interest rate of the liability component of the 2020 CB is 24.2%.

The fair value of the liability component was estimated at the issuance date using an equivalent market interest rate for a similar bond if the conversion option is not exercised. The conversion options embedded in the convertible bonds were recognised as derivative financial instruments and were measured at fair value on initial recognition and remeasured at each subsequent reporting date.

35. 可換股債券(續)

因此，換股權及提早贖回選擇權被視為公平值計量目的的單一衍生工具。

於二零一七年八月三十一日，本公司發行二零二零年可換股債券(「二零二零年可換股債券」)，本金額為200,000,000港元。二零二零年可換股債券的到期日為二零二零年八月三十日。

二零二零年可換股債券債券持有人可於二零二零年可換股債券發行日期後一週年至到期日前10日隨時選擇轉換，初始換股價為每股0.35港元(可予調整)。二零二零年可換股債券按初始換股價可轉換為約571,429,000股本公司普通股。任何尚未轉換的二零二零年可換股債券將其未還本金連同其任何應計利息贖回。二零二零年可換股債券按每年8厘計息，每半年支付一次，於每個曆年的六月十八日及十二月十八日支付。二零二零年可換股債券負債部分的實際利率為24.2%。

如換股權沒有被行使，負債部分的公平值乃使用類似債券等同市場利率於發行日期予以估計。嵌入可換股債券的換股權已確認為衍生金融工具及於初步確認時按公平值計量及於隨後各報告日期重新計量。

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35. CONVERTIBLE BONDS (continued)

The movements of the liability and derivative components of the convertible bonds for the year are set out below:

35. 可換股債券(續)

年內可換股債券之負債及衍生部分的變動載列如下：

		Liability components 負債部分	Derivative components 衍生部分	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	316,854	70,813	387,667
Loss on modification of 2018 CB	二零一八年可換股債券的修訂虧損	(20,900)	26,600	5,700
Interest expenses	利息開支	91,554	-	91,554
Interest paid	已付利息	(42,063)	-	(42,063)
Fair value gain	公平值收益	-	(90,793)	(90,793)
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	345,445	6,620	352,065
Movements upon modification of 2019 CB	二零一九年可換股債券 修訂後變動	(1,020)	1,020	-
Interest expenses	利息開支	105,765	-	105,765
Interest paid	已付利息	(13,000)	-	(13,000)
Fair value gain	公平值收益	-	(6,210)	(6,210)
At 31 December 2019	於二零一九年 十二月三十一日	437,190	1,430	438,620
Represented by: At 31 December 2019	代表： 於二零一九年 十二月三十一日			
Current portion	即期部分	437,190	1,430	438,620
At 31 December 2018	於二零一八年 十二月三十一日			
Current portion	即期部分	93,675	220	93,895
Non-current portion	非即期部分	251,770	6,400	258,170
		345,445	6,620	352,065

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35. CONVERTIBLE BONDS (continued)

The derivative component is measured at its fair value at the end of each reporting period. The fair values are estimated using Binominal model (level 3 fair value measurements). The key assumptions used are as follows:

		2019 二零一九年	2018 二零一八年
Weighted average share price	加權平均股價	0.013	0.11
Weighted average exercise price	加權平均行使價	0.1–0.35	0.35
Expected volatility	預期波幅	79.5%–124.08%	70%–91%
Expected life	預期有效年期	2–3	2–3
Risk free rate	無風險利率	1.79%–2.07%	1.73%–1.77%

36. FINANCIAL GUARANTEE

Fair value of financial guarantee

As at 31 December 2019, the Group provided a corporate guarantee in favour of an independent third party in respect of a loan facility granted to an associate of the Group up to an aggregate amount of approximately HK\$204,960,000 (2018: HK\$204,960,000), of which approximately HK\$29,900,000 (2018: HK\$17,656,000) has been utilised. The financial liabilities in respect to the aforementioned guarantee had not been recognised as at 31 December 2018 as the fair value of this guarantee was immaterial to the consolidated financial statements for the year ended 31 December 2018.

35. 可換股債券(續)

衍生部分於各報告期末以其公平值計量。公平值以二項式模式(第三級公平值計量)估計。已使用關鍵假設如下：

36. 財務擔保

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
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於二零一九年十二月三十一日，本集團就授予本集團一間聯營公司的貸款融資向獨立第三方提供企業擔保，總額約為204,960,000港元(二零一八年：204,960,000港元)，其中已動用約29,900,000港元(二零一八年：17,656,000港元)。截至二零一八年十二月三十一日，上述擔保的金融負債尚未確認，乃由於該擔保公平值對截至二零一八年十二月三十一日止年度綜合財務報表並不重要。

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37. DEFERRED TAX

The movements in deferred tax liabilities during the year are as follows:

37. 遞延稅項

年內，遞延稅項負債的變動如下：

		Fair value adjustments arising from acquisition of a subsidiary	Revaluation of investment property and a financial asset at FVTPL	Total
		因收購一間附屬公司產生之公平值調整	投資物業及一項按公平值計入損益之金融資產之重估	總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	10,408	–	10,408
(Credited)/charged to profit or loss for the year	年內於損益(計入)/扣除	(521)	61,110	60,589
Exchange difference	匯兌差額	(1,474)	(1,125)	(2,599)
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	8,413	59,985	68,398
Credited to profit or loss for the year	年內於損益計入	(2)	(19,430)	(19,432)
Exchange difference	匯兌差額	(395)	(8)	(403)
At 31 December 2019	於二零一九年十二月三十一日	8,016	40,547	48,563

As at 31 December 2019 and 2018, deferred taxation has not been provided in the consolidated financial statements in respect of temporary difference attributable to profits earned by the Group's PRC subsidiaries as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary difference will not reverse in the foreseeable future.

