



SHOUGANG CONCORD GRAND (GROUP) LIMITED

首長四方（集團）有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock Code 股份代號 : 730

ANNUAL REPORT

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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Xu Liang (*Chairman*)
Tian Gang (*Executive Director*)
Huang Donglin (*Non-executive Director*)
Zhang Jianxun (*Non-executive Director*)
Tam King Ching, Kenny (*Independent Non-executive Director*)
Zhang Xingyu (*Independent Non-executive Director*)
Ng Man Fung, Walter (*Independent Non-executive Director*)
On Danita (*Independent Non-executive Director*)

EXECUTIVE COMMITTEE

Xu Liang (*Chairman*)
Tian Gang

AUDIT COMMITTEE

Tam King Ching, Kenny (*Chairman*)
Huang Donglin
Zhang Xingyu
Ng Man Fung, Walter
On Danita

NOMINATION COMMITTEE

Xu Liang (*Chairman*)
Huang Donglin
Tam King Ching, Kenny
Zhang Xingyu
Ng Man Fung, Walter
On Danita

REMUNERATION COMMITTEE

Tam King Ching, Kenny (*Chairman*)
Xu Liang
Huang Donglin
Zhang Xingyu
Ng Man Fung, Walter
On Danita

SENIOR MANAGEMENT

Liang Hengyi (*General Manager*)

COMPANY SECRETARY

Tse Ching Wah

董事會

徐 量(*主席*)
田 剛(*執行董事*)
黃冬林(*非執行董事*)
張建勳(*非執行董事*)
譚競正(*獨立非執行董事*)
張興禹(*獨立非執行董事*)
伍文峯(*獨立非執行董事*)
安殷霖(*獨立非執行董事*)

執行委員會

徐 量(*主席*)
田 剛

審核委員會

譚競正(*主席*)
黃冬林
張興禹
伍文峯
安殷霖

提名委員會

徐 量(*主席*)
黃冬林
譚競正
張興禹
伍文峯
安殷霖

薪酬委員會

譚競正(*主席*)
徐 量
黃冬林
張興禹
伍文峯
安殷霖

高級管理層

梁衡義(*總經理*)

公司秘書

謝靜華

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor

PRINCIPAL REGISTRAR

Ocorian Management (Bermuda) Limited
Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

REGISTERED OFFICE

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

PRINCIPAL OFFICE IN HONG KONG

5/F., Bank of East Asia Harbour View Centre
56 Gloucester Road
Wanchai
Hong Kong

STOCK CODE

730

WEBSITE

www.shougang-grand.com.hk

核數師

羅兵咸永道會計師事務所
執業會計師
註冊公眾利益實體核數師

主要過戶登記處

Ocorian Management (Bermuda) Limited
Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

香港股份過戶登記分處

卓佳登捷時有限公司
香港
皇后大道東183號
合和中心54樓

註冊辦事處

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

香港主要辦事處

香港
灣仔
告士打道56號
東亞銀行港灣中心5樓

股份代號

730

網址

www.shougang-grand.com.hk

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

董事及高級管理層簡介

DIRECTORS

Mr. Xu Liang, aged 55, senior accountant, graduated from Fudan University and obtained a bachelor degree in statistics and a master degree in business administration from Tsinghua University. Mr. Xu was appointed as an Executive Director of the Company since January 2017 and the Chairman of the board of directors of the Company (the "Board") since June 2017, and acted as the Managing Director of the Company from January 2021, in order to re-comply with the requirement under code provision A.2.1 of the Corporate Governance Code as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") in relation to the roles of chairman and the chief executive should not be performed by the same individual, Mr. Xu has resigned as the Managing Director of the Company with effect from 29 March 2021. Mr. Xu is also the chairman of each of the Executive Committee and the Nomination Committee, as well as a member of the Remuneration Committee. Mr. Xu is also the chairman of the board of directors of Beijing West Business Factoring Company Limited* ("Beijing West Factory", 京西商業保理有限公司), Beijing West Factoring is held as to 41.41% equity interests by the Company. Mr. Xu joined the group of Shougang Group Co., Ltd ("Shougang Group") in 1988 and held various senior positions. He is the managing director of Shougang Holding (Hong Kong) Limited ("Shougang Holding"). Shougang Holding is a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") while Shougang Group is the holding company of Shougang Holding. He is also an executive director and the member of the executive committee of Shoucheng Holdings Limited (formerly named as Shougang Concord International Enterprises Company Limited, "Shoucheng Holding"). He is currently an executive director and the member of the executive committee, the nomination committee and remuneration committee of Global Digital Creations Holdings Limited ("GDC"). He had been the Chairman of the board of directors of GDC during the period from June 2017 to July 2018. The shares of Shoucheng Holding and GDC are listed on the main board of the Stock Exchange. Mr. Xu has extensive experience in management.

A service agreement was entered into between Mr. Xu and a wholly-owned subsidiary of the Company for a term of three years commencing on 1 January 2020. Under the service agreement, Mr. Xu is entitled to a salary and discretionary bonus as may be determined by the Board or its delegated committee(s) from time to time. For both financial years 2020 and 2021, Mr. Xu's monthly salary is HK\$280,000. Such salary was determined by the Remuneration Committee with reference to Mr. Xu's roles and duties as well as the then prevailing market conditions.

董事

徐量先生，年五十五歲，高級會計師，畢業於復旦大學並獲得數理統計學士學位，其後獲得清華大學工商管理碩士學位。徐先生由二零一七年一月獲委任為本公司之執行董事，及由二零一七年六月獲委任為本公司董事會（「董事會」）主席，並於二零二一年一月起兼任本公司之董事總經理，為重新遵守香港聯合交易所有限公司（「聯交所」）證券上市規則附錄十四所載之企業管治守則第A.2.1條守則條文有關主席與行政總裁不應由一人同時兼任的規定，徐先生辭任本公司董事總經理，由二零二一年三月二十九日起生效。徐先生為本公司執行委員會及提名委員會之主席，以及薪酬委員會之成員。徐先生亦為京西商業保理有限公司（「京西保理」）董事長，本公司持有京西保理41.41%股權。徐先生於一九八八年加入首鋼集團有限公司（「首鋼集團」），曾擔任多個高級職位。彼現為首鋼控股（香港）有限公司（「首鋼控股」）之董事總經理。首鋼控股為本公司之主要股東（根據證券及期貨條例（「證券及期貨條例」）第XV部賦予之涵義）而首鋼集團為首鋼控股之控股公司。彼亦為首程控股有限公司（前稱首長國際企業有限公司）（「首程控股」）之執行董事及執行委員會之成員。彼現亦為環球數碼創意控股有限公司（「環球數碼」）之執行董事，執行委員會、提名委員會，以及薪酬委員會之成員，並曾於二零一七年六月至二零一八年七月出任環球數碼董事會主席。首程控股及環球數碼均於聯交所主板上市。徐先生於管理方面具有豐富的經驗。

徐先生與本公司一家全資附屬公司簽訂為期三年之服務合約，由二零二零年一月一日起生效。根據該服務合約，徐先生可收取由董事會或其授權之委員會不時釐定之薪金及酌情花紅。於二零二零年及二零二一年財政年度，徐先生之每月薪金均為港幣280,000元。該薪金經參考徐先生之職位及職責，以及當時市場情況由薪酬委員會釐定。

Mr. Tian Gang, aged 52, obtained a postgraduate degree (on-the-job) from the Party School of the Central Committee of the Chinese Communist Party. Mr. Tian was appointed as an Executive Director of the Company in March 2021 and is a member of Executive Committee. Mr. Tian joined the Company in July 2017 and is currently the deputy general manager of the Company and the managing director of South China International Leasing Co., Ltd., a non-wholly owned subsidiary of the Company. Mr. Tian worked at China Construction Bank Beijing Branch from August 1990 to July 2017. He successively served as branch accountant, deputy director and director of the business department, manager of the real estate credit department, director of the company and institutional business center, assistant to the president and branch president. Mr. Tian has worked in the financial field for more than 30 years and has extensive experience in the financial industry.

A service agreement was entered into between Mr. Tian and a wholly-owned subsidiary of the Company for a term of three years commencing on 24 March 2021. Under the service agreement, Mr. Tian is entitled to a salary and discretionary bonus as may be determined by the Board or its delegated committee(s) from time to time. For financial year 2021, Mr. Tian's monthly salary is HK\$120,000. Such salary was determined by the Remuneration Committee with reference to Mr. Tian's experience and duties as well as the then prevailing market conditions.

Mr. Huang Donglin, aged 60, holds an executive master of business administration from Shanghai Jiao Tong University and a doctor's degree from United Business Institutes in Belgium. Mr. Huang was appointed as a Non-executive Director of the Company in May 2018 and is a member of each of the Remuneration Committee and the Nomination Committee, he was also appointed as a member of the Audit Committee in March 2021. Mr. Huang held positions in The People's Bank of China, Industrial and Commercial Bank of China and Bank of China. Mr. Huang has worked in the finance industry for over thirty years and led the equity reorganization and restructuring of a number of domestic companies. He has extensive experience in finance, and has been engaged in relevant enterprise management and diagnosis for a long time.

An engagement letter was entered into with Mr. Huang for a term of three years commencing on 18 May 2018. Under the engagement letter, Mr. Huang is entitled to a director's fee as may be determined by the Board from time to time. For financial year 2020, the monthly director's fee of Mr. Huang is HK\$15,833. From March 2021, Mr. Huang's monthly director's fee has been adjusted to HK\$20,000. Such director's fee was determined by the Board with reference to Mr. Huang's experience and duties as well as the then prevailing market conditions.

田剛先生，年五十二歲，獲得中共中央黨校在職研究生學歷。田先生於二零二一年三月獲委任為本公司執行董事及執行委員會成員。田先生於二零一七年七月加入本公司，現任本公司副總經理及本公司非全資附屬公司南方國際租賃有限公司董事總經理。田先生曾於一九九零年八月至二零一七年七月期間於中國建設銀行北京分行任職，先後歷任支行會計、營業部副主任、主任、房地產信貸部經理、公司及機構業務中心主任、行長助理及支行行長。田先生於金融領域工作三十餘年，積累了豐富的金融行業經驗。

田先生與本公司一家全資附屬公司簽訂為期三年之服務合約，由二零二一年三月二十四日起生效。根據該服務合約，田先生可收取由董事會或其授權之委員會不時釐定之薪金及酌情花紅。於二零二一年財政年度，田先生之每月薪金為港幣120,000元。該薪金經參考田先生之經驗及職責，以及當時市場情況由薪酬委員會釐定。

黃冬林先生，年六十歲，持有上海交通大學高級管理人員工商管理碩士學位及比利時聯合商學院博士學位。黃先生於二零一八年五月獲委任為本公司之非執行董事，並為薪酬委員會及提名委員會的成員，彼亦於二零二一年三月獲委任為審核委員會的成員。黃先生曾於中國人民銀行、中國工商銀行及中國銀行任職。黃先生從事金融工作逾三十年，曾主導多間國內公司之股權重整及重組。彼對金融領域有廣泛涉足，較長時間從事相關企業管理及企業診斷。

黃先生與本公司簽訂為期三年之委聘書，由二零一八年五月十八日起生效。根據該委聘書，黃先生可收取由董事會不時釐定之董事袍金。於二零二零年財政年度，黃先生每月之董事袍金為港幣15,833元。自二零二一年三月起，黃先生每月之董事袍金調整至港幣20,000元。該董事袍金經參考黃先生之經驗及職責，以及當時市況後由董事會釐定。

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

董事及高級管理層簡介

Mr. Zhang Jianxun, aged 41, holds a master degree of engineering from Tianjin University and a master degree of science from the University of Leeds. Mr. Zhang was appointed as a Non-executive Director of the Company in March 2021. Mr. Zhang is currently the managing director of Beijing Shougang Fund Co., Ltd.* (北京首鋼基金有限公司, "Shougang Fund"), the chairman and general manager of Jingxi Holdings Co., Ltd. ("Jingxi Holdings"), and the director of Beijing Shougang Langze New Energy Technology Co., Ltd. ("Beijing Shougang Langze"). Shougang Fund, Jingxi Holdings and Beijing Shougang Langze are the substantial shareholders of the Company within the meaning of Part XV of the SFO, while Shougang Group is the holding company of Shougang Fund, Shougang Fund is the holding company of Jingxi Holdings and Beijing Shougang Langze is owned as to 45.98% by Shougang Group. Mr. Zhang had served as the deputy general manager of Beijing E-Town International Investment & Development Co., Ltd., the chairman of Beijing E-Town International Industrial Investment Management Co., Ltd., and the general manager of Cultural Investment Holdings Co., Ltd. (stock code: SH600715, formerly named as Song Liao Automotive Co., Ltd.), the shares of which are listed on the Shanghai Stock Exchange, the director of China Integrated Circuit Industry Investment Fund Co., Ltd., the director of AVIC Automotive Systems Holdings Co., Ltd., the director of Nexteer Automotive Group Limited (stock code: 1316), the shares of which are listed on the main board of the Stock Exchange, the director of Beijing Sicheng Semiconductor Co., Ltd.* (北京矽成半導體有限公司) and the director of Integrated Silicon Solution Inc.. Mr. Zhang has extensive experience in mergers and acquisitions and capital operation of listed companies.

An engagement letter was entered into with Mr. Zhang for a term of three years commencing on 24 March 2021. Under the engagement letter, he will not receive any emolument.

Mr. Tam King Ching, Kenny, aged 71, holds a bachelor degree in commerce from Concordia University, Canada. Mr. Tam was appointed as an Independent Non-executive Director of the Company in February 1996 and is the chairman of each of the Audit Committee and the Remuneration Committee, as well as a member of the Nomination Committee. He is a practising Certified Public Accountant in Hong Kong. Mr. Tam is a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of the Chartered Professional Accountants of Ontario, Canada. Mr. Tam is a Past President of The Society of Chinese Accountants and Auditors. He also serves as an independent non-executive director of certain listed companies on the main board of the Stock Exchange, namely, Beijing West Industries International Limited, CCT Fortis Holdings Limited, GBA Holdings Limited (formerly known as Greater Bay Area Investments Group Holdings Limited), Kingmaker Footwear Holdings Limited, Starlite Holdings Limited, Hong Kong Shanghai Alliance Holdings Limited, West China Cement Limited and Wisdom Education International Holdings Company Limited.

張建勳先生，年四十一歲，持有天津大學工學碩士學位及利茲大學理學碩士學位。張先生於二零二一年三月獲委任為本公司之非執行董事。張先生現任北京首鋼基金有限公司(「首鋼基金」)董事總經理、京西控股有限公司(「京西控股」)董事長及總經理，以及北京首鋼朗澤新能源科技有限公司(「北京首鋼朗澤」)董事。首鋼基金、京西控股及北京首鋼朗澤為本公司之主要股東(根據證券及期貨條例第XV部賦予之涵義)，而首鋼集團為首鋼基金之控股公司，首鋼基金為京西控股之控股公司及首鋼集團持有北京首鋼朗澤約45.98%股權。張先生曾擔任北京亦莊國際投資發展有限公司副總經理、北京亦莊國際產業投資管理有限公司董事長、於上海證券交易所上市的文投控股股份有限公司(股份代號：SH600715，前稱鬆遼汽車股份有限公司)總經理、國家集成電路產業投資基金股份有限公司董事、中國航空汽車系統控股有限公司董事、於聯交所主板上市的耐世特汽車系統集團有限公司(股份代號：1316)董事、北京矽成半導體有限公司董事及Integrated Silicon Solution Inc.董事職務。張先生擁有豐富的重大項目併購及上市公司資本運作經驗。

張先生與本公司簽訂為期三年之委聘書，由二零二一年三月二十四日起生效。根據該委聘書，張先生不會收取任何酬金。

譚競正先生，年七十一歲，持有加拿大康戈迪亞大學商學士學位。譚先生於一九九六年二月獲委任為本公司之獨立非執行董事，並為審核委員會及薪酬委員會之主席，以及提名委員會之成員。彼為香港執業會計師。譚先生為香港會計師公會之資深會員及加拿大安大略省特許專業會計師公會會員。譚先生為香港華人會計師公會前任會長。彼亦出任若干於聯交所主板上市之公司，即京西重工國際有限公司、中建富通集團有限公司、GBA集團有限公司(前稱大灣區投資控股集團有限公司)、信星鞋業集團有限公司、星光集團有限公司、滬港聯合控股有限公司、中國西部水泥有限公司及睿見教育國際控股有限公司之獨立非執行董事。

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

董事及高級管理層簡介

An engagement letter was entered into with Mr. Tam for a term of three years commencing on 1 January 2020. Under the engagement letter, Mr. Tam is entitled to a director's fee as may be determined by the Board from time to time. For both financial years 2020 and 2021, the director's fee of Mr. Tam is HK\$240,000 for a full year. Such director's fee was determined by the Board with reference to Mr. Tam's experience and duties as well as the then prevailing market conditions.

Mr. Zhang Xingyu, aged 36, holds a bachelor degree of management from China Youth University of Political Studies and master degree of economics from Renmin University of China. Mr. Zhang was appointed as an Independent Non-executive Director of the Company in March 2020 and is the member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee. Mr. Zhang currently serves as the chief strategy officer of Gaoteng Global Asset Management Limited. He had served as the project manager in China Electric Import and Export Co., Ltd., the department cadre and confidential secretary of main leader of National Council for Social Security Fund and the vice president and the special assistant to the chairman of Shanghai Zhaogang Netcom Corporation Limited. Mr. Zhang has extensive experience in government affairs, assets management and corporate financing etc.

An engagement letter was entered into with Mr. Zhang for a term of three years commencing on 20 March 2020. Under the engagement letter, Mr. Zhang is entitled to a director's fee as may be determined by the Board from time to time. For the financial years 2020 and 2021, the monthly director's fee of Mr. Zhang is HK\$20,000. Such director's fee was determined by the Board with reference to Mr. Zhang's experience and duties as well as the then prevailing market conditions.

Mr. Ng Man Fung, Walter, aged 53, holds a bachelor degree in economics from Oregon University. Mr. Ng was appointed as an Independent Non-executive Director of the Company in March 2021 and is the member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee. Mr. Ng is an executive director of Mingfa Group (International) Co., Ltd. (stock code: 846), the shares of which are listed on the main board of the Stock Exchange and its main business is real estate development and investment in the People's Republic of China. Mr. Ng had served as an analyst in CEF Brokerage Limited from July 1996 to June 1998 and a vice president of research department in GK Goh Securities Limited from December 1998 to July 1999, responsible for the analysis of the internet, retail and traditional manufacturing companies and their related markets. In addition, he served as the head of corporate finance of Nan Hai Corporation Limited (stock code: 680) from July 1999 to January 2015, responsible for mergers and acquisitions and corporate financing activities. The shares of Nan Hai Corporation Limited are listed on the main board of the Stock Exchange. He also served as the chief financial officer of MEML Holdings Limited and DoDoPal Holdings Limited from March 2015 to September 2017 and from September 2017 to September 2019 respectively.

譚先生與本公司簽訂為期三年之委聘書，由二零二零年一月一日起生效。根據該委聘書，譚先生可收取由董事會不時釐定之董事袍金。於二零二零年及二零二一年財政年度，譚先生整個年度之董事袍金均為港幣240,000元。該董事袍金經參考譚先生之經驗及職責，以及當時市況後由董事會釐定。

張興禹先生，年三十六歲，持有中國青年政治學院管理學學士學位及中國人民大學經濟學碩士學位。張先生於二零二零年三月獲委任為本公司之獨立非執行董事，並為審核委員會、薪酬委員會、以及提名委員會之成員。張先生現任高騰國際資產管理有限公司首席戰略官，彼曾擔任中國電氣進出口有限公司項目經理，全國社會保障基金理事會幹部及主要領導機要秘書，以及上海找鋼網絡信息科技股份有限公司副總裁兼董事長特別助理。張先生於政府事務、資產管理及企業融資等方面具有豐富的經驗。

張先生與本公司簽訂為期三年之委聘書，由二零二零年三月二十日起生效。根據該委聘書，張先生可收取由董事會不時釐定之董事袍金。於二零二零年及二零二一年財政年度，張先生每月之董事袍金均為港幣20,000元。該董事袍金經參考張先生之經驗及職責，以及當時市況後由董事會釐定。

伍文峯先生，年五十三歲，持有美國俄勒岡大學經濟學學士學位。伍先生於二零二一年三月獲委任為本公司之獨立非執行董事，並為審核委員會、薪酬委員會、以及提名委員會之成員。伍先生現任明發集團(國際)有限公司(股份代號：846)的執行董事，明發集團(國際)有限公司於聯交所主板上市，該公司主營業務為中國房地產開發及投資。伍先生曾於一九九六年七月至一九九八年六月於怡怡證券經紀有限公司擔任分析員及於一九九八年十二月至一九九九年七月於新加坡GK Goh證券有限公司擔任研究部副總裁，負責互聯網、零售和傳統製造業公司及其相關市場之分析工作。此外，彼於一九九九年七月至二零一五年一月於南海控股有限公司(股份代號：680)擔任企業融資總監，負責收購合併及企業融資活動，南海控股有限公司於聯交所主板上市。彼亦分別於二零一五年三月至二零一七年九月及二零一七年九月至二零一九年九月於弘毅控股有限公司及都都實控股有限公司擔任首席財務官一職。

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

董事及高級管理層簡介

An engagement letter was entered into with Mr. Ng for a term of three years commencing on 19 March 2021. Under the engagement letter, Mr. Ng is entitled to a director's fee as may be determined by the Board from time to time. For the financial year 2021, the monthly director's fee of Mr. Ng is HK\$20,000. Such director's fee was determined by the Board with reference to Mr. Ng's experience and duties as well as the then prevailing market conditions.

Ms. On Danita, aged 44, holds a bachelor degree in business administration from the Chinese University of Hong Kong and a master degree in finance from the London School of Business. Ms. On is a member of the Hong Kong Institute of Certified Public Accountants. Ms. On was appointed as an Independent Non-executive Director of the Company in March 2021 and is the member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee. Ms. On is currently the investor and corporate communications director of Chow Tai Fook Jewellery Company Limited (stock code: 1929). She has worked in PricewaterhouseCoopers, Morgan Stanley, Citadel Investment Group and Ying Sheng Science Co., Ltd. (stock code: 209). The shares of both Chow Tai Fook Jewellery Co., Ltd. and Ying Sheng Science Co., Ltd. are listed on the main board of the Stock Exchange. Ms. On has more than 20 years of experience in auditing, management consultation, securities research, asset management and investor relations.

An engagement letter was entered into with Ms. On for a term of three years commencing on 19 March 2021. Under the engagement letter, Ms. On is entitled to a director's fee as may be determined by the Board from time to time. For the financial year 2021, the monthly director's fee of Ms. On is HK\$20,000. Such director's fee was determined by the Board with reference to Ms. On's experience and duties as well as the then prevailing market conditions.

SENIOR MANAGEMENT

Mr. Liang Hengyi, aged 47, has been appointed as General Manager of the Company in 29 March 2021. Mr. Liang holds a master degree in Economics and a Doctor of Philosophy degree in Management and is a senior economist. Mr. Liang served as a managing director, an executive director and a member of each of the executive committee and the nomination committee of Shoucheng Holdings. He also served as a managing director of Shougang Fund, the general manager of non-fare business unit of Beijing Infrastructure Investment Co., Ltd., the general manager of Beijing Capital Investment Rail Transit Assets Management Company (北京京投軌道交通資產經營管理有限公司) and the president of Beijing Urban Underground Space Development and Construction Co., Ltd. (北京城投地下空間開發建設有限公司).

伍先生與本公司簽訂為期三年之委聘書，由二零二一年三月十九日起生效。根據該委聘書，伍先生可收取由董事會不時釐定之董事袍金。於二零二一年財政年度，伍先生每月之董事袍金為港幣20,000元。該董事袍金經參考伍先生之經驗及職責，以及當時市況後由董事會釐定。

安殷霖女士，年四十四歲，持有香港中文大學工商管理學士學位及倫敦商業學院財經碩士學位。安女士為香港會計師公會會員。安女士於二零二一年三月獲委任為本公司之獨立非執行董事，並為審核委員會、薪酬委員會、以及提名委員會之成員。安女士現任周大福珠寶有限公司(股份代號：1929)的投資者及企業傳訊總監。彼曾於羅兵咸永道會計師事務所、摩根士丹利、Citadel Investment Group及瀛晟科學有限公司(股份代號：209)任職。周大福珠寶有限公司及瀛晟科學有限公司均於聯交所主板上市。安女士擁有逾二十年審核、管理諮詢、證券研究、資產管理及投資者關係方面的經驗。

安女士與本公司簽訂為期三年之委聘書，由二零二一年三月十九日起生效。根據該委聘書，安女士可收取由董事會不時釐定之董事袍金。於二零二一年財政年度，安女士每月之董事袍金為港幣20,000元。該董事袍金經參考安女士之經驗及職責，以及當時市況後由董事會釐定。

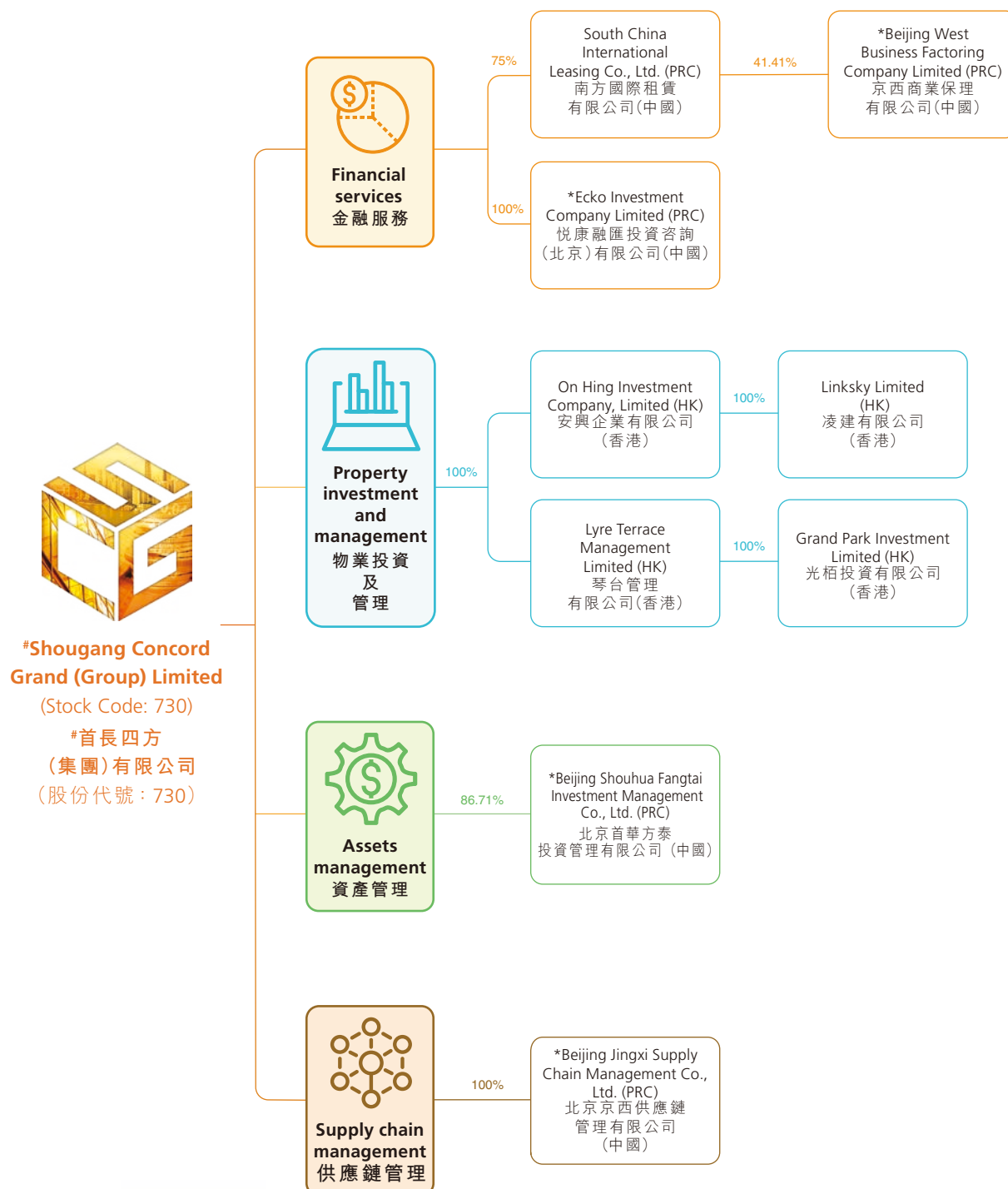
高級管理層

梁衡義先生，年四十七歲，於二零二一年三月二十九日獲委任為本公司總經理。梁先生持有經濟學碩士及管理學博士學位，並為高級經濟師。梁先生曾任首程控股董事總經理、執行董事兼執行委員會及提名委員會成員。彼亦曾任職首鋼基金董事總經理、北京市基礎設施投資有限公司多種經營事業部總經理、北京京投軌道交通資產經營管理有限公司總經理及北京城投地下空間開發建設有限公司董事長等職務。

MAIN OPERATIONAL STRUCTURE

主要業務架構

AS AT 31 DECEMBER 2020 於二零二零年十二月三十一日



Notes:

- # Listed company
- * For identification purpose only
- ^ Interests only refer to voting shares

附註:

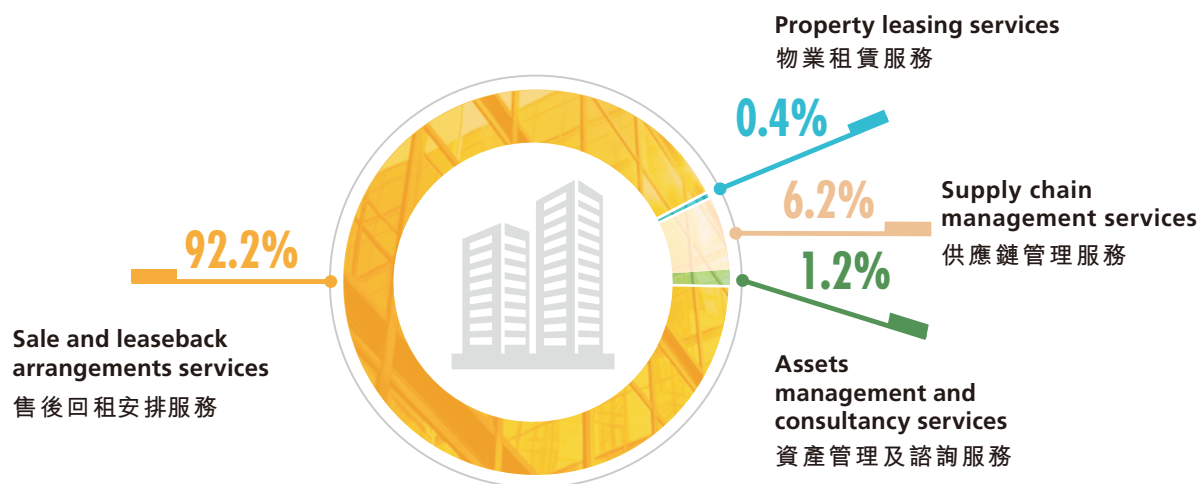
- # 上市公司
- * 僅供識別
- ^ 僅指於有表決權股份的權益

FINANCIAL HIGHLIGHTS

財務摘要

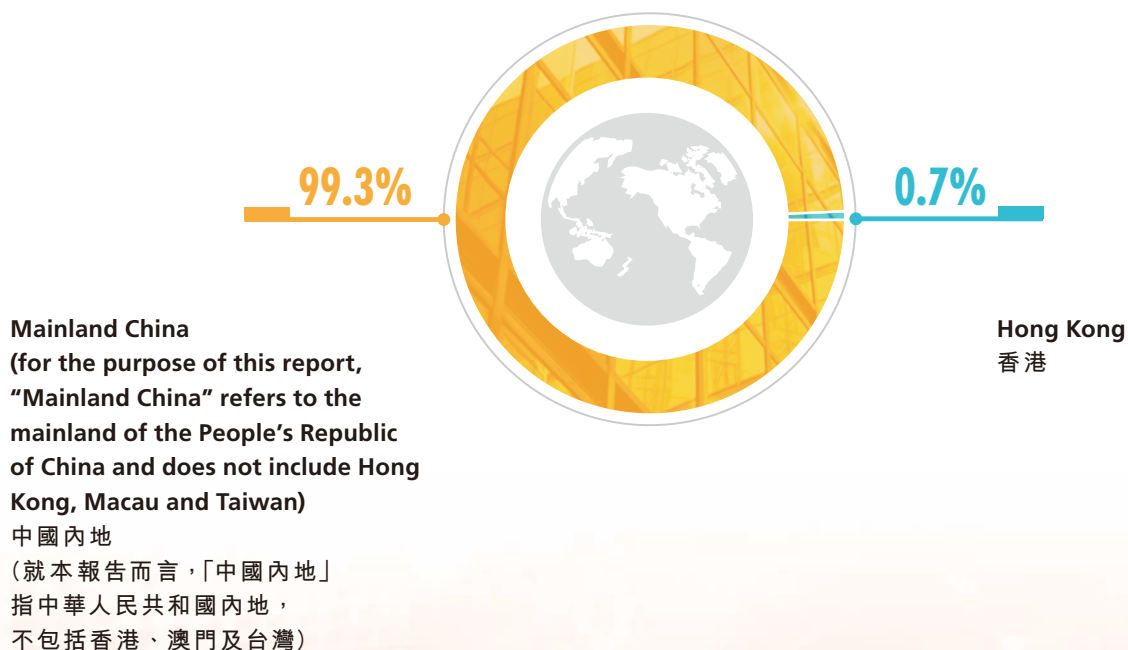
TURNOVER BY PRINCIPAL ACTIVITY FOR THE YEAR 2020

二零二零年按主要業務分類之收益



TURNOVER BY GEOGRAPHICAL LOCATION FOR THE YEAR 2020

二零二零年按經營地區分類之收益



CHAIRMAN'S STATEMENT

主席報告書

I am pleased to present the 2020 annual report of the Group. Closely following the development path of empowering the industrial chain by financial services, Shougang Concord Grand integrated and optimized the structure of its different business segments, built up an integrated industrial financial service platform on the basis of the concept of “new finance, new technology and new service”, and expanded the base of core corporate customers in strategic industries, so as to provide financial services to small and medium-sized enterprises in the upstream and downstream industrial chain of core enterprises through its industrial financial service platform. In 2020, Shougang Concord Grand focused on the development direction, improved efficiency through technological innovation and management innovation, and overcame the impact of the epidemic. Shougang Concord Grand successfully achieved a year-on-year growth in both revenue and profit.

Looking back at 2020, with firm confidence and our pragmatic actions, we effectively deployed all business tasks into specific plans, and turned them into specific measures. We stressed our efforts in key aspects, and strove to achieve operating results and growth results through effective implementation. In 2020, we took the initiative and achieved encouraging results by eyeing on the two groups of target core enterprises namely steel companies and domestic conglomerates as well as their upstream and downstream customers after thorough analysis and research. The financial leasing business to domestic conglomerates continued to grow steadily in terms of project scale. A supply chain management company achieved breakthrough in revenue from steel companies and their upstream and downstream customers and continued to expand in scale. An assets management service company developed the assets management business model of asset securitization and actively provided financing and securitization services to target enterprises, which started to bear fruit. The commercial factoring business also continued to generate profits. During the year, we endeavored to expand our strategic customers and strategic partners to expand project scale and improve profitability. While paying attention to business expansion, the Group also attached great importance to business quality and asset safety. As a result, the asset quality of each business segment was good. In addition to pushing ahead cost reduction and efficiency enhancement, we strengthened system building, exercised stringent cost control, and continuously optimized financial structure and capital utilization efficiency.

本人欣然提呈集團於二零二零年年度報告。首長四方緊緊圍繞金融服務赋能產業鏈的發展思路，整合優化旗下業務板塊的結構，搭建了「新金融、新技術、新服務」三位一體的產業金融服務平台，拓展了戰略產業中的核心企業客戶資源，通過我們的產業金融服務平台為核心企業上下游產業鏈中的中小企業提供了金融服務。二零二零年首長四方聚焦發展方向，用技術創新和管理創新提高效率，克服了疫情的影響，首長四方成功實現了營業收入、溢利同比雙增長的經營佳績。

回顧二零二零年，憑藉堅定的信心、我們務實行動，切實將各業務工作部署，化為具體方案，變成具體措施，在關鍵點上發力見效，以執行效力爭創經營結果和發展業績。瞄準鋼鐵產業和國內大型企業集團兩類目標核心企業及其上下游客戶，經過充分的分析調研，於二零二零年我們主動出擊並獲得可喜的成績。融資租賃業務為國內大型企業集團項目規模持續穩健增長，供應鏈管理公司圍繞鋼鐵行業及其上下游產業實現創收突破且規模在日益擴大，資產管理服務公司開拓了資產證券化資管業務模式並積極為目標企業提供融資和證券化服務且取得初步成效，商業保理業務亦持續貢獻溢利。年內，我們致力拓展戰略客戶和戰略合作夥伴進而提升項目規模和盈利水平。集團在注重業務拓展的同時，亦注重業務質量及資產安全性，各業務板塊的資產質量良好。我們亦持續着力推進降本增效同時加強制度建設，嚴控成本支出，持續優化財務結構和資金使用效率。

CHAIRMAN'S STATEMENT

主席報告書

Looking forward to 2021, the Group will continue to focus on the provision of financial leasing, commercial factoring, supply chain management, investment and financing advisory services and other portfolios of financial products to the two groups of target core enterprises including steel companies and domestic conglomerates, as well as their upstream and downstream customers, in order to provide customized financial service solutions for target companies, meet the strategic needs of target companies and their upstream and downstream companies for industrial upgrading and give full play to the important role of financial services in empowering real economy and proactively facilitate the linkage between the business segments so as to strengthen our customer service capabilities. In respect of business expansion, we will broaden the scale of market-oriented business while deeply developing its steel industry as a priority. In view of the above, the Group will continue to increase investment in improving its core competitiveness in “new finance, new technology, new service”, proactively develop diversified investment and financing products system based on the needs of new customers and take the advantage of optimized resource allocation and sufficient funds in capital market, in order to realize the sustainable growth of its business scale and create greater business value for its customers, shareholders and society.

In respect of developing new business, the Group will attach great importance to the international opportunities brought by the “One Belt and One Road Initiative” and explore potential cross-border business models under the guidance of the national policy, the “One Belt and One Road Initiative”, leveraging on the industrial background and advantages of Shougang Group, especially in actively expanding both domestic and overseas financing channels to advance its expansion into the overseas market. While actively responding to the requirements of the supply-side structural reform on the integration of industry and finance and the policy guidelines of the “One Belt and One Road Initiative”, we will make full use of the advantages of domestic and overseas resources linkage and market innovation in the Hong Kong capital market to provide cross-border financial services for advantageous industries locally and emerging industries abroad. At the same time, we will promote the rapid growth of the scale of our financial service business with industrial project resources.

展望二零二一年，集團將繼續重點圍繞鋼鐵產業和國內大型企業集團兩類目標核心企業及其上下游客戶提供融資租賃、商業保理、供應鏈管理、投融資諮詢服務等組合金融產品，賦予核心企業定制化的金融服務解決方案，滿足核心企業及其上下游產業升級的戰略訴求，發揮出金融服務賦能實體經濟的重要作用和能力，積極推動業務板塊之間的聯動，從而增強我們對客戶的服務能力。在業務拓展上，在深耕集團鋼鐵主業的基礎上，我們將拓展更多市場化業務。因此，本集團會繼續加大投入提升「新金融、新技術、新服務」的核心能力，繼續結合新客戶的需求積極開發多元化的投融資產品體系，繼續發揮好資本市場優化資源配置和資金融通的作用，進而實現集團業務規模的可持續增長，為客戶、股東、社會創造更大的商業價值。

在新業務方向的拓展上，本集團將高度重視「一帶一路」國際化機遇，依托首鋼集團的產業背景及優勢，探索「一帶一路」國家政策導向下的跨境業務模式，尤其是積極拓展境內外融資通道，推進海外業務佈局。要積極圍繞供給側結構性改革的產融結合要求和「一帶一路」的政策指引，更充分利用香港資本市場的境內外資源聯動優勢、市場創新優勢，為境內優勢產業和境外新興產業提供跨境金融服務，同時以產業項目資源帶動金融服務業務業務規模的快速增長。

With the increasingly serious international economic turmoil, the economic cyclical volatility risk, policy risk and financial risk are increasing. Facing the challenges of macroeconomic situation, the Group will attach great importance to risk control and implement various risk management measures. At the same time of business expansion, the Group will constantly optimize the risk management system, coordinate the building of risk management system and improve the risk management framework, particularly focusing on strengthening the risk identification and prevention abilities in key areas and links. The Group firmly believes that a sound and stable risk management and governance framework is an important basis for realizing long-term development of the Company and safeguarding the interests of shareholders. Under the sound risk management framework, the Group will combine strategic targets with risk management and actively use financial resources to seize market opportunities while maintaining risks under control, focus on the development of segmented industries and respond to customer demands.

Finally, on behalf of the Board, I would like to extend my sincere thanks to our customers, suppliers and shareholders for their continuous support to the Group. I would also like to extend my gratitude and appreciation to the management and staff for their hard work and dedication throughout the year.

Xu Liang

Chairman and Managing Director
Hong Kong, 19 March 2021

隨著國際經濟環境日益動蕩，經濟週期波動風險、政策風險及金融風險不斷加劇。面對宏觀經濟形勢的挑戰，集團高度重視風險管控，落實各項風險管理措施。在業務拓展的同時，不斷優化風險管理制度，統籌風險管理體系建設，完善風險管理架構，著重加強對關鍵領域及重點環節的風險識別及防範能力。本集團堅信，良好穩固的風險管理及管治框架是實現公司長遠發展及保障股東利益的重要基礎。本集團在穩健的風險管理框架下，將戰略目標與風險管理相結合，積極利用財政資源，在風險可控的範圍內把握市場商機，深耕細分產業，響應客戶需求。

最後，本人謹代表董事會對各客戶、供應商及股東一直以來給予本集團支持致以衷心謝意；同時，本人對集團之管理層及員工過往一年之努力不懈及齊心協力深表感謝及讚賞。

徐量

主席及董事總經理
香港，二零二一年三月十九日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

In 2020, Shougang Concord Grand continued to push ahead the development philosophy of financial leasing, commercial factoring, supply chain management services and assets management services as core businesses, and endeavored to build an integrated service platform with financial empowerment. The year 2020 was an exceptional year. Faced with the sudden outbreak of COVID-19, with the team's firm confidence and persistence in epidemic prevention and control as well as operational development, we achieved a year-on-year growth in both revenue and profit.

首長四方二零二零年繼續全力推進以融資租賃、商業保理、供應鏈管理服務和資產管理服務為核心業務的發展思路，致力打造具金融賦能的綜合服務平台。二零二零年是極不平凡的一年，面對突如其來的新冠肺炎疫情，在團隊堅定信心、堅持疫情防控和營運建設兩不誤的拼搏精神下，創造了營業收入、溢利同比雙增長的經營業績。

KEY FINANCIAL PERFORMANCE INDICATORS

The key financial performance indicators are analysed as below:

主要財務業績指標

主要財務業績指標分析如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	+ / (-) Change 變動
Financial performance	財務業績			
Revenue	收益	85,378	77,702	10%
Gross profit margin (%)	毛利率(%)	86%	74%	12%
Profit for the year	年度溢利	18,194	583	3,021%
Profit/(loss) attributable to owners of the Company	本公司持有人應佔溢利／(虧損)	5,980	(7,921)	Turnaround 虧轉盈
Key financial indicators	主要財務指標			
Total cash	總現金	318,818	702,164	-55%
Total assets	總資產	2,161,473	2,294,032	-6%
Total liabilities	總負債	397,484	550,534	-28%
Bank borrowings	銀行借款	290,303	465,557	-38%
Capital and reserves attributable to owners of the Company	本公司持有人應佔股本及儲備	1,445,637	1,355,149	7%
Current ratio	流動比率	458%	305%	153%
Basic earnings/(loss) per share (HK cents)	每股基本盈利／(虧損) (港仙)	0.15	(0.20)	Turnaround 虧轉盈

FINANCIAL OVERVIEW

The Group recorded profit attributable to owners of the Company of approximately HK\$5,980,000 for the year ended 31 December 2020, which represented a turnaround when compared with loss attributable to owners of the Company of approximately HK\$7,921,000 for the year ended 31 December 2019. The turnaround from loss to profit was mainly due to the increase in profit from the sale and leaseback arrangements services segment and the recognition of profit from the supply chain management services segment for the first time. Revenue of the Group for the year ended 31 December 2020 was approximately HK\$85,378,000, which represented an increase of approximately 10% when compared with that of approximately HK\$77,702,000 for the year 2019. The increase was mainly attributable to the increase in revenue from the sale and leaseback arrangements services segment and the increase in revenue from the supply chain management services segment. The Group recorded a gross profit of approximately HK\$73,760,000 for the year ended 31 December 2020, representing a gross profit margin of approximately 86%, which is an increase of approximately 12% when compared with the gross profit margin of approximately 74% for the year 2019. Basic earnings per share for the year ended 31 December 2020 was HK0.15 cent (2019: basic loss per share was HK0.20 cent).

Revenue for the year ended 31 December 2020 was approximately HK\$85,378,000, representing an increase of approximately 10% when compared with that of approximately HK\$77,702,000 for the year 2019. The increase was mainly attributable to the increase in revenue from the sale and leaseback arrangements services segment by approximately HK\$7,090,000 and the increase in revenue from the supply chain management services segment by approximately HK\$4,578,000.

The Group made a gross profit of approximately HK\$73,760,000 for the year ended 31 December 2020, representing a gross profit margin of approximately 86%, which is an increase of 12%, when compared with the gross profit margin of approximately 74% for the year 2019, which was mainly attributable to the increase in gross profit margin from the sale and leaseback arrangements services segment.

Other income for the year ended 31 December 2020 amounted to approximately HK\$12,388,000 (2019: HK\$21,191,000), representing a decrease of approximately 42%. The decrease was mainly due to the decrease in interest income from term deposits.

財務回顧

本集團截至二零二零年十二月三十一日止年度錄得本公司持有人應佔溢利約港幣5,980,000元，與截至二零一九年十二月三十一日止年度錄得本公司持有人應佔虧損約港幣7,921,000元比較轉虧為盈乃主要由於來自售後回租安排服務分部之溢利增加及供應鏈管理服務分部首度錄得溢利所致。本集團截至二零二零年十二月三十一日止年度之收益約為港幣85,378,000元，與二零一九年約港幣77,702,000元相比，增加約10%。該增幅主要來自售後回租安排服務分部收入及來自供應鏈管理服務分部收入增加。本集團截至二零二零年十二月三十一日止年度錄得之毛利約為港幣73,760,000元，毛利率約86%，與二零一九年之毛利率約74%比較增長約12%。本集團截至二零二零年十二月三十一日止年度之每股基本溢利為0.15港仙（二零一九年：每股基本虧損0.20港仙）。

截至二零二零年十二月三十一日止年度之收益約為港幣85,378,000元，與二零一九年約港幣77,702,000元相比，增加約10%。該增幅主要因售後回租安排服務分部收入增加約港幣7,090,000元及供應鏈管理服務分部收入增加約港幣4,578,000元。

本集團截至二零二零年十二月三十一日止年度錄得之毛利約為港幣73,760,000元，毛利率約86%，與二零一九年之毛利率約74%比較錄得12%增幅乃主要由於售後回租安排服務分部之毛利率上升。

截至二零二零年十二月三十一日止年度之其他收入約為港幣12,388,000元（二零一九年：港幣21,191,000元），減少約42%。減少主要由於定期存款利息收入減少。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層論述與分析

FINANCIAL OVERVIEW (Continued)

Administrative expenses for the year ended 31 December 2020 amounted to approximately HK\$68,079,000 (2019: HK\$65,232,000), representing an increase of approximately 4%. The increase was mainly due to the rise in labor cost driven by business development.

For the year ended 31 December 2020, share of profit of associates amounted to approximately HK\$1,258,000 (2019: HK\$2,614,000). The decrease was mainly attributable to the pandemic.

BUSINESS REVIEW AND OUTLOOK

Closely following the strategy of integration of industry and finance for its core business and market competitiveness, we built an integrated financial service platform with financial empowerment leveraging on the business synergies arising from the financial leasing, commercial factoring, supply chain management services and assets management services. Taking the provision of supply chain management services, financial services and assets management services as our core businesses and competitive strengths in the market, the Group endeavors to provide financial leasing, commercial factoring, supply chain management, investment and financing advisory services and other portfolios of financial products to the two groups of target core enterprises including steel companies and domestic conglomerates, as well as their upstream and downstream customers, in order to provide customized financial service solutions for core enterprises, meet the strategic needs of core enterprises and their upstream and downstream companies for industrial upgrading and give full play to the important role of financial services in empowering real economy.

During the year, revenue from the sale and leaseback arrangements services segment increased by approximately 10% to approximately HK\$78,691,000 (2019: HK\$71,601,000), and the segment results recorded a profit of approximately HK\$65,976,000 (2019: HK\$48,331,000). The increase in revenue from the sale and leaseback arrangements services segment was mainly due to the increase in project gross profit resulting from increased new projects and more flexible financial resource usage.

財務回顧(續)

截至二零二零年十二月三十一日止年度之行政開支約為港幣68,079,000元(二零一九年：港幣65,232,000元)，增加約4%。費用增加主要由業務發展所帶動的人工成本增加所致。

截至二零二零年十二月三十一日止年度，應佔聯營公司之溢利約為港幣1,258,000元(二零一九年：港幣2,614,000元)。溢利減少主要受疫情影響。

業務回顧及展望

緊跟為核心業務和市場競爭力的產融結合戰略，搭建起以融資租賃、商業保理、供應鏈管理及資產管理等業務協同具金融賦能的金融綜合服務平台。本集團致力於通過以供應鏈管理服務、金融服務及資產管理服務為我們的核心業務及市場競爭優勢，重點圍繞鋼鐵產業和國內大型企業集團兩類目標核心企業集團及其上下游客戶提供融資租賃、商業保理、供應鏈管理、投融資諮詢服務等組合金融產品，賦予核心企業定製化的金融服務解決方案，滿足核心企業及其上下游產業升級的戰略要求，發揮金融服務賦能實體經濟的重要作用和能力。

年內，來自售後回租安排服務分部之收入增加約10%至約港幣78,691,000元(二零一九年：港幣71,601,000元)，而分部業績則錄得溢利約港幣65,976,000元(二零一九年：港幣48,331,000元)。售後回租安排服務分部之收入及分部業績增加主要由於新項目增長及更靈活使用財務資源致使項目毛利增加所帶動。

BUSINESS REVIEW AND OUTLOOK (Continued)

During the year, revenue from the supply chain management services segment was approximately HK\$5,294,000 (2019: HK\$716,000), and the segment results recorded a profit of approximately HK\$2,431,000 (2019: loss of approximately HK\$2,070,000). Based on the business scenarios of the target companies, the supply chain management services segment carefully analyzed the capital flow, information flow, business flow, logistics, etc. of the industrial chain where the target companies are located, and solved customers' capital and management needs with the most convenient and diversified products, so as to reduce the transaction cost of the industrial chain and empower the industry. The supply chain management services segment carried out business and recorded revenue.

During the year, revenue from the assets management and consultancy services segment was approximately HK\$1,054,000 (2019: HK\$4,812,000), and the segment results recorded a loss of approximately HK\$5,259,000 (2019: HK\$305,000). The decline in revenue from and segment results of the assets management and consultancy services segment was mainly attributable to the pandemic and international macroeconomic fluctuations, which made customers more prudent about the outlook and slowdown their investment in projects.

During the year, revenue from the property leasing services segment decreased by approximately 41% to approximately HK\$339,000 (2019: HK\$573,000), and the segment results recorded a loss of approximately HK\$970,000 (2019: profit of approximately HK\$2,065,000). The decrease in revenue from the property leasing services segment was mainly attributable to the increase in vacancy rate. The decline in segment results was mainly attributable to the decrease in fair value of investment properties of the Group of approximately HK\$1,000,000 (2019: increase in fair value of investment properties of approximately HK\$2,400,000).

業務回顧及展望(續)

年內，供應鏈管理服務分部錄得之收入約港幣5,294,000元(二零一九年：港幣716,000元)，而分部業績錄得溢利約港幣2,431,000元(二零一九年：虧損約港幣2,070,000元)。供應鏈管理服務分部基於目標企業的業務場景，仔細分析到目標企業所在產業鏈的資金流、信息流、商流、物流等，以最便捷及多樣化的產品解決客戶資金及管理需求，減低產業鏈的交易成本及賦能產業。供應鏈管理服務分部開展了業務並錄得收益。

年內，資產管理及諮詢服務分部之收入為約港幣1,054,000元(二零一九年：港幣4,812,000元)，而分部業績則錄得虧損約港幣5,259,000元(二零一九年：港幣305,000元)。資產管理及諮詢服務分部收入及分部業績倒退乃主要受疫情及國際宏觀經濟波動影響令客戶對前景轉趨審慎、項目投放進展放緩所致。

年內，來自物業租賃服務分部之收入減少約41%至約港幣339,000元(二零一九年：港幣573,000元)，而分部業績則錄得虧損約港幣970,000元(二零一九年：溢利約港幣2,065,000元)。物業租賃服務分部之收入減少主要由於空置率增加所致。分部業績減少主要由於本集團投資物業之公允值下跌。本集團投資物業之公允值於本年度下跌約港幣1,000,000元(二零一九年：公允值上升約港幣2,400,000元)。

BUSINESS REVIEW AND OUTLOOK (Continued)

Looking ahead into 2021, under the policy environment and market environment of promoting financial innovation, Shougang Concord Grand will grasp opportunities brought by the policies in relation to China's innovation of modern supply chain area and the upgrading strategies of industries in which target core enterprises operate to provide innovative financial product and service portfolios to those target core enterprises and their upstream and downstream customers, so as to serve the real economy. We will strive to capitalize on the advantage of cross-border operation while actively exploring new models of innovative financial service business and taking advantage of Hong Kong's excellent geographical location and favorable financing environment as an international financial market, to make meaningful exploration under The Belt and Road Initiative and seize relevant policy opportunities.

In terms of risk management infrastructure, prudent and effective risk management can help in untapping the commercial value of long-term investments, as well as laying a solid foundation for the Group's sustainable development. We will put emphasis on strengthening our risk control system, introducing information technology platform, and adjusting our management and control strategies in a timely manner and continuously improving our management by improving and optimizing our risk control mechanism. In addition, we will also continue to promote the development of our online risk management platform based on asset securitization and industry supply chain business so as to provide an effective tool for the Group's risk management.

業務回顧及展望(續)

展望來年，在金融創新的政策環境及市場環境下，首長四方將緊抓中國創新現代供應鏈領域的政策機遇和目標核心企業所在行業的產業升級戰略，為目標核心企業及其上下游客戶群提供創新型組合金融產品服務實體經濟。積極拓展創新金融服務新模式的同時儘力發揮跨境優勢，借助香港優越地理位置及國際金融市場便利的融資條件，積極探索「一帶一路」並把握相關政策機遇。

在風險管理基礎設施方面，審慎而有效的風險管理能協助發掘長線投資的商業價值，亦為集團的可持續增長發展建立一個穩健的基礎。我們將重點強化風險控制體系、引入信息技術平台，在加強和完善風險控制機制的基礎上，及時調整管控策略並將繼續優化管理，同時我們會繼續着力推進基於資產證券化和行業供應鏈業務的在線風控系統的建設，為集團的風控管理提供一個高效的輔助工具。

LIQUIDITY, FINANCIAL RESOURCES AND FINANCING ACTIVITIES

流動資金、財政資源及融資活動

The Group aimed to maintain stable funding sources and financing is arranged to balance between business requirements and cash flows. The financial leverage of the Group as at 31 December 2020 as compared to 31 December 2019 is summarized below:

本集團一直專注於維持穩定的資金來源，融資安排將儘可能配合業務特點及現金流量情況。本集團於二零二零年十二月三十一日，對比二零一九年十二月三十一日的財務負債比率臚列如下：

		31 December 2020 二零二零年 十二月三十一日 HK\$'000 港幣千元	31 December 2019 二零一九年 十二月三十一日 HK\$'000 港幣千元
Total borrowings	總借款		
Current borrowings	流動借款	143,308	297,018
Non-current borrowings	非流動借款	146,995	168,539
Sub-total	小計	290,303	465,557
Total cash	總現金		
Cash and cash equivalents	現金及現金等值項目	318,818	607,782
Term deposits with initial term over three months	初始期限超過三個月的定期存款	—	94,382
Sub-total	小計	318,818	702,164
Total equity	總權益	1,763,989	1,743,498
Total assets	總資產	2,161,473	2,294,032
Current ratio	流動比率	458%	305%

As at 31 December 2020, the Group had cash and cash equivalents of approximately HK\$318,818,000 (31 December 2019: HK\$607,782,000) and term deposits with initial term over three months of approximately HK\$ Nil (31 December 2019: HK\$94,382,000), which were mainly denominated in Hong Kong dollars, US dollars and Renminbi. The decrease was mainly attributable to the combined effects of net cash used in operating activities of approximately HK\$146,343,000, the net repayment of bank borrowings of approximately HK\$187,280,000, and proceeds received from disposal of debt instruments of approximately HK\$15,506,000.

於二零二零年十二月三十一日，本集團之現金及現金等值項目約為港幣318,818,000元（二零一九年十二月三十一日：港幣607,782,000元）及初始期限超過三個月的定期存款約為港幣零元（二零一九年十二月三十一日：港幣94,382,000元）主要以港幣、美元及人民幣定值。數額減少主要由於經營活動所用現金淨額約港幣146,343,000元、償還銀行貸款淨額約港幣187,280,000元及收到出售債務工具所得款約港幣15,506,000元。

LIQUIDITY, FINANCIAL RESOURCES AND FINANCING ACTIVITIES (Continued)

As at 31 December 2020, the Group's borrowings amounted to approximately HK\$290,303,000, of which approximately HK\$143,308,000 were repayable within twelve months from 31 December 2020 and approximately HK\$146,995,000 were repayable after twelve months from 31 December 2020. During the year, the Group obtained new bank borrowings of approximately HK\$283,683,000 for the finance leasing business and working capital of the Group. All borrowings bore interest at market rates.

CAPITAL STRUCTURE

The capital and reserves attributable to owners of the Company amounted to approximately HK\$1,445,637,000 as at 31 December 2020 (31 December 2019: HK\$1,355,149,000). The increase was mainly due to the profit attributable to owners of the Company of approximately HK\$5,980,000 for the year ended 31 December 2020 and the exchange differences arising on translation of approximately HK\$73,498,000 in total during the year. The Company did not issue any new shares during the year. The issued share capital of the Company was approximately HK\$39,846,000 (represented by approximately 3,984,640,000 issued ordinary shares).

MATERIAL ACQUISITION, DISPOSALS AND SIGNIFICANT INVESTMENT

During the year, the Group had no material acquisitions, disposals and significant investment.

CHARGE ON ASSETS

As at 31 December 2020, the Group had the following charge on assets:

- (i) The Group's investment properties with an aggregate carrying value of HK\$23,700,000 and the Group's building with carrying value of HK\$14,549,000 were pledged to banks to secure for bank borrowings with outstanding amount of HK\$8,170,000.
- (ii) The Group's receivables under sale and leaseback arrangements with a carrying value of HK\$321,283,000 were pledged to banks to secure for bank borrowings with outstanding amount of HK\$212,133,000.

流動資金、財政資源及融資活動(續)

於二零二零年十二月三十一日，本集團之貸款約達港幣290,303,000元，其中約港幣143,308,000元須於二零二零年十二月三十一日起計十二個月內償還及約港幣146,995,000元須於二零二零年十二月三十一日起計十二個月後償還。年內，本集團取得新增銀行貸款約港幣283,683,000元用於融資租賃業務及集團營運流動資金。所有貸款均按市場利率計算利息。

資本結構

於二零二零年十二月三十一日，本公司持有人應佔股本及儲備約港幣1,445,637,000元（二零一九年十二月三十一日：港幣1,355,149,000元）。該增幅主要由本公司持有人應佔截至二零二零年十二月三十一日止年度之溢利約港幣5,980,000元及年內換算產生之匯兌差額共約港幣73,498,000元所致。本公司於年內並無發行新股。本公司之已發行股本約為港幣39,846,000元（已發行普通股約3,984,640,000股）。

重大收購、出售及重要投資

年內，本集團並無任何重大收購、出售及重要投資事項。

資產抵押

於二零二零年十二月三十一日，本集團擁有下列資產抵押：

- (i) 賬面總值港幣23,700,000元之本集團投資物業及賬面值港幣14,549,000元之本集團樓宇已抵押予銀行，作為未償還銀行借款港幣8,170,000元之抵押。
- (ii) 賬面值港幣321,283,000元之本集團售後回租安排項下之應收款項已抵押予銀行，作為未償還銀行借款港幣212,133,000元之抵押。

FOREIGN EXCHANGE EXPOSURE

The normal operations and investments of the Group are mainly in Hong Kong and China, with revenue and expenditure denominated in Hong Kong dollars and Renminbi. The Directors believe that the Group does not have significant foreign exchange exposure. However, if necessary, the Group will consider using forward exchange contracts to hedge against foreign exchange exposures. As at 31 December 2020, the Group had no significant foreign exchange exposure.

CONTINGENT LIABILITIES

The Group had no significant contingent liabilities as at 31 December 2020.

EMPLOYEES

As at 31 December 2020, the Group employed 50 (31 December 2019: 60) full time employees (excluding those under the payroll of associates of the Group). The Group remunerated its employees mainly with reference to the prevailing market practice, individual performance and work experience. Other benefits such as medical coverage, insurance plan, mandatory provident fund, discretionary bonus and employees share option scheme are also available to employees of the Group. Remuneration packages are reviewed either annually or through special increment.

During the year ended 31 December 2020, the Company and its subsidiaries have not paid or committed to pay to any individual any amount as an inducement to join or upon joining the Company and/or its subsidiaries.

外匯風險

本集團主要於香港及中國經營日常業務及投資，而收支乃以港幣及人民幣定值。董事相信，本集團並無重大外匯風險。然而，在必要時，本集團將考慮使用遠期外匯合約以對沖外匯風險。於二零二零年十二月三十一日，本集團並無重大外匯風險。

或然負債

於二零二零年十二月三十一日，本集團並無任何重大或然負債。

僱員

於二零二零年十二月三十一日，本集團有僱員50名(二零一九年十二月三十一日：60名)全職僱員(不包括本集團聯營公司之僱員)。本集團主要乃參照市場慣例、個人表現及工作經驗而釐定其僱員之薪酬。本集團向僱員提供之其他福利包括醫療保險、保險計劃、強制性公積金、酌情花紅及僱員購股權計劃。薪酬組合乃按年或個別檢討。

截至二零二零年十二月三十一日止年度，本公司及其附屬公司並無支付或承諾支付任何款項予任何人士，作為加入本公司及／或其附屬公司或於加入後之獎勵。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company is committed to maintaining good corporate governance standard and procedures to safeguard the interests of all shareholders and to enhance accountability and transparency.

CORPORATE GOVERNANCE PRACTICES

The Company has complied with the code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) during the financial year ended 31 December 2020.

