

The logo for EGIC, consisting of the letters 'EGIC' in a bold, white, sans-serif font inside a blue rounded rectangle.

中國恒嘉融資租賃集團有限公司

CHINA EVER GRAND FINANCIAL LEASING GROUP CO., LTD.

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code 股份代號:379)

The background of the cover features a scenic landscape of rolling green hills under a warm, golden sunset sky. Overlaid on this are several semi-transparent digital graphics: a bar chart with vertical bars of varying heights, a network of glowing blue dots and lines, and a stack of blue coins. The overall aesthetic is modern and tech-oriented.

Annual
Report
2020
年報



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CORPORATE INFORMATION

公司資料

EXECUTIVE DIRECTORS

Mr. Wong Lik Ping (*Chairman*)
Mr. Lai Ka Fai
Mr. Tao Ke
Mr. Qiao Weibing
Mr. Ng Tin Shui

NON-EXECUTIVE DIRECTOR

Ms. Yip Man Yi

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Goh Choo Hwee
Mr. Ho Hin Yip
Mr. U Keng Tin
Mr. Leung Yiu Ming, David

CHIEF EXECUTIVE OFFICER

Mr. Lai Ka Fai

JOINT COMPANY SECRETARIES

Mr. Li Chak Hung
Mr. Siu Wai Bun

AUTHORISED REPRESENTATIVES

Mr. Wong Lik Ping
Mr. Lai Ka Fai

AUDIT COMMITTEE

Mr. Ho Hin Yip (*Chairman*)
Mr. Goh Choo Hwee
Mr. U Keng Tin

REMUNERATION COMMITTEE

Mr. Ho Hin Yip (*Chairman*)
Mr. Wong Lik Ping
Mr. Goh Choo Hwee

NOMINATION COMMITTEE

Mr. Wong Lik Ping (*Chairman*)
Mr. Goh Choo Hwee
Mr. Ho Hin Yip

AUDITOR

BDO Limited
Certified Public Accountants

執行董事

王力平先生 (*主席*)
黎嘉輝先生
陶可先生
喬衛兵先生
吳天墅先生

非執行董事

葉敏怡女士

獨立非執行董事

吳慈飛先生
何衍業先生
余擎天先生
梁耀鳴先生

行政總裁

黎嘉輝先生

聯席公司秘書

李澤雄先生
蕭偉斌先生

授權代表

王力平先生
黎嘉輝先生

審核委員會

何衍業先生 (*主席*)
吳慈飛先生
余擎天先生

薪酬委員會

何衍業先生 (*主席*)
王力平先生
吳慈飛先生

提名委員會

王力平先生 (*主席*)
吳慈飛先生
何衍業先生

核數師

香港立信德豪會計師事務所有限公司
執業會計師

LEGAL ADVISER

Angela Ho & Associates
Lo Lau Lawyers

PRINCIPAL BANKERS

In Hong Kong:

The Hongkong and Shanghai Banking Corporation Limited
Fubon Bank (Hong Kong) Limited
Chiyu Banking Corporation Limited
Bank of China (Hong Kong) Limited
DBS Bank (Hong Kong) Limited
Standard Chartered Bank (Hong Kong) Limited

In the PRC:

China Citic Bank
China Guangfa Bank
Bank of China
Industrial and Commercial Bank of China

REGISTERED OFFICE

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Room 2203, 22/F.
Kwan Chart Tower
No. 6 Tonnochy Road
Wanchai, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

STOCK CODE

379

WEBSITE

<http://www.egichk.com>

法律顧問

何文琪律師事務所
勞劉律師事務所

主要往來銀行

香港:
香港上海滙豐銀行有限公司

富邦銀行(香港)有限公司
集友銀行有限公司
中國銀行(香港)有限公司
星展銀行(香港)有限公司
渣打銀行(香港)有限公司

中國:

中信銀行
中國廣發銀行
中國銀行
中國工商銀行

註冊辦事處

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

總辦事處及主要營業地點

香港灣仔
杜老誌道6號
群策大廈
22樓2203室

股份過戶登記總處

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

香港股份過戶登記分處

卓佳秘書商務有限公司
香港
皇后大道東183號
合和中心54樓

股份代號

379

公司網址

<http://www.egichk.com>

CHAIRMAN'S STATEMENT

主席報告

Dear Shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of China Ever Grand Financial Leasing Group Co., Ltd (the "Company"), I hereby present the annual report of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 December 2020. 2020 was an extraordinarily difficult year. Impacted by the COVID-19 pandemic, the economies across the globe have been adversely affected by different extent of severity. The China's economy, being the second largest and one of the largest trading partner in the world, was not immune from it and shrank in the first quarter of 2020 for the first time in decades. Through effective implementation of a series of epidemic containment measures by strong governance, the situation got under control and the economy bounced back notably in the second half bringing its GDP in 2020 to a mild year-on-year growth of 2.3%. However, the overall customer's spending and certain hardest hit aviation and hospitality sectors are not recovered to the pre-pandemic level. The financial market has been turbulent when some of the industry leaders and state-own enterprises of the affected sectors experienced liquidity problems to repay debts. Being engaged in financial market in the PRC, the Group's performance succumbed to it and recorded a significant loss of HK\$356.6 million in 2020 (2019: HK\$51.0 million) mostly derived by the impairment loss on the receivables of recourse business in the financial leasing segment. Against all the odds, the Group relentlessly looked for an impetus. The Group initiated trading business of medical and health products and then acquired entire interest in Tripler Holdings Limited ("Tripler") to horizontally integrate with its wholesaling business of personal and household hygiene products and its extensive distribution network with small-medium size pharmaceutical shops in Hong Kong. It is believed that the demand of related products continues to look promising as a result of increase in public health awareness during the pandemic. It diversifies the business risk of the Group and will possibly give a boost to the Group's financial result in the future.

致各位股東：

本人謹代表中國恒嘉融資租賃集團有限公司（「本公司」）董事（「董事」）會（「董事會」）提呈本公司及其附屬公司（統稱「本集團」）截至二零二零年十二月三十一日止年度之年度報告。二零二零年是非常困難的一年。受COVID-19大流行影響，全球經濟受到不同程度的嚴重影響。中國經濟為世界第二大及最大的貿易夥伴之一，亦無法倖免於此，並在二零二零年第一季度出現了數十年來的首次萎縮。透過強有力的治理有效實施一系列疫情控制措施，局勢得到控制，經濟在下半年顯著反彈，帶領二零二零年的國內生產總值同比溫和增長2.3%。然而，總體客戶支出以及若干受打擊最嚴重的航空及酒店行業並未恢復至大流行前的水平。當受影響行業的部分行業領袖及國有企業遭遇償還債務的流動性問題時，金融市場動盪不安。在中國金融市場從事業務，本集團的表現屈從於其整體表現並於二零二零年錄得重大虧損356,600,000港元（二零一九年：51,000,000港元），主要受融資租賃分部追索業務的應收款項減值虧損所拖累。面對一切困難，本集團努力不懈地尋找動力。本集團開展醫療保健產品貿易業務，然後收購森川實業有限公司（「森川」）的全部權益，以將其個人及家庭衛生產品的批發業務及其廣泛的分銷網絡與香港中小型藥店進行橫向整合。本集團相信，由於在大流行期間公眾健康意識的提高，相關產品的需求繼續看好。這分散了本集團的業務風險，並有可能在未來提高本集團的財務業績。

RESULTS OF OPERATIONS

For the year under review, the financial leasing segment recorded a segment loss of HK\$234.0 million mainly driven by impairment losses on the receivables of HK\$199.4 million (2019: HK\$45.8 million). The food additives business, being classified under others in the segment information, recorded a net loss of HK\$17.1 million in 2020 (2019: HK\$12.6 million). The investment segment recorded a greater net profit of HK\$12.1 million in 2020 (2019: net profit of HK\$0.7 million). The trading segment, commenced in 2020, recorded a net loss of HK\$5.5 million mainly due to the start up cost in the developing business and fair value loss on the contingent consideration receivable arising from the acquisition of Tripler. After considering the corporate expenses (2020: HK\$98.3 million; 2019: HK\$35.8 million), share of results of associates (2020: share of net losses of HK\$5.7 million; 2019: share of net profits of HK\$29.4 million), impairment loss on reclassification of interest in an associate as asset held for sales of HK\$31.0 million (2019: nil), certain unallocated other income, gains and losses (2020: net gain of HK\$34.6 million; 2019: net gain of HK\$12.0 million), finance cost and other expenses, income taxation (2020: expense of HK\$14.0 million; 2019: credit of HK\$1.8 million), the Group recorded a net loss of HK\$356.6 million (2019: net loss of HK\$51.0 million) and a net loss attributable to the owners of the Company of HK\$242.9 million in 2020 (2019: net loss of HK\$34.1 million).

FUTURE OUTLOOK

In spite of the enormous challenging environment in China and the globe posed by the pandemic and the geopolitical tensions, the Group is confident to weather any adversity that may lie ahead by lie ahead by the experienced management team, sound risk management and robust internal control. By leveraging the existing resources and capabilities, the Group will cautiously and diligently look for new potential growth opportunities, undervalued assets and business expansion in order to diversify the income sources and attain a long term growth.

經營業績

於回顧年度，融資租賃分部錄得分部虧損234,000,000港元，主要由應收款項的減值虧損199,400,000港元（二零一九年：45,800,000港元）所推動。食品添加劑業務（於分部資料中分類為其他類別）於二零二零年錄得淨虧損17,100,000港元（二零一九年：12,600,000港元）。於二零二零年，投資分部錄得更高的純利12,100,000港元（二零一九年：純利700,000港元）。於二零二零年開始的貿易分部錄得淨虧損5,500,000港元，主要由於發展業務的啟動成本以及因收購森川而產生的應收或然代價的公平值虧損。經考慮企業支出（二零二零年：98,300,000港元；二零一九年：35,800,000港元）、分攤聯營公司業績（二零二零年：分攤淨虧損5,700,000港元；二零一九年：分攤純利29,400,000港元）、將於一家聯營公司的權益重新分類為持作出售資產之減值虧損31,000,000港元（二零一九年：零）、若干未分配其他收入、收益及虧損（二零二零年：收益淨額34,600,000港元；二零一九年：收益淨額12,000,000港元）、財務成本及其他開支、所得稅（二零二零年：開支14,000,000港元；二零一九年：抵免1,800,000港元），本集團於二零二零年錄得淨虧損356,600,000港元（二零一九年：淨虧損51,000,000港元）及本公司擁有人應佔淨虧損242,900,000港元（二零一九年：淨虧損34,100,000港元）。

未來展望

儘管大流行及地緣政治緊張局勢給中國乃至全球帶來巨大的挑戰性環境，但本集團有信心渡過任何可能遇到的逆境，這將由經驗豐富的管理團隊、健全的風險管理及強大的內部控制來應對。通過藉助現有資源及能力，本集團將謹慎及辛勤地物色新的潛在增長機會、被低估的資產及業務擴張，以多樣化收入來源並達致長遠發展。

CHAIRMAN'S STATEMENT

主席報告

ACKNOWLEDGEMENT

Here, on behalf of the Board of the Company, I hereby wish to extend my gratitude for the hard work contributed by all the staff and the Directors, as well as the support to the Company from all our customers, creditors, business partners and the shareholders. We will adhere to proven management strategy, grasp market trend and opportunities, and endeavour to bring greater value to our shareholders and make new contribution to the community.

Wong Lik Ping

Chairman

Hong Kong, 24 March 2021

致謝

本人謹此代表本公司董事會向全體員工及董事致以衷心謝意，感謝他們的辛勞付出，同時向我們的客戶、債權人、商業合作夥伴及股東致謝，感謝他們對本公司的支持。我們將秉承有效的管理策略，捕捉市場趨勢和機遇，矢志為股東創造更高價值，為社區作出新貢獻。

主席

王力平

香港，二零二一年三月二十四日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

The Group recorded revenue of HK\$66.2 million in 2020 as compared with HK\$71.2 million in 2019, gross loss of HK\$16.4 million in 2020 as compared with the gross profit of HK\$21.8 million in 2019 and net loss of HK\$356.6 million in 2020 as compared to the net loss of HK\$51.0 million in 2019.

For the year under review, the Financial Leasing Segment has contributed a segment loss of HK\$234.0 million, as compared with a segment loss of HK\$45.8 million in 2019 (definition of segment profit or loss and detailed analysis set out in note 6). The increase in loss is mainly due to the increase in impairment loss on finance lease and loan receivables by HK\$163.3 million and the increase in operating loss by HK\$24.9 million mainly as a result of the net negative interest spread of two financial leasing businesses on recourse basis where the interest cost accrued from the borrowings was greater than the income from the respective defaulted receivables.

The Food Additives Business, classified under others in the segment information, mainly carried out manufacturing and sale of solid sorbitol and compound food additives. It also performed research & development of new products such as Advantame, highly extreme sweeteners and EPS, clinic diagnostic reagent. During the year under review, the segment recorded a net loss of HK\$17.1 million in 2020, up HK\$4.5 million as compared with HK\$12.6 million in 2019. The increase in loss is mainly attributable to an one-off impairment loss on the property, plant and equipment of HK\$5.1 million. The persistent loss was mainly due to the segment operation disrupted and slashed demand caused by the COVID-19 in most of the first half of 2020.

業務回顧

本集團於二零二零年錄得收入66,200,000港元，而二零一九年則為71,200,000港元，二零二零年毛損為16,400,000港元，二零一九年則為毛利21,800,000港元，而二零二零年淨虧損為356,600,000港元，二零一九年則為淨虧損51,000,000港元。

於回顧年內，融資租賃分部錄得分部虧損234,000,000港元，而二零一九年分部虧損為45,800,000港元（分部損益之定義及詳細分析載於附註6）。有關虧損增加主要由於融資租賃及應收貸款減值虧損增加163,300,000港元及經營虧損增加24,900,000港元，乃主要由於兩項有追索權的融資租賃業務之負淨息差，其中借款產生的應計利息成本大於來自有關違約應收款的收入。

於分部資料中分類為其他的食品添加劑業務主要進行固體山梨糖醇及複配食品添加劑的製造及銷售，亦展開愛德萬甜（一種高濃度甜味劑）及EPS（一種臨床診斷試劑）等新產品之研發。於回顧年內，該分部於二零二零年錄得淨虧損17,100,000港元，較二零一九年淨虧損12,600,000港元增加4,500,000港元。虧損增加乃主要由於物業、廠房及設備之一次性減值虧損5,100,000港元。持續虧損乃主要由於二零二零年上半年大多數時間，COVID-19導致分部營運受阻及需求大幅下降。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Investment segment recorded a net profit of HK\$12.1 million in 2020 as compared with the net profit of HK\$0.7 million in 2019. The improved result in 2020 was a net effect of (i) increase in fair value gain on financial asset at FVTPL from a net loss of HK\$7.8 million in 2019 to a net gain of HK\$6.0 million in 2020, (ii) increase in fair value gain on and rental income from investment properties of HK\$5.0 million, further net off with (iii) decrease in loan interest income of HK\$10.1 million from money lending business.

Trading segment includes (i) a newly acquired business in August 2020 which carries out production, wholesale, distribution and trading of daily necessities, including personal care and sanitising products as well as face masks under its own brand or as OEM for other brands and related commercial activities in Hong Kong (the "New Business") and (ii) sale of medical and health products in Hong Kong that commenced in the first half of 2020. Due to the greater start-up cost incurred in the developing stage of the trading business and fair value loss on the contingent consideration receivable arising from the acquisition of the New Business, the segment recorded a net loss of HK\$5.5 million (2019: nil).

After considering the corporate expenses (2020: HK\$98.3 million; 2019: HK\$35.8 million), share of results of associates (2020: share of net losses of HK\$5.7 million; 2019: share of net profits of HK\$29.4 million), impairment loss on reclassification of interest in an associate as asset held for sales of HK\$31.0 million (2019: nil), certain unallocated other income, gains and losses (2020: gain of HK\$37.3 million; 2019: gain of HK\$12.0 million), finance cost and other expenses, income taxation (2020: expense of HK\$14.0 million; 2019: credit of HK\$1.8 million), the Group recorded a net loss of HK\$356.6 million (2019: net loss of HK\$51.0 million) and a net loss attributable to the owners of the Company of HK\$242.9 million in 2020 (2019: net loss of HK\$34.1 million).

該投資分部於二零二零年錄得純利12,100,000港元，二零一九年則為純利700,000港元。二零二零年的業績改善乃是(i)按公平值透過損益列賬之金融資產公平值收益由二零一九年的淨虧損7,800,000港元增加至二零二零年的淨收益6,000,000港元，(ii)來自投資物業的公平值收益及租金收入增加5,000,000港元，進一步扣除(iii)來自放貸業務的貸款利息收入10,100,000港元之淨影響。

貿易分部包括(i)於二零二零年八月新收購的業務，該業務於香港進行生產、批發、分銷及買賣日用品(包括個人護理及消毒產品以及自有品牌的口罩或作為其他品牌的OEM)以及相關商業活動(「新業務」)及(ii)於二零二零年上半年開始於香港銷售醫療及保健產品。由於買賣業務在發展階段產生較高的開辦成本以及收購新業務產生之應收或然代價之公平值虧損，該分部錄得淨虧損5,500,000港元(二零一九年：零)。

經考慮企業支出(二零二零年：98,300,000港元；二零一九年：35,800,000港元)、分攤聯營公司業績(二零二零年：分攤淨虧損5,700,000港元；二零一九年：分攤純利29,400,000港元)、將於一家聯營公司的權益重新分類為持作出售資產之減值虧損31,000,000港元(二零一九年：零)、若干未分配其他收入、收益及虧損(二零二零年：收益37,300,000港元；二零一九年：收益12,000,000港元)、財務成本及其他開支、所得稅(二零二零年：開支14,000,000港元；二零一九年：抵免1,800,000港元)，本集團於二零二零年錄得淨虧損356,600,000港元(二零一九年：淨虧損51,000,000港元)及本公司擁有人應佔淨虧損242,900,000港元(二零一九年：淨虧損34,100,000港元)。

A significant increase in net loss from HK\$51.0 million in 2019 to HK\$356.6 million in 2020 was primarily due to the increase in impairment loss on the finance lease and loan receivables of HK\$163.3 million, the decrease in gross profit of HK\$38.2 million primarily as a result of negative net interest spread from Financial Leasing Segment, an one-off impairment loss and the relevant income tax of HK\$45.0 million upon the reclassification and disposal of remaining 25% equity interest in Rizhao Lanshan, decrease in sharing of the net profits of associates of HK\$35.1 million and increase in staff cost especially the management incentive expenses.

Revenue and gross profit

During the year, the Financial Leasing Segment recorded revenue and gross loss of HK\$21.6 million and HK\$22.0 million (2019: revenue of HK\$56.4 million and gross profit of HK\$10.6 million), representing 33% and 134% of the Group's revenue and gross loss respectively (2019: 79% and 49% respectively). The revenue of this segment mainly represents (i) service fee income for financing arrangement and consultancy services and (ii) interest income generated from financial leasing and provision of loan facilities. The cost of sales mainly represents (i) service cost to banks and other non-bank financial institutions on various kinds of factoring and consultancy services and (ii) interest expenses on back-to-back borrowings from banks and other non-bank financial institutions. The main customer base primarily includes large corporations covering industries of energy resources, manufacturing, transportation and public utility construction.