於二零一九年及二零一八年十二月三十一日，本集團中國附屬公司賺取的溢利應佔暫時性差異並未在綜合財務報表中計提遞延稅項，乃由於本集團能夠控制撥回暫時性差異的時間，而暫時性差異很可能於可見將來不會撥回。

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綜合財務報表附註

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37. DEFERRED TAX (continued)

The movement in deferred tax assets during the year is as follows:

37. 遞延稅項(續)

年內遞延稅項資產變動如下：

		Allowance for ECLs 預期信貸 虧損撥備 HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	-
Credited to profit or loss	計入損益	33,802
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	33,802
Charged to profit or loss	自損益扣除	33,802
At 31 December 2019	於二零一九年十二月三十一日	-

At the end of the reporting period, the Group has unused tax losses of approximately HK\$1,017,274,000 (2018: HK\$419,120,000) available for offset against future profits. No deferred tax asset has been recognised in respect of such losses. Included in unrecognised tax losses are losses of approximately HK\$6,598,000 (2018: HK\$1,718,000) that will expire in 2023. Other tax losses may be carried forward indefinitely.

於報告期末，本集團的未用稅項虧損約1,017,274,000港元(二零一八年：419,120,000港元)，可供抵銷未來溢利。尚未就此虧損確認遞延稅項資產。計入未確認稅項虧損的約6,598,000港元(二零一八年：1,718,000港元)虧損，將於二零二三年到期。其他稅項虧損可無限期結轉。

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38. PROVISION FOR REINSTATEMENT COSTS

38. 復原成本撥備

		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	600	1,100
Extinguished during the year (note)	年內已失效(附註)	(600)	(500)
At 31 December	於十二月三十一日	-	600
Classified as current liabilities	分類為流動負債	-	600

Note:

Pursuant to the terms of the respective tenancy agreements entered into by the Group, the Group is required to return certain of its leased properties to the conditions as stipulated in the respective tenancy agreements at the expiration or sooner determination of the corresponding lease term as appropriate. The provision for reinstatement costs was estimated based on certain assumptions and estimates made by the directors with reference to quoted prices. The assumptions and estimates are reviewed on an ongoing basis and revised as appropriate.

During the year ended 31 December 2019, provision for reinstatement costs have been extinguished following respective tenancy agreements expired.

附註：

根據本集團所訂立的有關租賃協議的條款，本集團須於租賃期屆滿時將其若干租賃物業恢復至相關租賃協議所規定的狀況，或於適當情況下提早釐定相應租賃期。復原成本撥備乃根據董事參考報價所作的若干假設及估計估算。該等假設及估計將按持續基準檢討，並於適當時作出修訂。

截至二零一九年十二月三十一日止年度，隨各自租賃協議逾期後，計提復原成本撥備已失效。

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39. SHARE CAPITAL

Shares:

39. 股本

股份：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Authorised:	法定：		
20,000,000,000 (2018: 20,000,000,000) ordinary shares of HK\$0.01 each	20,000,000,000 股 (二零一八年：20,000,000,000 股) 每股面值0.01港元之普通股	200,000	200,000
Issued and fully paid:	已發行及繳足：		
6,810,750,454 (2018: 6,810,750,454) ordinary shares of HK\$0.01 each	6,810,750,454 股(二零一八年： 6,810,750,454 股)每股面值 0.01 港元之普通股	68,108	68,108

A summary of the movements in the Company's issued share capital is as follows:

本公司已發行股本變動之概要如下：

		Number of ordinary shares 普通股數目	Issued capital 已發行股本	Share premium account (note 40(a)) 股份溢價賬 (附註40(a))	Total 總計
		'000 千股	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	6,634,170	66,342	1,009,032	1,075,374
Issue of ordinary shares on placing (note)	於配售時發行普通股 (附註)	176,580	1,766	50,681	52,447
At 31 December 2018, 1 January 2019 and 31 December 2019	於二零一八年 十二月三十一日、 二零一九年一月一日 及二零一九年 十二月三十一日	6,810,750	68,108	1,059,713	1,127,821

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39. SHARE CAPITAL (continued)

Shares: (continued)

Note:

On 4 May 2018, the Company entered into a conditional placing agreement with an independent placing agent whereby the Company conditionally agreed to place, through the placing agent, up to 176,580,000 placing shares to not less than six independent placees at a price of HK\$0.3 per placing share (the "Placing"). On 23 May 2018, an aggregate of 176,580,000 new shares were placed at HK\$0.3 per placing share. The proceeds were credited to the share capital account at par at HK\$0.01 per share amounted to approximately HK\$1,766,000. The remaining of the proceeds from the placing of new shares of approximately HK\$50,681,000, net of transaction costs, were credited to the Company's share premium account. The Placing was completed on 23 May 2018.