NON-COMPLIANCE WITH RULES 3.10(1), 3.10A, 3.21 AND 3.25 OF THE LISTING RULES AND CODE PROVISION A.5.1 OF THE CG CODE

Following the pass away of Mr. Wan Siu Wah, Wilson as an Independent Non-executive Director on 8 January 2021, the Company only had two Independent Non-executive Directors, thus the number of the Independent Non-executive Directors fell below the minimum number required under Rules 3.10(1) and 3.10A of the Listing Rules. As a result of the insufficient number of Independent Non-executive Directors, the Company had also failed to comply with the requirements set out in Rules 3.21 and 3.25 of the Listing Rules and Code Provision A.5.1 of the CG Code with regard to the minimum number of members and the composition of the Audit Committee, Remuneration Committee and Nomination Committee.

Mr. Ng Man Fung, Walter (“Mr. Ng”) and Ms. On Danita (“Ms. On”) were appointed as Independent Non-executive Directors on 19 March 2021, which was within three months from the date of pass away of Mr. Wan Siu Wah, Wilson as required by Rules 3.11, 3.23 and 3.27 of the Listing Rules.

Upon the appointment of Mr. Ng and Ms. On as Independent Non-executive Directors on 19 March 2021, the number of Independent Non-executive Directors satisfied the minimum number required under Rules 3.10(1) and 3.10A of the Listing Rules. In addition, the Company had complied with the requirements set out under Rules 3.21 and 3.25 of the Listing Rules and Code Provision A.5.1 of the CG Code with regard to the composition of the Audit Committee, Remuneration Committee and Nomination Committee.

本公司致力維持良好企業管治準則及程序，以維護全體股東利益，並提高問責性及透明度。

企業管治常規

本公司於截至二零二零年十二月三十一日止財政年度內已遵守聯交所證券上市規則（「上市規則」）附錄十四所載的企業管治守則（「企業管治守則」）的守則條文。

未能符合上市規則第3.10(1)、3.10A、3.21及3.25條及企業管治守則第A.5.1條守則條文之規定

自獨立非執行董事溫兆華先生於二零二一年一月八日離世後，本公司僅有兩名獨立非執行董事，故獨立非執行董事人數低於上市規則第3.10(1)及3.10A條對最低人數之規定。由於獨立非執行董事之人數不足，本公司亦未能符合上市規則第3.21及3.25條及企業管治守則第A.5.1條守則條文所載對審核委員會、薪酬委員會及提名委員會成員的最低人數及組成之規定。

根據上市規則第3.11、3.23及3.27條規定，伍文峯先生（「伍先生」）及安殷霖女士（「安女士」）於二零二一年三月十九日（即溫兆華先生離世日期起三個月內）獲委任為獨立非執行董事。

隨著伍先生及安女士於二零二一年三月十九日獲委任為獨立非執行董事，獨立非執行董事人數符合上市規則第3.10(1)及3.10A條規定的最低人數。此外，本公司已符合上市規則第3.21及3.25條，以及企業管治守則第A.5.1條守則條文所載有關審核委員會、薪酬委員會及提名委員會組成的規定。

BOARD OF DIRECTORS

Composition

The Board currently comprises a total of eight Directors, being two Executive Directors, two Non-executive Directors and four Independent Non-executive Directors. The list of Directors is set out in the section headed “Report of the Directors” of this annual report. In addition, an updated list of the Directors and their roles and functions is published on the websites of the Stock Exchange and the Company respectively.

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 “Directors’ and Senior Management’s Biographies” of this annual report.

The Directors give sufficient time and attention to the affairs of the Company and its subsidiaries (the “Group”). All Directors are required to disclose to the Company at the time of their appointment and annually the number and the nature of offices held in public companies or organizations and other significant commitments with an indication of the time involved.

Save for those as disclosed in the section headed “Directors’ and Senior Management’s Biographies” as set out on pages 4 to 8 of this annual report, the Board members have no other financial, business, family or other material/relevant relationships with each other.

The Board includes a balanced composition of Executive and Non-executive Directors (including Independent Non-executive Directors) so that there is a sufficient independent element on the Board, which can effectively exercise independent judgement.

The Non-executive Directors are of sufficient number and calibre for their views to carry weight. The functions of Non-executive Directors include:

- bringing an independent judgement at Board meetings;
- taking the lead where potential conflicts of interests arise;
- serving on Board committees if invited; and
- scrutinising the Company’s performance and monitoring performance reporting.

董事會

組成

董事會現時共有八名董事，由兩名執行董事、兩名非執行董事及四名獨立非執行董事組成。董事名單載列於本年報「董事會報告書」一節。此外，最新的董事名單及其角色與職能分別刊登於聯交所及本公司網站。

董事會成員具顯著的多元化特色，並具備本公司業務所需的適當技巧和經驗。董事的履歷載列於本年報「董事及高級管理層簡介」一節。

董事均付出足夠時間及精神以處理本公司及其附屬公司（「本集團」）的事務。所有董事須於接受委任時及每年向本公司披露其於公眾公司或組織擔任職位的數目及性質，以及其他重大承擔，並提供其擔任有關職務所涉及的時間。

除於本年報第4頁至第8頁之「董事及高級管理層簡介」一節內所披露者外，董事會成員之間概無其他財務、業務、家族或其他重大／相關關係。

董事會中執行董事與非執行董事（包括獨立非執行董事）的組合均衡，使董事會具備足夠的獨立元素，能有效地作出獨立判斷。

非執行董事具有足夠人數和才幹，其意見具有影響力。非執行董事的職能包括：

- 於董事會會議上提供獨立的意見；
- 在出現潛在利益衝突時發揮牽頭引導作用；
- 應邀出任董事會轄下委員會成員；及
- 仔細檢查本公司的表現，並監察匯報公司表現的事宜。

BOARD OF DIRECTORS (Continued)

Composition (Continued)

The Non-executive Directors (including Independent Non-executive Directors) have made a positive contribution to the development of the Company's strategy and policies through independent, constructive and informed comments. They give the Board and the committees on which they serve the benefit of their skills, expertise, varied backgrounds and qualifications through regular attendance and active participation.

Composition of the Board is disclosed, and the Independent Non-executive Directors are identified, in all corporate communications to shareholders.

Board diversity

The Company adopted a board diversity policy (the "Board Diversity Policy") which sets out its approach to achieve diversity on the Board with a view to achieving a sustainable and balanced development of the Company.

The Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The Company will also take into account factors based on its own business model and specific needs from time to time. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

During the year, the board of directors consisted of three Executive Directors, two Non-executive Directors, and three Independent Non-executive Directors, of which 75% are male and 25% are female. In addition, 37.5% of our directors aged between 30–40 years old and 62.5% of our Directors aged 50 or above. The members of the Board have extensive business and professional backgrounds, and have a diverse range of business, financial services and accounting experience.

董事會(續)

組成(續)

非執行董事(包括獨立非執行董事)亦透過提供獨立、富建設性及有根據的意見，對制定本公司策略及政策作出正面貢獻。彼等透過定期出席董事會及董事會轄下委員會的會議，並積極參與會務，以其技能、專業知識、不同的背景及資格作出貢獻。

董事會的組成及獨立非執行董事的身份於所有致股東的公司通訊文件內披露。

董事會成員多元化

本公司採納董事會成員多元化政策(「董事會成員多元化政策」)，當中列載本公司為達致董事會成員多元化而採取之方針，以達致本公司持續及均衡發展。

本公司為尋求達致董事會成員多元化會考慮眾多因素，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務任期。本公司亦將根據本身的業務模式及不時的特定需要去考慮各種因素。最終將按候選者的長處及可為董事會作出的貢獻而作決定。

本年度內，董事會由三名執行董事、兩名非執行董事及三名獨立非執行董事組成，男性董事佔75%，而女性董事佔25%。另外，37.5%董事年齡介乎30–40歲，而62.5%董事為50歲或以上。董事會成員具備廣泛業務及專業背景，於商業、金融服務、會計等專業擁有多元化專長。

BOARD OF DIRECTORS (Continued)

Board diversity (Continued)

The composition, experience and balance of skills in the Board are regularly reviewed and assessed to ensure that the Board retains a core of members with longstanding knowledge of the Group alongside with new Director(s) to be appointed from time to time who bring(s) fresh perspectives and diverse experiences to the Board. The Nomination Committee has the primary responsibility for identifying suitably qualified candidates to become members of the Board and, in carrying out such responsibility, will give adequate consideration to the Board Diversity Policy. Following the appointment of Mr. Zhang Xingyu as an Independent Non-executive Director during the year, the Nomination Committee believes that the current composition of the Board is based on the history and actual conditions of the Company and demonstrates a thorough consideration of the factors for achieving board diversity.

The Board Diversity Policy is posted on the website of the Company.

Role and function of the Board and the management

The Board is responsible for overall strategic formulation and performance monitoring of the Group. It delegates day-to-day operations of the Company to the Executive Committee and senior management within the control and authority framework set by the Board. In addition, the Board has also delegated various responsibilities to the Audit Committee, the Remuneration Committee and the Nomination Committee. Further details of these committees are set out in this report.

Board meetings

The Board meets regularly and holds at least four Board meetings a year. Additional meetings will be arranged, if and when required. The Directors can attend meetings in person or through electronic means of communication in accordance with the bye-laws of the Company (the "Bye-laws").

董事會(續)

董事會成員多元化(續)

董事會定期檢討並評估其組合、經驗及技能平衡，確保董事會保留一組對本集團有長期認識之核心成員，同時不時委任之新董事可為董事會帶來新觀點及多元化經驗。提名委員會負有物色具備合適資格人選成為董事會成員的主要責任，且在履行該職責時將充分考慮董事會多元化政策。繼本年度委任張興禹先生為獨立非執行董事後，提名委員會認為現時董事會的組成乃結合本公司的歷史及實際情況，並反映董事會多元化的因素已經獲得充份的考慮。

董事會成員多元化政策登載於本公司網站。

董事會及管理層的角色及職能

董事會負責制訂本集團的整體策略及監察其表現。董事會授權執行委員會及高級管理人員在董事會設定的監控及授權框架內處理本公司日常營運事宜。另外，董事會亦授權審核委員會、薪酬委員會及提名委員會執行不同職責。該等委員會的進一步詳情載於本報告。

董事會會議

董事會定期舉行會議，並每年召開至少四次會議。有需要時亦會另行安排會議。董事可親身出席或根據本公司的公司細則(「細則」)規定透過電子通訊方法參與會議。

BOARD OF DIRECTORS (Continued)

Board meetings (Continued)

The Company Secretary assists the Chairman in drawing up the agenda of each Board meeting. Draft agenda of each regular Board meeting will be sent to all Directors for review before the agenda is issued and all Directors may request for inclusion of other matters in the agenda. The Chairman will take into account the matters proposed by the Directors and where appropriate, approve the inclusion of such matters in the agenda of the Board meeting. Generally, at least 14-day notice of a regular Board meeting is given and the Company aims at giving reasonable notice for all other Board meetings. The Company also aims at sending the agenda and the accompanying board papers, which are prepared in a form and quality sufficient to enable the Board to make informed decisions on matters placed before it, to all Directors at least 3 days before the intended date of a Board meeting. Where queries are raised by Directors, prompt and full responses will be given if possible.

There has been procedure in place to enable Directors to seek independent professional advice in appropriate circumstances at the Company's expenses. The Board shall resolve to, upon reasonable request, provide separate independent professional advice to Directors to assist them in performing their duties to the Company.

The Company Secretary is responsible for taking minutes of Board meetings and Board committee meetings, draft and final versions of which would be sent to Directors for comments and records respectively, within a reasonable time after each meeting. Minutes are recorded in sufficient detail the matters considered and decisions reached, including any concerns raised by Directors or dissenting views (if any) expressed. Minutes of Board meetings and Board committees meetings are kept by the Company Secretary and are open for inspection by any Director/committee member.

If a substantial shareholder or a Director has a conflict of interest in a matter (including material transaction with connected persons) which the Board has determined to be material, the matter will be dealt with by a physical Board meeting, rather than a written resolution. Independent Non-executive Directors who, and whose close associates, have no material interest in the transaction should be present at the Board meeting.

董事會(續)

董事會會議(續)

公司秘書協助主席訂定每次董事會會議的議程。發出董事會各定期會議的議程前，會先把初稿發送予各董事審閱，各董事可要求於議程上加入其他事項。主席會考慮董事提議加入議程的事項，並在適當情況下批准把該等事項加入董事會議的議程。董事會的定期會議一般發出至少十四天通知，本公司亦致力就一切其他董事會會議發出合理通知。本公司會盡力將議程及相關會議文件在擬定舉行的董事會會議日期至少三天前送交全體董事，而其形式及素質亦足以讓董事會就供彼等商議的事項作出有根據的決定。若有董事提出問題，本公司必定盡力作出迅速及全面的回應。

董事會已有既定的程序，讓董事可在適當的情況下尋求獨立專業意見，費用由本公司支付。董事會須應合理要求議決另外為董事提供獨立專業意見，以協助彼等履行其對本公司的責任。

公司秘書負責撰寫董事會及其轄下委員會的會議紀錄。在每次會議結束後，會議紀錄的初稿及最終定稿會於合理時間內先後送交董事，初稿供董事表達意見，最終定稿則作記錄之用。會議紀錄對會議上所考慮事項及達致的決定有足夠詳細的記錄，其中包括董事提出的任何疑慮或表達的反對意見(如有)。董事會及其轄下委員會的會議紀錄由公司秘書備存，並供任何董事／委員會成員查閱。

若有主要股東或董事在董事會將予考慮的事項中存有董事會認為重大的利益衝突(包括與關連人士進行的重大交易)，該事項將以舉行董事會會議的方式處理，而不會以書面決議的方式處理。在交易中本身及其緊密聯繫人均沒有重大利益的獨立非執行董事須出席有關的董事會會議。

BOARD OF DIRECTORS (Continued)

Board meetings (Continued)

Except for those circumstances permitted by the Bye-laws and all applicable laws, rules and regulations, a Director shall not vote on any Board resolution approving any contract or arrangement or any other proposal in which he or any of his close associates (or associates where the transaction or arrangement is a connected transaction under Chapter 14A of the Listing Rules) has a material interest nor shall he be counted in the quorum present at the meeting.

Attendance records

During the financial year ended 31 December 2020, the Directors have made active contribution to the affairs of the Group and seven physical Board meetings were held to consider, among other things, various projects contemplated by the Group and to review and approve the interim results and annual results of the Group.

Details of the Directors' attendances in 2020 are as follows:

董事會(續)

董事會會議(續)

除在細則及所有適用法律、規則及規例允許之情況外，若董事或其任何緊密聯繫人(若下文所述有關交易或安排屬於上市規則第十四A章所指的關連交易，則指聯繫人)於任何合約、安排或任何其他建議中佔有重大利益，有關董事不得就通過該合約、安排或建議的董事會決議案進行表決，亦不會被計入該次會議出席的法定人數。

出席記錄

於截至二零二零年十二月三十一日止財政年度內，董事積極參與本集團的事務，並曾舉行七次董事會議，以考慮(其中包括)本集團擬進行的各種項目，以及審議和批准本集團的中期業績及全年業績。

董事於二零二零年的出席記錄如下：

Directors	董事	Number of meeting(s) attended/eligible to attend 出席會議次數／ 合資格出席會議次數	Notes 附註
Executive Directors	執行董事		
Xu Liang (<i>Chairman</i>)	徐 量(主席)	7/7	
Su Guifeng	蘇桂鋒	7/7	1
Li Jing	李 婧	7/7	2
Non-executive Directors	非執行董事		
Huang Donglin	黃冬林	7/7	
Liu Dongsheng	劉東升	2/2	3
You Wenli	游文麗	6/7	4
Independent Non-executive Directors	獨立非執行董事		
Tam King Ching, Kenny	譚競正	7/7	
Zhang Xingyu	張興禹	6/6	5
Fei Jianjiang	費建江	1/1	6
Wan Siu Wah, Wilson	溫兆華	6/7	7

BOARD OF DIRECTORS (Continued)

Attendance records (Continued)

Notes:

1. Mr. Su Guifeng resigned as a Director with effect from 19 March 2021.
2. Ms. Li Jing resigned as a Director with effect from 24 March 2021.
3. Mr. Liu Dongsheng retired as a Director with effect from 21 May 2020.
4. Ms. You Wenli resigned as a Director with effect from 24 March 2021.
5. Mr. Zhang Xingyu appointed as a Director with effect from 20 March 2020.
6. Mr. Fei Jianjiang resigned as a Director with effect from 20 March 2020.
7. Mr. Wan Siu Wah, Wilson passed away on 8 January 2021.

Access to information

The Board is supplied with sufficient explanation and information by the management to enable the Board to make an informed assessment of financial and other information put before it for approval. The management provides all Board members with monthly updates which give a balanced and understandable assessment of the Company's performance, position and prospects in sufficient details to enable the Board as a whole and each Director to discharge their duties. Where any Director requires more information than is volunteered by the management, each Director has the right to separately and independently access to the Company's senior management to make further enquiries if necessary.

Appointment and re-election of Directors

Appointment of new Directors is a matter for consideration by the Nomination Committee. In considering the candidates for directorship, the Nomination Committee will give adequate consideration to the Board Diversity Policy, review the profiles of the candidates and take into account the qualification, ability, working experience, leadership and professional ethics of the candidates. The Nomination Committee will make recommendations to the Board on the appointment, re-appointment and nomination of Directors for consideration and approval.

董事會(續)

出席記錄(續)

附註：

1. 蘇桂鋒先生自二零二一年三月十九日起辭任董事。
2. 李靖女士自二零二一年三月二十四日起辭任董事。
3. 劉東升先生自二零二零年五月二十一日起退任董事。
4. 游文麗女士自二零二一年三月二十四日起辭任董事。
5. 張興禹先生自二零二零年三月二十日起獲委任為董事。
6. 費建江先生自二零二零年三月二十日起辭任董事。
7. 溫兆華先生於二零二一年一月八日離世。

資料之使用

管理層應向董事會提供充分的解釋及資料，讓董事會可就提交予彼等批准的財務及其他資料，作出有根據的評審。管理層每月向董事會全體成員提供更新的資料，讓董事會整體及各董事獲得充足資料使彼等可對本公司的表現、狀況及前景有公正及易於理解的評估，以便履行職務。倘任何董事需要管理層主動提供的資料以外的額外資料，各董事均有權於有需要時自行接觸本公司高級管理人員作進一步查詢。

委任及重選董事

委任新董事的事宜由提名委員會審議。於考慮董事人選時，提名委員會將充分考慮董事會成員多元化政策，以及審查候選人的簡歷，並考慮該候選人的資格、能力、工作經驗、領導才能及專業操守。提名委員會將就董事的委任、重新委任及提名向董事會提出建議以供董事會考慮及批准。

BOARD OF DIRECTORS (Continued)

Appointment and re-election of Directors (Continued)

According to the Bye-laws, any Director so appointed by the Board shall hold office, in the case of filling a casual vacancy, only until the next following general meeting of the Company or, in the case of an addition to their number, until the next following annual general meeting of the Company who shall then be eligible for re-election at such general meeting. Every Director, except for the Chairman and the Managing Director, is subject to retirement by rotation at least once every three years. In order to comply with applicable laws of Bermuda, the Bye-laws do not require the Chairman and the Managing Director to retire by rotation. However, they will voluntarily retire and offer themselves for re-election at least once every three years in order to comply with the second part of code provision A.4.2 of the CG Code.

The Board recommended the re-appointment of the Directors standing for re-election at the forthcoming annual general meeting of the Company. Detailed information of the Directors standing for re-election will be set out in the circular of the Company in relation to the forthcoming annual general meeting to be despatched to the shareholders.

All Directors (including all Non-executive Directors) have entered into service agreements or engagement letters with the Company for a term of not more than three years.

Independent Non-executive Directors

During the year, pursuant to Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules, the Company has appointed three Independent Non-executive Directors, represents not less than one-third of the Board, with one of them has appropriate professional qualifications or accounting or related financial management expertise.

The Company has received from the Independent Non-executive Directors, Mr. Tam King Ching, Kenny and Mr. Zhang Xingyu, an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and the Company considers them to be independent.

Any re-election of an independent non-executive director who has served the board for more than nine years, his/her further appointment should be subject to a separate resolution to be approved by shareholders.

董事會(續)

委任及重選董事(續)

根據細則，任何為填補臨時空缺而獲董事會委任的董事，其任期至本公司下一次股東大會終止；若為增加董事會成員數目而獲委任的董事，其任期至本公司下屆股東周年大會終止，並有資格於該股東大會上膺選連任。每名董事(除主席及董事總經理外)須至少每三年輪值退任一次。為了符合百慕達適用法例，細則沒有規定主席及董事總經理輪值退任。然而，為了符合企業管治守則第A.4.2條的第二部份守則條文，彼等將自願至少每三年退任及膺選連任一次。

董事會建議被重新委任的董事將於本公司應屆股東周年大會上接受重選。刊發予股東的本公司應屆股東周年大會通函將載有接受重選董事的詳細資料。

本公司與所有董事(包括所有非執行董事)均已簽訂任期不多於三年之服務合約或委聘書。

獨立非執行董事

本年度內，根據上市規則第3.10(1)、3.10(2)及3.10A條，本公司已委任三名獨立非執行董事，佔董事會人數至少三分之一，而當中一名獨立非執行董事具備適當的專業資格或在會計或相關財務管理方面的專長。

本公司已接獲獨立非執行董事譚競正先生及張興禹先生根據上市規則第3.13條的規定就獨立性提交的週年確認書，本公司認為彼等均屬獨立人士。

凡服務董事會超過九年的獨立非執行董事，須獲股東以獨立決議案批准方可續任。

BOARD OF DIRECTORS (Continued)

Independent Non-executive Directors (Continued)

Where an individual is proposed to be elected as an Independent Non-executive Director at the general meeting, the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting will include:

- the process used for identifying the individual and why the Board believes the individual should be elected and the reasons why it considers the individual to be independent;
- if the proposed Independent Non-executive Director will be holding their seventh (or more) listed company directorship, why the Board believes the individual would still be able to devote sufficient time to the Board;
- the perspectives, skills and experience that the individual can bring to the Board; and
- how the individual contributes to diversity of the Board.

Insurance for directors' and officers' liability

Appropriate insurance cover on directors' and officers' liabilities has been in force to protect the Directors and officers of the Group from their risk exposure arising from the businesses of the Group.

Directors' training and professional development

Every newly appointed Director will be given an introduction of regulatory requirements. Directors are continually updated on the latest development of the Listing Rules, legal and other regulatory requirements to ensure compliance and upkeep of good corporate governance practice. Directors are also encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company Secretary facilitates induction and professional development of Directors and the Company is responsible for arranging and funding suitable training for the Directors.

董事會(續)

獨立非執行董事(續)

倘擬於股東大會上建議選任某人士為獨立非執行董事，則有關股東大會通告所隨附的致股東通函及／或說明函件中將包括：

- 用以物色該名人士的流程，董事會認為應選任該名人士的理由以及彼等認為該名人士屬獨立人士的原因；
- 倘候任獨立非執行董事將出任第七間(或以上)上市公司的董事，董事會認為該名人士仍可投入足夠時間履行董事責任的原因；
- 該名人士可為董事會帶來的觀點與角度、技能及經驗；及
- 該名人士如何促進董事會成員多元化。

董事及高級職員之責任保險

本公司已為董事及高級職員購買合適的責任保險，就彼等因本集團業務承擔的風險提供保障。

董事培訓及專業發展

每名新委任的董事均獲提供相關法規要求的簡介。本公司亦會不斷向董事更新上市規則、法律及其他監管規定要求的最新發展，以確保彼等遵守及維持良好的企業管治常規。本公司亦鼓勵董事參與持續專業發展，發展並更新彼等的知識及技能。公司秘書協助安排董事的就任須知及專業發展，而本公司負責為董事安排合適的培訓並提供經費。

BOARD OF DIRECTORS (Continued)

董事會(續)

Directors' training and professional development (Continued)

董事培訓及專業發展(續)

All Directors have provided to the Company their records of training received during the financial year ended 31 December 2020, a summary of which is as follows:

所有董事已向本公司提供彼等於截至二零二零年十二月三十一日止財政年度接受培訓的記錄，概要如下：

Directors	董事	Continuous professional development 持續專業發展		Notes 附註
		Type (Note 1) 種類 (註1)	Subject (Note 2) 內容 (註2)	
Xu Liang	徐 量	B	I, IV	
Su Guifeng	蘇桂鋒	A	III, IV	3
		B	I, IV	
Li Jing	李 婧	B	I, IV	4
Huang Donglin	黃冬林	B	I, IV	
Liu Dongsheng	劉東升	B	I	5
You Wenli	游文麗	B	I, IV	6
Tam King Ching, Kenny	譚競正	A	I, II	
		B	I, IV	
Zhang Xingyu	張興禹	B	I, IV	7
Fei Jianjiang	費建江	B	I, IV	8
Wan Siu Wah, Wilson	溫兆華	B	I, IV	9

Notes:

附註：

- Attending seminars, conferences, forums, in-house briefings or in-house training
 - Reading newspapers, journals and updates
- Laws, rules and regulations
 - Finance, accounting or taxation
 - Management
 - Business relating to the Group

- 出席研討會、會議、論壇、內部簡介會或內部培訓
 - 閱讀報章、刊物及更新資料
- 法例、法規及規則
 - 財務、會計或稅務
 - 管理
 - 與本集團有關的業務

BOARD OF DIRECTORS (Continued)

Directors' training and professional development (Continued)

Notes: (Continued)

3. Mr. Su Guifeng resigned as a Director with effect from 19 March 2021.
4. Ms. Li Jing resigned as a Director with effect from 24 March 2021.
5. Mr. Liu Dongsheng retired as a Director with effect from 21 May 2020.
6. Ms. You Wenli resigned as a Director with effect from 24 March 2021.
7. Mr. Zhang Xingyu appointed as a Director with effect from 20 March 2020.
8. Mr. Fei Jianjiang resigned as a Director with effect from 20 March 2020.
9. Mr. Wan Siu Wah, Wilson passed away on 8 January 2021.

CHAIRMAN AND MANAGING DIRECTOR

The roles of Chairman and Managing Director are separate and exercised by different individuals to reinforce their independence and accountability. During the year, Mr. Xu Liang is the Chairman and Mr. Su Guifeng serves as the Managing Director of the Company. The Chairman provides leadership for the Board and ensures that the Board works effectively and performs its responsibilities. The Managing Director has overall chief executive responsibility for the Group's business development and day-to-day management generally. The division of responsibilities between the Chairman and the Managing Director is clearly established and set out in writing.

Mr. Su Guifeng resigned as the Managing Director with effect from 1 January 2021. Upon his resignation, due to the time needed by the Company to find suitable candidate for the replacement, Mr. Xu Liang performs both the roles of the Managing Director and the Chairman of the Board, until the appointment of Mr. Liang Hengyi as the general manager of the Company on 29 March 2021.

董事會(續)

董事培訓及專業發展(續)

附註：(續)

3. 蘇桂鋒先生自二零二一年三月十九日起辭任董事。
4. 李靖女士自二零二一年三月二十四日起辭任董事。
5. 劉東升先生自二零二零年五月二十一日起退任董事。
6. 游文麗女士自二零二一年三月二十四日起辭任董事。
7. 張興禹先生自二零二零年三月二十日起獲委任為董事。
8. 費建江先生自二零二零年三月二十日起辭任董事。
9. 溫兆華先生於二零二一年一月八日離世。

主席及董事總經理

為加強主席與董事總經理的獨立性及問責性，彼等的角色已予區分，並由不同人士擔任。本年度內，徐量先生擔任主席，而蘇桂鋒先生則為本公司的董事總經理。主席負責領導董事會，確保董事會有效地運作，且履行其職責；董事總經理則肩負行政總裁整體的職務，負責本集團整體的業務發展及日常管理。主席與董事總經理之間職責的分工已予清楚界定並以書面列載。

自二零二一年一月一日起，蘇桂鋒先生辭任本公司董事總經理。蘇桂鋒先生辭任後，由於本公司需要時間物色合適人選以填補空缺，徐量先生同時出任董事總經理及主席的職位，直至二零二一年三月二十九日梁衡義先生獲委任為本公司總經理。

CHAIRMAN AND MANAGING DIRECTOR (Continued)

The responsibilities of the Chairman include, amongst other things:

- taking primary responsibility for ensuring that good corporate governance practices and procedures are established;
- ensuring that all Directors are properly briefed on issues arising at Board meetings, and ensuring that Directors receive, in a timely manner, adequate information which must be accurate, clear, complete and reliable;
- encouraging all Directors to make a full and active contribution to the Board's affairs and taking the lead to ensure that the Board acts in the best interest of the Company;
- encouraging Directors with different views to voice their concerns, allowing sufficient time for discussion of issues and ensuring that Board decisions fairly reflect Board consensus;
- ensuring that appropriate steps are taken to provide effective communications with shareholders and that their views are communicated to the Board as a whole; and
- promoting a culture of openness and debate by facilitating the effective contribution of Non-executive Directors in particular and ensuring constructive relations between Executive and Non-executive Directors.

During the year, the Chairman met with the Independent Non-executive Directors without the presence of the Executive Directors.

BOARD COMMITTEES

The Board has established the following committees to oversee particular aspects of the Company's affairs and to assist in the execution of the Board's responsibilities. All committees have their own terms of reference. All resolutions passed by the committees will be reported to the Board at the next Board meeting.

Executive Committee

An Executive Committee of the Board was established in September 2005 with specific written terms of reference which deal clearly with its authorities and duties.

主席及董事總經理(續)

主席的職責(其中)包括：

- 在確保本公司制定良好的企業管治常規及程序方面負主要責任；
- 確保董事會會議上所有董事均適當知悉當前的事項，以及確保董事適時收到充分的資訊，而有關資訊亦必須準確清晰及完備可靠；
- 鼓勵所有董事全力投入董事會事務，並以身作則，確保董事會行事符合本公司最佳利益；
- 鼓勵持不同意見的董事表達本身關注的事宜、給予充足時間討論該等事宜，以及確保董事會的決定能公正反映董事會的共識；
- 確保採取適當步驟保持與股東有效聯繫，以及確保股東意見可傳達到整個董事會；及
- 提倡公開、積極討論的文化，促進董事（特別是非執行董事）對董事會作出有效貢獻，並確保執行董事與非執行董事之間維持建設性的關係。

年內，主席曾在沒有執行董事在場的情況下與獨立非執行董事會面。

董事會轄下委員會

董事會已成立下列委員會，以監察本公司特定範疇的事務及協助董事會執行其職務。全部委員會均有其職權範圍。委員會通過的所有決議案均須於下次董事會會議上向董事會匯報。

執行委員會

董事會轄下的執行委員會於二零零五年九月成立，委員會具書面訂明的職權範圍，清楚說明其職權及責任。

BOARD COMMITTEES (Continued)

Executive Committee (Continued)

The Executive Committee has been conferred with the general powers of the Board (except those matters specifically reserved for the Board) to manage and oversee the operations of the Group and has been assigned with the responsibilities to perform the corporate governance duties as follows:

- 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;
- to develop, review and monitor the code of conduct and compliance manual (if any) applicable to the Group's employees and Directors;
- to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report; and
- to conform to any requirement, direction, regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by legislation.

The Executive Committee comprises all Executive Directors of the Company.

During the year, nine physical meetings of the Executive Committee were held. Amongst those meetings, one meeting was held for the purpose of performing the corporate governance duties. The attendances of the members of the Executive Committee at those meetings are as follows:

董事會轄下委員會(續)

執行委員會(續)

執行委員會獲授董事會的一般權力(惟特別保留予董事會的事項除外)以管理及監督本集團的營運，以及負責履行下列企業管治職責：

- 制定及檢討本公司的企業管治政策及常規，並向董事會提出建議；
- 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；
- 制定、檢討及監察適用於本集團僱員及董事的操守準則及合規手冊(如有)；
- 檢討本公司遵守企業管治守則的情況及企業管治報告內的披露；及
- 遵守董事會不時規定或本公司組織章程所載或法例規定的任何規定、指引或規則。

執行委員會由本公司全體執行董事組成。

年內，執行委員會曾舉行九次會議，當中有一次會議為履行企業管治職責而召開。執行委員會各成員於該等會議的出席記錄如下：

Committee members	委員會成員	Number of meeting(s) attended/eligible to attend 出席會議次數／ 合資格出席會議次數	Notes 附註
Xu Liang (<i>chairman of the committee</i>)	徐 量(委員會主席)	9/9	
Su Guifeng	蘇桂鋒	9/9	1
Li Jing	李 婧	9/9	2

Notes:

- Mr. Su Guifeng resigned as a Director with effect from 19 March 2021.
- Ms. Li Jing resigned as a Director with effect from 24 March 2021.

附註：

- 蘇桂鋒先生自二零二一年三月十九日起辭任董事。
- 李婧女士自二零二一年三月二十四日起辭任董事。

BOARD COMMITTEES (Continued)

Executive Committee (Continued)

The major work in relation to the corporate governance of the Group performed by the Executive Committee during the year includes, among other things, the following:

- reviewing the Company's compliance with the CG Code and disclosure in the corporate governance report of the Company for the year ended 31 December 2019.

Audit Committee

An Audit Committee of the Board was established with specific written terms of reference which deal clearly with its authorities and duties. The terms of reference of the Audit Committee are posted on the websites of the Stock Exchange and the Company respectively.

The principal duties of the Audit Committee include, amongst other things:

- overseeing the relationship with the Company's auditor;
- reviewing the interim and annual financial statements of the Group;
- reviewing the Company's financial reporting system, risk management and internal control systems; and
- reviewing the arrangements that employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters.

The Audit Committee has explicit authority to investigate any activity within its terms of reference and the authority to obtain outside legal or other independent professional advice, at the Company's expense, to perform its responsibilities if it considers necessary. It is given access to and assistance from the employees and reasonable resources to perform its duties properly.

董事會轄下委員會(續)

執行委員會(續)

執行委員會於年內履行有關本集團企業管治的主要工作(其中包括)如下：

- 檢討本公司截至二零一九年十二月三十一日止年度遵守企業管治守則的情況及審閱企業管治報告內的披露。

審核委員會

董事會轄下的審核委員會已成立，委員會具書面訂明的職權範圍，清楚說明其職權及責任。審核委員會的職權範圍分別登載於聯交所及本公司網站。

審核委員會的主要職責(其中包括)：

- 監察與本公司核數師之間的關係；
- 審閱本集團中期及年度財務報表；
- 審查本公司的財務申報系統、風險管理及內部監控系統；及
- 檢討本公司僱員可在保密的情況下就財務匯報、內部監控或其他方面可能發生的不正當行為提出關注之有關安排。

審核委員會具有明確權力，可按其職權範圍調查任何事宜，並有權在有需要時獲取外部法律或其他獨立專業意見，以履行其職責，費用由本公司支付。審核委員會亦可獲僱員提供支援及協助，取得合理的資源以妥善履行其職務。

BOARD COMMITTEES (Continued)

Audit Committee (Continued)

The chairman of the Audit Committee is an Independent Non-executive Director and the Audit Committee comprised all Independent Non-executive Directors of the Company. None of the members of the Audit Committee are former partners of the auditor of the Company.

During the year, two physical meetings of the Audit Committee were held and the attendances of the members of the Audit Committee at those meetings are as follows:

董事會轄下委員會(續)

審核委員會(續)

審核委員會的主席由一名獨立非執行董事擔任，審核委員會由本公司全體獨立非執行董事組成。概無審核委員會成員為本公司核數師的前任合夥人。

年內，審核委員會曾舉行兩次會議，審核委員會各成員於該等會議的出席記錄如下：

Committee members	委員會成員	Number of meeting(s) attended/eligible to attend	Notes
		出席會議次數／ 合資格出席會議次數	附註
Tam King Ching, Kenny (<i>chairman of the committee</i>)	譚競正(委員會主席)	2/2	
Zhang Xingyu	張興禹	1/1	1
Fei Jianjiang	費建江	1/1	2
Wan Siu Wah, Wilson	溫兆華	2/2	3

Notes:

1. Mr. Zhang Xingyu appointed as a Director with effect from 20 March 2020.
2. Mr. Fei Jianjiang resigned as a Director with effect from 20 March 2020.
3. Mr. Wan Siu Wah, Wilson passed away on 8 January 2021.

附註：

1. 張興禹先生自二零二零年三月二十日起獲委任為董事。
2. 費建江先生自二零二零年三月二十日起辭任董事。
3. 溫兆華先生於二零二一年一月八日離世。

The major work performed by the Audit Committee during the year included, amongst other things, the following:

- reviewed the final results of the Group for the financial year ended 31 December 2019;
- reviewed the interim results of the Group for the six months ended 30 June 2020;

審核委員會於年內履行的主要工作(其中包括)如下：

- 審閱本集團截至二零一九年十二月三十一日止財政年度的全年業績；
- 審閱本集團截至二零二零年六月三十日止六個月的中期業績；

BOARD COMMITTEES (Continued)

Audit Committee (Continued)

- reviewed the reports on the risk management and internal control systems of the Group; and
- monitoring, analyzing and reviewing connected transactions entered into by the Group during the year.

During the year, the Board had no disagreement with the Audit Committee's view on the selection, appointment, resignation or dismissal of the external auditor.

Nomination Committee

A Nomination Committee of the Board was established in September 2005 with specific written terms of reference which deal clearly with its authorities and duties. The terms of reference of the Nomination Committee are posted on the websites of the Stock Exchange and the Company respectively.

The principal duties of the Nomination Committee include, amongst other things:

- reviewing the structure, size and composition of the Board and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- identifying individuals suitably qualified to become Board members and selecting or making recommendations to the Board;
- making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors;
- assessing the independence of Independent Non-executive Directors; and
- reviewing the Board Diversity Policy, as appropriate; and reviewing the measurable objectives that have been set for implementing the Board Diversity Policy, and reviewing the progress on achieving the objectives.

董事會轄下委員會(續)

審核委員會(續)

- 審閱本集團的風險管理及內部監控系統報告；及
- 監察、分析及檢討本集團於年內訂立的關連交易。

董事會於年內概無不同意審核委員會對甄選、委任、辭任或罷免外聘核數師事宜的意見。

提名委員會

董事會轄下的提名委員會於二零零五年九月成立，委員會具書面訂明的職權範圍，清楚說明其職權及責任。提名委員會的職權範圍分別登載於聯交所及本公司網站。

提名委員會的主要職責(其中包括)：

- 檢討董事會的架構、人數及組成，並就任何為配合本公司策略而擬對董事會作出的變動提出建議；
- 物色具備合適資格可擔任董事的人士，並挑選提名有關人士出任董事或就此向董事會提供建議；
- 就董事委任或重新委任以及董事繼任計劃向董事會提出建議；
- 評核獨立非執行董事的獨立性；及
- 在適當情況下檢討董事會成員多元化政策；以及檢討董事會為執行董事會成員多元化政策而制定的可計量目標和檢討達標進度。

BOARD COMMITTEES (Continued)

Nomination Committee (Continued)

Where vacancies exist at the Board, candidates are proposed and put forward to the Nomination Committee for consideration. The recommendations of the Nomination Committee will then be tendered to the Board for approval. In considering the nomination of a new Director, the Nomination Committee will give adequate consideration to the Board Diversity Policy and take into account the qualification, ability, working experience, leadership and professional ethics of the candidates. In determining the independence of Directors, the Board follows the requirements set out in the Listing Rules.

The Nomination Committee has explicit authority to seek any necessary information from the employees within its scope of duties and the authority to obtain outside independent professional advice, at the Company's expense, to perform its responsibilities if it considers necessary.

The chairman of the Nomination Committee is the Chairman of the Board and the Independent Non-executive Directors of the Company constitute the majority of the Nomination Committee.

During the year, three physical meetings of the Nomination Committee were held and the attendances of the members of the Nomination Committee at those meetings are as follows:

董事會轄下委員會(續)

提名委員會(續)

董事會出現空缺時，獲提名的候選人提交提名委員會審議。提名委員會的建議其後會提交董事會審批。提名委員會於考慮提名新董事時，會充分考慮董事會成員多元化政策，並考慮該候選人的資格、能力、工作經驗、領導才能及專業操守。董事會在決定董事的獨立性時會遵循上市規則所載規定。

提名委員會具有明確權力，可按其職權範圍向僱員徵求任何所需資料，並有權在有需要時獲取外部獨立專業意見，以履行其職責，費用由本公司支付。

提名委員會的主席由董事會主席擔任。本公司的獨立非執行董事佔提名委員會的大多數。

年內，提名委員會曾舉行三次會議，提名委員會各成員於該等會議的出席記錄如下：

Committee members	委員會成員	Number of meeting(s) attended/eligible to attend 出席會議次數／ 合資格出席會議次數	Notes 附註
Xu Liang (<i>chairman of the committee</i>)	徐 量(委員會主席)	3/3	
Huang Donglin	黃冬林	3/3	
Tam King Ching, Kenny	譚競正	3/3	
Zhang Xingyu	張興禹	2/2	1
Fei Jianjiang	費建江	1/1	2
Wan Siu Wah, Wilson	溫兆華	2/3	3

Notes:

1. Mr. Zhang Xingyu appointed as a Director with effect from 20 March 2020.
2. Mr. Fei Jianjiang resigned as a Director with effect from 20 March 2020.
3. Mr. Wan Siu Wah, Wilson passed away on 8 January 2021.

附註：

1. 張興禹先生自二零二零年三月二十日起獲委任為董事。
2. 費建江先生自二零二零年三月二十日起辭任董事。
3. 溫兆華先生於二零二一年一月八日離世。

BOARD COMMITTEES (Continued)

Nomination Committee (Continued)

The major work performed by the Nomination Committee during the year included, amongst other things, the following:

- assessing the independence of the Independent Non-executive Directors;
- considering and making recommendations to the Board on the re-election of Directors at the annual general meeting;
- considering and making recommendations to the Board for the appointment of Mr. Zhang Xingyu as an Independent Non-Executive Director of the Company, a member of each the Audit Committee, Nomination Committee and the Remuneration Committee; and
- reviewing the structure and composition of the Board with due regard for the benefits of diversity on the Board.

Remuneration Committee

A Remuneration Committee of the Board was established in September 2005 with specific written terms of reference which deal clearly with its authorities and duties. The terms of reference of the Remuneration Committee are posted on the websites of the Stock Exchange and the Company respectively.

The principal duties of the Remuneration Committee include, amongst other things:

- making recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management of the Group;
- reviewing and approving the management's remuneration proposals with reference to the Company's goals and objectives;
- determining, with delegated responsibility, the remuneration packages of individual Executive Directors and senior management and making recommendations to the Board on the remuneration of Non-executive Directors;

董事會轄下委員會(續)

提名委員會(續)

提名委員會於年內履行的主要職責(其中包括)如下：

- 評核獨立非執行董事的獨立性；
- 考慮及就於股東周年大會上重選董事向董事會提出建議；
- 考慮並向董事會提出建議，任命張興禹先生為本公司獨立非執行董事、審核委員會、提名委員會及薪酬委員會成員；及
- 檢討董事會的架構及組成，同時充分顧及董事會成員多元化的裨益。

薪酬委員會

董事會轄下的薪酬委員會於二零零五年九月成立，委員會具書面訂明的職權範圍，清楚說明其職權及責任。薪酬委員會的職權範圍分別登載於聯交所及本公司網站。

薪酬委員會的主要職責(其中包括)：

- 就本公司對本集團董事及高級管理人員的全體薪酬政策及架構，向董事會提出建議；
- 因應本公司方針及目標而檢討及審批管理層的薪酬建議；
- 獲董事會轉授責任，釐定個別執行董事及高級管理人員的薪酬待遇，並就非執行董事的酬金向董事會提出建議；

BOARD COMMITTEES (Continued)

Remuneration Committee (Continued)

- reviewing and approving compensation payable to Executive Directors and senior management and compensation arrangements relating to dismissal or removal of Directors for misconduct; and
- ensuring that no Director or any of his/her associates is involved in deciding his/her own remuneration.

The Remuneration Committee may consult the Chairman of the Board and/or the Managing Director of the Company about their remuneration proposals for other Executive Directors. It has explicit authority to seek any necessary information from the employees within its scope of duties and the authority to obtain outside independent professional advice, at the Company's expense, to perform its responsibilities if it considers necessary.

The remuneration policies for the Company as well as the Directors are market alignment and reward for performance. The Company reviews the remuneration package annually taking into consideration of the market practice, competitive market position and individual performance.

The chairman of the Remuneration Committee is an Independent Non-executive Director and the Independent Non-executive Directors of the Company constitute the majority of the Remuneration Committee.

During the year, three physical meetings of the Remuneration Committee were held and the attendances of the members of the Remuneration Committee at those meetings are as follows:

董事會轄下委員會(續)

薪酬委員會(續)

- 檢討及審批應付予執行董事及高級管理人員的賠償，以及董事因行為不當而被辭退或免職時的賠償安排；及
- 確保任何董事或其任何聯繫人不得自行釐訂薪酬。

薪酬委員會可就其他執行董事的薪酬建議諮詢董事會主席及／或本公司董事總經理的意見。薪酬委員會具有明確權力，可按其職權範圍向僱員徵求任何所需資料，並有權在有需要時獲取外部獨立專業意見，以履行其職責，費用由本公司支付。

本公司及董事的薪酬政策均與市場水平及工作表現掛鉤。本公司會考慮市場慣例、市場上的競爭狀況及個人表現，按年檢討薪酬組合。

薪酬委員會的主席由一名獨立非執行董事擔任。本公司的獨立非執行董事佔薪酬委員會的大多數。

年內，薪酬委員會曾舉行三次會議，薪酬委員會各成員於該等會議的出席記錄如下：

Committee members	委員會成員	Number of meeting(s) attended/eligible to attend	Notes
		出席會議次數／ 合資格出席會議次數	
Tam King Ching, Kenny (<i>chairman of the committee</i>)	譚競正(委員會主席)	3/3	
Xu Liang	徐 量	3/3	
Huang Donglin	黃冬林	3/3	
Zhang Xingyu	張興禹	2/2	1
Fei Jianjiang	費建江	1/1	2
Wan Siu Wah, Wilson	溫兆華	2/3	3

BOARD COMMITTEES (Continued)

Remuneration Committee (Continued)

Notes:

1. Mr. Zhang Xingyu appointed as a Director with effect from 20 March 2020.
2. Mr. Fei Jianjiang resigned as a Director with effect from 20 March 2020.
3. Mr. Wan Siu Wah, Wilson passed away on 8 January 2021.

The major work performed by the Remuneration Committee during the year included, amongst other things, the following:

- considering, reviewing and determining the remuneration and the terms of service agreement/engagement letters of Mr. Su Guifeng, Ms. Li Jing and Mr. Zhang Xingyu; and
- considering, reviewing and determining the Company Directors' bonuses for the year 2020 and remuneration for the year 2021.

Details of remuneration paid to Directors and senior management for the year are set out in notes 36 and 9 to the consolidated financial statements.

COMPANY SECRETARY

The Company Secretary supports the Board by ensuring good information flow within the Board and that board policy and procedures are followed. The Company Secretary is also responsible for advising the Board through the Chairman and/or the Managing Director of the Company on corporate governance and the implementation of the CG Code. The Company Secretary is an employee of the Company and has day-to-day knowledge of the Group's affairs.

The Company Secretary reports to the Chairman and the Managing Director. All Directors have access to the advice and services of the Company Secretary to ensure that board procedures, and all applicable laws, rules and regulations are followed. The selection, appointment and dismissal of the Company Secretary are subject to the Board approval.

The Company Secretary has confirmed that she has taken no less than 15 hours of relevant professional training during the year.

董事會轄下委員會(續)

薪酬委員會(續)

附註：

1. 張興禹先生自二零二零年三月二十日起獲委任為董事。
2. 費建江先生自二零二零年三月二十日起辭任董事。
3. 溫兆華先生於二零二一年一月八日離世。

薪酬委員會於年內履行的主要工作(其中包括)如下：

- 考慮、檢討及釐定蘇桂鋒先生、李靖女士及張興禹先生的酬金及服務合約／委聘書之條款；及
- 考慮、檢討及釐定本公司董事二零二零年度的花紅及二零二一年之酬金。

年內向董事及高級管理人員支付的薪酬之詳情載列於綜合財務報告附註36及9。

公司秘書

公司秘書支援董事會，確保董事會成員之間資訊交流良好，以及董事會政策及程序得以遵循。公司秘書亦負責透過主席及／或本公司董事總經理向董事會就企業管治情況及企業管治守則之施行事宜提供意見。公司秘書為本公司的僱員，對本集團的日常事務甚有認識。

公司秘書向主席及董事總經理匯報。所有董事可取得公司秘書的意見及服務，以確保董事會程序及所有適用法律、規則及規例得以遵守。公司秘書的遴選、委任與撤職須經董事會批准。

公司秘書確認其於年內接受不少於十五小時的相關專業培訓。

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is of the opinion that an appropriate and effective risk management and internal control system will contribute to the operational effectiveness and efficiency of the Group and to the safeguard of the Group's assets as well as the shareholders' investment.

The Board of the Group acknowledges its accountability to the risk management and internal control system and its responsibility to review the effectiveness of the system. The Board also clarifies that the system is purported to manage, but not eliminate, the risk of failure to fulfill business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss.

Our risk management and internal control system is embedded within our business processes so that it functions as an integral part of the overall operation of the Group. The system comprises a comprehensive organization structure with assignment of definite accountabilities and delegation of corresponding authorities to each post. Based on our organization structure, a reporting system has been developed including reporting channels from division heads of every principal business unit to the Executive Committee.

Business plans, the responsibility statement of business objectives, and budgets are prepared by division heads of every principal business unit annually. In preparing them, our management identifies and evaluates any potential risks. Measures will be put in place to ultimately manage, control, or lessen such risks.

These business plans and budgets are also subject to review and approval by the Executive Committee. The Executive Committee reviews monthly management reports on the operational and financial results of every principal business unit and measures the actual performance of the Group against the business plans and budgets concerned. In this course, the Executive Committee also reviews and assesses the effectiveness of all material controls and ensures the adequacies of resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions. The Executive Committee holds periodical meetings with the senior management of every principal business unit to address the issues in such controls, identify areas of improvement and put the appropriate measures in place.

The internal control systems of the Group are documented and, if any revision is required, such information will be submitted to the Audit Committee for evaluation.

風險管理及內部監控

董事會認為合適及有效的風險管理及內部監控系統能提高本集團的營運效益及效率，亦有助於保障本集團的資產及股東的投資。

董事會承認其須對風險管理及內部監控系統負責，並有責任檢討該等制度的有效性。董事會亦應闡釋該等系統旨在管理而非消除未能達成業務目標的風險，而且只能就不會出現重大的失實陳述或損失作出合理而非絕對的保證。

本集團的風險管理及內部監控系統已納入業務程序中，成為本集團整體營運中不可分割的一部份。該系統包括一個全面的組織架構，當中每個崗位都委以明確的責任，並授予相應的權力。本集團根據組織架構建立了匯報制度，當中包括每個主要業務單位的主管向執行委員會匯報的渠道。

每個主要業務單位的主管須每年編製業務計劃、公司經營目標責任書，及預算案。在訂立業務計劃及預算案時，管理層會辨識及評估任何潛在風險，對應的措施將予實施，務求最終能管理、控制或降低該等風險。

有關業務計劃及預算案需提交執行委員會審閱及批准。此外，執行委員會亦審閱每個主要業務單位每月營運及財務表現的管理報告，並對應相關的業務計劃及預算案來衡量本集團的實際表現。在此過程中，執行委員會會檢討及評估所有重大監控方面的成效，以確保本公司在會計、內部審核及財務匯報職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算是足夠的。執行委員會與每個主要業務單位的高級管理人員定期舉行會議，以處理內部監控事宜，識別可予以改善之處及採取適當的改善措施。

本集團的內部監控系統通過書面記載，如需修訂，亦會把相關的資料呈交審核委員會作評審。

RISK MANAGEMENT AND INTERNAL CONTROL (Continued)

The Audit Committee assists the Board to fulfill its oversight role over the Group's risk management and internal control function by reviewing and evaluating the effectiveness of our overall risk management and internal control system at least annually.

The Company sets up an Internal Audit Department in February 2006, and introduces the professional internal auditor to further strengthen the internal control in 2020, which assists the Board and the Audit Committee to discharge its duties in risk management and internal control aspects. The Internal Audit, independent to the operational departments of the Group, is responsible for conducting regular audits on the major activities of the Group and carrying out the analysis and independent appraisal of the adequacy and effectiveness of the risk management and internal control system of the Group to cover all material controls, including financial, operational and compliance controls as well as risk management, are in place and functioning reasonably and effectively, and can only provide reasonable and not absolute assurance against material misstatement or loss. The Internal Audit Department and professional internal auditors report to the Board and the Audit Committee with its findings and makes recommendations to improve the risk management and internal control systems of the Group.

The framework of risk management and internal control systems



Based on the risk-based approach, the Internal Audit Department and professional internal auditor continuously review and monitor the sufficiency of the risk control measures of every business unit of the Group and to examine if relevant measures have been implemented. The procedures involve assuring of the existence of related risks in the first place, then assessing the levels to which the potential risks are attributed based on the following two risk factors, i.e., the possibility of occurrence and the level of significance of the risk. Carrying out internal and external communications to provide the required information to the Group, afterward, audit recommendations will be made and further discussed with the relevant management.

風險管理及內部監控(續)

審核委員會協助董事會履行其在本集團風險管理及內部監控功能上的監管角色，每年至少一次審閱及評估風險管理及內部監控系統的整體效果。

本公司於二零零六年二月成立內部審計部門，並於本年度增聘專業內部審計機構，進一步加強風險管理和內部監控工作，以協助董事會及審核委員會履行相關責任。內部審計職能獨立於本集團的營運部門，負責對本集團的主要業務定期進行審核，並對本集團的風險管理及內部監控系統是否足夠和有效作出分析及獨立評估，務求涵蓋所有重要的監控，包括財務監控、運作監控及合規監控以及風險管理功能能合理地有效運作，且在重大錯誤陳述或數據遺漏方面只能提供合理但非絕對的保證。內部審計部門及專業內部審計機構向董事會及審核委員會匯報其工作結果，並就改善本集團的風險管理及內部監控系統提出建議。

風險管理及內部監控系統之框架

內部審計部門及專業內部審計機構以風險基礎為原則持續回顧並監控本集團每個主要業務單位的風險控制措施是否充足及相關措施已被落實執行。回顧程序包括先確立潛在風險的存在性，然後根據風險事項發生的可能性和發生後所帶來的影響性評定潛在風險事項的風險等級，進行內部及外部溝通，為本集團提供所需資料，再作出審計建議並與相關管理層進行探討。

RISK MANAGEMENT AND INTERNAL CONTROL (Continued)

In addition, the key business unit of the Group has put in place a risk control mechanism specializing in risk management and internal control in respect of project approval and subsequent follow-up works of the business unit. It will also conduct regular reporting to the responsible person of the business unit. The Internal Audit Department and professional internal auditor will review on a regular and irregular basis the performance of the risk control personnel of the key business unit and will report to the management of the Group and members of the Audit Committee any audit issues found, the potential risks and appropriate audit recommendations in the internal audit reports every half a year.

At the same time, it is the duty of the Managing Director of the Group to review whether or not the Group's overall risk management and internal control system is under appropriate and effective management, and to provide a written statement in this regard to the Board during the year-end audit.

Based on the said written statement as provided by the Managing Director, the advices provided by the Audit Committee and the audit recommendations as set forth in the reports issued by the Internal Audit Department and professional internal auditor, the Board will continue to oversee management of the Group in supervising the relevant departments to set up initiatives to handle various kinds of deficiencies found in risk management and internal control. Regular reviews on the improvement progress will be conducted by the Internal Audit Department and professional internal auditor, and the result of which will be reported to the Audit Committee and the Board.

Finally, the Board considers that it is an ongoing and continuous process for the Group to review and improve its risk management and internal control systems in order to ensure that they can deal with the dynamic and ever changing business environment.

風險管理及內部監控(續)

此外，本集團的主要業務單位設有運作中的風險管理機制，專責為業務單位的項目審批及後續工作進行風險管理及內部監控把關工作，並持續向主要業務單位負責人匯報。內部審計部門及專業內部審計機構負責定期或不定期回顧主要業務單位負責風險控制人員的工作，並於每半年的內部審計報告當中向本集團管理層及審計委員會成員匯報審計發現、潛在風險及作出適當的審計建議。

與此同時，本集團董事總經理負責檢討集團整體的風險管理和內部監控是否已獲得適當而有效的管理，並於每年年終審計時向董事會作出書面陳述。

董事會根據董事總經理的書面陳述、審核委員會意見及內部審計部門及專業內部審計機構所出報告提及的審計建議，持續監測集團管理層督導相關部門定下方案以解決各種風險管理及內部監控缺失，並由內部審計部門及專業內部審計機構定期回顧其改進進度及向審核委員會及董事會作出匯報。

董事會認為本集團須持續不斷地檢討及改善風險管理及內部監控系統，以確保本集團的內部監控系統能應付瞬息萬變的商業環境。

RISK MANAGEMENT AND INTERNAL CONTROL (Continued)

For the year ended 31 December 2020, the Board has been, through the Executive Committee and the Audit Committee with the assistance from the Internal Audit Department and professional internal auditor, continuously reviewing the effectiveness of the Group's risk management and internal control systems based on the following considerations:

- the changes, since the last review, in the nature and extent of significant risks and the Group's ability to respond to changes in business and the external environment;
- the scope and quality of management's ongoing monitoring of risks and of the internal control systems;
- the extent and frequency of communication of monitoring results to the Audit Committee and the Board which enables them to assess control of the Group and the effectiveness of risk management; and
- the effectiveness of the Group's processes for financial reporting and Listing Rules compliance.

During the year, internal audit reports in respect of the risk management and internal control system of the Group have been submitted by the Internal Audit Department and professional internal auditor to the Audit Committee and the Board for review. The Board considered that the risk management and internal control system of the Group is adequate and effective. The Group has adopted appropriate audit recommendations to further improve its risk management and internal control system.

風險管理及內部監控(續)

截至二零二零年十二月三十一日止年度內，董事會透過執行委員會及審核委員會，並在內部審計部門及專業內部審計機構的協助下，基於以下考慮因素持續檢討本集團風險管理及內部監控系統的成效：

- 自上年檢討後，重大風險的性質及嚴重程度的轉變、以及本集團應付其業務轉變及外在環境轉變的能力；
- 管理層持續監察風險及內部監控系統的工作範疇及素質；
- 向審核委員會及董事會傳達監控結果的詳盡程度及次數，此有助彼等評核本集團的監控情況及風險管理的有效程度；及
- 本集團有關財務報告及遵守上市規則規定的程序是否有效。

於年內，內部審計部門及專業內部審計機構已就本集團的風險管理及內部監控系統向審核委員會及董事會提呈報告，報告經彼等審閱。董事會認為本集團的風險管理和內部監控系統乃有效及足夠。本集團已採納合適的審計建議，以進一步提升風險管理及內部監控系統。

INSIDE INFORMATION DISCLOSURE POLICY

The Company adopted an inside information disclosure policy (the “Inside Information Disclosure Policy”) on 21 December 2015 which sets out the procedures for the handling and dissemination of inside information with a view to preventing uneven, inadvertent or selective dissemination of inside information and ensuring shareholders and the public are provided with full, accurate and timely information about the activities and the financial condition of the Group. The Inside Information Disclosure Policy covers the following:

- setting out the processes for identifying, assessing and escalating potential inside information to the Board;
- setting out the responsibilities of officers in preserving the confidentiality of inside information, escalating upwards any such potential information and cascading down the message and responsibilities to relevant staff; and
- identifying who are the Company’s authorized spokespersons and their responsibilities for communications with stakeholders of the Company.

In addition, the Company has communicated to all relevant staff regarding the implementation of the Inside Information Disclosure Policy.

The Board considers that the Company’s existing measures are effective and appropriate compliance mechanisms to safeguard the Company and its officers in discharging their disclosure obligations in respect of inside information.

The Inside Information Disclosure Policy is posted on the website of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) of the Listing Rules as a code of conduct of the Company for Directors’ securities transactions.

Having made specific enquiry of all Directors (except for Mr. Wan Siu Wah, Wilson), they have complied with the required standard set out in the Model Code and the Company’s code of conduct regarding Directors’ securities transactions throughout the year ended 31 December 2020.

Employees who are likely to possess inside information in relation to the Company or its shares are required to prohibit from dealing in shares of the Company during the black-out period.

內幕消息披露政策

本公司於二零一五年十二月二十一日採納內幕消息披露政策(「內幕消息披露政策」)，當中列載處理及發佈內幕消息的程序，旨在避免不公平、不慎或選擇性發佈內幕消息及確保股東及公眾獲得有關本集團的業務及財務狀況的全面、準確及適時消息或資料。內幕消息披露政策涵蓋以下內容：

- 說明識別、評估及向董事會提交潛在的內幕消息之程序；
- 說明高級職員的責任，要對內幕消息保密，向上級提交潛在的內幕消息及向相關員工傳達訊息及其責任；及
- 識別本公司授權的發言人及列明其與本公司利益相關者溝通的責任。

此外，本公司已向所有相關員工傳達有關實施內幕消息披露政策。

董事會認為本公司現有措施屬有效及合適的合規機制，足以保障本公司及其高級職員履行內幕消息的披露責任。

內幕消息披露政策登載於本公司網站。

進行證券交易的標準守則

本公司已就董事進行證券交易而採納上市規則中上市發行人董事進行證券交易的標準守則(「標準守則」)作為其本身的行為守則。

在向所有董事(除溫兆華先生)作出特定查詢後，彼等於截至二零二零年十二月三十一日止年度內已遵守標準守則及本公司有關董事進行證券交易的行為守則所規定的標準。

任何可能管有關於本公司或其股份的內幕消息的僱員，均不得於禁售期內買賣本公司股份。

AUDITOR'S REMUNERATION

During the year, the remuneration paid/payable to the auditors of the Company is set out as follows:

核數師酬金

年內已支付／應付予本公司核數師的酬金載列如下：

Services rendered	所提供服務	HK\$'000 港幣千元
Audit services	審計服務	1,200
Non-audit services:	非審計服務：	
Interim review	中期審閱	480
Others	其他	230
		1,910

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing financial statements of the Group which give a true and fair view of the state of affairs of the Group on a going concern basis and in presenting the annual and interim reports and other financial disclosures required under the Listing Rules, the Directors aim to present a balanced, clear and understandable assessment of the Group's position and prospects.

The statement of the auditor of the Company, PricewaterhouseCoopers, about its reporting responsibilities on the consolidated financial statements of the Group is set out in the Independent Auditor's Report on pages 104 to 111 of this annual report.

董事於財務報告的責任

董事承認彼等有責任編製本集團財務報告，以持續經營基準真實及公平地呈列本集團的事務。另於呈列年度報告及中期報告及上市規則所要求的其他財務披露時，董事須致力平衡、清晰及明白地評估本集團的狀況及前景。

本公司的核數師羅兵咸永道會計師事務所已在本年報第104頁至第111頁的獨立核數師報告中就彼於本集團綜合財務報告的申報責任作出聲明。

COMMUNICATION WITH SHAREHOLDERS

On 22 March 2012, the Board adopted a Shareholders' Communication Policy reflecting the current practices of the Company for communication with its shareholders. Such policy aims at ensuring the shareholders of the Company are provided with ready, equal and timely access to balanced and understandable information about the Company, in order to enable shareholders to exercise their rights in an informed manner, and to allow shareholders to engage actively with the Company.

To foster effective communications with the shareholders, the Company provides extensive information in its annual and interim reports and announcements. All shareholders' communications are also available on the Company's website at www.shougang-grand.com.hk.