During the year, the segment saw a persistent slump on revenue. The segment has been grappling with the unfavorable operating environment in the People's Republic of China (the "PRC"), especially the stringent regulatory oversight of the industry which inhibits the segment from obtaining back-to-back credits from banks to finance the prospective finance lease transactions and resulted in reduction in the number of the conventional finance lease transaction and the service fee income therefrom. The gross loss was incurred primarily because of the negative net interest spread of two financial leasing projects on recourse basis where the interest cost accrued from the borrowings was greater than the income from the respective delinquent receivables. The magnitude of such outnumbered gross profit of the segment and even the Group's and consequently turned them into the gross loss position.

淨虧損由二零一九年的51,000,000港元大幅增加至二零二零年的356,600,000港元，主要由於融資租賃及應收貸款減值虧損增加163,300,000港元、主要因融資租賃分部的負淨息差使毛利減少38,200,000港元、重新分類及出售日照嵐山的餘下25%股權後的一次性減值虧損及相關所得稅45,000,000港元、分攤聯營公司純利減少35,100,000港元以及員工成本增加（尤其是管理層激勵開支）。

收入及毛利

年內，融資租賃分部錄得收入及毛損分別為21,600,000港元及22,000,000港元（二零一九年：收入56,400,000港元及毛利10,600,000港元），分別佔本集團收入及毛損的33%及134%（二零一九年：分別佔79%及49%）。該分部收入主要為(i)融資安排及諮詢服務之服務費收入及(ii)融資租賃及提供貸款融資產生之利息收入。銷售成本主要為(i)就各種保理及諮詢服務支付予銀行及其他非銀行金融機構之服務成本及(ii)銀行及其他非銀行金融機構之背對背借款之利息開支。主要客戶基礎主要包括涵蓋能源資源、製造、交通及公共設施建設行業的大型企業。

年內，該分部的收入持續下滑。該分部一直在努力應對中華人民共和國（「中國」）不利的經營環境（尤其是對該行業的嚴格監管），這阻礙了該分部自銀行獲得背對背信貸向未來融資租賃交易撥資，並導致常規融資租賃交易量及就此產生的服務費減少。產生毛損主要由於兩項有追索權的融資租賃項目之負淨息差，其中借款產生的應計利息成本大於有關拖欠應收款的收入；有關程度超過了該分部甚至本集團的毛利，因此令該分部及本集團轉入毛損情況。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The money lending business and property development (both classified under the Investment segment) recorded revenue and gross profit both at HK\$4.2 million in 2020 (2019: both at HK\$12.7 million in 2019), representing 6% and negative 26% of the Group's revenue and gross loss respectively (2019: 18% and 58% respectively). The revenue represents loan interest income from the provision of loan facilities carried out by a licensed subsidiary in Hong Kong and rental income from letting out office properties in Hong Kong, Shanghai and Liaoning in the PRC. The reduction in the segment revenue and gross profit is mainly due to decrease in loan interest as a result of the decrease in provision of loan volume in 2020.

The food additives business recorded revenue of HK\$3.5 million (2019: HK\$2.0 million) and gross loss of HK\$1.8 million in 2020 (2019: HK\$1.5 million). The revenue and cost of sales of the business mainly represent the sales income and manufacturing cost of solid sorbitol from the production base in the Liaoning province, the PRC respectively. Due to lack of economy of scale mainly as a result of the lower-than-expected productivity of the established line hampered by the COVID-19 and others, the business still recorded the gross loss in 2020.

The trading segment just commenced and recorded revenue and gross profit of HK\$36.8 million and HK\$3.2 million in 2020 respectively in which HK\$7.0 million and HK\$2.8 million were contributed by the New Business since the acquisition.

The decrease in the Group's revenue was mainly caused by the decrease in revenue of the Financial Leasing Segment, partially offset by the growth in revenue of the trading segment. The turning into the gross loss position was mainly caused by the above-said negative net interest spread from the two financial leasing projects outnumbering the gross profit from other segments.

Other income

The other income of the Group in 2020 mainly comprised of dividend income from equity investment at FVOCI, bank interest income, interest income from trust products and highly liquid wealth management investments issued by the non-bank financial institutions in the PRC and the government subsidies of the employment support scheme launched by the Hong Kong government. The decrease was primarily due to the decrease in interest income from banks and trust products.

放貸業務及物業開發 (均分類至投資分部項下) 於二零二零年錄得之收入及毛利均為4,200,000港元 (二零一九年: 均為12,700,000港元), 分別佔本集團收入及毛損的6%及負26% (二零一九年: 分別佔18%及58%)。收入為來自一家香港持牌附屬公司開展的提供貸款融資的貸款利息收入以及於香港、中國上海及遼寧出租辦公室物業的租金收入。分部收入及毛利的減少主要由於貸款利息因二零二零年提供的貸款量下跌而減少。

食品添加劑業務於二零二零年錄得收入3,500,000港元 (二零一九年: 2,000,000港元) 及毛損1,800,000港元 (二零一九年: 1,500,000港元)。該業務的收入及銷售成本主要指分別來自於中國遼寧省生產基地的固體山梨糖醇的銷售收入及製造成本。因現有生產線受COVID-19及其他因素阻礙, 令生產力低於預期導致缺乏規模效應, 故該業務於二零二零年仍錄得毛損。

貿易分部於二零二零年方開展, 並分別錄得收入及毛利36,800,000港元及3,200,000港元, 其中7,000,000港元及2,800,000港元由新業務自收購起貢獻。

本集團的收入減少乃主要由於融資租賃分部的收入減少, 部分被貿易分部收入增長抵銷所致。轉入毛損情況乃主要由於來自上述兩項融資租賃項目之負淨息差超過來自其他分部的毛利所致。

其他收入

於二零二零年, 本集團之其他收入主要包括按公平值透過其他全面收入列賬之股本投資之股息收入、銀行利息收入、中國非銀行金融機構發行的信託產品及高流通性理財投資的利息收入以及香港政府推出的保就業計劃的政府補貼。有關減少乃主要由於來自銀行及信託產品的利息收入減少。

Other gains and losses

The other gains and losses in 2020 amounted to net gain of HK\$34.8 million (2019: net loss of HK\$0.6 million), mainly comprising of fair value gain on an unlisted option (classified as financial liability at FVTPL) of HK\$15.7 million (2019: HK\$11.7 million) and foreign exchange gain of HK\$17.8 million (2019: loss of HK\$0.5 million).

Administrative expenses and other operating expenses

The Group's administrative and other operating expenses for the year mainly included staff costs (including directors and chief executive's emoluments) of HK\$94.3 million (2019: HK\$35.5 million), legal and professional, depreciation of property, plant and equipment and various administrative expenses. The increase was primarily due to increase in discretionary management incentive expenses in 2020.

Share of associates' results

The share of results of associates amounted to net loss of HK\$5.7 million as compared with net profit of HK\$29.4 million in 2019. The reasons for such adverse change is twofold. One is the shorter profit sharing period of a profitable associate (i.e. Rizhao Lanshan) from a full year in 2019 to only a half year in 2020. The other reason is the sharing of a significant operating loss due to recognition of impairment losses of loan receivables from a new associate which is engaged in money lending business in Hong Kong.

Income taxation

Income tax expense for the year amounted to HK\$14.0 million (2019: income tax credit of HK\$1.8 million), mainly comprising of the net effect of (i) the income tax expense of HK\$19.6 million relating to the disposal of equity interest in Rizhao Lanshan and (ii) partially offset by the deferred tax credit of HK\$5.6 million from undistributed profits of the same classified as an associate upon the disposal.

其他收益及虧損

於二零二零年，其他收益及虧損為淨收益34,800,000港元（二零一九年：淨虧損600,000港元），主要包括非上市購股權的公平值收益（分類為按公平值透過損益列賬之金融負債）15,700,000港元（二零一九年：11,700,000港元）及匯兌收益17,800,000港元（二零一九年：虧損500,000港元）。

行政開支及其他經營開支

本年度本集團之行政及其他經營開支主要包括員工成本（包括董事及主要行政人員薪酬）94,300,000港元（二零一九年：35,500,000港元）、法律及專業費用、物業、廠房及設備折舊以及各項行政開支。該增加主要由於二零二零年的酌情管理層激勵開支增加。

分攤聯營公司業績

分攤聯營公司業績為淨虧損5,700,000港元，而二零一九年為純利29,400,000港元。有關不利變動的原因是兩方面的。一是可盈利的一家聯營公司（即日照嵐山）之溢利分成期間由二零一九年的一整年縮短至二零二零年的僅半年。另一原因是由於確認應收貸款之減值虧損而導致分攤一家新聯營公司（於香港從事放貸業務）的重大經營虧損。

所得稅

本年度所得稅開支為14,000,000港元（二零一九年：所得稅抵免1,800,000港元），主要包括(i)有關出售日照嵐山股權的所得稅開支19,600,000港元及(ii)部分受來自日照嵐山（於出售後分類為一家聯營公司）未分配溢利的遞延稅項抵免5,600,000港元抵銷之淨影響。

FINANCIAL POSITION

The total asset amount of the Group as at 31 December 2020 amounted to HK\$1,185.7 million, representing a decrease of HK\$361.0 million as compared with HK\$1,546.7 million as at 31 December 2019. The decrease in total asset was mainly due to the above-mentioned impairment loss on finance lease and loan receivables and repayment of finance lease receivables from the existing finance lease projects. Likewise but with lesser extent, the Group's total liabilities and borrowings as at 31 December 2020 dropped to HK\$611.1 million and HK\$473.4 million by HK\$74.6 million and HK\$119.9 million from HK\$685.7 million and HK\$593.3 million as at 31 December 2019 respectively. The gearing ratios (measured as total liabilities over total asset) increased from 44.3% as at 31 December 2019 to 51.5% as at 31 December 2020 mainly as a result of the above-mentioned two financial leasing projects on recourse basis where the delinquent receivables were impaired while the corresponding borrowings remained unchanged. The current ratios (measured as total current assets over total current liabilities) decreased from 1.4 as at 31 December 2019 to 1.1 as at 31 December 2020.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2020, the Group had cash and cash equivalents, restricted bank deposits, deposits placed with non-bank financial institutions and cash of approximately HK\$192.4 million (of which HK\$20.7 million was pledged to the banks to secure bank borrowings granted to the Group for financial leasing business (2019: HK\$19.5 million)) as compared to HK\$217.1 million as at 31 December 2019. As at 31 December 2020, the Group had bank and other borrowings amounting to HK\$458.6 million (2019: HK\$523.7 million), HK\$14.8 million (2019: HK\$55.7 million) and nil (2019: HK\$13.9 million) which are due within one year, one to two years and two to five years respectively.

For the year under review, the Group has financed its operations with facilities provided by banks and other non-bank financial institutions, issue of new shares and internally generated cash flows.

財務狀況

本集團於二零二零年十二月三十一日之資產總額為1,185,700,000港元，較二零一九年十二月三十一日的1,546,700,000港元減少361,000,000港元。資產總額減少主要由於上述融資租賃及應收貸款減值虧損以及償還現有融資租賃項目的融資租賃應收款項。本集團的負債及借款總額同樣減少，但是幅度相對較小，於二零二零年十二月三十一日之負債及借款總額分別由二零一九年十二月三十一日的685,700,000港元及593,300,000港元下跌74,600,000港元及119,900,000港元至611,100,000港元及473,400,000港元。資本負債比率（按負債總額除以資產總額計量）由二零一九年十二月三十一日之44.3%增長至二零二零年十二月三十一日之51.5%，主要由於上述兩項具追索權的融資租賃項目，所拖欠的應收款項發生減值，而相應的借款並無變化所致。流動比率（按流動資產總額除以流動負債總額計量）由二零一九年十二月三十一日之1.4減少至二零二零年十二月三十一日之1.1。

流動資金及財務資源

於二零二零年十二月三十一日，本集團之現金及現金等值物、受限制銀行存款、存放於非銀行金融機構之存款及現金約為192,400,000港元（其中20,700,000港元已質押予銀行作為就融資租賃業務授予本集團之銀行借款之抵押（二零一九年：19,500,000港元）），而二零一九年十二月三十一日為217,100,000港元。於二零二零年十二月三十一日，本集團之銀行及其他借款458,600,000港元（二零一九年：523,700,000港元）、14,800,000港元（二零一九年：55,700,000港元）及零港元（二零一九年：13,900,000港元）分別於一年內、一至兩年及兩至五年內到期。

於回顧年度，本集團以銀行及其他非銀行金融機構提供之融資、發行新股及內部產生現金流量為其業務營運撥付資金。

FOREIGN EXCHANGE EXPOSURE

During the year ended 31 December 2020 and 2019, the Group had no material foreign currency exposure as material transactions such as revenue and cost of sales were denominated in local currencies in which the relevant entities operated.

CREDIT EXPOSURE

The Group's major credit risk is primarily attributable to finance lease receivables and loan receivables.

Any deterioration in collectability of the finance lease receivables and loan receivable from a sale-leaseback transaction and the underlying quality of leased assets and collaterals could adversely affect our business and financial conditions. In order to mitigate those credit risk, the management of the Group has delegated a team responsible for evaluation of credit risk stemming from the financial viability of customers and guarantors (if any) and the prospect of the industries in which the customers operate and critical assessment on adequacy of the value of the leased assets, collaterals and any forms of securities provided by customers at the inception of the lease. Throughout the lease term, the Group closely monitored the recoverability and will consider requesting additional collaterals or any form of security from customers in case of any adverse change in credibility.

As at 31 December 2020, the provision for impairment loss on a finance lease receivable of HK\$140.1 million (as at 31 December 2019: HK\$33.6 million) was related to a finance lease transaction with a principle amount of RMB200.0 million or equivalent to HK\$237.5 million, secured by machineries and equipment initially worth more than the principle amount, and guaranteed by the customer's ultimate holding company which is regarded as one of the largest Chinese state-owned aluminum product manufacturer. The transaction was fully financed by a back-to-back bank borrowing on recourse basis. Given the deteriorating creditability of the said customer, who has defaulted since 2019, and the guarantor as a result of the application of reorganisation petitions being granted against it and the said customer by a provincial court in June 2020, the provision for impairment loss increased remarkably.

外匯風險

於截至二零二零年及二零一九年十二月三十一日止年度，本集團並無重大外匯風險，乃由於重大交易如收入及銷售成本乃以相關實體營運所在之當地貨幣計值。

信貸風險

本集團的主要信貸風險主要因融資租賃應收款及應收貸款而引致。

任何融資租賃應收款及售後回租交易之應收貸款可收回性及租賃資產以及抵押品的相關質素下降均可能對我們的業務及財務狀況產生不利影響。為了減輕該等信貸風險，本集團管理層已委派團隊負責從客戶及其擔保人(如有)的財政可能性及客戶經營行業前景進行信貸風險評估，並在租賃開始時對租賃資產、抵押品及客戶提供任何形式的擔保其價值的充足性進行嚴格評估。於整個租賃期內，本集團密切監控可收回性，並將考慮要求客戶提供額外的抵押品或任何形式的擔保以防任何信貸不利變動。

於二零二零年十二月三十一日，與本金額人民幣200,000,000元(或等同於237,500,000港元)之融資租賃交易有關之融資租賃應收款減值虧損撥備140,100,000港元(於二零一九年十二月三十一日：33,600,000港元)，由初始價值高於本金額之機器及設備抵押並由客戶的最終控股公司(中國最大的鋁產品國有製造商之一)擔保。該交易完全由追索的背對背銀行借款提供資金。鑒於上述客戶自二零一九年起違約，且擔保人因於二零二零年六月獲省級法院通過針對其及上述客戶重組呈請申請而導致彼等信用惡化，故減值虧損撥備大幅增加。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

As at 31 December 2020, the provision for impairment loss on a loan receivable from sale-leaseback transaction of HK\$108.1 million was related to a finance lease transaction with Sanya Phoenix International Airport Company Limited (the “Customer”) at a principle amount of RMB135.0 million or equivalent to HK\$160.3 million, secured by aviation facilities and other security(ies) initially worth more than the principle amount and guaranteed by HNA Airport Holding (Group) Co., Ltd. The reason for a significant increase in recognition of impairment loss on the loan receivable from the Customer as compared with that of HK\$5.7 million in 2019, because of the worsening credibility of the Customer who defaulted in January 2020 and the recent reorganisation petitions both served against the customer and the guarantor, details of which refer to the Company’s announcement dated 11 February 2021.

The key considerations of the calculations of the above-mentioned two provisions at least include the estimated recoverable amount of the securities, empirical loss rate of the relevant industry, estimated time of recovery and other relevant forward-looking factors with the assistance of independent professional valuer as management’s adviser.

In response to the two defaulted customers of the recourse business under the reorganisation petitions, the Group has taken/will take a series of actions to protect the Group’s assets including but not limited to seeking legal advice and appointment of the relevant PRC legal practitioners to follow up with the legal matters, registering of debt declaration return forms with practitioner to assert the receivable amount, guarantee and securities in due course, continuous communication and participation of meetings with practitioners to understand the current development of the customers, and more importantly, continuous negotiation with the relevant borrowers to amend the deal structure so much so that fully or partially retract the Group from it. With the experienced management and professional team, the Group is capable to manage the credit risk to a controllable level, and therefore takes a view that they will not currently have an adverse impact on the Group’s operations.

Before investing in other loan receivables, the Group also assesses the credit quality of the loan borrowers & guarantors (if any), evaluation of the value & liquidity of the collaterals, and defines the terms of the loans. The Group regularly monitored recoverability to ensure prompt follow up action is taken to recover any overdue debt.

於二零二零年十二月三十一日，與本金額人民幣135,000,000元(或等同於160,300,000港元)之與三亞鳳凰國際機場有限公司(「客戶」)之融資租賃交易有關之售後回租交易之應收貸款減值虧損撥備108,100,000港元，由初始價值高於本金額之航空設施及其他證券作抵押，並由海航機場控股(集團)有限公司擔保，原因是與二零一九年的5,700,000港元相比，於二零二零年一月違約的客戶的信用惡化以及近期針對客戶及擔保人的重組呈請，導致客戶應收貸款確認的減值虧損大幅增加。詳情請參閱本公司日期為二零二一年二月十一日的公告。

計算上述兩項撥備的主要考量至少包括證券的估計可收回金額、相關行業的經驗虧損率及估計可收回時間，及其他協助獨立專業估值師作為管理層顧問的相關前景因素。

為因應兩名違約客戶於重組呈請項下的追索權，本集團已／將採取一系列行動保護本集團的資產，包括但不限於尋求法律意見及委任相關中國執業律師跟進法律事宜、與律師登記債務聲明表以適時維護應收款項、擔保及證券、與律師持續溝通並參與會議以了解客戶的現時發展，更重要的是持續與相關借款人磋商，以盡可能修訂交易結構，使本集團能夠全部或部分退出。憑藉經驗豐富的管理及專業團隊，本集團有能力將信貸風險控制在可控水平，故認為其目前將不會對本集團的營運產生不利影響。

在向其他應收貸款投資前，本集團亦評估貸款借款人及擔保人(如有)的信貸質素、評估抵押品的價值及流動性及界定貸款條款。本集團定期監控可收回性，以確保採取及時跟進措施收回任何逾期債務。

CHARGE OF ASSETS

As at 31 December 2020, the restricted bank deposits of HK\$20.7 million (as at 31 December 2019: HK\$19.5 million) and the finance lease receivables of HK\$ 97.4 million (2019: HK\$283.4 million) were pledged to the banks and other non-bank financial institutions for facilities granted to the Group.

CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 31 December 2020 and 2019.

CAPITAL COMMITMENTS

As at 31 December 2020, the Group had capital commitments of HK\$0.1 million (2019: HK\$0.1 million) for the acquisition of property, plant and equipment.

PROSPECT

2020 is a difficult year for the Group, especially for the Financial Leasing Segment in the PRC. The pandemic has wreaked havoc on almost every sector to a different extent, the aviation and hospitality sectors are one of the hardest hit. Some of the customers of the segment experienced unprecedented operating difficulties and heightened liquidity risk to repay their debts, even though they are a state-owned enterprise or an industry leader. Being engaged in financial industry, the Group's performance succumbed to the headwind and recorded a significant loss mostly from the impairment loss on the receivables of recourse business.

Looking ahead, with the commencement of the use of vaccines for COVID-19, the pandemic is expected to be under control while the global economy is expected to recover steadily in a loose monetary environment and under government financial supports. China was a major economy that has recovered relatively rapidly as a result of effective epidemic containment measures. However, the long term economic prosperity of China may be hindered by the escalating geopolitical tensions and deglobalisation.

資產抵押

於二零二零年十二月三十一日，受限制銀行存款20,700,000港元（於二零一九年十二月三十一日：19,500,000港元）及融資租賃應收款97,400,000港元（二零一九年：283,400,000港元）已就授予本集團之融資抵押予銀行及其他非銀行金融機構。

或然負債

於二零二零年及二零一九年十二月三十一日，本集團並無重大或然負債。

資本承擔

於二零二零年十二月三十一日，本集團就收購物業、廠房及設備之資本承擔為100,000港元（二零一九年：100,000港元）。

前景

二零二零年對本集團而言是艱難的一年，對中國的融資租賃分部來說更是挑戰重重。疫情肆虐幾乎對每個行業造成了不同程度的嚴重破壞，航空及酒店業是受衝擊最大的行業之一。該分部的部分客戶面臨前所未見的營運挑戰，為償還債務而升高流動性風險，即使是國企或行業龍頭亦難以倖免。由於身處金融行業，本集團的業績遭受打擊，所錄得的大幅虧損大部分來自追索權的應收款減值虧損。

展望未來，隨著COVID-19疫苗開始普及，疫情有望獲得控制，全球經濟預期在寬鬆的貨幣環境及政府的財政支持下穩步復甦。由於採取有效的疫情防範措施，中國是經濟復甦相對較快的主要經濟體。然而，中國經濟長期向好或會因地緣政治緊張局勢升高及去全球化而面臨阻礙。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

As to the Financial Leasing Segment, the segment has been struggling for a business transformation to prosper under the stringent regulatory requirements. To that end, the segment has been exploring and developing a new business model and opportunity such as bundling finance lease transaction with letter of credit issued by banks to customers that would lower their overall finance cost. Exploring and developing new financing varieties other than the conventional way of factoring from banks and peers will also continue to proceed. What's more, the segment has been targeting and exploring business opportunities with customers engaged in domestic consumption related industries and environmental industry, those areas are currently supported by the Chinese government. It is also imperative to adhere to the risk management and control policies to critically oversee and timely manage the increasing or potentially adverse change in credit risk of the existing and new finance projects. The segment will closely monitor credit risk of each customer and promptly take recovery actions over delinquent finance lease projects in a bid to protect the Group's assets.

As to the Investment Segment, the Group will continue to adopt a conservative investment strategy towards the investment portfolio comprising of equity, debt and real estate. With the robust risk management and control policies, the Group closely assess its performance and optimize its composition in order to generate a stable income and provide the necessary liquidity to the Group amid volatile financial markets when needed.

As to the Food Additives Business, since full resumption of customers' operation, the segment has almost restored the sale order amounts of solid sorbitol seen in the pre-pandemic time especially in the last quarter of 2020. It is anticipated such momentum will persist. In the meantime, the segment will continue to enhance the production stability, diversify the customer base in different provinces and industries, and optimize the production to cut down on operating costs. The Group will closely assess the segment performance and resume the expansion plan including establishment of the second production line of solid sorbitol and the one of Advantame in due course.

融資租賃分部方面，在嚴格的監管要求下，該分部為創造佳績一直在努力進行業務轉型。為此，融資租賃分部不斷探索並發展新的業務模式及機會，如將融資租賃交易與銀行向客戶開具可降低整體融資成本的信用證配套。除傳統的銀行及同行保理方式外，該分部亦將繼續探索並開發新融資品種。此外，該分部亦對焦並開拓從事國內消費相關行業及環保行業的客戶提供的業務機會，該等領域目前受到中國政府的支持。本公司亦將堅持風險管理及控制政策，嚴格監督及及時管理現有及新融資項目的信貸風險增加或潛在的不利變化。該分部將密切監控客戶各自的信貸風險，對拖欠的融資租賃項目及時採取追償措施，以保護本集團的資產。

投資分部方面，本集團將繼續對包括股權、債務及房地產在內的投資組合採取保守的投資策略。憑藉穩健的風險管理及控制政策，本集團密切評估其表現並優化其構成，以便在金融市場動蕩的情況下保持穩定的收入並為本集團於需要時候提供必要的流動資金。

食品添加劑業務方面，自客戶全面恢復營運以來，尤其是在二零二零年最後一個季度，該部門的固體山梨糖醇銷售訂單量幾乎恢復至疫情前的水平，預期該增長動能將能持續。同時，該分部將繼續加強生產穩定性，在不同的省份及行業分散客戶基礎，並優化生產以降低營運成本。本集團將密切評估該分部的表現並恢復擴展計劃，包括適時建置固體山梨糖醇的第二條生產線及愛德萬甜的一條生產線。

As to the Trading Segment, the Group will diversify the products and broaden the customer base and distribution channels, either physical or virtual, to bolster the business volume. To that end, the segment has been granted a wholesaler licence in proprietary Chinese medicines (“PCMs”) and applying for exclusive distributorship of certain PCMs and health products. The recent acquisition of Tripler Holdings Limited (“Tripler”), details of its operation refer to the Company’s announcement on 29 July 2020, has brought and will further bring about synergic effect by gaining access to its extensive distribution network of small and medium size dispensaries almost scattered every district of Hong Kong. Further leveraging personal network and expertise of the new management in the industry and the increase in public awareness of hygiene and health during the pandemic, the future demand of pharmaceutical products, health supplement, personal care and other medical products looks promising. The Group will cautiously set aside sufficient resource to cultivate the business and considers it as a growth impetus in the future.

Having faced the enormous challenging environment in China and across the Globe in 2020, the Group is confident to weather any adversity that may lie ahead by the experienced management team, sound risk management and robust internal control. Heading toward the post-pandemic time, the Group is cautiously optimistic about the economic recovery. By leveraging the existing resources and capabilities, the Group will cautiously and diligently look for new potential growth opportunities, undervalued assets and business expansion in order to diversity the income sources and attain a long term growth.

SIGNIFICANT INVESTMENTS AND MATERIAL DISPOSALS

At 31 December 2020, the Group held loan receivables (excluding from a loan receivable from sale-leaseback transaction and those from money lending business) of HK\$47.1 million (2019: HK\$95.0 million), equity investments at FVOCI of HK\$123.8 million (2019: HK\$55.5 million) and financial assets at FVTPL of approximately HK\$156.1 million (2019: HK\$25.7 million).

交易分部方面，本集團將以多元化的產品、廣泛的客戶基礎及分銷渠道，無論物理或虛擬，提升業務量。為此，該分部已獲批品牌中藥（「品牌中藥」）的批發商牌照，並申請獨家代理若干品牌中藥及保健品。近期收購森川實業有限公司（「森川」），經營詳情請參閱本公司日期為二零二零年七月二十九日的公告）已藉由取得其幾乎遍佈香港各區的中小型藥房的廣泛分銷網絡帶來並將進一步創造協同作用。本集團進一步利用新管理層於行業的個人網絡及專業知識，加上疫情期間公共衛生意識提升，未來對藥品、保健品、個人護理及其他醫療保健產品的需求前景廣闊。本集團將謹慎地預留足夠資源來發展業務，並視之為未來增長之動力。

面對二零二零年中國乃至全球充滿巨大挑戰的環境，本集團有信心憑藉經驗豐富的管理團隊、穩健的風險管理及健全的內部控制克服未來可能出現的任何逆境。展望後疫情時期，本集團對經濟復甦保持審慎樂觀的態度。憑藉現有資源及能力，本集團將謹慎而勤勉地尋求新潛在增長機會、被低估的資產及業務擴張，以實現收入來源的多樣化並實現長期增長。

重大投資及重大出售

於二零二零年十二月三十一日，本集團持有應收貸款（不包括售後回租交易及該等自放貸業務取得之應收貸款）47,100,000港元（二零一九年：95,000,000港元）、按公平值透過其他全面收入列賬之股本投資123,800,000港元（二零一九年：55,500,000港元）及按公平值透過損益列賬之金融資產約156,100,000港元（二零一九年：25,700,000港元）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

During the year, the Group invested in loan receivables through 1 to 2 years trust products of HK\$45.4 million (2019: HK\$83.8 million) issued by financial institutions in the PRC. The Group recorded loan interest income from loan receivables amounting to HK\$5.9 million (2019: HK\$7.0 million) and an impairment loss on loan receivables of HK\$3.4 million (2019: HK\$1.2 million). The equity investment at FVOCI of HK\$123.8 million as at 31 December 2020 (2019: HK\$55.5 million) represented unlisted equity securities issued by the PRC and Hong Kong private entities with operations including property development in shopping malls, software development in the PRC and SFC licensed business activities of type 1, 2, 4, 5 and 9 in Hong Kong. There was a fair value loss of HK\$3.6 million recognised through other comprehensive income in 2020 (2019: nil) and dividend income of HK\$1.0 million recognised in profit or loss in 2020 (2019: nil).

The financial assets at FVTPL of HK\$156.1 million as of 31 December 2020 (2019: HK\$25.7 million) comprised of (i) 7 different listed and unlisted equity fund products in the PRC of HK\$88.0 million (2019: 2 unlisted equity fund products in the PRC of HK\$14.9 million) and (ii) numerous listed equity shares and bonds of HK\$68.1 million in the Hong Kong and the Chinese stock exchanges (2019: HK\$10.8 million). There was a fair value loss of HK\$2.5 million recognised to profit or loss in 2020 (2019: fair value loss of HK\$5.2 million).

On 30 December 2019, the Group entered into a subscription agreement with Simagi Finance Company Limited (“Simagi”) to subscribe for 8,000,000 subscription shares or approximately 7.46% of the enlarged share capital of the target company at a consideration of HK\$40,000,000. Simagi principally engages in money lending business in Hong Kong. The investment has been accounted for as interest in an associate with a shared loss of HK\$21.1 million recognised to profit or loss in 2020 due to significant impairment loss on loans since the completion of the subscription took place on 24 January 2020. Details of the subscription in Simagi were disclosed in the announcements of the Company on 30 December 2019, 23 January 2020 and 24 January 2020.

年內，本集團透過中國金融機構發行之一至兩年期信託產品45,400,000港元（二零一九年：83,800,000港元）投資於應收貸款。本集團錄得來自應收貸款的貸款利息收入5,900,000港元（二零一九年：7,000,000港元）及應收貸款減值虧損3,400,000港元（二零一九年：1,200,000港元）。於二零二零年十二月三十一日，按公平值透過其他全面收入列賬之股本投資123,800,000港元（二零一九年：55,500,000港元）指於中國及香港的私人實體所發行之非上市股本證券，該等實體的業務包括於中國從事購物中心物業開發、軟件開發，以及於香港從事證監會許可第1類、第2類、第4類、第5類及第9類持牌業務活動。公平值虧損3,600,000港元於二零二零年透過其他全面收入確認（二零一九年：無），而股息收入1,000,000港元於二零二零年的損益確認（二零一九年：無）。

於二零二零年十二月三十一日，按公平值透過損益列賬之金融資產156,100,000港元（二零一九年：25,700,000港元）包括(i)七個於中國上市及非上市的不同股權基金產品88,000,000港元（二零一九年：兩個於中國的非上市股權基金產品14,900,000港元）及(ii)多個於香港及中國證券交易所的上市股份及債券68,100,000港元（二零一九年：10,800,000港元）。公平值虧損2,500,000港元於二零二零年的損益確認（二零一九年：公平值虧損5,200,000港元）。

於二零一九年十二月三十日，本集團與Simagi Finance Company Limited（「Simagi」）訂立認購協議以認購目標公司8,000,000股認購股份或經擴大股本約7.46%，代價為40,000,000港元。Simagi主要於香港從事放債業務。由於自二零二零年一月二十四日完成認購以來，貸款出現重大減值虧損，該投資已入賬列為於一家聯營公司的權益，並於二零二零年的損益確認分攤虧損21,100,000港元。有關Simagi認購的詳情於本公司日期為二零一九年十二月三十日、二零二零年一月二十三日及二零二零年一月二十四日的公告披露。

On 13 March 2020, the Group entered into a subscription agreement with Era Bright Limited (“Era Bright”), a company incorporated in Hong Kong with limited liability to subscribe approximately 18.55% of the enlarged share capital of Era Bright at consideration of HK\$15,000,000. Era Bright principally engages in money lending business in Hong Kong. The investment has been accounted for as interest in an associate with a shared loss of HK\$0.5 million recognised to profit or loss in 2020 since the completion took place on 17 March 2020.

On 13 July 2020, the Group entered into a subscription agreement with Top Insight Holdings Limited (“Top Insight”), a company incorporated in the British Virgin Islands with limited liability and mainly engaged in property investment and leasing activities in Hong Kong, to subscribe the 350 subscription shares or 35% of the enlarged share capital of Top Insight immediately after the subscription, at the aggregate subscription price of HK\$67,300,000 which was settled in kind by the Group by transferring the entire issued share capital of Jumbo Hall International Limited, a wholly owned subsidiary of the Company to Top Insight. The investment has been accounted for as interest in an associate with a shared loss of HK\$1.8 million recognised to profit or loss in 2020 since the completion took place on 16 July 2020. The Group is entitled to a dividend income receivable of HK\$1.2 million, being a guaranteed return of 4% on the investment cost during the holding period in 2020. Details of the subscription in the Top Insight were disclosed in the announcement of the Company on 13 July 2020.

On 26 August 2020, the Group entered a sale and purchase agreement (the “Disposal Agreement”) regarding a disposal (the “Disposal”) of the remaining 25% equity interest in Rizhao Lanshan Wansheng Harbour Company Limited (the “Rizhao Lanshan”) at a consideration in accordance with the exercise price of the call option that the Group granted pursuant to the call option undertaking dated 15 May 2018. On 23 October 2020, all conditions precedent of the Disposal Agreement were fulfilled and the completion of the Disposal took place on 23 October 2020. The Group recorded a shared profit of HK\$17.7 million from the beginning of the year to the exercise date of the call option (i.e. 30 June 2020) (2019: HK\$29.4 million). References of the Disposal are made to the Company’s announcements dated 23 October 2020. Reference of the grant of call option are also made to the Company’s announcements dated 15 May 2018, the Company’s circular dated 25 June 2018 and the Company’s poll result announcement dated 17 July 2018.

於二零二零年三月十三日，本集團與辰耀有限公司（「辰耀」，一家於香港註冊成立之有限公司）訂立認購協議，以認購辰耀經擴大股本約18.55%，代價為15,000,000港元。辰耀主要在香港從事放貸業務。自二零二零年三月十七日完成起，該投資已入賬列為於一家聯營公司的權益，並於二零二零年的損益確認分攤虧損500,000港元。

於二零二零年七月十三日，本集團與Top Insight Holdings Limited（「Top Insight」，一家於英屬處女群島註冊成立之有限公司，主要在香港從事物業投資及租賃業務）訂立認購協議，認購350股認購股份，或緊隨認購事項完成後Top Insight經擴大股本的35%，總認購價為67,300,000港元，由本集團透過向Top Insight轉讓Jumbo Hall International Limited（本公司全資擁有附屬公司）之全部已發行股本以實物方式支付。自二零二零年七月十六日完成起，該投資已入賬列為於一家聯營公司的權益，並於二零二零年的損益確認分攤虧損1,800,000港元。本集團有權獲得應收股息收入1,200,000港元，即於二零二零年持有期間按投資成本4%的保證回報。有關Top Insight認購的詳情於本公司日期為二零二零年七月十三日的公告披露。

於二零二零年八月二十六日，本集團就出售（「出售事項」）日照嵐山萬盛港業有限責任公司（「日照嵐山」）餘下25%之股權訂立買賣協議（「出售協議」），代價為本集團根據日期為二零一八年五月十五日之認購期權承諾所授出認購期權之行使價。於二零二零年十月二十三日，出售協議之所有先決條件已達成及出售事項於二零二零年十月二十三日完成。本集團自年初至認購期權行使日期（即二零二零年六月三十日）錄得應佔溢利17,700,000港元（二零一九年：29,400,000港元）。出售事項乃提述本公司日期為二零二零年十月二十三日的公告。授出認購期權乃提述本公司日期為二零一八年五月十五日的公告、本公司日期為二零一八年六月二十五日的通函及本公司日期為二零一八年七月十七日的投票表決結果公告。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

On 12 November 2020, the Group entered into a subscription agreement with the Imagi Brokerage Limited (“Imagi Brokerage”), a company incorporated in Hong Kong and engaged in SFC licensed business of type 1, 2, 4, 5 and 9, to subscribe for 43,000,000 subscription shares at the subscription price of HK\$1.38 per subscription share. The consideration for the subscription is HK\$59,340,000. Upon the completion and as at 31 December 2020, when aggregated with the previous subscription shares, the Group held a total of 55,500,000 shares of the Imagi Brokerage, representing approximately 9.99% of the enlarged share capital of the Imagi Brokerage. The investment has been accounted for as investment held at fair value through other comprehensive income. There has been no significant change in fair value since the acquisitions in 2020. Details of the subscription in the Imagi Brokerage were disclosed in the announcement of the Company on 12 November 2020.

On 27 November 2020, the Group purchased the land use right in the land with total areas of approximately 119,000 sq.m. in Liaoning Province, the PRC and the four factory buildings with a gross floor area of about 40,528.12 sq.m thereon (the “Property”) in the consideration of RMB56,260,000. The acquisition took place on 8 December 2020 when the Property was leased back to the vendor and accounted for as investment property. Details of the acquisition and leaseback arrangement refer to the announcement of the Company on 27 November 2020.