The Group's objective when managing capital are to safeguard the Group's ability to continue as a going concern and to maximise the return to the shareholders through the optimisation of the debt and equity balance.

The externally imposed capital requirement for the Group is to maintain its listing on the Stock Exchange it has to have a public float of at least 25% of the shares.

39. 股本(續)

股份：(續)

附註：

於二零一八年五月四日，本公司與一名獨立配售代理訂立有條件配售協議，據此，本公司有條件同意透過配售代理以每股配售股份0.3港元之價格向不少於六名獨立承配人配售最多176,580,000股配售股份（「配售事項」）。於二零一八年五月二十三日，合共176,580,000股新股份按每股配售股份0.3港元配售。所得款項按面值每股0.01港元計入股本賬戶，金額約為1,766,000港元。配售新股所得款項餘額約50,681,000港元（扣除交易成本）已計入本公司股份溢價賬。配售事項已於二零一八年五月二十三日完成。

本集團管理資金旨在保障本集團持續經營的能力，並通過優化債務及股權餘額以給予股東最大的回報。

本集團的外部施加資本要求乃維持其於聯交所上市所須至少25%股份的公眾持股量。

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40. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on page 74 of the consolidated financial statements.

(a) Share premium

The share premium account of the Group includes: (i) the premium arising from the issue of new shares in prior years; (ii) the expense incurred in connection with issuance of new shares in prior years; (iii) dividends declared and paid in prior years; and (iv) amount transferred from share-based compensation reserve upon exercise of share options.

(b) Capital reserve

The capital reserve represents the excess of paid-in capital of the companies comprising the Group, being proceeds from the issue of preference shares without voting rights issued by a subsidiary to certain independent third parties at an aggregate amount of approximately HK\$14,593,000 (equivalent to USD1,864,000) credited to the capital reserve.

(c) Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operation. The reserve is dealt with in accordance with the accounting policies set out in note 4(e) to the consolidated financial statements.

40. 儲備

本集團儲備的款項及其於本年度及過往年度的變動呈列於綜合財務報表第74頁的綜合權益變動表內。

(a) 股份溢價

本集團股份溢價賬包括：(i) 過往年度發行新股產生之溢價；(ii) 過往年度就發行新股產生之開支；(iii) 過往年度所宣派及派付之股息；及(iv) 行使購股權後自股份補償儲備中轉撥的金額。

(b) 資本儲備

資本儲備指組成本集團的公司的實繳資本盈餘，乃附屬公司向若干獨立第三方發行的無表決權優先股所得款項，總計約14,593,000港元（相當於1,864,000美元）計入資本儲備。

(c) 外幣匯兌儲備

外幣匯兌儲備包含因換算海外業務財務報表而產生的所有匯兌差額。儲備乃根據綜合財務報表附註4(e)中所載的會計政策予以處理。

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41. INVESTMENTS IN SUBSIDIARIES

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

Name 名稱	Place of incorporation/ registration and operation 註冊成立地點/ 註冊及經營地點	Particular of issued share capital 已發行股本詳情	Percentage of ownership interest/ voting power/profit sharing 股權/表決權/ 應佔溢利百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Ace Leader (HK) Limited 領皇(香港)有限公司	Hong Kong 香港	Ordinary shares of HK\$300,000,000 300,000,000港元 的普通股	-	100% (2018: 100%) (二零一八年: 100%)	Provision of financing services 提供金融服務
HongDa Financial Hong Kong Company Limited 弘達金融香港有限公司	Hong Kong 香港	Ordinary shares of HK\$10,000,000 10,000,000港元 的普通股	100% (2018: 100%) (二零一八年: 100%)	-	Materials trading and provision of intercompany management services 材料貿易及為集團 提供管理服務
Beijing Tu An Car Rental Services Limited* (Note) 北京途安汽車租賃有限責任公司(附註)	PRC 中國	Registered capital of RMB5,000,000 人民幣5,000,000元 的註冊資本	-	100% (2018: 100%) (二零一八年: 100%)	Provision of car rental services 提供汽車租用業務
Finest Achieve Limited 萃達有限公司	BVI 英屬處女群島	Ordinary share of USD1 1美元的普通股	100% (2018: 100%) (二零一八年: 100%)	-	Investment holding 投資控股
Mercury International LLC	The United States of America 美利堅合眾國	Ordinary shares of USD50,000 50,000美元的普通股	-	51% (2018: 51%) (二零一八年: 51%)	Investment holding 投資控股
Hongshen Xi Wang Technology (Zhuhai) Company Limited* (Note) 弘深希望科技(珠海)有限公司(附註)	PRC 中國	Registered capital of RMB25,000,000 人民幣25,000,000元 的註冊資本	-	100% (2018: 100%) (二零一八年: 100%)	Investment holding 投資控股
HongDa Finance & Investment Limited 弘達金融及投資有限公司	Hong Kong 香港	Ordinary share of HK\$1 1港元的普通股	-	100% (2018: 100%) (二零一八年: 100%)	Investment holding 投資控股

* The English names of these entities refer to in this note represented management's best efforts in translating the Chinese names of these entities as no English names have been registered or available.

Note: These subsidiaries are registered as limited liability Company (foreign-invested enterprise sole investment) under the PRC Law.