與股東的溝通

於二零一二年三月二十二日，董事會採納一項反映本公司現時與股東通訊之常規的股東通訊政策。該政策旨在確保本公司股東均可適時取得全面、相同及容易理解的本公司資料，一方面使股東可在知情情況下行使其權力，另一方面也讓股東可與本公司積極交流。

為促進與股東之間的有效溝通，本公司於年報、中期報告及公告上提供全面資料。所有股東通訊資料均可於本公司網站索閱，網址為www.shougang-grand.com.hk。

COMMUNICATION WITH SHAREHOLDERS (Continued)

The annual general meeting of the Company provides a useful forum for shareholders to exchange views with the Board. All Directors will make an effort to attend. External auditor is also available at the annual general meeting to address shareholders' queries. In case of any general meeting to approve a connected transaction or any other transaction that is subject to independent shareholders' approval, members of the independent Board committee will also make an effort to attend to address shareholders' queries.

The auditor of the Company, PricewaterhouseCoopers, attended the annual general meeting of the Company held on 21 May 2020 (the "2020 AGM") during the year. Details of the Directors' attendances at the 2020 AGM are as follows:

與股東的溝通(續)

本公司的股東周年大會為股東提供與董事會交流意見的有用平台。全體董事均會盡可能抽空出席，外聘核數師亦出席股東周年大會回答股東的提問。在任何批准關連交易或任何其他須經獨立股東批准之交易的股東大會上，獨立董事委員會成員亦會盡可能抽空出席回答股東的提問。

本公司的核數師羅兵咸永道會計師事務所出席了本公司於二零二零年五月二十一日舉行的股東周年大會(「二零二零年股東周年大會」)。董事於二零二零年股東周年大會的出席記錄如下：

		Attendance at the 2020 AGM		Notes
		出席二零二零年 股東周年大會		附註
Directors	董事			
Executive Directors	執行董事			
Xu Liang (Chairman)	徐 量(主席)	✓		
Su Guifeng	蘇桂鋒	✓		1
Li Jing	李 婧	✓		2
Non-executive Directors	非執行董事			
Huang Donglin	黃冬林	✓		
Liu Dongsheng	劉東升	✓		3
You Wenli	游文麗	✓		4
Independent Non-executive Directors	獨立非執行董事			
Tam King Ching, Kenny	譚競正	✓		
Zhang Xingyu	張興禹	✓		5
Wan Siu Wah, Wilson	溫兆華	✓		6

COMMUNICATION WITH SHAREHOLDERS (Continued)

Notes:

1. Mr. Su Guifeng resigned as a Director with effect from 19 March 2021.
2. Ms. Li Jing resigned as a Director with effect from 24 March 2021.
3. Mr. Liu Dongsheng retired with effect from 21 May 2020.
4. Ms. You Wenli resigned as a Director with effect from 24 March 2021.
5. Mr. Zhang Xingyu appointed as a Director with effect from 20 March 2020.
6. Mr. Wan Siu Wah, Wilson passed away on 8 January 2021.

During the year, all notices of general meetings despatched by the Company to its shareholders for meetings held were sent for annual general meeting at least 20 clear business days before the meeting and at least 10 clear business days for all other general meetings. Separate resolutions were proposed at general meetings on each substantially separate issue, including the election of individual Directors, and all resolutions put to the vote of the general meetings were taken by way of a poll. At the general meetings, the chairman of the meetings explained the procedures for conducting a poll and answered questions from shareholders on voting by poll, if any. The results of the poll were published on the websites of the Stock Exchange and the Company respectively.

與股東的溝通(續)

附註：

1. 蘇桂鋒先生自二零二一年三月十九日起辭任董事。
2. 李靖女士自二零二一年三月二十四日起辭任董事。
3. 劉東升先生自二零二零年五月二十一日起退任董事。
4. 游文麗女士自二零二一年三月二十四日起辭任董事。
5. 張興禹先生自二零二零年三月二十日起獲委任為董事。
6. 溫兆華先生於二零二一年一月八日離世。

年內，本公司就召開的股東大會，如屬股東周年大會，已於大會舉行前至少足二十個營業日向股東發送通知，而就所有其他股東大會而言，則已在大會舉行前至少足十個營業日發送通知。本公司就股東大會上每項實際獨立的事宜提出個別的決議案，包括個別董事的提名，而股東大會上提呈的所有決議案均以投票方式表決。於股東大會上，大會主席已解釋以投票方式進行表決的程序，並回答股東有關以投票方式表決的提問(如有)。投票結果分別刊登於聯交所及本公司網站。

SHAREHOLDERS' RIGHTS

Convene a special general meeting

Shareholder(s) holding not less than one-tenth (10%) of the paid up capital of the Company carrying the right of voting at general meetings of the Company can make a requisition to convene a special general meeting pursuant to Clause 74 of the Companies Act 1981 of Bermuda (as amended). The requisition must state the purposes of the meeting, and must be signed by the shareholder(s) concerned and deposited at the registered office of the Company.

Put forward proposals at shareholders' meetings

Shareholder(s) representing not less than one-twentieth (5%) of the total voting rights of all the shareholders of the Company or of not less than 100 shareholders of the Company may by requisition, at their own expense unless the Company otherwise resolves, to put forward proposals at general meetings of the Company pursuant to Clauses 79 and 80 of the Companies Act 1981 of Bermuda (as amended). A written notice to that effect signed by the shareholder(s) concerned together with a sum reasonably sufficient to meet the expenses in giving effect thereto must be deposited at the registered office of the Company not less than six weeks before the meeting for requisition(s) requiring notice of a resolution, or not less than one week before the meeting for any other requisition(s).

Shareholders' enquiries

Specific enquiries or suggestions by shareholders can be sent in writing to the Board or the Company Secretary at the Company's principal office in Hong Kong or by email to the Company. In addition, shareholders can contact Tricor Tengis Limited, the Hong Kong branch share registrar and transfer office of the Company, if they have any enquiries about their shareholdings and entitlement to dividend. Relevant contact details are set out on page 3 of this annual report.

股東權利

召開股東特別大會

根據百慕達一九八一年公司法(經修訂)第74條，持有不少於在本公司股東大會上有表決權的本公司已繳足股本十分之一(10%)的股東可提出請求召開股東特別大會。請求書須列明會議的目的，由有關呈請股東簽署，並送交本公司註冊辦事處。

在股東大會提出建議

根據百慕達一九八一年公司法(經修訂)第79條及第80條，代表不少於全體股東表決權的二十分之一(5%)的本公司股東，或為數不少於100名本公司股東可以請求於本公司任何股東大會上提呈動議任何決議案，費用概由彼等承擔，惟本公司另有議決者除外。提出該呈請的股東須在有關會議舉行前不少於六個星期(如須就要求發出決議案通告)或在有關會議舉行前不少於一個星期(如為任何其他事宜)，將已簽署之請求書並連同一筆足以應付本公司為履行其要求所產生開支的合理款項送交本公司註冊辦事處。

股東查詢

倘股東有特別查詢或建議，可致函本公司之香港主要辦事處予董事會或公司秘書或電郵至本公司。此外，股東如有任何有關其股份及股息之查詢，可以聯絡本公司的香港股份過戶登記分處卓佳登捷時有限公司，有關聯絡詳情載於本年報第3頁。

DIVIDEND POLICY

On 21 December 2018, the Company adopted a Dividend Policy. Such policy aims at providing stable and sustainable returns to shareholders through paying stable dividends.

Under the Dividend Policy, the Company intends to provide Shareholders with interim or final dividends, and to declare special dividends from time to time. The Company intends to pay out an annual dividend payment at a payout ratio of not less than 35% of the Group's consolidated net profit after tax for the then financial year after taking into consideration of, inter alia, the following factors:

the Group's

- current & future operations;
- earnings;
- financial position;
- cash requirements, cash expenditure & availabilities;
- investment requirements;
- future development prospects; and
- other factors as it may deem relevant at such time.

The recommendation of the payment of dividend is subject to the absolute discretion of the Board, and any declaration of final dividend for the year will be subject to the approval of our Shareholders.

Whilst the Dividend Policy reflects the Board's current views on the financial and cash flow position of the Group, such Dividend Policy will continue to be reviewed from time to time and it is subject to change. The Board will consider the dividends, if declared, will be paid in any particular amount for any given period. The payment of dividend is also subject to any restrictions under the Laws of Hong Kong, the Laws of Bermuda, and the Company's Bye-laws.

CONSTITUTIONAL DOCUMENTS

There is no change in the Company's constitutional documents during the year.

股息政策

於二零一八年十二月二十一日，本公司採納股息政策。該政策旨在通過支付穩定的股息為股東提供穩定及可持續的回報。

根據股息政策，本公司擬向股東提供中期或末期股息，並不時宣派特別股息。本公司擬於考慮(其中包括)以下因素後按不少於本集團於當時財政年度除稅後綜合淨溢利35%之派付比率支付年度股息：

本集團之

- 實際及未來營運狀況；
- 盈利；
- 財務狀況；
- 流動資金需求、現金支出及流動資金充裕程度；
- 投資需求；
- 未來發展前景；及
- 個別可能相關之因素。

支付股息的建議金額視乎董事會的絕對酌情權而定，而任何年度的末期股息宣佈須待股東批准後方可作實。

股息政策反映董事會對本集團財務及現金流狀況的現時看法，惟有關股息政策仍會不時檢討，並可能會有變動。倘已宣派股息，董事會將考慮在任何特定時期以任何特定金額支付。本公司能否派付股息亦受香港法律、百慕達法律及本公司細則規定所規限。

組織章程文件

本公司的組織章程文件於年內並無變動。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ABOUT THE REPORT

This is the annual Environmental, Social and Governance (“ESG”) report (“ESG Report”) published by Shougang Concord Grand (Group) Limited and its subsidiaries (hereinafter “the Group”, “We”, “our” and “us”), with an aim to communicate with the stakeholders of the Group regarding its sustainability strategies, management approaches and performances, but also strengthen their understanding towards the ongoing activities in sustainable development of the societies and environment as a whole. The ESG Report summarizes the related management approaches and performance on ESG made by the Group on the topics of corporate social responsibility and sustainable development.

Adhering to the business philosophy of “Integrity, Pragmatism, Unity and Innovation”, the Group strives to develop its business objectives and create value for shareholders/investors, as well as actively shouldering its environmental and social responsibilities in advocating the sustainable development and protecting the ecological environment by fully utilizing resources and minimizing the emission of pollutants during operation across Hong Kong and Mainland China. The Group has to strike the balance between each operational measure and the environment by continuously optimizing operational management, business strategies, environmental protection, talent management and social investments so as to contribute towards the sustainable development of the globe, human beings and our business.

Reporting Scope

The scope of the ESG Report mainly covers the business of financial services, property investment and management, asset management, and supply chain management of the Group with our relevant strategic approach to sustainability and performance within the environmental and social aspects during the period from 1 January 2020 to 31 December 2020 (the “Reporting Period” or “2020”).

關於本報告

本報告為首長四方(集團)有限公司及其附屬公司(以下統稱「本集團」及「我們」)刊發的年度環境、社會及管治(「ESG」)報告(「ESG報告」)，旨在就本集團的可持續發展策略、管理方針及表現與持份者進行溝通，增進持份者對本集團就有關社會及環境整體可持續發展舉措的了解。ESG報告概述本集團就企業社會責任及可持續發展議題作出的ESG相關管理方針及表現。

本集團秉承「誠信、務實、團結及創新」的經營理念，致力發展業務目標及為股東／投資者創造價值，並積極地肩負起環境及社會責任，提倡可持續發展及保護生態環境，在香港及中國內地運營過程中充分利用資源及盡量減少污染物排放。本集團通過不斷優化運營管理、經營策略、環境保護、人才管理及社會投資來平衡各運營措施與環境之間的關係，以推動全球、人類和公司業務的可持續發展。

報告範圍

ESG報告範圍主要涵蓋本集團自二零二零年一月一日至二零二零年十二月三十一日止期間(「報告期」或「二零二零年」)的金融服務、物業投資及管理、資產管理以及供應鏈管理業務，並載有環境及社會方面的可持續發展策略方針與表現。

Reporting Standard

The ESG Report has been prepared in accordance with the second version of Environmental, Social and Governance Reporting Guideline as set out in the Appendix 27 to the Listing Rules issued by the Stock Exchange of Hong Kong Limited (“HKEX”), as well as adhering to the reporting principles of materiality, quantitative, consistency and balance.

The ESG Report has complied with the “comply or explain” provisions set out in the ESG Reporting Guide. Except for the provisions that the Group considers are inapplicable to our business operations or provide partial disclosure, explanations are illustrated in the corresponding section. A summary of the environmental key performance indicators and performance data are listed in the section of “Summary of Environmental Data and Performance”.

Contact and Feedback

The Group highly values your feedbacks on this ESG Report and our performance in pursuing sustainable development. You are welcome to contact us and provide your suggestions regarding the refinement of our policies and management approaches on ESG via email at csr@shougang-grand.com.hk.

STAKEHOLDER ENGAGEMENT

The Groups realizes that the participation of stakeholders can facilitate the long-term development of the Group and determines the directions of our sustainable business development. The Group maintains close and constructive dialogues with our key stakeholders, including government/regulatory bodies, shareholders/investors, employees, clients, suppliers and other stakeholders through different forms of communication channels (e.g. meetings, email, phone call, conference and workshops, etc.) in order to understand their perspectives of the corporate management and development and formulate corresponding action plans and measures to better respond their needs, interests and expectations.

The Group evaluates and determines our environmental, social and governance risks and ensures that relevant risk management and internal control systems are operating properly and effectively. The table below is illustrated our management responses to various expectations and requests by our key stakeholders:

報告準則

ESG報告乃根據香港聯合交易所有限公司(「香港聯合交易所」)頒佈的上市規則附錄二十七所載的《環境、社會及管治報告指引》第二版而編製，並遵循重要性、量化、一致性及平衡的報告原則。

ESG報告已遵守《ESG報告指引》所載「不遵守就解釋」條文。除本集團認為不適用於我們業務營運或提供部分披露的條文外，有關解釋已載列於相應部分。環境關鍵績效指標及表現數據摘要載於「環境數據及表現摘要」部分。

聯絡及反饋

本集團高度重視閣下對本ESG報告及我們在可持續發展方面表現的反饋。閣下可透過電郵csr@shougang-grand.com.hk與我們聯絡，並就改善我們的ESG政策及管理方針提供建議。

持份者參與

本集團明白持份者參與可促進本集團的長遠發展，並確定我們的可持續業務發展方向。本集團通過不同的溝通渠道(如會議、電郵、電話、研討會及工作坊等)與主要持份者(包括政府／監管機構、股東／投資者、員工、客戶、供應商及其他持份者)保持密切溝通，了解其對企業管理及發展的看法，並制定相應的行動計劃及措施，以更好地回應持份者的需求、利益及期望。

本集團評估及確定環境、社會及管治風險，確保相關風險管理及內部控制制度妥善及有效地運行。以下表格是管理層對持份者期望與要求的回應：

STAKEHOLDER ENGAGEMENT (Continued)

持份者參與(續)

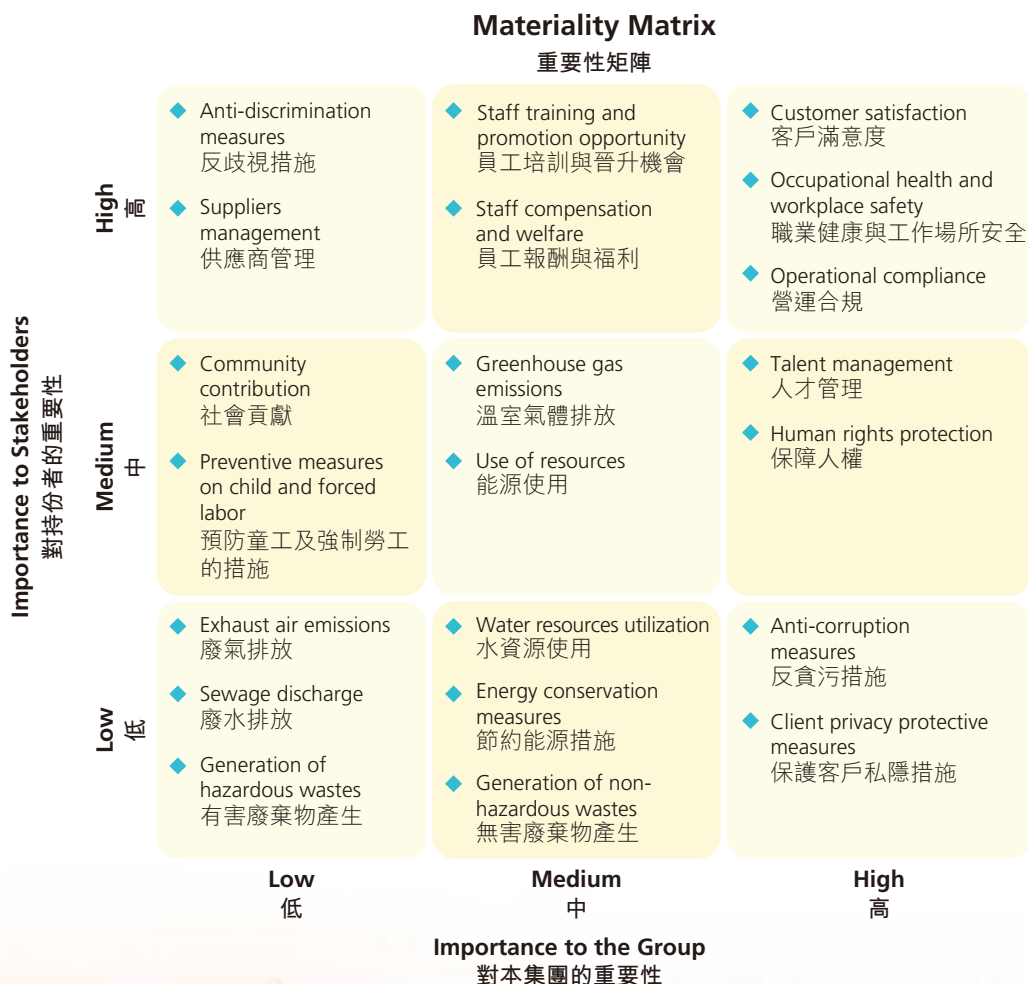
Stakeholders 持份者	Expectations and requests 期望與要求	Management response 管理層回應
Shareholders/ Investors 股東／投資者	- Information transparency 信息透明度 - Business strategies and performance 業務策略和業績 - Sustainable investment returns and business development 可持續投資回報及業務發展 - Corporate governance system 企業管治制度	- Ensure transparency and efficient communications through periodic publications on websites of HKEX and the Group 透過於香港聯合交易所及本集團網站定期披露信息，確保透明度及有效溝通 - Set up comprehensive strategic plan for achieving business goals and objectives 制定全面的業務計劃，以實現業務目標 - Management possesses relevant experience and professional knowledge to ensure business sustainability 管理層具有相關經驗和專業知識以確保業務的可持續性
Employees 員工	- Career development 職業發展 - Compensation and welfare 待遇和福利 - Labor rights 勞工權益 - Occupational health and safety 職業健康及安全	- Provide equal opportunities in promotion, training and career development 在晉升、培訓和職業發展方面提供平等機會 - Establish fair, reasonable and competitive remuneration scheme 建立公平、合理和有競爭力的薪酬體系 - Set up contractual obligations to protect labor rights 制定合約責任以保護勞工權益
Clients 客戶	- Integrity 誠信 - Corporate reputation 企業信譽 - High quality services 優質服務 - Privacy protection 保護私隱	- Ensure contractual obligations are honored 確保履行合約責任 - Provide high quality services continuously to maintain client satisfaction 持續提供優質服務以滿足客戶 - Provide various value-added services 提供各種增值服務 - Provide regular training sessions to our employees to enhance their capability in quality service provision and upholding the business integrity 為員工提供培訓課程，以提升服務能力及保持商業誠信
Suppliers 供應商	- Integrity 誠信 - Long-term cooperation with the Group 與本集團的長期合作 - Corporate reputation 企業信譽 - High quality services for the Group 為本集團提供優質服務	- Ensure contractual obligations are honored 確保履行合約責任 - Maintain strong and long-term relationship 保持穩固的長期合作關係 - Establish policies and procedures in supply chain management 制定供應鏈管理的政策和程序

MATERIALITY ASSESSMENT

During the Reporting Period, the Group conducted a materiality assessment to determine the ESG topics that matter most to the business operation and stakeholders' interests. The Group has identified a number of environmental, social and operational related topics by taking into account the current business operation and development, industry market trends and local regulatory requirements, as well as referencing to the HKEX ESG Reporting Guide and the materiality result from previous year. The Group evaluated their degree of materiality to stakeholders and the Group respectively through internal management discussion. This assessment has helped to ensure that the business development initiatives of the Group can fulfil the expectations and requirements of our stakeholders. The result of the materiality assessment is presented in the following materiality matrix:

重要性評估

於報告期內，本集團已進行重要性評估，以確定對業務運營及持份者利益最為重要的ESG議題。本集團已透過考慮目前的業務運營及發展、行業市場趨勢及當地監管規定，以及參考香港聯合交易所《ESG報告指引》及去年的重要性結果，識別若干環境、社會及運營相關議題。本集團通過內部管理層討論，分別評估其對持份者及本集團的重要性程度。該評估有助於確保本集團的業務發展舉措能夠滿足持份者的期望與要求。重要性評估的結果於以下重要性矩陣中呈列：



OPERATIONAL PRACTICES

Services Responsibility

The Group is dedicated to offering exceptional services to our clients and satisfying their needs and expectations, with the spirit of pursuing excellence and continuous improvement. The Group has formulated corresponding management policies and procedures in each business segments, including but not limited to, service quality management, project control and monitoring mechanism, customer profile management, internal risk management control, customer services and complaint handling, contingency response, in order to optimize the working efficiency of our business processes, minimize the corporate risk levels, fulfil the personalized needs of our clients and comply with the relevant laws and regulations (e.g. Product Quality Law of the PRC, Law of the PRC on the Protection of Consumer Rights, Company Law of the PRC, Contract Law of the PRC and Interests and the Personal Data (Privacy) Ordinance (Cap. 486) in Hong Kong). Our PRC subsidiary in the business of supply chain management has implemented a quality management system accredited with the international standard of ISO 9001:2015, to systematically manage the quality issues on the business operation and continuously improve our services.

The Group welcomes our clients to provide their feedbacks on our services as this serves as the basis to seek opportunity to maintain excellent service standard. If our clients have any issues on services rendered or that a complaint is made, the Group pledges to respond on the same day and handle cases with prompt follow-up actions to address the issues. Our responsible departments will conduct a thorough evaluation on the complaint issues and put in place measures to prevent the recurrence of similar incidents.

With the increasing public awareness of cybersecurity and data privacy, the Group attaches great attention on data confidentiality and complies with relevant laws and regulations regarding data privacy protection (e.g. the Personal Data (Privacy) Ordinance (Cap. 486) in Hong Kong). All employees must follow the confidentiality obligations as stated in the employment contract, confidentiality agreement or "Non-Disclosure, Intellectual Property Rights and Non-Competition Agreement" and strictly prohibits to disclose, divulge and use any corporate confidential and sensitive information, including but not limited to the Group's transactions, commercial secrets or other confidential information of our clients to unauthorized third parties, unless prior approval is obtained. All confidential information is only accessed by responsible departments and/or designated personnel on "need-to-know" basis and securely kept by authorized personnel only. Employees who violate the regulations may result in disciplinary actions and legal liability.

營運慣例

服務責任

本集團以精益求精的精神及不斷進步的信念致力為客戶提供卓越服務及滿足客戶的需要與期望。本集團已就各業務分部制定相應的管理政策及程序，包括但不限於服務質量管理、項目控制及監控機制、客戶數據管理、內部風險管理控制、客戶服務及投訴處理以及應急響應，以優化業務流程的工作效率、盡量降低企業風險水平、滿足客戶的個性化需求，並遵守相關法律法規，如《中華人民共和國產品質量法》、《中華人民共和國消費者權益保護法》、《中華人民共和國公司法》、《中華人民共和國合同法》及香港法例第486章《個人資料(私隱)條例》。我們從事供應鏈管理業務的附屬公司已推行獲ISO 9001:2015國際標準認證的質量管理體系，對業務進行系統化質量管理及持續改善我們的服務。

本集團歡迎客戶就我們的服務提供反饋，以藉此機會保持卓越服務水平。如果客戶就所提供服務有任何問題或作出投訴，本集團承諾於即日給予回應，並及時採取行動處理有關問題。我們的負責部門將對投訴問題進行全面評估，並採取措施防止類似事件再次發生。

隨着公眾對網絡安全及數據私隱的意識日益提高，本集團高度重視資料保密，並遵守有關資料私隱保障的相關法律法規，如香港法例第486章《個人資料(私隱)條例》。所有員工均須遵守僱傭合約、保密協議或「保密、知識產權及競業限制承諾協議」所載的保密責任，除非事先獲得批准，否則嚴禁向未經授權第三方披露、泄露及使用任何公司機密及敏感數據，包括但不限於本集團的交易、商業機密或客戶的其他保密資料。所有保密數據僅由負責部門及／或指定人員按「需要知情」基準存取，並僅由獲授權人員安全保存。違反規定的員工可能會受到紀律處分及需承擔法律責任。

OPERATIONAL PRACTICES (Continued)

Services Responsibility (Continued)

Compliance

During the Reporting Period, the Group did not identify any breaches of relevant laws and regulations regarding service responsibilities and customer privacy matter with a significant impact on the Group.

Anti-corruption

The Group believes that the virtues of fairness, honesty and integrity are the key to our business success and long-term development. The Group enacts a zero-tolerance approach on any kind of corruption, bribery, extortion, fraud and money laundering and resolutely fights against corruption, contributing to the construction of an honest and upright society.

Our employees in the PRC are required to sign the “Anti Commercial Bribery Agreement” or “Non-Disclosure, Intellectual Property Rights and Non-Competition Agreement” with the subsidiary based on the business nature for preventing commercial bribes, safeguarding our legitimate rights and interests and maintaining good business disciplines. As stipulated in employee handbook and employee contract, the Group strictly prohibits employees from accepting unnecessary hospitality such as gifts, accommodation or provision of food, to ensure that business decisions are kept professional and unbiased. In event of any potential or actual conflict of interest is encountered, employees must promptly complete the written declaration of conflict of interest and disclose any such relationship or interest that could possibly involve an actual or potential conflict of interest and report to human resource department for management review for preventing undue impacts on the Group.

The Group has also established a whistleblowing management policy with clear reporting channels such as telephone, email and letter, for our employees and stakeholders to report information about any kind of actual or suspected misconduct and malpractice. Upon receipt of such reporting cases, the Group will appoint designated personnel or form a specialized committee to investigate on and validate the reported incident and take remedial actions timely when necessary. The Group will maintain the anonymity of the whistle-blower to prevent any unfair treatment and reprisal. In addition, the Group also requires all our business partners uphold the high level of business ethics and no bribes shall be offered to our employees under any form.

營運慣例(續)

服務責任(續)

合規

於報告期內，本集團並無發現違反就服務責任及客戶隱私事項的相關法律法規而對本集團有重大影響的情況。

反貪污

本集團深信公平、誠實及廉潔是我們業務成功及長遠發展的關鍵。本集團對任何形式的貪污、賄賂、勒索、欺詐及洗黑錢行為採取零容忍的態度，並堅決反腐倡廉，為建立廉潔公義的社會環境作出貢獻。

我們於中國內地的員工須根據業務性質與附屬公司簽訂「反商業賄賂協議書」或「保密、知識產權及競爭限制承諾協議」，以防止商業賄賂、保障我們的合法權利及權益以及維持良好的商業紀律。如員工手冊及員工合約所訂明，本集團嚴格禁止員工接受不必要的款待，如禮物、住宿或食物供應，以確保專業及公正的業務決策。如遇到任何潛在或實際利益衝突，員工必須立即填寫利益衝突的書面聲明並披露可能涉及實際或潛在利益衝突的任何有關關係或利益，並向人力資源部報告以供管理層審閱，以避免對本集團造成不當影響。

本集團亦已制定舉報管理政策，為員工及持份者提供清晰的舉報渠道，例如電話、電郵及信函，以報告任何形式的實際或疑似不當及不法行為。於接獲有關舉報個案後，本集團將委任指定人員或成立特別委員會，以調查及核實所舉報事件，並於必要時及時採取補救措施。本集團將實行匿名舉報，以防止任何不公平待遇及報復。此外，本集團亦要求所有業務夥伴秉持高水平的商業道德，不得以任何形式向員工行賄。

OPERATIONAL PRACTICES (Continued)

Anti-corruption (Continued)

Compliance

During the Reporting Period, the Group has complied with the Criminal Law of the PRC, Anti-Money Laundering Law of the PRC, Anti-Unfair Competition Law of the PRC, and the Prevention of Bribery Ordinance (Cap. 201) in Hong Kong, and did not identify any litigation cases of corruption brought against the Group and our employees.

Supply Chain Management

The Group attaches great emphasis on the long-term and stable strategic cooperation and partnerships with good-quality intermediaries and suppliers, thereby developing together on the basis of equality and mutual benefit. To achieve this objective, our PRC subsidiaries have outlined specific requirements for selection, evaluation and management of suppliers and intermediaries through establishing a vetting committee. The Group assesses the qualification and competency of our intermediaries, in terms of sound accreditation, internal management system (e.g. quality management system), service quality, financial stability and pricing, trustworthy legal compliance, after-sale services and appropriate professional skills. The Group also selects suppliers and intermediaries by price comparison, bidding invitation or open tender in order to control the procurement risks and corporate legitimate rights, while adhering to the principle of “justice, fairness, openness, and selection of merits” and complying with the laws and regulations such as the Tender and Bidding Law of the PRC.

The Group only works with suppliers and intermediaries with similar ethical values and standards. In event of the intermediaries are found to breach our policies or contractual requirements, the Group will terminate the cooperation until they have taken corrective actions to rectify such situation(s). This is to ensure that all our intermediaries are competitive and capable of offering high quality services and satisfy our customer needs and expectations.

During the Reporting Period, the Group has engaged 72 suppliers, including 48 from Mainland China and 24 from Hong Kong.

營運慣例(續)

反貪污(續)

合規

於報告期內，本集團已遵守《中華人民共和國刑法》、《中華人民共和國反洗錢法》、《中華人民共和國反不正當競爭法》及香港法例第201章《防止賄賂條例》，且並無發現任何針對本集團及員工的貪污訴訟案件。

供應鏈管理

本集團重視與高素質的中介機構及供應商建立長期及穩定的戰略合作關係，在平等互惠的基礎上共同發展。為實現該目標，我們的內地附屬公司已成立中介機構選聘委員會，制定了有關挑選、評估及管理供應商及中介機構的具體規定。本集團從健全的認證、內部管理體系(如質量管理體系)、服務質量、財務穩定性及定價、法律合規、售後服務及專業技能等方面評估中介機構的資質及能力。本集團亦透過比價、招標邀請或公開招標甄選供應商及中介機構，以控制採購風險及保障企業合法權利，同時堅持「公正、公平、公開、擇優」的原則，並遵守《中華人民共和國招標投標法》等法律法規。

本集團僅與具備道德價值及標準的供應商及中介機構合作。如果發現中介機構違反我們的政策或合約規定，本集團將終止合作，直至對方採取措施糾正有關情況為止，以此確保所有中介機構的競爭性及有能力提供優質服務，並滿足客戶的需要與期望。

於報告期內，本集團已委聘72家供應商，包括中國內地48家供應商及香港24家供應商。

EMPLOYMENT AND LABOR PRACTICES

The Group recognizes that our people is the core pillar to sustain our long-term business development and growth. Thus, the Group devotes to create an inclusive, equal, harmonious and safe workplace to our employees, continue to develop our people through career advancement opportunities, staff engagement and competitive compensation and welfare, with an aim to attract and retain competent talents as well as building up good relationship and mutual respect with employees.

Employment Practices

Compensation and Welfare

The Group strictly complies with the national and local labor laws and regulations (e.g. The Employment Ordinance (Cap. 57) in Hong Kong, the “Labor Law of the PRC”, the “Labor Contract Law of the PRC”, the “Social Insurance Law of the PRC” and the “Provision of Minimum Wages” regulation etc.). We also offer competitive remuneration package and welfare composition to our employees and they are entitled to annual leaves, sick leaves, marriage leaves, funeral leaves, maternity leaves etc., depending on their job positions. The Group participates in the Mandatory Provident Fund (“MPF”) scheme for employees in Hong Kong and the “Five Insurances and Housing Provident Fund” for our employees in the Mainland. The Group implements standard work hour system and while employees may work on irregular shifts and/or integrated working hours depending on their post nature, their working hours are in line with the local laws and regulations. In case any overtime work is required due to urgent cases and actual business needs, overtime compensation or compensation leaves will be granted to employees pursuant to the relevant labor laws and regulations. The Group handles dismissal and compensation in accordance with the national laws and regulations.

The Group regularly reviews the remuneration package of all staffing grades with reference to the current prevail market standard. The salary levels are reviewed and adjusted once per year according to attendance records, staff performance, years of services, general market conditions and other relevant factors. As outlined in our employee handbook, the Group has implemented an open and fair staff performance appraisal process, with quantifiable performance indicators and integrated evaluation index to impartially evaluate our employees’ performance. Employees with outstanding performance will be awarded with discretionary bonus, promotion, job enrichment or enlargement opportunities to recognize their hard work and contribution to the Group. This practice also enables us to better understand and identify the training needs of our employees for their job requirements in order to formulate suitable and well-rounded staff training and development plans.

僱傭及勞工常規

本集團認為，我們的員工是公司長遠業務發展及增長的核心支柱。因此，本集團致力為員工創造一個包容、平等、和諧及安全的工作環境，提供職業晉升機會、員工參與及具競爭力的薪酬及福利，促進員工繼續發展，以吸引及挽留優秀人才，同時與員工建立良好、互相尊重的關係。

僱傭常規

薪酬及福利

本集團嚴格遵守國家及地方勞動法律法規，如香港法例第57章《僱傭條例》、《中華人民共和國勞動法》、《中華人民共和國勞動合同法》、《中華人民共和國社會保險法》及《最低工資規定》等。我們亦為員工提供具競爭力的薪酬待遇及福利，員工可根據其職位享有年假、病假、婚假、喪假、產假等。本集團為香港員工提供強制性公積金（「強積金」）計劃，並為內地員工提供「五險一金」。本集團推行標準工時制度，員工可根據其崗位性質進行不定時輪班及／或綜合計算工作時數，其工作時數符合當地法律法規。倘因緊急情況及實際業務需要而需要超時工作，將根據相關勞動法律法規向員工發放超時補償或補假。如解僱員工或因此而需要作出賠償時，本集團會按照當地的法律規定進行解僱並作出賠償。

本集團參考現行市場標準定期檢討所有級別員工的薪酬待遇。薪金水平每年根據出勤記錄、員工表現、服務年期、整體市況及其他相關因素進行檢討及調整。誠如我們的員工手冊所概述，本集團已實施公開及公平的員工績效評估程序，包括可量化的績效指標及綜合評估指數，以公正地評估員工的表現。表現優秀的員工將獲得酌情花紅、晉升、職業進修或發展機會，以表彰員工的辛勤工作及對本集團的貢獻。該做法亦使我們能夠更好地了解及確定員工對其工作要求的培訓需求，以制定合適及全面的員工培訓及發展計劃。

EMPLOYMENT AND LABOR PRACTICES (Continued)

Employment Practices (Continued)

Compensation and Welfare (Continued)

The Group has established staff recognition award programs and special caring programs, such as service awards, wedding gifts and childbirth gifts. The Group provides proof of service and offers souvenir for the employees who have been working with us for 10 years in recognition of their long-serving and devotion. Our special caring programs, such as when employees get married or give birth gifts are presented to female staff and/or the spouse of male staff, are launched to share joy with our employees together. Through these programs, the Group strives to form a family-like corporate culture and expresses our sincere care and thankfulness to our employees.

Talent Selection

The Group is an equal opportunity employer and upholds the human rights and privacy of our employees. The Group has formulated non-discriminating policies for employee recruitment. Suitable candidates are selected and recruited solely taking into account objective criteria such as their individual work experience, interview performance, qualifications, merits, ability, morality and job requirements, regardless of their age, sex, sexual orientation, race, disability, marital status, pregnancy, religion or political affiliation. The Group also provides impartial opportunities to all employees regarding their benefits, promotion, performance appraisal, training and career development and works closely together with the aim of achieving a win-win situation.

僱傭及勞工常規(續)

僱傭常規(續)

薪酬及福利(續)

本集團設有員工表彰獎勵計劃及特別關懷計劃，當中包括服務年獎、結婚禮物及小孩出生禮物。為了表彰在本集團服務年資較長的員工，當工作滿10年本集團會提供服務年資證明並送贈紀念品。本集團亦為員工致送結婚禮物或為女員工及男員工的配偶致送小孩出生禮物，共同分享喜悅。透過該等計劃，本集團致力形成大家庭的企業文化，並表達我們對員工的真誠關懷及感謝。

人才甄選

本集團為平等機會僱主，並維護員工的人權及私隱。本集團已就員工招聘制定反歧視政策。員工甄選及招聘是根據其個人工作經驗、面試表現、資歷、優點、能力、道德及工作要求等客觀標準，而不論其年齡、性別、性取向、種族、殘疾、婚姻狀況、懷孕、宗教或政治背景。就提供公司福利、晉升階梯、績效考核、培訓和事業發展等方面，本集團為全體員工提供平等的機會，希望員工與本集團能共同發展，達致雙贏的局面。

EMPLOYMENT AND LABOR PRACTICES (Continued)

僱傭及勞工常規(續)

Employment Practices (Continued)

僱傭常規(續)

Employee Profile

員工概況

As of 31 December 2020, the Group has 52 employees, in which 50 full-time employees and 2 part-time employees. The breakdown of the total workforce by gender, age group, employment type and geographical region is illustrated in the table below:

截至二零二零年十二月三十一日，本集團有52名員工，包括50名全職員工及2名兼職員工。下表列示按性別、年齡組別、僱傭類型及地區劃分的員工總數明細：

		2020 二零二零年	
		Number of employees 員工人數	Employee turnover rate (%) 員工流失比率(%)
Total	總計	52	50
By gender	按性別劃分		
Male	男性	26	50
Female	女性	26	50
By age group	按年齡組別劃分		
Below 30	30歲以下	11	73
30-50	30至50歲	37	49
Over 50	50歲以上	4	0
By geographical region	按地區劃分		
Hong Kong	香港	15	47
Mainland China	中國內地	37	51

Employee Communication

員工溝通

The Group has established various communication channels, such as our webpage, emails, and face-to-face meetings, for soliciting our employees' feedbacks and suggestions on corporate management, operations and difficulties encountered in their job duties. The Group will also carefully consider feedbacks received when making management decisions and make proper response to address the issues concerned, to strengthen their sense of belonging, providing a collaborative work environment between our employees and management. At the same time, our employees can make use of these channels for reporting to our management should there be any infringement on their personal rights.

本集團已建立各種溝通渠道，如網頁、電子郵件及面對面會議，以尋求員工對企業管理、營運及工作中遇到的困難作出反饋及建議。本集團亦會在作出管理決策時審慎考慮所收到的反饋，並作出適當響應以解決有關問題，以加強員工的歸屬感，在員工與管理層之間建立協作的工作環境。同時，倘出現侵犯員工個人權利的情況，員工可通過不同的溝通渠道向管理層報告。

EMPLOYMENT AND LABOR PRACTICES (Continued)

Employment Practices (Continued)

Labor Standards

The Group treasures and respects the human rights. The Group prohibits any form of unethical employment practices, including the use of child labor and forced labor. Policies and procedures have been established in order to comply with the local labor laws and regulations. The Group conducts background checks for applicants and new hirers during the recruitment process, prospective employees might be required to display relevant identity documents, such as work visa, permit or other personal information to ensure they meet the legal working age. All employees signed the employee/labor contract with the subsidiaries consensually and obliged to follow the employment terms outlined in the contract.

Compliance

During the Reporting Period, the Group did not identify any breaches of the local labor laws and regulations.

Health and Safety

Workplace safety is the priority of the Group. Our business operations are mainly housed in office setting, thus the risk level of occupational health and safety posed to our employees are lower compared with other manufacturing and construction industries. Nevertheless, the Group has implemented sound safety management approaches to safeguard the health and work safety of our employees, including various preventive measures on illnesses and injuries.

Besides, the Group has prepared a first aid kit with over-the-counter medicines in each subsidiary and placed in our human resources and administration department for use in minor injury treatment. In case any employee experiences physical discomfort or needs first aid, our colleagues are encouraged to take care of each other and provide necessary assistance until the ambulance arrives. The Group also emphasizes the importance of fire safety in the office with fire evacuation routes being prominently displayed on all notice boards. Employees are also encouraged to participate in the regular fire drills organized by the property management companies to familiarize with the evacuation routes and enhance their awareness in real emergencies.

僱傭及勞工常規(續)

僱傭常規(續)

勞工準則

本集團保障及尊重人權，禁止任何形式的不道德僱傭方式，包括僱用童工和強迫勞工。本集團已制定政策和程序以符合當地的勞動法律法規。本集團於招聘過程中對申請人及新聘用人士進行背景調查，準員工或須出示相關身份證明文件，如工作簽證、許可證或其他個人資料，以確保彼等符合法定工作年齡。所有員工均與附屬公司自願簽訂僱員／勞工合約，並有責任遵守合約中概述的僱傭條款。

合規

於報告期內，本集團並無發現違反當地勞動法律法規的情況。

健康和 safety

工作場所安全是本集團的首要任務。我們的業務運營主要位於辦公室內，因此，與製造業及建造業等其他行業相比，我們員工面臨的職業健康及安全風險水平較低。儘管如此，本集團已實施健全的安全管理方法，以保障員工的健康及工作安全，包括各種預防疾病及工傷的措施。

此外，本集團已在各附屬公司均設有急救箱及普通成藥備用，並存放於人力資源及行政部，作處理輕傷之用。倘任何員工出現身體不適或需要急救，我們鼓勵同事互相照顧並提供必要協助，直至救護車到達為止。本集團亦注重辦公室消防安全，火災撤離路線已在告示板上明確標識。我們亦鼓勵員工參與物業管理公司組織的定期消防演習，以熟悉疏散路線及提高彼等對實際緊急情況的意識。

EMPLOYMENT AND LABOR PRACTICES (Continued)

Health and Safety (Continued)

In addition, the Group advocates the lifestyle of work-life balance. Our PRC subsidiaries in Beijing arranges regular badminton activities, offers gymnasium facilities for our employee, encourages our employees to pursue a healthy lifestyle and have regular exercises during their spare time, to be more energetic at work and enhance the overall work productivity and efficiency.

In response to the global outbreak of coronavirus (COVID-19) pandemic in 2020, the Group strictly follows the government policies, provincial regulations and guidelines as well as the health advice on the prevention of COVID-19 infection. The Group has established a designated workforce in charge of the overall epidemic control work in each subsidiary. The Group has taken the following key precautionary measures in our subsidiaries to minimize the risk of transmission and spreading of COVID-19, as highlighted in below:

- Require the persons who have been in Hubei province or during 30 days before to undergo compulsory quarantine at home for 14 days;
- Keep environment clean and regularly disinfect frequently touched surfaces such as door handles, furniture and commonly shared items;
- Require employees undergo a daily body temperature to ensure they are fit to work and maintain good personal hygiene;
- Require our employees to stay home when they feel unwell and/or are showing symptoms of COVID-19, seek medical attention and report to relevant department for record;
- Purchase and maintain adequate epidemic prevention materials in our operations for cleaning and disinfection;
- Open windows for more than 30 minutes a day in office area to keep offices well-ventilated;
- Circulate/Attach the health advice and updated news regarding COVID-19 pandemic through emails and notice board to remind employees on hand hygiene, cough etiquette and COVID-19 infection prevention;
- Remind employees to avoid going to crowded places;

僱傭及勞工常規(續)

健康和安全(續)

此外，本集團提倡工作與生活平衡的生活方式。我們位於中國北京的附屬公司定期舉行羽毛球活動，為員工提供健身設施，鼓勵員工追求健康的生活方式，在業餘時間經常運動，以增強工作活力，提高整體工作效率及效益。

為應對二零二零年全球爆發的新冠肺炎疫情，本集團嚴格遵守政府政策、法規指引以及有關預防新冠肺炎感染的衛生建議。本集團已在各附屬公司設立專門的工作小組，負責整體疫情防控工作。本集團已於附屬公司採取以下主要預防措施，以盡量降低新冠肺炎傳染及傳播的風險，詳情如下：

- 要求於30日內曾到訪湖北省的人士接受強制居家隔离14天；
- 保持環境清潔，並定期對經常接觸的表面(如門把手、家具及共享物品)進行消毒；
- 要求員工每日進行體溫檢測，以確保其適合工作及保持良好的個人衛生；
- 要求員工在感到不適及／或出現新冠肺炎症狀時留在家中，尋求醫療協助，並向相關部門報告以作記錄；
- 購買及維持足夠的防疫物資以進行清潔及消毒；
- 辦公區域每日開窗至少30分鐘以確保辦公室良好通風；
- 透過電郵及告示板傳閱／隨附有關新冠肺炎疫情的衛生建議及最新消息，以提醒員工保持手部衛生、咳嗽禮儀及預防感染新冠肺炎；
- 提醒員工避免前往人多擠擁的地方；

EMPLOYMENT AND LABOR PRACTICES (Continued)

僱傭及勞工常規(續)

Health and Safety (Continued)

健康和安全(續)

- Wear surgical mask at office and when physical distancing is not possibly maintained;
- Place a special garbage bins for mask disposal to prevent the virus transmission;
- Keep appropriate social distancing when having meals and meetings.
- 在辦公室及無法保持身體距離時佩戴外科口罩；
- 設置專門的垃圾桶以處理口罩，防止病毒傳播；
- 在用餐及會議時保持適當的社交距離。

Occupational Health and Safety 職業健康及安全

2020
二零二零年

Number of work-related fatalities in the past 3 years (including the reporting period)	過去三年(包括報告期)工作 相關死亡人數	0
Lost days due to work injury	工傷導致失去的工作天數	0

Compliance

合規

During the Reporting Period, the Group has complied with the relevant occupational health and safety laws and regulations (e.g. the Occupational Safety and Health Ordinance (Cap.509) in Hong Kong and Law of the PRC on the Prevention and Treatment of Occupational Diseases) in Hong Kong and Mainland China and did not identify any non-compliance and litigation cases relating to health and safety.

於報告期內，本集團已遵守香港及中國內地的相關職業健康及安全法律法規，如香港法例第509章《職業安全及健康條例》及《中華人民共和國職業病防治法》，且並無發現任何與健康及安全有關的違規情況及訴訟案件。

Development and Training

發展及培訓

The Group strives to nurture employees' potential and map their career plan and development, with an objective to fulfil long-term business development strategies, meet evolving needs in the industries and increase our competitiveness edge.

本集團致力培育員工潛能，規劃其職業計劃及發展，以符合長期業務發展策略、滿足行業不斷變化的需求及提升我們的競爭力。

The Group has implemented comprehensive training programs and offered training opportunities to all employees in different position grades to build up an excellent, professional and responsible corporate team. This can further enhance the expertise and technical skills of our employees and meanwhile equip them with the latest advancements in the industry, inspiring their career development and planning. The Group also arranges orientation training to the newcomers in each subsidiary in order to give them better understanding about our corporate culture, business philosophy, development history, management practices, business scope, employee rights and obligations, job functions, employee code of conduct and our talent development plan. This ensures that they can swiftly adapt and integrate into our work environment.

本集團設有全面的培訓課程，並為不同職級的員工提供培訓機會，以打造一支優秀、專業及負責任的企業團隊。此舉可進一步提升員工的專業知識及技能，同時使員工了解行業的最新發展，支持員工職業發展及規劃。本集團亦為各附屬公司的新員工安排入職培訓，以便員工更好地了解我們的企業文化、經營理念、發展歷史、管理慣例、業務範圍、員工權利及義務、工作職能、員工行為守則及人才發展計劃，確保他們能夠迅速適應和融入我們的工作環境。

EMPLOYMENT AND LABOR PRACTICES (Continued)

僱傭及勞工常規(續)

Development and Training (Continued)

發展及培訓(續)

In addition, the Group also provides various on-the-job trainings such as internal integrated or departmental trainings and external trainings. For internal training, the training sessions, covering the topics of new or updated management systems and regulations, new management policies and relevant professional knowledge, are organized by relevant respective departments or through the human resources and administration department. All the training sessions are delivered via flexible and/or practical group training formats.

此外，本集團亦提供各種在職培訓，例如內部綜合培訓、部門培訓及外部培訓。就內部培訓而言，培訓課程由相關部門或人力資源及行政部門舉辦，內容涵蓋管理制度及法規、管理政策及相關專業知識。所有培訓課程均以靈活及／或實用的團體培訓形式進行。

For external training, the Group invites various professionals to hold expert seminars based on our topical needs, as well as offering opportunities to our employees to participate in the conference and seminars organized by industry institutions. During the Reporting Period, relevant trainings such as 6S corporate management workshops and seminars on the financing of automobile industry, digital fintech product, supply chain asset management and financing have been held to equip our employees management skills and share the updated news on the market of the industry. A certain portion of training sessions were held virtually to mitigate the risk of the COVID-19 pandemic.

就外部培訓而言，本集團根據特定需求邀請專家舉辦專題研討會，並為我們的員工提供參與行業會議及研討會的機會。於報告期內，我們舉辦了如6S企業管理工作坊、汽車行業融資、電子金融科技產品、供應鏈資產管理及融資研討會等相關培訓，讓員工掌握管理技能，分享行業市場的最新消息。部分培訓課程以在線形式舉辦，以減低感染新冠肺炎的風險。

The Group maintains proper training assessment after the completion of training session and collects the attendants' feedback on the arranged training in order to review the training outcomes and effectiveness and facilitate us to further optimize our training arrangement continually.

本集團於完成培訓課程後進行培訓評估，並收集與會者對所安排培訓的反饋意見，以檢討培訓結果及成效，持續優化培訓安排。

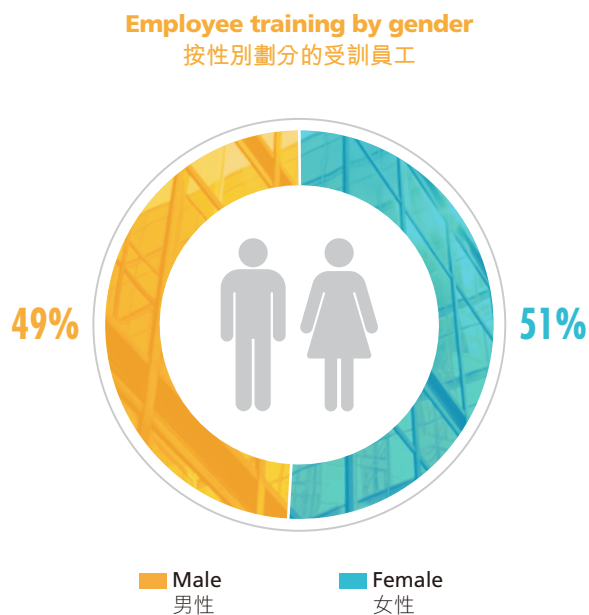
		2020 二零二零年	
		Percentage of employees received training 接受培訓的 員工百分比	Average training hour per employee 平均每位員工的 培訓時數
Total	總計	87%	15.2

EMPLOYMENT AND LABOR PRACTICES (Continued)

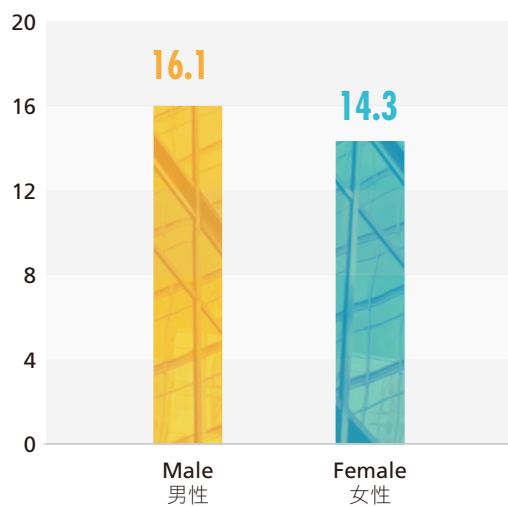
僱傭及勞工常規(續)

Percentage of employees trained by gender in 2020

2020年按性別劃分的受訓員工比例

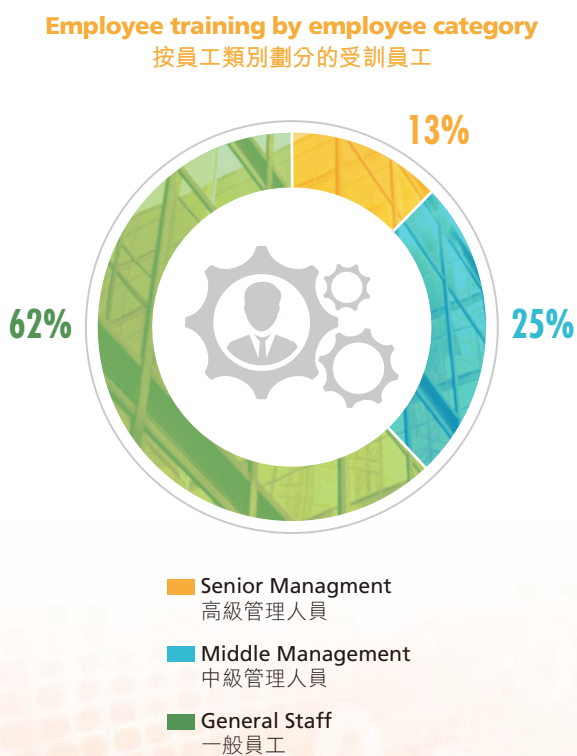


Average training hour per employee
平均每位員工受訓時數

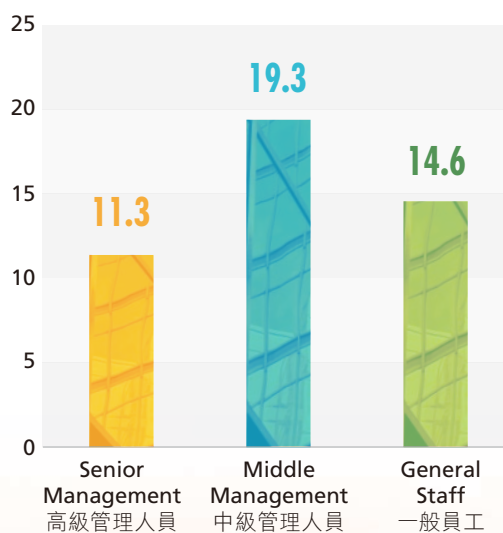


Percentage of employees trained by employee category in 2020

2020年按員工類別劃分的受訓員工比例



Average training hour per employee
平均每位員工受訓時數



ENVIRONMENT PROTECTION

Adhering to our management philosophy, the Group strives to advocate sustainable development and shoulders our responsible stewardship to the environment. Through the implementation of various management approaches, the Group aims to join hands with our employees in alleviating climate change and minimizing the environmental impacts caused by our living habits and our business operations to reduce the environmental footprints. The Group wishes our employees can actively change their own habits as a way of sending environmental protection messages across to their families, friends and business partners, thereby contributing our efforts to protect the environment.

Emissions

The Group is mainly engaged in the business of finance services, property investment and management and asset management services and supply chain management and our operations are within an office setting. Hence, the greenhouse gas generated from our operations is limited. Air emissions of our company mainly come from mobile fuel combustion in our owned company motor vehicles. The Group encourages our employees to take public transport and better arranges commute routes, in order to avoid unnecessary exhaust air emission and fuel consumption. Our waste management mainly involves domestic wastes and collection of wastepaper for recycling. Waste recycling bins are placed nearby our photocopiers, employee workstations and pantry for collecting recyclable wastes such as paper, metal and plastic. During our daily operation, the Group generates limited amount of hazardous waste such as toners and cartridges and all such waste is collected by service provider for further treatment.

The greenhouse gas produced in our business activities mainly comes from the electricity use in the office, fuel consumption by our own motor vehicles and business travels by employees for work assignments. The Group also encourages our employees in Mainland China to voluntarily pick any rest day or one day during festive holidays to ride on public transport or bicycle as substitution, thereby reducing greenhouse gas emissions. Besides, the Group also encourages our employees to adopt teleconferencing for meetings to reduce the frequency of business trips by flight.

環境保護

本集團秉承自身管理理念，致力提倡可繼續發展，並肩負起環境管理的責任。透過實施各種管理措施，本集團旨在與員工攜手紓緩氣候變化，並盡量減少我們生活習慣及業務運營對環境造成的影響，以減少環境排放。本集團希望員工透過改變自身習慣把環境保護的訊息傳遞給家人、朋友和商業夥伴，為保護環境做出貢獻。

排放物

本集團主要從事提供金融服務、物業投資及管理、資產管理以及供應鏈管理業務，而運營環境主要是辦公室。因此，我們營運產生的溫室氣體有限。本公司的廢氣排放主要來自我們所擁有公司車輛的車用燃料燃燒。本集團鼓勵員工乘搭公共交通工具，並更好地安排通勤路線，以避免不必要的廢氣排放及燃料消耗。我們的廢物管理主要涉及生活廢物及收集廢紙以供回收。我們在複印機、員工工作間及茶水間附近放置廢物回收箱，以便收集紙張、金屬及塑料等可回收廢物。在日常營運中，本集團產生少量有害廢棄物，如碳粉及墨盒，而所有該等廢物均由服務供應商收集作進一步處理。

我們業務活動所產生的溫室氣體主要來自辦公室的電力使用、自有車輛的燃料消耗及員工出差。本集團鼓勵中國內地員工自願選擇任何休息日或在節假日中的某一日乘坐公共交通工具或騎自行車代步，從而減少溫室氣體排放。此外，本集團亦鼓勵員工以電話舉行會議，以減少乘坐飛機出差的次數。

ENVIRONMENT PROTECTION (Continued)

Use of Resources

The Group is fully aware of its responsibilities in environmental protection and is constantly in search for every opportunity on resource conservation and waste reduction. Various green office management practices have been taken to promote a green corporate culture and build conservation habits among our employees.

Energy Efficiency

The Group emphasizes electricity conservation by promoting the use of energy-efficient luminaires and adopting energy saving practices. The Group had adopted the following key electricity saving measures:

- Maintain indoor temperature at an energy-efficient level 24–26°C for comfort;
- Use automated electricity management system;
- Encourage employees to switch off office appliances and devices, such as air conditioners, computers, personal electronic devices and common office equipment after work or when not in use;
- Purchase office equipment and electrical appliances with higher energy efficiency (such as those with Grade 1 energy label or with China Energy Label) to reduce electricity use;
- Install energy efficient lights, such as LED lights in our offices; and
- Attach “Green Reminder” and energy saving signs nearby office equipment, light switches and main entrance to further enhance employees’ environmental awareness.

環境保護(續)

資源使用

本集團充分了解公司在環境保護方面的責任，並持續尋求節約資源及減少廢物的機會。我們已採取各種綠色辦公室管理措施，向僱員推廣綠色企業文化及養成節約習慣。

能源效益

本集團重視節約用電，提倡使用節能燈具及採取節能措施。本集團已採取以下主要節約用電措施：

- 將室內溫度維持在舒適的攝氏24至26度的節能水平；
- 使用自動化電力管理系統；
- 鼓勵員工下班後或不使用時關閉辦公室電器及設備，如空調、計算機、個人電子設備及公共辦公設備；
- 購買能源效益較高的辦公設備及電器(如帶有一級能源標誌或帶有國家能源標誌的設備)以減少用電；
- 在辦公室安裝LED燈等節能照明燈；及
- 在辦公設備、照明開關及主入口附近貼上「環保提示」及節能標誌，以進一步提升員工的環保意識。

ENVIRONMENT PROTECTION (Continued)

Use of Resources (Continued)

Energy Efficiency (Continued)

環境保護(續)

資源使用(續)

能源效益(續)



"Green Reminder" and energy saving signs are attached nearby light switches and office main entrance
照明開關及主入口附近均貼有「環保提示」及節能標誌

During the Reporting Period, the Group consumed 74.89 Megawatt-hour ("MWh") of electricity, decreased by 8.3% compared to the data of 2019. The Group will continue to monitor the implementation of various energy conservation measures and try our best to reduce electricity consumption. Regarding the level of gasoline consumption, the Group has continued to reduce the use of company vehicles and hence it led to a drop from approximately 11,099 liters ("L") in 2019 to 8,968.22 liters in 2020.

With reference to the guidelines of Greenhouse Gas Protocol after combining with regional emission factors, our greenhouse gas emission level has been calculated from the above data. During the Reporting Period, the Group has generated 117.36 tonnes of CO₂ equivalent ("tCO₂e") greenhouse gas emissions, with the intensity of CO₂ equivalent was 2.26 tonnes per employee. The intensity figure has decreased by approximately 21.2% when compared to that of last year. The reduction of carbon emission is partially resulted from the travel restriction due to the outbreak of COVID-19.

於報告期內，本集團消耗74.89兆瓦時(「兆瓦時」)電力，較二零一九年的數據減少8.3%。本集團將繼續監察各節約能源措施實施情況，並盡量減少用電。就汽油消耗水平而言，本集團繼續減少使用公司車輛，因此使得其由二零一九年的約11,099升(「升」)減少至二零二零年的8,968.22升。

結合地區排放系數，經參考《溫室氣體議定書》的指引，我們的溫室氣體排放水平乃根據上述數據計算得出。於報告期內，本集團產生117.36噸二氧化碳當量(「噸二氧化碳當量」)溫室氣體排放，密度為每名員工2.26噸二氧化碳當量。密度較去年減少約21.2%。有關二氧化碳排放減少部分源自新冠肺炎疫情導致的出行限制。

ENVIRONMENT PROTECTION (Continued)

Use of Resources (Continued)

Water Conservation

With respect to water conservation, the Group encourages our employees to treasure the finite and valuable water resources and reduce wastage through practicing water conservation habits in everyday life. The Group enhances our employees' responsibility and self-awareness in this aspect, for example by posting the water saving signs in pantry and washrooms to remind employees to reduce wasting water. Meanwhile, the inspection and maintenance of utility facilities are carried out regularly to prevent water leakage. During the Reporting Period, the Group has consumed 272.67 cubic meter ("m³") of water.

Paper Use

The Group strives to widely apply digitalized technology and promote paperless operation in our offices to reduce paper consumption. The Group encourages our employees to adopt the principle of "Think before you print" to carefully select documents for printing, and encourages practices such as to circulate documents using electronic formats, making photocopy and/or print on both sides, reusing single side used papers for printing or drafting and collect double-sided used papers for recycling. During the Reporting Period, the Group has consumed approximately 0.82 tons of paper, a decrease of approximately 35.9% compared to that of the previous year.

The Environment and Natural Resources

Though the influence of our business operations to the environment and natural resources is limited, the Group strives to enhance environmental awareness among our employees and business partners, in particular to the global issue of climate change, in order to build up powerful cohesive forces with their families and friends by changing their behaviors in green living and support and contribute to environmental protection.

Compliance

During the Reporting Period, the Group has complied with the relevant environmental laws and regulations (e.g., The Environmental Protection Law of the PRC, Motor Vehicle Idling (Fixed Penalty) Ordinance (Cap. 611) of Hong Kong) in Hong Kong and Mainland China and did not identify any confirmed violation or non-compliance relating to environmental protection with a significant impact on the Group.