EMPLOYEE AND REMUNERATION

As at 31 December 2020, the Group had approximately 103 (2019: 100) employees (excluding employees of the Company’s associates) in Hong Kong and the PRC. The employees are remunerated with basic salary, bonus and other benefits in kind with reference to industry practice and their individual performance.

A share option scheme was adopted on 29 July 2016. As at 31 December 2019, a total outstanding number of share options were granted to the eligible employees, including directors of the Company, amounted to 19,833,334. With no share options lapsed and new share options granted during the year, the outstanding number of share options as at 31 December 2020 shrunk to 1,983,333 solely due to the completion of the share consolidation of the basis of every 10 issued and unissued shares consolidated into 1 consolidated share on 26 March 2020. Details of the share options granted are set out in the announcement of the Company dated 8 December 2016.

於二零二零年十一月十二日，本集團與Imagi Brokerage Limited (「Imagi Brokerage」，一家於香港註冊成立之有限公司，從事證監會許可第1類、第2類、第4類、第5類及第9類持牌業務活動) 訂立認購協議，以認購價每股認購股份1.38港元認購43,000,000股認購股份。認購事項之代價為59,340,000港元。於完成後及於二零二零年十二月三十一日，當與先前認購股份合計時，本集團持有Imagi Brokerage總共55,500,000股股份，佔Imagi Brokerage經擴大股本約9.99%。該投資已入賬列為按公平值透過其他全面收入列賬持有之投資。自二零二零年收購以來，公平值並無重大變化。有關Imagi Brokerage認購的詳情於本公司日期為二零二零年十一月十二日的公告披露。

於二零二零年十一月二十七日，本集團購買位於中國遼寧省之地塊之土地使用權，總面積約為119,000平方米以及其上建築面積約40,528.12平方米的四座廠房(「該物業」)，代價為人民幣56,260,000元。收購事項於二零二零年十二月八日進行，該物業已租回予賣方，並入賬列為投資物業。有關收購事項及租回安排的詳情請參閱本公司日期為二零二零年十一月二十七日的公告。

僱員及酬金

於二零二零年十二月三十一日，本集團於香港及中國約僱用103名(二零一九年：100名)僱員(不包括本公司聯營公司之僱員)。僱員之薪酬乃按基本薪金、花紅及其他實物利益(參照行業慣例)以及彼等之個人表現釐定。

本公司於二零一六年七月二十九日採納一項購股權計劃。於二零一九年十二月三十一日，總共19,833,334份餘下購股權已授予合資格僱員(包括本公司董事)。由於年內概無購股權失效亦無授出新購股權，於二零二零年十二月三十一日，尚未行使的購股權數目減少至1,983,333份，純粹是由於每10股已發行及未發行股份合併為1股合併股份之股份合併已於二零二零年三月二十六日完成。已授出購股權詳情載於本公司日期為二零一六年十二月八日之公告。

EVENTS AFTER THE REPORTING PERIOD

On 12 January 2021, the Group entered into a loan agreement with an individual, pursuant to which the Group provided a loan in the principal amount of HK\$56,000,000 for 12 months, interest bearing at a fixed interest rate of 10% per annum, secured by the entire equity interest of a company majority owned by the individual.

報告期後事項

於二零二一年一月十二日，本集團與個人訂立一份貸款協議，據此，本集團以該名個人大部分擁有的一家公司的全部股權作抵押，提供本金額為56,000,000港元之貸款，為期12個月，並按固定年利率10%計息。

UPDATE ON USE OF PROCEED IN RELATION TO FUND RAISING ACTIVITIES

Reference is made to the Company's announcements on 30 December 2019 and 31 March 2020 in relation to placing of new shares under general mandate and change in use of proceeds from the placing (collectively refer as to "Announcements") and the 2020 interim report dated 26 August 2020. Unless otherwise stated, capitalised terms used herein shall bear the same meanings as defined in the Announcements.

集資活動相關所得款項用途的進度更新

茲提述本公司日期為二零一九年十二月三十日及二零二零年三月三十一日的公告，內容有關根據一般授權配售新股份及更改配售所得款項用途（統稱「該等公告」）以及日期為二零二零年八月二十六日的二零二零年中期報告。除文義另有所指外，本報告所採用詞彙與該等公告所界定者具有相同涵義。

Intended use of proceeds

擬定所得款項用途

- (1) Total of HK\$26.0 million for the Food Additives Business in which (i) HK\$19.7 million will be allotted to capital expenditure and related expenses on establishing a new production line for the manufacturing of crystalline sorbitol and a new production line for the manufacturing of Advantame (ii) HK\$6.3 million will be set aside as additional working capital of the operation of the production lines.
- (1) 合共26,000,000港元用於食品添加劑業務，其中包括 (i) 19,700,000港元將分配於建置生產愛德萬甜的新生產線的資本開支及相關開支(ii) 6,300,000港元將撥作該等生產線營運的額外營運資金。
- (2) The remaining proceeds of HK\$6.2 million will serve as general working capital of the Group.
- (2) 餘下所得款項6,200,000港元將作為本集團的一般營運資金。
- (3) The re-allocated HK\$15.0 million will be for purchasing of the medical, health and hygiene products for trading purpose.
- (3) 15,000,000港元重新分配於購買作買賣用途的醫療、保健及衛生產品。

Actual and update on use of proceeds

實際及最新所得款項用途

- (1) (i) Due to the expansion plan of the Food Additives Business was disrupted by the recent outbreak of the COVID-19, HK\$15.0 million out of HK\$19.7 million was re-allocated to the trading business. The remaining proceeds of HK\$4.7 million has been unutilised and deposited into bank accounts of Hong Kong head office; (ii) an amount of HK\$6.3 million was fully utilized as working capital of the Food Additives Business.
- (1) (i)由於近期爆發COVID-19，食品添加劑業務的擴張計劃受到阻礙，19,700,000港元中的15,000,000港元重新配於買賣業務。餘下所得款項4,700,000港元尚未動用，並存入香港總辦事處的銀行賬戶；(ii) 6,300,000港元全數用作食品添加劑業務的一般營運資金。
- (2) An amount of HK\$6.2 million was fully utilised as general working capital of the Group.
- (2) 6,200,000港元全數用作本集團的一般營運資金。
- (3) An amount of HK\$15.0 million was fully utilised as payment for purchasing the medical, health and hygiene products for trading purpose.
- (3) 15,000,000港元全數用於支付購買作買賣用途的醫療、保健及衛生產品。

RESULT OF PROFIT GUARANTEES AFTER ACQUISITION

Reference is made to the Company's announcements on 29 July 2020 and 21 August 2020 in relation to acquisition of the entire issued shares in Tripler involving issue of consideration shares under general mandate. According to an unaudited management account of Tripler for the year ended 31 December 2020, the profit guarantee of not less than HK\$6 million for the same period is met. However, the actual financial results of Tripler for the same is still subject to potential adjustments and finalisation of company level audit account of Triple by the Company's auditor and therefore the actual result of profit guarantee may be different.

收購事項後的利潤保證結果

茲提述本公司日期為二零二零年七月二十九日及二零二零年八月二十一日之公告，內容有關根據一般授權發行代價股份以收購森川之全部已發行股份。根據森川截至二零二零年十二月三十一日止年度之未經審核管理賬目，同期已達到不少於6,000,000港元的利潤保證。然而，森川同期的實際財務業績仍需待本公司核數師對森川公司層面的審核賬目作出可能調整及落實，故利潤保證的實際結果可能會有所不同。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

OBJECTIVE OF THE REPORT

China Ever Grand Financial Leasing Group Co., Ltd. (the “**Company**”) is pleased to present its Environmental, Social and Governance (hereinafter called “**ESG**”) Report of the Company and its subsidiaries (the “**Group**”) for the year ended 31 December 2020 (the “**Year 2020**”), with an aim to provide details of the system establishment and performance of the Group in terms of sustainable development to both the internal and external stakeholders.

This report was prepared in accordance with the ESG Reporting Guide set out in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, highlights the environmental and social measures and activities of the Group during the Year 2020. Corporate governance is addressed separately in the Corporate Governance Report.

The Group is principally engaged in the provision of finance lease and related consulting services in the People’s Republic of China (the “**PRC**”), investment properties in the PRC and Hong Kong, investment in securities and money lending business in Hong Kong, research and development, manufacturing and sale of food additives, new food ingredients and nutritional enhancers in the PRC and trading of medical and health care products in Hong Kong. The Group mainly operates in Liaoning, Beijing and Hong Kong. Therefore, the disclosures in this report focus on the policies and performance of factory and offices in Liaoning, Beijing and Hong Kong in the Year 2020 in relation to three environmental aspects and eight social aspects.

本報告的目標

中國恒嘉融資租賃集團有限公司(「**本公司**」)欣然提呈本公司及其附屬公司(「**本集團**」)截至二零二零年十二月三十一日止年度(「**二零二零年度**」)之環境、社會及管治(下稱「**環境、社會及管治**」)報告，旨在向內部及外部持份者提供本集團於可持續發展方面之制度設立及表現之詳情。

本報告按照香港聯合交易所有限公司證券上市規則附錄二十七所列環境、社會及管治報告指引之規定編製，重點介紹本集團於二零二零年度之環境及社會措施和活動。企業管治於企業管治報告內單獨闡述。

本集團主要業務為於中華人民共和國(「**中國**」)提供融資租賃及相關諮詢服務，於中國及香港之投資物業以及於香港證券及放貸業務之投資，於中國之食品添加劑、新食品原料及營養強化劑的研發、生產及銷售以及於香港買賣醫療保健品。本集團主要在遼寧、北京及香港營運。因此，本報告著重披露遼寧、北京及香港工廠以及辦公室於二零二零年度在三個環境方面及八個社會方面的政策及表現。

STAKEHOLDER ENGAGEMENT

Stakeholder engagement is a key success factor in formulating environmental and social strategy, defining the Group's objectives, assessing materiality, and establishing policies. The Group's key stakeholders include government, shareholders, customers, employees, suppliers or service providers, community and the public. The Group has conducted a survey, discussed or communicated with stakeholders to understand their views and respond to their needs and expectations, evaluated and prioritised their inputs to improve the Group's performance, and finally strived to provide value to the stakeholders.

持份者參與

持份者的參與對制定環境及社會策略、界定本集團的目標、評估重要性及制定政策至關重要。本集團的主要持份者包括政府、股東、客戶、僱員、供應商或服務提供商、社區及公眾。本集團已進行調查、與持份者討論或溝通，以了解彼等之見解，回應其需要及期望，評估及排列其對於改善本集團表現之意見的優先次序，並最終致力為持份者創造價值。

Stakeholders 持份者	Expectations and requirements 期望及要求	Communication and response 溝通及回應
Government 政府	<ul style="list-style-type: none"> Operate in compliance with the law 依法經營 Tax payment in accordance with the laws 依法納稅 	<ul style="list-style-type: none"> Law-abiding operations 守法經營 Tax payment on time and in full 準時悉數納稅
Shareholders 股東	<ul style="list-style-type: none"> Implement corporate governance and create value 實行企業管治並創造價值 Information disclosure 信息披露 	<ul style="list-style-type: none"> Optimise internal control and risk management 優化內部控制及風險管理 Release operating data in due course 適時公佈經營數據
Customers 客戶	<ul style="list-style-type: none"> Demand for funds 對資金的需求 Direct communication 直接溝通 Food safety 食品安全 Guarantee product quality 產品質量保證 	<ul style="list-style-type: none"> A wide range of financial leasing products 豐富的融資租賃產品 Direct hotline 致電熱線 Fulfil the requirements of ISO 22000:2005 實施符合ISO 22000：2005規定 Optimise the quality management control 優化質量管理控制

Stakeholders 持份者	Expectations and requirements 期望及要求	Communication and response 溝通及回應
Employees 僱員	<ul style="list-style-type: none"> • Career development platform 事業發展平台 • Remuneration and benefits 薪酬及福利 • Occupational health and safety 職業健康及安全 	<ul style="list-style-type: none"> • Transparent promotion channel 透明的晉升渠道 • Competitive remuneration package 具競爭力的薪酬方案 • Implement health and safety management system 實施健康及安全管理系統
Suppliers or service providers 供應商或服務提供商	<ul style="list-style-type: none"> • Receive payment on time 及時收取付款 • Business ethics and credit standing 商業道德及信譽卓著 	<ul style="list-style-type: none"> • Payment schedule 付款計劃 • Fulfilment of obligations under any contract in accordance with laws 依法履行任何合約項下的責任
Community and the public 社區及公眾	<ul style="list-style-type: none"> • Open up a financing channel for small and medium-sized enterprises 開放中小企業融資渠道 • Protect the nature 保護自然 	<ul style="list-style-type: none"> • Provide sale and leaseback 提供售後回租 • Adhere to green operations 恪守綠色營運

Based on the stakeholder engagement, the Group has identified issues with significant environmental and social impact and issues concerning stakeholders.

基於持份者參與，本集團已識別具有重大環境及社會影響的事項及持份者關注的事項。

MATERIALITY MATRIX

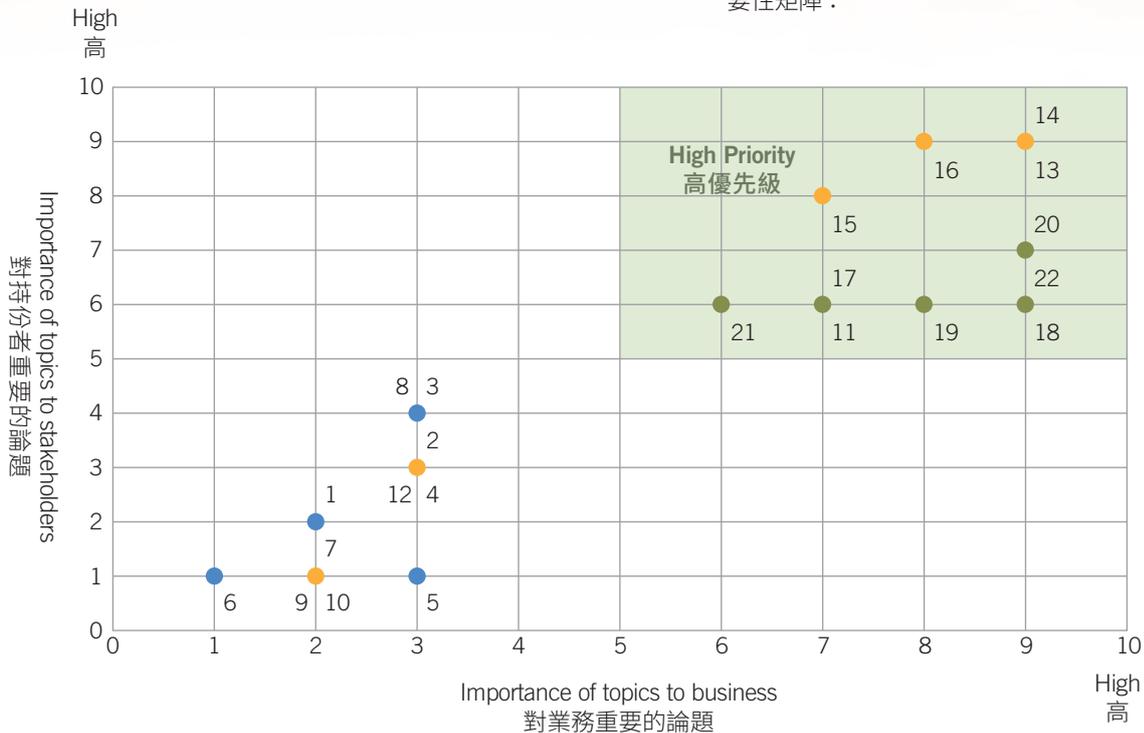
In the Year 2020, the Group carried out materiality assessment on a number of ESG issues in order to identify which issues were crucial to the Group's business and were of the utmost concern to stakeholders. It helps the Group to ensure its business development can meet the expectations and requirements of stakeholders. The Group has identified 22 ESG issues covering environmental, social and operation, and has invited both internal and external stakeholders to assess the materiality of the ESG issues through a scoring tool and interviews. The Group's management has reviewed the ranking of materiality of the ESG issues and then disclosed the results in this report. The results of materiality assessment prioritised stakeholder inputs and made the Group focused on the material aspects for actions, achievements and reporting.

重要性矩陣

於二零二零年度，本集團對多項環境、社會及管治事宜進行重要性評估，以識別對本集團業務最重要及持份者最關注的事宜。該評估有助本集團確保其業務發展能符合持份者的期望及要求。本集團已識別22項涵蓋環境、社會及營運的環境、社會及管治事宜，並邀請內部及外部持份者透過評分工具及面談，評估環境、社會及管治事宜的重要性。本集團管理層已審閱環境、社會及管治事宜的重要性級別，其後於本報告內披露結果。重要性評估的結果優先考慮持份者的意見並使本集團著重行動、成就及報告的重要方面。

The Group's materiality matrix of ESG issues in the Year 2020:

二零二零年度本集團環境、社會及管治事宜的重要性矩陣：



Environmental issues
環境事宜

Social issues
社會事宜

Operation issues
營運事宜

- | | | |
|---|--|--|
| <ol style="list-style-type: none"> 1. Greenhouse gas emissions
溫室氣體排放 2. Energy consumption
能源消耗 3. Water consumption
用水 4. Waste
廢物 5. Environmental impact of construction
施工對環境的影響 6. Green buildings certification
綠色建築認證 7. Customer engagement in environmental issues
客戶對環境事宜的參與 8. Use of chemicals
使用化學品 | <ol style="list-style-type: none"> 9. Local community engagement
當地社區參與 10. Community investment
社區投資 11. Occupational health and safety
職業健康與安全 12. Labour standards in supply chain
供應鏈內的勞工標準 13. Training and development
培訓及發展 14. Employee welfare
僱員福利 15. Inclusion and equal opportunities
包容及平等機會 16. Talent attraction and retention
吸納及挽留人才 | <ol style="list-style-type: none"> 17. Economic value generated
所產生的經濟價值 18. Corporate governance
企業管治 19. Anti-corruption
反貪污 20. Supply chain management
供應鏈管理 21. Customer satisfaction
客戶滿意度 22. Customer privacy
客戶私隱 |
|---|--|--|

EMISSIONS

Emissions refer to air and greenhouse gas (the “GHG”) emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

Combustion of fuels in motor vehicles controlled by the Group is the main sources of nitrogen oxides (NO_x), sulphur oxides (SO_x) and particulate matter (PM) emission. It could likewise generate GHG such as carbon dioxide (CO₂), methane and nitrous oxide.

The Group believes that green transportation brings benefits, which include reduction of transportation costs and reduction of energy consumption and pollution. As such, the Group encourages optimising transportation routes, high filling rate or carpooling and proper tire pressure to achieve efficiency.

The Group reminds employees to consider environmental impact in their commuting decisions to reduce air and greenhouse emissions. Employees are encouraged to take public transportation as often as possible and select fuel efficient vehicles. While employees are driving, it is suggested to avoid unnecessary acceleration or deceleration, close windows when the vehicle is travelling at high speed, and only use air-conditioning when it is necessary.