41. 於附屬公司的投資

主要的附屬公司於二零一九年十二月三十一日的詳情如下：

* 該等實體於本附註的英文名稱為管理層盡最大努力翻譯該等實體的中文名稱，因其並無註冊或可用的英文名稱。

附註：該等附屬公司乃根據中國法律註冊為有限公司(外商投資企業獨資)。

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41. INVESTMENTS IN SUBSIDIARIES (continued)

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

Details of the Group's subsidiary that has material non-controlling interest are set out below:

(i) Mercury Union Limited

Percentage of equity interest held by non-controlling interest Mercury Union Limited and its subsidiary (the "Mercury Group"):	由非控股權益 Mercury Union Limited 及其附屬公司 (「Mercury 集團」) 持有之股權百分比：
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41. 於附屬公司的投資(續)

本公司董事認為，上表所列本公司的附屬公司乃主要影響本集團本年度業績或組成本集團淨資產的重要部分。本公司董事認為載列其他附屬公司的詳情會令篇幅過長。

擁有重大非控股權益的本集團附屬公司詳情載列如下：

(i) Mercury Union Limited

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Percentage of equity interest held by non-controlling interest Mercury Union Limited and its subsidiary (the "Mercury Group"):	49%	49%

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41. INVESTMENTS IN SUBSIDIARIES (continued)

(i) Mercury Union Limited (continued)

The following table illustrates the summarised financial information of the Mercury Group. The amounts disclosed are before any inter-company eliminations:

41. 於附屬公司的投資(續)

(i) Mercury Union Limited (續)

下表說明Mercury集團之財務資料概要。披露金額乃為集團間對銷前之金額：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Total expense for the year	年內總開支	(45,836)	(48,492)
Loss for the year	年內虧損	(54,307)	(16,092)
Loss and total comprehensive income for the year	年內虧損及全面收入總額	(53,966)	(16,464)
Loss for the year allocated to non-controlling interest of the Mercury Group:	分配至Mercury集團非控股權益的年內虧損：	(26,610)	(7,885)
Current assets	流動資產	15,083	72,900
Non-current assets	非流動資產	237,936	263,141
Current liabilities	流動負債	(353,179)	(144,221)
Non-current liabilities	非流動負債	(6,269)	(244,206)
Net liabilities	負債淨額	(106,429)	(52,386)
Accumulated losses of non-controlling interest of the Mercury Group at the reporting date:	於報告日期Mercury集團非控股權益的累計虧損：	52,434	25,825
Net cash flows generated from/ (used in) operating activities	經營活動產生/(所用)現金流量淨額	18,229	(211,131)
Net cash flows used in investing activities	投資活動所用現金流量淨額	-	(10,962)
Net cash flows (used in)/from financing activities	融資活動(所用)/所得現金流量淨額	(18,803)	216,520
Effect of foreign exchange rate change	外匯匯率變動的影響	(475)	(32)
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(1,049)	(5,605)

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41. INVESTMENTS IN SUBSIDIARIES (continued)

(ii) Higgs Dynamics Limited

41. 於附屬公司的投資(續)

(ii) Higgs Dynamics Limited

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Percentage of equity interest held by non-controlling interest Higgs Dynamics Zhuhai Company Limited ("Higgs Dynamics"):	非控股權益希格斯動力科技(珠海)有限公司(「希格斯動力」)所持股權百分比：	40%	40%

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41. INVESTMENTS IN SUBSIDIARIES (continued)

(ii) Higgs Dynamics Limited (continued)

The following table illustrates the summarised financial information of Higgs Dynamics. The amounts disclosed are before any inter-company eliminations:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Total expenses	總開支	(8,867)	(13,869)
Loss for the year	年內虧損	(7,130)	(13,869)
Loss and total comprehensive income for the year	年內虧損及全面收入總額	(8,298)	(13,532)
Loss for the year allocated to non-controlling interest of the Higgs Dynamics:	分配至希格斯動力非控股權益之年內虧損：	(2,852)	(5,547)
Current assets	流動資產	1,343	2,601
Non-current assets	非流動資產	47	133
Current liabilities	流動負債	(1,737)	(1,928)
Net (liabilities)/assets	(負債)/資產淨值	(347)	806
Accumulated losses of non-controlling interest of the Higgs Dynamics at the reporting date:	於報告日期希格斯動力非控股權益之累計虧損：	7,261	4,409
Net cash flows used in operating activities	經營活動所用現金流量淨額	(7,082)	(14,264)
Net cash flows from/(used in) investing activities	投資活動所得/(所用)現金流量淨額	24	(378)
Net cash flows from financing activities	融資活動所得現金流量淨額	6,905	14,709
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)/增加淨額	(153)	67

41. 於附屬公司的投資(續)

(ii) Higgs Dynamics Limited (續)

下表說明希格斯動力之財務資料概要。披露金額乃集團間對銷前之金額：

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42. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Provision for reinstatement costs

During the year ended 31 December 2018, the Group entered into tenancy agreements in respect of certain of its office premises and under operating leases. Pursuant to the terms of respective tenancy agreements entered into by the Group, the Group is required to restore the leased properties to the conditions as stipulated in the tenancy agreements. Accordingly, a provision for reinstatement costs in respect of the leased properties of the Group amounting to approximately HK\$600,000 was recognised during the year ended 31 December 2018. During the year ended 31 December 2019, provision for reinstatement costs have been extinguished following respective tenancy agreements expired.