環境保護(續)

資源使用(續)

節約用水

在節約用水方面，本集團鼓勵員工珍惜有限及寶貴的水資源，並透過在日常生活中養成節約用水習慣以減少浪費。本集團加強員工在此方面的責任及自我意識，如在茶水間及洗手間張貼節約用水標誌及提醒員工減少浪費用水。同時，我們定期對公用設施進行檢查及維護以防止漏水。於報告期內，本集團的水消耗量為272.67立方米。

紙張使用

本集團致力在辦公室廣泛採用數碼技術及推行無紙化運營，以減少用紙。本集團鼓勵員工奉行「打印前想清楚」的原則，謹慎選擇所需要打印的文件，並鼓勵使用電子檔案形式傳遞文件、雙面複印及／或打印、循環使用單面打印的紙張以供打印或文件起草以及收集雙面用過的紙張回收。於報告期內，本集團的用紙量約0.82噸，較去年減少約35.9%。

環境及天然資源

儘管我們的業務營運對環境及天然資源的影響有限，但本集團致力提高員工及業務夥伴的環保意識，尤其是在全球氣候變化方面，通過改變其家人及朋友在綠色生活方面的行為來建立強大的凝聚力，支持環保並做出貢獻。

合規

於報告期內，本集團已遵守香港及中國內地的相關環境法律法規，如《中華人民共和國環境保護法》及香港法例第611章《汽車引擎空轉（定額罰款）條例》，且並無發現任何與環保相關並對本集團有重大影響的已確認違規或違規情況。

COMMUNITY INVESTMENT

The Group is dedicated to fostering the healthy and sustainable development of the financial leasing industry. One of our PRC subsidiaries, South China International Leasing Co., Ltd. has been serving as the Vice President Unit of the Guangdong Financial Leasing Association (the "GDFLA") in 2020, in supporting the establishment of the provincial standardized financial leasing industry system and the enhancement of the industry self-disciplinary system, thereby improving the reputation and social influence of the industry. During the Reporting Period, South China International Leasing Co., Ltd. actively cooperated with GDFLA and Shenzhen Financial Leasing Association on the industry disciplinary management and supervision work. South China International Leasing Co., Ltd. has taken part in the drafting the Code of financial leasing industry management, implementation and supervision to share our viewpoints and perspectives of the regulatory measures in term of industry stability, systemic risks reduction, competitive, efficient and orderly industry market in financial leasing, so as to facilitate the healthy and standardized industry development as well as minimizing the misconduct in the industry.



In addition, to fulfill our corporate social responsibility, the Group has partaken in various charitable activities such as blood donations and charity funds support during the Reporting Period in contributing to the community.

社區投資

本集團致力促進融資租賃行業的健康及可持續發展。我們其中一間附屬公司南方國際租賃有限公司(「南方租賃」)於二零二零年擔任廣東省融資租賃行業協會副會長單位，以支持建立省級標準化融資租賃行業體系及加強行業自律制度，從而提高行業聲譽及社會影響力。於報告期內，南方租賃積極配合廣東省融資租賃協會、深圳市融資租賃行業協會開展行業紀律管理和監督工作。南方國際租賃有限公司參與起草《融資租賃行業管理、執行和監督守則》，就行業穩定、減少系統性風險、競爭激烈和高效有序的融資租賃行業市場等方面分享我們對監管措施的觀點和意見，促進行業健康規範發展，最大限度地減少行業不當行為。

此外，為履行我們的企業社會責任，本集團於報告期內參與多項慈善活動，如捐血及支持慈善基金，為社區作出貢獻。

SUMMARY OF ENVIRONMENTAL PERFORMANCE
DATA

環境數據及表現摘要

	Unit 單位	2020 ¹ 二零二零年 ¹	2019 二零一九年	2018 二零一八年
Greenhouse gas emissions				
溫室氣體排放量				
Scope 1 ² 範圍一 ²	tCO ₂ e 噸二氧化碳當量	24.28	30.06	28.94
Scope 2 ³ 範圍二 ³	tCO ₂ e 噸二氧化碳當量	64.63	73.45	64.78
Scope 3 ⁴ 範圍三 ⁴	tCO ₂ e 噸二氧化碳當量	28.45	57.29	48.78
Total greenhouse gas emission 溫室氣體總排放量	tCO ₂ e 噸二氧化碳當量	117.36	160.80	142.50
Intensity 密度	tCO ₂ e/employee 噸二氧化碳當量／每名員工	2.26	2.87	3.48
Air emission⁵				
廢氣總排放量⁵				
Nitrogen oxides 氮氧化物	kg 千克	4.17	5.63	43.32
Sulphur oxides 硫氧化物	kg 千克	0.13	0.16	0.17
Particles 顆粒物	kg 千克	0.31	0.41	3.19
Energy consumption⁶				
能源消耗量⁶				
Gasoline 汽油	L 公升	8,968.22	11,099	11,476
Intensity 密度	L/employee 公升／每名員工	172.47	198.20	279.90
Electricity 電力	MWh 兆瓦時	74.89	81.65	74.6
Intensity 密度	MWh/employee 兆瓦時／每名員工	1.44	1.46	1.82
Total energy intensity 能源總密度	MWh 兆瓦時	161.80	—	—
Intensity 密度	MWh/employee 兆瓦時／每名員工	3.11	—	—
Water consumption ⁷ 水資源消耗量 ⁷	m ³ 立方米	272.67	212.24	547.92
Intensity 密度	m ³ /employee 立方米／每名員工	5.24	3.79	13.36
Paper consumption 紙張消耗量	Tonne 噸	0.82	1.28	0.52
Intensity 密度	Tonne/employee 噸／每名員工	0.02	0.02	0.01

SUMMARY OF ENVIRONMENTAL PERFORMANCE DATA (Continued)

環境數據及表現摘要(續)

Notes:

1. The Group is principally engaged in the business of financial services, property investment and management, asset management, and supply chain management. As we are not engaged in manufacturing industry, thus we did not generate any hazardous waste and use any packaging materials in our business segments. The non-hazardous waste produced in each business segment is mainly collected and treated by the building management company and hence we did not quantify the waste data for disclosure. The number of employees is 52 as of 31 December 2020.
2. Scope 1 emission covers the direct greenhouse gas emissions generated by the combustion of fuels (gasoline) for vehicles controlled by the Group. The calculation is based on the emission factors from "How to prepare an ESG Report? Appendix 2: Reporting Guidance on Environmental KPIs" published by HKEX.
3. Scope 2 emission covers the purchased electricity in our offices of the subsidiaries. The calculation is based on the emission factors from 2019 Hong Kong Electric sustainability report, 2017 Emission Factors for purchased electricity within Mainland China issued by Ministry of Ecology and Environment of the PRC.
4. Scope 3 emission covers the business trip of employees through flights only.
5. The figure of 2018 and 2019 have been restated due to the standardization of reporting units and the alignment with statistical method adopted in 2020.
6. The conversion factors from volumetric units of gasoline to energy units are with reference to Appendix 2: Reporting Guidance on Environmental KPIs.
7. The figure of 2018 and 2019 have been restated due to the standardization of reporting units and the alignment with statistical method adopted in 2020.

附註：

1. 本集團主要從事金融服務、物業投資及管理、資產管理以及供應鏈管理業務。由於我們並無從事製造業，因此我們的業務分部並無產生任何有害廢棄物及使用任何包裝材料。各業務分部產生的無害廢棄物主要由樓宇管理公司收集及處理，因此我們並無量化廢物數據以供披露。截至二零二零年十二月三十一日，員工人數為52人。
2. 範圍一排放量涵蓋本集團車輛燃燒燃料(汽油)所產生的直接溫室氣體排放量。計算乃基於香港聯合交易所發佈的「如何準備環境、社會及管治報告？附錄二：環境關鍵績效指標匯報指引」中的排放系數。
3. 範圍二排放量涵蓋我們附屬公司的辦公室所購買的電力。計算乃基於二零一九年港燈可持續發展報告的排放系數及中國生態環境部發佈的二零一七年中國內地購電排放系數。
4. 範圍三排放量僅涵蓋員工乘坐飛機出差的排放量。
5. 由於統一報告的單位以及與2020年採用的統計方法保持一致，2018及2019的數據進行了重述。
6. 汽油容積單位轉換為能源單位的換算系數乃參考附錄二：環境關鍵績效指標匯報指引。
7. 由於統一報告的單位以及與2020年採用的統計方法保持一致，2018及2019的數據進行了重述。

HKEX ESG REPORTING GUIDE INDEX

香港聯合交易所《ESG報告指引》 索引

ESG Reporting Guide ESG報告指引		Section/ Explanation 章節／解釋
A1	General Disclosure Information on: a) the policies; and b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： a) 政策；及 b) 遵守對發行人有重大影響的相關法律及規例的資料的一般披露。	Environmental Protection – Emission 環境保護 – 排放物
KPI A1.1 關鍵績效指標A1.1	The types of emissions and respective emission data. 排放物種類及相關排放數據。	Summary of Environmental Performance Data 環境數據及表現摘要
KPI A1.2 關鍵績效指標A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 溫室氣體總排放量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	Summary of Environmental Performance Data 環境數據及表現摘要
KPI A1.3 關鍵績效指標A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生有害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	Summary of Environmental Performance Data 環境數據及表現摘要
KPI A1.4 關鍵績效指標A1.4	Total non-hazardous waste produced (in tonnes and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生無害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	Summary of Environmental Performance Data 環境數據及表現摘要
KPI A1.5 關鍵績效指標A1.5	Description of measures to mitigate emissions and results achieved. 描述減低排放量的措施及所得成果。	Environmental Protection – Emission 環境保護 – 排放物
KPI A1.6 關鍵績效指標A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。	Environmental Protection – Emission 環境保護 – 排放物

HKEX ESG REPORTING GUIDE INDEX (Continued)

香港聯合交易所《ESG報告指引》
索引(續)

ESG Reporting Guide ESG報告指引		Section/ Explanation 章節／解釋
A2	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源(包括能源、水及其他原材料)的政策的一般披露。	Environmental Protection – Use of Resources 環境保護 – 資源使用
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). 按類型劃分的直接及／或間接能源(如電、氣或油)總耗量(以兆瓦時計算)及密度(如以每產量單位、每項設施計算)。	Summary of Environmental Performance Data 環境數據及表現摘要
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility). 總耗水量及密度(如以每產量單位、每項設施計算)。	Summary of Environmental Performance Data 環境數據及表現摘要
A2.3	Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及所得成果。	Environmental Protection – Use of Resources 環境保護 – 資源使用
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果。	Environmental Protection – Use of Resources 環境保護 – 資源使用
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. 製成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位佔量。	Summary of Environmental Performance Data 環境數據及表現摘要
A3	General Disclosure Policies on minimizing the issuer's significant impact on the environment and natural resources. 減低發行人對環境及天然資源造成重大影響的政策的一般披露。	Environmental Protection – The Environment and Nature Resources 環境保護 – 環境及天然資源

ESG Reporting Guide ESG報告指引		Section/ Explanation 章節／解釋
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them. 描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	Environmental Protection – The Environment and Nature Resources 環境保護 – 環境及天然資源
B1	General Disclosure Information on: a) the policies; and b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare. 有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： a) 政策；及 b) 遵守對發行人有重大影響的相關法律及規例的資料的一般披露。	Employment and Labour Practices – Employment Practices 僱傭及勞工常規 – 僱傭常規
KPI B1.1 關鍵績效指標B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region. 按性別、僱傭類型(如全職或兼職)、年齡組別及地區劃分的僱員總數。	Employment and Labour Practices – Employment Practices 僱傭及勞工常規 – 僱傭常規
KPI B1.2 關鍵績效指標B1.2	Employee turnover rate by gender, age group and geographical region. 按性別、年齡組別及地區劃分的僱員流失比率。	Employment and Labour Practices – Employment Practices 僱傭及勞工常規 – 僱傭常規

HKEX ESG REPORTING GUIDE INDEX (Continued)

香港聯合交易所《ESG報告指引》
索引(續)

ESG Reporting Guide ESG報告指引		Section/ Explanation 章節／解釋
B2	General Disclosure Information on: a) the policies; and b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 有關提供安全工作環境及保障僱員避免職業性危害的： a) 政策；及 b) 遵守對發行人有重大影響的相關法律及規例的資料的一般披露。	Employment and Labour Practices – Health and Safety 僱傭及勞工常規－健康和安
KPI B2.1 關鍵績效指標B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year. 過去3年(包括報告年度)每年發生因工作關係而死亡的人數及比率。	Employment and Labour Practices – Health and Safety 僱傭及勞工常規－健康和安
KPI B2.2 關鍵績效指標B2.2	Lost days due to work injury. 因工傷損失工作日數。	Employment and Labour Practices – Health and Safety 僱傭及勞工常規－健康和安
KPI B2.3 關鍵績效指標B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored. 描述所採納的職業健康及安全措施，以及有關實施及監察方法。	Employment and Labour Practices – Health and Safety 僱傭及勞工常規－健康和安
B3	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策的一般披露。描述培訓活動。	Employment and Labour Practices – Development and Training 僱傭及勞工常規－發展及培訓
KPI B3.1 關鍵績效指標B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management). 按性別及僱員類別(如高級管理人員、中級管理人員等)劃分的受訓僱員百分比。	Employment and Labour Practices – Development and Training 僱傭及勞工常規－發展及培訓

HKEX ESG REPORTING GUIDE INDEX (Continued)

香港聯合交易所《ESG報告指引》
索引(續)

ESG Reporting Guide ESG報告指引		Section/ Explanation 章節／解釋
KPI B3.2 關鍵績效指標B3.2	The average training hours completed per employee by gender and employee category. 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。	Employment and Labour Practices – Development and Training 僱傭及勞工常規－發展及培訓
B4	General Disclosure Information on: a) the policies; and b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor. 有關防止童工或強制勞工的： a) 政策；及 b) 遵守對發行人有重大影響的相關法律及規例的資料的一般披露。	Employment and Labour Practices – Labour Standard 僱傭及勞工常規－勞工準則
KPI B4.1 關鍵績效指標B4.1	Description of measures to review employment practices to avoid child and forced labour. 描述檢討僱傭慣例的措施以避免童工及強制勞工的方法。	Employment and Labour Practices – Labour Standard 僱傭及勞工常規－勞工準則
KPI B4.2 關鍵績效指標B4.2	Description of steps taken to eliminate such practices when discovered. 描述在發現違規情況時消除有關情況所採取的步驟。	Employment and Labour Practices – Labour Standard 僱傭及勞工常規－勞工準則
B5	General Disclosure Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策的一般披露。	Operational Practices – Supply Chain Management 營運慣例－供應鏈管理
KPI B5.1 關鍵績效指標B5.1	Number of suppliers by geographical region. 按地區劃分的供應商數目。	Operational Practices – Supply Chain Management 營運慣例－供應鏈管理

HKEX ESG REPORTING GUIDE INDEX (Continued)

香港聯合交易所《ESG報告指引》
索引(續)

ESG Reporting Guide ESG報告指引		Section/ Explanation 章節／解釋
B6	General Disclosure Information on: a) the policies; and b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： a) 政策；及 b) 遵守對發行人有重大影響的相關法律及規例的資料的一般披露。	Operational Practices – Service Responsibility 營運慣例 – 服務責任
B7	General Disclosure Information on: a) the policies; and b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 有關防止賄賂、勒索、欺詐及洗黑錢的： a) 政策；及 b) 遵守對發行人有重大影響的相關法律及規例的資料的一般披露。	Operational Practices – Anti-corruption 營運慣例 – 反貪污
KPI B7.1 關鍵績效指標B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. 於報告期內對發行人或其僱員提出有關已審結的貪污訴訟案件的數目及訴訟件結果。	Operational Practices – Anti-corruption 營運慣例 – 反貪污
B8	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策的一般披露。	Community Investment 社區投資

REPORT OF THE DIRECTORS

董事會報告書

The Directors herein present their report and the audited consolidated financial statements of the Group for the year ended 31 December 2020.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The activities of its principal subsidiaries and associates are set out in notes 37 and 19 to the consolidated financial statements.

RESULTS

The results of the Group for the year ended 31 December 2020 and the state of affairs of the Group at that date are set out in the consolidated financial statements on pages 112 to 250 of this annual report.

The Board of Directors of the Company does not recommend the payment of any dividend in respect of the year (2019: Nil).

BUSINESS REVIEW

The business review of the Group for the year ended 31 December 2020 is set out in the sections headed "Chairman's Statement" and "Management Discussion and Analysis" on pages 11 to 13 and pages 14 to 21 of this annual report respectively.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the published results and of the assets and liabilities of the Group for the last five financial years is set out on pages 251 to 252 of this annual report.

INVESTMENT PROPERTIES

Details of movements in the investment properties of the Group during the year are set out in note 17 to the consolidated financial statements.

SHARE CAPITAL

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

董事會謹此提呈董事會報告書及本集團截至二零二零年十二月三十一日止年度之經審核綜合財務報告，以供省覽。

主要業務

本公司之主要業務為投資控股。各主要附屬公司及聯營公司之業務載列於綜合財務報告附註37及19。

業績

本集團截至二零二零年十二月三十一日止年度之業績及本集團於該日之財務狀況載列於本年報第112頁至第250頁之綜合財務報告。

本公司董事會不建議本年度派發任何股息(二零一九年：無)。

業務回顧

本集團截至二零二零年十二月三十一日止年度之業務回顧分別載於本年報第11頁至第13頁之「主席報告書」及第14頁至第21頁之「管理層論述與分析」。

五年財務摘要

本集團過去五個財政年度之公佈業績及資產與負債摘要載列於本年報第251頁至第252頁。

投資物業

於本年度內，本集團投資物業變動之詳情載列於綜合財務報告附註17。

股本

於本年度內，本公司股本變動之詳情載列於綜合財務報告附註30。

DONATIONS

No charitable donation was made by the Group during the year (2019: Nil).

DIRECTORS

The Directors of the Company during the year and up to the date of this report were as follows:

Executive Directors

Xu Liang

Tian Gang (*appointed with effect from 24 March 2021*)

Su Guifeng (*resigned with effect from 19 March 2021*)

Li Jing (*resigned with effect from 24 March 2021*)

Non-executive Directors

Huang Donglin

Zhang Jianxun (*appointed with effect from 24 March 2021*)

Liu Dongsheng (*retired with effect from 21 May 2020*)

You Wenli (*resigned with effect from 24 March 2021*)

Independent Non-executive Directors

Tam King Ching, Kenny

Zhang Xingyu (*appointed with effect from 20 March 2020*)

Ng Man Fung, Walter (*appointed with effect from 19 March 2021*)

On Danita (*appointed with effect from 19 March 2021*)

Fei Jianjiang (*resigned with effect from 20 March 2020*)

Wan Siu Wah, Wilson (*passed away on 8 January 2021*)

In accordance with clauses 99 and 102(B) of the Bye-laws, Mr. Huang Donglin, Mr. Zhang Xingyu, Mr. Tian Gang, Mr. Zhang Jianxun, Mr. Ng Man Fung, Walter and Ms. On Danita, will retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company.

捐款

於本年度內，本集團並無作出慈善捐款(二零一九年：無)。

董事

於本年度內及截至本報告日期的本公司董事如下：

執行董事

徐 量

田 剛(自二零二一年三月二十四日起獲委任)

蘇桂鋒(自二零二一年三月十九日起辭任)

李 婧(自二零二一年三月二十四日起辭任)

非執行董事

黃冬林

張建勳(自二零二一年三月二十四日起獲委任)

劉東升(自二零二零年五月二十一日起退任)

游文麗(自二零二一年三月二十四日起辭任)

獨立非執行董事

譚競正

張興禹(自二零二零年三月二十日起獲委任)

伍文峯(自二零二一年三月十九日起獲委任)

安殷霖(自二零二一年三月十九日起獲委任)

費建江(自二零二零年三月二十日起辭任)

溫兆華(於二零二一年一月八日離世)

根據細則第99條及第102(B)條，黃冬林先生、張興禹先生、田剛先生、張建勳先生、伍文峯先生及安殷霖女士將於本公司即將舉行之股東周年大會上任滿告退，而彼等均符合資格並願意於上述大會上膺選連任。

REPORT OF THE DIRECTORS

董事會報告書

DIRECTORS' INDEMNITIES AND INSURANCE

As permitted by the Company's Bye-laws, every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he or she may sustain or incur in or about the execution of the duties of his or her office or otherwise in relation thereto.

The Company has arranged appropriate directors' and officer's liability coverage for the Directors and officers of the Company.

DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election at the forthcoming annual general meeting 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.

MANAGEMENT CONTRACTS

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

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2020, none of the Company's Directors, chief executives or their respective associates had any other personal, family, corporate and other interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

董事的彌償及保險

本公司細則允許本公司各董事或其他高級職員有權就履行其職責或其他與此有關方面蒙受或產生的所有虧損或債務自本公司的資產中獲得賠償。

本公司已為本公司董事及高級職員購買適當的董事及高級職員責任保險作為保障。

董事之服務合約

擬於即將舉行之股東周年大會上膺選連任之董事，概無與本公司訂立任何由本公司於一年內終止而須支付賠償(法定賠償除外)之服務合約。

管理合約

本年度內本公司並無簽訂或存在有關管理或經營本公司全部或任何主要部份業務之合約。

董事及最高行政人員於股份、相關股份及債權證之權益及淡倉

於二零二零年十二月三十一日，本公司之董事、最高行政人員或彼等各自之聯繫人概無於本公司或其任何相聯法團(按證券及期貨條例第XV部賦予之涵義)之股份、相關股份或債權證擁有須記入根據證券及期貨條例第352條須予設存之登記冊或根據標準守則須通知本公司及聯交所之任何其他個人、家族、公司及其他權益或淡倉。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Apart from as disclosed in the sections headed "Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures" and "Share Option Schemes" herein, at no time during the year was the Company or any of its subsidiaries, its parent company or any subsidiary of its parent company a party to any arrangement to enable the Company's Directors or their respective spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

No transactions, arrangements and contracts that is significant in relation to the Group's business to which the Company or any of its subsidiaries, its parent company or any subsidiary of its parent company was a party and in which a Director of the Company or his/her connected entities had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

Pursuant to Rule 8.10 of the Listing Rules, the following Director has declared interests in the following business (other than those businesses where the Directors of the Company were appointed as directors to represent the interests of the Company and/or any member of the Group) which is considered to compete or are likely to compete, either directly or indirectly, with the businesses of the Group during the year:

董事購買股份或債權證之權利

除本年報「董事及最高行政人員於股份、相關股份及債權證之權益及淡倉」及「購股權計劃」兩節所披露者外，於本年度內任何時間，本公司或其任何附屬公司、其母公司或其母公司的任何附屬公司概無參與訂立任何安排，使本公司董事或彼等各自之配偶或未滿十八歲的子女可藉購買本公司或任何其他法人團體之股份或債權證而獲得利益。

董事於交易、安排或合約之權益

本公司或其任何附屬公司、其母公司或其母公司的任何附屬公司在本年度結束時或本年度任何時間內，概無簽訂任何與本集團業務有關之任何重要交易、安排或合約，導致本公司董事或其關連實體直接或間接獲得重大利益。

董事於競爭業務之權益

根據上市規則第8.10條，以下董事已宣告彼於以下業務持有權益(並不包括本公司董事獲委任為有關公司之董事以代表本公司及／或本集團任何成員公司權益之業務)，而該業務被視為於本年度內與本集團業務構成直接或間接競爭或可能構成競爭：

Name of Director 董事姓名	Name of entity whose business are considered to compete or likely to compete with the businesses of the Group 業務被視為與本集團業務構成競爭或可能構成競爭之實體之名稱	Description of business of the entity which is considered to compete or likely to compete with the businesses of the Group 業務被視為與本集團業務構成競爭或可能構成競爭之實體之資料	Nature of interest of the Director in the entity 董事於實體持有之權益之性質
Xu Liang 徐量	Shougang Holding [#] 首鋼控股 [#]	Property investment 物業投資	Director 董事

[#] Such business may be carried out through the subsidiaries or associates of the entity concerned or by way of other forms of investments.

[#] 該業務可能是透過有關實體之附屬公司或聯營公司或其他投資方式進行。

DIRECTORS' INTERESTS IN COMPETING BUSINESS

(Continued)

The Board of the Company is independent from the board of the above-mentioned entity and is accountable to the Company's shareholders. Coupled with the diligence of its Independent Non-executive Directors whose views carry significant weight in the Board's decisions, the Group is capable of carrying on its businesses independently of, and at arm's length from, the businesses of this entity.

董事於競爭業務之權益(續)

本公司董事會獨立於上述實體之董事會，並須向本公司股東負責。本集團之獨立非執行董事克盡己職，對董事會之決策提供舉足輕重之意見，因此本集團能夠按公平原則與該實體各自經營本身之業務。

INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

As at 31 December 2020, according to the register kept by the Company under Section 336 of the SFO, the following companies and persons had interests or short positions in the shares and/or underlying shares of the Company which fell to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO:

根據證券及期貨條例須予披露之股東權益及淡倉

於二零二零年十二月三十一日，根據本公司按證券及期貨條例第336條設存之登記冊所載，下列公司及人士於本公司股份及／或相關股份持有權益或淡倉，而須根據證券及期貨條例第XV部第2及第3分部向本公司披露：

Long positions in the shares/underlying shares of the Company

於本公司股份／相關股份之好倉

Name of shareholder	Capacity in which interests were held	Number of shares/ underlying shares	Interests as to % of the issued share capital of the Company as at 31.12.2020 權益佔本公司於二零二零年十二月三十一日已發行股本之百分比	Note(s)
股東名稱	持有權益之身份	股份／相關股份數目		附註
Shougang Group 首鋼集團	Interests of controlled corporations 受控法團之權益	2,425,736,972	60.88%	1
Shougang Holding 首鋼控股	Interests of controlled corporation 受控法團之權益	2,025,736,972	50.84%	1
Wheeling Holdings Limited ("Wheeling")	Beneficial owner 實益擁有人	2,025,736,972	50.84%	1
Shougang Fund 首鋼基金	Interests of controlled corporation 受控法團之權益	400,000,000	10.04%	1

INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

(Continued)

根據證券及期貨條例須予披露之股東權益及淡倉(續)

Long positions in the shares/underlying shares of the Company (Continued)

於本公司股份／相關股份之好倉(續)

Name of shareholder	Capacity in which interests were held	Number of shares/ underlying shares	Interests as to % of the issued share capital of the Company as at 31.12.2020 權益佔本公司於 二零二零年十二月 三十一日已發行 股本之百分比	Note(s)
股東名稱	持有權益之身份	股份／相關股份數目	股本之百分比	附註
Jingxi Holdings Limited ("Jingxi Holdings") 京西控股有限公司 (「京西控股」)	Beneficial owner 實益擁有人	400,000,000	10.04%	1
Yip Wang Ngai 葉弘毅	Interests of controlled corporation 受控法團之權益	213,600,000	5.36%	2
HY Holdings Limited ("HY Holdings")	Beneficial owner 實益擁有人	213,600,000	5.36%	2
Mak Siu Hang Viola 麥少嫻	Interests of controlled corporations 受控法團之權益	316,082,538	7.93%	3
VMS Investment Group Limited ("VMS Investment") 鼎珮投資集團有限公司 (「鼎珮投資」)	Beneficial owner 實益擁有人	254,413,000	6.38%	3
Master Competent Limited ("Master Competent")	Interests of controlled corporations 受控法團之權益	61,669,538	1.55%	3
VMS Holdings Limited ("VMS Holdings") 鼎珮控股有限公司 (「鼎珮控股」)	Interests of controlled corporations 受控法團之權益	61,669,538	1.55%	3

INTERESTS AND SHORT POSITIONS OF
SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

(Continued)

根據證券及期貨條例須予披露之股東權益及淡倉(續)

Long positions in the shares/underlying shares of the
Company (Continued)

於本公司股份／相關股份之好倉(續)

Name of shareholder	Capacity in which interests were held	Number of shares/ underlying shares	Interests as to % of the issued share capital of the Company as at 31.12.2020 權益佔本公司於 二零二零年十二月 三十一日已發行 股本之百分比	Note(s)
股東名稱	持有權益之身份	股份／相關股份數目		附註
Fastlane Global Investments Limited ("Fastlane Global")	Interests of controlled corporations 受控法團之權益	61,669,538	1.55%	3
VMS Securities Holdings Limited ("VMS Securities Holdings") 鼎珮證券控股有限公司 (「鼎珮證券控股」)	Interests of controlled corporations 受控法團之權益	61,669,538	1.55%	3
VMS Financial Group Limited ("VMS Financial") 鼎珮金融集團有限公司 (「鼎珮金融」)	Interests of controlled corporation 受控法團之權益	61,669,538	1.55%	3
VMS Securities Limited ("VMS Securities") 鼎珮證券有限公司 (「鼎珮證券」)	Beneficial owner 實益擁有人	61,669,538	1.55%	3

INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

(Continued)

Long positions in the shares/underlying shares of the Company (Continued)

Notes:

1. Shougang Group indicated in its disclosure form dated 30 July 2019 (being the latest disclosure form filed up to 31 December 2020) that as at 30 July 2019, its interest in the Company was held by Shougang Holding and Shougang Fund respectively, wholly-owned subsidiaries of Shougang Group. Shougang Holding's interest in the Company was the Shares held by Wheeling, a wholly-owned subsidiary of Shougang Holding, and Shougang Fund's interest in the Company was the Shares held by Jingxi Holdings, a wholly-owned subsidiary of Shougang Fund.
2. Mr. Yip Wang Ngai indicated in his disclosure form dated 1 August 2019 (being the latest disclosure form filed up to 31 December 2020) that as at 30 July 2019, his interest in the Company was held by HY Holdings which in turn was held as to 80% by Mr. Yip Wang Ngai.
3. Ms. Mak Siu Hang Viola indicated in her disclosure form dated 4 June 2020 (being the latest disclosure form filed up to 31 December 2020) that as at 2 June 2020, (i) VMS Securities, which is a company controlled by her, holds 61,669,538 Shares; and (ii) VMS Investment, which is a company wholly owned by her, holds 254,413,000 Shares. VMS Securities is wholly owned by VMS Financial, which in turn is wholly owned by VMS Securities Holdings and in turn, wholly owned by Fastlane Global. Fastlane Global is wholly owned by VMS Holdings. VMS Holdings is owned as to 59.80% by Ms. Mak Siu Hang Viola and 32.20% by Master Competent, which is wholly owned by Ms. Mak Siu Hang Viola.

Save as disclosed above, as at 31 December 2020, the Company has not been notified of any other person (other than the Directors and chief executives of the Company) who had an interest or short position in the shares and/or underlying shares of the Company which fell to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO.

根據證券及期貨條例須予披露之股 東權益及淡倉(續)

於本公司股份／相關股份之好倉(續)

附註：

1. 首鋼集團在其二零一九年七月三十日的披露表格(此乃截至二零二零年十二月三十一日止前最後呈交的披露表格)中顯示，於二零一九年七月三十日，首鋼集團於本公司之權益分別由首鋼集團之全資附屬公司首鋼控股及首鋼基金持有。首鋼控股於本公司之權益為由首鋼控股之全資附屬公司Wheeling持有的股份，以及首鋼基金於本公司之權益為由首鋼基金之全資附屬公司京西控股持有的股份。
2. 葉弘毅先生在其二零一九年八月一日的披露表格(此乃截至二零二零年十二月三十一日止前最後呈交的披露表格)中顯示，於二零一九年七月三十日，其於本公司之權益由HY Holdings 持有，而葉弘毅先生持有HY Holdings 80% 權益。
3. 麥少嫻女士在其二零二零年六月四日的披露表格(此乃截至二零二零年十二月三十一日止前最後呈交的披露表格)中顯示，於二零二零年六月二日，(i)受其控制之公司鼎珮證券持有61,669,538股股份；及(ii)其全資擁有公司鼎珮投資持有254,413,000股股份。鼎珮證券由鼎珮金融全資擁有，而鼎珮金融由鼎珮證券控股全資擁有，鼎珮證券控股由Fastlane Global全資擁有。Fastlane Global由鼎珮控股全資擁有。鼎珮控股分別由麥少嫻女士及Master Competent擁有59.80%及32.20%，而Master Competent由麥少嫻女士全資擁有。

除上文所披露者外，於二零二零年十二月三十一日，本公司並無接獲任何其他人士(本公司董事及最高行政人員除外)通知，表示其於本公司股份及／或相關股份中持有權益或淡倉，而須根據證券及期貨條例第XV部第2及第3分部向本公司披露。

CONTROLLING SHAREHOLDERS' INTEREST IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in the section headed "Connected Transactions" below, at no time during the year had the Company or any of its subsidiaries, and the controlling shareholder (as defined under the Listing Rules) or any of its subsidiaries entered into any contract of significance or any contract of significance for the provision of services to the Company or any of its subsidiaries by the controlling shareholder or any of its subsidiaries.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors of the Company, there is a sufficiency of public float of the Company's securities as required under the Listing Rules as at the date of this annual report.

SHARE OPTION SCHEMES

On 7 June 2002, the shareholders of the Company adopted the 2002 Scheme which would be valid for a period of ten years. On 25 May 2012, the shareholders of the Company approved the termination of the 2002 Scheme (to the effect that no further share option shall be granted by the Company under the 2002 Scheme) and the adoption of a new share option scheme (the "2012 Scheme"), which became effective on 29 May 2012 upon the Listing Committee of the Stock Exchange granting its approval to the listing of, and permission to deal in, the shares of the Company which may fall to be issued upon exercise of the options to be granted under the 2012 Scheme.

控股股東於重要交易之權益

除下文「關連交易」一節所披露者外，本公司或其任何附屬公司在本年度任何時間內，概無與控股股東（按上市規則給予的涵義）或其任何附屬公司之間訂立任何重要合約或有關控股股東或其任何附屬公司向本公司或其任何附屬公司提供服務的重要合約。

公眾持股量

根據本公司所獲得之公開資料及就本公司董事所知，於本年報刊發日期，本公司之證券符合上市規則所規定之足夠公眾持股量規定。

購股權計劃

於二零零二年六月七日，本公司股東採納二零零二年計劃，有效期為十年。於二零一二年五月二十五日，本公司股東批准終止二零零二年計劃（致使本公司不得根據二零零二年計劃進一步授出購股權），並採納一個新購股權計劃（「二零一二年計劃」）。二零一二年計劃自二零一二年五月二十九日（即於聯交所上市委員會授出批准因行使根據二零一二年計劃授出之購股權而可能發行之本公司股份上市及買賣當日）起生效。

SHARE OPTION SCHEMES (Continued)

A summary of the principal terms of each of the 2002 Scheme and the 2012 Scheme is set out below:

(a) The 2002 Scheme

The purpose of the 2002 Scheme is to enable the Company to grant share options to selected participants as incentives or rewards for their contribution to the Company and/or its subsidiaries and/or its associated companies. The 2002 Scheme was adopted on 7 June 2002 and terminated on 29 May 2012.

Under the 2002 Scheme, the Directors may, at their discretion, offer directors (including executive and non-executive directors), executives, officers, employees or shareholders, of the Company or any of its subsidiaries or any of its associated companies, and any suppliers, customers, consultants, advisers, agents, partners or business associates who will contribute or have contributed to the Company or any of its subsidiaries or any of its associated companies, share options to subscribe for shares of the Company.

As the 2002 Scheme was terminated on 29 May 2012, no further options can be granted under the 2002 Scheme since then. During the year, all the outstanding 3,586,880 share options granted under the 2002 Scheme were lapsed. Accordingly, no shares of the Company may be issued under the 2002 Scheme as at the date of this annual report.

Each of the grantees was required to pay HK\$1.00 as a consideration for the grant of share options in accordance with the 2002 Scheme. The offer of share options must be accepted within 60 days from the date of offer.

Save as disclosed above, there is no material difference in the terms, which shall be disclosed pursuant to Rule 17.09 of the Listing Rules, between the 2002 Scheme and the 2012 Scheme.

購股權計劃(續)

二零零二年計劃及二零一二年計劃的各自主要條款概述如下：

(a) 二零零二年計劃

二零零二年計劃旨在讓本公司向選定參與者授予購股權作為彼等對本公司及／或其附屬公司及／或其聯營公司所作貢獻之激勵或獎勵。二零零二年計劃於二零零二年六月七日採納，並於二零一二年五月二十九日終止。

根據二零零二年計劃，董事可酌情向本公司或其任何附屬公司或其任何聯營公司之董事(包括執行及非執行董事)、行政人員、主任、僱員或股東，以及將為或曾為本公司或其任何附屬公司或其任何聯營公司作出貢獻之任何供應商、客戶、諮詢人、顧問、代理人、夥伴或業務合夥人授予購股權以認購本公司股份。

由於二零零二年計劃已於二零一二年五月二十九日終止，其後不得根據二零零二年計劃進一步授出購股權。於本年度，根據二零零二年計劃授出之尚未行使之3,586,880份購股權已失效。因此，於本年報刊發日期，並無股份可根據二零零二年計劃而予以發行。

根據二零零二年計劃，各承授人須支付港幣1.00元作為接納獲授予購股權之代價。提出授予之購股權須於提出日期起計六十日內獲接納。

除上述所披露者，二零零二年計劃與二零一二年計劃內須根據上市規則第17.09條作出披露的條款並無重大差異。

SHARE OPTION SCHEMES (Continued)

(a) The 2002 Scheme (Continued)

No share option was granted, exercised or cancelled in accordance with the terms of the 2002 Scheme during the year. Details of the movement of share options under the 2002 Scheme during the year are as follows:

Category or name of grantees 承授人類別或姓名	Options to subscribe for shares of the Company 可認購本公司股份之購股權			Date of grant 授出日期	Exercise period 行使期	Exercise price per share 每股行使價
	At the beginning of the period 期初	Lapsed during the period 期內失效	At the end of the period 期終			
Employees of the Group 本集團僱員	3,586,880	(3,586,880) ¹	–	14.12.2010	14.12.2010 – 13.12.2020	HK\$0.53 港幣0.53元

Note:

- 509,500 share options were held by an employee and lapsed on 5 March 2020 due to his resignation. The remaining 3,077,380 share options lapsed on 14 December 2020, being the expiry date of the relevant exercise period.

年內概無購股權根據二零零二年計劃之條款授出、行使或註銷。於本年度內，根據二零零二年計劃所授出之尚未行使購股權之變動詳情如下：

附註：

- 509,500份購股權由一名僱員持有並因其辭職而於二零二零年三月五日失效。剩餘的3,077,380份購股權於二零二零年十二月十四日(即有關購股權行使期限屆滿之日)失效。

(b) The 2012 Scheme

The purpose of the 2012 Scheme is to replace the 2002 Scheme and to continue to enable the Company to grant share options to selected participants as incentives or rewards for their contribution or potential contribution to the Company and/or any of its subsidiaries and/or any entity in which any member of the Group holds any equity interest (the "Invested Entities"). The 2012 Scheme shall be valid and effective for the period of ten years commencing on 25 May 2012, being the date on which the 2012 Scheme was conditionally adopted by the shareholders of the Company, and ending on 25 May 2022 (both dates inclusive).

Under the 2012 Scheme, the Board may, at its discretion, offer full-time or part-time employees, executives, officers or directors (including executive and non-executive directors) of the Company or any of its subsidiaries or any of the Invested Entities, and any advisors, consultants, agents, suppliers, customers and distributors, who, in the sole opinion of the Board, will contribute or have contributed to the Company and/or any of its subsidiaries and/or any of the Invested Entities, share options to subscribe for shares of the Company.

(b) 二零一二年計劃

二零一二年計劃旨在取代二零零二年計劃並使本公司能繼續向選定參與者授出購股權，作為激勵或獎勵彼等對本公司及／或任何其附屬公司及／或本集團任何成員公司持有任何股權之任何實體(「投資實體」)作出之貢獻或潛在貢獻。二零一二年計劃自二零一二年五月二十五日(即二零一二年計劃獲本公司股東有條件採納的日期)起至二零二二年五月二十五日止有效及生效(包括首尾兩日)，為期十年。

根據二零一二年計劃，董事會可酌情向本公司或任何其附屬公司或任何投資實體之全職或兼職僱員、行政人員、職員或董事(包括執行及非執行董事)，以及在董事會全權認為將對或曾對本公司及／或任何其附屬公司及／或任何投資實體作出貢獻之任何諮詢人、顧問、代理人、供應商、客戶和分銷商授出購股權以認購本公司股份。

SHARE OPTION SCHEMES (Continued)

(b) The 2012 Scheme (Continued)

No share option has been granted under the 2012 Scheme since its adoption. The maximum number of shares of the Company available for issue upon exercise of all share options which may be granted under the 2012 Scheme is 115,219,246, representing approximately 2.89% of the issued share capital of the Company as at the date of this annual report. The total number of shares of the Company issued and which may fall to be issued upon the exercise of share options to be granted under the 2012 Scheme and any other share option scheme(s) of the Company (including exercised, cancelled and outstanding share options) to each grantee in any 12-month period up to the date of grant shall not exceed 1% of the issued share capital of the Company as at the date of grant. Any further grant of share options in excess of this 1% limit shall be subject to the issue of a circular by the Company and shareholders' approval in a general meeting. In addition, any share options granted to a substantial shareholder or an Independent Non-executive Director of the Company, or to any of their associates, which would result in the shares of the Company issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of the offer of such grant (a) representing in aggregate over 0.1% of the shares of the Company in issue on the date of the grant; and (b) having an aggregate value of in excess of HK\$5,000,000 (based on the closing price of the Company's shares as stated in the daily quotations sheet of the Stock Exchange on the date of each grant), such further grant of options shall be subject to the issue of a circular by the Company and shareholders' approval in a general meeting on a poll at which the grantee, his/her associates and all core connected persons of the Company shall abstain from voting in favour of the resolution concerning the grant of such options, and/or such other requirements prescribed under the Listing Rules from time to time. A connected person of the Company will be permitted to vote against the grant only if his intention to do so has been stated in the circular. Any grant of share options to a Director, chief executive or substantial shareholder of the Company, or to any of their associates, is required to be approved by the Independent Non-executive Directors (excluding the Independent Non-executive Director who is the grantee of the options).

購股權計劃(續)

(b) 二零一二年計劃(續)

自採納二零一二年計劃起，概無根據此計劃授出購股權。因悉數行使根據二零一二年計劃可能授出之購股權而可發行之最高本公司股份數目為115,219,246股，佔本公司於本年報刊發日期已發行股本約2.89%。各承授人於授出日期前任何十二個月期間因行使二零一二年計劃及本公司任何其他購股權計劃，將予獲授之購股權(包括已行使、註銷及尚未行使之購股權)而經已發行及將予發行之本公司股份總數不得超過於授出日期本公司已發行股本之1%。倘進一步授出超過此1%限額之購股權，本公司須發出通函及經股東在股東大會上批准。此外，向本公司之主要股東或獨立非執行董事或任何彼等之聯繫人授出之任何購股權，會導致有關人士於授出日期前十二個月期間(包括提出授出日期)所有已獲授及將予獲授之購股權(包括已行使、已註銷及尚未行使之購股權)予以行使後已發行及將予發行之本公司股份：(a)合計超過於授出日期本公司已發行股份0.1%；及(b)根據各授出日期本公司股份載於聯交所日報表之收市價計算總值超過港幣5,000,000元，則須待本公司發出通函並經股東在股東大會上以投票表決方式批准，而承授人、其聯繫人及本公司所有核心關連人士均須就授出該等購股權的決議案放棄投贊成票，及／或遵守上市規則不時規定之其他要求，始可進一步授出購股權。本公司關連人士有權投票反對授出購股權，惟通函內須表明其意向。向本公司董事、最高行政人員或主要股東或任何彼等之聯繫人授出任何購股權，須經獨立非執行董事(不包括為有關購股權承授人之獨立非執行董事)批准。

SHARE OPTION SCHEMES (Continued)

(b) The 2012 Scheme (Continued)

The period during which a share option may be exercised will be determined by the Board at its absolute discretion, save that no share option may be exercised more than 10 years after it has been granted under the 2012 Scheme. There is no requirement that a share option must be held for any minimum period before it can be exercised but the Board is empowered to impose at its discretion any such minimum period at the time of offer of any share options.

The exercise price in relation to each share option will be determined by the Board at its absolute discretion and shall not be less than the highest of (i) the closing price of the shares of the Company as stated in the daily quotations sheet of the Stock Exchange on the date of offer of share options; (ii) the average closing price of the shares of the Company as stated in the daily quotations sheets of the Stock Exchange for the five business days immediately preceding the date of offer of share options; and (iii) the nominal value of a share of the Company on the date of offer of share options. Each of the grantees is required to pay HK\$1.00 as a consideration for his acceptance of the grant of share options in accordance with the 2012 Scheme. The offer of share options must be accepted within 30 days from the date of the offer.

Share options to be granted under the 2012 Scheme do not confer rights on the holders to dividends or to vote at general meetings.

No share option has been granted under the 2012 Scheme since its adoption. Accordingly, as at 31 December 2020, there was no share option outstanding under the 2012 Scheme.

EQUITY-LINKED AGREEMENTS

Save as disclosed in the sections headed "Share Option Schemes" herein, 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.

購股權計劃(續)

(b) 二零一二年計劃(續)

董事會可全權釐定購股權之行使期限，惟不得於根據二零一二年計劃授出購股權之日期起計超過十年後行使。並無規定購股權可予行使前必須持有之最短期限，惟董事會有權於授出任何購股權時酌情釐定該最短期限。

各購股權之行使價將由董事會全權酌情釐定，惟該價格不得少於以下之最高者：(i)於授出購股權日期本公司股份載於聯交所日報表之收市價；(ii)緊接授出購股權日期前五個營業日本公司股份載於聯交所日報表之平均收市價；及(iii)於授出購股權日期本公司股份之面值。根據二零一二年計劃，各承授人須支付港幣1.00元作為接納獲授予購股權之代價。提出授予之購股權須於提出日期起計三十日內獲接納。

根據二零一二年計劃將予授出之購股權並不授予持有人獲派股息或於股東大會上投票之權利。

自採納二零一二年計劃起，概無根據此計劃授出購股權。因此，於二零二零年十二月三十一日，概無根據二零一二年計劃授出之尚未行使購股權。

股票掛鈎協議

除於本年報「購股權計劃」一節所披露者外，於年內或年度結束時，本公司概無訂立或存在任何股票掛鈎協議將會或可導致本公司發行股份，或規定本公司訂立將會或可導致本公司發行股份的任何協議。

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (whether on the Stock Exchange or otherwise) during the year.

PRE-EMPTIVE RIGHTS

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

DISTRIBUTABLE RESERVES

At the end of the reporting period, the Company had distributable reserves of approximately HK\$102,749,000.

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, revenue from sales of goods and rendering of services to the Group's five largest customers accounted for approximately 88% of the total revenue from sales of goods and rendering of services for the year and revenue from sales of goods and rendering of services to the largest customer included therein amounted to approximately 38%. Purchases from the Group's five largest suppliers accounted for approximately 82% of the total purchases for the year and purchases from the largest supplier included therein amounted to approximately 81%. None of the Directors of the Company or any of their close associates or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the number of issued shares of the Company) had any beneficial interest in the Group's five largest customers and suppliers.

購買、出售或贖回本公司之上市證券

於本年度內，本公司或其任何附屬公司概無在聯交所或任何其他證券交易所購買、出售或贖回本公司之任何上市證券。

優先購買權

本公司細則或百慕達法例並無有關優先購買權之規定，強制本公司須按比例向其現有股東提呈發售新股份。

可供分派儲備

於報告期結束時，本公司可供分派之儲備約為港幣102,749,000元。

主要客戶及供應商

於回顧年度內，本集團向五位最大客戶銷售貨品及提供服務的收入佔本年度銷售貨品及提供服務的總收入約88%，而向當中最大客戶銷售貨品及提供服務的收入佔本年度銷售貨品及提供服務的總收入約38%。本集團向五位最大供應商採購額佔本年度總採購額約82%，而向當中最大供應商採購額佔本年度總採購額約81%。本公司董事或其任何緊密聯繫人士或就董事所知悉擁有本公司已發行股份數目5%以上權益之任何股東，概無於本集團五大客戶及供應商中擁有任何實益權益。

CONNECTED TRANSACTIONS

The following connected transactions were entered during the year and up to the date of this annual report:

(i) Formation of Joint Venture

On 26 December 2018, Eldex Investment Company Limited (“Eldex Investment”), a wholly-owned subsidiary of the Company, entered into a joint venture agreement with Chengdu Shougang Silk Road Equity Investment Fund Co., Ltd.* (成都首鋼絲路股權投資基金有限公司, “Shougang Silk Road”) and Chengdu Wuhou Capital Investment Management Group Co., Ltd.* (成都武侯資本投資管理集團有限公司, “Wuhou Capital”) to establish a joint venture, namely Shoucheng Finance Lease (Chengdu) Co., Ltd.* (首成融資租賃(成都)有限公司, “Shoucheng Finance Lease”) to engage in the business of finance lease and related services. Shougang Silk Road is a corporate fund 50% owned by Shougang Fund which is a wholly-owned subsidiary of Shougang Group. Wuhou Capital and its ultimate owners are independent of and not connected with the Company and its connected persons. Shoucheng Finance Lease would have a registered capital of RMB100,000,000, which has been determined by the parties after arm’s length negotiations by reference to its expected capital requirement. According to the joint venture agreement, the amount of registered capital to be contributed by Eldex Investment, Shougang Silk Road and Wuhou Capital were RMB25,000,000, RMB40,000,000 and RMB35,000,000 respectively. In view of the changes in market environment and policies, Shoucheng Finance Lease has been unable to carry out business, therefore, the board of directors of Shoucheng Finance Lease intends to liquidate Shoucheng Finance Lease. For the details of the transaction, please refer to announcement of the Company dated 26 December 2018.

關連交易

以下為於本年度內及截至本年報刊發日期已訂立之關連交易：

(i) 成立合資公司

於二零一八年十二月二十六日，義達投資有限公司(「義達投資」，本公司之全資附屬公司)與成都首鋼絲路股權投資基金有限公司(「首鋼絲路」)及成都武侯資本投資管理集團有限公司(「武侯資本」)訂立一份合資協議，以成立從事融資租賃及相關服務業務之合資公司，首成融資租賃(成都)有限公司(「首成融資租賃」)。首鋼絲路是由首鋼基金持股50%的公司基金，而首鋼基金為首鋼集團之全資附屬公司。武侯資本及其最終擁有人均獨立於本公司及其關連人士，且與彼等並無關連。首成融資租賃的註冊資本為人民幣100,000,000元，乃由訂約各方參考其預期的資本需求後按公平原則磋商而釐定。根據該合資協議，義達投資、首鋼絲路及武侯資本將予注資的註冊資本金額分別為人民幣25,000,000元、人民幣40,000,000元及人民幣35,000,000元。鑑於市場環境及政策出現變化，首成融資租賃一直未能開展業務，因此首成融資租賃董事會擬清算註銷首成融資租賃。有關交易的詳情，請參閱本公司日期為二零一八年十二月二十六日的公告。

CONNECTED TRANSACTIONS (Continued)

(ii) Acquisition of equity

On 2 December 2020, Ecko Investment Company Limited* (悦康融匯投資諮詢(北京)有限公司), a wholly-owned subsidiary of the Company, and Shougang Fund entered into an agreement, to acquire a 30% equity interest in Beijing Jingxi Supply Chain Management Co., Ltd* (北京京西供應鏈管理有限公司, "Jingxi Supply Chain") (the "Acquisition"). The consideration for the Acquisition is RMB7,347,453.44, which was determined by the parties after arm's length negotiations based on the valuation on the 30% equity interest in Jingxi Supply Chain as at 31 August 2020 as determined by an independent professional valuer based on the asset approach, subject to the downward adjustment of 60% of the loss of Jingxi Supply Chain between 27 April 2018 and 30 June 2019. The consideration is payable in cash within five business days of the date of the Agreement. Upon completion of the Acquisition, Jingxi Supply Chain becomes a wholly-owned subsidiary of the Company. The Acquisition will enable the Group to consolidate its control in Jingxi Supply Chain and allow the Group to continue its development of innovative financial services industry and in relation to the integration of supply chain networks with third parties leveraging on the Group's knowledge in various industries and accessibility to bank financing and capital markets.

As all the applicable percentage ratios in respect of the Acquisition are more than 0.1% but less than 5%, the Acquisition is subject to the reporting and announcement requirements and exempt from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules. The Acquisition was completed in December 2020.

For the details of the transaction, please refer to announcement of the Company dated 2 December 2020.

關連交易(續)

(ii) 股權收購

於二零二零年十二月二日，本公司全資附屬公司悦康融匯投資諮詢(北京)有限公司與首鋼基金訂立協議，以收購北京京西供應鏈管理有限公司(「京西供應鏈」)30%股權(「收購事項」)。收購代價為人民幣7,347,453.44元，乃由訂約雙方根據由獨立專業估值師根據資產法釐定目標公司的30%股權於二零二零年八月三十一日的估值按公平原則磋商後釐定，並可就目標公司於二零一八年四月二十七日至二零一九年六月三十日期間的虧損的60%下調而釐定。代價須於協議日期起計五個營業日內以現金支付。於完成收購事項後，京西供應鏈成為本公司的全資附屬公司。收購事項將有助本集團鞏固其於京西供應鏈的控制權，並有助本集團繼續發展創新的金融服務業，及藉著本集團於各行業的知識及於銀行融資與資本市場的聯繫，與第三方整合供應鏈網絡。

由於收購事項的所有適用百分比率均高於0.1%但低於5%，根據上市規則第14A章，收購事項須遵守申報及公告的規定，惟獲豁免遵守獨立股東批准的規定。收購事項已於二零二零年十二月完成。

有關交易的詳情，請參閱本公司日期為二零二零年十二月二日的公告。

* For identification purpose only

* 僅供識別

CONNECTED TRANSACTIONS (Continued)

The following continuing connected transactions were recorded during the year and up to the date of this annual report:

(i) Shougang Group – 2015 Master Facility Agreement

As stated in the announcement of the Company dated 15 April 2015 and in the circular of the Company dated 26 May 2015, a master facility agreement was entered into between the Company and Shougang Group on 26 March 2015 (the “2015 Master Facility Agreement”).

Pursuant to the 2015 Master Facility Agreement, the Company has agreed to provide, or procure its subsidiaries to provide facilities by way of entrusted payment and/or finance lease to Shougang Group and/or its subsidiaries in an amount of up to RMB8,000,000,000 for a term of 3 years from 19 June 2015, the date on which the condition precedent for the 2015 Master Facility Agreement was fulfilled and the 2015 Master Facility Agreement became effective (the “2015 Facilities”).

For the 2015 Facilities provide by way of entrusted payment and/or finance lease, the interest rate payable by the borrower or the lessee shall be at a rate equal to the cost of lending of the Company (or its subsidiaries) plus 1% to 5%.

The annual cap of the 2015 Facilities for each of the financial years ending 31 December 2015, 31 December 2016, 31 December 2017, 31 December 2018, 31 December 2019, 31 December 2020 and 31 December 2021 is RMB5,000,000,000, taken into account of the expected maximum outstanding balance of the facilities owed by the Shougang Group and/or its subsidiaries under the 2015 Master Facility Agreement for each relevant year.

The entering into of the 2015 Master Facility Agreement will enable the Group to earn a net interest income under the 2015 Master Facility Agreement.

關連交易(續)

以下為於本年度內及截至本年報刊發日期所記錄之持續關連交易：

(i) 首鋼集團 – 二零一五年授信總協議

誠如本公司日期為二零一五年四月十五日的公告，以及本公司日期為二零一五年五月二十六日的通函內所載，本公司與首鋼集團於二零一五年三月二十六日訂立了一份授信總協議（「二零一五年授信總協議」）。

根據二零一五年授信總協議，本公司同意以委託付款及／或融資租賃方式提供或促使其附屬公司向首鋼集團及／或其附屬公司提供本金總額最多為人民幣8,000,000,000元之授信，自二零一五年六月十九日（為二零一五年授信總協議先決條件獲滿足及二零一五年授信總協議生效之日期）起，為期三年（「二零一五年授信」）。

就二零一五年授信以委託付款及／或融資租賃方式提供之授信，借款人或承租人應付之利率將相等於本公司（或其附屬公司）之借貸成本加1%至5%。

有關二零一五年授信之每個年度上限（即截至二零一五年十二月三十一日、二零一六年十二月三十一日、二零一七年十二月三十一日、二零一八年十二月三十一日、二零一九年十二月三十一日、二零二零年十二月三十一日及二零二一年十二月三十一日止各財政年度）為人民幣5,000,000,000元，即二零一五年授信總協議項下首鋼集團及／或其附屬公司於每個相關年度預期最高可欠付金額。

訂立二零一五年授信總協議將令本集團可根據二零一五年授信總協議賺取淨利息收入。

CONNECTED TRANSACTIONS (Continued)

(i) Shougang Group – 2015 Master Facility Agreement (Continued)

As at the date of the 2015 Master Facility Agreement, Shougang Group was the holding company of Shougang Holding which in turn was a controlling shareholder and connected person of the Company. As such, the transactions contemplated under the 2015 Master Facility Agreement constituted continuing connected transactions for the Company under Chapter 14A of the Listing Rules. As one or more of the applicable percentage ratios for the transactions contemplated under the 2015 Master Facility Agreement (including the annual caps) exceed 100%, the 2015 Master Facility Agreement constituted both a non-exempt continuing connected transaction and a very substantial acquisition for the Company under the Listing Rules.

The 2015 Master Facility Agreement was subject to approval by the independent shareholders of the Company in accordance with the requirements of the Listing Rules.

The 2015 Master Facility Agreement and the annual caps thereunder were approved, confirmed and ratified by the independent shareholders of the Company on 19 June 2015.

(ii) Shougang Group – 2018 Master Facility Agreement

As the 2015 Master Facilities Agreement between the Company and the Shougang Group in relation to the provision by the Group of the 2015 facilities to the Shougang Group expired on 18 June 2018, the Company entered into another master facilities agreement with Shougang Group on 8 June 2018 (the “2018 Master Facility Agreement”).

Pursuant to the 2018 Master Facility Agreement, the Company has agreed to provide, or procure its subsidiaries to provide facilities by way of entrusted payment, finance lease and/or credit financing to Shougang Group and/or its subsidiaries in an amount of up to RMB5,000,000,000 for a term of 3 years from 8 June 2018, the date on which the condition precedent for the 2018 Master Facility Agreement was fulfilled and the 2018 Master Facility Agreement became effective (the “2018 Facilities”).

關連交易(續)

(i) 首鋼集團 – 二零一五年授信總協議(續)

於二零一五年授信總協議日期，由於首鋼集團為首鋼控股之控股公司，而首鋼控股為本公司之控股股東及關連人士。因此，根據二零一五年授信總協議擬進行之交易構成上市規則第14A章下本公司之持續關連交易。由於根據二零一五年授信總協議擬進行之交易(包括年度上限)之一項或多項適用百分比率超過100%，根據上市規則，二零一五年授信總協議構成本公司一項非豁免持續關連交易及一項非常重大收購事項。

二零一五年授信總協議須根據上市規則之規定取得本公司獨立股東之批准。

二零一五年授信總協議及據此之年度上限已於二零一五年六月十九日獲本公司獨立股東批准、確認及追認。

(ii) 首鋼集團 – 二零一八年授信總協議

由於本公司與首鋼集團所訂立內容有關本集團向首鋼集團提供二零一五年授信的二零一五年授信總協議於二零一八年六月十八日屆滿，因此於二零一八年六月八日，本公司與首鋼集團訂立另一份授信總協議(「二零一八年授信總協議」)。

根據二零一八年授信總協議，本公司已同意自行或促使其附屬公司通過委託付款、融資租賃及／或信貸融資向首鋼集團及／或其附屬公司提供總額最多為人民幣5,000,000,000元之授信，自二零一八年六月八日(為二零一八年授信總協議先決條件獲滿足及二零一八年授信總協議生效之日期)起，為期三年(「二零一八年授信」)。

CONNECTED TRANSACTIONS (Continued)

(ii) Shougang Group – 2018 Master Facility Agreement (Continued)

For the 2018 Facilities provide by way of entrusted payment, finance lease and/or credit financing, the interest rate payable by the borrower or the lessee shall be at a rate equal to the cost of lending of the Company (or its subsidiaries) plus 1% to 5%, subject to a cap of 10%.

The annual cap of the 2018 Facilities for each of the financial years ending 31 December 2018 to 2024 shall be RMB1,500,000,000 each year, taken into account of the expected level of financing required by Shougang Group and its subsidiaries based on published public information on Shougang Group, and the amount of financing that the Group is expected to be able to secure to finance the 2018 Facilities, for each relevant year.

The entering into of the 2018 Master Facility Agreement will enable the Group to earn a net interest income under the 2018 Master Facility Agreement.

As at the date of the 2018 Master Facility Agreement, Shougang Group was the holding company of Shougang Holding which in turn was a controlling shareholder and connected person of the Company. As such, the transactions contemplated under the 2018 Master Facility Agreement constituted continuing connected transactions for the Company under Chapter 14A of the Listing Rules. As one or more of the applicable percentage ratios for the transactions contemplated under the 2018 Master Facility Agreement (including the annual caps) exceed 5%, the 2018 Master Facility Agreement constituted a non-exempt continuing connected transaction for the Company under the Listing Rules.

The 2018 Master Facility Agreement was subject to approval by the independent shareholders of the Company in accordance with the requirements of the Listing Rules.

The 2018 Master Facility Agreement and the annual caps thereunder were approved, confirmed and ratified by the independent shareholders of the Company on 7 December 2018.

For the details of the transaction, please refer to the announcements of the Company dated 8 June 2018 and 20 November 2018 and in the circular of the Company dated 20 November 2018.

關連交易(續)

(ii) 首鋼集團 – 二零一八年授信總協議(續)

就二零一八年授信以委託付款、融資租賃及／或信貸融資方式提供之授信，借款人或承租人應付之利率將相等於本公司(或其附屬公司)之借貸成本加1%至5%，上限為10%。

有關二零一八年授信之每個年度上限(即截至二零一八年至二零二四年十二月三十一日止各財政年度)為人民幣1,500,000,000元，經考慮首鋼集團及其附屬公司根據首鋼集團公佈的公開信息所需的預期融資水平，以及本集團於每個相關年度預期可就二零一八年授信提供的融資金額。

訂立二零一八年授信總協議將令本集團可根據二零一八年授信總協議賺取淨利息收入。

於二零一八年授信總協議日期，由於首鋼集團為首鋼控股之控股公司，而首鋼控股為本公司之控股股東及關連人士。因此，根據二零一八年授信總協議擬進行之交易構成上市規則第14A章下本公司之持續關連交易。由於根據二零一八年授信總協議擬進行之交易(包括年度上限)之一項或多項適用百分比率超過5%，根據上市規則，二零一八年授信總協議構成本公司一項非豁免持續關連交易。

二零一八年授信總協議須根據上市規則之規定取得本公司獨立股東之批准。

二零一八年授信總協議及據此之年度上限已於二零一八年十二月七日獲本公司獨立股東批准、確認及追認。

有關交易的詳情，請參閱本公司日期為二零一八年六月八日及二零一八年十一月二十日的公告及本公司日期為二零一八年十一月二十日的通函。

CONNECTED TRANSACTIONS (Continued)

關連交易(續)

(iii) Tenancy Agreement and Master Services Agreement

(iii) 租賃協議及服務總協議

As stated in the announcement of the Company dated 31 October 2018, the Company entered into the following transactions on 31 October 2018:

誠如本公司日期為二零一八年十月三十一日的公告所述，本公司於二零一八年十月三十一日訂立以下交易：

- (A) Long Cosmos Investment Limited (an indirect wholly-owned subsidiary of the Company), as tenant, entered into a tenancy agreement with Billioncorp Development Limited (an indirect wholly-owned subsidiary of Shougang Holding) as landlord, in relation to the lease of office premise at a monthly rent of HK\$195,500, exclusive of rates and management fees, for the three years ending 31 October 2021 (the "Tenancy Agreement"). The payment under the Tenancy Agreement should be made in advance on the first day of each and every calendar month without deduction. The annual cap of the tenancy agreement for each of the years ending 31 October 2019, 31 October 2020, and 31 October 2021 is HK\$2,541,500, HK\$2,346,000 and HK\$2,346,000 respectively, taken into account of the payment commitment of monthly rent under the tenancy agreement.