Electricity consumption of the Group is a major part of its GHG emissions. Various electricity-saving policies have been established to reduce the electricity consumption by the Group. The Group encourages staff members to switch off light during daytime, maintain lamps well to keep clean, use stairs instead of elevators, install energy-efficient lighting, and disable the standby mode for all electrical appliances, including computers, photocopiers and printers when they are not in use. Air conditioning is required to be set no lower than 25°C in summer. It is also required to ensure the windows and doors are closed while air-conditioning is on, and turn off the air-conditioning after office hours or after the usage of the meeting room.

In the Group’s Liaoning and Beijing offices, energy saving signs remind staff members to turn off the lights and promote energy conservation. In the Hong Kong office, light-emitting diode (“LED”) lamps were installed as much as possible, and multi-purpose devices with printing, scanning and photocopying functions were adopted to achieve electrical efficiency.

In order to address indirect emissions relating to paper waste deposited at landfills, the Group encourages employees to apply computer technology such as emails, electronic backup devices and storage devices to reduce paper consumption, print on both sides of a sheet of paper, avoid

排放物

排放物指廢氣及溫室氣體（「溫室氣體」）排放、向水及土地的排污、有害及無害廢棄物之產生。

本集團控制的汽車燃燒的燃料是氮氧化物(NO_x)、硫氧化物(SO_x)及懸浮粒子(PM)排放物的主要來源。其同樣可能會產生二氧化碳(CO₂)、甲烷及一氧化氮等溫室氣體。

本集團深信綠色運輸的裨益，包括減省運輸成本、降低能耗及減少污染。因此，本集團鼓勵採用最佳運輸路線、高運量或拼車率及適當胎壓以提高效率。

本集團提醒僱員在通勤時考慮環境影響，減少廢氣及溫室氣體排放，例如鼓勵僱員盡可能利用公共交通系統，並選擇燃料效率高的交通工具。本集團鼓勵僱員駕駛時避免不必要加速或減速、在高速行駛下關窗及僅於必要時方使用空調。

本集團之電力消耗是其溫室氣體排放的主要部分。本集團已制定多項節電政策，以減少用電。本集團鼓勵僱員白天關閉電燈、保養燈具並保持其清潔、使用樓梯而非電梯、安裝能源效益高的照明系統及在所有電器（包括電腦、影印機及打印機）不使用時關閉備用模式。夏季須將空調設定在不低於25°C之溫度。亦須確保空調開啟期間門窗均已關閉，以及下班後或使用會議室後須關閉空調。

在本集團遼寧及北京的辦公室，節能標誌提醒僱員及時關燈和促進節能。在香港辦公室，盡可能多地安裝發光二極管（「LED」）燈，並採用具有打印、掃描及影印功能的多功能設備來實現用電效率。

為了處理與堆填廢紙有關之間接排放，本集團鼓勵僱員使用電郵、電子備份設備及儲存裝置等電腦科技，減少用紙，採用雙面打印，避免不必要

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unnecessary printing or copying on paper, adjust documents and use space efficiency formats to optimise use of paper, and put recycling boxes near the photocopiers to collect single-sided paper for reuse and used double-sided paper for recycling.

In the Group's Beijing office, saving paper signs remind staff members to optimise use of paper and reduce paper waste. The Group constantly reminds employees to consider environmental impact in their commuting decisions to reduce air and GHG emissions. Employees are encouraged to take public transportation as often as possible and select fuel-efficient vehicles. While employees are driving, it is recommended to avoid unnecessary acceleration or deceleration, keep windows closed when the vehicle is travelling at high speed, and only use air-conditioning when it is necessary.

The Group recognises the severity of indirect GHG emissions from business travel by employees, and requires employees to utilise teleconference instead of overseas meetings and choose railway rather than airway for short distance travel to reduce the carbon footprint of business travel.

The Group requires that discharges, if any, into waterways and land must comply with relevant laws and regulations.

The Environmental Policy established by the Group encourages employees to handle office waste generated in a proper and environmentally friendly manner.

Hazardous wastes are those defined by national regulations. There was no significant hazardous waste generated in view of the Group's business nature.

The Group promotes waste reduction practices including waste reduction at source, reuse, clean recycling, recover and reduction of disposal at landfills. Employees are encouraged to purchase supplies or equipment with longer life-span, to install recycling bins to collect recyclables, such as waste paper, glass or aluminium bottles, metal, and plastics, and to have recyclers to collect recyclables.

The Group strictly regulates the operation of its business to ensure the compliance with national and local laws and regulations relating to environmental protection and pollutant emissions. In the Year 2020, there was no case of material non-compliance with the Environmental Protection Law of the People's Republic of China (中華人民共和國環境保護法) and other relevant laws and regulations relating to air and GHG emissions, discharges into water and land, and generation of hazardous and non-

打印或複印，並調整文件、使用空間效率高的格式以善用紙張，以及於影印機旁放置回收箱，收集單面紙重用及回收已使用雙面紙張。

在本集團北京的辦公室，節省紙張標誌提醒僱員優化紙張使用並減少紙張浪費。本集團時常提醒僱員在通勤時考慮環境影響，減少廢氣及溫室氣體排放，例如鼓勵僱員盡可能利用公共交通系統，並選擇燃料效率高的交通工具。本集團建議僱員駕駛時避免不必要加速或減速、在高速行駛下關窗及僅於必要時方使用空調。

本集團明白僱員外出公幹產生大量間接溫室氣體排放，並要求僱員使用電話會議而非海外會議，短途行程使用鐵路而非飛機，以減少外出公幹之碳足跡。

本集團要求向水道及土地排放之污染物(如有)必須符合相關法律及法規。

本集團制定的環保政策鼓勵僱員以適當及環保的方式處理所產生之辦公廢棄物。

有害廢棄物指國家規例所界定者。鑒於本集團之業務性質，並無產生大量有害廢棄物。

本集團提倡減廢常規，包括於源頭減廢、再利用、清潔循環利用、回收及減少填埋處理。本集團鼓勵僱員購買壽命較長之供應品或設備，安裝回收桶收集可循環物料(如廢紙、玻璃瓶或鋁瓶、金屬及塑料)，並安排回收商收集可循環物料。

本集團嚴格規管其業務的營運，確保遵守與環保及污染物排放有關的國家及地方法律及法規。於二零二零年度，概無嚴重違反《中華人民共和國環境保護法》及有關廢氣及溫室氣體排放、向水資源及土地排放汙物以及產生對環境造成重大

hazardous waste that have a significant impact on environment. In addition, there was no report of significant fines or sanctions as a result of non-compliance with the relevant laws and regulations in the Year 2020.

影響的有害及無害廢物的其他相關法律及法規的行為。此外，於二零二零年度內，並無因違反相關法律及法規而招致重大罰款或制裁的報告。

The key environmental performance indicators of the Group's emissions in the Year 2020 are shown in the table below:

於二零二零年度，本集團排放物的關鍵環境績效指標載列於下表：

Environmental indicators	環境指標	Unit 單位	Year 2020 二零二零年度	Year 2019 二零一九年度
Air emissions <i>(Note 1)</i>	廢氣排放 <i>(附註1)</i>			
Nitrogen oxides (NO _x) emissions	氮氧化物(NO _x)排放物	g 克	10,248	7,028
Sulphur oxides (SO _x) emissions	硫氧化物(SO _x)排放物	g 克	263	323
Particulate matter (PM) emission	懸浮粒子(PM)排放物	g 克	757	525
GHG emissions	溫室氣體排放			
Direct emissions <i>(Scope 1)</i>	直接排放 <i>(範圍1)</i>	kg CO ₂ e 千克 二氧化碳當量	61,721	71,142
Indirect emissions <i>(Scope 2)</i> <i>(Note 2)</i>	間接排放 <i>(範圍2)</i> <i>(附註2)</i>	kg CO ₂ e 千克 二氧化碳當量	808,083	578,053
Other indirect emissions <i>(Scope 3)</i> <i>(Note 3)</i>	其他間接排放 <i>(範圍3)</i> <i>(附註3)</i>	kg CO ₂ e 千克 二氧化碳當量	13,287	15,493
Total GHG emissions <i>(Note 4)</i>	溫室氣體排放總量 <i>(附註4)</i>	kg CO ₂ e 千克 二氧化碳當量	883,091	664,437
GHG emissions intensity	溫室氣體排放密度	kg CO ₂ e (per unit produced) 千克 二氧化碳當量 (每生產單位)	43	34
Waste	廢物			
Total non-hazardous waste produced	所產生無害廢棄物總量	kg 千克	1,010	617
Non-hazardous waste produced intensity	所產生無害廢棄物密度	kg (per unit produced) 千克 (每生產單位)	0.049	0.001
Total hazardous waste produced <i>(Note 5)</i>	所產生有害廢棄物 總量 <i>(附註5)</i>	kg 千克	N/A 不適用	N/A 不適用
Hazardous waste produced intensity	所產生有害廢棄物密度	kg (per unit produced) 千克 (每生產單位)	N/A 不適用	N/A 不適用

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Note 1: Air emissions include emissions data from gaseous fuel consumption and motor vehicles.

Note 2: The power supply discharge coefficient of Liaoning and Beijing is set at 0.9419 kg/kWh.

Note 3: The electricity consumption per unit for treatment of drinking water and sewage in PRC are set at 0.6 and 0.28328 kWh respectively.

Note 4: GHG emissions (direct and indirect) and its removal can be divided into the following three separate areas:

Scope 1: Direct GHG emissions from operations that are owned or controlled by the Group including: (i) combustion of fuels in boiler to generate heat and steam; and (ii) combustion of fuels in motor vehicles controlled by the Group.

Scope 2: Energy indirect emissions resulting from generation of purchased electricity that is consumed by the Group's including the controlled equipment or its operations within the physical building boundary for electricity purchased from power companies.

Scope 3: All other indirect GHG emissions that occurred outside the Group, including both upstream and downstream emissions including: (i) GHG emissions due to electricity used for fresh water/sewage processing by the Water Services Department/Drainage Services Department respectively; and (ii) business travel by employees.

Note 5: No hazardous waste is produced by the Group. Therefore, such disclosure is not applicable to the Group. In the event when any hazardous waste is to be disposed of, the Group would engage professional companies to handle it.

In accordance with policies stated above for the reduction of air and GHG emissions from vehicles, the Group adopts the following measures: (i) control the numbers of vehicles owned by the Group; (ii) control the frequency of employees not to take public transportation for local business commuting; and (iii) control the volume of business travel by employees. The Group considers such measures had been achieved for the Year 2020.

Non-hazardous wastes are preferred to be recycled, otherwise, they are sent for landfill or incineration. In accordance with policies stated above for the reduction of non-hazardous wastes, the Group adopts the following measures: (i) control the commercial wastes generated by employees; (ii) control the waste of papers; and (iii) control the volume of non-hazardous waste going direct to landfill or incineration without recycling. The Group considers such measures had been achieved for the Year 2020.

USE OF RESOURCES

The Group recognises that efficient use of resources, including energy, water and other raw materials, in production, storage, transportation, buildings, electronic equipment, etc., is one of the significant aspects to protect environment.

附註1: 廢氣排放包括來自燃燒消耗及汽車的數據。

附註2: 遼寧及北京的供電排放係數設為0.9419千克/千瓦時。

附註3: 在中國的處理食水及污水每單位耗電量分別設為0.6及0.28328千瓦時。

附註4: 溫室氣體排放(直接及間接)及其減除可分為以下三個獨立範圍:

範圍1: 由本集團所擁有或控制的業務直接產生的溫室氣體排放,包括:(i)鍋爐中燃燒的燃料產生熱能及蒸汽;及(ii)本集團控制的汽車燃燒的燃料。

範圍2: 本集團控制的設備或其於實體建築物界限範圍內運營而自發電公司購買的電力所消耗的購買電力產生的能源間接排放。

範圍3: 本集團以外發生的所有其他間接溫室氣體排放,包括上游及下游的排放(包括:(i)水務署/渠務署分別使用電力處理食水/污水所產生的溫室氣體排放量;及(ii)僱員的出差)。

附註5: 本集團並無產生有害廢物。因此,該披露不適用於本集團。倘若需棄置任何有害廢物,本集團會聘請專業公司處理。

據上述政策,為減少車輛廢氣及溫室氣體排放,本集團採取以下措施:(i)控制本集團擁有的車輛數量;(ii)控制僱員不乘坐公共交通工具上班的頻率;及(iii)控制僱員的出差量。本集團認為該等措施已於二零二零年度落實。

無害廢棄物優先回收利用,否則將被送往堆填或焚化。根據上述政策,為減少無害廢棄物,本集團採取以下措施:(i)控制僱員產生的商業廢棄物;(ii)控制紙張浪費;及(iii)控制直接送往堆填或焚燒而不進行回收的無害廢棄物數量。本集團認為該等措施已於二零二零年度落實。

資源使用

本集團深知於生產、儲存、運輸、樓宇、電子設備等方面有效使用資源(包括能源、水及其他原材料)對於保護環境至關重要。

The Group established policies and procedures to reduce energy consumption in the facility, to assess the energy efficiency, to increase the use of clean energy, if possible, to set targets to monitor energy consumption, to ensure power is turned off when electrical appliances are not in use, and to admit natural daylight into workplace during the day.

本集團已制定政策及程序減少設施能源消耗，評估能源效益，盡可能增加使用清潔能源，訂立目標監察能源消耗，確保關閉不再使用中之電器，並在白天於工作場所採用自然光。

The Group requires employees to reduce water consumption in the offices. For example, employees are encouraged to fully empty any containers before washing, to turn off water taps promptly, to check faucets and pipes for leaks, and to adopt water saving appliances.

本集團要求僱員在辦公室減少用水。例如，本集團鼓勵僱員於清潔前清除容器積水，及時關閉水龍頭，檢查水龍頭及管道洩漏，並採用節水設備。

The total units of energy and water consumed by the Group and the amount of total packaging material used for finished products in the Year 2020 are shown in the table below:

於二零二零年度，本集團所耗用能源及水總量以及製成品所用包裝材料的總量載列於下表：

Total use of resources	資源使用總量	Unit 單位	Year 2020 二零二零年度	Year 2019 二零一九年度
Purchased electricity consumed	所耗用購買的電力	kWh 千瓦時	859,634	599,241
Petrol consumed	所耗用汽油	kWh 千瓦時	173,512	213,041
Total energy consumed	能源總耗量	kWh 千瓦時	1,033,146	812,282
Energy consumption intensity	耗能密度	kWh (per unit produced) 千瓦時 (每生產單位)	50	42
Natural gas consumed	所耗用天然氣	m ³ 立方米	123,489	115,419
Natural gas consumption intensity	所耗用天然氣密度	m ³ (per unit produced) 立方米 (每生產單位)	6	6
Water consumption	耗水	m ³ 立方米	391	915
Water consumption intensity	耗水密度	m ³ (per unit produced) 立方米 (每生產單位)	0.019	0.047
Total packaging material (paper) used for finished products	製成品所用包裝材料 (紙) 總量	kg 千克	3,716	4,717
Total packaging material (plastic) used for finished products	製成品所用包裝材料 (塑料) 總量	kg 千克	3,880	3,036
Amount of packaging material (paper) per unit produced	每件產品的包裝材料 (紙) 數量	kg 千克	0.1794	0.2419
Amount of packaging material (plastic) per unit produced	每件產品的包裝材料 (塑料) 數量	kg 千克	0.1873	0.1557

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The Group's ability to use energy efficiently can be revealed by its intention and measures for the reductions in energy consumption. Energy consumption has a direct effect on the environmental footprint of the Group, its operational costs, and exposure to certain risks (e.g. fluctuations in energy supply and prices). The Group's policies and measures specific to managing energy use have been stated above. The Group considers such policies had been adopted and measures had been achieved for the Year 2020.

The Group's ability to use water efficiently can be revealed by its intention and measures for the reductions in water consumption. Water consumption has a direct effect on the environmental footprint of the Group, its operational costs, and exposure to certain risks (e.g. reliance on sources of water that may be considered sensitive due to their relative size or function; or status as a possibly rare, threatened, or endangered system; or to their possible support of a particular endangered species of plant or animal).

The Group's policies and measures regarding to use of water have been stated above. The Group considers such policies had been adopted and measures had been achieved for the Year 2020.

本集團有效利用能源的能力可以透過其降低能源消耗的意圖和措施來體現。能源消耗直接影響本集團的環境足跡，運營成本及面臨若干風險（例如能源供應及價格的波動）。本集團針對能源使用管理的政策和措施已在上文闡述。本集團認為於二零二零年度已採納該等政策並已採取措施。

本集團有效利用水的能力可以透過其減少用水量的意圖和措施來體現。耗水量直接影響本集團的環境足跡、運營成本及面臨若干風險（例如，依靠可能因其相對規模或功能而被認為敏感的水源；或者可能為罕見的、受到威脅的或瀕危的系統的狀態；或者其可能支持某一特定瀕危植物或動物）。

本集團有關用水的政策及措施已在上文闡述。本集團認為於二零二零年度已採納該等政策並已採取措施。

Energy saving measure 節能措施

Description and the result of measures 措施描述及結果

Water saving
節約用水

Open recirculating system is installed in Liaoning's factory in order to absorb process heat from machineries. This system uses the same water over and over again, it can reduce electricity consumption for water processing.

遼寧工廠設置開放式循環系統用以吸收機械產生的熱能。該系統反覆使用相同的水，可減少水處理過程中的電力消耗。

Electricity saving
節約用電

Variable-frequency drives are installed on some of the machineries that do not need to be run at full speed, such installation can reduce energy consumption and energy costs.

變頻器安裝於若干無需全速運作的機器上，其可減少能源消耗及能源成本。

THE ENVIRONMENT AND NATURAL RESOURCES

The Group is committed to reducing the operation impacts on environment and natural resources. Policies are established to consider the actual impacts on environment and natural resources and to reduce such impacts. The Group encourages environmental education and advocacy among employees to motivate environmentally responsible behaviour which helps fulfil the Group's commitment to minimising its adverse impacts on the environment.

The Group understands that its performance in respect of emissions, waste production and disposal, and use of resources impacts the environment, the Group endeavours to minimise such impacts, and communicate the Group's environmental policies, measures, performance, and achievements to the stakeholders. No significant impact on the environment and natural resources was caused in view of the Group's business nature. Policies and/or measures adopted specific to managing potential impacts of activities on the environment and natural resources are mentioned above.

EMPLOYMENT AND LABOUR PRACTICES

The Group established Staff Handbook covering topics such as: (i) compensation and dismissal; (ii) recruitment and promotion; (iii) working hours; (iv) rest periods; (v) equal opportunity; (vi) diversity; (vii) anti-discrimination; and (viii) other benefits and welfare.

The Group offers competitive remuneration to attract and retain talented staff members. Remuneration packages are reviewed periodically to ensure consistency with employment market. Laws and regulations on minimum wage and statutory social benefits are required to be followed. Dismissal is required to comply with employment laws and regulations, and to follow the internal policies and procedures, including policy on prevention of dismissal purely on employees' gender, marital status, disability, or family status.