(b) Disposal of subsidiaries

On 28 December 2018, the Group disposed of its entire equity interest of two wholly-owned subsidiaries in financing services and investments segment to four individual third parties at a total consideration of HK\$500,000. A loss on disposal of subsidiaries amounting to approximately HK\$1,001,000 was recognised during the year ended 31 December 2018. The loss on disposal of subsidiaries is included in "Other expenses" in the consolidated statement of profit or loss. At the date of disposal, the carrying amounts of assets and liabilities are summarised as follows:

42. 綜合現金流量表附註

(a) 復原成本撥備

截至二零一八年十二月三十一日止年度，本集團就其若干辦公室物業按經營租賃訂立租賃協議。根據本集團所訂立的有關租賃協議的條款，本集團須將租賃物業恢復至相關租賃協議所規定的狀況。因此，截至二零一八年十二月三十一日止年度，本集團租賃物業相關復原成本計提撥備為約600,000港元獲確認。截至二零一九年十二月三十一日止年度，隨各自租賃協議逾期後，計提復原成本撥備已失效。

(b) 出售附屬公司

於二零一八年十二月二十八日，本集團向四名個人第三方出售其於兩間全資附屬公司融資服務及投資分部的全部股權，總代價為500,000港元。截至二零一八年十二月三十一日止年度確認出售附屬公司虧損約1,001,000港元。出售附屬公司虧損計入綜合損益表「其他開支」。於出售日期，資產及負債賬面值概述如下：

		Notes 附註	HK\$'000 千港元
Net assets disposed of:	已出售資產淨值：		
Property, plant and equipment	物業、廠房及設備	18	2,582
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		1,309
Loan and loan interest receivables	應收貸款及貸款利息		153
Cash and bank balances	現金及銀行結餘		4
Other payables	其他應付款項		(2,547)
Net assets disposed of	已出售資產淨值		1,501
Loss on disposal of subsidiaries	出售附屬公司的虧損	12	(1,001)
Consideration, satisfied by cash	代價，以現金結算		500

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
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42. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(b) Disposal of subsidiaries (continued)

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

42. 綜合現金流量表附註(續)

(b) 出售附屬公司(續)

出售附屬公司之現金及現金等價物之淨流入分析如下：

		2018 二零一八年 HK\$'000 千港元
Cash consideration	現金代價	500
Cash and bank balances disposed of	已出售現金及銀行結餘	(4)
Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries	出售附屬公司之現金及 現金等價物之淨流入	496

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綜合財務報表附註

For the year ended 31 December 2019
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42. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(b) Disposal of subsidiaries (continued)

On 1 February 2019, the Group disposed of its entire equity interest of a wholly-owned subsidiary in financing services and investments segment to two individual third parties at a total consideration of approximately HK\$10,589,000. A gain on disposal of a subsidiary amounting to approximately HK\$10,877,000 was recognised during the year ended 31 December 2019. The gain on disposal of a subsidiary is included in "Other income, gains and losses, net" in the consolidated statement of profit or loss. At the date of disposal, the carrying amounts of assets and liabilities are summarised as follows:

42. 綜合現金流量表附註(續)

(b) 出售附屬公司(續)

於二零一九年二月一日，本集團以總代價約10,589,000港元向兩名個人第三方出售其於一間全資附屬公司融資服務及投資分部的全部股權。截至二零一九年十二月三十一日止年度，確認出售一間附屬公司收益約10,877,000港元。出售一間附屬公司收益已計入綜合損益表的「其他收入、收益及虧損淨額」內。於出售日期，資產及負債賬面值概要如下：

	Note 附註	HK\$'000 千港元
Net liabilities disposed of:		
Prepayments, deposits and other receivables		3,000
Amount due to a joint venture		(5)
Amount due to a fellow subsidiary		(196)
Provision of obligation to joint venture	23	(3,087)
Net liabilities disposed of		(288)
Gain on disposal of a subsidiary		10,877
Consideration, satisfied by cash		10,589

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of a subsidiary is as follows:

出售一間附屬公司之現金及現金等價物之淨流入分析如下：

		2019 HK\$'000 二零一九年 千港元
Net inflow of cash and cash equivalents in respect of the disposal of a subsidiary	出售一間附屬公司之現金及現金等價物之淨流入	10,589

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
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42. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(c) Reconciliation of liabilities arising from financing activities

		Lease liabilities	Bank and other borrowings	Convertible bonds
		租賃負債	銀行及其他借貸	可換股債券
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
At 1 January 2018	於二零一八年一月一日	-	376,153	316,854
Changes from financing cash flows	融資現金流量變動			
Increase of new interest-bearing other borrowings	新增計息其他借貸增加	-	385,762	-
Repayment of bank and other borrowings	償還銀行及其他借貸	-	(43,299)	-
		-	342,463	-
Other changes	其他變動			
Interest on convertible bonds	可換股債券利息	-	-	91,554
Interest on bank and other borrowings	銀行及其他借貸利息	-	64,285	-
Interest paid	已付利息	-	(30,542)	(42,063)
Accrued interest	應計利息	-	(33,743)	-
Loss on modification of a convertible bond	可換股債券修訂虧損	-	-	(20,900)
Exchange difference	匯兌差額	-	(3,088)	-
		-	(3,088)	28,591