- (A) 長亨投資有限公司(本公司的間接全資附屬公司)(作為租戶)與兆佳發展有限公司(首鋼控股的間接全資附屬公司)(作為業主)訂立租賃協議，內容有關租賃辦公室物業，月租為港幣195,500元(不包括差餉及管理費)，為期三年，截至二零二一年十月三十一日為止(「租賃協議」)。租賃協議項下的付款須於每個曆月第一日預付而不獲任何扣減。經考慮租賃協議項下每月租金的付款承擔，截至二零一九年十月三十一日、二零二零年十月三十一日及二零二一年十月三十一日止各年度的租賃協議年度上限分別為港幣2,541,500元、港幣2,346,000元及港幣2,346,000元。

- (B) the Company entered into a master services agreement with Shougang Holding for a term of three years commencing from 31 October 2018 to 31 October 2021 (the "Master Services Agreement"). Under which, Shougang Holding would provide to the Company advisory services covering areas in business and operational, investment management and financial management disciplines, treasury and risk management, key managerial recruitment and retention as well as other operating practices and procedures, accounting, corporate advisory, legal, company secretarial and other services. The Company agreed to reimburse the actual costs of the services incurred by Shougang Holding by reference to a specified percentage of the remuneration of members of the staff providing the Services to the Company, with annual payment capped at HK\$2,880,000 each of the three years ending 31 October 2019, 31 October 2020, and 31 October 2021. The annual caps were determined after taken the maximum payment obligation under the Master Services Agreement.

- (B) 本公司與首鋼控股訂立服務總協議，由二零一八年十月三十一日起至二零二一年十月三十一日止，為期三年(「服務總協議」)。據此，首鋼控股將為本公司提供諮詢服務，涵蓋範圍包括業務及營運、投資管理及財務管理、財資及風險管理、主要管理人員職位招聘及挽留以及其他營運常規及程序、會計、企業諮詢、法律、公司秘書及其他服務。本公司同意參考向本公司提供該等服務的員工的薪酬的指定百分比，償付首鋼控股所產生的實際服務成本，而截至二零一九年十月三十一日、二零二零年十月三十一日及二零二一年十月三十一日止三個年度各年的年度付款上限為港幣2,880,000元。該年度上限乃經考慮服務總協議項下的最高付款責任而釐定。

CONNECTED TRANSACTIONS (Continued)

(iii) Tenancy Agreement and Master Services Agreement (Continued)

Given both the Tenancy Agreement and the Master Services Agreement relate to the use of the office premise and the service rendered in the office premise, these transactions shall be aggregated according to the requirements of Rule 14A.81 of the Listing Rules. Based on the transaction amounts of the two transactions in aggregate, certain applicable percentage ratios are above 0.1% but all relevant percentage ratios are less than 5%. In accordance with Rule 14.76(2) of the Listing Rules, the Tenancy Agreement and the Master Services Agreement together with the respective annual cap for the three years ending 31 October 2021 are exempt from the circular (including independent financial advice) and the Independent Shareholders' approval requirements.

For details, please refer to the announcement of the Company dated 31 October 2018.

(iv) Cooperation Agreement

On 21 July 2020, Jingxi Supply Chain entered into the cooperation agreement with Suzhou Shougang Steel Processing Assembly Co., Ltd. (蘇州首鋼鋼材加工配送有限公司, "Suzhou Shougang Steel") for a term of one year ("Cooperation Agreement"). Pursuant to which, Jingxi Supply Chain agrees to purchase steel related products from Suzhou Shougang Steel with an aggregated price of not exceeding RMB16,000,000 from 21 July 2020 to 20 July 2021, the annual cap has been determined with reference to the potential market demand for the steel related products and the supplying capacity of Suzhou Shougang Steel for the steel related products.

Suzhou Shougang Steel is wholly owned by Beijing Shougang Steel Trade Investment Management Co., Ltd. (北京首鋼鋼貿投資管理有限公司, "Beijing Shougang Steel"), which is in turn 49% owned by Shougang Group. Shougang Group is the holding company of Shougang Holding, the controlling shareholder of the Company. Suzhou Shougang Steel is therefore a connected person of the Company within the meaning of the Listing Rules and the transactions contemplated under the Cooperation Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

關連交易(續)

(iii) 租賃協議及服務總協議(續)

鑑於租賃協議及服務總協議均涉及使用辦公室物業及於辦公室物業提供服務，根據上市規則第14A.81條，該等交易將彙合計算。根據該兩筆交易的交易總額，若干適用百分比率高於0.1%，惟所有相關百分比率均低於5%。根據上市規則第14.76(2)條，截至二零二一年十月三十一日止三個年度，租賃協議及服務總協議連同各自的年度上限均獲豁免遵守通函(包括獨立財務意見)及獨立股東批准的規定。

有關詳情，請參閱本公司日期為二零一八年十月三十一日的公告。

(iv) 合作協議

於二零二零年七月二十一日，京西供應鏈與蘇州首鋼鋼材加工配送有限公司(「蘇州首鋼鋼材」)訂立合作協議，為期一年(「合作協議」)。據此，於二零二零年七月二十一日至二零二一年七月二十日期間，京西供應鏈同意向蘇州首鋼鋼材購買總價格不超過人民幣16,000,000元的鋼鐵相關產品，該年度上限乃經參考鋼鐵相關產品的潛在市場需求及蘇州首鋼鋼材對鋼鐵相關產品的供應量而釐定。

由於蘇州首鋼鋼材由北京首鋼鋼貿投資管理有限公司(「北京首鋼鋼貿」)全資擁有，而首鋼集團持有北京首鋼鋼貿49%權益，首鋼集團為首鋼控股的控股公司，且首鋼控股為本公司的控股股東，故就上市規則而言，蘇州首鋼鋼材為本公司的一名關連人士。因此，合作協議項下擬進行之交易構成上市規則第十四A章項下本公司之持續關連交易。

CONNECTED TRANSACTIONS (Continued)

(iv) Cooperation Agreement (Continued)

However, as additional time would be required to comply with the regulatory requirements for the Cooperation Agreement, which will seriously disrupt the supply plan of the steel related products to the end-customers, Suzhou Shougang Steel and Jingxi Supply Chain have mutually agreed to terminate the Cooperation Agreement on 30 July 2020. No transaction has been entered into pursuant to the Cooperation Agreement.

For the details of the transaction, please refer to announcements of the Company dated 21 July 2020 and 30 July 2020.

Pursuant to Rule 14A.55 of the Listing Rules, the independent non-executive directors of the Company must review the continuing connected transactions carried out under the 2015 Master Facility Agreement, the 2018 Master Facility Agreement, the Tenancy Agreement and the Master Services Agreement during the year and confirm whether the transactions thereunder had been entered into:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms or better; and
- (iii) according to the agreements governing them on terms that are fair and reasonable and in the interests of the Company's shareholders as a whole.

The auditors of the Company have provided a letter to (the Board of Directors of the Company) confirming the matters stated in Rule 14A.56 of the Listing Rules in respect of the continuing connected transactions under 2015 Master Facility Agreement, the 2018 Master Facility Agreement, the Tenancy Agreement and the Master Services Agreement took place during the year.

The transactions regarding revenue under sale and leaseback arrangements set out in note 35(b) to the consolidated financial statements and the outstanding balance arising from sale and leaseback business set out in note 35(c) to the consolidated financial statements were connected transactions which had been approved by the independent shareholders of the Company.

關連交易(續)

(iv) 合作協議(續)

然而，由於本公司需要額外時間以遵守合作協議的法規要求，這將嚴重影響向最終客戶就鋼鐵相關產品的供貨計劃，因此，蘇州首鋼鋼材及京西供應鏈雙方同意並已於二零二零年七月三十日終止合作協議。雙方概無根據合作協議訂立任何交易。

有關交易的詳情，請參閱本公司日期為二零二零年七月二十一日及二零二零年七月三十日的公告。

根據上市規則第14A.55條，本公司之獨立非執行董事須審閱本年度根據二零一五年授信總協議、二零一八年授信總協議、租賃協議及服務總協議進行之持續關連交易，並確認該等交易：

- (i) 在本集團的日常業務中訂立；
- (ii) 按照一般商務條款或更佳條款進行；及
- (iii) 根據有關交易的協議進行，條款公平合理，並且符合本公司股東的整體利益。

本公司核數師已就本年度內就二零一五年授信總協議、二零一八年授信總協議、租賃協議及服務總協議進行之持續關連交易向本公司董事會致函確認上市規則第14A.56條所述事項。

載列於綜合財務報告附註35(b)及35(c)下有關售後回租安排項下之收益之交易及售後回租業務產生的未償還結餘乃關連交易，該等交易已獲本公司獨立股東批准。

CONNECTED TRANSACTIONS (Continued)

The transactions regarding consultancy services expenses, management fee expenses and lease payments set out in note 35(b) to the consolidated financial statements were connected transactions which were exempt from circular and shareholders' approval requirements under the Listing Rules.

The transactions set out in notes 35(d) and 35(e) to the consolidated financial statements under the heading of "Related Party Transactions" did not constitute connected transactions under the Listing Rules.

As far as the transactions set out in note 35(a) to the consolidated financial statements are concerned, the remuneration of the Directors as determined pursuant to the service contracts entered into between the Directors and the Group were connected transactions which were exempt from any disclosure and shareholders' approval requirements under the Listing Rules.

DISCLOSURE UNDER RULE 13.18 OF THE LISTING RULES

Pursuant to the facility letter entered into between SCG Finance Corporation Limited ("SCG Finance") and Chong Hing Bank Limited ("CHB") on 23 December 2020 in relation to a revolving term loan facility of HK\$70,000,000 (the "Facility"), Shougang Group and Shougang Holding shall remain as the largest shareholder (directly or indirectly) of the Company during the term of the Facility. Breach of such condition will constitute an event of default upon which CHB may cancel the Facility or terminate the Facility and demand all outstanding amount under the Facility be immediately due and payable. The availability of the Facility is subject to CHB's periodic review and overriding right of repayment on demand.

CORPORATE GOVERNANCE

The Company's corporate governance practices are set out in the Corporate Governance Report on pages 22 to 51 of this annual report.

ENVIRONMENTAL AND SOCIAL MATTERS

The Company's compliance with the relevant provisions set out in the Environmental, Social and Governance Reporting Guide in Appendix 27 of the Listing Rules for the financial year ended 31 December 2020 are set out in the Environmental, Social and Governance Report on pages 52 to 79 of this annual report.

關連交易(續)

載列於綜合財務報告附註35(b)下有關諮詢服務開支、管理費開支及租賃付款之交易乃關連交易，惟該等交易獲豁免根據上市規則的通函及獲股東批准之要求。

根據上市規則，載列於綜合財務報告附註35(d)及35(e)「關連人士交易」一節項下之交易皆不構成關連交易。

就載列於綜合財務報告附註35(a)項下之交易而言，根據董事與本集團訂立的服務合約而釐訂的董事酬金乃關連交易，惟該等交易獲豁免根據上市規則予以披露及獲股東批准。

根據上市規則第13.18條作出之披露

根據首長四方財務有限公司(「首長四方財務」)與創興銀行有限公司(「創興銀行」)於二零二零年十二月二十三日就有關港幣70,000,000元的定期循環貸款(「該貸款」)簽訂的貸款函，於該貸款期間內，首鋼集團及首鋼控股須(直接或間接)繼續作為本公司最大的股東。違反這項條件將構成違約事件，當發生該違約事件時，創興銀行有權取消該貸款或終止該貸款及要求立即償還所有該貸款之未償還款項。該貸款的可用受限於創興銀行之定期審閱及要求隨時償還之絕對權利。

企業管治

本公司之企業管治常規載於本年報第22頁至第51頁之企業管治報告。

環境及社會事宜

本公司於截至二零二零年十二月三十一日止財政年度遵守上市規則附錄二十七所載《環境、社會及管治報告指引》的相關條文將載於本年報第52頁至第79頁之環境、社會及管治報告內。

AUDITOR

A resolution will be submitted to the forthcoming annual general meeting to re-appoint Messrs. PricewaterhouseCoopers as auditor of the Company.

By Order of the Board
Xu Liang
Chairman and Managing Director

Hong Kong, 19 March 2021

核數師

本公司將於即將舉行之股東周年大會上提呈決議案，續聘羅兵咸永道會計師事務所為本公司之核數師。

承董事會命
主席及董事總經理
徐量

香港，二零二一年三月十九日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書



羅兵咸永道

To the Shareholders of Shougang Concord Grand (Group) Limited
(incorporated in Bermuda with limited liability)

致首長四方(集團)有限公司全體股東
(於百慕達註冊成立之有限公司)

OPINION

What we have audited

The consolidated financial statements of Shougang Concord Grand (Group) Limited (the "Company") and its subsidiaries (the "Group") set out on pages 112 to 250, which comprise:

- the consolidated statement of financial position as at 31 December 2020;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

意見

本行已審核的內容

首長四方(集團)有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)載列於第112頁至第250頁的綜合財務報告，其包括：

- 於二零二零年十二月三十一日的綜合財務狀況表；
- 截至該日止年度的綜合全面收益表；
- 截至該日止年度的綜合權益變動表；
- 截至該日止年度的綜合現金流量表；及
- 綜合財務報告的附註(包括重大會計政策概要)。

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

本行的意見

本行認為，該等綜合財務報告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二零二零年十二月三十一日的綜合財務狀況以及其截至該日止年度的綜合財務表現及綜合現金流量，並已按照香港公司條例的披露規定妥為編製。

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

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

意見基準

本行已根據香港會計師公會頒佈的香港核數準則(「香港核數準則」)進行審計。本行在該等準則下的責任已於本報告「核數師就審計綜合財務報告承擔的責任」一節中進一步闡述。

本行相信，本行所獲得的審計憑證能充足及適當地為本行的意見提供基礎。

Independence

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional 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.

Key audit matters identified in our audit are summarised as follows:

- Provision for expected credit losses of receivables under sale and leaseback arrangements
- Impairment assessments of goodwill

獨立性

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

關鍵審計事項

關鍵審計事項為根據本行的專業判斷，認為對本期綜合財務報告的審計最為重要的事項。該等事項於本行審計整體綜合財務報告及出具意見時處理，而本行不會對此事項提供獨立的意見。

本行在審計中識別的關鍵審計事項概述如下：

- 售後回租安排項下之應收款項之預期信貸虧損撥備
- 商譽減值評估

Key Audit Matter 關鍵審計事項

How our audit addressed the Key Audit Matter 本行的審計如何處理關鍵審計事項

Provision for expected credit losses of receivables under sale and leaseback arrangements
售後回租安排項下之應收款項之預期信貸虧損撥備

Refer to Note 3.1(b), Note 4(a) and Note 20 to the consolidated financial statements.
請參閱綜合財務報告附註3.1(b)、附註4(a)及附註20。

As at 31 December 2020, the balance of the receivables under sale and leaseback arrangements amounted to approximately HK\$1,380,449,000, net of provision for expected credit loss ("ECL") of HK\$22,432,000, which represented approximately 63.9% of the total assets of the Group. For the year ended 31 December 2020, a net provision for expected credit losses of receivables under sale and leaseback arrangements of HK\$5,887,000 has been reversed in the consolidated statement of comprehensive income.

於二零二零年十二月三十一日，售後回租安排項下之應收款項結餘約為港幣1,380,449,000元(扣除預期信貸虧損(「預期信貸虧損」)撥備港幣22,432,000元)，佔貴集團總資產約63.9%。截至二零二零年十二月三十一日止年度，售後回租安排項下應收款項之預期信貸虧損撥備淨額港幣5,887,000元已於綜合全面收益表內撥回。

Our procedures performed in relation to the expected credit loss allowance of receivables under sale and leaseback arrangements included:

本行就售後回租安排項下之應收款項之預期信貸虧損撥備採取的程序包括：

- Understood, evaluated and validated on a sample basis the key controls over the expected credit loss assessment of the receivables under sale and leaseback arrangements, including the reversal of brought forward provisions;
- 抽樣了解、評估及驗證對售後回租安排項下之應收款項之預期信貸虧損評估的主要控制措施，包括撥回已結轉撥備；

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key Audit Matter 關鍵審計事項

How our audit addressed the Key Audit Matter 本行的審計如何處理關鍵審計事項

Provision for expected credit losses of receivables under sale and leaseback arrangements (Continued)
售後回租安排項下之應收款項之預期信貸虧損撥備(續)

The Group assesses whether the credit risk of receivables under sale and leaseback arrangements has increased significantly since their initial recognition, and applies a three-stage impairment model to calculate the ECL. The Group measured expected credit losses based on an individual assessment of each borrower, after considering their credit profiles with reference to credit ratings assigned by independent credit-rating agencies.

貴集團評估售後回租安排項下之應收款項的信貸風險自初始確認以來是否大幅增加，並採用三階段減值模型計算其預期信貸虧損。貴集團經考慮各借款人的信貸結構，基於各借款人的個別評估，參照獨立信貸評級機構的估計虧損率來計量預期信貸虧損。

The measurement model of expected credit losses involves significant management judgements and assumptions, primarily including the following:

預期信貸虧損的計量模型涉及重大的管理判斷及假設，主要包括以下方面：

- (1) Criteria for determining whether there was a significant increase in credit risk, or a default or impairment loss was incurred;
- (1) 確定信貸風險是否明顯增加或違約或減值虧損的標準；
- (2) Economic indicators for forward-looking measurements;
- (2) 前瞻性計量的經濟標準；
- (3) The estimated future cash flows for credit-impaired receivables in stage 3.
- (3) 第三階段已發生信貸減值的應收款項的估計未來現金流量。

In addition, the receivables under sale and leaseback arrangements and provisions are significant to the consolidated financial statements. In view of these reasons, we identified this as a key audit matter.

此外，售後回租安排項下之應收款項及撥備對綜合財務報告而言屬重大。鑒於該等原因，本行將此項識別為一項關鍵審計事項。

- Evaluated the significant judgements and assumptions involved in the expected credit losses measurement model, including management's assessment of credit risk of each borrower, considering their credit profiles, historical repayment patterns, publicly available information of these borrowers, reports from independent credit rating agencies and forward-looking factors such as market conditions and economic growth, and assessed the reasonableness of the judgements and assumptions adopted, including the reversal made;
- 經考慮各借款人的信貸結構、歷史還款模式、該等借款人的公開可得資料、獨立信貸評級機構的報告以及市場狀況及經濟增長等前瞻性因素後，評估預期信貸虧損計量模型涉及的重大判斷及假設，包括管理層對各借款人信貸風險的評估，及評估所採納判斷及假設的合理性，包括所作撥回；
- Evaluated the appropriateness of management assessment of the ECL on credit impaired receivables under sale and leaseback arrangements in stage 3, taking into account the legal possession status and other uncertainties on realising the relevant underlying assets; and
- 經考慮法律擁有地位及變現相關基礎資產的其他不確定性因素後，評估管理層是否適當評估第三階段的售後回租安排項下之已發生信貸減值應收款項的預期信貸虧損；及
- Performed recalculation of the ECL model to assess the accuracy;
- 使用預期信貸虧損模型重新計算，以評估準確性；

Based on our procedures performed, the significant judgements and assumptions adopted by management in the ECL assessment were considered acceptable.

根據所採取的程序，管理層在評估預期信貸虧損時所採納重大判斷及假設被視為可接納。

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key Audit Matter

關鍵審計事項

Impairment assessments of goodwill

商譽減值評估

Refer to Note 2.9 and Note 18 to the consolidated financial statements.

請參閱綜合財務報告附註2.9及附註18。

As at 31 December 2020, the goodwill of the Group amounted to HK\$60,032,000 related to business acquisitions in the current and previous years.

於二零二零年十二月三十一日，貴集團之商譽為港幣60,032,000元，與本年度及過往年度業務收購有關。

The Group's goodwill was allocated to three subsidiaries, being the lowest level within the Group at which the goodwill is monitored for internal management purpose.

貴集團之商譽分配至三間附屬公司(即貴集團出於內部管理目的而對有關商譽進行監控的內部最低層級)。

The Group tests goodwill for impairment at least annually. In carrying out the goodwill impairment assessments, management determines the recoverable amount of each group of cash-generating units ("CGUs") by using value in use calculation ("VIU"). In assessing the VIU, management applied the discounted cash flow method. These assessments involved significant management judgements and estimates in the discounted cash flow calculation and the application of assumptions in the models, including interest rate spread and gross profit margin for the coming five years, terminal growth rates and discount rates used in the projection periods. Based on the management's assessment, there is no impairment required for goodwill for the current year.

貴集團至少每年測試一次商譽減值。為進行商譽減值評估，管理層透過使用在用價值(「在用價值」)釐定各組別現金產生單位(「現金產生單位」)的可收回金額。管理層採用貼現現金流量法評估在用價值。該等評估涉及貼現現金流量計算中管理層重大判斷及估計及在模型中採用假設，包括未來五年的利率差及毛利率、預測期間所用終止增長率及貼現率。根據管理層的評估，本年度商譽毋須作出減值。

How our audit addressed the Key Audit Matter

本行的審計如何處理關鍵審計事項

Our procedures performed in relation to management's goodwill impairment assessment include:

本行就管理層商譽減值評估採取的程序包括：

- Evaluated the composition of the Group's future cash flow forecasts in developing the VIU calculations of each group of CGUs, and the process by which they were drawn up, including comparing the forecasts to the latest budgets approved by management;
- 評估貴集團就各組別現金產生單位之使用價值計算及其擬訂之過程(包括與管理層最近批准之預算案預測比較)之未來現金流量預測組合；
- Involved our internal valuation experts to assess the discount rates applied by management in the valuation;
- 內部估值專家參與評估管理層在估值中所採用的貼現率；
- Challenged management's key assumptions in the assessment including the interest rate spread and gross profit margin for the coming five years in the forecasts, the terminal growth rates, by making reference to the historical performance and future business plans of each group of CGUs and benchmarking the assumptions used with our market analysis; and
- 經參考各組別現金產生單位的歷史表現及未來業務計劃以及本行的市場分析所用假設的基準後，質疑管理層評估所用主要假設，包括預測未來五年的利率差及毛利率、終止增長率；及
- Evaluated the sensitivity analysis performed by management around the interest rate spread and gross profit margin for the coming five years, terminal growth rates and discount rates to ascertain that the extent and likelihood of such changes have been appropriately considered; and
- 評估管理層對未來五年的利率差及毛利率、終止增長率及貼現率進行之敏感性分析，以確定該等變動已獲適當考慮之程度及可能性；及

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key Audit Matter 關鍵審計事項

How our audit addressed the Key Audit Matter 本行的審計如何處理關鍵審計事項

Impairment assessments of goodwill (Continued) 商譽減值評估(續)

We focused on this area due to the size of goodwill balance and the impairment assessment involved significant judgements and estimates made by management.

由於商譽結餘之規模，本行集中於此範圍，且減值評估涉及管理層作出的重大判斷及估計。

- Checked the mathematical accuracy of management's value in use calculations.
- 核對管理層的在用價值計算的數學準確性。

Based on the procedures performed, we found the judgements and estimates made by management in relation to the impairment assessment were supportable by available evidence.

基於所執行的程序，本行發現管理層就減值評估之判斷及估計均有證據支持。

OTHER INFORMATION

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

其他資料

貴公司董事須對其他資料負責。其他資料包括年報內所載的資料，但不包括綜合財務報告及本行載於其中的核數師報告。

本行對綜合財務報告的意見並不涵蓋其他資料，本行亦不對該等其他資料發表任何形式的保證結論。

就本行對綜合財務報告的審計，本行的責任乃細閱其他資料，在此過程中，考慮其他資料與綜合財務報告或本行在審計過程中所知悉的情況是否存在重大抵觸或看似存在重大錯誤陳述。

基於本行已執行的工作，倘本行認為其他資料存在重大錯誤陳述，本行需要報告該事實。本行就此並無任何事項須報告。

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

董事及治理層就綜合財務報告須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製真實而公平的綜合財務報告，並對董事認為為使綜合財務報告的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

治理層須負責監督 貴集團的財務報告過程。

核數師就審計綜合財務報告須承擔的責任

本行的目標乃對綜合財務報告整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括本行意見的核數師報告，根據百慕達一九八一年公司法第90條僅向 閣下(作為整體)報告，除此之外本報告別無其他目的。本行不會就本報告內容對任何其他人士負責或承擔任何責任。合理保證為高水平的保證，但不能保證按照香港核數準則進行的審計總能發現重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果合理地預期其單獨或匯總起來可能影響綜合財務報告使用者依賴綜合財務報告所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

(Continued)

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

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

核數師就審計綜合財務報告須承擔 的責任(續)

作為根據香港核數準則進行審計其中一項，本行運用專業判斷，並保持專業懷疑態度。本行亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報告存在重大錯誤陳述的風險，設計及執行審計程序以應對該等風險，以及獲取充足及適當的審計憑證，作為本行意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致出現重大錯誤陳述的風險高於未能發現因錯誤而導致出現重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計在有關情況下屬適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評估董事所採用會計政策的適當性以及作出會計估計及相關披露的合理性。
- 對董事採用持續經營會計基礎的適當性作出結論，並根據所獲取的審計憑證，確定是否存在與有關事項或情況相關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。倘本行認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報告中的相關披露。假若有關的披露不足，則修訂本行的意見。本行的結論乃基於直至核數師報告日期止所取得的審計憑證。然而，未來有關事項或情況可能導致貴集團不能持續經營業務。
- 評估綜合財務報告的整體列報方式、結構及內容(包括披露事項)，以及綜合財務報告是否公平反映相關交易及事項。

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

(Continued)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

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

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 19 March 2021

核數師就審計綜合財務報告須承擔 的責任(續)

- 就 貴集團內實體或業務活動的財務資料獲取充足適當的審計憑證，以便對綜合財務報告發表意見。本行負責集團審計的方向、監督及執行。本行為審計意見承擔全部責任。

本行與治理層溝通(其中包括)審計的計劃範圍及時間以及重大審計發現等，包括本行在審計中識別出內部控制的任何重大不足之外。

本行亦向治理層提交聲明，表明本行已符合有關獨立性的相關專業道德要求，並與彼等溝通可能合理被認為會影響本行獨立性的所有關係及其他事項以及在適用的情況下採取消除威脅之行動或所應用之防範措施。

從與治理層溝通的事項中，本行確定該等對本期綜合財務報告的審計為最重要的事項，因而構成關鍵審計事項。本行在核數師報告中闡釋該等事項，除非法律或規例不允許公開披露該等事項，或在極端罕見的情況下，合理預期倘於本行之報告中註明某事項造成的負面後果超出所產生的公眾利益，則本行決定不應在報告中註明該事項。

出具獨立核數師報告的審計項目合夥人為吳家豪。

羅兵咸永道會計師事務所
執業會計師

香港，二零二一年三月十九日

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Notes 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Revenue under sale and leaseback arrangements and entrusted loan arrangements	售後回租安排及委託貸款安排項下之收益	5	78,691	71,601
Revenue from supply chain management services	來自供應鏈管理服務之收益	5	4,634	—
Consultancy service income and property leasing income	諮詢服務收入及物業租賃收入	5	2,053	6,101
Total revenue	總收益		85,378	77,702
Cost of sale and leaseback arrangements and consultancy services	售後回租安排及諮詢服務成本	8	(11,618)	(20,058)
Gross profit	毛利		73,760	57,644
Other income	其他收入	6	12,388	21,191
Other gains, net	其他收益淨額	7	13,734	1,094
Selling expenses	出售開支	8	(1,420)	(402)
Administrative expenses	行政開支	8	(68,079)	(65,232)
Change in fair value of investment properties	投資物業之公允值變動	17	(1,000)	2,400
Change in fair value of financial assets at fair value through profit or loss	透過損益賬按公允值處理之金融資產之公允值變動	23	272	204
Reversal of impairment provision, net	減值撥備撥回淨額	10	5,916	1,887
Operating profit	經營溢利		35,571	18,786
Finance costs	融資成本	11	(1,676)	(5,987)
Share of profit of associates	應佔聯營公司溢利	19	1,258	2,614
Profit before income tax	除所得稅前溢利		35,153	15,413
Income tax expense	所得稅開支	12	(16,959)	(14,830)
Profit for the year	年度溢利		18,194	583
Profit/(loss) is attributable to:	以下人士應佔溢利／(虧損)：			
Owners of the Company	本公司持有人		5,980	(7,921)
Non-controlling interests	非控股權益		12,214	8,504
			18,194	583

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

	Note 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Profit for the year		18,194	583
Other comprehensive (loss)/income			
<i>Items that have been/may be reclassified to profit or loss:</i>	<i>已經／可能重新分類至損益之項目：</i>		
Changes in fair value of debt instruments at fair value through other comprehensive income	透過其他全面收益按公允值處理之債務工具之公允值變動	(173)	1,735
Transfer to profit or loss on disposal of debt instrument at fair value through other comprehensive income	出售透過其他全面收益按公允值處理之債務工具時轉撥至損益賬	(29)	(1,022)
<i>Items that will not be reclassified to profit or loss:</i>	<i>將不會重新分類至損益之項目：</i>		
Currency translation differences	貨幣換算差額	92,120	(18,497)
Share of currency translation difference of an associate for using equity method	因使用權益法分佔一間聯營公司貨幣換算差額	5,273	(1,370)
Change in fair value of equity instruments at fair value through other comprehensive income	透過其他全面收益按公允值處理之股權工具之公允值變動	-	(2,917)
Other comprehensive income/(loss) for the year	年度其他全面收益／(虧損)	97,191	(22,071)
Total comprehensive income/(loss) for the year	年度全面收益／(虧損)總額	115,385	(21,488)
Total comprehensive income/(loss) attributable to:	以下人士應佔全面收益／(虧損)總額：		
Owners of the Company	本公司持有人	83,230	(25,472)
Non-controlling interests	非控股權益	32,155	3,984
		115,385	(21,488)
Earnings/(loss) per share	每股盈利／(虧損)		
Basic and diluted (HK cents)	基本及攤薄(港仙)	14	0.15

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying Notes.

上述綜合全面收益表應與隨附附註一併閱讀。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2020 於二零二零年十二月三十一日

		Notes 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	22,371	25,369
Right-of-use assets	使用權資產	16	39,543	40,827
Investment properties	投資物業	17	23,700	24,700
Intangible assets	無形資產	18	68,364	68,033
Interest in associates	於聯營公司之權益	19	91,362	88,361
Receivables under sale and leaseback arrangements	售後回租安排項下之應收款項	20	771,927	864,582
Debt instruments at fair value through other comprehensive income	透過其他全面收益按公允值處理之債務工具	21	15,886	31,676
Financial assets at fair value through profit or loss	透過損益賬按公允值處理之金融資產	23	2,847	2,575
Prepayments	預付款項	22	4,201	3,019
Deferred tax assets	遞延稅項資產	29	2,399	10,088
Total non-current assets	非流動資產總額		1,042,600	1,159,230
Current assets	流動資產			
Receivables under sale and leaseback arrangements	售後回租安排項下之應收款項	20	608,522	426,614
Trade and bill receivables	應收貿易賬款及應收票據	22	36,132	—
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	22	155,401	6,024
Term deposits with initial term over three months	初始期限超過三個月的定期存款	24	—	94,382
Cash and cash equivalents	現金及現金等值項目	25	318,818	607,782
Total current assets	流動資產總額		1,118,873	1,134,802
Total assets	資產總額		2,161,473	2,294,032
EQUITY	權益			
Share capital	股本	30	39,846	39,846
Reserves	儲備		1,405,791	1,315,303
Capital and reserves attributable to owners of the Company	本公司持有人應佔股本及儲備		1,445,637	1,355,149
Non-controlling interests	非控股權益		318,352	388,349
Total equity	總權益		1,763,989	1,743,498

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 December 2020 於二零二零年十二月三十一日

		Notes 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
LIABILITIES	負債			
Non-current liabilities	非流動負債			
Secured bank borrowings	已抵押銀行借款	28	146,995	168,539
Security deposits received	已收保證按金	20	5,952	8,427
Lease liabilities	租賃負債	16	–	1,917
Total non-current liabilities	非流動負債總額		152,947	178,883
Current liabilities	流動負債			
Other payables and accruals	其他應付款項及應計費用	26	62,014	25,222
Current tax liabilities	即期稅項負債		31,346	26,301
Secured bank borrowings	已抵押銀行借款	28	143,308	297,018
Security deposits received	已收保證按金	20	5,952	20,899
Lease liabilities	租賃負債	16	1,917	2,211
Total current liabilities	流動負債總額		244,537	371,651
Total liabilities	負債總額		397,484	550,534
Total equity and liabilities	總權益及負債		2,161,473	2,294,032

The consolidated financial statements on pages 112 to 250 were approved by the Board of Directors on 19 March 2021 and were signed on its behalf.

董事會於二零二一年三月十九日批准第112至250頁之綜合財務報告，並由下列董事代表簽署。

Xu Liang
徐量
Director
董事

Li Jing
李婧
Director
董事

The above consolidated statement of financial position should be read in conjunction with the accompanying Notes.

上述綜合財務狀況表應與隨附附註一併閱讀。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Attributable to owners of the Company 本公司持有人應佔												Non-controlling interests 非控股權益	Total 總計
		Share capital 股本 HK\$'000 港幣千元	Share premium 股份溢價 HK\$'000 港幣千元	Property revaluation reserve 物業重估儲備 HK\$'000 港幣千元	Investment revaluation reserve 投資重估儲備 HK\$'000 港幣千元	Contributed surplus reserve 繳入盈餘儲備 HK\$'000 港幣千元 (Note (a)) (附註(a))	Translation reserve 換算儲備 HK\$'000 港幣千元	Share options reserve 購股權儲備 HK\$'000 港幣千元	Other reserve 其他儲備 HK\$'000 港幣千元 (Note (c)) (附註(c))	Retained earnings 保留盈利 HK\$'000 港幣千元	Sub-total 小計 HK\$'000 港幣千元				
Balance at 1 January 2019	二零一九年一月一日結餘	40,083	770,228	26,065	(126)	115,576	(80,522)	686	-	467,698	1,339,688	286,402	1,626,090		
Comprehensive income	全面收益														
(Loss)/profit for the year	年度(虧損)/溢利	-	-	-	-	-	-	-	-	(7,921)	(7,921)	8,504	583		
Other comprehensive (loss)/income	其他全面(虧損)/收益														
Currency translation difference	貨幣換算差額	-	-	-	-	-	(14,320)	-	-	-	(14,320)	(4,177)	(18,497)		
Share of currency translation difference of an associate by using equity method	透過使用權益法分佔一間聯營公司貨幣換算差額	-	-	-	-	-	(1,027)	-	-	-	(1,027)	(343)	(1,370)		
Change in fair value on equity instruments measured at fair value through other comprehensive income	透過其他全面收益按公允值處理之股權工具之公允值變動	-	-	-	(2,917)	-	-	-	-	-	(2,917)	-	(2,917)		
Changes in fair value of debt instruments at fair value through other comprehensive income	透過其他全面收益按公允值處理之債務工具之公允值變動	-	-	-	1,735	-	-	-	-	-	1,735	-	1,735		
Transfer to profit or loss on disposal of debt instrument at fair value through other comprehensive income	出售透過其他全面收益按公允值處理之債務工具時轉撥至損益賬	-	-	-	(1,022)	-	-	-	-	-	(1,022)	-	(1,022)		
Other comprehensive loss for the year	年度其他全面虧損	-	-	-	(2,204)	-	(15,347)	-	-	-	(17,551)	(4,520)	(22,071)		
Total comprehensive (loss)/income for the year	年度全面(虧損)/收益總額	-	-	-	(2,204)	-	(15,347)	-	-	(7,921)	(25,472)	3,984	(21,488)		
Transfer to retained earnings on deemed disposal of equity instrument at fair value through other comprehensive income	視作出售透過其他全面收益按公允值處理之股權工具時轉撥至保留盈利	-	-	-	2,917	-	-	-	-	(2,917)	-	-	-		
Reclassification adjustment to retained earnings on disposal of an associate (Note (c))	出售一間聯營公司時重新分類調整至保留盈利(附註(c))	-	-	(18,673)	-	-	17,670	-	-	1,003	-	-	-		
Transactions with owners in their capacity as owners	與持有人(以其持有人身份)進行的交易														
Non-controlling interests on step acquisition of a subsidiary	非控股權益分段收購一間附屬公司	-	-	-	-	-	-	-	-	-	-	98,395	98,395		
Cancellation of ordinary shares (Note 30)	註銷普通股(附註30)	(237)	(3,410)	-	-	-	-	-	-	-	(3,647)	-	(3,647)		
Dissolution of a subsidiary	解散一間附屬公司	-	-	-	-	-	-	-	-	-	-	(432)	(432)		
Deemed capital contribution from the intermediate holding company	視作中間控股股東注資	-	-	-	-	-	-	-	44,580	-	44,580	-	44,580		
Subtotal	小計	(237)	(3,410)	-	-	-	-	-	44,580	-	40,933	97,963	138,896		
Balance at 31 December 2019	二零一九年十二月三十一日結餘	39,846	766,818	7,392	587	115,576	(78,199)	686	44,580	457,863	1,355,149	388,349	1,743,498		

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Attributable to owners of the Company 本公司持有人應佔										Non-controlling interests 非控股權益	Total 總計
		Share capital 股本 HK\$'000 港幣千元	Share premium 股份溢價 HK\$'000 港幣千元	Property revaluation reserve 物業重估儲備 HK\$'000 港幣千元	Investment revaluation reserve 投資重估儲備 HK\$'000 港幣千元	Contributed surplus reserve 繳入盈餘儲備 HK\$'000 港幣千元 (Note (a)) (附註(a))	Translation reserve 換算儲備 HK\$'000 港幣千元	Share options reserve 購股權儲備 HK\$'000 港幣千元	Other reserve 其他儲備 HK\$'000 港幣千元 (Note (c)) (附註(c))	Retained earnings 保留盈利 HK\$'000 港幣千元	Sub-total 小計 HK\$'000 港幣千元		
Balance at 1 January 2020	二零二零年一月一日結餘	39,846	766,818	7,392	587	115,576	(78,199)	686	44,580	457,863	1,355,149	388,349	1,743,498
Comprehensive income	全面收益												
Profit for the year	年度溢利	-	-	-	-	-	-	-	-	5,980	5,980	12,214	18,194
Other comprehensive income/(loss)	其他全面收益/(虧損)												
Currency translation difference	貨幣換算差額	-	-	-	-	-	73,498	-	-	-	73,498	18,622	92,120
Share of currency translation difference of an associate by using equity method	透過使用權益法佔一間聯營公司貨幣換算差額	-	-	-	-	-	3,954	-	-	-	3,954	1,319	5,273
Changes in fair value of debt instruments at fair value through other comprehensive income	透過其他全面收益按公允值處理之債務工具之公允值變動	-	-	-	(173)	-	-	-	-	-	(173)	-	(173)
Transfer to profit or loss on disposal of debt instruments at fair value through other comprehensive income	出售透過其他全面收益按公允值處理之債務工具時轉撥至損益賬	-	-	-	(29)	-	-	-	-	-	(29)	-	(29)
Other comprehensive income/(loss) for the year	年度其他全面收益/(虧損)	-	-	-	(202)	-	77,452	-	-	-	77,250	19,941	97,191
Total comprehensive income/(loss) for the year	年度全面收益/(虧損)總額	-	-	-	(202)	-	77,452	-	-	5,980	83,230	32,155	115,385
Transactions with owners in their capacity as owners	與持有人(以其持有人身份)進行的交易												
Dividend paid	已付股息	-	-	-	-	-	-	-	-	-	-	(4,329)	(4,329)
Lapse of share options	購股權失效	-	-	-	-	-	-	(686)	-	686	-	-	-
Acquisition shares from non-controlling interests	來自非控股權益收購股份	-	-	-	-	-	-	-	7,258	-	7,258	(16,005)	(8,747)
Capital reduction in a subsidiary	一間附屬公司減資	-	-	-	-	-	-	-	-	-	-	(81,818)	(81,818)
Subtotal	小計	-	-	-	-	-	-	(686)	7,258	686	7,258	(102,152)	(94,894)
Balance at 31 December 2020	二零二零年十二月三十一日結餘	39,846	766,818	7,392	385	115,576	(747)	-	51,838	464,529	1,445,637	318,352	1,763,989

The above consolidated statement of changes in equity should be read in conjunction with the accompanying Notes.

上述綜合權益變動表應與隨附附註一併閱讀。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

Notes:

- (a) The contributed surplus reserve represents the difference between the nominal value of the shares of the subsidiaries acquired pursuant to the Group reorganisation in 1991 over the nominal value of the Company's shares issued in exchange, and the transfer and utilisation as mentioned in Note (b) below.
- (b) A special resolution was passed by shareholders of the Company at the special general meeting of the Company held on 6 June 2008 and completed thereafter that an amount of approximately HK\$425,259,000 standing to the credit of the share premium account of the Company as at 31 December 2007 be reduced, with the credit arising there being transferred to the contributed surplus reserve of the Company. Upon the said transfer becoming effective, an amount of approximately HK\$311,818,000 standing to the credit of the contributed surplus reserve of the Company has been applied to eliminate the accumulated losses of the Company as at 31 December 2007. The Company has complied with the requirements of section 46(2) of The Companies Act 1981 of Bermuda (as amended). Details of which were set out in the circular of the Company dated 9 May 2008.
- (c) As at 31 December 2018, non-current asset classified as held for sale is measured at the lower of its then carrying amount and fair value less costs of disposal.

The disposal of 40.78% equity interest in Global Digital Creations Holdings Limited ("GDC") was completed on 8 January 2019. The difference between the carrying amount of non-current asset classified as held for sale and the sales proceeds, which amounted to HK\$44,580,000 has been recognised in equity as a deemed capital contribution from the intermediate holding company upon completion of the Disposal with Shougang Holding. The property revaluation reserve amounted to HK\$18,673,000 and translation reserve amounted to HK\$17,670,000 derived from share of associate's reserves in prior periods was reclassified to retained earnings upon disposal.

附註：

- (a) 繳入盈餘儲備指根據一九九一年之集團重組，本公司所收購附屬公司之股份面值與作為代價而發行之本公司股份面值兩者之差額及下文附註(b)所述之轉撥及動用。
- (b) 於二零零八年六月六日舉行之本公司股東特別大會上，本公司股東通過一項特別決議案並於其後完成決議案內容，於二零零七年十二月三十一日本公司股份溢價賬之進賬金額約港幣425,259,000元被削減，所產生之進賬將轉撥至本公司之繳入盈餘儲備。於上述轉撥生效後，本公司繳入盈餘儲備之進賬金額約港幣311,818,000元已用以抵銷本公司於二零零七年十二月三十一日之累計虧損。本公司已遵守百慕達一九八一年公司法(經修訂)第46(2)條之規定。有關詳情載列於本公司日期為二零零八年五月九日之通函。
- (c) 於二零一八年十二月三十一日，分類為持作出售的非流動資產以其當時賬面值與公允值減出售成本之較低者計量。

出售環球數碼創意控股有限公司(「環球數碼」)40.78%股權之事項已於二零一九年一月八日完成。分類為持作出售之非流動資產的賬面值與出售所得款項之間的差額港幣44,580,000元已於首鋼控股出售事項完成後在權益中確認為視作中間控股股東注資。自過往期間應佔聯營公司儲備中產生的物業重估儲備港幣18,673,000元及匯兌儲備港幣17,670,000元於出售事項後重新分類至保留盈利。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		Notes 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Cash flows from operating activities	經營活動現金流量			
Cash used in operations	經營所用現金	34	(128,774)	(222,456)
Interest paid	已付利息		(11,371)	(25,563)
Income tax paid	已付所得稅		(6,198)	(6,443)
Net cash used in operating activities	經營活動所用現金淨額		(146,343)	(254,462)
Cash flows from investing activities	投資活動現金流量			
Proceeds from redemption of term deposits with initial term over three months	贖回初始期限超過三個月的定期存款所得款項		1,888,015	787,265
Dividends received from an associate	已收一間聯營公司之股息		1,863	—
Interest received	已收利息		10,636	19,968
Proceeds from disposal of assets held for sale	出售持作出售資產之所得款項		—	154,792
Proceeds from disposal of property, plant and equipment and intangible asset	出售物業、廠房及設備以及無形資產之所得款項		1,882	—
Net cash inflow from the acquisition of a subsidiary, net of cash acquired	收購一間附屬公司之現金流入淨額(扣除已收購的現金)	33	—	84,598
Payments for acquisition of shares of a subsidiary	收購一間附屬公司股份之付款		(8,747)	—
Payments for acquisition of an associate	收購一間聯營公司之付款		—	(85,526)
Net cash flow from dissolution of an associate	解散一間聯營公司之現金流量淨額		1,667	—
Payments for term deposits with initial term over three months	初始期限超過三個月的定期存款之付款		(1,793,545)	(882,053)
Proceeds on disposal of debt instruments at fair value through other comprehensive income	出售透過其他全面收益按公允值處理之債務工具所得款項		15,506	40,448
Payments for property, plant and equipment	物業、廠房及設備之付款		(46)	(954)
Payments for intangible asset	無形資產之付款		—	(208)
Net cash generated from investing activities	投資活動所得現金淨額		117,231	118,330

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Cash flows from financing activities	融資活動現金流量		
Repayment of bank borrowings	償還銀行借款	(470,963)	(102,602)
Proceeds from bank borrowings	銀行借款的所得款項	283,683	70,000
Repayment of lease liabilities	償還租賃負債	(2,346)	(2,346)
Payments to non-controlling interests	向非控股權益付款	(81,818)	–
Payments for share buy back	股份購回之付款	–	(3,647)
Net cash used in financing activities	融資活動所用現金淨額	(271,444)	(38,595)
Net decrease in cash and cash equivalents	現金及現金等值項目減少淨額	(300,556)	(174,727)
Cash and cash equivalents at beginning of the year	於年初之現金及現金等值項目	607,782	806,150
Effect of foreign exchange rate changes	匯率變動之影響	11,592	(23,641)
Cash and cash equivalents at end of the year	於年終之現金及現金等值項目	318,818	607,782

The above consolidated statement of cash flows should be read in conjunction with the accompanying Notes.

上述綜合現金流量表應與隨附附註一併閱讀。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報告附註

1 GENERAL INFORMATION

Shougang Concord Grand (Group) Limited (the “Company”) is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its controlling shareholder, which is defined under the Rules Governing the Listing of Securities on the Stock Exchange as a person which is entitled to exercise or control the exercise of 30% or more of the voting power at general meetings of an issuer, is Shougang Holding (Hong Kong) Limited (“Shougang Holding”), a company incorporated in Hong Kong with limited liability, and the ultimate holding company of Shougang Holding is Shougang Group Co., Ltd., a company established in the People’s Republic of China (the “PRC”). The addresses of the registered office and principal place of business of the Company are disclosed in the “Corporate Information” section to the annual report.

The Company is an investment holding company. The principal activities of its significant subsidiaries are provision of sale and leaseback arrangements services, property leasing services, supply chain management services, assets management and consultancy services.

The functional currency of the Company is Renminbi (“RMB”) as the primary economic environment in which the Company’s subsidiaries operate is the Mainland China (for the purpose of this report, “Mainland China” refers to the mainland of the PRC and does not include Hong Kong, Macau and Taiwan). The consolidated financial statements are presented in thousands of units of Hong Kong dollars (“HK\$’000”), unless otherwise stated.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss, financial assets at fair value through other comprehensive income and investment properties which are carried at fair value.

1 一般資料

首長四方(集團)有限公司(「本公司」)為一間於百慕達註冊成立的獲豁免有限公司，其股份在香港聯合交易所有限公司(「聯交所」)上市。本公司控股股東(根據聯交所證券上市規則之定義，指有權於發行人之股東大會上行使或控制行使30%或以上投票權之人士)為首鋼控股(香港)有限公司(「首鋼控股」)，一間於香港註冊成立之有限公司，而首鋼控股之最終控股公司為首鋼集團有限公司，為一間於中華人民共和國(「中國」)成立之公司。本公司之註冊辦事處及主要營業地點之地址於本年報「公司資料」一節中披露。

本公司為一間投資控股公司。其主要附屬公司之主要業務為提供售後回租安排服務、物業租賃服務、供應鏈管理服務、資產管理及諮詢服務。

由於本公司附屬公司營運所在的主要經濟環境為中國內地(就本報告而言，「中國內地」指中國內地，不包括香港、澳門及台灣)，本公司之功能貨幣為人民幣(「人民幣」)。除另有說明外，綜合財務報告以港幣千元(「港幣千元」)呈列。

2 重大會計政策概要

編製該等綜合財務報告所應用之主要會計政策載列如下。除另有說明外，該等政策已於所有呈報年度貫徹應用。

2.1 編製基準

本公司之綜合財務報告乃根據香港會計師公會(「香港會計師公會」)頒佈的所有適用香港財務報告準則(「香港財務報告準則」)及香港公司條例(第622章)的披露規定而編製。綜合財務報告按歷史成本法編製，並就重估透過損益賬按公允值處理之金融資產、透過其他全面收益按公允值處理之金融資產及按公允值入賬之投資物業作出修訂。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

The preparation of the consolidated financial statements in conformity with HKFRS 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 4.

(a) New standards and amendments adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2020:

Amendments to HKAS 1 and HKAS 8
香港會計準則第1號及香港會計準則第8號之修訂
Amendments to HKFRS 3
香港財務報告準則第3號之修訂
Amendments to HKFRS 9, HKAS 39 and HKFRS 7
香港財務報告準則第9號、香港會計準則第39號及
香港財務報告準則第7號之修訂
Conceptual Framework for Financial Reporting 2018
二零一八年財務報告概念框架

The amendments listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2 重大會計政策概要(續)

2.1 編製基準(續)

在遵照香港財務報告準則編製綜合財務報告時，須採用若干重大會計估計，管理層亦須在應用本集團會計政策之過程中作出判斷。附註4披露涉及較多判斷或較複雜之範疇或假設及估計對綜合財務報告有重大影響之範疇。

(a) 本集團採納的新準則及修訂

本集團已於二零二零年一月一日開始之年度報告期間首次採納以下準則及修訂：

Definition of Material
重大的定義
Definition of a Business
業務的定義
Interest Rate Benchmark Reform
利率基準改革
Revised Conceptual Framework for Financial Reporting
經修訂財務報告概念框架

上文所列的修訂對過往期間確認的金額並無任何重大影響及預期不會重大影響本期間或未來期間。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

(b) New standards, amendments and interpretations to standards not yet adopted

2 重大會計政策概要(續)

2.1 編製基準(續)

(b) 尚未採納的新準則以及準則之修訂及詮釋

Effective for
accounting periods
beginning on
or after
於下列日期或其後
開始之會計期間生效

Amendments to HKFRS 16 香港財務報告準則第16號之修訂	Covid-19-related Rent Concessions 有關新型冠狀病毒的租金優惠	1 June 2020 二零二零年 六月一日
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 香港財務報告準則第9號、 香港會計準則第39號、 香港財務報告準則第7號、 香港財務報告準則第4號及 香港財務報告準則第16號之修訂	Interest Rate Benchmark Reform – Phase 2 利率基準改革 – 第二階段	1 January 2021 二零二一年 一月一日
Amendments to HKFRS 3 香港財務報告準則第3號之修訂	Reference to the Conceptual Framework 概念框架之提述	1 January 2022 二零二二年 一月一日
Amendments to HKAS 16 香港會計準則第16號之修訂	Property, Plant and Equipment: Proceeds before Intended Use 物業、廠房及設備：作擬定用途前之 所得款項	1 January 2022 二零二二年 一月一日
Amendments to HKAS 37 香港會計準則第37號之修訂	Onerous Contracts – Cost of Fulfilling a Contract 虧損合約 – 履行合約之成本	1 January 2022 二零二二年 一月一日
Annual Improvements 年度改進	Annual Improvements to HKFRS Standards 2018–2020 香港財務報告準則二零一八年至 二零二零年週期之年度改進	1 January 2022 二零二二年 一月一日
Amendments to Accounting Guideline 5 會計指引第5號之修訂	Merger Accounting for Common Control Combinations 共同控制合併的合併會計法	1 January 2022 二零二二年 一月一日

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

(b) New standards, amendments and interpretations to standards not yet adopted (Continued)

2 重大會計政策概要(續)

2.1 編製基準(續)

(b) 尚未採納的新準則以及準則之修訂及詮釋(續)

Effective for
accounting periods
beginning on
or after
於下列日期或其後
開始之會計期間生效

Hong Kong Interpretation 5 (2020)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2023
香港詮釋第5號(二零二零年)	財務報表的呈列 – 借款人對含有按要求 償還條款的定期貸款的分類	二零二三年 一月一日
HKFRS 17	Insurance Contracts	1 January 2023
香港財務報告準則第17號	保險合約	二零二三年 一月一日
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current	1 January 2023
香港會計準則第1號之修訂	負債分類為流動或非流動	二零二三年 一月一日
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
香港財務報告準則第10號及 香港會計準則第28號之修訂	投資者與其聯營公司或合資公司之間的 資產出售或投入	待釐定

Certain new accounting standards, amendments and interpretations to standards have been published that are not mandatory for 31 December 2020 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

若干新會計準則以及準則之修訂及詮釋已獲頒佈，彼等並非於二零二零年十二月三十一日的報告期間強制生效及本集團並無提早採納。預期該等準則不會對實體於本報告期間或未來報告期間以及對可預見未來交易有重大影響。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Principles of consolidation and equity accounting

(a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

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

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of financial position respectively.

(b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

2 重大會計政策概要(續)

2.2 綜合入賬及權益會計法準則

(a) 附屬公司

附屬公司為本集團控制的所有實體。倘本集團須承擔或享有因參與實體活動所產生可變回報的風險或權利，且有能力透過其指揮實體活動之權利影響該等回報，本集團對該實體擁有控制權。附屬公司自控制權轉至本集團之日起綜合入賬。彼等於控制權終止之日起終止綜合入賬。

本集團採用收購會計法將業務合併入賬。

本集團各成員公司間之交易、交易結餘及未變現收益均予對銷。除非有關交易為所轉讓資產之減值提供憑證，否則未變現虧損亦作對銷。附屬公司會計政策已作出必要變動，以確保與本集團採納之政策一致。

附屬公司業績及股本中的非控股權益分別於綜合全面收益表、綜合權益變動表及綜合財務狀況表中單獨呈列。

(b) 聯營公司

聯營公司指本集團對其擁有重大影響力但無控制權或聯合控制權的所有實體。一般情況下，本集團持有20%至50%投票權。於聯營公司的投資於初步按成本確認後採用權益會計法入賬。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Principles of consolidation and equity accounting (Continued)

(c) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

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

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 2.10.

2 重大會計政策概要(續)

2.2 綜合入賬及權益會計法準則(續)

(c) 權益法

根據權益會計法，有關投資初步按成本確認，隨後予以調整並於損益賬確認本集團應佔被投資公司的收購後溢利或虧損及於其他全面收益確認本集團應佔被投資公司的其他全面收益之變動。來自聯營公司的已收或應收股息會確認為投資賬面值減少。

倘本集團應佔一項按權益會計法入賬的投資虧損相等於或超過其於該實體的權益(包括任何其他無抵押長期應收款項)，則本集團不會確認進一步虧損，惟本集團須對其他實體承擔責任或代表其他實體作出付款者除外。

本集團與其聯營公司進行交易的未變現收益僅以本集團於該等實體的權益為限予以對銷。未變現虧損會予以對銷，惟若該交易提供所轉讓資產減值的憑證則除外。按權益會計法入賬的被投資公司的會計政策已作出必要變動，以確保與本集團採納的政策貫徹一致。

按權益會計法入賬的投資賬面值根據附註2.10所述政策進行減值測試。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Principles of consolidation and equity accounting (Continued)

(d) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Company.

When the Group ceases to consolidate or equity account for an investment because of a loss of control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified or permitted by applicable HKFRSs.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2 重大會計政策概要(續)

2.2 綜合入賬及權益會計法準則(續)

(d) 所有權權益變動

本集團將與非控股權益的交易(並不導致喪失控制權)視作與本集團權益持有人交易。所有權權益變動導致控股權益與非控股權益賬面值之間的調整以反映彼等於附屬公司的相關權益。非控股權益調整數額與任何已付或已收代價之間的任何差額於本公司持有人應佔權益中的獨立儲備內確認。

倘本集團失去控制權或重大影響力，導致不再綜合入賬或按權益會計法入賬投資，其於該實體之任何保留權益按其公允值重新計算，而賬面值變動則於損益賬內確認。就其後入賬列作聯營公司或金融資產之保留權益，其公允值為初始賬面值。此外，先前於其他全面收益確認與該實體有關之任何金額，按猶如本集團已直接出售有關資產或負債之方式入賬。此可能意味先前在其他全面收益確認之金額在適用香港財務報告準則所指明或允許下重新分類至損益賬或轉撥至另一權益類別。

倘於聯營公司之所有權權益減少但重大影響力獲保留，則僅有應佔先前於其他全面收益內確認之金額之若干比例會重新分類至損益賬(如適用)。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred;
- liabilities incurred to the former owners of the acquired business;
- equity interests issued by the Group;
- fair value of any asset or liability resulting from a contingent consideration arrangements; and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred;
- amount of any non-controlling interest in the acquired entity; and
- acquisition-date fair value of any previous equity interest in the acquired entity.

Over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

2 重大會計政策概要(續)

2.3 業務合併

收購會計法將所有業務合併入賬，不論是否已收購股權工具或其他資產。收購一間附屬公司所轉讓的代價包括：

- 所轉讓資產的公允值；
- 被收購業務的前任持有人所產生負債；
- 本集團已發行股權；
- 或然代價安排產生的任何資產或負債的公允值；及
- 附屬公司任何先前存在的股權的公允值。

在業務合併過程中購入的可識別資產以及承擔的負債及或然負債，均於收購日期按其公允值初步計量（少數例外情況除外）。本集團按逐項收購基準，按公允值或按非控股權益所佔被收購實體可識別資產淨值的比例確認於被收購實體的任何非控股權益。

收購相關成本乃於產生時支銷。

超逾：

- 所轉讓代價；
- 於被收購實體的任何非控股權益金額；及
- 任何先前於被收購實體的股權於收購日期的公允值。

所收購可識別資產淨值公允值的差額，乃入賬列作商譽。倘該等金額低於所收購業務可識別資產淨值的公允值，則該差額會直接於損益賬確認為議價購買。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Business combinations (Continued)

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the Group's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

2.4 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director of the Company that makes strategic decisions.

2 重大會計政策概要(續)

2.3 業務合併(續)

倘任何部分現金代價的結算獲遞延，日後應付金額貼現至彼等於兌換日期的現值。所用的貼現率乃本集團的遞增借款利率，即根據相若的條款及條件可從獨立金融機構獲得同類借款的利率。或然代價分類為權益或金融負債。分類為金融負債的金額隨後按公允值重新計量，其公允值變動於損益賬內確認。

倘業務合併分階段進行，則收購方先前在被收購方持有的股權於收購日期的賬面值乃於收購日期重新計量為公允值。因該重新計量產生的任何收益或虧損乃於損益中確認。

2.4 單獨財務報告

於附屬公司的投資乃按成本扣除減值列賬。成本包括投資直接應佔成本。對於附屬公司業績，本公司按已收及應收股息基準入賬。

倘於附屬公司投資產生的股息超過附屬公司於宣派股息期間的全面收益總額或倘該投資於單獨財務報告內的賬面值超過被投資公司資產淨值(包括商譽)於綜合財務報告內的賬面值，則於收到該等投資的股息後須對該等於附屬公司的投資進行減值測試。

2.5 分部報告

經營分部的報告方式與提供予主要經營決策者的內部報告方式一致。負責分配資源及評估經營分部表現的主要經營決策者已確定為作出戰略決策的本公司董事總經理。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group 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 HK\$. The functional currency of the Company is RMB.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated statement of comprehensive income within finance costs. All other foreign exchange gains and losses are presented in the consolidated statement of comprehensive income on a net basis within administrative expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity instruments classified as fair value through other comprehensive income are recognised in other comprehensive income.

2 重大會計政策概要(續)

2.6 外幣換算

(i) 功能及呈列貨幣

本集團旗下各實體的財務報告內所載項目，乃按該實體經營所在地的主要經濟環境的貨幣（「功能貨幣」）計量。綜合財務報告以港幣呈列。本公司的功能貨幣為人民幣。

(ii) 交易及結餘

外幣交易採用交易日期的匯率換算為功能貨幣。結算此等交易產生的以及將外幣計值的貨幣資產及負債以年終匯率值折算所產生的匯兌收益及虧損一般於損益確認。倘以合資格現金流量對沖及符合淨投資對沖的情況或與海外業務投資淨值的部分相關者則於權益遞延。

與借款有關的匯兌收益及虧損在綜合全面收益表內的融資成本中列報。所有其他匯兌收益及虧損在綜合全面收益表內的行政開支中按淨額基準列報。

按公允值計量的外幣非貨幣性項目，採用公允值確定日的匯率換算。按公允值計量的資產及負債換算差額呈報為部分公允值收益或虧損。例如，非貨幣性資產及負債（例如所持透過損益賬按公允值處理的股權工具）的換算差額於損益賬內確認為公允值收益或虧損的一部分及非貨幣性資產（例如分類為透過其他全面收益按公允值處理的股權工具）的換算差額於其他全面收益內確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Foreign currency translation (Continued)

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the 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 for each statement of comprehensive income are translated at average exchange rates (unless this 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 dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

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

2 重大會計政策概要(續)

2.6 外幣換算(續)

(iii) 集團公司

功能貨幣有別於呈列貨幣的所有海外業務(該等業務概無擁有嚴重通貨膨脹經濟體的貨幣)的業績及財務狀況，均按以下方式換算為呈列貨幣：

- 各財務狀況表呈列的資產及負債乃按該財務狀況表日期的收市匯率換算；
- 各全面收益表的收支乃按平均匯率換算(除非該匯率並非在有關交易日期通行匯率累積影響的合理估計內，則在該情況下，收支於有關交易日期換算)；及
- 所有因而產生的匯兌差額於其他全面收益內確認。

於編製綜合賬目時，換算海外實體任何投資淨額以及指定為該等投資之對沖項目之借款及其他金融工具產生之匯兌差額於其他全面收益內確認。於出售海外業務或償還組成投資淨額一部分之任何借款時，相關匯兌差額重新分類至損益，作為出售損益之一部分。

因收購海外業務而產生的商譽及公允值調整，均視作海外業務的資產及負債，並按收市匯率換算。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Foreign currency translation (Continued)

(iv) Disposal of foreign operation and partial disposal

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the company are reclassified to profit or loss.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated currency translation differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (that is, reductions in the Group's ownership interest in associates that do not result in the Group losing significant influence), the proportionate share of the accumulated exchange difference is reclassified to profit or loss.