The Group attracts talent through fair, flexible and transparent recruitment strategy. Recruitment process includes application for recruitment, description of position, collection of job applications, interview, selection, approval, and job offering. Promotion is required to be based on performance and suitability.

環境及自然資源

本集團致力減少營運對環境及自然資源之影響，已制定政策考慮對環境及自然資源之實際影響及如何減輕影響。本集團鼓勵環境教育及向僱員提倡以推動對環境負責之行為，這有助於履行本集團盡量減少其對環境造成的不利影響之承諾。

本集團明白其在排放、廢物生產和處置以及資源使用方面的表現會對環境造成影響，本集團盡力使這些影響最小化，並向持份者傳達本集團的環境政策、措施、表現及成就。鑒於本集團的業務性質，並無造成對環境及自然資源的重大影響。針對管理對環境和自然資源造成潛在影響的活動之已採取政策及／或措施已於上文提述。

僱傭及勞工常規

本集團已制定員工手冊，涵蓋議題例如：(i)薪酬及解僱；(ii)招聘及晉升；(iii)工作時數；(iv)假期；(v)平等機會；(vi)多元化；(vii)反歧視；及(viii)其他待遇及福利。

本集團提供具競爭力之薪酬以吸引及挽留優秀員工，定期檢討薪酬待遇，確保與僱傭市場一致，要求遵守有關最低工資及法定社會福利之法律及法規，並按照僱傭法律及法規以及內部政策及程序解僱員工，包括防止純粹因僱員性別、婚姻狀況、殘疾、或家庭狀況解僱員工之政策。

本集團以公平、靈活及透明之招聘策略吸引人才。招聘程序包括申請招聘、描述職位、收集應徵申請、面試、甄選、批准及聘用。晉升須取決於表現及是否稱職。

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Employees' working hours, rest periods, benefits and welfare, including social security benefits and mandatory provident fund, are required to be in compliance with employment or labour laws and regulations. Selected benefit programs, including medical coverage, are also provided.

The Group is an equal opportunity employer. The Group endeavours to provide a fair workplace for employees and follow the principles of equality and non-discrimination. Recruitment, remuneration, promotion, and benefits are required to be handled based on objective assessment, equal opportunity and non-discrimination regardless of gender, race, or other measures of diversity.

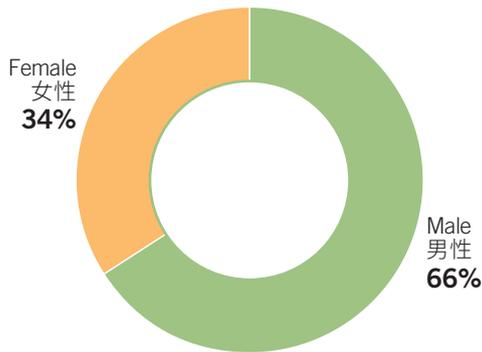
The composition of the Group's workforce by gender, employment type, age group and geographical region as of 31 December 2020 is stated as follows:

僱員之工作時數、假期、待遇及福利(包括社會保障福利及強制性公積金)須符合僱傭或勞工法律及法規。本集團亦提供包括醫療保險在內的選定福利計劃。

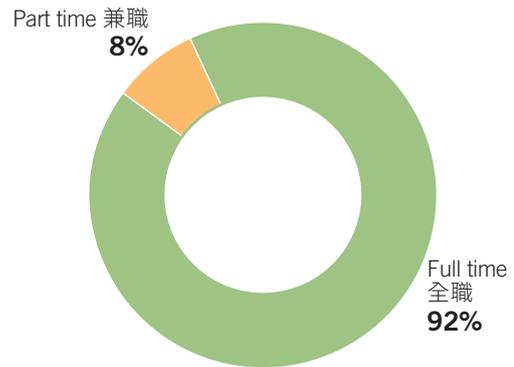
本集團向僱員提供同等的工作機會。本集團努力為僱員提供公平之工作環境，恪守公平及反歧視原則。招聘、薪酬、晉升及福利必須建基於客觀評估、平等機會及不涉及歧視，不論性別、種族或其他多元性指標。

截至二零二零年十二月三十一日，本集團按性別、僱傭類型、年齡組別及地區劃分的勞動力構成情況如下：

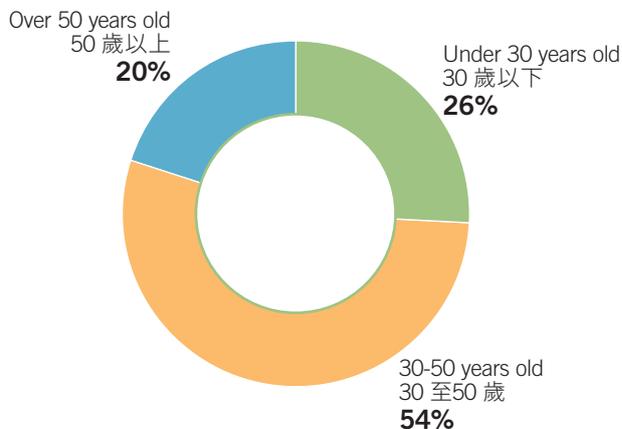
WORKFORCE BY GENDER
按性別劃分



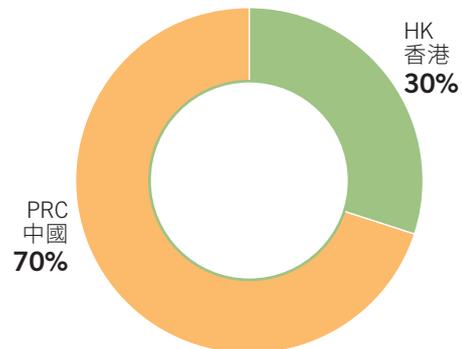
WORKFORCE BY EMPLOYMENT TYPE
按僱傭類型劃分



WORKFORCE BY AGE GROUP
按年齡組別劃分



WORKFORCE BY REGION
按地區劃分



The Group strictly regulates the operation of its business to ensure the compliance with national and local laws and regulations relating to employment during the course of operation. In the Year 2020, there was no case of material non-compliance with the Labour Law of the People's Republic of China (中華人民共和國勞動法), the Labour Contract Law of the People's Republic of China (中華人民共和國勞動合同法), the Employment Ordinance (僱傭條例) and the relevant laws and regulations relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare on the Group. In addition, there was no report of significant fines or sanctions as a result of non-compliance with the relevant laws and regulations in the Year 2020.

HEALTH AND SAFETY

The Group has established Health and Safety Policies covering topics such as: (i) providing safe working environment; (ii) protecting employees from occupational hazards; and (iii) work-life balance. The Group is committed to maintaining a healthy and safe workplace for employees, and to preventing workplace injuries and illnesses.

The Group requires entities to establish and document policies and procedures on safety for employees to follow, set targets for the safety of employees, monitor the safety performance against the targets periodically and report any safety incidents to management.

One of the key factors for successfully protecting employees from occupational hazards is to train employees to protect themselves from psychological and physical hazards. The Group encourages such training to be delivered to employees.

The Group supports employees to enjoy leisure and sports activities outside of workplace.

In response to the outbreak of the Coronavirus Disease 2019 (“COVID-19”) pandemic, the Group has taken certain actions to strengthen the health and safety precautionary measures in factory and offices in Liaoning, Beijing and Hong Kong to protect the health of its employees. Employees are required to wear surgical face masks in factory and office, apart from that, the Group has increased the frequency of cleaning and sterilisation in working areas.

本集團嚴格規管其業務的營運，以確保於營運過程中遵守與僱傭相關的國家及地方法律及法規。於二零二零年度，概無嚴重違反《中華人民共和國勞動法》、《中華人民共和國勞動合同法》、《僱傭條例》及與本集團的補償及解僱、招聘及晉升、工作時數、休假、平等機會、多元化、反歧視及其他待遇和福利有關的相關法律及法規的行為。此外，於二零二零年度內，並無因違反相關法律及法規而招致重大罰款或制裁的報告。

健康與安全

本集團已制定健康及安全政策，涵蓋議題例如：(i)提供安全工作環境；(ii)保障僱員避免職業性危害；及(iii)作息平衡。本集團致力為僱員提供健康及安全的工作環境及保障僱員避免職業性傷害與疾病。

本集團要求各實體制定及列明僱員應遵守之安全政策及程序，訂立僱員安全目標，定期對照安全表現及目標，並向管理層匯報任何安全事故。

保障僱員避免職業性危害之其中一項成功要素為訓練僱員保護自己免受心理及身體傷害。本集團鼓勵為僱員提供有關培訓。

本集團支持僱員在工餘進行休閒及體育活動。

針對二零一九新型冠狀病毒疫情（「COVID-19」）的爆發，本集團已採取若干行動加強遼寧、北京及香港工廠以及辦公室的健康及安全防範措施，以保障僱員的健康。僱員在工廠及辦公室內須佩戴外科口罩，此外，本集團已增加工作區域的清潔及消毒頻率。

During the year, the Group temporarily closed its factory in Liaoning in January 2020 following the imposition of order by the government of PRC. On 17 February 2020, the Group has submitted a Letter of Commitment to the Management Committee of Chaoyang Jianping Economic Development Zone and enquired about resuming operation of its factory and office in Liaoning. In order to gain permission from the committee, the Group has promised to take several control and prevention measures for protecting workers, including but not limited to: (i) cleaning and sterilisation in working areas twice a day (in the morning and evening) and keeping records; (ii) measuring body temperature twice a day (in the morning and evening) and keeping records; and (iii) providing epidemic prevention supplies to employees.



Notices have been posted in factory area to list out the health and safety precautionary measures.

工廠內貼有告示，列明健康及安全預防措施。

年內，於中國政府頒令後，本集團於二零二零年一月暫時關閉其位於遼寧的工廠。於二零二零年二月十七日，本集團已向朝陽建平經濟開發區管理委員會提交承諾書，並詢問有關其位於遼寧工廠及辦公室恢復運營的情況。為通過委員會的許可，本集團已承諾將採取多項防控及預防措施保護員工，包括但不限於：(i)每天早晚兩次對工作區域進行清潔及消毒，並做好記錄；(ii)每天早晚兩次體溫檢測並做好記錄；及(iii)為僱員提供防疫用品。

The Group strictly regulates the operation of its business to ensure the compliance with national and local laws and regulations relating to health and safety during the course of operation. In the Year 2020, there was no case of material non-compliance with the Regulations on Work-Related Injury Insurance of the People's Republic of China (中華人民共和國工傷保險條例), the Occupational Safety and Health Ordinance (職業安全及健康條例) and the relevant laws and regulations relating to providing a safe working environment and protecting employees from occupational hazards that have a significant impact. In addition, there was no report of significant fines or sanctions as a result of non-compliance with the relevant laws and regulations in the Year 2020.

本集團嚴格規管其業務的營運，以確保於營運過程中遵守與健康及安全相關的國家及地方法律及法規。於二零二零年度，並無嚴重違反《中華人民共和國工傷保險條例》、《職業安全及健康條例》及與提供安全工作環境及保障僱員免受職業危害相關的有關法律及法規並有重大影響之行為。此外，於二零二零年度，並無因違反相關法律及法規而招致重大罰款或制裁的報告。

DEVELOPMENT AND TRAINING

The Group has established Development and Training Policies covering topics such as: (i) vocational training; and (ii) training and resources for the directors and senior management. The Group is committed to providing adequate training to the employees to improve their knowledge and skills for discharging duties at work. Training includes vocational training courses provided internally or externally.

發展及培訓

本集團已制定發展及培訓政策，涵蓋議題例如：(i)職業培訓；及(ii)董事及高級管理層的培訓及資源。本集團致力為僱員提供足夠培訓，提升僱員履行工作職責的知識及技能。該等培訓包括內外職業培訓課程。

The Group requires employees to attend internal and external training courses including employee continuing education to improve employees' knowledge and skills for their job positions.

本集團要求僱員參加內外培訓課程，包括僱員持續教育，以提升僱員的工作職位知識及技能。

Training and development courses are offered throughout the Group to upgrade employee skills and knowledge. During the year, all directors participated in continuous professional development activities by reading regulatory updates, and/or attending seminars or workshops relevant to the business or directors' duties.

LABOUR STANDARDS

The Group has established Labour Standards Policies covering topics such as: (i) preventing child and forced labour; and (ii) preventing workplace bullying. The Group is committed to avoiding child and forced labour in the workplace. Besides, all employees are strongly encouraged to report any bullying conduct they experience through the complaint channel provided by the Group.

The Group prohibits child labour. It requires human resource department and user departments work together to prevent or identify child labour, and to ensure child labour is not in the workforce. The Group is committed to protecting human rights, to prohibiting forced labours, and to creating a workplace with respect, fairness, and free will for the employees.

The Group strictly regulates the operation of its business to ensure the compliance with national and local laws and regulations relating to labour standards during the course of operation. In the Year 2020, there was no case of material non-compliance with the Labour Law of the People's Republic of China (中華人民共和國勞動法), the Provisions on the Prohibition of Using Child Labour (禁止使用童工規定), the Employment Ordinance (僱傭條例) and the relevant laws and regulations relating to preventing child or forced labour that have a significant impact. In addition, there was no report of significant fines or sanctions as a result of non-compliance with the relevant laws and regulations in the Year 2020.

SUPPLY CHAIN MANAGEMENT

Supply chain management is a key area of the Group's business, which includes managing environmental and social risks of the supply chain. The Group requires suppliers to provide products and services for the Group with up-to-standard quality, health and safety to ensure compliance with environmental laws and regulations, and labour standards. The contracting for procurement of products and services is required to be based solely upon specification, quality, service, price, tendering, and applicable environmental and social considerations.

本集團於內部提供培訓及發展課程，以提升僱員之技能及知識。年內，全體董事通過閱讀法規更新資料及／或參加與業務或董事職責相關的研討會或討論會參與持續職業發展活動。

勞工準則

本集團已制定勞工準則政策，涵蓋議題例如：(i) 防止童工及強制勞工；及(ii)防止職場欺凌。本集團致力於工作場所防止使用童工及強制勞工。同時，大力支持全體僱員通過本集團提供的投訴渠道報告彼等經歷的任何欺凌行為。

本集團禁止使用童工。其規定人力資源部及招工部門合作防止或識別童工，並確保工作場所並無童工。本集團致力保障人權，禁止強制勞工，為僱員締造互相尊重、公平與自願的工作環境。

本集團嚴格規管其業務的營運，以確保於營運過程中遵守有關勞工準則的國家及當地法律及法規。於二零二零年度，並無嚴重違反《中華人民共和國勞動法》、《禁止使用童工規定》、《僱傭條例》以及與防止童工或強制勞工相關的有關法律及法規並有重大影響之行為。此外，於二零二零年度，並無發生違反相關法律及法規的行為而招致重大罰款或制裁的報告。

供應鏈管理

供應鏈管理是本集團業務的一個重要範疇，涵蓋管理供應鏈之環境及社會風險。本集團要求供應商向本集團提供產品及服務之最新質量、健康及安全標準，確保符合環境法律及法規及勞工準則。訂約採購產品及服務必須純粹建基於規格、品質、服務、定價、招標及適用的環境和社會考慮因素。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境·社會及管治報告

The Group requires impartial selection of suppliers and service providers, maximisation of competition in tendering process, approval of contract terms, compliance with laws and regulations, prevention and detection of bribery or fraud in the tendering and procurement process, and accomplishment of efficiency and cost saving in procurement.

The Group established Supply Chain Management Policies, including (i) assessment; (ii) selection; (iii) approval; (iv) procurement; and (v) performance evaluation. Performance evaluation is based on quality, service, cost, environmental protection, and social responsibilities.

During the Year 2020, the Group was not aware that any key suppliers had any significant actual and potential negative impact on business ethics, environmental protection, human rights and labour practices, nor any of them had any non-compliance incident in respect of human rights issues.

PRODUCT RESPONSIBILITY

Product responsibility refers to health and safety, advertising, labelling and privacy matters relating to services provided. The Group has established Product Responsibility Policies to study the overall and actual implementation of the Group's sustainable procurement activities and report directly to the director and company secretary.

The Group is fully responsible for its services and products. The Group ensures health and safety relating to the services provided and products produced.

The Group respects its customers' rights and is committed to providing accurate services and products information for customers in connection with their purchase decision. The Group requires careful review of advertising material to protect customers' interest.

The Group is committed to protecting customer data and privacy information and keeping business information confidential. Training to employees in this regard and proper information system security are required.

Although the Group ensures the quality of its services and products, at the same time, the Group requires that services and products with quality, safety, or health issues should be compensated in accordance with terms of service and products contracts. Compensation is required to be offered to all customers who are affected with consistent treatment and procedures.

本集團規定挑選供應商及服務提供商時必須公正，最大限度發揮招標程序的競爭性，審批合約條款，遵守法律及法規，防止及檢測招標及採購程序中的賄賂或欺詐行為，同時提升採購效率及減省成本。

本集團已制定供應鏈管理政策，涵蓋：(i)評審；(ii)挑選；(iii)批准；(iv)採購；及(v)表現評估。表現評估建基於品質、服務、成本、環保及社會責任。

於二零二零年度，本集團概不知悉任何主要供應商對商業道德、環保、人權及勞工常規造成任何重大實際及潛在不利影響，亦不知悉任何彼等有任何有關人權事宜的不合規事件。

產品責任

產品責任涉及所提供相關服務的健康與安全、廣告、標籤及私隱事宜。本集團已制定產品責任政策，研究整體及實際實施本集團可持續發展採購活動並直接向董事及公司秘書報告。

本集團對其服務及產品負全責。本集團確保所提供相關服務及所生產產品的健康及安全性。

本集團尊重客戶權利，矢志為客戶提供準確服務及產品資料，供其於購買時參考。本集團要求仔細審查廣告材料，保障客戶權益。

本集團致力保障客戶數據及私隱資料，並對商業機密保密。本集團規定提供此方面之僱員培訓及恰當資訊系統保障。

儘管本集團確保其服務及產品品質，本集團同時要求按照服務及產品合約條款補償存在質量、安全或健康問題的服務及產品。本集團規定以一致的方式及程序向所有受影響客戶進行賠償。

The Group was not aware of any material non-compliance with the Personal Data (Privacy) Ordinance (個人資料(私隱)條例) and other applicable laws and regulations that have a significant impact relating to privacy matters in regard to products and services provided by the Group in the Year 2020.

ANTI-CORRUPTION

The Group established Anti-Corruption Policies to prohibit employees from receiving any advantages offered by customers, suppliers, colleagues, or other parties, while they are performing employee duties, and prohibit any activities involving conflicts of interest, bribery, extortion, fraud, and money laundering. Staff Handbook lays out the Group's expectation and certain guiding provisions on code of conduct. The Group encourages employees, customers, suppliers, or other parties to report incidents relating to any conflicts of interest, bribery, extortion, fraud and money laundering.