42. 綜合現金流量表附註(續)

(c) 融資活動產生之負債對賬

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

42. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(c) Reconciliation of liabilities arising from financing activities (continued)

42. 綜合現金流量表附註(續)

(c) 融資活動產生之負債對賬(續)

		Lease liabilities 租賃負債 HK\$'000 千港元	Bank and other borrowings 銀行及其他借貸 HK\$'000 千港元	Convertible bonds 可換股債券 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	–	715,528	345,445
Impact of initial application of HKFRS 16	首次應用香港財務報告準則第16號的影響	6,842	–	–
Restated balance at 1 January 2019	於二零一九年一月一日的經重列結餘	6,842	715,528	345,445
Changes from financing cash flows	融資現金流量變動			
Increase of new interest-bearing other borrowings	新增計息其他借貸增加	–	33,577	–
Repayment of bank and other borrowings	償還銀行及其他借貸	–	(247,198)	–
Lease rental paid	已付租賃租金	(2,794)	–	–
		(2,794)	(213,621)	–
Other changes	其他變動			
Increase of lease liabilities	租賃負債增加	2,918	–	–
Interest on convertible bonds	可換股債券利息	–	–	105,765
Interest on bank and other borrowings	銀行及其他借貸利息	–	46,124	–
Interest paid	已付利息	–	(15,871)	(13,000)
Interest element of lease paid	已付租賃利息部分	(614)	–	–
Accrued interest	應計利息	614	(30,253)	–
Modification of convertible bonds	可換股債券修訂	–	–	(1,020)
Exchange difference	匯兌差額	(106)	(1,072)	–
		2,812	(1,072)	91,745
At 31 December 2019	於二零一九年十二月三十一日	6,860	500,835	437,190

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2019
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42. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(d) Total cash outflow for leases

Amounts included in the consolidated statement of cash flows for leases comprise the following:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within operating cash flows	於經營現金流量內	614	-
Within financing cash flows	於融資現金流量內	2,794	-
		3,408	-

These amounts relate to the following:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Lease rental paid	已付租賃租金	3,408	-

42. 綜合現金流量表附註(續)

(d) 租賃現金流出總額

租賃計入綜合現金流量表中的金額包括以下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within operating cash flows	於經營現金流量內	614	-
Within financing cash flows	於融資現金流量內	2,794	-
		3,408	-

該等金額與下列有關：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Lease rental paid	已付租賃租金	3,408	-

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43. CONTINGENT LIABILITIES

As at 31 December 2019, the Group provided a corporate guarantee in favour of an independent third party in respect of a loan facility granted to an associate of the Group, details are set out in note 36 to the consolidated financial statements.

44. CAPITAL COMMITMENTS

Capital commitments contracted for at the end of the reporting period but not yet incurred are as follows:

43. 或然負債

於二零一九年十二月三十一日，本集團就本集團一間聯營公司獲授的貸款融資向一獨立第三方提供企業擔保，有關詳情載於綜合財務報表附註36。

44. 資本承擔

於報告期末已訂約惟尚未產生的資本承擔如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Capital contribution payable to unlisted equity investments	就非上市權益投資應付之出資	89,400	136,181

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45. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group leases its motor vehicles under operating lease arrangements with leases negotiated for terms ranging from one month to five years (2018: one month to five years) while certain leases can be early terminated by serving seven days to two months (2018: seven days to two months) notice or paying 10% to 100% (2018: 10% to 100%) of total remaining unpaid leases payments.

At 31 December 2018, the total future minimum lease receivables under non-cancellable operating leases are as follows:

45. 經營租賃安排

(a) 作為出租人

本集團根據經營租賃安排出租汽車，經磋商的租賃期介乎一個月至五年(二零一八年：一個月至五年)，若干租約可在提供七天至兩個月(二零一八年：七天至兩個月)通知期或支付餘下尚未支付租金總額的10%至100%(二零一八年：10%至100%)後提早中止。

於二零一八年十二月三十一日，不可撤銷經營租賃的未來最低應收租賃款項總額如下：

		2018 二零一八年 HK\$'000 千港元
Within one year	一年內	8,532
In the second to fifth years, inclusive	第二年至第五年(包括首尾兩年)	2,505
		11,037

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綜合財務報表附註

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45. OPERATING LEASE ARRANGEMENTS

(continued)

(a) As lessor (continued)

Minimum lease payments receivable on leases are as follows:

		2019 二零一九年 HK\$'000 千港元
Within one year	一年內	10,701
In the second year	於第二年	5,591
In the third year	於第三年	2,278
Total	總計	18,570

The following table presents the amounts reported in profit or loss:

		2019 二零一九年 HK\$'000 千港元
Lease income on operating leases	經營租賃的租賃收入	20,252

45. 經營租賃安排(續)

(a) 作為出租人(續)

租賃的應收最低租賃付款如下：

下表列出於損益中報告的金額：

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45. OPERATING LEASE ARRANGEMENTS

(continued)

(b) As lessee

The Group leases certain of its office premises and its motor vehicles under operating lease arrangements, with leases negotiated for terms ranging from one to ten years (2018: one to ten years) while certain leases can be early terminated generally by serving five days to six months (2018: five days to six months) notice or paying 15% to 50% (2018: 15% to 50%) of total remaining unpaid leases payments.