2.7 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

2 重大會計政策概要(續)

2.6 外幣換算(續)

(iv) 出售海外業務及部分出售

於出售海外業務(即出售本集團於海外業務之全部權益，或涉及喪失對某一包含海外業務附屬公司控制權之出售，或涉及喪失對某一包含海外業務聯營公司重大影響力之出售)時，就歸屬於公司持有人之業務於權益中累計之所有貨幣換算差額均重新分類至損益賬。

倘此乃部分出售並不導致本集團喪失對包含海外業務之附屬公司的控制權，則按比例分佔累計貨幣換算差額重新計入非控股權益且不在損益賬中確認。就所有其他部分出售(即不會導致本集團喪失重大影響之本集團於聯營公司之擁有權權益減少)，則按比例分佔累計匯兌差額重新分類至損益賬。

2.7 物業、廠房及設備

物業、廠房及設備按過往成本減折舊列賬。過往成本包括購入項目直接應佔開支。

僅於本集團有可能獲得項目相關的未來經濟效益，且項目成本能夠可靠計量時，則其後成本計入資產賬面值或確認為獨立資產(倘適用)。作為單獨資產入賬的任何組件的賬面值於被更換時終止確認。所有其他維修及保養乃於其產生的報告期間自損益賬扣除。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Property, plant and equipment (Continued)

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term as follows:

Buildings	Over the shorter of terms of the lease of the land or 50 years
Leasehold improvements	Over the shorter of terms of the lease or 5 years
Motor vehicles	4 years
Furniture, fitting and equipment	3 to 10 years

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.10).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in consolidated statement of comprehensive income.

2.8 Investment properties

Investment properties, principally the residential property units, are held for long-term rental yields and are not occupied by the Group. Investment property is initially measured at cost, including related transaction costs and where applicable borrowing costs. Subsequently, they are carried at fair value. Changes in fair values are presented in profit or loss as part of consolidated statement of comprehensive income.

2 重大會計政策概要(續)

2.7 物業、廠房及設備(續)

折舊按直線法計算，以於其估計可使用年期內，或倘為租賃物業裝修及若干已租賃的廠房及設備則於以下較短期內分配其成本或重估金額(扣除其剩餘價值)：

樓宇	土地租期或50年 (較短期者為準)
租賃物業裝修	租期或5年(較短期者為準)
汽車	4年
傢俱、裝置及設備	3至10年

資產的剩餘價值及可使用年期於各報告期末審閱，並在適當情況下作出調整。

倘資產賬面值高於其估計可收回金額時，該資產的賬面值將即時撇減至其可收回金額(附註2.10)。

出售盈虧乃透過比較所得款項與賬面值而釐定，並於綜合全面收益表列賬。

2.8 投資物業

投資物業(主要為住宅物業單位)乃為長期租賃收益而持有，且不由本集團佔用。投資物業初步按成本(包括相關的交易成本及借款成本(倘適用))計量。其後，其按公允值計量。公允值變動作為綜合全面收益表的一部分計入損益賬。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Intangible assets

(i) Goodwill

Goodwill is measured as described in Note 2.3. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which is not larger than an operating segment.

(ii) Software platform

The acquired software platform is stated at cost less accumulated amortisation and impairment loss. Amortisation is calculated using the straight-line method to allocate the cost over their estimated lives of 5 years.

2.10 Impairment of non-financial assets

Goodwill that has an indefinite useful life is not subject to amortisation and is tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2 重大會計政策概要(續)

2.9 無形資產

(i) 商譽

商譽按附註2.3所述計量。商譽不予攤銷，惟每年進行減值測試，或當有事件出現或情況變動顯示可能出現減值時進行更頻密減值測試，並按成本減去累計減值虧損列示。出售實體的收益及虧損包括與出售實體有關的商譽賬面值。

商譽會被分配至現金產生單位以進行減值測試。有關分配乃對預期將從商譽產生的業務合併中獲益的現金產生單位或現金產生單位組別作出。現金產生單位或現金產生單位組別乃就內部管理目的而於監察商譽的最低層次確認，而不大於經營分部。

(ii) 軟件平台

所購軟件平台以成本減去累計攤銷和減值虧損後列示。攤銷使用直線法按其估計可使用年期五年分配成本。

2.10 非金融資產的減值

無確定可使用年期的商譽毋須計提攤銷，但須每年作減值測試；倘有事件或情況變動顯示可能出現減值時，則進行更頻密的減值測試。其他資產於事件出現或情況變動顯示賬面值可能無法收回時進行減值測試。減值虧損按資產的賬面值超出其可收回金額的差額確認。可收回金額以資產的公允值減出售成本以及使用價值兩者之間較高者為準。於評估減值時，資產按獨立可辨認現金流入(大致獨立於其他資產或資產組合的現金流入)的最低層次(現金產生單位)分組。出現減值的非金融資產(除商譽外)於各報告期末檢討可否撥回減值。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Investments and other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income (“OCI”) or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity’s business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (“FVOCI”).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

2 重大會計政策概要(續)

2.11 投資及其他金融資產

(i) 分類

本集團將金融資產分為以下計量類別：

- 其後按公允值計量的金融資產(不論計入其他全面收益(「其他全面收益」)或計入損益賬)；及
- 按攤銷成本計量的金融資產。

分類視乎實體管理金融資產的業務模式及現金流量的合約年期而定。

就按公允值計量的資產而言，收益及虧損將於損益賬或其他全面收益記賬。就並非持作買賣的股權工具投資而言，則視乎本集團於初步確認之時有否作出不可撤回的選擇，將股本投資以透過其他全面收益按公允值處理(「透過其他全面收益按公允值處理」)的方式入賬。

當且僅當本集團管理該等資產的業務模式改變時，方會對債務投資進行重新分類。

(ii) 確認及終止確認

常規購入及出售的金融資產於交易日期(即本集團承諾購入或出售該資產之日期)予以確認。倘從金融資產收取現金流量之權利已到期或已轉讓，而本集團已將其擁有權之絕大部分風險及回報轉移時，則終止確認金融資產。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Investments and other financial assets

(Continued)

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains, net together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of comprehensive income.

2 重大會計政策概要(續)

2.11 投資及其他金融資產(續)

(iii) 計量

於初步確認時，本集團按其公允值加上(倘金融資產並非透過損益賬按公允值處理(「透過損益賬按公允值處理」))收購金融資產直接應佔的交易成本計量金融資產。透過損益賬按公允值處理列賬的金融資產的交易成本於損益賬中支銷。

債務工具

債務工具的後續計量取決於本集團管理資產的業務模式及資產的現金流量特徵。本集團將其債務工具分類為三種計量類別：

- 攤銷成本：倘為收取合約現金流量而持有的資產的現金流量僅為本金及利息付款，則該等資產按攤銷成本計量。來自該等金融資產的利息收入採用實際利率法計入融資收入。終止確認產生的任何收益或虧損直接於損益賬中確認，並與匯兌收益及虧損於其他收益淨額列示。減值虧損於綜合全面收益表內作為單獨項目列示。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Investments and other financial assets

(Continued)

(iii) Measurement (Continued)

Debt instruments (Continued)

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains, net. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains, net and impairment expenses are presented as separate line item in the consolidated statement of comprehensive income.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains, net in the period in which it arises.

2 重大會計政策概要(續)

2.11 投資及其他金融資產(續)

(iii) 計量(續)

債務工具(續)

- 透過其他全面收益按公允值處理：倘為收取合約現金流量及出售金融資產而持有的資產的現金流量僅為本金及利息付款，則該等資產透過其他全面收益按公允值處理。賬面值變動乃透過其他全面收益確認，惟就確認減值收益或虧損而言，利息收入及匯兌收益及虧損於損益賬確認。終止確認金融資產時，先前於其他全面收益確認的累計收益或虧損將自權益重新分類至損益並於其他收益淨額中確認。來自該等金融資產的利息收入採用實際利率法計入融資收入。匯兌收益及虧損於其他收益淨額呈列，而減值虧損於綜合全面收益表內作為單獨項目列示。
- 透過損益賬按公允值處理：不符合攤銷成本或透過其他全面收益按公允值處理之標準的資產，以透過損益賬按公允值處理計量。其後以透過損益賬按公允值處理計量之債務投資的收益或虧損於損益賬內確認，並於其產生期間內於其他收益淨額以淨值列示。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Investments and other financial assets

(Continued)

(iii) Measurement (Continued)

Equity instruments

Changes in the fair value of financial assets at FVPL are recognised in the consolidated statement of comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments at amortised cost and at FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by HKFRS9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2.12 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated statement of financial position where the Group currently has 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 Group has also entered into arrangements that do not meet the criteria for offsetting but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or the termination of a contract.

2 重大會計政策概要(續)

2.11 投資及其他金融資產(續)

(iii) 計量(續)

股權工具

透過損益賬按公允值處理的金融資產的公允值變動於綜合全面收益表確認(如適用)。以透過其他全面收益按公允值處理計量的股本投資的減值虧損(及減值虧損撥回)不會與公允值的其他變動分開呈報。

(iv) 減值

本集團按前瞻性基準評估與其以攤銷成本計量及透過其他全面收益按公允值處理的債務工具相關的預期信貸虧損。所應用的減值方法取決於信貸風險是否顯著增加。

就應收貿易賬款而言，本集團應用香港財務報告準則第9號允許之簡化方法，該方法規定全期預期虧損將於初步確認應收款項時確認。

2.12 抵銷金融工具

倘本集團目前擁有合法強制執行權利可抵銷已確認金額，並有意按淨額基準結算或同時變現資產和結算負債時，金融資產與負債可互相抵銷，並在綜合財務狀況表呈報其淨額。本集團亦曾訂立不符合抵銷標準但仍容許相關款項在若干情況下抵銷的安排，例如破產或合約終止。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.13 Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 to 90 days and therefore all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

2.14 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand and deposits held at call with financial institutions.

2.15 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Where any Group company purchases the Company's equity instruments, for example as the result of a share buy-back plan, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the owners of the Company as treasury shares until the shares are cancelled or reissued.

2.16 Other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2 重大會計政策概要(續)

2.13 應收貿易賬款

應收貿易賬款為於一般業務過程中就銷售商品或提供服務應收客戶款項。彼等一般於30日至90日內進行結算，因此分類為流動項目。

應收貿易賬款初步按無條件代價款項確認，除非包含重大融資部分，則按公允值確認。本集團持有應收貿易賬款，旨在收取合約現金流量，因此，其後使用實際利率法按攤銷成本計量該等應收貿易賬款。

2.14 現金及現金等值項目

綜合現金流量表之呈列中，現金及現金等值項目包括手頭現金及金融機構通知存款。

2.15 股本

普通股分類為權益。

發行新股份直接應佔之增量成本於權益內列作所得款項之扣減(扣除稅項)。

倘任何集團公司購買本公司股權工具(如因股份回購計劃而購買)，已付代價(包括任何直接應佔增量成本(扣除所得稅))自本公司持有人應佔權益作為庫存股份扣減直至股份被註銷或重新發行。

2.16 其他應付款項

該等款項為於財政年度結束前向本集團提供之商品及服務的未支付負債。除非其他應付款項並非於報告期後12個月內到期應付，否則呈列為流動負債。其他應付款項初步按公允值確認，隨後使用實際利率法按攤銷成本計量。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.17 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the consolidated statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

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.

2 重大會計政策概要(續)

2.17 借款

借款初始按公允值扣除所產生的交易成本予以確認。借款其後按攤銷成本列賬。所得款項(扣除交易成本)與贖回款項間的任何差額使用實際利率法於借款期間在損益賬內確認。在貸款融資很有可能部分或全部提取的情況下，就設立貸款融資支付的費用乃確認為貸款交易成本。在此情況下，該費用將遞延至提取融資發生時。在並無跡象顯示該貸款融資很有可能部分或全部提取的情況下，該費用撥充資本作為流動資金服務的預付款項，並於其相關融資期間內予以攤銷。

當有關合約內指定之責任獲解除、取消或屆滿時，借款乃自綜合財務狀況表剔除。已失效或轉移至另一方的金融負債的賬面值與已付代價間的差額(包括已轉移之非現金資產或承擔之負債)於損益賬內確認為融資成本。

倘金融負債的條款已獲重新磋商，且實體向債權人發行股權工具以註銷全部或部分負債(權益掉期債務)，則收益或虧損於損益賬內確認，並按金融負債的賬面值與已發行股權工具的公允值間的差額計量。

借款分類為流動負債，除非本集團擁有無條件權利於報告期後至少12個月內延期結算負債。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.18 Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Borrowing costs are expensed in the period in which they are incurred.

2.19 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2 重大會計政策概要(續)

2.18 借款成本

與購置、建造或生產合資格資產直接相關的一般和特定借款成本在完成和準備資產以作其預期使用或出售所需的期間內予以資本化。合資格資產是指必須花費大量時間才能準備好用於其預期用途或出售的資產。

在特定借款用於合資格資產的支出之前其暫時投資所賺取的投資收入從符合資本化條件的借款成本中扣除。

借款成本於其產生期間支銷。

2.19 當期及遞延所得稅

期內所得稅開支或抵免是根據各司法權區之適用所得稅率計算之本期間應課稅收入之應付稅項，並且按歸屬於暫時差異以及歸屬於未動用稅務虧損的遞延稅項資產及負債之變動作出調整。

當期所得稅

當期所得稅開支根據本公司及其附屬公司以及聯營公司營運及產生應課稅收入之國家於報告期末已頒佈或實質上已頒佈之稅務法例計算。管理層定期就適用稅項法規有待詮釋之情況而評估報稅立場。其根據預期將支付予稅務機關之數額在適當情況計提撥備。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.19 Current and deferred income tax(Continued)

Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The deferred tax liability in relation to investment property that is measured at fair value is determined assuming the property will be recovered entirely through sale.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2 重大會計政策概要(續)

2.19 當期及遞延所得稅(續)

遞延所得稅

遞延所得稅採用負債法就資產及負債之稅基與其在綜合財務報告之賬面值的暫時差異全數計提撥備。然而，倘若源自商譽之初始確認，則不會確認遞延稅項負債。倘若源自資產或負債在業務合併以外交易之初始確認而在交易發生時既不影響會計或應課稅溢利或虧損，亦不會確認遞延所得稅。遞延所得稅採用於報告期末前已頒佈或實質上已頒佈並預期於相關遞延所得稅資產實現或遞延所得稅負債清償時適用之稅率(及法例)釐定。

與按公允值計量的投資物業相關的遞延稅項負債乃假設該物業將透過出售完全收回而釐定。

遞延稅項資產僅在很有可能將未來應課稅金額用於抵銷該等暫時差額及虧損的情況下確認。

倘本公司可控制暫時差額的撥回時間及很有可能在可預見未來不會撥回有關差額的情況下，則不會就於海外業務投資的賬面值與稅基之間的暫時差額確認遞延稅項負債及資產。

倘有合法可強制執行的權利以即期稅項資產抵銷負債，以及當遞延稅項結餘乃涉及同一稅務機構，遞延稅項資產與負債則互相抵銷。倘實體有合法可強制執行抵銷的權利，並有意按淨額基準結算或同時變現資產和清償負債時，即期稅項資產與稅項負債則相互抵銷。

即期及遞延稅項於損益賬確認，惟於與在其他全面收益或直接在權益確認的項目有關者除外。在該情況下，稅項亦分別在其他全面收益或直接在權益中確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.20 Employee benefits

(i) Short-term obligations

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

A liability is recognised for benefits accruing to employee (such as wages and salaries, annual leave and sick leaves) after deducting any amount already paid.

(ii) Pension obligation

The Group operates a defined contribution plans for its employees in Hong Kong and Mainland China. A defined contribution plan is a pension plan under which the Group pays fixed contributions to publicly or privately administrated pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee services in the current and prior periods. The contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

In addition, pursuant to the relevant regulations of the PRC government, the subsidiaries in Mainland China participate in local municipal government retirement benefits schemes (the "Schemes"), whereby the subsidiaries in the PRC are required to contribute a certain percentage of the basic salaries of its employees to the Schemes to fund their retirement benefits. The local municipal governments undertake to assume the retirement benefits obligations of those employees of the subsidiaries in the PRC. Contributions under the Schemes are charged to the consolidated statement of comprehensive income as incurred.

2 重大會計政策概要(續)

2.20 僱員福利

(i) 短期責任

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

在扣除已經支付的任何金額後，對僱員應得的福利(例如工資及薪金、年假及病假)確認負債。

(ii) 退休金責任

本集團為香港及中國內地僱員設立界定供款計劃。界定供款計劃為本集團向公開或私人管理之退休金保險計劃作出強制、合約或自願性質之界定供款之退休金計劃。倘基金所持有資產並不足以支付所有僱員有關僱員於當期及過往期間服務之福利，本集團並無法律或推定責任作進一步供款。供款確認為資產，惟須以可獲現金退款或扣減日後供款為限。

此外，根據中國政府之有關法規，中國內地附屬公司參與當地市政府之退休福利計劃(「計劃」)，據此，中國附屬公司須按其僱員基本薪金之若干百分比，向計劃作出退休福利供款。當地市政府承諾會承擔中國附屬公司僱員之退休福利責任。根據計劃作出之供款於產生時在綜合全面收益表內扣除。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.20 Employee benefits (Continued)

(iii) Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(iv) Termination benefits

Termination benefits are payable when employment is terminated by the group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of HKAS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

2.21 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

2 重大會計政策概要(續)

2.20 僱員福利(續)

(iii) 溢利分享及花紅計劃

本集團根據一項公式就花紅及溢利分享確認負債及開支，該公式計及經若干調整後的本公司股東應佔溢利。當有合約責任或過往慣例引致推定責任時，本集團則確認撥備。

(iv) 終止福利

終止福利是指集團在正常退休日期前終止僱傭或僱員自願接受裁員以換取福利的應付福利。本集團於下列日期(以較早者為準)確認終止福利：(i)本集團不可撤回提供該等福利之日；及(b)實體確認重組成本屬香港會計準則第37號範圍內並涉及支付終止福利之日。在提出建議以鼓勵自願接受裁員的情況下，終止福利乃根據預期接受建議的僱員人數計量。於報告期末後12個月以上到期的福利貼現至現值。

2.21 撥備

本集團因當前的法律責任或由於過往事件導致的推定責任，且較可能需要有資源流出以償付責任，以及金額可靠估計時，會確認撥備。不會就未來的經營虧損確認撥備。

如有多項類似責任，償付責任而引致資源流出的可能性，是根據責任的類別作出整體考慮。即使相同類別責任中任何一個項目引致資源流出的可能性不大，仍會確認撥備。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.21 Provisions (Continued)

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

2.22 Revenue recognition

Revenue is measured at the transaction price which is the amount of consideration to which the Group is entitled to in exchange for transferring promised services or goods to the customer. The Group allocates the transaction price to each performance obligation based on the relative standalone selling prices. Revenue for each performance obligation is then recognised when the Group satisfies the performance obligation by transferring the promised goods or services to the customer.

(a) Revenue under sale and leaseback arrangements

The Group enters into sale and leaseback arrangements with individual customers, in which, the Group acts as buyer-lessor and the customers act as seller-lessee. As the transfer of the asset does not qualify as a sale in accordance with HKFRS 15, the transaction is in substance a collateral financing and the Group recognises a receivable from sale and leaseback arrangements and related interest revenue is recognised over the lease period using the effective interest rate method.

2 重大會計政策概要(續)

2.21 撥備(續)

撥備按管理層於報告期末對履行現有責任所需開支的最佳估計的現值計量。用於釐定現值的貼現率為反映當時市場對金錢時間價值和有關負債特有風險評估的稅前利率。隨著時間過去而增加的撥備確認為利息費用。

2.22 收益確認

收益以本集團有權向客戶交付所承諾服務或貨品的對價為交易價格計量。本集團根據單獨售價分配交易價格至每項履約責任。每項履約責任的收益於本集團向客戶交付所承諾的貨品或服務以履行責任時確認。

(a) 售後回租安排項下之收益

本集團與個別客戶簽訂售後回租安排，其中，本集團作為買方一出租人，而客戶則作為賣方一承租人。由於資產轉讓不符合香港財務報告準則第15號的銷售規定，交易實質上是抵押品融資，本集團確認售後回租安排應收款項，有關利息收益使用實際利率法於租期內確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.22 Revenue recognition (Continued)

(b) Property leasing income

Property leasing income from investment properties is recognised on a straight line basis over the terms of the respective leases.

(c) Consultancy service income

Consultancy service income is generated from advisory services to the customers in relation to the financing activities. The revenue is recognised either on a straight line basis or at the point of performance obligation have been satisfied base on the contract terms.

(d) Revenue from supply chain management services

Revenue from supply chain management services is generated from the provision of logistic and agency services in PRC. The revenue is recognised at the point of performance obligation have been satisfied.

2.23 Dividend income

Dividends are received from financial assets measured at FVPL and FVOCI. Dividends are recognised as other income in profit or loss when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of an investment. In this case, the dividend is recognised in OCI if it relates to an investment measured at FVOCI.

2 重大會計政策概要(續)

2.22 收益確認(續)

(b) 物業租賃收入

投資物業的物業租賃收入乃按直線法於各相關租期內確認。

(c) 諮詢服務收入

諮詢服務收入乃來自向客戶提供有關融資活動的諮詢服務。該收益以直線法或於根據合約條款已履行責任時予以確認。

(d) 來自供應鏈管理服務之收益

供應鏈管理服務收入乃來自於中國提供物流及代理服務。該收益於已達成履行責任時予以確認。

2.23 股息收入

股息來自以透過損益賬按公允值處理及透過其他全面收益按公允值處理計量之金融資產。股息於收取付款之權利確立時於損益賬內確認為其他收入。即使股息自收購前溢利撥付，此亦適用，除非股息明確代表收回部分投資成本。於該情況下，倘股息與以透過其他全面收益按公允值處理計量之投資有關，則於其他全面收益內確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.24 Earnings/(loss) per share

(i) Basic earnings/(loss) per share

Basic earnings/(loss) per share is calculated by dividing:

- the profit/(loss) attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares, and
- the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

(ii) Diluted earnings/(loss) per share

Diluted earnings/(loss) per share adjusts the figures used in the determination of basic earnings/(loss) per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

2 重大會計政策概要(續)

2.24 每股盈利／(虧損)

(i) 每股基本盈利／(虧損)

每股基本盈利／(虧損)乃通過除以下列各項計算：

- 本公司持有人應佔溢利／(虧損)(不包括普通股以外之任何權益成本)，及
- 於財政年度內已發行普通股之加權平均數，並就年內發行之普通股之紅利元素作出調整且不包括庫存股份。

(ii) 每股攤薄盈利／(虧損)

每股攤薄盈利／(虧損)調整用於釐定每股基本盈利／(虧損)的數字，以計及：

- 與潛在攤薄普通股有關之利息及其他融資成本之除所得稅後影響，及
- 假設所有潛在攤薄普通股獲轉換，則原應已發行之額外普通股之加權平均數。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.25 Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. 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.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if the lease term reflects the group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

2 重大會計政策概要(續)

2.25 租賃

租賃於租賃資產可供本集團使用日期確認為使用權資產及相應負債。

合約可能包含租賃及非租賃成分。本集團按照租賃及非租賃成分相應的獨立價格，將合約代價分配至租賃及非租賃成分。然而，對本集團為承租人的房地產租賃而言，其選擇將租賃及非租賃成分視為單一租賃成分，並無將兩者區分。

租賃條款按個別基準磋商且包含多種不同條款及條件。租賃協議並無施加任何契約，惟出租人所持租賃資產的抵押權益除外。租賃資產不得用作借款的抵押品。

租賃所產生的資產及負債初始按現值基準計量。租賃負債包括以下租賃付款之淨現值：

- 固定付款(包括實質固定付款)減任何租賃激勵應收款項
- 基於指數或利率並於開始日期使用指數或利率初步計量的可變租賃付款
- 剩餘價值擔保下集團預期應付款項
- 購買選擇權的行使價(倘集團合理確定行使該選擇權)，及支付終止租賃的罰款(倘租期反應集團行使該選擇權)。

根據合理確定延期選項作出的租賃付款亦計入負債的計量。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.25 Leases (Continued)

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received, and
- makes adjustments specific to the lease, e.g term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the group entities use that rate as a starting point to determine the incremental borrowing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

2 重大會計政策概要(續)

2.25 租賃(續)

租賃付款採用租賃所隱含的利率予以貼現。倘無法輕易釐定該利率(本集團的租賃一般屬此類情況)，則使用承租人遞增借款利率，即個別承租人在類似經濟環境中按類似條款、抵押及條件借入獲得與使用權資產價值類似的資產所需資金必須支付的利率。

為釐定遞增借款利率，本集團

- 在可能的情況下，使用個別承租人最近獲得的第三方融資為出發點作出調整以反映自獲得第三方融資以來融資條件的變動；及
- 對租賃作出特定調整，如年期、國家、貨幣及擔保。

倘個別承租人可透過近期融資或市場數據獲得即時觀察攤銷貸款利率，且其付款情況與租賃類似，則集團實體使用該利率作為出發點釐定遞增借款利率。

租賃付款於本金及融資成本之間作出分配。融資成本在租期於損益賬扣除，藉以令各期間的負債餘額的期間利率一致。

使用權資產按成本計量，包含以下各項：

- 初始計量租賃負債的金額
- 在開始日期或之前支付的任何租賃付款減去收到的租賃激勵
- 任何初始直接成本，及
- 修復成本。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.25 Leases (Continued)

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. While the Group revalues its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use buildings held by the Group.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

2.26 Dividend distribution

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

2.27 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

2 重大會計政策概要(續)

2.25 租賃(續)

使用權資產一般於資產的可使用年期及租期(以較短者為準)內按直線法予以折舊。倘本集團合理確定行使購買選擇權，則在相關資產可使用年期內對使用權資產計提折舊。本集團在對其土地及樓宇(於物業、廠房及設備內呈列)進行重新估值時，已選擇不就本集團所持有的使用權樓宇行使購買選擇權。

與設備之短期租賃及所有低價值資產租賃相關的付款按直線法於損益賬確認為開支。短期租賃指租期為12個月或以下並無購買選擇權的租賃。

本集團為出租人的經營租賃的租金收入在租期內按直線法確認為收入。於獲取經營租賃產生的初始直接成本計入相關資產的賬面值，並於租期內按與租賃收入相同的基準確認為開支。各個租賃資產按其性質計入財務狀況表。由於採用了新的租賃準則，本集團無需對持有作出租人的資產的會計進行任何調整。

2.26 股息分派

就於報告期末或之前已宣派但於報告期末並未分派之任何股息金額(須經適當授權及再不由實體酌情決定)作出撥備。

2.27 政府補助

政府補貼在合理保證會收到補貼且本集團符合所有附帶條件時按公允值確認。

與成本相關的政府補貼會遞延至須與擬補貼的成本相應入賬的期間於損益中確認。

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.28 Interest income

Interest income from financial assets at FVPL is included in the change in fair value of FVPL.

Interest income on financial assets at amortised cost (other than sale and leaseback arrangements) and financial assets at FVOCI calculated using the effective interest method is recognised in profit or loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

3 FINANCE RISK MANAGEMENT

3.1 Finance risk factors

The Group's financial instruments include debt instruments at FVOCI, financial assets at FVPL, receivables under sale and leaseback arrangements and trade and bill receivables, deposits and other receivables, term deposits with initial term over three months, cash and cash equivalents, secured bank borrowings, other payables, security deposits received and other deposits received. The risks associated with these financial instruments include market risk (i.e. foreign exchange risk, cash flow and fair value interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

2 重大會計政策概要(續)

2.28 利息收入

倘利息收入來自透過損益賬按公允值處理之金融資產，則計入透過損益賬按公允值處理之公允值變動。

使用實際利率法計算的按攤餘成本計量的金融資產(並不包括售後回租安排)和透過其他全面收益按公允值處理的金融資產的利息收入在損益賬中確認為其他收入的一部分。

利息收入通過對金融資產的賬面總額應用實際利率來計算，但隨後被信貸減值的金融資產除外。對於被信貸減值的金融資產則按實際利率應用於該金融資產的賬面淨額(扣除損失準備金後)。

3 財務風險管理

3.1 財務風險因素

本集團之金融工具包括透過其他全面收益按公允值處理之債務工具、透過損益賬按公允值處理之金融資產、售後回租安排項下之應收款項及應收貿易賬款及應收票據、按金及其他應收款項、初始期限超過三個月的定期存款、現金及現金等值項目、已抵押銀行借款、其他應付款項、已收保證按金及已收其他按金。與該等金融工具有關之風險包括市場風險(即外匯風險、現金流量及公允值利率風險以及其他價格風險)、信貸風險及流動資金風險。下文載列如何降低該等風險之政策。管理層管理及監控該等風險，以確保及時和有效地採取適當之措施。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(a) Market risk

(i) Foreign exchange risk

The normal operations and investments of the Group are mainly in Hong Kong and Mainland China, with revenue and expenditure denominated in HK\$ and RMB which are primarily transacted using functional currencies of the respective group entities. The Group is exposed to the US Dollar ("US\$") denominated cash and cash equivalents and the debt instrument at fair value through other comprehensive income.

In the opinion of the directors of the Company (the "Directors"), HK\$ are pegged against with US\$ under the Linked Exchange Rate System, and therefore, the Group does not have any significant foreign exchange risk in respect of transactions or balances denominated in US\$. Accordingly, no sensitivity analysis is performed.

(ii) Cash flow and fair value interest rate risk

The Group is exposed to cash flow interest rate risk due to the fluctuation of market interest rate on variable-rate receivables under sale and leaseback arrangements, cash in banks, and secured bank borrowings as disclosed. It is the Group's policy to keep majority of its receivables under sale and leaseback arrangements and bank borrowings at floating rates of interest so as to minimise the fair value interest rate risk.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險

(i) 外匯風險

本集團日常營運及投資主要位於香港及中國內地，其主要使用各集團實體的功能貨幣進行交易的收益及開支以港幣及人民幣計值。以美元(「美元」)計值的現金及現金等值項目及透過其他全面收益按公允值處理之債務工具使本集團面臨風險。

本公司董事(「董事」)認為，在聯繫匯率制度下，港幣與美元掛鉤，因此，本集團並無有關以美元計值之交易或結餘方面的任何重大外匯風險。因此，並無進行敏感度分析。

(ii) 現金流量及公允值利率風險

由於所披露的售後回租安排項下之應收款項、銀行現金及已抵押銀行借款浮息利率的市場利率波動，本集團面臨現金流量利率風險。本集團的政策為保持大部分售後回租安排項下之應收款項及銀行借款的浮息利率以盡量降低公允值利率風險。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(a) Market risk (Continued)

(ii) Cash flow and fair value interest rate risk (Continued)

The Group is also exposed to fair value interest rate risk in relation to variable-rate receivables under sale and leaseback arrangements and bank borrowings.

The Group currently does not use any derivative contracts to hedge its exposure to interest rate risk. However, the management will consider hedging significant interest rate exposure should the need arise.

At 31 December 2020, if interest rates had been 50 basis points (2019: 50 basis points) higher/lower and all other variables were held constant, the Group's pre-tax profit for the year ended 31 December 2020 would increase/decrease by approximately HK\$1,141,000 (2019: pre-tax profit would increase/decrease by approximately HK\$211,000).

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(ii) 現金流量及公允值利率風險(續)

本集團亦就浮動利率的售後回租安排項下之應收款項及銀行借款面臨公允值利率風險。

本集團現時並無使用任何衍生合約對沖其利率風險。然而，倘若有需要，管理層將考慮對沖重大利率風險。

於二零二零年十二月三十一日，倘利率已上升／下跌50個基點（二零一九年：50個基點），而所有其他變數保持不變，則本集團截至二零二零年十二月三十一日止年度之除稅前溢利將增加／減少約港幣1,141,000元（二零一九年：除稅前溢利將增加／減少約港幣211,000元）。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(a) Market risk (Continued)

(iii) Price risk

The Group is exposed to equity price risk through its investments in listed bonds and equity securities. The management manages this exposure by maintaining a portfolio of investments with different risks. The Group's equity price risk is mainly concentrated on equity instruments of entities operating in Hong Kong which are quoted in stock exchanges in Hong Kong. The Group currently does not use any derivative contracts to hedge its exposure to other price risk. Management closely monitors the price risk and will consider hedging the risk exposure should that needs arise.

At 31 December 2020, if the prices of the respective equity instruments at fair value through profit or loss had been 10% (2019: 10%) higher/lower, pre-tax profit for the year ended 31 December 2020 would increase/decrease by HK\$285,000 (2019: pre-tax profit would increase/decrease by HK\$258,000) as a result of the changes in fair value of financial assets at fair value through profit or loss.

The Group's exposure to other price risk for debt instruments at FVOCI is not included in the above analysis as the management considers that such exposure is insignificant.

3 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(iii) 價格風險

本集團因上市債券及股本證券之投資而面對股本價格風險。管理層通過維持帶有不同風險之投資組合控制該等風險。本集團之股本價格風險主要來自在香港營運且於香港證券交易所報價之實體之股權工具。本集團現時並無使用任何衍生合約對沖其他價格風險。管理層密切監測價格風險並將於有需要時考慮對沖有關風險。

於二零二零年十二月三十一日，倘若透過損益賬按公允值處理之相關股權工具價格上升／下跌10%(二零一九年：10%)，則截至二零二零年十二月三十一日止年度之除稅前溢利將透過損益賬按公允值處理之金融資產之公允值變動而增加／減少港幣285,000元(二零一九年：除稅前溢利將增加／減少港幣258,000元)。

上述分析並未包括本集團就透過其他全面收益按公允值處理之債務工具所面臨之其他價格風險，因管理層認為該風險並不重大。

3 FINANCE RISK MANAGEMENT (Continued)**3.1 Finance risk factors (Continued)****(b) Credit risk**

Credit risk arises from the cash at banks, debt instrument at fair value through other comprehensive income, term deposits with initial term over three months, trade and bill receivables, deposits and other receivables as well as credit exposure to receivables under sale and leaseback arrangements.

(i) Risk management

In order to minimise the credit risk, management has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts.

Before accepting any new customers, the Group would assess the credit quality of each potential customer and define limits for each customer. The Group also demands certain customers to place security deposits and/or pledge assets with the Group at the time the sale and leaseback arrangements is entered into. The Group would also review the repayment history of customers payments for each customers with reference to the repayment schedule from the date of sale and leaseback was initially granted up to the reporting date to determine the recoverability of receivables under sale and leaseback arrangements. Furthermore, the Group would assess and review the fair value of the pledged assets continuously to ensure the value of the relevant collateral could well cover the borrowings granted to the customers and any outstanding receivables under sale and leaseback arrangements.

The credit quality of trade and bill receivables as well as the deposits and other receivables has been assessed with reference to historical information about the counterparties default rates and financial position of the counterparties. The Group considers that credit risk associated with deposits and other receivables is low with reference to historical information about the counterparties default rates.

3 財務風險管理(續)**3.1 財務風險因素(續)****(b) 信貸風險**

信貸風險產生於銀行現金、透過其他全面收益按公允值處理之債務工具、初始期限超過三個月的定期存款、應收貿易賬款及應收票據、按金及其他應收款項及售後回租安排項下之應收款項面臨的信貸敞口。

(i) 風險管理

為將信貸風險減至最低，管理層已委派一組人員負責制訂信貸限額、信貸審批及其他監控程序，以確保採取跟進措施收回逾期未付之債項。

於接受任何新客戶前，本集團會評估各潛在客戶之信用度，並規定各客戶之限額。本集團亦於簽訂售後回租安排時要求若干客戶向本集團提供保證按金及／或抵押資產。本集團亦會參照自售後回租首次授出之日起至釐定售後回租安排項下之應收款項之收取情況之報告日期期間之還款時間表，以審閱各客戶之還款記錄。此外，本集團會持續評估及審閱已抵押資產的公允值，以確保相關抵押品的價值將足以覆蓋授予客戶的借款及任何未付之售後回租安排項下之應收款項。

應收貿易賬款及應收票據以及按金及其他應收款項之信貸質素已參考有關對手方違約率及對手方財務狀況的過往資料進行評估。本集團經參考有關對手方違約率之過往資料後認為與按金及其他應收款項有關之信貸風險較低。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(b) Credit risk (Continued)

(i) Risk management (Continued)

The Group applies expected credit loss ("ECL") model for impairment assessment. The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis. Certain receivable with significant credit risk have been credit impaired as at 31 December 2020 and 2019. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the year ended date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information, especially the following indicators are incorporated:

- internal credit rating
- external credit rating
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counter party's ability to meet its obligation
- actual or expected significant changes in the operating results of the same counter party

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 風險管理(續)

本集團對減值評估應用預期信貸虧損(「預期信貸虧損」)模式。本集團在初始確認資產時考慮違約可能性及持續考慮信貸風險是否大幅增加。於二零二零年及二零一九年十二月三十一日，若干應收款項有重大信貸風險並被信貸減值。在評估信貸風險是否大幅增加時，本集團將年終時資產發生違約的風險與初始確認時發生違約的風險進行比較，同時也考慮可獲得的合理及支持性前瞻性資料，特別是結合了以下指標：

- 內部信貸評級
- 外部信貸評級
- 業務、財務或經濟狀況實際或者預期發生重大不利變化，預期導致對手方償還債務的能力產生重大變化
- 同一對手方的經營業績實際或者預期發生重大變化

3 FINANCE RISK MANAGEMENT (Continued)**3.1 Finance risk factors (Continued)****(b) Credit risk (Continued)****(i) Risk management (Continued)**

- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- significant changes in the expected performance and behaviour of the counter party, including changes in the payment status of customers in the Group and changes in the operating results of the counter party.

ECL model for the receivables under sale and leaseback arrangements, as summarised below:

- The receivables under sale and leaseback arrangements that are not credit-impaired on initial recognition are classified in "Stage 1" and have its credit risk continuously monitored by the Group. The expected credit loss is measured on a 12-month basis.

3 財務風險管理(續)**3.1 財務風險因素(續)****(b) 信貸風險(續)****(i) 風險管理(續)**

- 擔保責任的抵押品價值或第三方擔保質素或信貸評級發生重大變化
- 對手方預期表現及行為發生重大變化，包括集團內客戶付款情況的變化和對手方經營業績的變化。

售後回租安排項下之應收款項的預期信貸虧損模式概述如下：

- 於初始確認時並無發生信貸減值的售後回租安排項下之應收款項，分類為「第一級」及本集團會持續監查其信貸風險。預期信貸虧損按12個月基準計量。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(b) Credit risk (Continued)

(i) Risk management (Continued)

- If a significant increase in credit risk since initial recognition is identified, the financial instrument is moved to “Stage 2” but is not yet deemed to be credit-impaired. The expected credit loss is measured on lifetime basis.
- If the financial instrument is credit-impaired, the financial instrument is then moved to “Stage 3”. The expected credit loss is measured on lifetime basis.
- In Stages 1 and 2, interest income is calculated on the gross carrying amount (without deducting the loss allowance). If a financial asset subsequently becomes credit-impaired (Stage 3), the Group is required to calculate the interest income by applying the effective interest method in subsequent reporting periods to the amortised cost of the financial asset (the gross carrying amount net of loss allowance) rather than the gross carrying amount.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 風險管理(續)

- 倘發現初始確認以來信貸風險大幅增加，金融工具遷移至「第二級」，但尚未被視為已發生信貸減值。預期信貸虧損按全期基準計量。
- 倘金融工具發生信貸減值，則遷移至「第三級」。預期信貸虧損按全期基準計量。
- 於第一級及第二級中，利息收入按賬面總值(並無扣除虧損撥備)計算。倘金融資產其後發生信貸減值(第三級)，本集團須於後續報告期間對金融資產的攤銷成本(扣除虧損撥備後的賬面總值)而非賬面總值應用實際利率法計算利息收入。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(b) Credit risk (Continued)

(i) Risk management (Continued)

ECL model for the receivables under supply chain management services, as summarised below:

- The receivables under supply chain management services includes the bill receivables and the other receivables in relation to the purchase cost paid on behalf of the customers.
- The receivables that is not credit-impaired on initial recognition is classified in "Stage 1" and has its credit risk continuously monitored by the Group. The expected credit loss is measured on a 12-month basis.
- If a significant increase in credit risk since initial recognition is identified, the financial instrument is moved to "Stage 2" but is not yet deemed to be credit-impaired. The expected credit loss is measured on lifetime basis.
- If the financial instrument is credit-impaired, the financial instrument is then moved to "Stage 3". The expected credit loss is measured on lifetime basis.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 風險管理(續)

供應鏈管理服務項下之應收款項的預期信貸虧損模式概述如下：

- 供應鏈管理服務項下之應收款項包括應收票據以及與代表客戶支付之採購成本有關之其他應收款項。
- 於初始確認時並無發生信貸減值的應收款項，分類為「第一級」且本集團持續監察其信貸風險。預期信貸虧損按12個月基準計量。
- 倘發現初始確認以來信貸風險大幅增加，金融工具遷移至「第二級」，但尚未被視為已發生信貸減值。預期信貸虧損按全期基準計量。
- 倘金融工具發生信貸減值，則金融工具轉移至「第三級」。預期信貸虧損按全期基準計量。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(b) Credit risk (Continued)

(i) Risk management (Continued)

The impairment of the receivables under sale and leaseback arrangements was provided based on the “three-stages” model by referring to the changes in credit quality since initial recognition.

The key judgements and assumptions adopted by the Group in addressing the requirements of the standard are discussed below:

(1) Significant increase in credit risk (“SICR”)

The Group considers the receivables to have experienced a significant increase in credit risk when backstop criteria have been met. A backstop is applied and the receivables under sale and leaseback arrangements considered to have experienced a significant increase in credit risk if the borrower is past due on its contractual payments.

(2) Definition of default and credit-impaired assets

The Group defines a financial instrument as in default, when the borrower is more than 90 days past due on its contractual payments or the counterparty is in the process of liquidation or insolvency.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 風險管理(續)

售後回租安排項下之應收款項乃按「三級」模式經參考自初始確認以來的信貸質素變動計提減值撥備。

本集團就有關準則之規定採納之關鍵判斷及假設於下文論述：

(1) 信貸風險大幅增加(「信貸風險大幅增加」)

於達到後備標準時，本集團認為應收款項的信貸風險已大幅增加。倘借款人的合約付款已逾期，則應用後備標準且售後回租安排項下之應收款項被視為信貸風險已大幅增加。

(2) 違約及已發生信貸減值資產的定義

若借款人的合約付款期限逾期超過90日，或對手方正在清算或破產中，本集團將金融工具定義為違約。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(b) Credit risk (Continued)

(i) Risk management (Continued)

- (3) Measuring ECL – Explanation of inputs, assumptions and estimation techniques

The ECL is measured on either a 12-month or lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. The ECL is the discounted product of the Probability of Default (“PD”), Exposure at Default (“EAD”) and Loss Given Default (“LGD”).

- (4) Forward-looking information incorporated in the ECL models

The calculation of ECL incorporates forward-looking information. The forward-looking factor included the market conditions and economic growth. The Group has performed historical analysis and identified the key economic variables impacting credit risk and ECL for the receivable portfolio. Judgement has been applied in this process of determining the key economic variables and their associated impact in the loss rate.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 風險管理(續)

- (3) 計量預期信貸虧損 – 輸入數據、假設及估計方法的解釋

視乎信貸風險自初始確認以來有否大幅增加或資產是否被視為已發生信貸減值，預期信貸虧損按12個月或全期基準計量。預期信貸虧損為具違約或然率(「違約或然率」)、違約風險承擔(「違約風險承擔」)及違約損失率(「違約損失率」)三者的乘積貼現結果。

- (4) 預期信貸虧損模式涉及的前瞻性資料

計算預期信貸虧損涉及前瞻性資料。前瞻性因素包括市場狀況及經濟增長。本集團進行了歷史分析並識別影響了應收款項組合的信貸風險及預期信貸虧損的關鍵經濟變量。在確定關鍵經濟變量及對損失率的相關影響時，應用了判斷。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(b) Credit risk (Continued)

(i) Risk management (Continued)

The credit risk on term deposits with initial term over three months and bank balances are limited because the counterparties are banks with high credit ratings assigned by independent credit-rating agencies.

The Group only invests in debt securities with low credit risk. The Group's debt instruments at FVOCI mainly comprise listed bonds that are graded in the high credit rating and therefore are considered to be low credit risk investments.

The Group's concentration of credit risk by geographical locations is mainly in Mainland China, which accounted for 100% (2019: 100%) of the receivables under sale and leaseback arrangements as at 31 December 2020 and 2019.

The Group's concentration of credit risk by related parties accounted for 50% (2019: 75%) of the receivables under sale and leaseback arrangements as at 31 December 2020 and 2019.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 風險管理(續)

由於對手方為獨立信貸評級機構給予高信貸評級的銀行，因此有關初始期限超過三個月的定期存款及銀行結存的信貸風險有限。

本集團僅投資於低信貸風險的債務證券。本集團的透過其他全面收益按公允值處理之債務工具主要包括以高信貸評級的上市債券，因此被視為低信貸風險投資。

本集團按地區劃分的信貸風險主要集中於中國內地，佔於二零二零年及二零一九年十二月三十一日的售後回租安排項下之應收款項的100%(二零一九年：100%)。

本集團按關連人士劃分的信貸風險集中佔於二零二零年及二零一九年十二月三十一日的售後回租安排項下之應收款項的50%(二零一九年：75%)。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(b) Credit risk (Continued)

(i) Risk management (Continued)

As at 31 December 2020 as 34% (2019: 27%) and 98% (2019: 99%) of the total receivables under sale and leaseback arrangements was due from the Group's largest sale and leaseback customer and the five largest sale and leaseback customers. The Group's five largest sale and leaseback customers are spread across diverse industries such as manufacturing industries and property development. Over 99% (2019: 99%) of balance of the sale and leaseback customers have good repayment history with no record of late payment. For those sale and leaseback customers with late payment, the management of the Group has delegated a team to monitor the level of exposure to ensure that follow up actions and/or corrective actions and/or legal actions are taken promptly to lower the risk exposure or to recover the overdue balances. Furthermore, the Group would negotiate with certain customers with late payment by means of debt restructuring, to recover the overdue debts by instalments.

(ii) Security

For some receivables under sale and leaseback arrangements the Group may obtain security in the form of guarantees, term deposits, deeds of undertaking, pledged of land and building as well as secured over the leased asset which can be called upon if the counterparty is in default under the terms of the agreement.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(i) 風險管理(續)

於二零二零年十二月三十一日，34%(二零一九年：27%)及98%(二零一九年：99%)售後回租安排項下之應收款項來自本集團最大售後回租客戶及五大售後回租客戶。本集團五大售後回租客戶來自各行各業，例如製造業及物業開發。餘下的售後回租客戶中，超過99%(二零一九年：99%)擁有良好還款歷史，並無延遲付款記錄。就該等延遲付款的售後回租客戶，本集團管理層已委派一組人員監察風險水平，以確保及時執行跟進措施及／或糾正措施及／或法律行動，以降低風險或收回逾期款項。此外，本集團會與若干延遲付款的客戶商討債務重組，以分期收回逾期債務。

(ii) 擔保

對於部分售後回租安排項下之應收款項，本集團可獲取擔保、定期存款、承諾契據、土地及樓宇抵押以及租賃資產擔保為抵押。如果對手方違反協議條款，本集團可要求其履行抵押義務。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(b) Credit risk (Continued)

(iii) Impairment of financial assets

The Group has four types of financial assets that are subject to the ECL model:

- receivables under sale and leaseback arrangements;
- trade and bill receivables;
- debt investments carried at FVOCI, and
- deposits and other receivables

While cash and cash equivalents are also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial.

Receivables under sale and leaseback arrangements

As part of the Group's credit risk management, the Group regularly monitors the internal credit rating based on available information at each reporting date for its receivables under sale and leaseback arrangements. The following table provides information about the exposure to credit risk and ECL for receivables under sale and leaseback arrangements as at 31 December 2020 and 2019.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(iii) 金融資產減值

本集團持有的如下四種在預期信貸虧損模型適用範圍內的金融資產：

- 售後回租安排項下之應收款項；
- 應收貿易賬款及應收票據；
- 透過其他全面收益按公允值處理之債務投資；及
- 按金及其他應收款項

儘管現金及現金等值項目亦受限於香港財務報告準則第9號的減值要求，已識別減值虧損並不重大。

售後回租安排項下之應收款項

作為本集團信貸風險管理其中部分，本集團依據於各報告日期可得的資料，定期監察其售後回租安排項下之應收款項之內部信貸評級。下表載列於二零二零年及二零一九年十二月三十一日售後回租安排項下之應收款項的信貸風險敞口及預期信貸虧損之資料。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(b) Credit risk (Continued)

(iii) Impairment of financial assets (Continued)

Receivables under sale and leaseback arrangements (Continued)

The Group writes off a receivable under sale and leaseback arrangements when there is information indicating that the sale and leaseback borrower is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the sale and leaseback borrower has been placed under liquidation or has entered into bankruptcy proceedings, whichever occurs earlier.

As at 31 December 2020

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(iii) 金融資產減值(續)

售後回租安排項下之應收款項(續)

當有資料顯示售後回租借款人面臨嚴重財困且並無實際可回收預期的情況下，例如售後回租借款人被清盤或已進入破產程序時(以較早發生者為準)，本集團會將售後回租安排項下之應收款項撇銷。

於二零二零年十二月三十一日

Internal credit rating 內部信貸評級	12-month or lifetime ECL 12個月或全期 預期信貸虧損	Stage 級別	Average loss rate 平均損失率	Gross carrying amount 2020 二零二零年 賬面總值 HK\$'000 港幣千元	Impairment loss allowance 2020 二零二零年 減值虧損撥備 HK\$'000 港幣千元
A3 to Aaa A3至Aaa	12-month ECL 12個月預期信貸虧損	Stage 1 第一級	0.05%	691,760	(320)
B3 to Baa1 B3至Baa1	12-month ECL 12個月預期信貸虧損	Stage 1 第一級	0.30%	671,252	(2,017)
C to Caa1 C至Caa1	12-month ECL 12個月預期信貸虧損	Stage 1 第一級	3.16%	20,418	(644)
				1,383,430	(2,981)
Credit impaired 信貸減值		Stage 3 第三級		19,451	(19,451)
				1,402,881	(22,432)

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(b) Credit risk (Continued)

(iii) Impairment of financial assets (Continued)

Receivables under sale and leaseback
arrangements (Continued)

As at 31 December 2019

Internal credit rating	12-month or lifetime ECL	Stage	Average loss rate	Gross carrying amount 2019 二零一九年 賬面總值 HK\$'000 港幣千元	Impairment loss allowance 2019 二零一九年 減值虧損撥備 HK\$'000 港幣千元
內部信貸評級	12個月或全期 預期信貸虧損	級別	平均損失率		
A3 to Aaa	12-month ECL	Stage 1	0.07%	970,397	(690)
A3至Aaa	12個月預期信貸虧損	第一級			
B3 to Baa1	12-month ECL	Stage 1	2.50%	319,830	(8,006)
B3至Baa1	12個月預期信貸虧損	第一級			
				1,290,227	(8,696)
Credit impaired		Stage 3		50,557	(40,892)
信貸減值		第三級			
				1,340,784	(49,588)

During the years ended 31 December 2020 and 2019, there is no movement between stage 1, stage 2 and stage 3.

During the year, there was a reversal of impairment provision on receivables under sale and leaseback arrangements of HK\$5,887,000 (2019: HK\$1,811,000) recognised in profit or loss.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(iii) 金融資產減值(續)

售後回租安排項下之應收款項(續)

於二零一九年十二月三十一日

Gross carrying amount 2019 二零一九年 賬面總值 HK\$'000 港幣千元	Impairment loss allowance 2019 二零一九年 減值虧損撥備 HK\$'000 港幣千元
970,397	(690)
319,830	(8,006)
1,290,227	(8,696)
50,557	(40,892)
1,340,784	(49,588)

截至二零二零年及二零一九年十二月三十一日止年度，第一級、第二級和第三級並沒有變動。

年內，於損益確認撥回售後租回安排項下應收款項減值撥備港幣5,887,000元(二零一九年：港幣1,811,000元)。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(b) Credit risk (Continued)

(iii) Impairment of financial assets (Continued)

Trade receivables

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

Given the track record of regular repayment of trade receivables and good credit profiles of customers, the Directors are of the opinion that the risk of default by these customers is not significant, taking into account forward-looking information on macroeconomic factors. Therefore, expected credit loss rate of trade receivables is assessed to be insignificant.

Debt instruments at FVOCI

All of the Group's debt investments at FVOCI are considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12-month expected losses. Management consider "low credit risk" for listed bonds to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk where they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

(c) Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents and credit facilities deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

3 財務風險管理(續)

3.1 財務風險因素(續)

(b) 信貸風險(續)

(iii) 金融資產減值(續)

應收貿易賬款

本集團應用香港財務報告準則第9號簡化方法計量預期信貸虧損，就所有應收貿易賬款使用全期預期虧損撥備。

鑒於定期償還應收貿易賬款的往績記錄及客戶的良好信貸記錄，經考慮有關宏觀經濟因素的前瞻性資料，董事認為該等客戶的違約風險並不重大。因此，應收貿易賬款的預期信貸虧損率被評估為不重大。

透過其他全面收益按公允值處理之債務工具

本集團所有透過其他全面收益按公允值處理之債務投資均被視為信貸風險較低，因此於期內確認的虧損撥備僅限於12個月預期虧損。管理層認為上市債券的「低信貸風險」為至少有一家主要評級機構的投資級信貸評級。其他工具在違約風險較低及發行人在短期內具有較強的履行合約現金流量義務的能力時被視為低信貸風險。

(c) 流動資金風險

在管理流動資金風險時，本集團監察及維持管理層認為合適之現金及現金等值項目及信貸融資水平，以便為本集團業務提供資金，並減低現金流量波動之影響。管理層監察銀行借款之動用情況及確保遵守貸款契約。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(c) Liquidity risk (Continued)

The following table discloses the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest dates on which the Group can be required to pay. Specifically, bank borrowings with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates. The table includes both interest and principal cash flows. To the extent that interest flows are floating rates, the undiscounted amount is derived from weighted average interest rate at the end of reporting period.

		Weighted average interest rate 加權 平均利率 %	On demand or less than 3 months 按要求時或 不足三個月 HK\$'000 港幣千元	3 months to 1 year 三個月 至一年 HK\$'000 港幣千元	1 – 5 years 一年 至五年 HK\$'000 港幣千元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 港幣千元	Carrying amount 賬面值 HK\$'000 港幣千元
Non-derivative finance liabilities	非衍生金融負債						
Other payables	其他應付款項	–	4,880	13,231	–	18,111	18,111
Security deposits	保證按金	5.00	–	5,952	6,250	12,202	11,904
Lease liabilities	租賃負債	4.32	586	1,369	–	1,955	1,917
Secured bank borrowings	已抵押銀行借款	4.36	95,904	55,942	156,132	307,978	290,303
As at 31 December 2020	於二零二零年 十二月三十一日		101,370	76,494	162,382	340,246	322,235

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動資金風險(續)

下表披露本集團非衍生金融負債之餘下合約到期日。此表乃根據本集團於可被要求償還金融負債之最早日期之未貼現現金流量編製。具體而言，不論銀行是否有可能選擇行使其權利，具有須按要求償還條款之銀行借款均計入最早時間範圍。其他非衍生金融負債之到期日則為議定還款日期。此表包括利息及本金現金流量。倘利息流量為浮動利率，則未貼現金額按報告期結束時之加權平均利率計算。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(c) Liquidity risk (Continued)

		Weighted average interest rate 加權 平均利率 %	On demand or less than 3 months 按要求時或 不足三個月 HK\$'000 港幣千元	3 months to 1 year 三個月 至一年 HK\$'000 港幣千元	1 – 5 years 一年 至五年 HK\$'000 港幣千元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 港幣千元	Carrying amount 賬面值 HK\$'000 港幣千元
Non-derivative finance liabilities	非衍生金融負債						
Other payables	其他應付款項	–	8,245	207	–	8,452	8,452
Security deposits	保證按金	5.00	15,281	5,618	8,848	29,747	29,326
Lease liabilities	租賃負債	4.25	586	1,760	1,955	4,301	4,128
Secured bank borrowings	已抵押銀行借款	5.21	183,793	127,198	181,711	492,702	465,557
As at 31 December 2019	於二零一九年 十二月三十一日		207,905	134,783	192,514	535,202	507,463

Bank borrowings with a repayment on demand clause are included in the “on demand or less than 3 months” time band in the above maturity analysis. As at 31 December 2020 and 2019, the aggregate principal amounts of these bank borrowings amounted to HK\$78,170,000 and HK\$150,950,000 respectively. Taking into account the Group’s financial position, the Directors believe that it is probable that the banks will not exercise their discretionary rights to demand immediate repayment. The Directors believe that these bank borrowings will be repaid in accordance with the scheduled repayment dates set out in the loan agreements.

附有須按要求償還條款之銀行借款在上述到期日分析計入「按要求時或不足三個月」之時間範圍內。於二零二零年及二零一九年十二月三十一日，該等銀行借款之本金總額分別合共為港幣78,170,000元及港幣150,950,000元。計及本集團之財務狀況後，董事相信銀行不會行使其要求即時還款之酌情權。董事相信，該等銀行借款將根據貸款協議所載議定還款日期償還。

3 FINANCE RISK MANAGEMENT (Continued)

3.1 Finance risk factors (Continued)

(c) Liquidity risk (Continued)

The following table details the Group's aggregate principal and interest cash outflows for bank borrowings (with a repayment on demand clause) based on scheduled repayments. To the extent that interest flows are floating rate, the undiscounted amount is derived from weighted average interest rate at the end of reporting period.

		Weighted average					Total	
		interest	Less than	3 months	1 - 5	Over	contractual	Carrying
		rate	3 months	to 1 year	years	5 years	cash flows	amount
		加權	不足	三個月	一年		合約現金	
		平均利率	三個月	至一年	至五年	五年以上	流量總額	賬面值
		%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Secured bank borrowings with repayment on demand clause	附有須按要求償還條款之已抵押銀行借款							
As at 31 December 2020	於二零二零年十二月三十一日	2.61	71,701	2,274	5,520	-	79,495	78,170
As at 31 December 2019	於二零一九年十二月三十一日	4.85	144,246	2,419	8,978	-	155,643	150,950

3.2 Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders, to support the Group's stability and growth, and to strengthen the Group's financial management capability. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

3 財務風險管理(續)

3.1 財務風險因素(續)

(c) 流動資金風險(續)

下表詳列本集團附有基於還款時間表(須按要求償還條款)之銀行借款本金及利息現金流出總額。倘利率為浮動利率，則未貼現金額按報告期結束時之加權平均利率計算。

3.2 資本風險管理

本集團管理其資本以確保本集團內各實體將能夠按持續經營基準營運，同時為股東爭取最大回報，以維持本集團之穩定及增長，並加強本集團之財務管理能力。為保持及調整資本架構，本集團或會調整派付予股東的股息額、返回資本予股東、發行新股份或出售資產以削減債項。

3 FINANCE RISK MANAGEMENT (Continued)

3.2 Capital risk management (Continued)

The Directors review the capital structure regularly and manage its capital structure to ensure an optimal capital structure and shareholders' returns, taking into consideration the future capital requirements of the Group, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. The Directors monitor capital mainly using gearing ratio and current ratio. These ratios as at 31 December 2020 and 2019 were as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Total borrowings	總借款	290,303	465,557
Total equity (Note i)	總權益(附註i)	1,763,989	1,743,498
Gearing ratio (%) (Note ii)	資產負債比率(%) (附註ii)	16	27
Current assets	流動資產	1,118,873	1,134,802
Current liabilities	流動負債	244,537	371,651
Current ratio (%)	流動比率(%)	458	305

The Directors considered that the Group maintained healthy capital as at 31 December 2020 and 2019 as the Group has excess of current assets over current liabilities.

Notes:

- (i) Total equity equals to all capital and reserves of the Group including non-controlling interests.
- (ii) Gearing ratio equals total interesting bearing borrowings divided by total equity and multiplied by 100%.

3 財務風險管理(續)

3.2 資本風險管理(續)

董事經計及本集團日後資金需求、預期營運現金流量、預期資本開支及預期策略投資機會，定期檢討資本架構及管理其資本架構，以確保維持最理想之資本架構及股東回報。董事主要透過資產負債比率及流動比率監控資金。於二零二零年及二零一九年十二月三十一日，該等比率如下：

	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Total borrowings	290,303	465,557
Total equity (Note i)	1,763,989	1,743,498
Gearing ratio (%) (Note ii)	16	27
Current assets	1,118,873	1,134,802
Current liabilities	244,537	371,651
Current ratio (%)	458	305

董事認為，由於本集團之流動資產超逾流動負債，本集團於二零二零年及二零一九年十二月三十一日維持穩健資本。

附註：

- (i) 總權益相等於本集團所有股本及儲備，包括非控股權益。
- (ii) 資產負債比率相等於計息借款總額除以總權益再乘以100%。

3 FINANCE RISK MANAGEMENT (Continued)

3.3 Fair value estimation

(a) Financial assets and liabilities

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

The Group's financial assets that are measured at fair values at 31 December 2020:

3 財務風險管理(續)

3.3 公允值估算

(a) 金融資產及負債

(i) 公允值架構

本節闡釋於釐定綜合財務報告中按公允值確認及計量的金融工具的公允值時所作的判斷及估計。為說明用於釐定公允值輸入數據的可靠性，本集團已將其金融工具分類為會計準則下規定的三個級別。各級別的闡釋如下表所示。

於二零二零年十二月三十一日本集團以公允值計量之金融資產：

		Level 1 第一級 HK\$'000 港幣千元	Level 2 第二級 HK\$'000 港幣千元	Level 3 第三級 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Financial assets	金融資產				
Financial assets at FVPL	透過損益賬按公允 值處理之金融 資產	2,847	—	—	2,847
Debt instruments at FVOCI	透過其他全面收益 按公允值處理之 債務工具	15,886	—	—	15,886
		18,733	—	—	18,733

3 FINANCE RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

(a) Financial assets and liabilities (Continued)

(i) Fair value hierarchy (Continued)

The Group's financial assets that are measured at fair values at 31 December 2019:

		Level 1 第一級 HK\$'000 港幣千元	Level 2 第二級 HK\$'000 港幣千元	Level 3 第三級 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Financial assets	金融資產				
Financial assets at FVPL	透過損益賬按公允 值處理之金融 資產	2,575	–	–	2,575
Debt instruments at FVOCI	透過其他全面收益 按公允值處理之 債務工具	31,676	–	–	31,676
		34,251	–	–	34,251

There were no transfers between levels 1, 2 and 3 during the year ended 31 December 2020 (2019: Nil).

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

3 財務風險管理(續)

3.3 公允值估算(續)

(a) 金融資產及負債(續)

(i) 公允值架構(續)

於二零一九年十二月三十一日本集團以公允值計量之金融資產：

截至二零二零年十二月三十一日止年度第一級、第二級及第三級之間概無轉讓(二零一九年：無)。

本集團的政策是確認於報告期末公允值架構級別之間發生的轉入及轉出。

3 FINANCE RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

(a) Financial assets and liabilities (Continued)

(i) Fair value hierarchy (Continued)

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded debt, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

3 財務風險管理(續)

3.3 公允值估算(續)

(a) 金融資產及負債(續)

(i) 公允值架構(續)

第一級：活躍市場(如公開買賣債務及股本證券)買賣的金融工具的公允值按報告期末的市場報價列賬。本集團持有的金融資產所用的市場報價為當時買盤價。該等工具列入第一級。

第二級：並非於活躍市場買賣的金融工具的公允值採用估值技術釐定，該等估值技術盡量利用可觀察市場數據而盡可能少依賴實體的特定估計。倘計算工具公允值所需全部重大輸入數據均為可觀察數據，則該工具列入第二級。

3 FINANCE RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

(a) Financial assets and liabilities (Continued)

(i) Fair value hierarchy (Continued)

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity instruments.