The Group strictly regulates the operation of its business to ensure the compliance with national and local laws and regulations relating to anti-corruption during the course of operation. In the Year 2020, there was no case of any material non-compliance with the Anti-Unfair Competition Law of the People's Republic of China (中華人民共和國反不正當競爭法), the Prevention of Bribery Ordinance (防止賄賂條例) and the relevant laws and regulations relating to bribery, extortion, fraud and money laundering that have a significant impact. In addition, there was no report of significant fines or sanctions as a result of non-compliance with the relevant laws and regulations in the Year 2020.

COMMUNITY INVESTMENT

The Group endeavours to support the communities in which the Group operates including community engagement to understand the needs of communities, and to ensure the Group's activities take into consideration of the communities' interest.

The Group strives to enlarge the business operation so that the Group can hire more workers to utilize communities' available labour resources.

The Group encourages its employees to participate in community activities, such as community health initiatives, sports, cultural activities, volunteer work, and education donation. All employees of the Group are encouraged to participate in environmental protection activities and raise the environmental awareness of people in the communities.

於二零二零年度，本集團概不知悉與本集團所提供產品及服務的私隱事宜有關並構成重大影響的任何嚴重違反《個人資料(私隱)條例》以及其他適用法律及法規的情況。

反貪污

本集團已制定反貪污政策禁止僱員於履行其職務時收受客戶、供應商、同事或其他人士提供的利益，並禁止任何涉及利益衝突、賄賂、勒索、欺詐及洗黑錢的活動。員工手冊列明本集團在行為守則方面的預期及若干指引條文。本集團鼓勵僱員、客戶、供應商或其他人士舉報涉及利益衝突、賄賂、勒索、欺詐及洗黑錢的活動。

本集團嚴格規管其業務的營運，以確保於營運過程中遵守有關反貪污的國家及當地法律及法規。於二零二零年度，並無嚴重違反《中華人民共和國反不正當競爭法》、《防止賄賂條例》及賄賂、勒索、欺詐和洗黑錢有關的相關法律及法規並有重大影響之行為。此外，於二零二零年度，本集團並無發生違反相關法律及法規的行為而招致重大罰款或制裁的報告。

社區投資

本集團矢志支持本集團經營所在社區，包括社區參與，以了解社區需要，確保本集團的活動計及社區利益。

本集團致力擴充業務營運，以便本集團可僱用更多工人，利用社區可用勞工資源。

本集團鼓勵僱員參與社區活動，如社區健康行動、體育、文化活動、志願工作及教育捐助。本集團鼓勵全體僱員參加環保活動，提升社區各界環保意識。

CORPORATE GOVERNANCE REPORT

企業管治報告

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

CORPORATE GOVERNANCE PRACTICES

The Company had complied with all the code provisions as set out in the Corporate Governance Code and Corporate Governance Report (the “CG Code”) contained in Appendix 14 of the Listing Rules of the Stock Exchange throughout the year ended 31 December 2020, except the following deviations:-

1. Code Provision B.1.2

The terms of reference of the Remuneration Committee exclude review of and making recommendations to the Board in relation to senior management remuneration as in the Board’s opinion, it was more appropriate for the executive directors to perform these duties.

2. Code Provision E.1.2

Under Code Provision E.1.2 of the CG Code, the Chairman of the Board should attend the annual general meeting. Mr. Wong Lik Ping, Chairman of the Board was unable to attend the annual general meeting of the Company held on 25 May 2020 due to his other important commitment. However, Mr. Lai Ka Fai, executive director chaired the 2020 AGM and opened to be questioned from the shareholders of the Company.

本公司致力維持良好之企業管治水平，維護全體股東之利益，提高問責性及透明度。

企業管治常規

於截至二零二零年十二月三十一日止年度期間，本公司已一直遵從聯交所上市規則附錄十四所載的《企業管治守則》及《企業管治報告》（「企業管治守則」）的所有守則條文，惟下文所概述的若干偏離除外：

1. 守則條文B.1.2

薪酬委員會職權範圍並不包括就高級管理人員之薪酬待遇作出檢討及向董事會提供建議，因董事會認為執行董事更適合執行相關職務。

2. 守則條文E.1.2

根據企業管治守則的守則條文E.1.2，董事會主席應出席股東週年大會。董事會主席王力平先生由於有其他重要事務在身而未能出席本公司於二零二零年五月二十五日舉行之股東週年大會。然而，二零二零年股東週年大會由執行董事黎嘉輝先生主持並公開答覆本公司股東的問題。

THE BOARD OF DIRECTORS

The Board currently comprises five Executive Directors, one Non-Executive Director and four Independent Non-Executive Directors (“INEDs”). The brief biographic details of and the relationship among Board members is set out in the Directors Profiles section on pages 53 to 56. The Board has established three Board Committees, namely Audit Committee, Nomination Committee and Remuneration Committee. Attendance of the Board Meetings, the meetings of the Board Committees and the General Meetings for the year ended 31 December 2020 is given below. The respective responsibilities of the Board and Board Committees are discussed later in this report.

董事會

董事會現由五名執行董事、一名非執行董事及四名獨立非執行董事（「獨立非執行董事」）組成。董事會成員之簡歷及其關係已載於第53頁至第56頁之董事簡介內。董事會已設立三個董事委員會，即審核委員會、提名委員會及薪酬委員會。截至二零二零年十二月三十一日止年度，各董事出席董事會會議、董事委員會會議及股東大會的次數載列如下。董事會及董事委員會各自的職責將於本報告的稍後篇幅作出說明。

		Number of meetings attended/eligible to attend 出席／合資格出席會議的次數				
		Board Meeting 董事會會議	Audit Committee 審核委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	General Meeting 股東大會
Executive Directors	執行董事					
Mr. Wong Lik Ping	王力平先生	7/10		1/2	1/3	0/2
Mr. Lai Ka Fai	黎嘉輝先生	10/10				2/2
Mr. Tao Ke	陶可先生	4/10				0/2
Mr. Qiao Weibing	喬衛兵先生	0/10				0/2
Mr. Ng Tin Shui (note 1)	吳天墅先生 (附註1)	3/3				N/A 不適用
Non-executive Director	非執行董事					
Ms. Yip Man Yi	葉敏怡女士	6/10				0/2
Independent non-executive Directors	獨立非執行董事					
Mr. Goh Choo Hwee	吳慈飛先生	8/10	3/3	2/2	3/3	0/2
Mr. Ho Hin Yip	何衍業先生	10/10	3/3	2/2	3/3	2/2
Mr. U Keng Tin	余擎天先生	10/10	3/3			2/2
Mr. Leung Yiu Ming, David (note 2)	梁耀鳴先生 (附註2)	2/3				N/A 不適用

Note:

1. Appointed on 9 September 2020
2. Appointed on 9 September 2020

附註：

1. 於二零二零年九月九日獲委任
2. 於二零二零年九月九日獲委任

All Directors are regularly updated on governance and regulatory matters. There is an established procedure for Directors to obtain independent professional advice at the expense of the Company in discharge of their duties.

The Board held meetings from time to time whenever necessary. Notice of at least 14 days has been given to all Directors for all regular board meetings and the Directors can include matters for discussion in the agenda if necessary. Agenda and accompanying board papers in respect of regular board meetings are sent out in full to all directors within reasonable time before the meeting. Draft minutes of all board meetings are circulated to Directors for comment within a reasonable time prior to confirmation.

Minutes of board meetings and meetings of Board Committees are kept by duly appointed secretaries of the respective meetings and all Directors have access to board papers and related materials, and are provided with adequate information on a timely manner, which enable the Board to make an informed decision on matters placed before it.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Under Code Provision A.2.1 of the CG Code, the roles of chairman and chief executive officer (“CEO”) should be separate and should not be performed by the same individual. During 2020, Mr. Wong Lik Ping served as the Chairman whereas Mr. Lai Ka Fai served as the CEO of the Group. The Chairman provides leadership to management in respect of operational issues. The CEO has overall chief executive responsibility for the Group’s business development and day-to-day management generally. The segregation ensures a clear distinction between the Chairman’s responsibility to manage the Board and the CEO’s responsibility to manage the Group’s business on behalf of the Board in the operational management of the Company. With the support of Executive Directors and Company Secretaries, the Chairman seeks to ensure that all Directors are properly briefed on issues arising at board meetings and receive adequate and reliable information in a timely manner.

全體董事均定期獲得有關管治及監管事宜的更新資訊。董事亦可按照既定程序，尋求獨立專業意見以協助履行其責任，有關費用由本公司支付。

董事會於有需要時不時舉行會議。就董事會所有定期會議，全體董事均獲給予最少十四天通知，如有需要，董事可將討論事項納入有關議程。董事會定期會議的議程及隨附之董事會文件將於開會前一段合理時間內派發予所有董事。所有董事會會議記錄草稿將於合理時間內交董事傳閱，讓董事在確定會議記錄前提出意見。

董事會及董事委員會會議的會議記錄由各會議經正式委任的秘書保存，全體董事均有權查閱董事會的文件及有關資料，並會及時獲得充分資料，使董事會可就提呈會議的事項作出知情決定。

主席及行政總裁

根據企業管治守則的守則條文A.2.1，主席及行政總裁（「行政總裁」）的角色應分別設立，不應由同一人擔任。於二零二零年，王力平先生出任主席而黎嘉輝先生出任本集團行政總裁。主席就各項營運事宜領導管理層。行政總裁對本集團的業務發展和日常管理有整體行政責任。就本公司營運管理而言，此分工確保將主席管理董事會之責任與行政總裁代表董事會管理本集團業務之責任清楚區分。在執行董事及公司秘書的支持下，主席致力確保所有董事對董事會會議提出的事項得到適當的簡介，並及時收到足夠可靠的信息。

NON-EXECUTIVE DIRECTOR

The Board has an non-executive Director, Ms. Yip Man Yi, who mainly oversees the Company and its business issues in a broad perspective. Ms. Yip has been appointed for one year term from 17 October 2020 and is subject to retirement by rotation and re-election in accordance with the Company's Articles of Association.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Board currently has four INEDs, one of the INEDs hold appropriate professional qualifications, or accounting or related financial management expertise under Rule 3.10 of the Listing Rules. All INEDs of the Company have been appointed for a specific term and are subject to retirement by rotation and re-election in accordance with the Company's Articles of Association.

Each of the INEDs has given the Company an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all INEDs are independent and meet the independence guidelines set out in Rule 3.13 of the Listing Rules.

DIRECTORS' CONTINUOUS TRAINING AND DEVELOPMENT

Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution into the Board remains informed and relevant.

The Directors are committed to complying with the code provision A.6.5 on Directors' training. All Directors have participated in continuous professional development activities by reading regulatory updates, and/or attending seminars/workshops relevant to the business/Directors' duties.

非執行董事

董事會有一名非執行董事葉敏怡女士，其主要負責從廣闊角度審查本公司及業務事宜。葉女士自二零二零年十月十七日起獲委任，任期為一年，且須根據本公司的組織章程細則輪值退選及重選連任。

獨立非執行董事

董事會現有四名獨立非執行董事，其中一名獨立非執行董事具備上市規則第3.10條所列的適當專業資格、會計或相關的財務管理專長。本公司所有獨立非執行董事均有指定任期，並會根據本公司的組織章程細則輪值退選及重選連任。

各獨立非執行董事已根據上市規則第3.13條之規定提交年度獨立性確認書予本公司。本公司認為，所有獨立非執行董事均屬獨立人士，並符合上市規則第3.13條所載之獨立性指引。

董事之持續培訓和發展

董事須參與持續專業發展，發展和更新其知識和技能，以確保其繼續在具備全面資訊及切合所需之情況下向董事會作出貢獻。

董事均致力遵守有關董事培訓之守則條文A.6.5。所有董事均透過閱讀監管規定之更新資料，及／或出席與業務／董事職責有關之講座／研討會之方式參與持續專業發展活動。

CORPORATE GOVERNANCE REPORT

企業管治報告

A record of training they received for the year ended 31 December 2020 was provided to the Company. The individual training record of each Director received for the year ended 31 December 2020 is set out below:

董事已提供截至二零二零年十二月三十一日止年度曾接受的培訓記錄予本公司。下表載列每名董事截至二零二零年十二月三十一日止年度接受培訓的記錄：

		Reading Regulatory updates 閱讀監管規定之 更新資料	Attending seminars/ workshops relevant to the business/ directors' duties 出席與業務/ 董事職責有關之 講座/研討會
Executive Directors	執行董事		
Mr. Wong Lik Ping	王力平先生	✓	✓
Mr. Lai Ka Fai	黎嘉輝先生	✓	✓
Mr. Tao Ke	陶可先生	✓	✓
Mr. Qiao Weibing	喬衛兵先生	✓	✓
Mr. Ng Tin Shui (appointed on 9 September 2020)	吳天墅先生 (於二零二零年 九月九日獲委任)	✓	✓
Non-Executive Director	非執行董事		
Ms. Yip Man Yi	葉敏怡女士	✓	
Independent non-executive Directors	獨立非執行董事		
Mr. Goh Choo Hwee	吳慈飛先生	✓	✓
Mr. Ho Hin Yip	何衍業先生	✓	✓
Mr. U Keng Tin	余擎天先生	✓	
Mr. Leung Yiu Ming, David (appointed on 9 September 2020)	梁耀鳴先生 (於二零二零年 九月九日獲委任)	✓	✓

DELEGATION BY THE BOARD

The Board sets the Group's objectives and strategies and monitors its performance. The Board also decides on matters such as annual and interim results, major transactions, director appointments, and dividend and accounting policies and monitors the internal controls of the Group's business operation. The Board has delegated the authority and responsibility of overseeing the Group's day to day operations to management executives.

董事會授權

董事會訂立本集團目標及策略並監察其表現。董事會亦會就年度及中期業績、主要交易、董事委任及股息和會計政策等項目作出決定，並會監察本集團業務營運的內部監控。董事會已將監督本集團日常運作的權力和責任下放給管理人員。

When the Board delegates aspect of its management and administration functions to management, clear directions would be given as to the power of management, in particular, the circumstances where management should report back to the Board before making decision or entering into any commitments on behalf of the Group.

Principal functions that are specifically delegated by the Board to the management include (i) implementation of corporate strategy and policy initiatives; (ii) provision of management reports to the Board in respect of Group's performance, financial position and prospects; and (iii) day-to-day management of the Group.

BOARD DIVERSITY POLICY

The Board has adopted a Diversity of Board Members Policy (the "Board Diversity Policy") and discussed all measurable objectives set for implementing the policy.

The Company recognises and embraces the benefits of diversity of Board members. It endeavours to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. All Board appointments will be based on merit and the candidates will be considered against measurable objectives, taking into account the Company's business and needs. Selection of candidates will be based on a range of diversity criteria, including but not limited to gender, age, cultural and educational background, knowledge, professional experience and skills. The Company will also take into account factors based on its specific needs from time to time. The ultimate decision will be based on merit and the contribution that the selected candidates may bring to the Board.

The Nomination Committee will review the Board Diversity Policy as appropriate from time to time in light of experience, evolving standards of corporate governance and recommend any proposed changes to the Board for approval.

當董事會將其管理及行政職能方面之權力轉授予管理層時，已同時就管理層之權力給予清晰規定，尤其是管理層須向董事會匯報後方可作出決定或代表本集團作出任何承諾之情況。

董事會特定授權予管理層之主要職責包括(i)實施企業策略及政策措施；(ii)向董事會提交有關本集團之表現、財務狀況及前景之管理報告；及(iii)本集團之日常管理。

董事會多元化政策

董事會已採納董事會成員多元化政策（「董事會多元化政策」），並就政策實施討論了所有重要目標。

本公司認同及相信董事會成員多元化所帶來的裨益。其致力確保董事會擁有適合本公司業務所需的技能、經驗及多元化的意見。所有董事會成員的委任將以甄選優秀人才為基準，並根據可計量目標及本公司的業務和需要考慮候選人。甄選候選人將按多方面作考慮，包括但不限於性別、年齡、文化及教育背景、知識、專業經驗及技能。本公司亦將根據其不時的具體需求考慮各種因素。最終決定乃按照獲甄選候選人將會為董事會帶來的價值及貢獻而作出。

提名委員會將根據經驗及企業管治發展標準不時檢討董事會多元化政策（如適用）和向董事會就建議變動作出提議，以便董事會審批。

DIRECTOR NOMINATION POLICY

The Company adopted a director nomination policy (the “Director Nomination Policy”) on 14 December 2018 which set out the criteria and process in the appointment and nomination of directors, in order to ensure the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company and ensure the Board continuity and appropriate leadership.

According to the Director Nomination Policy, the Nomination Committee will carry out evaluation on candidates by considering their skills, professional qualification, experience, independence (for independent non-executive directors), gender, time commitment and make recommendation to the Board based on the nomination procedure. The Director Nomination Policy will also be reviewed from time to time in order to satisfy the business needs and ensure compliance with the regularity requirements as well as maintain good corporate governance practice.

REMUNERATION COMMITTEE

The Company has set up a Remuneration Committee to ensure that there are formal and transparent procedures for setting policies on the remuneration of Directors. For the year ended 31 December 2020, the Remuneration Committee comprises the Board’s Chairman, Mr. Wong Lik Ping, and two INEDs, namely Mr. Goh Choo Hwee and Mr. Ho Hin Yip. The Remuneration Committee is chaired by Mr. Ho Hin Yip.

During the year, three Remuneration Committee meetings were held to review the remuneration packages of the Directors. The Remuneration Committee ensures that no Director is involved in deciding his own remuneration. The terms of reference of the Remuneration Committee, a copy of which is posted on the Company’s website, are consistent with the terms set out in the relevant section of the CG Code and Report.

NOMINATION COMMITTEE

The Company has set up a Nomination Committee to ensure fair and transparent procedures for the appointment, re-election and removal of Directors to the Board. For the year ended 31 December 2020, the Nomination Committee comprises the Board’s Chairman, Mr. Wong Lik Ping, and two INEDs, namely Mr. Goh Choo Hwee and Mr. Ho Hin Yip. The Nomination Committee is chaired by Mr. Wong Lik Ping.

董事提名政策

本公司已於二零一八年十二月十四日採納董事提名政策（「董事提名政策」），其載列任命及提名董事的準則及程序，以確保董事會成員具備切合本公司的技能、經驗及多元化觀點及確保董事會的持續性及維持其領導角色。

根據董事提名政策，提名委員會將透過考慮候選人的技能、專業資格、經驗、獨立性（就獨立非執行董事而言）、性別、所付出的時間對其進行評估並根據提名程序向董事會作出推薦意見。董事提名政策亦將不時予以檢討以滿足其業務需要、確保遵守監管規定以及維持良好的企業管治常規。

薪酬委員會

本公司已成立薪酬委員會，以確保在制定董事薪酬之政策上有正式及透明之程序。截至二零二零年十二月三十一日止年度，薪酬委員會成員包括董事會主席王力平先生，及兩名獨立非執行董事吳慈飛先生及何衍業先生。何衍業先生為薪酬委員會之主席。

本年度內曾召開了三次薪酬委員會會議，就董事之薪酬待遇作出檢討。薪酬委員會確保無董事參與釐定其本身的薪酬。薪酬委員會的職權範圍與企業管治守則及報告有關部分所載之條款一致。薪酬委員會的職權範圍已刊登在本公司的網站內。

提名委員會

本公司已設立提名委員會，以確保在董事會委任、重選及罷免董事之事宜有公平及透明的程序。截至二零二零年十二月三十一日止年度，提名委員會成員包括董事會主席王力平先生，及兩名獨立非執行董事吳慈飛先生及何衍業先生。王力平先生為提名委員會之主席。

During the year, two Nomination Committee meetings were held to review the structure, size, composition of the Board, existing Nomination Policy and discuss appointment of directors. In selecting and recommending candidates for directorship, the Committee will consider the background, experience, qualification and suitability of the candidates as well as the Board Diversity Policy. The Board will approve the recommendations based on the same criteria. The terms of reference of the Nomination Committee, a copy of which is posted on the Company's website, are consistent with the terms set out in the relevant section of the CG Code and Report.