As at 31 December 2018, the total future minimum lease payments under non-cancellable operating leases are as follows:

		2018 二零一八年 HK\$'000 千港元
Within one year	一年內	29,462
In the second to fifth years, inclusive	第二年至第五年(包括首尾兩年)	4,894
		34,356

The Group regularly entered into short-term leases for motor vehicles. As at 31 December 2019, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense disclosed in note 20 to the consolidated financial statements.

As at 31 December 2019, the outstanding lease commitments relating to these motor vehicles is approximately HK\$1,642,000.

45. 經營租賃安排(續)

(b) 作為承租人

本集團根據經營租賃安排租賃若干辦公室物業及汽車，經磋商的租賃期介乎一至十年(二零一八年：一至十年)，若干租約通常可在提供五天至六個月(二零一八年：五天至六個月)通知期或支付餘下尚未支付租金總額的15%至50%(二零一八年：15%至50%)後，提早中止。

於二零一八年十二月三十一日，根據不可撤銷經營租賃的未來最低租賃付款總額如下：

本集團定期訂立汽車短期租賃。於二零一九年十二月三十一日，短期租賃組合與綜合財務報表附註20中披露的短期租賃開支的短期租賃組合相似。

於二零一九年十二月三十一日，有關該等汽車的未償還租賃承擔約為1,642,000港元。

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45. OPERATING LEASE ARRANGEMENTS

(continued)

(b) As lessee (continued)

At 31 December 2019, the Group entered into new leases for premise that are not yet commenced, with non-cancellable period of 5 years without extension options, the total future undiscounted cash flows over the non-cancellable period amounted to approximately HK\$1,116,000.

46. RELATED PARTY TRANSACTIONS

In addition to the transactions detailed elsewhere in these consolidated financial statements, the Group had the following transactions with related parties during the year:

Compensation of key management personnel of the Group, including amounts paid or payable to the Company's directors, 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
Short term employee benefits	短期僱員福利	9,597	10,544
Post-employment benefits	離職後福利	72	239
Total compensation paid or payable to key management personnel	向主要管理人員支付或應付的酬金總額	9,669	10,783

Further details of directors' emoluments are included in note 13 to the consolidated financial statements.

45. 經營租賃安排(續)

(b) 作為承租人(續)

於二零一九年十二月三十一日，本集團為尚未開始的物業訂立新租賃，不可撤銷期間為五年，不具有延期選擇權，該不可撤銷期間未來未貼現現金流量總額約為1,116,000港元。

46. 關連方交易

除該等綜合財務報表其他部分所詳述的交易外，本集團曾與關連方進行下列交易：

本集團主要管理人員之薪酬，包括已付或應付予本公司董事之金額如下：

董事薪酬的進一步詳情載於綜合財務報表附註13。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

47. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

47. 本公司的財務狀況表

有關本公司於報告期末的財務狀況表的資料如下：

		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		
Property, plant and equipment	物業、廠房及設備	-	-
Interests in subsidiaries	於附屬公司之權益	11,168	11,168
Financial assets at FVTPL	按公平值計入損益的金融資產	10,941	73,523
Loan receivable	應收貸款	-	-
		22,109	84,691
CURRENT ASSETS	流動資產		
Prepayments	預付款項	3,166	3,000
Amounts due from subsidiaries	應收附屬公司款項	574,861	1,120,050
Restricted cash	受限制現金	-	11,973
Bank balances	銀行結餘	54	138
		582,081	1,135,161
CURRENT LIABILITIES	流動負債		
Amounts due to subsidiaries	應付附屬公司款項	17,968	17,968
Other payables and accruals	其他應付款項及應計款項	3,384	3,008
Derivative financial instrument	衍生金融工具	1,430	220
Convertible bonds	可換股債券	437,190	93,675
Financial guarantee	財務擔保	25,800	-
		485,772	114,871
NET CURRENT ASSETS	流動資產淨值	96,309	1,020,290
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債	118,418	1,104,981

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

47. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

47. 本公司的財務狀況表(續)

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
NON-CURRENT LIABILITIES	非流動負債		
Convertible bonds	可換股債券	–	251,770
Derivative financial instruments	衍生金融工具	–	6,400
Interest-bearing other borrowing	計息其他借貸	100,000	100,000
		100,000	358,170
NET ASSETS	資產淨值	18,418	746,811
EQUITY	權益		
Issued capital	已發行股本	68,108	68,108
Reserves (note)	儲備(附註)	(49,690)	678,703
TOTAL EQUITY	權益總額	18,418	746,811

Chen Xiaohang
陳驍航
Executive Director
執行董事

Qiu Bin
邱斌
Chairman and Executive Director
主席兼執行董事

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

47. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note:

A summary of the Company's reserves is as follows:

		Share premium account 股份溢價賬 HK\$'000 千港元	Accumulated losses 累計虧損 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	1,009,032	(197,913)	811,119
Loss and total comprehensive income for the year	年內虧損及全面收入總額	-	(183,097)	(183,097)
Issue of shares on placing	於配售時發行股份	51,208	-	51,208
Shares issue expenses	股份發行開支	(527)	-	(527)
At 31 December 2018 and at 1 January 2019	於二零一八年十二月三十一日及二零一九年一月一日	1,059,713	(381,010)	678,703
Loss and total comprehensive income for the year	年內虧損及全面收入總額	-	(728,393)	(728,393)
At 31 December 2019	於二零一九年十二月三十一日	1,059,713	(1,109,403)	(49,690)

47. 本公司的財務狀況表(續)

附註：

本公司之儲備摘要如下：

48. EVENT AFTER THE REPORTING PERIOD

Since January 2020, the outbreak of the new coronavirus ("COVID-19") has impact on the global business environment, which brought about additional uncertainties to the Group's operation. Up to the approval date on this report, COVID-19 has not resulted in material impact to the Group. The Group will keep continuous attention on the situation of COVID-19 and react actively to its impact on the financial position and operating results of the Group.

49. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the board of directors on 12 May 2020.

48. 報告期後事項

自二零二零年一月起，新冠狀病毒(「新冠狀病毒」)的爆發對全球營商環境產生了影響，為本集團經營帶來額外的不確定性。直至本報告審批日期，新冠狀病毒概無對本集團造成重大影響。本集團將繼續留意新冠狀病毒的情況，並積極應對其對本集團財務狀況及經營業績的影響。

49. 綜合財務報表的批准

綜合財務報表已於二零二零年五月十二日獲董事會批准及授權刊發。

Five-Year Financial Summary

五年財務摘要

A summary of the Group's results for the last five financial years and the assets and liabilities of the Group as at 31 December 2019, 2018, 2017, 2016 and 2015 as extracted from the published audited financial statements, is set out below. The summary does not form part of the audited financial statements.

下文載列本集團於過去五個財政年度的業績及本集團於二零一九年、二零一八年、二零一七年、二零一六年及二零一五年十二月三十一日的資產及負債的概要，有關資料乃摘錄自己刊發經審核財務報表。本概要並不構成經審核財務報表的一部分。

		Year ended 31 December 截至十二月三十一日止年度				
		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
RESULTS	業績					
CONTINUING OPERATIONS	持續經營業務					
REVENUE	收益	654,318	1,097,593	2,999,973	3,246,906	271,221
Cost of sales and services rendered	銷售成本及提供的服務	(614,262)	(1,031,644)	(2,883,059)	(3,114,871)	(247,820)
Gross profit	毛利	40,056	65,949	116,914	132,035	23,401
Other income, gains and losses, net	其他收入、收益及虧損淨額	(50,584)	334,068	58,472	6,221	26,640
Allowance for ECLs on trade, loan and other receivables, net	應收賬款、應收貸款及其他應收款項預期信貸虧損撥備淨額	(382,779)	(198,039)	-	-	-
Impairment on amount due from a joint venture	應收一間合營公司款項減值	-	(15,003)	-	-	-
Impairment on amount due from an associate	應收一間聯營公司款項減值	(8,783)	-	-	-	-
Provision for financial guarantee	財務擔保撥備	(25,800)	-	-	-	-
Selling and distribution expenses	銷售及分銷費用	(7,860)	(7,641)	(2,835)	(2,488)	(3,215)
Administrative expenses	行政費用	(100,517)	(123,478)	(62,509)	(34,824)	(33,578)
Other expenses	其他開支	(6,823)	(8,798)	(14,135)	(83,532)	(161)
Finance costs	融資成本	(158,603)	(156,100)	(74,418)	(33,678)	(1,886)
Share of results of:	應佔業績：					
Joint ventures	合營公司	(551)	4,183	(6,165)	(3,123)	(7,855)
An associate	一間聯營公司	(4,480)	(107,938)	(16,865)	-	-
(LOSS)/PROFIT BEFORE TAX	除稅前(虧損)/溢利	(706,724)	(212,797)	(1,541)	(19,389)	3,346
Income tax expense	所得稅開支	(14,350)	(27,651)	(6,697)	(12,016)	(2,862)

Five-Year Financial Summary

五年財務摘要

		Year ended 31 December 截至十二月三十一日止年度				
		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
(LOSS)/PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS	持續經營業務之年內(虧損)/溢利	(721,074)	(240,448)	(8,238)	(31,405)	484
DISCONTINUED OPERATION	已終止經營業務					
Loss for the year from a discontinued operation	已終止經營業務之年內虧損	-	-	-	(828)	(11,044)
Gain on disposal of a discontinued operation	出售已終止經營業務之收益	-	-	-	15,603	2,982
		-	-	-	14,775	(8,062)
LOSS FOR THE YEAR	年內虧損	(721,074)	(240,448)	(8,238)	(16,630)	(7,578)
Attributable to:	以下各方應佔：					
Owners of the Company	本公司擁有人	(691,607)	(226,976)	(4,445)	(16,630)	(7,578)
Non-controlling interests	非控股權益	(29,467)	(13,472)	(3,793)	-	-
		(721,074)	(240,448)	(8,238)	(16,630)	(7,578)
		As at 31 December 於十二月三十一日				
		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
ASSETS AND LIABILITIES	資產及負債					
TOTAL ASSETS	資產總值	1,150,016	2,039,568	1,852,545	1,355,151	1,034,268
TOTAL LIABILITIES	負債總額	1,131,598	(1,292,757)	(928,074)	(449,010)	(103,401)
		18,418	746,811	924,471	906,141	930,867



弘達金融控股有限公司
HongDa Financial Holding Limited