(ii) Valuation techniques used to determine fair values

In relation with debt instruments at FVOCI and financial assets at FVPL, the fair values are determined by using quoted market prices. In relation with equity instrument at FVOCI, the fair value was determined by income approach. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(iii) Valuation inputs and relationship to fair value

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

3 財務風險管理(續)

3.3 公允值估算(續)

(a) 金融資產及負債(續)

(i) 公允值架構(續)

第三級：如一項或多項重大輸入數據並非根據可觀察市場數據得出，則該工具列入第三級。非上市股權工具即屬此情況。

(ii) 釐定公允值所用估值技術

就透過其他全面收益按公允值處理之債務工具及透過損益賬按公允值處理之金融資產而言，公允值採用市場報價釐定。就透過其他全面收益按公允值處理之股權工具而言，公允值採用收入法釐定。本集團持續就所作估計及相關假設作出評估。會計估計之修訂如只影響當期，則有關會計估計修訂於當期確認。如該項會計估計之修訂影響當期及往後期間，則有關修訂於當期及往後期間確認。

(iii) 估值輸入數據及與公允值之關係

本集團部分金融資產按各報告期末之公允值計量。下表列示有關如何釐定該等金融資產公允值(尤其是所使用之估值技術及輸入數據)之資料，以及公允值計量所屬公允值架構級別(第一級至第三級)(根據公允值計量輸入數據可觀察程度分類)。

3 FINANCE RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

(a) Financial assets and liabilities (Continued)

(iii) Valuation inputs and relationship to fair value (Continued)

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique and key inputs	Relationship of unobservable inputs to fair value
金融資產	公允值		公允值架構	估值技術及主要輸入數據	無法觀察輸入數據與公允值之關係
	31 December 2020 於二零二零年十二月三十一日	31 December 2019 於二零一九年十二月三十一日			
Financial assets at FVPL 透過損益賬按公允值處理之金融資產	Listed equity securities: - in Hong Kong: HK\$2,847,000 上市股本證券： - 於香港： 港幣2,847,000元	Listed equity securities: - in Hong Kong: HK\$2,575,000 上市股本證券： - 於香港： 港幣2,575,000元	Level 1 第一級	Quoted bid prices in an active market 活躍市場所報之買入價	N/A 不適用
Debt instruments at FVOCI 透過其他全面收益按公允值處理之債務工具	Listed bonds: - in Hong Kong: HK\$15,886,000 上市債券： - 於香港： 港幣15,886,000元	Listed bonds: - in Hong Kong: HK\$31,676,000 上市債券： - 於香港： 港幣31,676,000元	Level 1 第一級	Quoted bid prices in an active market 活躍市場所報之買入價	N/A 不適用

3 財務風險管理(續)

3.3 公允值估算(續)

(a) 金融資產及負債(續)

(iii) 估值輸入數據及與公允值之關係(續)

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of consolidated financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group's accounting policies.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

(a) Expected credit loss allowance of receivables under sale and leaseback arrangements

The provision for expected credit losses of receivables under sale and leaseback arrangements is based on assumptions about risk of default and expected loss rates. The impairment loss recognised or reversed is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows with the consideration of expected future credit loss of the respective financial instrument.

The Group applies a three-stage impairment model to calculate the expected credit losses and the impairment model that involved significant judgement and assumption from the management. In determining the credit risk stage of each borrower, the Group takes into consideration the credit profiles, historical repayment patterns, publicly available information of these borrowers, reports from independent credit rating agencies and forward looking factors such as market conditions and economic growth. The Group measures expected credit losses based on individual assessment of each borrower, after considering their credit profile with reference to credit ratings assigned by independent credit-rating agencies. Judgement is required to determine whether a borrower experienced significant increase in credit risk.

4 主要會計估計及判斷

編製綜合財務報告須使用會計估計，根據定義，該等估計很少等於實際結果。管理層亦需對應用本集團會計政策作出判斷。

估計及判斷獲持續評估。其乃基於歷史經驗及其他因素，包括可能對本集團造成財務影響及於有關情況下，認為屬合理之對未來事件之預期。

(a) 售後回租安排項下之應收款項的預期信貸虧損撥備

售後回租安排項下之應收款項的預期信貸虧損撥備乃基於有關違約風險及預期損失率的假設作出。減值虧損確認或撥回在考慮到相關金融工具的預期未來信貸虧損按資產賬面值與預計未來現金流現值的差額計算。

本集團採用三階段減值模型計算其預期信貸虧損，且減值模型涉及管理層作出的重大判斷及假設。在確定各借款人的信貸風險階段時，本集團考慮該等借款人的信貸結構、歷史還款模式、該等借款人的公開可得資料、獨立信貸評級機構的報告以及市場狀況及經濟增長等前瞻性因素。本集團經考慮各借款人的信貸結構，基於各借款人的個別評估，參照獨立信貸評級機構的信貸評級來計量預期信貸虧損。本集團須於確定借款人的信貸風險是否顯著增加時作出判斷。

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(b) Impairment of goodwill

The Group tests whether goodwill has suffered any impairment on an annual basis. For the years ended 31 December 2020 and 2019, the recoverable amount of cash-generating units ("CGUs") was determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period.

Details of impairment charge, key assumptions and impact of possible changes in key assumptions are disclosed in Note 18.

(c) Income taxes and deferred income tax

Significant judgements are required in determining the provision for income tax. There are many transactions and calculations for which the ultimate 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 difference will impact the income tax and deferred income tax provision in the period in which such determination is made.

Deferred income tax assets relating to certain temporary differences are recognised when management considers to be probable that future taxable profit will be available against which the temporary differences can be utilised. The outcome of their actual utilisation may be different.

4 主要會計估計及判斷(續)

(b) 商譽減值

本集團每年測試商譽是否遭受任何減值。於截至二零二零年及二零一九年十二月三十一日止年度，現金產生單位(「現金產生單位」)的可收回金額乃根據需要使用假設的使用價值計算釐定。計算使用基於管理層批准的五年期財務預算的現金流量預測。

減值費用、主要假設及主要假設可能變動的影響詳情於附註18披露。

(c) 所得稅及遞延所得稅

釐定所得稅撥備時需要作出重大判斷。在日常業務過程中有諸多交易及計算的最終釐定乃具不確定性。倘該等事宜的最終稅務結果有別於初始記錄的金額，該等差額將影響作出有關決定期間的所得稅及遞延所得稅撥備。

有關若干暫時差額的遞延所得稅資產於管理層認為未來應課稅溢利可能用於抵銷可動用的暫時差額時予以確認。彼等的實際動用結果可能不同。

5 SEGMENT INFORMATION

Information reported to the Managing Director, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and assessment of segment performance focuses on types of services provided. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

The Group is currently organised into four operating divisions: sale and leaseback arrangements services, property leasing services, assets management and consultancy services and supply chain management services.

Sale and leaseback arrangements service is engaging in collateral financing activities. Property leasing service is engaging in rental of properties. Assets management and consultancy service is engaging in the provision of referral and corporate financial advisory services. Supply chain management service is engaging in the provision of logistic and agency services.

Segment results represent the profit or loss of each segment without allocation of central administration costs, gain on disposal of debt instruments at FVOCI, reversal for impairment losses in debt instruments at FVOCI, changes in fair value of financial assets at FVPL, finance costs, and share of profit of associates. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

5 分部資料

向董事總經理(即主要經營決策者(「主要經營決策者」))呈報以供進行資源分配及分部表現評估之資料著重於提供的服務類別。在確定本集團的呈報分部時，主要經營決策者識別的經營分部並未合併計算。

本集團現時分為四個經營分部：售後回租安排服務、物業租賃服務、資產管理及諮詢服務以及供應鏈管理服務。

售後回租安排服務從事抵押融資活動。物業租賃服務從事物業租賃。資產管理及諮詢服務從事提供轉介和企業的財務諮詢服務。供應鏈管理服務從事提供物流及代理服務。

分部業績指各分部之溢利或虧損，當中並無分配中央行政成本、出售透過其他全面收益按公允值處理之債務工具之收益、透過其他全面收益按公允值處理之債務工具減值虧損撥回、透過損益賬按公允值處理之金融資產之公允值變動、融資成本及應佔聯營公司之溢利。此乃就資源分配及表現評估而向主要經營決策者呈報之計量方法。

5 SEGMENT INFORMATION (Continued)

The following is an analysis of the Group's revenue and results by operating and reportable segments. Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current and prior years.

5 分部資料(續)

下列為本集團按經營及須呈報分部劃分之收益及業績分析。上述呈報之分部收益均來自外界客戶。於本年度及過往年度並無分部之間的銷售。

		Sale and leaseback arrangements services 售後回租 安排服務 HK\$'000 港幣千元	Property leasing services 物業 租賃服務 HK\$'000 港幣千元	Assets management and consultancy services 資產管理及 諮詢服務 HK\$'000 港幣千元	Supply chain management services 供應鏈 管理服務 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
During the year ended 31 December 2020	截至二零二零年 十二月三十一日 止年度					
Revenue under sale and leaseback arrangements	售後回租安排 項下之收益	78,691	-	-	-	78,691
Revenue from supply chain management services	來自供應鏈管理 服務之收益	-	-	-	4,634	4,634
Property leasing income	物業租賃收入	-	339	-	-	339
Consultancy service income	諮詢服務收入	-	-	1,054	660	1,714
Segment revenue	分部收益	78,691	339	1,054	5,294	85,378
Segment results	分部業績	65,976	(970)	(5,259)	2,431	62,178

5 SEGMENT INFORMATION (Continued)

5 分部資料(續)

		Sale and leaseback arrangements services 售後回租 安排服務 HK\$'000 港幣千元	Property leasing services 物業 租賃服務 HK\$'000 港幣千元	Assets management and consultancy services 資產管理及 諮詢服務 HK\$'000 港幣千元 (Restated) (經重列)	Supply chain management services 供應鏈 管理服務 HK\$'000 港幣千元 (Restated) (經重列)	Total 總計 HK\$'000 港幣千元
During the year ended 31 December 2019	截至二零一九年 十二月三十一日 止年度					
Revenue under sale and leaseback arrangements	售後回租安排 項下之收益	71,568	—	—	—	71,568
Entrusted loan payment interest income	委託貸款款項利息 收入	33	—	—	—	33
Property leasing income	物業租賃收入	—	573	—	—	573
Consultancy service income	諮詢服務收入					
– recognised point in time	– 於某一時間點 確認	—	—	4,812	—	4,812
– recognised over time	– 隨時間確認	—	—	—	716	716
Segment revenue	分部收益	71,601	573	4,812	716	77,702
Segment results	分部業績	48,331	2,065	(305)	(2,070)	48,021

5 SEGMENT INFORMATION (Continued)

5 分部資料(續)

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Segment results	分部業績	62,178	48,021
Unallocated	未分配		
Central administration costs	中央行政成本	(29,648)	(36,422)
Changes in fair value of financial assets at FVPL	透過損益賬按公允值處理之金融資產之公允值變動	272	204
Gain on disposal of debt instruments at FVOCI	出售透過其他全面收益按公允值處理之債務工具之收益	29	1,022
Other income (Note)	其他收入(附註)	2,711	5,885
Reversal for impairment losses in debt instruments at FVOCI	透過其他全面收益按公允值處理之債務工具之減值虧損撥回	29	76
Finance costs	融資成本	(1,676)	(5,987)
Share of profit of associates	應佔聯營公司之溢利	1,258	2,614
Profit before tax	除稅前溢利	35,153	15,413

Note:

Unallocated other income represents interest income from debt instruments at FVOCI and bank deposits held by investment holding companies and government grant received from the Government of the Hong Kong Special Administrative Region under the Employment Support Scheme.

附註：

未分配其他收入指透過其他全面收益按公允值處理之債務工具之利息收入及投資控股公司所持銀行存款以及根據「保就業」計劃自香港特別行政區政府收取之政府補貼。

5 SEGMENT INFORMATION (Continued)

The following is an analysis of the Group's assets and liabilities by operating and reportable segment:

5 分部資料(續)

以下為按經營分部及須呈報分部劃分之
本集團資產及負債分析：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元 (Restated) (經重列)
Segment assets	分部資產		
Sale and leaseback arrangements services	售後回租安排服務	1,576,469	1,553,347
Supply chain management services	供應鏈管理服務	274,395	227,871
Property leasing services	物業租賃服務	24,718	36,313
Assets management and consultancy services	資產管理及諮詢服務	71,175	86,350
Total segment assets	分部資產總額	1,946,757	1,903,881
Interest in associates	於聯營公司之權益	91,362	88,361
Debt instruments at FVOCI	透過其他全面收益按公允值處理之 債務工具	15,886	31,676
Financial assets at FVPL	透過損益賬按公允值處理之金融 資產	2,847	2,575
Term deposits with initial term over three months	初始期限超過三個月的定期存款	—	94,382
Other unallocated assets	其他未分配資產	104,621	173,157
Consolidated assets	綜合資產	2,161,473	2,294,032

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元 (Restated) (經重列)
Segment liabilities	分部負債		
Sale and leaseback arrangements services	售後回租安排服務	292,052	389,207
Supply chain management services	供應鏈管理服務	19,223	529
Property leasing services	物業租賃服務	224	60
Assets management and consultancy services	資產管理及諮詢服務	1,395	23
Total segment liabilities	分部負債總額	312,894	389,819
Unallocated secured bank borrowings	未分配已抵押銀行借款	78,170	150,950
Other unallocated liabilities	其他未分配負債	6,420	9,765
Consolidated liabilities	綜合負債	397,484	550,534

5 SEGMENT INFORMATION (Continued)

For the purpose of monitoring segment performances and allocating resources between segments:

- all assets are allocated to reportable segments other than interest in associates, debt instruments at FVOCI, financial assets at FVPL, term deposits with initial term over three months and other unallocated assets (including primarily unallocated property, plant and equipment, cash and cash equivalents and prepayments).
- all liabilities are allocated to reportable segments other than unallocated secured bank borrowings not for sale and leaseback arrangements services and other unallocated liabilities.

Other segment information

For the year ended 31 December 2020

5 分部資料(續)

為監察分部表現及於分部之間分配資源：

- 所有資產均分配予須呈報分部，不包括於聯營公司之權益、透過其他全面收益按公允值處理之債務工具、透過損益賬按公允值處理之金融資產、初始期限超過三個月的定期存款及其他未分配資產(主要包括未分配物業、廠房及設備、現金及現金等值項目以及預付款項)。
- 所有負債均分配予須呈報分部，不包括不屬售後回租安排服務之未分配已抵押銀行借款及其他未分配負債。

其他分部資料

截至二零二零年十二月三十一日止年度

		Assets					
		Sale and leaseback arrangements services	Property leasing services	management and consultancy services	Supply chain management services	Unallocated	Total
		售後回租安排服務	物業租賃服務	資產管理及諮詢服務	供應鏈管理服務	未分配	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Additions to non-current assets (Note)	非流動資產之增加(附註)	32	-	-	-	14	46
Depreciation of property, plant and equipment	物業、廠房及設備折舊	334	87	163	386	1,150	2,120
Amortisation charge on intangible asset	無形資產攤銷費用	-	-	-	2,956	-	2,956
Interest income from bank deposits, term deposits with initial term over three months and debt instruments at FVOCI	銀行存款、初始期限超過三個月的定期存款及透過其他全面收益按公允值處理之債務工具之利息收入	1,719	-	1,433	5,869	1,615	10,636
Impairment loss reversed on receivables under sale and leaseback arrangements, net	售後回租安排項下應收款項之減值虧損撥回淨額	5,887	-	-	-	-	5,887
Impairment loss reversed on debt instruments at FVOCI	透過其他全面收益按公允值處理之債務工具之減值虧損撥回	-	-	-	-	29	29

5 SEGMENT INFORMATION (Continued)

Other segment information (Continued)

For the year ended 31 December 2019

5 分部資料(續)

其他分部資料(續)

截至二零一九年十二月三十一日止年度

		Sale and leaseback arrangements services 售後回租 安排服務 HK\$'000 港幣千元	Property leasing services 物業 租賃服務 HK\$'000 港幣千元	Assets management and consultancy services 資產管理及 諮詢服務 HK\$'000 港幣千元 (Restated) (經重列)	Supply chain management services 供應鏈 管理服務 HK\$'000 港幣千元 (Restated) (經重列)	Unallocated 未分配 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Additions to non-current assets (Note)	非流動資產之增加 (附註)	-	257	3,314	208	78	3,857
Depreciation of property, plant and equipment	物業、廠房及設備 折舊	890	362	86	447	128	1,913
Amortisation charge on intangible asset	無形資產攤銷費用	-	-	-	1,259	-	1,259
Interest income from bank deposits, term deposits with initial term over three months and debt instruments at FVOCI	銀行存款、初始期限 超過三個月的定期 存款及透過其他 全面收益按公允值 處理之債務工具之 利息收入	8,363	-	1,260	4,515	5,830	19,968
Impairment loss reversed on receivables under sale and leaseback arrangements, net	售後回租安排項下 應收款項之減值 虧損撥回淨額	1,811	-	-	-	-	1,811
Impairment loss reversed on debt instruments at FVOCI	透過其他全面收益 按公允值處理之 債務工具之減值 虧損撥回	-	-	-	-	76	76

Note: Non-current assets exclude goodwill, interest in associates, financial assets, deferred tax assets and right-of-use assets.

附註：非流動資產不包括商譽、於聯營公司之權益、金融資產、遞延稅項資產以及使用權資產。

5 SEGMENT INFORMATION (Continued)

Geographical information

The Group operates in two principal geographical areas – the Mainland China and Hong Kong.

The Group's revenue from external customers by location of the relevant subsidiary's operations and information about its non-current assets by location of assets are detailed below:

		Revenue from external customers 來自外界客戶之收益		Non-current assets (Note) 非流動資產(附註)	
		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Mainland China	中國內地	84,756	77,470	19,702	60,122
Hong Kong	香港	622	232	38,902	41,125
		85,378	77,702	58,604	101,247

Note: Non-current assets exclude goodwill, interest in associates, financial assets, deferred tax assets and right-of-use assets.

5 分部資料(續)

地區資料

本集團業務位於兩個主要地區 – 中國內地及香港。

本集團按相關附屬公司之經營地點劃分來自外界客戶之收益，及按資產所處位置劃分其非流動資產之資料詳述如下：

附註：非流動資產不包括商譽、於聯營公司之權益、金融資產、遞延稅項資產以及使用權資產。

Information about major customers

Revenue from customers contributing over 10% of the total revenue of the Group under reportable segments of sale and leaseback arrangements services for the corresponding years are as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Customer A	客戶A	32,434	16,910
Customer B	客戶B	15,965	21,951
Customer C	客戶C	11,796	11,946
Customer D	客戶D	8,638	8,941
Customer E	客戶E	(Note)(附註)	8,605

Note: The corresponding revenue did not contribute over 10% of the total revenue of the Group.

有關主要客戶之資料

以下為於相應年度根據售後回租安排服務之須呈報分部，對本集團總收益貢獻10%以上之客戶：

附註：相應收益概無對本集團總收益貢獻10%以上。

6 OTHER INCOME

6 其他收入

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Interest income	利息收入		
– bank deposits	– 銀行存款	4,053	4,298
– term deposits with initial term over three months	– 初始期限超過三個月的定期存款	5,603	12,878
– debt instruments at FVOCI	– 透過其他全面收益按公允值處理之債務工具	980	2,792
		10,636	19,968
Government grant (Note)	政府補貼(附註)	1,309	852
Others	其他	443	371
		12,388	21,191

Note: During the year, government grant included HK\$918,000 received from the Government of the Hong Kong Special Administrative Region under the Employment Support Scheme. The remaining subsidies and awards of HK\$391,000 (2019: HK\$852,000) received from the relevant authorities in the PRC which is an incentive payment to the Group whereby no future related cost is required or expected to be made.

附註：年內，政府補貼包括根據「保就業」計劃自香港特別行政區政府收取港幣918,000元。其餘為自中國有關部門取得之補貼及獎勵港幣391,000元(二零一九年：港幣852,000元)，為向本集團支付之激勵金，毋須且預計不會就此產生任何未來相關成本。

7 OTHER GAINS, NET

7 其他收益淨額

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Gain on disposal of debt instruments at FVOCI	出售透過其他全面收益按公允值處理之債務工具之收益	29	1,022
Loss on disposal of property, plant and equipment and intangible asset, net	出售物業、廠房及設備以及無形資產之虧損淨額	(10)	(5)
Recovery of receivables under sale and leaseback arrangements previously written-off	收回先前核銷的售後回租安排項下之應收款項	13,715	–
Others	其他	–	77
		13,734	1,094

8 EXPENSES BY NATURE

8 按性質劃分之開支

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Cost of sale and leaseback arrangements and consultancy services (Note)	售後回租安排及諮詢服務成本 (附註)	11,618	19,305
Auditor's remuneration	核數師薪酬		
– Audit services	– 審計服務	1,200	1,200
– Non-audit services	– 非審計服務	710	810
Employee benefit expenses (Note 9)	僱員福利開支(附註9)	40,888	36,814
Depreciation of property, plant and equipment (Note 15)	物業、廠房及設備折舊(附註15)	2,120	1,913
Depreciation of right-of-use assets (Note 16)	使用權資產折舊(附註16)	3,403	2,834
Amortisation of intangible assets (Note 18)	無形資產攤銷(附註18)	2,956	1,259
Legal and professional fees	法律及專業費用	3,339	4,310
Management fees charged by Shougang Holding (Note 35)	首鋼控股收取的管理費(附註35)	2,880	2,880
Short term lease expenses	短期租賃費用	821	1,297
Insurance	保險	497	650
Annual listing fees	年度上市費用	554	634
Building and management fees	樓宇及管理費	476	536
Printing and stationery	印刷及文具	293	516
Exchange loss, net	匯兌虧損淨額	125	393
Office expenses	辦公室開支	2,729	2,097
Others	其他	6,508	8,244
Total (including cost of sale and leaseback arrangements and consultancy services and selling and administrative expenses)	總額(包括售後回租安排及諮詢服務成本、出售開支及行政開支)	81,117	85,692

Note: During the year, cost of sale and leaseback arrangements and consultancy services included HK\$10,192,000 (2019:HK\$19,305,000) interest on bank borrowings (Note 11).

附註：年內，售後回租安排及諮詢服務成本包括銀行借款利息港幣10,192,000元(二零一九年：港幣19,305,000元)(附註11)。

9 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENT)

9 僱員福利開支(包括董事薪酬)

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Wages, salaries and other benefits	工資、薪金及其他福利	39,210	34,641
Directors' fee	董事袍金	1,005	1,543
Retirement benefit scheme contributions	退休福利計劃供款	673	630
Total employee benefit expenses	僱員福利開支總額	40,888	36,814

Five highest paid individuals

The five highest paid employees of the Group during the year included three directors (2019: three directors), details of whose remuneration are set out in the disclosures above. Details of the remuneration for the year of the remaining two (2019: two) highest paid employees who are neither a director nor chief executive of the Company are as follows:

五名最高薪人士

年內，本集團五名最高薪僱員包括三名董事(二零一九年：三名董事)，有關彼等酬金詳情於上文披露。於本年度內，最高薪僱員中的餘下兩名人士(二零一九年：兩名)並非本公司董事或最高行政人員，有關酬金詳情如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Wages, salaries and other benefits	工資、薪金及其他福利	2,455	2,454
Retirement benefit schemes contributions	退休福利計劃供款	36	84
		2,491	2,538

9 EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENT) (Continued)

Five highest paid individuals (Continued)

The number of the highest paid employees who are not the Directors and whose remuneration fell within the following bands is as follows:

		2020 二零二零年	2019 二零一九年
Nil to HK\$1,000,000	零至港幣1,000,000元	—	—
HK\$1,000,001 to HK\$1,500,000	港幣1,000,001元至港幣1,500,000元	2	2
HK\$1,500,001 to HK\$2,000,000	港幣1,500,001元至港幣2,000,000元	—	—

During the year, no remuneration was paid by the Group to the Directors of the Company or the five highest paid employees as an inducement to join or upon joining the Group or as compensation for loss of office.

9 僱員福利開支(包括董事薪酬)(續)

五名最高薪人士(續)

酬金介乎以下範圍內且並非董事之最高薪僱員人數如下：

年內，本集團並無支付任何酬金予本公司董事或五名最高薪僱員作為加入或於加入本集團後之獎勵或作為離職補償。

10 REVERSAL OF IMPAIRMENT PROVISION, NET

10 減值撥備撥回淨額

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Impairment loss reversed:	減值虧損撥回：		
– Receivables under sale and leaseback arrangements	– 售後回租安排項下應收款項	5,887	1,811
– Debt instruments at FVOCI	– 透過其他全面收益按公允值處理之債務工具	29	76
		5,916	1,887

11 FINANCE COSTS

11 融資成本

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Interest on bank borrowings	銀行借款之利息	11,733	25,064
Less: amounts included in costs of sale and leaseback arrangements	減：已計入售後回租安排成本之款項	(10,192)	(19,305)
		1,541	5,759
Interest on lease liabilities	租賃負債利息	135	228
		1,676	5,987

12 INCOME TAX EXPENSE

12 所得稅開支

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Current tax:	即期稅項：		
– Hong Kong	– 香港	5	5
– PRC	– 中國	9,115	7,107
		9,120	7,112
Deferred income tax (Note 29)	遞延所得稅(附註29)	7,839	7,718
Income tax expense	所得稅開支	16,959	14,830

12 INCOME TAX EXPENSE (Continued)

Notes:

- (a) On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profit of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.
- (b) Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for 2020 (2019: 25%).

The taxation for the year is reconciled to profit/(loss) per the consolidated statement of comprehensive income as follows:

12 所得稅開支(續)

附註：

- (a) 於二零一八年三月二十一日，香港立法會通過《二零一七年稅務(修訂)(第7號)條例草案》(「條例草案」)，引入利得稅兩級制。條例草案於二零一八年三月二十八日簽署成為法律，並於次日刊登憲報。根據利得稅兩級制，合資格集團實體首港幣2,000,000元溢利將按8.25%的稅率徵稅，及超過港幣2,000,000元的溢利將按16.5%的稅率徵稅。不符合利得稅兩級制資格的集團實體的溢利將繼續按16.5%之劃一稅率徵收稅項。
- (b) 根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，於二零二零年，中國附屬公司之稅率為25%(二零一九年：25%)。

年度稅項與依據綜合全面收益表之溢利／(虧損)對賬如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Profit before income tax	除所得稅前溢利	35,153	15,413
Tax calculated at PRC statutory income tax rate of 25%	按中國法定所得稅稅率25%計算之稅項	8,788	3,853
Tax effect of amount which are not deductible/(taxable) in calculating taxable income:	在計算應課稅收入時不可扣減／(不應課稅)金額的稅務影響：		
Share of results of an associate	佔一間聯營公司的業績	(315)	(654)
Expenses not deductible for taxation purposes	不可扣稅開支	227	791
Income not subject to taxation	毋須繳稅收入	(1,079)	(1,503)
Tax losses for which no deferred income tax was recognised	未確認遞延所得稅的稅項虧損	5,642	9,641
Effect of different tax rates of subsidiaries operating in other jurisdiction	於其他司法權區經營業務之附屬公司不同稅率之影響	2,430	2,702
Withholding tax on dividends of the PRC subsidiaries	中國附屬公司股息之預扣稅	1,266	—
Expense for the year	年度開支	16,959	14,830

13 DIVIDENDS

No dividend has been paid, declared by the Company during the year ended 31 December 2020 (2019: Nil).

13 股息

於截至二零二零年十二月三十一日止年度，本公司並未派付或宣派任何股息(二零一九年：無)。

14 EARNINGS/(LOSS) PER SHARE**(a) Basic**

The calculation of the basic and diluted earnings/(loss) per share attributable to owners of the Company is based on the following data:

14 每股盈利／(虧損)**(a) 基本**

本公司持有人應佔每股基本及攤薄盈利／(虧損)乃基於以下數據計算：

		2020 二零二零年	2019 二零一九年
Profit/(loss) attributable to owners of the Company (HK\$'000)	本公司持有人應佔溢利／(虧損) (港幣千元)	5,980	(7,921)
Weighted average number of ordinary shares (thousand)	普通股加權平均股數(千股)	3,984,640	4,001,410
Basic earnings/(loss) per share (expressed in HK cent per share)	每股基本盈利／(虧損) (每股港仙)	0.15	(0.20)

(b) Diluted

Diluted earnings/(loss) per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. No diluted earnings per share for the year ended 31 December 2020 as there was no dilutive potential ordinary share. For the year ended 31 December 2019, the computation of diluted loss per share does not assume the exercise of the Company's outstanding share option since their exercise will reduce loss per share.

(b) 攤薄

每股攤薄盈利／(虧損)乃透過調整發行在外普通股加權平均數，以假設轉換所有潛在攤薄普通股而計算。由於並無潛在攤薄普通股，故截至二零二零年十二月三十一日止年度並無每股攤薄盈利。截至二零一九年十二月三十一日止年度，計算每股攤薄虧損並無假設本公司之尚未行使購股權獲行使，原因為有關行使將導致每股虧損減少。

15 PROPERTY, PLANT AND EQUIPMENT

15 物業、廠房及設備

		Buildings 樓宇 HK\$'000 港幣千元	Leasehold improvements 租賃 物業裝修 HK\$'000 港幣千元	Motor Vehicles 汽車 HK\$'000 港幣千元	Furniture, fitting and equipment 傢俱、裝置及設備 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1 January 2019	於二零一九年一月一日					
Cost	成本	20,630	626	2,040	4,439	27,735
Accumulated depreciation	累計折舊	(5,364)	(103)	(655)	(3,974)	(10,096)
Net book amount	賬面淨值	15,266	523	1,385	465	17,639
Year ended 31 December 2019	截至二零一九年十二月三十一日止年度					
Opening net book amount	年初賬面淨值	15,266	523	1,385	465	17,639
Adjustment for change in accounting policy	對會計政策變動調整	(13,028)	–	–	–	(13,028)
Restated opening net book amount	經重列年初賬面淨值	2,238	523	1,385	465	4,611
Exchange difference	匯兌差額	72	–	(2)	(496)	(426)
Transfer from investment properties (Note)	自投資物業轉入 (附註)	19,453	–	–	–	19,453
Acquisition of a subsidiary	收購一間附屬公司	–	–	–	2,695	2,695
Addition	添置	–	254	–	700	954
Depreciation charge	折舊費用	(391)	(231)	(599)	(692)	(1,913)
Disposal	出售	–	–	–	(5)	(5)
Closing net book amount	年末賬面淨值	21,372	546	784	2,667	25,369
At 31 December 2019	於二零一九年十二月三十一日					
Cost	成本	22,299	857	2,036	6,904	32,096
Accumulated depreciation	累計折舊	(927)	(311)	(1,252)	(4,237)	(6,727)
Net book amount	賬面淨值	21,372	546	784	2,667	25,369

15 PROPERTY, PLANT AND EQUIPMENT (Continued)

15 物業、廠房及設備(續)

		Buildings	Leasehold improvements	Motor Vehicles	Furniture, fitting and equipment	Total
		樓宇	租賃物業裝修	汽車	傢俱、裝置及設備	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 January 2020	於二零二零年一月一日					
Cost	成本	22,299	857	2,036	6,904	32,096
Accumulated depreciation	累計折舊	(927)	(311)	(1,252)	(4,237)	(6,727)
Net book amount	賬面淨值	21,372	546	784	2,667	25,369
Year ended 31 December 2020	截至二零二零年十二月三十一日年度					
Opening net book amount	年初賬面淨值	21,372	546	784	2,667	25,369
Exchange difference	匯兌差額	381	—	(9)	40	412
Addition	添置	—	—	—	46	46
Depreciation charge	折舊費用	(585)	(266)	(569)	(700)	(2,120)
Disposal	出售	—	—	—	(1,336)	(1,336)
Closing net book amount	年末賬面淨值	21,168	280	206	717	22,371
At 31 December 2020	於二零二零年十二月三十一日					
Cost	成本	22,720	860	2,050	5,130	30,760
Accumulated depreciation	累計折舊	(1,552)	(580)	(1,844)	(4,413)	(8,389)
Net book amount	賬面淨值	21,168	280	206	717	22,371

Note: During the year ended 31 December 2019, a Group's commercial property unit and a residential property unit originally classified as investment properties were transferred to land and building due to the change of use. For details of valuation process prior to the change, please refer to Note 17.

附註：截至二零一九年十二月三十一日止年度，原先分類為投資物業的一項本集團商業物業單位及一項住宅物業單位因用途變更而轉撥至土地及樓宇。有關變更前的估值程序詳情，請參閱附註17。

At 31 December 2020, all of the Group's buildings are located on land in Hong Kong and Mainland China with the remaining lease terms of 40 and 30 years (2019: 41 and 31 years).

於二零二零年十二月三十一日，本集團所有樓宇均位於香港及中國內地，剩餘租期為40年及30年(二零一九年：41年及31年)。

Depreciation expense of HK\$2,120,000 (2019: HK\$1,913,000) was charged in administrative expenses.

折舊開支港幣2,120,000元(二零一九年：港幣1,913,000元)已計入行政開支內。

16 LEASES

(a) Amounts recognised in the consolidated statement of financial position

The consolidated statement of financial position shows the following amounts relating to leases:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Right-of-use assets	使用權資產		
Office premises	辦公樓	1,837	4,041
Land use right	土地使用權	37,706	36,786
		39,543	40,827
Lease liabilities	租賃負債		
Current portion	流動部分	1,917	2,211
Non-current portion	非流動部分	–	1,917
		1,917	4,128

During the year ended 31 December 2019, the land use right being part of the commercial building property amounted to HK\$23,989,000 was transferred from investment properties (Note 17).

16 租賃

(a) 於綜合財務狀況表確認之金額

綜合財務狀況表列載以下與租賃相關之金額：

	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Right-of-use assets		
辦公樓	1,837	4,041
土地使用權	37,706	36,786
	39,543	40,827
Lease liabilities		
流動部分	1,917	2,211
非流動部分	–	1,917
	1,917	4,128

截至二零一九年十二月三十一日止年度，部分商業樓宇物業的土地使用權為港幣23,989,000元已由投資物業轉出(附註17)。

16 LEASES (Continued)

(b) Amounts recognised in the consolidated statement of comprehensive income

The consolidated statement of comprehensive income shows the following amounts relating to leases:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Depreciation charge of right-of-use assets	使用權資產折舊費用		
Office premises	辦公樓	2,205	2,205
Land use right	土地使用權	1,198	629
		3,403	2,834
Interest on lease liabilities (included in finance cost)	租賃負債之利息 (計入融資成本內)	135	228
Expenses relating to short-term leases (included in administrative expenses)	短期租賃相關開支 (計入行政開支)	821	1,297

The total cash outflow for leases during the year ended 31 December 2020 was HK\$2,346,000 (2019: HK\$2,346,000).

(c) The Group's leasing activities and how these are accounted for

The Group leases various properties in Hong Kong and Mainland China. Rental contracts are typically made for fixed periods of 1 year to 2 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

16 租賃(續)

(b) 於綜合全面收益表確認的金額

綜合全面收益表列載以下與租賃相關之金額：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Depreciation charge of right-of-use assets	使用權資產折舊費用		
Office premises	辦公樓	2,205	2,205
Land use right	土地使用權	1,198	629
		3,403	2,834
Interest on lease liabilities (included in finance cost)	租賃負債之利息 (計入融資成本內)	135	228
Expenses relating to short-term leases (included in administrative expenses)	短期租賃相關開支 (計入行政開支)	821	1,297

截至二零二零年十二月三十一日止年度，租賃的現金流出總額為港幣2,346,000元(二零一九年：港幣2,346,000元)。

(c) 本集團的租賃活動以及如何進行會計處理

本集團於香港及中國內地租賃多項物業。租賃合約通常為1年至2年之固定期限。租賃條款乃按個別情況磋商並包含各種不同的條款及條件。

17 INVESTMENT PROPERTIES

17 投資物業

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
At fair value	按公允值		
At 1 January	於一月一日	24,700	66,705
Change in fair value recognised in the consolidated statement of comprehensive income	於綜合全面收益表確認之公允值變動	(1,000)	2,400
Transfer to property, plant and equipment (Note 15)	轉撥至物業、廠房及設備(附註15)	—	(19,453)
Transfer to right-of-use assets (Note 16)	轉撥至使用權資產(附註16)	—	(23,989)
Exchange differences	匯兌差額	—	(963)
At 31 December	於十二月三十一日	23,700	24,700

17 INVESTMENT PROPERTIES (Continued)

Amounts recognised in the consolidated statement of comprehensive income for investment properties:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Rental income	租金收入	339	573
Direct operating expenses from properties that generated rental income	產生租金收入物業之直接經營成本	(82)	(12)

As at 31 December 2020, the Group had no unprovided contractual obligations for future repairs and maintenance (2019: Nil).

Fair value hierarchy

The following table analyses the investment properties carried at fair value, by valuation method.

		Significant unobservable inputs (Level 3) 重大無法觀察輸入數據(第三級)	
		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Recurring fair value measurements	經常性公允值計量		
Residential property units located in Hong Kong	位於香港的住宅物業單位	23,700	24,700

There were no transfers between Level 1, 2 and 3 during the year.

17 投資物業(續)

就投資物業於綜合全面收益表確認的金額：

於二零二零年十二月三十一日，本集團並無有關未來維修及保養之未撥備合約義務(二零一九年：無)。

公允值架構

下表按估值方法分析按公允值列賬的投資物業。

於年內，第一級、第二級及第三級之間並無轉撥。

17 INVESTMENT PROPERTIES (Continued)
Fair value measurements using significant
unobservable inputs (Level 3)

17 投資物業(續)
使用重大無法觀察輸入數據之公允
值計量(第三級)

		Residential property units located in Hong Kong 位於香港的 住宅物業單位 HK\$'000 港幣千元	Commercial property units located in Mainland China 位於中國內地的 商業物業單位 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度				
Opening balance at 1 January 2019	於二零一九年一月一日的 年初結餘	37,500	29,205	66,705
Change in fair value recognised in the consolidated statement of comprehensive income	於綜合全面收益表確認之 公允值變動	2,400	—	2,400
Transfer to property, plant and equipment	轉撥至物業、廠房及設備	(15,200)	(4,253)	(19,453)
Transfer to right-of-use assets	轉撥至使用權資產	—	(23,989)	(23,989)
Exchange differences	匯兌差額	—	(963)	(963)
Closing balance at 31 December 2019	於二零一九年十二月 三十一日之年末結餘	24,700	—	24,700
For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度				
Opening balance at 1 January 2020	於二零二零年一月一日的 年初結餘	24,700	—	24,700
Change in fair value recognised in the consolidated statement of comprehensive income	於綜合全面收益表確認之 公允值變動	(1,000)	—	(1,000)
Closing balance at 31 December 2020	於二零二零年十二月 三十一日之年末結餘	23,700	—	23,700

17 INVESTMENT PROPERTIES (Continued)**Valuation processes of the Group**

The fair values of the Group's investment properties at 31 December 2020 and 2019 have been arrived at on the basis of a valuation carried out on those dates by Greater China Appraisal Limited, an independent qualified professional valuer not connected with the Group. Greater China Appraisal Limited is a registered firm of the Hong Kong Institute of Surveyors, and has appropriate qualifications and experience. The valuation was arrived at by reference to market evidence of transaction prices for similar properties in the same location and conditions and where appropriate by capitalisation of rental income from properties.

Market comparable approach has been adopted for valuing the Group's residential property units. One of the key inputs used in valuing the Group's residential property units was the price per square feet, which ranged from HK\$17,014 to HK\$23,561 per square feet (2019: HK\$17,174 to HK\$24,460 per square feet). An increase in the price per square feet used would result in an increase in fair value measurement of the residential property units, and vice versa.

Transfer from investment properties to property, plant and equipment

During the year ended 31 December 2019, a Group's commercial property unit and a residential property unit were transferred to land and building. Market comparable approach has been adopted for valuing the abovementioned properties. One of the key inputs used in valuing the Group's commercial property units and the Group's residential property units were the price per square feet, which are HK\$5,286 per square feet and HK\$25,041 per square feet, respectively.

17 投資物業(續)**本集團之估值程序**

本集團投資物業於二零二零年及二零一九年十二月三十一日之公允值乃按與本集團並無關聯之獨立合資格專業估值師漢華評值有限公司於該等日期進行之估值計算。漢華評值有限公司為香港測量師學會登記公司及擁有適當資格及經驗。估值乃參考位於相同位置及環境之類似物業交易價之市場憑證，並資本化物業租賃收入(倘適用)計算。

本集團的住宅物業單位按市場對比方法評估。評估本集團的住宅物業單位時所使用的主要輸入數據之一是每平方呎價格，其價格介乎每平方呎港幣17,014元至港幣23,561元(二零一九年：每平方呎港幣17,174元至港幣24,460元)。使用的每平方呎價格上升將導致住宅物業單位的公允值計算上升，反之亦然。

由投資物業轉撥至物業、廠房及設備

截至二零一九年十二月三十一日止年度，一項本集團商業物業單位及一項住宅物業單位轉撥至土地及樓宇。上述物業按市場對比方法評估。評估本集團的商業物業單位及本集團的住宅物業單位時所使用的主要輸入數據之一是每平方呎價格，其價格分別每平方呎港幣5,286元及港幣25,041元。

17 INVESTMENT PROPERTIES (Continued)

Valuation processes of the Group (Continued) Transfer from investment properties to property, plant and equipment (Continued)

There were no changes to the valuation techniques during the year.

The following table analyses the level 3 investment properties carried at fair value, by valuation techniques.

Property	Fair value at 31 December 於十二月三十一日		Valuation technique(s)	Unobservable inputs	Range of unobservable inputs		Relationship of unobservable inputs to fair value
物業	之公允值		估值技術	無法觀察輸入數據	無法觀察輸入數據範圍		與公允值之關係
	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元			2020 二零二零年 HK\$ 港幣元	2019 二零一九年 HK\$ 港幣元	
Residential property units located in Hong Kong	23,700	24,700	Market comparable approach	Market unit sales price	17,014 to 23,561	17,174 to 24,460	The higher the unit selling price, the higher the fair value
位於香港的住宅物業單位	23,700	24,700	市場比較方法	市場單位售價	17,014 至 23,561	17,174至 24,460	單位售價越高，公允值 越高

17 投資物業(續)

本集團之估值程序(續) 由投資物業轉撥至物業、廠房及設備 (續)

於年內，估值技術並無變動。

下表按估值技術分析按公允值入賬之第三級投資物業。

18 INTANGIBLE ASSETS

18 無形資產

		Goodwill (Note (a)) 商譽 (附註(a)) HK\$'000 港幣千元	Supply chain financing platform (Note (b)) 供應鏈融資平台 (附註(b)) HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1 January 2019	於二零一九年一月一日			
Cost	成本	50,848	–	50,848
Net book value	賬面淨值	50,848	–	50,848
Year ended 31 December 2019	截至二零一九年 十二月三十一日止年度			
Opening net book amount	年初賬面淨值	50,848	–	50,848
Acquisition of a subsidiary (Note 33)	收購一間附屬公司 (附註33)	6,479	12,689	19,168
Addition	添置	–	208	208
Amortisation charge	攤銷費用	–	(1,259)	(1,259)
Exchange difference	匯兌差額	(667)	(265)	(932)
Closing net book value	年末賬面淨值	56,660	11,373	68,033
At 31 December 2019	於二零一九年 十二月三十一日			
Cost	成本	56,660	12,589	69,249
Accumulated amortisation	累計攤銷	–	(1,216)	(1,216)
Net book value	賬面淨值	56,660	11,373	68,033
Year ended 31 December 2020	截至二零二零年 十二月三十一日止年度			
Opening net book amount	年初賬面淨值	56,660	11,373	68,033
Disposed	出售	–	(556)	(556)
Amortisation charge	攤銷費用	–	(2,956)	(2,956)
Exchange difference	匯兌差額	3,372	471	3,843
Closing net book value	年末賬面淨值	60,032	8,332	68,364
At 31 December 2020	於二零二零年 十二月三十一日			
Cost	成本	60,032	12,738	72,770
Accumulated amortisation	累計攤銷	–	(4,406)	(4,406)
Net book value	賬面淨值	60,032	8,332	68,364

Amortisation expense of HK\$2,956,000 (2019: HK\$1,259,000) was charged in administrative expenses.

攤銷開支港幣2,956,000元(二零一九年：港幣1,259,000元)已計入行政開支內。

18 INTANGIBLE ASSETS (Continued)

(a) Goodwill

Goodwill is tested for impairment on an annual basis or when there are indications the carrying amount may be impaired. For the purpose of impairment testing, the Group allocates its goodwill to the relevant CGUs or group of CGUs, and compares the recoverable amounts of these CGUs or group of CGUs to their respective carrying amounts. A summary of goodwill allocation for each group of CGUs of the Group is as follows:

		Sale and leaseback arrangements services segment 售後回租 安排服務分部	Assets management and consultancy services segment 資產管理及 諮詢服務分部	Supply chain management services segment 供應鏈 管理服務分部	
		South China Leasing 南方租賃 HK\$'000 港幣千元	Shouhua Fangtai 首華方泰 HK\$'000 港幣千元	Jingxi Supply Chain 京西供應鏈 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1 January 2019	於二零一九年 一月一日	49,927	921	—	50,848
Acquisition of a subsidiary (Note 33)	收購一間附屬公司 (附註33)	—	—	6,479	6,479
Exchange difference	匯兌差額	(561)	(10)	(96)	(667)
At 31 December 2019	於二零一九年 十二月三十一日	49,366	911	6,383	56,660
Exchange difference	匯兌差額	2,938	54	380	3,372
At 31 December 2020	於二零二零年 十二月三十一日	52,304	965	6,763	60,032

Goodwill impairment assessment

The recoverable amount is calculated based on the higher of value-in-use calculation or fair value less costs of disposal.

18 無形資產(續)

(a) 商譽

商譽會每年或於出現賬面值可能發生減值的跡象時接受減值測試。就減值測試而言，本集團將其商譽分配至相關現金產生單位或現金產生單位組別，並將該等現金產生單位或現金產生單位組別的可收回金額與其各自的賬面值進行比較。本集團各組別現金產生單位的商譽分配概要如下：

商譽減值評估

可收回金額乃以在用價值計算方式或公允值減出售成本之較高者計算。

18 INTANGIBLE ASSETS (Continued)

(a) Goodwill (Continued)

Goodwill impairment assessment (Continued)

South China Leasing

The recoverable amount of South China Leasing is determined based on value-in-use calculations. The value-in-use calculations used cash flow projection based on financial budgets prepared by management covering a five-year period. The interest rate spread in the value-in-use calculations is 2% (2019: 2%). The discount rate used of approximately 11% (2019: 11%) is pre-tax and reflects the specific risks related to the relevant business.

Any reasonably possible change in any of these key assumptions would not result in an impairment of the goodwill.

Jingxi Supply Chain

The recoverable amount of Jingxi Supply Chain is determined based on discounted cash flows calculations. This calculation uses cash flow projections based on five-year financial budgets, with reference to past performance and expectations for market development, approved by management. The annual revenue growth rate during the projection period is 3% (2019: 3%) whereas the cash flows beyond the five-year period are extrapolated with an estimated terminal growth rate of 1% (2019: 3%). The discount rate used of approximately 17.5% (2019: 17.5%) is pre-tax and reflects the specific risks related to the relevant business.

Any reasonably possible change in any of these key assumptions would not result in an impairment of the goodwill.

(b) Supply chain financing platform

During the year ended 31 December 2019, the Group acquired the software platform through the acquisition of a subsidiary (Note 33). The Supply chain financing platform is a software platform to support the supply chain management services of the Group.

As at 31 December 2020, the Directors are not aware of any events or changes in circumstances which would indicate that the carrying amount of the intangible assets may not be recoverable.

18 無形資產(續)

(a) 商譽(續)

商譽減值評估(續)

南方租賃

南方租賃之可收回金額乃基於在用價值計算釐定。所用在用價值計算乃基於管理層所編製涵蓋五年期財務預算之現金流量預測。在用價值計算之利率息差為2%(二零一九年：2%)。所用貼現率約11%(二零一九年：11%)為稅前貼現率，反映與相關業務有關的特定風險。

任何該等主要假設的任何合理可能變動將不會導致商譽減值。

京西供應鏈

京西供應鏈之可收回金額乃基於貼現現金流量計算釐定。該計算使用基於管理層批准之五年期財務預算之現金流量預測，並參考過往表現及對市場發展的預期。預測期間之年度收益增長率為3%(二零一九年：3%)，而五年期間後之現金流量則按估計最終增長率1%(二零一九年：3%)推算。所用貼現率約17.5%(二零一九年：17.5%)為稅前貼現率，反映與相關業務有關的特定風險。

任何該等主要假設的任何合理可能變動將不會導致商譽減值。

(b) 供應鏈融資平台

截至二零一九年十二月三十一日止年度，本集團通過收購一間附屬公司收購了軟件平台(附註33)。供應鏈融資平台是一個軟件平台，支持本集團的供應鏈管理服務。

於二零二零年十二月三十一日，董事不知悉任何事件或情況變化表明無形資產的賬面價值可能無法收回。

19 INTEREST IN ASSOCIATES

Set out below are the associates of the Group as at 31 December 2020. The entities listed below have share capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held. All of these associates are accounted for using the equity method in these consolidated financial statements.

Name of entity	Nature of relationship	Principal activities	Place of business/ country of incorporation 營業地點/ 註冊成立國家	Effective % of ownership interest		Carrying amount	
實體名稱	關係的性質	主要業務活動		所有權權益實際百分比		賬面值	
				2020 二零二零年 %	2019 二零一九年 %	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
黑龍江首和創業投資管理 企業(有限合夥) ("Shouhe Venture Capital") (Note (a))	Associate	Investment management	The PRC	—	24.28%	—	1,573
黑龍江首和創業投資管理 企業(有限合夥) (「首和創業」)(附註(a))	聯營公司	投資管理	中國				
京西商業保理有限公司 (Beijing West Business Factoring Company Limited*) (Note (b))	Associate	Provision of factoring services in PRC	The PRC	41.41%	41.41%	91,362	86,788
京西商業保理有限公司 (附註(b))	聯營公司	於中國提供 保理服務	中國				
						91,362	88,361

Notes:

- (a) On 15 December 2020, Shouhe Venture Capital was dissolved and all the investment cost was returned to the Group.
- (b) On 24 July 2019, the Group completed an acquisition of 41.41% equity interest in 京西商業保理有限公司 (Beijing West Business Factoring Company Limited*) ("Beijing West Business Factoring") at a consideration of approximately RMB75,263,000 (approximately HK\$85,526,000) from 北京服務新首鋼股權創業投資企業(有限合夥) (Beijing Services New Shougang Venture Capital Investment LLP*), a non wholly-owned subsidiary of 北京首鋼基金有限公司 (Beijing Shougang Fund Co., Ltd.*) ("Shougang Fund").

* For identification purpose only

附註：

- (a) 於二零二零年十二月十五日，首和創業解散並向本集團退還所有投資成本。
- (b) 於二零一九年七月二十四日，本集團已完成自北京服務新首鋼股權創業投資企業(有限合夥)(北京首鋼基金有限公司(「首鋼基金」)的非全資附屬公司)收購京西商業保理有限公司(「京西商業保理」)之41.41%股權，代價為約人民幣75,263,000元(約港幣85,526,000元)。

* 僅供識別用途

19 INTEREST IN ASSOCIATES (Continued)

19 於聯營公司之權益(續)

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Cost of investment in associates:	於聯營公司之投資成本：		
As at 1 January	於一月一日	88,361	1,591
Addition to interest in associates during the year	年內添置於聯營公司之權益	—	85,526
Dissolution of an associate during the year	年內解散一間聯營公司	(1,667)	—
As at 31 December	於十二月三十一日	86,694	87,117
Share of operating profits	應佔經營溢利	1,258	2,614
Share of other comprehensive income/(loss)	應佔其他全面收益／(虧損)	5,273	(1,370)
Dividend received	已收股息	(1,863)	—
Interest in associates	於聯營公司之權益	91,362	88,361

Goodwill

As at 31 December 2020, included in the cost of investment in Beijing West Business Factoring, an associate of the Group, is goodwill of approximately HK\$25,748,000 (2019: HK\$24,578,000) arising from the acquisition during the year.

商譽

於二零二零年十二月三十一日，於京西商業保理(本集團之聯營公司)之投資成本當中包括年內收購產生的商譽約港幣25,748,000元(二零一九年：港幣24,578,000元)。

Summarised financial information of the material associate

Summarised financial information in respect of the Group's material associates is set out below.

主要聯營公司的財務資料概要

關於本集團主要聯營公司的財務資料概要列載如下。

19 INTEREST IN ASSOCIATES (Continued)
Summarised financial information of the material associate (Continued)
Beijing West Business Factoring

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Current assets	流動資產	637,602	576,543
Non-current assets	非流動資產	12,358	7,110
Current liabilities	流動負債	(473,460)	(433,424)
Net asset	資產淨值	176,500	150,229
Less: Non-controlling interests	減：非控股權益	(18,050)	—
		158,450	150,229
Revenue	收益	343,531	181,140
Expenses, including income tax	開支(包括所得稅)	(340,311)	(174,828)
Profit for the year	年度溢利	3,220	6,312
Profit for the year attributable to the owners of Beijing West Business Factoring	京西商業保理持有人應佔年度溢利	3,039	6,312

The information above reflects the amounts represented in the financial statements of Beijing West Business Factoring (and not the Group's share of those amounts) adjusted for differences in accounting policies between the Group and the associate.

Movements of interest in Beijing West Business Factoring are as follows:

19 於聯營公司之權益(續)
主要聯營公司的財務資料概要(續)

京西商業保理

上述資料反映京西商業保理的財務報告的金額(並非本集團應佔金額)，已就本集團與該聯營公司的會計政策差異進行調整。

於京西商業保理之權益變動如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Interest in an associate	於一間聯營公司之權益		
At 1 January	於一月一日	86,788	—
Acquisition of an associate	收購一間聯營公司	—	85,526
Share of results	應佔業績	1,258	2,614
Dividend received	已收股息	(1,863)	—
Exchange differences	匯兌差額	5,179	(1,352)
At 31 December	於十二月三十一日	91,362	86,788

19 INTEREST IN ASSOCIATES (Continued)**Summarised financial information of the material associate (Continued)****Beijing West Business Factoring (Continued)**

Reconciliation of the summarised financial information presented to the carrying amount of its interest in Beijing West Business Factoring is as follows:

19 於聯營公司之權益(續)**主要聯營公司的財務資料概要(續)****京西商業保理(續)**

所呈列財務資料概要與於京西商業保理之權益之賬面值之對賬如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Summarised financial information	財務資料概要		
Opening net assets as at 1 January	於一月一日之年初資產淨值	150,229	—
Acquisition of an associate	收購一間聯營公司	—	147,183
Post-acquisition profit for the period	期內收購後溢利	3,039	6,312
Dividend paid	已付股息	(4,498)	—
Exchange differences	匯兌差額	9,680	(3,266)
Closing net assets as at 31 December	於十二月三十一日之年末資產淨值	158,450	150,229
Group's share in %	本集團應佔百分比	41.41%	41.41%
Interest in the associate	於聯營公司之權益	65,614	62,210
Goodwill	商譽	25,748	24,578
Carrying amount as at 31 December	於十二月三十一日之賬面值	91,362	86,788

20 RECEIVABLES UNDER SALE AND LEASEBACK ARRANGEMENTS

20 售後回租安排項下之應收款項

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Current assets	流動資產	608,522	426,614
Non-current assets	非流動資產	771,927	864,582
		1,380,449	1,291,196

At 31 December, the Group's receivables under sale and leaseback arrangements were repayable as follows:

於十二月三十一日，本集團售後回租安排項下之應收款項償還如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Within one year	一年內	608,522	416,952
Between 1 and 2 years	一至兩年	576,436	388,166
Between 2 and 3 years	兩至三年	195,491	476,415
		1,380,449	1,281,533
Overdue receivables under sale and leaseback arrangements	售後回租安排項下應收逾期款項	—	9,663
		1,380,449	1,291,196

20 RECEIVABLES UNDER SALE AND LEASEBACK
ARRANGEMENTS (Continued)

20 售後回租安排項下之應收款項
(續)

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Analysed as:	分析：		
Current receivables under sale and leaseback arrangements (receivable within 12 months)	售後回租安排項下應收流動款項 (於十二個月內應收)	629,626	470,851
Non-current receivables under sale and leaseback arrangements (receivable after 12 months)	售後回租安排項下應收非流動款項 (於十二個月後應收)	773,255	869,933
		1,402,881 (22,432)	1,340,784 (49,588)
Provision of impairment loss allowance	減值虧損撥備	1,380,449	1,291,196
Fixed-rate receivables under sale and leaseback arrangements	售後回租安排項下應收定息款項	862,040	867,820
Variable-rate receivables under sale and leaseback arrangements	售後回租安排項下應收浮息款項	518,409	423,376
		1,380,449	1,291,196

The interest rates represent prevailing People's Bank of China Renminbi Lending Rate ("PBC rate") or Offshore Chinese Renminbi Hong Kong Interbank Offered Rate ("CNH HIBOR") as at 31 December 2020 and 2019, respectively.

利率代表於二零二零年及二零一九年十二月三十一日分別採用現行中國人民銀行人民幣貸款利率 (「人民銀行貸款利率」) 或離岸香港銀行同業人民幣拆息 (「香港銀行同業人民幣拆息」)。

Effective interest rates per annum of the above receivables under sale and leaseback arrangements for the years are as follows:

於本年度，上述售後回租安排項下應收款項之實際年利率如下：

		2020 二零二零年	2019 二零一九年
Effective interest rates	實際利率		
Fixed-rate receivables	應收定息款項	5.0% to 12.0% 5.0厘至12.0厘	5.0% to 7.5% 5.0厘至7.5厘
Variable-rate receivables	應收浮息款項	5.5% to 6.7% 5.5厘至6.7厘	5.0% to 7.7% 5.0厘至7.7厘

20 RECEIVABLES UNDER SALE AND LEASEBACK ARRANGEMENTS (Continued)

Interest rate of variable-rate receivables is reset when there is a change of the prevailing PBC rate or CNH HIBOR.

As at 31 December 2020, carrying value of the receivables under sale and leaseback arrangements of HK\$321,283,000 (2019: HK\$308,478,000) have been pledged against specific bank borrowings granted to the Group (Note 28). The pledges will be released upon the settlement of bank borrowings.

(i) Movement in provision of impairment loss allowance for receivables under sale and leaseback arrangements

		HK\$'000 港幣千元
At 1 January 2019	於二零一九年一月一日	81,150
Net reversal for the year	年度撥回淨額	(1,811)
Write-off	撇銷	(28,838)
Exchange differences	匯兌差額	(913)
At 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及 二零二零年一月一日	49,588
Net reversal for the year	年度撥回淨額	(5,887)
Write-off	撇銷	(22,557)
Exchange differences	匯兌差額	1,288
At 31 December 2020	於二零二零年十二月三十一日	22,432

The provision for receivables under sale and leaseback arrangements amounted to HK\$22,432,000 (2019: HK\$49,588,000) of which an amount of HK\$19,451,000 (2019: HK\$40,892,000) is related to credit-impaired receivables under sale and leaseback arrangements and those borrowers were either under severe financial difficulties, placed in liquidation or in legal proceedings. In the opinion of the Directors, these amounts cannot be recovered due to the debtors' default in payment.

20 售後回租安排項下之應收款項 (續)

應收浮息款項的利率於現行人民銀行貸款利率或香港銀行同業人民幣拆息出現變動時重設。

於二零二零年十二月三十一日，售後回租安排項下應收款項的賬面值港幣321,283,000元(二零一九年：港幣308,478,000元)已抵押予銀行作為授予本集團的特定銀行借款之抵押(附註28)。抵押將於銀行借款償還後解除。

(i) 售後回租安排項下應收款項減值虧損撥備變動

售後回租安排項下應收款項撥備為港幣22,432,000元(二零一九年：港幣49,588,000元)，其中港幣19,451,000元(二零一九年：港幣40,892,000元)與發生信貸減值的售後回租安排項下應收款項有關，而相關借款人發生嚴重財務困難、進行清盤或牽涉進法律訴訟。董事認為，因債務人付款違約，該等款項不能收回。

20 RECEIVABLES UNDER SALE AND LEASEBACK ARRANGEMENTS (Continued)

(ii) Security deposits received

Security deposits of HK\$11,904,000 (2019: HK\$29,326,000) have been received by the Group to secure the receivables under sale and leaseback arrangements and classified into current liabilities and non-current liabilities based on the final lease instalment due date stipulated in the sale and leaseback agreements.

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Analysed as:	分析：		
Security deposits received	已收保證按金		
– due with one year	– 一年內到期	5,952	20,899
Security deposits received	已收保證按金		
– due after one year	– 一年後到期	5,952	8,427
		11,904	29,326

In addition to security deposits, the receivables under sale and leaseback arrangements are secured over the leased assets mainly machineries, building, sewage pipeline networks and build and transfer project of a scenic belt as at 31 December 2020 and 2019.

The Group is not permitted to sell or repledge the collateral of the receivables under sale and leaseback arrangements in the absence of default by the lessee. Estimates of fair value of collateral are made during the credit approval process, determined using valuation techniques commonly used for the corresponding assets. These estimates of valuations are made at the inception of sale and leaseback, and management would review it periodically. The Group also takes into consideration the financial positions and the guarantors of the relevant customers and the expected timing, legal possession status and other uncertainties on realising the pledged assets in the impairment assessment.

20 售後回租安排項下之應收款項 (續)

(ii) 已收保證按金

本集團已收取保證按金港幣11,904,000元(二零一九年：港幣29,326,000元)，作為售後回租安排項下應收款項的擔保，並根據售後回租協議訂明之最後租賃分期款項到期日而將其歸類為流動負債及非流動負債。

除了保證按金外，售後回租安排項下應收款項於二零二零年及二零一九年十二月三十一日以租賃資產(主要為機器、樓宇、污水管網及風光帶建設及轉讓項目)作為抵押。

倘承租人並無違約，本集團不得出售或再質押該等售後回租安排項下應收款項的抵押品。於信貸審批過程中，抵押品的公允值估計是使用相應資產常用的估值方法確定。該等價值估計乃於售後回租開始時作出，並由管理層定期審閱。於減值評估時，本集團亦會考慮相關客戶之財務狀況及擔保人以及變現已抵押資產之預計時間、法律佔有地位及其他不確定因素。

21 DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

21 透過其他全面收益按公允值處理之債務工具

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Listed bonds, with fixed interest of 5.30% (2019: 3.88% to 5.30%)	上市債券，按定息5.30厘 (二零一九年：3.88厘至5.30厘) 計息	15,886	31,676

During the year ended 31 December 2020, the Group had disposed of a listed bond with sales proceed of HK\$15,506,000.

截至二零二零年十二月三十一日止年度，本集團已出售上市債券，銷售所得款項為港幣15,506,000元。

As at 31 December 2020, the fair value of an investment in listed bond is determined by reference to the quoted market bid prices available and a loss on changes in fair value on a listed bond of HK\$173,000 has been recognised in other comprehensive income during the year ended 31 December 2020 (2019: gain of HK\$1,735,000).

於二零二零年十二月三十一日，上市債券投資的公允價乃參考可得的市場買入價報價釐定，並已於截至二零二零年十二月三十一日止年度的其他全面收益就上市債券公允值變動確認虧損港幣173,000元(二零一九年：收益港幣1,735,000元)。

Details of impairment assessment and risk exposure are set out in Note 3.1.

減值評估及風險敞口之詳情載於附註3.1。

22 TRADE AND OTHER RECEIVABLES

22 貿易及其他應收款項

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Trade and bill receivables	應收貿易賬款及應收票據	36,132	—
		36,132	—
Prepayments (Note (i))	預付款項(附註(i))	22,742	4,531
Other receivables (Note (ii))	其他應收款項(附註(ii))	135,950	3,565
Deposits	按金	910	947
		195,734	9,043
Non-current	非流動	4,201	3,019
Current	流動	191,533	6,024
		195,734	9,043

Notes:

- (i) As at 31 December 2020, prepayment of HK\$17,142,000 (2019: Nil) was paid to the supplier in relation to the supply chain management services.
- (ii) As at 31 December 2020, other receivables of HK\$132,746,000 (2019: Nil) was receivable in relation to the purchase cost paid on behalf of customers under supply chain management services in which the Group was acting as an agent.

附註：

- (i) 於二零二零年十二月三十一日，已就供應鏈管理服務向供應商支付預付款項港幣17,142,000元(二零一九年：無)。
- (ii) 於二零二零年十二月三十一日，其他應收款項港幣132,746,000元(二零一九年：無)為有關本集團擔任代理之供應鏈管理服務項下代表客戶支付之採購成本的應收款項。

22 TRADE AND OTHER RECEIVABLES (Continued)

(a) Trade and bill receivables

The credit terms of trade receivables are normally 30 to 90 days as at 31 December 2020. The maturity periods of bill receivables are normally 6 to 12 months as at 31 December 2020. The aging analysis of trade and bill receivables are as follows:

		2020 二零二零年 HK\$'000 港幣千元
Within 3 months	三個月內	36,035
4-6 months	四至六個月	97
		36,132

Due to the short-term nature of the trade and bill receivables, their carrying amounts are considered to be the same as their fair value.

The carrying amounts of the Group's trade and bill receivables are denominated in RMB.

(b) Other receivables

As at 31 December 2020 and 2019, other receivables are secured, interest-free and repayable within one year from end of reporting period.

Analysed by denominated currency:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
HK\$	港幣	286	630
RMB	人民幣	135,664	2,935
		135,950	3,565

22 貿易及其他應收款項(續)

(a) 應收貿易賬款及應收票據

於二零二零年十二月三十一日，應收貿易賬款之信貸期一般為30至90日。於二零二零年十二月三十一日，應收票據之到期期限一般為6至12個月。應收貿易賬款及應收票據之賬齡分析如下：

由於應收貿易賬款及應收票據屬短期性質，其賬面值被視為與其公允值相同。

本集團應收貿易賬款及應收票據之賬面值以人民幣計值。

(b) 其他應收款項

於二零二零年及二零一九年十二月三十一日，其他應收款項為有抵押、免息及須於報告期末起計一年內償還。

按計值貨幣分析：

23 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

23 透過損益賬按公允值處理之金融資產

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Listed equity securities measured at FVPL – Hong Kong	透過損益賬按公允值計量之 上市股本證券 – 香港	2,847	2,575

The fair value of the listed equity securities is determined by reference to the quoted market bid prices available and gain on changes in fair value on the listed equities of HK\$272,000 has been recognised in profit or loss during the year ended 31 December 2020 (2019: HK\$204,000).

Information about the Group's exposure to price risk is provided in Note 3.1. For information about the methods and assumptions used in determining fair value refer to Note 3.3.

上市股本證券的公允值乃參考可得的市場買入價報價釐定，且已於截至二零二零年十二月三十一日止年度的損益賬就上市股本公允值變動確認收益港幣272,000元(二零一九年：港幣204,000元)。

本集團所面臨價格風險的相關資料載於附註3.1。有關釐定公允值時所使用之方法及假設資料，請參閱附註3.3。

24 TERM DEPOSITS WITH INITIAL TERM OF OVER THREE MONTHS

As at 31 December 2019, the weighted average effective interest rate of the Group's term deposits with initial term of over three months was 3.7% per annum. The term deposits with initial term of over three months denominated in RMB were principal-guaranteed and deposited with a bank in Mainland China. The Directors classify the above deposits as financial assets at amortised cost as the business model for the term deposits with initial term over three months is to hold to maturity, and the contractual terms only give rise to cash flows that are solely payments of principal and interest on the principal. The conversion of the RMB-denominated balances into foreign currencies and the remittance of funds out of the Mainland China is subject to the rules and regulations of foreign exchange control promulgated by the Government of the PRC.

24 初始期限超過三個月的定期存款

於二零一九年十二月三十一日，本集團初始期限超過三個月的定期存款之加權平均實際利率為每年3.7%。以人民幣計值之初始期限超過三個月的定期存款為保本存款及存於中國內地一家銀行。董事將上述存款分類為透過攤銷成本處理之金融資產，因為初始期限超過三個月的定期存款之商業模型為持有至到期，且合約條款規定產生之現金流量純粹為支付本金及本金利息而存在。人民幣計值結餘轉換成外幣及從中國內地匯出資金須遵守中國政府頒佈的外匯管控規則及法規。

25 CASH AND CASH EQUIVALENTS

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Cash at banks and in hand	銀行及結存現金	318,818	607,782
Analysed by denominated currency:	按計值貨幣分析：		
HK\$	港幣	72,597	118,795
RMB	人民幣	241,109	446,077
US\$	美元	5,112	42,910
		318,818	607,782

The Group's deposits carry interest rate at prevailing bank deposit rates ranging from 0.01% to 0.51% (2019: 0.01% to 2.45%) per annum. The conversion of the RMB-denominated balances into foreign currencies and the remittance of funds out of the Mainland China is subject to the rules and regulations of foreign exchange control promulgated by the Government of the PRC.

本集團之存款按現行銀行存款年利率介乎0.01厘至0.51厘(二零一九年：0.01厘至2.45厘)計息。人民幣計值結餘轉換成外幣及從中國內地匯出資金須遵守中國政府頒佈的外匯管控規則及法規。

26 OTHER PAYABLES AND ACCRUALS

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Accrued salaries and bonuses	應計薪金及花紅	15,417	7,347
Accrued legal and professional fees	應計法律及專業費用	2,132	2,307
Other tax payables	其他應付稅項	12,408	10,177
Interest payables	應付利息	517	891
Receipt in advance from customers	預先收取客戶之款項	16,078	—
Others	其他	15,462	4,500
		62,014	25,222

25 現金及現金等值項目

26 其他應付款項及應計費用

27 FINANCIAL INSTRUMENTS BY CATEGORY

The Group holds the following financial instruments:

27 按類別劃分之金融工具

本集團持有以下之金融工具：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Financial assets	金融資產		
Financial assets at amortised cost	透過攤銷成本處理之金融資產		
– Receivables under sale and leaseback arrangements	– 售後回租安排項下應收款項	1,380,449	1,291,196
– Trade and bill receivables	– 應收貿易賬款及應收票據	36,132	–
– Deposits and other receivables	– 按金及其他應收款項	136,860	4,512
– Term deposits with initial term of over three months	– 初始期限超過三個月的定期存款	–	94,382
– Cash and cash equivalents	– 現金及現金等值項目	318,818	607,782
Debt instruments at fair value through other comprehensive income	透過其他全面收益按公允值處理之債務工具	15,886	31,676
Financial assets at fair value through profit or loss	透過損益賬按公允值處理之金融資產	2,847	2,575
		1,890,992	2,032,123
Financial liabilities	金融負債		
Financial liabilities at amortised cost	透過攤銷成本處理之金融負債		
– Other payables	– 其他應付款項	18,111	17,875
– Secured bank borrowings	– 已抵押銀行借款	290,303	465,557
– Security deposits received	– 已收保證按金	11,904	29,326
– Lease liabilities	– 租賃負債	1,917	4,128
		322,235	516,886

28 SECURED BANK BORROWINGS

28 已抵押銀行借款

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Non-current portion	非即期部分		
Secured bank borrowings	已抵押銀行借款	146,995	168,539
Current portion	即期部分		
Secured bank borrowings	已抵押銀行借款	143,308	297,018
		290,303	465,557

As at 31 December 2020 and 2019, the Group's borrowings were repayable in accordance with scheduled repayment dates as follows:

於二零二零年及二零一九年十二月三十一日，本集團應按計劃還款日期償還之借款如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Carrying amount repayable:	應償還賬面值：		
Within 1 year	一年內	65,138	146,068
Between 1 and 2 years	一至兩年	84,419	84,269
Between 2 and 3 years	兩至三年	62,576	84,270
		212,133	314,607

28 SECURED BANK BORROWINGS (Continued)

Carrying amount of bank borrowings that contain a repayable on demand clause (shown under current liabilities) but repayable:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Within 1 year	一年內	72,852	142,751
Between 1 and 2 years	一至兩年	2,886	2,825
Between 2 and 3 years	兩至三年	2,432	2,899
Between 3 and 4 years	三至四年	–	2,475
		78,170	150,950
		290,303	465,557

At 31 December 2020, the borrowing of HK\$78,170,000 (2019: HK\$150,950,000) and HK\$212,133,000 (2019: HK\$314,607,000) were denominated in HK\$ and RMB respectively.

For the bank borrowings pledged by certain assets are disclosed in Note 31.

The ranges of effective interest rates on the Group's secured bank borrowings are as follows:

28 已抵押銀行借款(續)

包含須按要求償還條款之銀行借款賬面值(列作流動負債)但償還於：

於二零二零年十二月三十一日，港幣78,170,000元(二零一九年：港幣150,950,000元)及港幣212,133,000元(二零一九年：港幣314,607,000元)之借款分別以港幣及人民幣計值。

銀行借款以若干資產質押披露於附註31。

本集團已抵押銀行借款實際利率範圍如下：

		2020 二零二零年	2019 二零一九年
Effective interest rate:	實際利率：		
Variable-rate secured bank borrowings	浮息已抵押銀行借款	1.18% to 5.00% 1.18厘至5.00厘	2.63% to 5.70% 2.63厘至5.70厘

28 SECURED BANK BORROWINGS (Continued)

The interest rates for the Group's bank borrowings vary from different subsidiaries. The interest rates vary from Hong Kong banks' prime rate minus 2.75%, Hong Kong Interbank Offered Rate ("HIBOR") plus 1% to 2.4% and variable Loan Prime Rate ("LPR") plus a percentage spread of 1.15% (2019: Hong Kong banks' prime rate minus 2.75%, HIBOR plus 1% to 2.5% and variable PBC rate plus a percentage spread of 20%). Secured bank borrowings of HK\$78,170,000 (2019: HK\$150,950,000) are exposed to the fluctuations of HIBOR and Hong Kong banks' prime rate while the remaining HK\$212,133,000 (2019: HK\$314,607,000) are exposed to the fluctuation of PBC rate. The interest is repricing every month for secured bank borrowings of HK\$8,170,000 (2019: HK\$10,950,000), and repricing every quarter for secured bank borrowings of HK\$282,133,000 (2019: HK\$454,607,000). The proceeds were used as funding for sale and leaseback arrangements services business and general working capital for the Group for the years ended 31 December 2020 and 2019.

During the year ended 31 December 2020, there was HK\$168,697,000 secured bank borrowings early repaid (2019: Nil).

For assets pledged as security for bank borrowing, please refer to Note 31.

28 已抵押銀行借款(續)

本集團於不同附屬公司之銀行借款利率均有所不同。利率介乎香港銀行最優惠利率減2.75厘、香港銀行同業拆息(「香港銀行同業拆息」)加1厘至2.4厘及浮動貸款市場報價利率(「貸款市場報價利率」)上浮1.15厘(二零一九年：香港銀行最優惠利率減2.75厘、香港銀行同業拆息加1厘至2.5厘及浮動人民幣貸款利率上浮20厘)。已抵押銀行借款港幣78,170,000元(二零一九年：港幣150,950,000元)須承受香港銀行同業拆息及香港銀行最優惠利率波動之風險，而餘下之港幣212,133,000元(二零一九年：港幣314,607,000元)則須承受人民幣貸款利率波動之風險。已抵押銀行借款港幣8,170,000元(二零一九年：港幣10,950,000元)之利息每月重新定價及已抵押銀行借款港幣282,133,000元(二零一九年：港幣454,607,000元)之利息則每季重新定價。截至二零二零年及二零一九年十二月三十一日止年度，所得款項已用作為本集團售後回租安排服務業務資金及一般營運資金。

截至二零二零年十二月三十一日止年度，提早償還已抵押銀行借款港幣168,697,000元(二零一九年：無)。

有關為銀行借款抵押資產的詳情，請參閱附註31。

29 DEFERRED INCOME TAX

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Deferred tax assets	遞延稅項資產	13,869	20,036
Deferred tax liabilities	遞延稅項負債	(11,470)	(9,948)
		2,399	10,088

The following are the major deferred tax assets/(liabilities) recognised and movements thereon during the current and prior years:

29 遞延所得稅

為於綜合財務狀況表內呈列，若干遞延稅項資產及負債已抵銷。下列為遞延稅項結餘就財務呈報目的之分析：

以下為已確認之主要遞延稅項資產／(負債)以及其於本年度及過往年度之變動：

		Provision of loss allowance for receivables under sale and leaseback arrangements 計提售後 回租安排 項下之應收款 項虧損撥備 HK\$'000 港幣千元	Withholding tax on undistributed profits of the Mainland China Subsidiaries 中國內地 附屬公司 未分派溢利 之預扣稅 HK\$'000 港幣千元	Revaluation of property 物業重估 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Movements	變動				
At 1 January 2019	於二零一九年一月一日	28,174	–	(10,168)	18,006
(Charged)/credited to consolidated statement of comprehensive income	於綜合全面收益表 (扣除)/計入	(7,825)	–	107	(7,718)
Exchange differences	匯兌差額	(313)	–	113	(200)
At 31 December 2019 and 1 January 2020	於二零一九年十二月三十一日及二零二零年一月一日	20,036	–	(9,948)	10,088
(Charged)/credited to consolidated statement of comprehensive income	於綜合全面收益表 (扣除)/計入	(6,885)	(1,266)	312	(7,839)
Exchange differences	匯兌差額	718	–	(568)	150
At 31 December 2020	於二零二零年十二月三十一日	13,869	(1,266)	(10,204)	2,399

29 DEFERRED INCOME TAX (Continued)

At the end of the reporting period, the Group has the following unutilised tax losses available for offsetting against future taxable profits for which no deferred tax asset is recognised:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Tax losses expiring:	於以下期間到期之稅項虧損：		
Within 5 years	五年內	14,193	11,126
Without expiry date	無到期日	475,664	444,313
		489,857	455,439

No deferred tax asset has been recognised in respect of the above tax losses due to unpredictability of future profit streams.

Under the EIT Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by the Group's subsidiaries in Mainland China from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary difference attributable to the retained earnings earned by the subsidiaries in Mainland China amounting to HK\$65 million as at 31 December 2020 (2019: HK\$62 million) as the Group controls the dividend policy of these PRC subsidiaries and it is probable that these temporary differences will not reverse in the foreseeable future.

29 遞延所得稅(續)

於報告期末，本集團有以下未動用稅項虧損可供抵銷未來應課稅溢利，故並無就此確認遞延稅項資產：

由於無法預測未來溢利來源，故並無就上述稅項虧損確認遞延稅項資產。

根據中國企業所得稅法，由二零零八年一月一日起，就本集團於中國內地之附屬公司所賺取溢利宣派之股息須繳交預扣稅。於二零二零年十二月三十一日，由於本集團控制該等中國內地附屬公司的股息政策，且該等暫時差額可能不會於可見將來撥回，故並無於綜合財務報告就中國內地附屬公司賺取之保留盈利應佔暫時差額港幣65,000,000元(二零一九年：港幣62,000,000元)作出遞延稅項撥備。

30 SHARE CAPITAL

30 股本

		Number of shares 股份數目	Amount 金額 HK\$'000 港幣千元
Ordinary shares of HK\$0.01 each	每股面值港幣0.01元之普通股		
Authorised:	法定：		
At 1 January 2019, 31 December 2019 and 31 December 2020	於二零一九年一月一日、 二零一九年十二月三十一日 及二零二零年十二月 三十一日	10,000,000,000	100,000
Issued and fully paid:	已發行及已繳足：		
At 1 January 2019	於二零一九年一月一日	4,008,288,703	40,083
Cancellation of shares (Note)	註銷股份(附註)	(23,649,000)	(237)
At 31 December 2019 and 2020	於二零一九年及二零二零年 十二月三十一日	3,984,639,703	39,846

Note:

During the year ended 31 December 2019, the Company repurchased 23,649,000 of its own shares. The total amount paid to repurchase the shares was approximately HK\$3,410,000 and was charged to share premium within shareholder's equity. All of the repurchased shares were cancelled during the year ended 31 December 2019.

附註：

截至二零一九年十二月三十一日止年度，本公司購回其本身的23,649,000股股份。購回有關股份支付的總金額約為港幣3,410,000元並計入股東權益內的股份溢價。截至二零一九年十二月三十一日止年度全部購回股份已被註銷。

31 ASSETS PLEDGED AS SECURITY

The carrying amount of assets pledged as security for non-current assets are:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Investment properties (Note (a))	投資物業(附註(a))	23,700	24,700
Property, plant and equipment (Note (a))	物業、廠房及設備(附註(a))	14,549	14,921
Receivables under sale and leaseback arrangements (Note (b))	售後回租安排項下之應收款項(附註(b))	321,283	308,478
		359,532	348,099

Notes:

- (a) The Group's investment properties with an aggregate carrying value of HK\$23,700,000 (2019: HK\$24,700,000) and the Group's building with carrying value of HK\$14,549,000 (2019: HK\$14,921,000) were pledged to banks to secure for bank borrowings with outstanding amount of HK\$8,170,000 (2019: HK\$10,950,000).
- (b) The Group's receivables under sale and leaseback arrangements with a carrying value of HK\$321,283,000 (2019: HK\$308,478,000) were pledged to banks to secure for bank borrowings with outstanding amount of HK\$212,133,000 (2019: HK\$314,607,000).

31 抵押資產

已予抵押作為非流動資產的抵押品之資產賬面值為：

附註：

- (a) 賬面總值港幣23,700,000元(二零一九年：港幣24,700,000元)之本集團投資物業及賬面值港幣14,549,000元(二零一九年：港幣14,921,000元)之本集團樓宇已抵押予銀行，作為未償還銀行借款港幣8,170,000元(二零一九年：港幣10,950,000元)之抵押。
- (b) 賬面值港幣321,283,000元(二零一九年：港幣308,478,000元)之本集團售後回租安排項下之應收款項已抵押予銀行，作為未償還銀行借款港幣212,133,000元(二零一九年：港幣314,607,000元)之抵押。

32 SHARE OPTION SCHEMES

The Company has two share option schemes, which were approved and adopted on 7 June 2002 (the "2002 Scheme") and 25 May 2012 (the "2012 Scheme") respectively, pursuant to which share options may be granted to directors (including executive and non-executive directors), executives, officers, employees or shareholders of the Company or any of its subsidiaries or any of its associated companies and any suppliers, customers, consultants, advisers, agents, partners or business associates to subscribe for the shares of the Company. Both share option schemes are valid and effective for a period of ten years commencing on the adoption date of the scheme.

32 購股權計劃

本公司有兩項購股權計劃，分別於二零零二年六月七日(「二零零二年計劃」)及二零一二年五月二十五日(「二零一二年計劃」)獲批准並採納，據此，購股權可能被授予本公司或其任何附屬公司或其任何聯營公司之董事(包括執行及非執行董事)、行政人員、高級職員、僱員或股東及任何供應商、客戶、諮詢人、顧問、代理、合夥人或業務聯繫人以認購本公司股份。兩項購股權計劃均有效及於該計劃獲採納日期起計十年期間生效。

32 SHARE OPTION SCHEMES (Continued)

The 2002 Scheme was terminated on 29 May 2012, no further options can be granted under the 2002 Scheme. During the year, all the outstanding 3,586,880 share options granted under the 2002 Scheme were lapsed. Accordingly, no shares of the Company may be issued under the 2002 Scheme as at the date of this annual report.

Under the 2012 Scheme, the maximum number of shares of the Company available for issue upon exercise of all share options is 115,219,246, representing 4.31% of the issued share capital of the Company at the commencement date of the 2012 Scheme. The total number of shares of the Company issued and which may fall to be issued upon the exercise of share options to be granted under the 2012 Scheme to each grantee in any 12-month period up to the date of grant shall not exceed 1% of the issued share capital of the Company as at the date of grant. Any further grant of share options in excess of this 1% limit shall be subject to the issue of a circular by the Company and shareholders' approval in a general meeting. No share options has been granted under the 2012 Scheme.

Under both share option schemes, the exercise price in relation to each share option is determined by the Directors at their absolute discretion and shall not be less than the highest of (i) the closing price of the shares of the Company as stated in the daily quotation sheet of the Stock Exchange on the date of offer of share options; (ii) the average of the closing prices of the shares of the Company as stated in the daily quotation sheets of the Stock Exchange for the five business days immediately preceding the date of offer of share options; and (iii) the nominal value of the share of the Company on the date of offer of share options. Each grantee is required to pay HK\$1.00 as consideration for the grant of share options. The offer of share options must be accepted within 60 days and 30 days from the date of the offer, under the 2002 Scheme and the 2012 Scheme respectively.

32 購股權計劃(續)

二零零二年計劃於二零一二年五月二十九日終止，概不能再根據二零零二年計劃進一步授出購股權。於本年度，根據二零零二年計劃授出之尚未行使之3,586,880份購股權已失效。因此，於本年度刊發日期，並無股份可根據二零零二年計劃而予以發行。

根據二零一二年計劃，因悉數行使購股權而可發行之本公司最高股份數目為115,219,246股，佔本公司於二零一二年計劃開始日期已發行股本4.31%。各承授人於授出日期前任何十二個月期間因行使根據二零一二年計劃將予授出之購股權而已經發行及將予發行之本公司股份總數，不得超過於授出日期本公司已發行股本之1%。倘進一步授出超過此1%限額之購股權，本公司須發出通函及經股東在股東大會上批准。概無根據二零一二年計劃授出購股權。

根據兩項購股權計劃，各購股權之行使價乃由董事權酌情釐定，惟該價格不得少於以下之最高者：(i)於授出購股權日期本公司股份於聯交所每日報價表所報之收市價；(ii)緊接授出購股權日期前五個營業日本公司股份於聯交所每日報價表所報之平均收市價；及(iii)於授出購股權日期本公司股份之面值。各承授人須支付港幣1.00元作為獲授予購股權之代價。根據二零零二年計劃及二零一二年計劃，所授予之購股權須分別於提出要約日期起計60日及30日內接納。

32 SHARE OPTION SCHEMES (Continued)

The following table discloses the details of the share options and movements in the share options under the 2002 Scheme during the years ended 31 December 2020 and 2019:

For the year ended 31 December 2020

Category of grantees	Date of grant	Exercise period	Exercise price per share	Number of share options 購股權數目			
				At 1 January 2020 於 二零二零年 一月一日	Lapsed during the year 年內失效	Adjustment as a result of the rights issue 基於供股而 作出的調整 (Note) (附註)	At 31 December 2020 於二零二零年 十二月 三十一日
承授人類別	授出日期	行使期	每股行使價				
Employees of the Group	14 December 2010	14 December 2010 – 13 December 2020	HK\$0.53	3,586,880	(3,586,880)	-	-
本集團僱員	二零一零年十二月 十四日	二零一零年十二月 十四日至二零二零年 十二月十三日	港幣0.53元				

For the year ended 31 December 2019

Category of grantees	Date of grant	Exercise period	Exercise price per share	Number of share options 購股權數目			
				At 1 January 2019 於 二零一九年 一月一日	Lapsed during the year 年內失效	Adjustment as a result of the rights issue 基於供股而 作出的調整 (Note) (附註)	At 31 December 2019 於二零一九年 十二月 三十一日
承授人類別	授出日期	行使期	每股行使價				
Employees of the Group	14 December 2010	14 December 2010 – 13 December 2020	HK\$0.53	3,586,880	-	-	3,586,880
本集團僱員	二零一零年十二月 十四日	二零一零年十二月 十四日至二零二零年 十二月十三日	港幣0.53元				

Note: As a result of the Rights Issue which was completed on 31 October 2018, the relevant exercise prices were adjusted from HK\$0.54 to HK\$0.53 under the 2002 Scheme and the numbers of outstanding share options were adjusted accordingly.

32 購股權計劃(續)

下表披露於截至二零二零年及二零一九年十二月三十一日止年度，根據二零二零年計劃之購股權及其變動之詳情：

截至二零二零年十二月三十一日止年度

截至二零一九年十二月三十一日止年度

附註：由於供股已於二零一八年十月三十一日完成，二零二零年計劃下相關行使價已由港幣0.54元調整至港幣0.53元，剩餘購股權數量亦獲相應調整。

32 SHARE OPTION SCHEMES (Continued)

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

		2020 二零二零年		2019 二零一九年	
		Average exercise price in HK\$ per share option 每份購股權的 平均行使價 (港幣)	Number of share options (thousands) 購股權數目 (千份)	Average exercise price in HK\$ per share option 每份購股權的 平均行使價 (港幣)	Number of share options (thousands) 購股權數目 (千份)
At 1 January	於一月一日	0.53	3,587	0.53	3,587
Lapsed	已失效	0.53	(3,587)	–	–
At 31 December	於十二月三十一日	–	–	0.53	3,587

32 購股權計劃(續)

尚未行使的購股權數目及其有關加權平均行使價變動如下：

33 BUSINESS COMBINATION

(a) Summary of acquisition

Step acquisition through capital injection in Jingxi Supply Chain

On 11 July 2019, a subsidiary of the Group, 悦康融滙投資諮詢(北京)有限公司, formerly known as 悦康融滙投資諮詢(深圳)有限公司 (Ecko Investment Company Limited*), completed a capital injection into Jingxi Supply Chain, pursuant to the investment agreement entered into between Shougang Fund and Jingxi Supply Chain in June 2018. The total consideration for the capital injection was RMB200,000,000. As a result of this capital injection, the Group's shareholding in Jingxi Supply Chain increased from 10% to 70%. Jingxi Supply Chain is engaged in the operation of supply chain management services in the Mainland China.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

33 業務合併

(a) 收購概要

透過向京西供應鏈注資進行分步收購

於二零一九年七月十一日，本集團一間附屬公司悦康融滙投資諮詢(北京)有限公司，前稱悦康融滙投資諮詢(深圳)有限公司，根據首鋼基金與京西供應鏈於二零一八年六月訂立的投資協議，完成對京西供應鏈的注資。注資的總代價為人民幣200,000,000元。由於此次注資，本集團於京西供應鏈的股權由10%增加至70%。京西供應鏈於中國內地從事供應鏈管理服務。

收購代價、已收購資產淨值及商譽詳情如下：

		HK\$'000 港幣千元
Cash consideration	現金代價	227,273

* For identification purpose only

* 僅供識別用途

33 BUSINESS COMBINATION (Continued)

(a) Summary of acquisition (Continued)

Step acquisition through capital injection in Jingxi

Supply Chain (Continued)

The assets and liabilities recognised as a result of the acquisition are as follows:

		Fair value 公允值 HK\$'000 港幣千元
Property, plant and equipment	物業、廠房及設備	2,695
Intangible asset	無形資產	12,689
Other receivables and current asset	其他應收款項及流動資產	2,045
Cash and cash equivalents	現金及現金等值項目	311,871
Other current liabilities	其他流動負債	(1,480)
Net identifiable assets acquired	已收購可識別資產淨值	327,820
Less: fair value of 10% equity interest previously held	減：先前所持10%股權的公允值	(8,631)
Less: non-controlling interests	減：非控股權益	(98,395)
Add: goodwill	加：商譽	6,479
		227,273

The goodwill arising from the acquisition is attributable to the synergies expected to arise from the business combination and enable the Group to rapid entry into the fast growing supply chain finance business in the PRC.

The Group elected to recognise the non-controlling interests in Jingxi Supply Chain at its proportionate share of the acquired net identifiable assets.

33 業務合併(續)

(a) 收購概要(續)

透過向京西供應鏈注資進行分步收購(續)

因收購確認的資產及負債如下：

收購產生的商譽歸因於業務合併預期帶來的協同效應，使本集團得以迅速進入中國快速發展的供應鏈融資業務。

本集團選擇按其在所收購的可識別淨資產中的應佔比例確認京西供應鏈的非控股權益。

33 BUSINESS COMBINATION (Continued)
(b) Purchase consideration – net cash inflow

33 業務合併(續)
(b) 收購代價 – 現金流入淨額

		2019 二零一九年 HK\$'000 港幣千元
Cash consideration paid	已付現金代價	227,273
Less: cash and cash equivalents acquired	減：所收購的現金及現金 等值項目	(311,871)
Net cash inflow	現金流入淨額	(84,598)

For the year ended 31 December 2019, acquisition-related cost of HK\$270,000 was included in administrative expenses in the consolidated statement of comprehensive income and in operating cash flows in the consolidated statement of cash flows.

截至二零一九年十二月三十一日止年度，收購相關成本港幣270,000元，已於綜合全面收益表計入行政開支及於綜合現金流量表計入經營現金流量。

34 NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Cash used in operations

34 綜合現金流量表附註

(a) 經營所用現金

		Notes 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Profit before income tax	除所得稅前溢利		35,153	15,413
Adjustments for:	調整：			
Changes in fair value of financial assets at FVPL	透過損益賬按公允值處理之金融資產之公允值變動		(272)	(204)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	15	2,120	1,913
Depreciation of right-of-use assets	使用權資產折舊	16	3,403	2,834
Amortisation of intangible assets	無形資產攤銷	18	2,956	1,259
Loss on disposal of property, plant and equipment and intangible asset, net	出售物業、廠房及設備以及無形資產之虧損淨額	7	10	5
Gain on disposal of debt instruments at FVOCI	出售透過其他全面收益按公允值處理之債務工具之收益		(29)	(1,022)
Reversal of impairment provision, net	減值撥備撥回淨額		(5,916)	(1,887)
Change in fair value of investment properties	投資物業之公允值變動		1,000	(2,400)
Finance costs	融資成本	11	11,868	25,292
Interest income	利息收入		(10,636)	(19,968)
Share of profit of associates	應佔聯營公司溢利		(1,258)	(2,614)
Net exchange difference	匯兌差額淨值		125	—
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量		38,524	18,621
Changes in working capital:	營運資金變動：			
Receivables under sale and leaseback arrangements	售後回租安排項下應收款項		(5,824)	(229,876)
Entrusted loan payment receivable	應收委託貸款款項		—	8,349
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		(175,922)	(502)
Other payables and accruals	其他應付款項及應計費用		33,122	3,675
Contract liabilities	合約負債		—	(3,992)
Security deposits received	已收保證按金		(18,674)	(18,731)
Cash used in operations	經營所用現金		(128,774)	(222,456)

34 NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(a) Cash used in operations (Continued)

In the consolidated statement of cash flows, proceeds from disposal of property, plant and equipment and intangible asset comprise:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Net book amount (Note 15)	賬面淨值(附註15)		
– Property, plant and equipment (Note 15)	– 物業、廠房及設備(附註15)	1,336	5
– Intangible asset (Note 18)	– 無形資產(附註18)	556	–
		1,892	5
Loss on disposals of property, plant and equipment and intangible asset, net (Note 7)	出售物業、廠房及設備以及無形資產虧損淨額(附註7)	(10)	(5)
Proceeds from disposal of property, plant and equipment and intangible asset	出售物業、廠房及設備以及無形資產之所得款項	1,882	–

34 綜合現金流量表附註(續)

(a) 經營所用現金(續)

在綜合現金流量表中，出售物業、廠房及設備以及無形資產之所得款項包括：

34 NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

(b) Reconciliation of liabilities arising from financing activities

This section sets out an analysis of the movements in liabilities arising from financing activities for the years ended 31 December 2020 and 2019 presented.

34 綜合現金流量表附註(續)

(b) 融資活動之負債對賬

本節載列所示截至二零二零年及二零一九年十二月三十一日止年度融資活動產生之負債變動分析。

		Borrowings 借款 HK\$'000 港幣千元	Lease liabilities 租賃負債 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1 January 2019	於二零一九年一月一日	494,541	–	494,541
Recognised on adoption of HKFRS 16	於採納香港財務報告準則第16號時確認	–	6,246	6,246
Financing cash flows	融資現金流量	494,541	6,246	500,787
Foreign exchange adjustments	外匯調整	(32,602)	(2,346)	(34,948)
Other charge	其他費用	3,618	–	3,618
		–	228	228
At 31 December 2019	於二零一九年十二月三十一日	465,557	4,128	469,685
Financing cash flows	融資現金流量	(187,280)	(2,346)	(189,626)
Foreign exchange adjustments	外匯調整	12,026	–	12,026
Other charge	其他費用	–	135	135
At 31 December 2020	於二零二零年十二月三十一日	290,303	1,917	292,220

35 RELATED PARTY DISCLOSURE

The Controlling Shareholder of the Company defined under the Listing Rules is Shougang Holding which is a wholly-owned subsidiary of Shougang Group Co., Ltd., a state-owned enterprise under the direct supervision of the State Council of the PRC. Accordingly, the Company and the Group are controlled by Shougang Group Co., Ltd. and its subsidiaries (collectively referred as "Shougang Group"). The transactions and those balances with Shougang Group and other PRC government-related financial institutions are disclosed below:

(a) Key management personnel compensation

Key management personnel includes directors (executive, non-executive and external directors) and the senior management of the Group. The compensation paid or payable to key management for employee services is shown below:

35 關連人士披露

根據上市規則之定義，本公司之控股股東為首鋼控股，而首鋼控股則為首鋼集團有限公司(由中國國務院直接控制之國有企業)旗下之全資附屬公司。因此，本公司及本集團受首鋼集團有限公司及其附屬公司(統稱為「首鋼集團」)控制。與首鋼集團及其他中國政府相關金融機構進行之交易及結餘披露如下：

(a) 主要管理人員薪酬

主要管理人員包括董事(執行董事、非執行董事及外部董事)及本集團高級管理人員。就僱員服務已付或應付主要管理人員薪酬如下所示：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Wages, salaries and other benefit	工資、薪金及其他福利	8,237	7,638
Retirement benefit scheme contribution	退休福利計劃供款	50	39
Total employee benefit expenses	僱員福利開支總額	8,287	7,677

35 RELATED PARTY DISCLOSURE (Continued)
(b) Transactions with related parties

35 關連人士披露(續)
(b) 與關連人士之交易

		Year ended 31 December 截至十二月三十一日止年度	
		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Revenue under sale and leaseback arrangements (Note (ii))	售後回租安排項下之收益 (附註(ii))		
Subsidiaries of Shougang Group	首鋼集團之附屬公司	53,295	46,873
Associate of Shougang Holding	首鋼控股之聯營公司	—	827
		53,295	47,700
Consultancy services income (Note (ii))	諮詢服務收入(附註(i))		
Subsidiaries of Shougang Group	首鋼集團之附屬公司	1,003	1,065
Management fee expenses (Note (ii))	管理費用開支(附註(i))		
Shougang Holding	首鋼控股	2,880	2,880
Lease payments (Note (i))	租賃付款(附註(i))		
Subsidiary of Shougang Holding	首鋼控股之附屬公司	2,346	2,346
Sales of property, plant and equipment and intangible asset (Note (i))	銷售物業、廠房及設備以及無形資產(附註(i))		
Subsidiary of Shoucheng Holdings Limited	首程控股有限公司之附屬公司	1,882	—

35 RELATED PARTY DISCLOSURE (Continued)

(b) Transactions with related parties (Continued)

Notes:

- (i) The transactions were carried out in accordance with the relevant lease and other agreements.
- (ii) The transactions were carried out in accordance with relevant sale and leaseback and loan agreements summarised as below:
 - (1) Pursuant to the sale and leaseback agreement, South China Leasing provided sale and leaseback amounting to RMB70,000,000 to Tengzhou Eastern Steel Cord Co. Ltd, an associate of Shougang Holding, for a term of 3 years commenced from August 2016.
 - (2) The Company entered into the master facility agreement with Shougang Group Co., Ltd., pursuant to which the Company has conditionally agreed to provide or procure its subsidiaries to provide the uncommitted facilities to Shougang Group Co., Ltd. and/or its subsidiaries in an aggregate principal amount of up to RMB5,000,000,000 for a term of 3 years commenced from June 2018.
 - (3) Pursuant to the sale and leaseback agreement, South China Leasing provided sale and leaseback amounting RMB60,000,000 to 成都首中易泊停車場管理有限公司, a subsidiary of Shougang Holding, for a term of 1 year commenced from February 2018.

(c) Outstanding balance arising from sale and leaseback business

Included in receivables under sale and leaseback arrangements of the Group as disclosed in Note 20, there are receivables under sale and leaseback arrangements from subsidiaries of Shougang Group with total carrying amount of HK\$691,440,000 (2019: HK\$984,612,000) as at 31 December 2020.

35 關連人士披露(續)

(b) 與關連人士之交易(續)

附註：

- (i) 該等交易根據有關租賃及其他協議進行。
- (ii) 該等交易根據有關售後回租及貸款協議進行，概要如下：
 - (1) 根據售後回租協議，南方租賃向滕州東方鋼索有限公司(首鋼控股之聯營公司)提供售後回租金額為人民幣70,000,000元，為期三年，自二零一六年八月開始。
 - (2) 本公司與首鋼集團有限公司訂立授信總協議，據此，本公司已有條件地同意提供或促使其附屬公司向首鋼集團有限公司及／或其附屬公司提供本金總額最多為人民幣5,000,000,000元之非承諾授信，為期三年，自二零一八年六月開始。
 - (3) 根據售後回租協議，南方租賃向成都首中易泊停車場管理有限公司(首鋼控股的附屬公司)提供售後回租金額為人民幣60,000,000元，為期一年，自二零一八年二月開始。

(c) 售後回租業務產生的未償還結餘

包括於附註20所披露的本集團售後回租安排項下應收款項，於二零二零年十二月三十一日，來自首鋼集團之附屬公司售後回租安排項下應收款項賬面總值為港幣691,440,000元(二零一九年：港幣984,612,000元)。

35 RELATED PARTY DISCLOSURE (Continued)

(d) Investment in related companies

At 31 December 2020, the Group's financial assets at FVPL included listed securities of 12,370,000 shares (2019: 12,370,000 shares) of Shougang Concord Century Holdings Limited ("Shougang Century") with carrying amount of HK\$2,746,000 (2019: HK\$2,486,000), and 46,000 shares (2019: 230,000 shares) of Shoucheng Holdings Limited ("Shoucheng", formerly known as Shougang Concord International Enterprises Company Limited) with carrying amount of HK\$101,000 (2019: HK\$89,000). Shougang Century and Shoucheng are associates of Shougang Holding.

(e) Transaction and balance with other PRC government-related entities

Apart from the transactions and balances with the Shougang Group as disclosed in Note 35(b) and 35(c), and the investments in related companies as disclosed in Note 35(d), the Group has entered into various transactions in its ordinary course of business including deposit placements, borrowings and other general banking facilities, with certain banks and financial institutions which are government-related entities. As at 31 December 2020, Nil, 99% and 97% (2019: 100%, 100% and 98%), respectively, of term deposits with initial term over three months, bank balances and bank borrowings are held with these government-related financial institutions.

35 關連人士披露(續)

(d) 於關連公司之投資

於二零二零年十二月三十一日，本集團之透過損益賬按公允值處理之金融資產包括上市證券首長寶佳集團有限公司(「首長寶佳」)之12,370,000股股份(二零一九年：12,370,000股股份)賬面值為港幣2,746,000元(二零一九年：港幣2,486,000元)及首程控股有限公司(「首程控股」，前稱首長國際企業有限公司)之46,000股股份(二零一九年：230,000股股份)賬面值為港幣101,000元(二零一九年：港幣89,000元)。首長寶佳及首程控股為首鋼控股之聯營公司。

(e) 與其他中國政府相關實體之交易及結餘

除附註35(b)及35(c)所披露與首鋼集團之交易及結餘及附註35(d)所披露於關連公司之投資外，本集團於其日常業務過程中與屬政府相關實體之若干銀行及金融機構訂立多項交易，包括存款、借款及其他一般銀行融資。於二零二零年十二月三十一日，初始期限超過三個月的定期存款、銀行結存及銀行借款分別由此等政府相關金融機構持有零、99%及97%(二零一九年：100%、100%及98%)。

**36 BENEFITS AND INTERESTS OF DIRECTORS
(DISCLOSURES REQUIRED BY SECTION 383 OF
THE HONG KONG COMPANIES ORDINANCE
(CAP. 622), COMPANIES (DISCLOSURE OF
INFORMATION ABOUT BENEFITS OF DIRECTORS)
REGULATION (CAP. 622G) AND HK LISTING
RULES)**

The remuneration of every director and the chief executive for the year ended 31 December 2020 is set out below:

**36 董事福利及權益(香港公司條例
(第622章)第383條、公司(披露
董事利益資料)規例(第622G章)
及香港上市規則所規定的披露)**

截至二零二零年十二月三十一日止年度
各董事及最高行政人員之薪酬載列如
下：

		Fees	Salaries and other benefits	Contributions to retirement benefit scheme	Total 2020
		袍金 HK\$'000 港幣千元	薪金及 其他福利 HK\$'000 港幣千元	退休福利 計劃供款 HK\$'000 港幣千元	總計 二零二零年 HK\$'000 港幣千元
2020	二零二零年				
Executive directors of the Company	本公司執行董事				
Xu Liang	徐 量	—	3,360	18	3,378
Su Guifeng	蘇桂鋒	—	2,883	18	2,901
Li Jing	李 婧	—	990	14	1,004
Non-executive directors of the Company	本公司非執行董事				
Liu Dongsheng (Note (i))	劉東升(附註(i))	58	—	—	58
Huang Donglin	黃冬林	190	—	—	190
You Wenli	游文麗	—	—	—	—
Independent Non-executive directors of the Company	本公司獨立非執行董事				
Tam King Ching, Kenny	譚競正	252	—	—	252
Fei Jianjiang (Note (vi))	費建江(附註(vi))	55	—	—	55
Zhang Xingyu (Note (vii))	張興禹(附註(vii))	198	—	—	198
Wan Siu Wah, Wilson	溫兆華	252	—	—	252
Total emoluments	酬金總額	1,005	7,233	50	8,288

36 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES) (Continued)

The remuneration of every director and the chief executive for the year ended 31 December 2019 is set out below:

36 董事福利及權益(香港公司條例(第622章)第383條、公司(披露董事利益資料)規例(第622G章)及香港上市規則所規定的披露)(續)

截至二零一九年十二月三十一日止年度各董事及最高行政人員之薪酬載列如下：

		Fees 袍金 HK\$'000 港幣千元	Salaries and other benefits 薪金及其他福利 HK\$'000 港幣千元	Contributions to retirement benefit scheme 退休福利計劃供款 HK\$'000 港幣千元	Total 2019 總計 二零一九年 HK\$'000 港幣千元
2019	二零一九年				
Executive directors of the Company	本公司執行董事				
Xu Liang	徐 量	—	2,506	18	2,524
Liu Dongsheng (Note (i))	劉東升(附註(i))	—	2,640	12	2,652
Su Guifeng (Note (ii))	蘇桂鋒(附註(ii))	—	816	3	819
Li Jing (Note (iii))	李 婧(附註(iii))	—	432	6	438
Non-executive directors of the Company	本公司非執行董事				
Liu Dongsheng (Note (i))	劉東升(附註(i))	—	—	—	—
Huang Donglin	黃冬林	190	—	—	190
You Wenli (Note (iv))	游文麗(附註(iv))	—	—	—	—
Independent Non-executive directors of the Company	本公司獨立非執行董事				
Tam King Ching, Kenny	譚競正	264	—	—	264
Yip Kin Man, Raymond (Note (v))	葉健民(附註(v))	262	—	—	262
Fei Jianjiang (Note (vi))	費建江(附註(vi))	264	—	—	264
Wan Siu Wah, Wilson	溫兆華	264	—	—	264
Total emoluments	酬金總額	1,244	6,394	39	7,677

Notes:

- (i) Liu Dongsheng ceased to be managing director and was appointed to be non-executive director on 22 August 2019. Mr. Liu was subsequently ceased to be non-executive director on 21 May 2020.
- (ii) Su Guifeng was appointed on 19 September 2019.
- (iii) Li Jing was appointed on 22 August 2019.
- (iv) You Wenli was appointed on 31 May 2019.
- (v) Yip Kin Man, Raymond resigned on 1 January 2020.
- (vi) Fei Jianjiang resigned on 20 March 2020.
- (vii) Zhang Xingyu was appointed on 20 March 2020.

附註：

- (i) 劉東升於二零一九年八月二十二日不再為董事總經理並獲委任為非執行董事。劉先生其後於二零二零年五月三十一日不再為非執行董事。
- (ii) 蘇桂鋒於二零一九年九月十九日獲委任。
- (iii) 李婧於二零一九年八月二十二日獲委任。
- (iv) 游文麗於二零一九年五月三十一日獲委任。
- (v) 葉健民於二零二零年一月一日辭任。
- (vi) 費建江於二零二零年三月二十日辭任。
- (vii) 張興禹於二零二零年三月二十日獲委任。

37 PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Details of principal subsidiaries at 31 December 2020 and 2019 are as follows:

37 本公司主要附屬公司之詳情

本公司於二零二零年及二零一九年十二月三十一日之主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation or establishment/ operation 註冊成立或成立/ 經營地點	Issued and fully paid share capital/ registered and paid-up capital 已發行及繳足股本/ 註冊及實繳股本 (Note (i)) (附註(i))	Proportion of ownership interest held by the Company 本公司所持擁有權 權益之比例		Principal activities 主要業務
			2020 二零二零年	2019 二零一九年	
Direct subsidiaries 直接附屬公司					
SCG Investment (BVI) Limited	British Virgin Islands ("BVI") 英屬處女群島 (「英屬處女群島」)	HK\$100,000 港幣100,000元	100%	100%	Investment holding 投資控股
Jeckman Holdings Limited	BVI 英屬處女群島	US\$100 100美元	100%	100%	Investment holding 投資控股
Indirect subsidiaries 間接附屬公司					
Gold Cosmos Development Limited 金鵬發展有限公司	Hong Kong 香港	HK\$10,000 港幣10,000元	100%	100%	Investment holding 投資控股
Grand Park Investment Limited 光栢投資有限公司	Hong Kong 香港	HK\$2 港幣2元	100%	100%	Property investment 物業投資
Grand Phoenix Limited	BVI 英屬處女群島	US\$1 1美元	0%	100%	Investment holding 投資控股
Linksky Limited 凌建有限公司	Hong Kong 香港	HK\$2 港幣2元	100%	100%	Property investment 物業投資
Long Cosmos Investment Limited	Hong Kong	HK\$2	100%	100%	Provision of administrative and management services 提供行政及管理服務
長亨投資有限公司	香港	港幣2元			
Lyre Terrace Management Limited 琴台管理有限公司	Hong Kong 香港	HK\$1,000,000 港幣1,000,000元	100%	100%	Property investment 物業投資

37 PARTICULARS OF PRINCIPAL SUBSIDIARIES OF
THE COMPANY (Continued)

37 本公司主要附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation or establishment/ operation 註冊成立或成立/ 經營地點	Issued and fully paid share capital/ registered and paid-up capital 已發行及繳足股本/ 註冊及實繳股本 (Note (i)) (附註(i))	Proportion of ownership interest held by the Company 本公司所持擁有權 權益之比例		Principal activities 主要業務
			2020 二零二零年	2019 二零一九年	
On Hing Investment Company, Limited	Hong Kong	HK\$1,000 (ordinary) HK\$2,000,000 (non-voting deferred)	100% (Note (iv))	100% (Note (iv))	Property investment and investment holding
安興企業有限公司	香港	港幣1,000元 (普通股) 港幣2,000,000元 (無投票權遞延股)	(附註(iv))	(附註(iv))	物業投資及投資控股
SCG Capital Corporation Limited 首長四方融資有限公司	Hong Kong 香港	HK\$20 港幣20元	100%	100%	Investment holding 投資控股
SCG Finance Corporation Limited 首長四方財務有限公司	Hong Kong 香港	HK\$20 港幣20元	100%	100%	Provision of financial services 提供金融服務
SCG Financial Investment Limited	BVI 英屬處女群島	US\$1,000 1,000美元	100%	100%	Investment holding 投資控股
SCG Leasing Corporation Limited 首長四方租賃有限公司	Hong Kong 香港	HK\$2 港幣2元	100%	100%	Inactive 暫無營業
South China International Leasing Co., Ltd. ("South China Leasing") 南方國際租賃有限公司(「南方租賃」)	PRC (Note (ii)) 中國(附註(ii))	US\$162,000,000 (Registered capital) 162,000,000美元 (註冊股本)	75%	75%	Provision of sale and leaseback services 提供售後回租服務
Strenbeeche Limited	BVI 英屬處女群島	HK\$147,000,008 港幣147,000,008元	0%	100%	Investment holding 投資控股

37 PARTICULARS OF PRINCIPAL SUBSIDIARIES OF
THE COMPANY (Continued)

37 本公司主要附屬公司之詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation or establishment/ operation 註冊成立或成立/ 經營地點	Issued and fully paid share capital/ registered and paid-up capital 已發行及繳足股本/ 註冊及實繳股本 (Note (i)) (附註(i))	Proportion of ownership interest held by the Company 本公司所持擁有權 權益之比例		Principal activities 主要業務
			2020 二零二零年	2019 二零一九年	
Tin Fung Investment Company, Limited	Hong Kong	HK\$975,000 (ordinary) HK\$210,000 (non-voting deferred)	100% (Note (iv))	100% (Note (iv))	Inactive
天豐置業有限公司	香港	港幣975,000元 (普通股) 港幣210,000元 (無投票權遞延股)	(附註(iv))	(附註(iv))	暫無營業
Valuework Investment Holdings Limited	BVI 英屬處女群島	US\$100 100美元	100%	100%	Investment holding 投資控股
Ecko Investment Company Limited*	PRC (Note (iii))	HK\$261,700,000 (Registered capital)	100%	100%	Investment holding
悅康融滙投資諮詢(北京)有限公司	中國(附註(iii))	港幣261,700,000元 (註冊股本)			投資控股
Beijing Shouhua Fangtai Investment Management Co., Ltd.* ("Shouhua Fangtai")	PRC (Note (iii))	RMB70,000,000 (Registered capital)	86.71%	86.71%	Provision of corporate financial advisory services
北京首華方泰投資管理有限公司 (「首華方泰」)	中國(附註(iii))	人民幣70,000,000元 (註冊股本)			提供企業融資顧問 服務
Beijing Jingxi Supply Chain Management Co., Ltd.* ("Jingxi Supply Chain")	PRC (Note (iii))	RMB60,000,000	100% (Note (v))	70%	Provision of supply chain management services
北京京西供應鏈管理有限公司 (「京西供應鏈」)	中國(附註(iii))	人民幣60,000,000元	(附註(v))		提供供應鏈管理服務

* For identification purpose only

* 僅供識別用途

37 PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

Notes:

- (i) All issued share capital are ordinary shares unless otherwise stated.
- (ii) This entity is sino-foreign equity joint venture.
- (iii) These entities are limited liability enterprises.
- (iv) Interests only refer to ordinary shares which are voting shares.
- (v) During the year, the Group entered into a sale and purchase agreement with Shougang Fund, a non-controlling shareholder of Jingxi Supply Chain, to acquire the remaining 30% equity interest with the consideration of HK\$8,747,000. After the acquisition, the Group owns 100% equity interest on Jingxi Supply Chain.

The above table lists the subsidiaries of the Group which, in the opinion of the Directors, principally affect the results or assets and liabilities of the Group. To give details of other subsidiaries would, in the opinion of Directors, result in particulars of excessive length.

None of the subsidiaries had any debt securities subsisting at the end of the year or at any time during the year.

37 本公司主要附屬公司之詳情(續)

附註：

- (i) 除非另有說明，否則所有已發行股本均為普通股。
- (ii) 該實體為中外合資企業。
- (iii) 該等公司為有限責任公司。
- (iv) 指於有投票權之普通股股份的權益。
- (v) 年內，本集團與京西供應鏈之非控股股東首鋼基金訂立買賣協議，以收購餘下30%股權，代價為港幣8,747,000元。於收購後，本集團擁有京西供應鏈100%股權。

上表僅載列董事認為對本集團之業績或資產及負債有主要影響之本集團附屬公司。董事認為載列其他附屬公司詳情將令篇幅過於冗長。

於本年度結束時及年內任何時間並無附屬公司持有任何債務證券。

37 PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

Details of non-wholly-owned subsidiaries that have material non-controlling interests

The table below shows details of non-wholly-owned subsidiaries of the Group that have material non-controlling interests:

37 本公司主要附屬公司之詳情(續)

擁有重大非控股權益之非全資附屬公司詳情

下表載列擁有重大非控股權益之本集團非全資附屬公司之詳情：

Name of subsidiary 附屬公司名稱	Place of establishment and operation 成立及營運地點	Principal activities 主要業務	Proportion of ownership interests and voting rights held by non-controlling interests 非控股權益所持擁有權益及投票權之比例		Profit for the year allocated to non-controlling interests 分配至非控股權益之年度溢利		Accumulated non-controlling interests 累計非控股權益	
			2020 二零二零年 %	2019 二零一九年 %	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
South China Leasing 南方租賃	PRC 中國	Provision of sale and leaseback services 提供售後回租服務	25	25	12,887	9,083	318,749	291,628
Jingxi Supply Chain 京西供應鏈	PRC 中國	Provision of supply chain management services 提供供應鏈管理服務	—	30	49	(620)	—	96,517
Individually immaterial subsidiaries with non-controlling interests 個別非重大而擁有非控股權益之附屬公司							(397)	204
							318,352	388,349

37 PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

Details of non-wholly-owned subsidiaries that have material non-controlling interests (Continued)

South China Leasing is the non-listed company established in Mainland China and provides sale and leaseback services in Mainland China.

The Group has indirect ownership interest of 75% (2019: 75%) in South China Leasing at 31 December 2020, which is held by wholly owned subsidiaries of the Group. The remaining 25% non-controlling is held by Shougang Holding.

The Directors conclude that the Group has a sufficiently dominant voting interest to direct the relevant activities of both subsidiaries on the basis of the Group's absolute size of equity interest and the relative size of the interest owned by the other equity owners.

Summarised financial information in respect of the Group's subsidiary that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

37 本公司主要附屬公司之詳情(續)

擁有重大非控股權益之非全資附屬公司詳情(續)

南方租賃為於中國內地成立之非上市公司，且於中國內地提供售後回租服務。

本集團於二零二零年十二月三十一日於南方租賃擁有75%(二零一九年：75%)間接擁有權權益，而南方租賃由本集團多間全資附屬公司持有。餘下25%非控股權益由首鋼控股持有。

董事之結論為，基於本集團之絕對股權規模及其他股權所有人擁有之相對權益規模，本集團擁有足夠主導性投票權，以指引兩間附屬公司之有關活動。

有關擁有重大非控股權益之本集團附屬公司財務資料概要載列如下。下文概述之財務資料指集團內公司間對銷前之金額。

37 PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

Details of non-wholly-owned subsidiaries that have material non-controlling interests (Continued)

South China Leasing

Summarised statement of financial position

37 本公司主要附屬公司之詳情(續)

擁有重大非控股權益之非全資附屬公司詳情(續)

南方租賃

財務狀況表概要

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Current assets	流動資產	702,932	591,173
Current liabilities	流動負債	(188,935)	(259,197)
Current net assets	流動資產淨值	513,997	331,976
Non-current assets	非流動資產	913,946	1,013,763
Non-current liabilities	非流動負債	(152,947)	(179,227)
Non-current net assets	非流動資產淨值	760,999	834,536
Net assets	資產淨值	1,274,996	1,166,512
Accumulated non-controlling interests	累計非控股權益	318,749	291,628

37 PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

Details of non-wholly-owned subsidiaries that have material non-controlling interests (Continued)
South China Leasing (Continued)
Summarised statement of comprehensive income

37 本公司主要附屬公司之詳情(續)

擁有重大非控股權益之非全資附屬公司詳情(續)
南方租賃(續)
全面收益表概要

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Revenue	收益	78,691	71,568
Profit for the year	年度溢利	51,548	36,335
Other comprehensive income/(loss)	其他全面收益／(虧損)	77,988	(13,759)
Total comprehensive income	全面收益總額	129,536	22,576
Total comprehensive income allocated to non-controlling interests	分配至非控股權益之全面收益總額	32,384	5,644

Summarised cash flow

現金流量概要

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Net cash generated from/(used in) operating activities	經營活動所得／(所用)現金淨額	51,937	(212,408)
Net cash used in investing activities	投資活動所用現金淨額	(7,282)	(87,154)
Net cash used in financing activities	融資活動所用現金淨額	(99,872)	(26,302)
Net cash outflow	現金流出淨額	(55,217)	(325,864)

38 STATEMENT OF FINANCIAL POSITION AND
RESERVE MOVEMENT OF THE COMPANY

38 本公司財務狀況表及
儲備變動表

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Assets	資產		
Non-current assets	非流動資產		
Investment in subsidiaries, net (Note)	於附屬公司之投資淨額(附註)	509,068	485,928
Amounts due from subsidiaries, net (Note)	應收附屬公司款項淨額(附註)	563,203	513,421
		1,072,271	999,349
Current assets	流動資產		
Prepayment, deposits and other receivables	預付款項、按金及其他應收款項	193	193
Cash and cash equivalents	現金及現金等值項目	202	454
		395	647
Total assets	資產總值	1,072,666	999,996
Liabilities	負債		
Current liabilities	流動負債		
Other payables and accruals	其他應付款項及應計費用	102	167
Total liabilities	負債總額	102	167
Net current assets	流動資產淨值	293	480
Net assets	資產淨值	1,072,564	999,829
Capital and reserves	股本及儲備		
Share capital	股本	39,846	39,846
Reserves	儲備	1,032,718	959,983
Total equity	總權益	1,072,564	999,829

38 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

(Continued)

Note: As at 31 December 2020, the amounts due from subsidiaries with carrying amount of HK\$563,203,000 (2019: HK\$513,421,000) are unsecured, interest free and repayable on demand. In the opinion of the Directors, the Company will not demand for repayment within one year from the end of reporting period and the amounts due from subsidiaries are therefore considered as non-current. Interest-free advance is measured at amortised cost and the related effective interest income of HK\$35,105,000 (2019: HK\$33,433,000), which is non-distributable, was recognised in profit or loss for the current year and accumulated effective interest income of approximately HK\$140,010,000 (2019: HK\$104,905,000), which is non-distributable, was recognised in retained earnings.

38 本公司財務狀況表及儲備變動表(續)

附註：於二零二零年十二月三十一日，應收附屬公司款項賬面值港幣563,203,000元(二零一九年：港幣513,421,000元)為無抵押，免息及須按要求償還。董事認為，本公司將不會於報告期期末後一年內提出還款要求，因此認為應收附屬公司款項為非流動。免息墊款乃根據攤銷成本計量而相關實際利息收入港幣35,105,000元(二零一九年：港幣33,433,000元)為不可分發且已於本年度損益賬內確認及累計實際利息收入約港幣140,010,000元(二零一九年：港幣104,905,000元)為不可分發且已於保留盈利內確認。

Movement in the Company's reserves

本公司儲備變動

		Share premium 股份溢價 HK\$'000 港幣千元	Contributed surplus reserve 繳入盈餘儲備 HK\$'000 港幣千元	Share options reserve 購股權儲備 HK\$'000 港幣千元	Exchange reserve 匯兌儲備 HK\$'000 港幣千元	Retained earnings 保留盈利 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1 January 2019	於二零一九年一月一日	770,228	113,441	686	-	90,538	974,893
Cancellation of ordinary shares	註銷普通股	(3,410)	-	-	-	-	(3,410)
Loss for the year	年度虧損	-	-	-	-	(144)	(144)
Exchange difference arising on translation into presentation currency	換算為呈列貨幣產生之匯兌差額	-	-	-	(11,356)	-	(11,356)
At 31 December 2019	於二零一九年十二月三十一日	766,818	113,441	686	(11,356)	90,394	959,983
Lapse of share options	購股權失效	-	-	(686)	-	686	-
Profit for the year	年度虧損	-	-	-	-	38,239	38,239
Exchange difference arising on translation into presentation currency	換算為呈列貨幣產生之匯兌差額	-	-	-	34,496	-	34,496
At 31 December 2020	於二零二零年十二月三十一日	766,818	113,441	-	23,140	129,319	1,032,718

FIVE-YEAR FINANCIAL SUMMARY

五年財務摘要

For the year ended 31 December

截至十二月三十一日止年度

		2016 二零一六年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
RESULTS	業績					
Continuing operations	持續經營業務					
Revenue	收益	106,578	109,512	96,623	77,702	85,378
Cost of sales	銷售成本	(61,130)	(50,380)	(42,427)	(20,058)	(11,618)
Gross profit	毛利	45,448	59,132	54,196	57,644	73,760
Other income	其他收入	11,451	4,389	15,620	21,191	12,388
Other gains, net	其他收益淨額	—	285	2,824	1,094	13,734
Selling expenses	出售開支	(672)	(993)	(418)	(402)	(1,420)
Administrative expenses	行政開支	(33,248)	(40,530)	(58,798)	(65,232)	(68,079)
Changes in fair value of investment properties	投資物業之公允值變動	4,670	10,781	3,147	2,400	(1,000)
Changes in fair value of financial assets at fair value through profit or loss	透過損益賬按公允值處理之金融資產之公允值變動	806	67	(641)	204	272
(Provision)/reversal of impairment of provision, net	減值撥備淨額之(撥備)/撥回	(44,055)	672	1,242	1,887	5,916
Finance costs	融資成本	(264)	(2,445)	(5,823)	(5,987)	(1,676)
Share of (loss)/profit of associates	應佔聯營公司(虧損)/溢利	(25,349)	(11,947)	(122,547)	2,614	1,258
(Provision)/reversal of impairment of provision on interest in an associate	一間聯營公司之權益之減值撥備(撥備)/撥回	(43,019)	(9,626)	75,640	—	—
(Loss)/profit before income tax	除所得稅前(虧損)/溢利	(84,232)	9,785	(35,558)	15,413	35,153
Income tax credit/(expense)	所得稅抵免/(開支)	2,564	(12,206)	(14,531)	(14,830)	(16,959)
(Loss)/profit for the year from continuing operations	持續經營業務之年度(虧損)/溢利	(81,668)	(2,421)	(50,089)	583	18,194
Discontinued operation	已終止經營業務					
Loss for the year from discontinued operation	已終止經營業務之年度虧損	(304)	—	—	—	—
(Loss)/profit for the year	年度(虧損)/溢利	(81,972)	(2,421)	(50,089)	583	18,194
Attributable to:	以下人士應佔：					
Owners of the Company	本公司持有人	(82,375)	(11,332)	(58,882)	(7,921)	5,980
Non-controlling interests	非控股權益	403	8,911	8,793	8,504	12,214
		(81,972)	(2,421)	(50,089)	583	18,194

FIVE-YEAR FINANCIAL SUMMARY
五年財務摘要

		As at 31 December 於十二月三十一日				
		2016 二零一六年 HK\$'000 港幣千元	2017 二零一七年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	2020 二零二零年 HK\$'000 港幣千元
ASSETS AND LIABILITIES	資產及負債					
Total assets	資產總額	2,524,472	2,630,955	2,218,214	2,294,032	2,161,473
Total liabilities	負債總額	(1,061,140)	(1,051,498)	(592,124)	(550,534)	(397,484)
		1,463,332	1,579,457	1,626,090	1,743,498	1,763,989
Capital and reserves attributable to owners of the Company	本公司持有人應佔股本及儲備	1,198,271	1,281,917	1,339,688	1,355,149	1,445,637
Non-controlling interests	非控股權益	265,061	297,540	286,402	388,349	318,352
		1,463,332	1,579,457	1,626,090	1,743,498	1,763,989