AUDIT COMMITTEE

For the year ended 31 December 2020, the Audit Committee comprises three INEDs, namely Mr. Ho Hin Yip, Mr. Goh Choo Hwee and Mr. U Keng Tin. The Audit Committee is chaired by Mr. Ho Hin Yip.

The principal duties of the Audit Committee are to review and provide supervision over the financial reporting process and internal controls of the Group, and perform the corporate governance duties. During the year, three Audit Committee meetings were held to review the financial reporting matters, risk management and internal control procedures of the Group. The terms of reference of the Audit Committee, a copy of which is posted on the Company's website, are consistent with the terms set out in the relevant section of the CG Code and Report.

CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND RELEVANT EMPLOYEES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as its code of conduct for dealings in securities of the Company by the Directors. Having made specific enquiries, all directors confirmed that they have complied with the required standards set out in the Model Code throughout the year ended 31 December 2020.

To comply with the code provision A.6.4 of the CG Code and Report, the Company has also adopted the Model Code as the code of conduct for securities transactions by Relevant Employees to regulate the dealings in the securities of the Company by certain employees of the Group who are considered to be likely in possession of unpublished price sensitive information of the Company.

本年度內曾召開了兩次提名委員會會議，審閱董事會的結構、規模及組成、現行提名政策及討論董事委任事宜。挑選及推薦董事候選人時，委員會會考慮候選人的背景、經驗、資歷、適合程度及董事會多元化政策。董事會將根據相同準則批准推薦建議。提名委員會的職權範圍與企業管治守則及報告有關部分所載之條款一致。提名委員會的職權範圍已刊登在本公司網站內。

審核委員會

截至二零二零年十二月三十一日止年度，審核委員會由三名獨立非執行董事組成（即何衍業先生、吳慈飛先生及余擎天先生）。何衍業先生為審核委員會之主席。

審核委員會之主要職責包括審閱及監察本集團之財務申報程序及內部監控，以及履行企業管治職責。本年度內共召開了三次審核委員會會議，審閱了本集團的財務申報事宜、風險管理及內部監控程序。審核委員會的職權範圍與企業管治守則及報告有關部分所載之條款一致。審核委員會的職權範圍已刊登在本公司網站內。

董事及有關僱員的證券交易守則

本公司已採納上市規則附錄十所載的上市發行人董事進行證券交易的標準守則（「標準守則」），作為其董事買賣本公司證券的操守守則。經作出特定查詢，全體董事確認彼等於截至二零二零年十二月三十一日止年度一直遵守標準守則之規定標準。

為遵守企業管治守則及報告之守則條文A.6.4，本公司亦已採納標準守則為有關僱員進行證券交易的操守守則，以規管本集團若干被認為可能會擁有本公司未公開之股價敏感資料的僱員買賣本公司之證券。

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Board is responsible for presenting a balanced, clear and comprehensible assessment of the Group's performance, position and prospects.

Management shall provide sufficient explanation and information to the Board as will enable the Board to make an informed assessment of the financial and other information presented before board meeting for approval.

The Directors acknowledge their responsibility for preparing the Group's consolidated financial statements and ensuring that the preparation of the Group's consolidated financial statements is in accordance with the relevant requirements and applicable standards.

A statement by the auditors about their reporting responsibilities is included in the Independent Auditor's Report on pages 66 to 73 of this annual report.

The Board will present a balanced, clear and understandable assessment to annual and interim reports, other price-sensitive announcements and other financial disclosures required under the Listing Rules, and reports to regulators as well as to information required to be disclosed pursuant to statutory requirements.

問責及審核

財務報告

董事會應負責對本集團的表現、狀況及前景呈列平衡、清晰及全面的評估。

管理層將向董事會作出充分解釋並提供充足資料，讓董事會可就呈交董事會會議以供批准的財務及其他資料，作出知情評估。

董事承認彼等負責編製本集團綜合財務報表及確保本集團綜合財務報表按有關規定及適用標準編製。

核數師關於其匯報責任的聲明載於本年報第66頁至第73頁之獨立核數師報告。

董事會將呈列平衡、清晰及易明的年度及中期報告評估、其他股價敏感公告及上市規則規定的其他財務披露資料，向監督機構的報告以及根據監管規定須予披露的資料。

Risk Management and Internal Controls

The main features of the risk management and internal control systems of the Group are to provide a clear governance structure, policies and procedures, as well as reporting mechanism to facilitate the Group to manage its risks across business operations. The Group has established a risk management framework, which consists of the Board, the Audit Committee and the functional responsible management of the Group (“Senior Management”). The Board determines the nature and extent of risks that shall be taken in achieving the Group’s strategic objectives, and has the overall responsibility for monitoring the design, implementation and the overall effectiveness of risk management and internal control systems. The risk management and internal control systems of the Group are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss. Its improvement is an ongoing process and the Board maintains a continuing commitment to strengthen the Company’s control environment and processes. The Board, through the Audit Committee, conducts reviews of the effectiveness of such systems once annually, covering all material controls including financial, operational and compliance controls. The Group has formulated and adopted risk management policy in providing directions in identifying, evaluating and managing significant risks. At least on an annual basis, the Senior Management identifies risks that would adversely affect the achievement of the Group’s objectives, and assesses and prioritizes the identified risks according to a set of standard criteria. Risk mitigation plans and risk owners are then established for those risks considered to be significant. In addition, the Group has engaged Zhonghui Anda Risk Services Limited (“Zhonghui”) to assist the Board and the Audit Committee in ongoing monitoring of risk management and internal control systems of the Group and in performing the internal audit functions for the Group. The annual review plan of the Group covers major activities and material controls including operational, financial and compliance of the Group’s business units. It also covers the changes, since the last annual review, in the nature and extent of significant risks, and the Group’s ability to respond to changes in its business and the external environment.

風險管理及內部監控

本集團風險管理及內部監控系統的主要特徵是提供清晰的管治架構、政策及程序以及匯報機制以協助本集團管理其各類業務營運的風險。本集團已建立由董事會、審核委員會及本集團的職能責任管理層（「高級管理層」）組成的風險管理框架。董事會釐定在達致本集團策略目標過程中將承擔的風險性質及程度，並整體負責監察風險管理及內部監控系統的設計、實施及整體有效性。設立本集團的風險管理及內部監控系統旨在管理而非消除未能達致業務目標的風險，且僅可對重大失實陳述或損失提供合理而非絕對保證。其改進乃為持續過程，而董事會將繼續致力於加強本公司的監控環境及程序。董事會透過審核委員會每年一次檢討有關系統的有效性，範圍涵蓋所有重大控制措施，包括財務、營運及合規控制措施。本集團亦已制定及採納風險管理政策，提供識別、評估及管理重大風險的指示。高級管理層至少每年一次識別對實現本集團目標造成不利影響的風險，並根據一套標準準則評估及排列所識別風險的優先次序。屆時對認為屬重大的該等風險制定風險緩解計劃及指定風險負責人。此外，本集團已委聘中匯安達風險管理有限公司（「中匯」）協助董事會及審核委員會持續監督本集團的風險管理及內部監控系統以及為本集團履行內部審計職能。本集團的年度審閱計劃涵蓋了主要業務及重大監控（包括本集團業務單位的營運、財務及合規），其亦涵蓋了自上次年度審閱以來重大風險的性質及程度的變化以及本集團應對其業務和外部環境變化的能力。

A report on the result of risk management and internal control review report from Zhonghui was provided to the Audit Committee and the Board in March 2021. The Board, through the Audit Committee, had performed annual review on the effectiveness of the Group's risk management and internal control systems, including but not limited to (i) the general compliances with the Appendix 14 of the Listing Rules and the disclosure requirements of the Corporate Governance Report, (ii) corporate level controls (such as the independence, experience, roles and responsibilities of the Board and composition of each committee as well as management monitoring activities), (iii) certain operational level controls, and (iv) financial reporting functions. The Board concluded that there are no material irregularities nor areas of concern that would have significant adverse impact on the Group's state of affair, and that the Group's risk management and internal control systems were effective and adequate (including the resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit and financial reporting functions) and have complied with the CG code provisions on risk management and internal control during the year. There was also no material breach of procedures and internal controls for the handling and dissemination of inside information during the year. The Company regularly reminds the directors and the relevant staff about due compliance and latest regulatory updates with the insider information and other relevant regulations.

AUDITOR'S REMUNERATION

For the year ended 31 December 2020, the auditors of the Company provided audit and non-audit services to the Company and the Group.

The auditor's remuneration payable to BDO Limited in relation to audit and non-audit services for the year ended 31 December 2020 amounted to HK\$1,600,000 and HK\$145,000 respectively.

The statement of the auditor of the Company regarding their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report on pages 66 to 73.

JOINT COMPANY SECRETARIES

All directors have access to the advice and services of the Company Secretary. The Company Secretary is responsible for ensuring the Board policies and procedures are followed and for facilitating information flows and communications among Directors and its committees as well as with shareholders and management, and between management and the non-executive directors.

中匯於二零二一年三月向審核委員會及董事會提交了有關風險管理及內部監控審閱報告結果的報告。董事會透過審核委員會已就本集團的風險管理及內部監控系統之有效性進行年度審閱，包括但不限於(i)全面遵守上市規則附錄十四及企業管治報告的披露要求，(ii)企業層面監控(如董事會的獨立性、經驗、角色及責任，以及各委員會的組成及管理層監督活動)，(iii)若干營運層面監控及(iv)財務匯報職能。董事會得出結論認為，並無任何嚴重違規或任何存在疑慮的範疇將對本集團的事務狀況構成重大不利影響，並認為本集團的風險管理及內部監控系統於年內屬有效及足夠(包括本公司會計、內部審核及財務匯報職能方面的資源、員工資歷及經驗、培訓課程及預算)並已遵守風險管理及內部監控的企業管治守則條文。年內亦無處理及發佈內幕消息程序及內部監控的重大違反。本公司定期提醒董事及相關員工內幕消息及其他相關規定的適當合規性及最新監管更新。

核數師酬金

截至二零二零年十二月三十一日止年度，本公司核數師向本公司及本集團提供核數及非核數服務。

截至二零二零年十二月三十一日止年度，就核數及非核數服務應付香港立信德豪會計師事務所有限公司之核數師酬金分別為1,600,000港元及145,000港元。

本公司核數師就財務報表之申報責任所作聲明載於第66頁至第73頁之獨立核數師報告內。

聯席公司秘書

所有董事均有權獲得公司秘書提供的意見及服務。公司秘書須負責確保遵循董事會的政策及程序以及促進董事及其委員會、股東及管理層之間以及管理層及非執行董事之間的信息流通及溝通。

Mr. Li Chak Hung and Mr. Siu Wai Bun, are the joint company secretaries of the Company. Both of Mr. Li and Mr. Siu report to Mr. Wong Lik Ping, the Chairman of the Board.

Mr. Li Chak Hung was appointed as company secretary of the Company on 13 March 2002. He is a member of the Hong Kong Institute of Certified Public Accountants. He undertook over 15 hours of relevant professional training to update his skills and knowledge during the year.

Mr. Siu Wai Bun was appointed as joint company secretary of the Company on 6 November 2017. Mr. Siu is a member of Hong Kong Institute of Certified Public Accountants. During the year, Mr. Siu undertook more than 15 hours of relevant professional training to update his skills and knowledge.

SHAREHOLDERS' RIGHTS

Convening an extraordinary General Meeting by shareholders

Pursuant to Article 58 of the Company's Articles of Association, any one or more shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Putting Forward Proposals at General Meetings

A shareholder shall make a written requisition to the Board or the company secretary at the Company's office in Hong Kong at Room 2203, 22/F., Kwan Chart Tower, No. 6 Tonnochy Road, Wanchai, Hong Kong, specifying the shareholding information of the shareholder, his/her contact details and the proposal he/she intends to put forward at general meeting regarding any specified transaction/business and its supporting documents.

As regards proposing a person for election as a Director, please refer to the procedures available on the websites of the Company and the Stock Exchange.

李澤雄先生及蕭偉斌先生為本公司的聯席公司秘書。李先生及蕭先生均向董事會主席王力平先生匯報。

李澤雄先生於二零零二年三月十三日獲委任為本公司之公司秘書。彼為香港會計師公會會員。彼於本年度內參與超過15小時之相關專業培訓以更新技能及知識。

蕭偉斌先生於二零一七年十一月六日獲委任為本公司聯席公司秘書。蕭先生為香港會計師公會會員。蕭先生於本年度內參與超過15小時之相關專業培訓以更新技能及知識。

股東權利

由股東召開股東特別大會

根據本公司的組織章程細則第58條，任何一位或以上於遞呈要求日期持有不少於本公司繳足股本（附有於本公司股東大會上投票權）十分之一的股東於任何時候有權透過向本公司董事會或秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求中指明的任何事項；且該大會應於遞呈該要求後兩(2)個月內舉行。倘遞呈後二十一(21)日內，董事會未有召開該大會，則遞呈要求人士可自發以同樣方式作出此舉，而遞呈要求人士因董事會未有召開大會而合理產生的所有開支應由本公司向要求人作出償付。

於股東大會上提呈建議

股東須向董事會或公司秘書提出書面要求，致函本公司香港辦事處，地址為香港灣仔杜老誌道6號群策大廈22樓2203室，當中須列明該股東的股權資料、其詳細聯絡資料，以及擬就任何具體的交易／事宜而於股東大會上提呈的建議及其有關文件。

關於建議任何人士膺選董事之事項，請參閱刊載於本公司及聯交所網站之程序。

Making enquiry to the Board

Shareholders may at any time send their enquiries and concerns to the Board in writing to the company secretary at the Company's office in Hong Kong at Room 2203, 22/F., Kwan Chart Tower, No. 6 Tonnochy Road, Wanchai, Hong Kong.

DIVIDEND POLICY

The Company adopted a dividend policy for striking a right balance between rewarding its shareholders by sharing a portion of the profits and meeting adequate cash reserves for its working capital requirements and future prospects of the Company. With reasonable but not pre-determined dividend distribution ratio, the proposed amount of dividends will be made at the discretion of the Board and will depend on the Company's operational results, cash flow situation, financial conditions, capital expenditure requirements, general business conditions and strategies, future economic environment, statutory and regulatory restrictions and any other factors that the Board may deem relevant. The policy will be reviewed from time to time so as to keep in line with the change of market conditions and other factors as the Board may deem relevant.

INVESTOR RELATIONS

The Company considers that effective communication with shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company has established a range of communication channels between itself, its shareholders and investors, including answering questions through the annual general meeting, the publications of annual and interim reports, notices, announcements and circulars on the website of the Company at www.egichk.com. During the year, the Company has adopted a new Memorandum and Articles of Association.

On behalf of the Board

Wong Lik Ping
Chairman

Hong Kong, 24 March 2021

向董事會提出查詢

股東可以隨時以書面形式將向董事會提出之查詢及關注之事項郵寄至本公司香港辦事處，地址為香港灣仔杜老誌道6號群策大廈22樓2203室，請註明收件人為公司秘書。

股息政策

本公司採納一項股息政策，透過攤分部分溢利以回報股東，同時保留充足現金儲備以符合其營運資金要求及供本公司未來發展所需，在兩者之間保持平衡。股息率為合理但非預定，故建議股息金額將由董事會酌情決定，並根據本公司經營業績、現金流量情況、財務狀況、資本開支需求、一般業務條件及策略、未來經濟環境、法規及監管限制及其他董事會認為相關的因素釐定。該政策將時不時予以審閱以符合市場情況及其他因素的變化，只要董事會認為可能有其相關性。

投資者關係

本公司認為，與股東之有效溝通對加強投資者關係及加深投資者對本集團業務表現及策略之了解實屬必要。本公司已就其本身與股東及投資者之間的溝通設立多個渠道，當中包括通過股東週年大會回答問題，於本公司網站www.egichk.com刊發年度及中期報告、通告、公佈及通函。於本年度，本公司已採納新的組織章程大綱及細則。

代表董事會

主席
王力平

香港，二零二一年三月二十四日

EXECUTIVE DIRECTORS

Mr. Wong Lik Ping, aged 60, is the Chairman of the Group. He joined the Group in August 2012 and is responsible for overall leadership strategic planning, business development and Board issues of the Group. He was (i) an executive director and a vice-chairman of Shougang Fushan Resources Group Limited (stock code: 639) from March 2009 to December 2015 and (ii) an executive director and the chairman of Theme International Holdings Limited (stock code: 990) from November 2009 to January 2016, both companies listed on the Main Board of the Stock Exchange. He is a director and the sole shareholder of Worldkin Development Limited, a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance ("SFO"), Mr. Wong is a member of the National Committee of the Chinese People's Political Consultative Conference. He has extensive experience in trading business, financial industry and investments in a wide range of businesses in the PRC.

Mr. Lai Ka Fai, aged 52, joined the Group in June 2010 and was appointed as an executive director and chief executive officer of the Company in January 2012 and November 2017 respectively. Mr. Lai is responsible for the corporate governance, administration and new business development of the Group. He holds a Bachelor degree in Laws from The Manchester Metropolitan University in the United Kingdom, a Postgraduate Certificate in Laws from The University of Hong Kong and a Master degree of Business Administration from the University of Leicester in the United Kingdom. He is a solicitor of the High Court of the Hong Kong Special Administrative Region and has over 20 years of experience in the legal field.

Mr. Tao Ke, aged 38, was appointed as an executive director of the Company on 6 March 2015. Mr. Tao holds a Master of Social Science degree from University of Glasgow and a Bachelor degree in Economics from Beijing Institute of Technology. Mr. Tao has extensive experience in corporate finance and overseas merger and acquisition. He had been worked in international investment banks and responsible for clients' project management, project acquisition and various initial public offerings. Mr. Tao is currently a general manager of a chemical production group in Shandong.

執行董事

王力平先生，60歲，本集團主席。彼於二零一二年八月加入本集團，負責本集團整體領導之策略制定、業務發展及董事會事宜。彼分別(i)由二零零九年三月至二零一五年十二月於首鋼福山資源集團有限公司(股份代號：639)擔任執行董事及副主席；及(ii)由二零零九年十一月至二零一六年一月於榮暉國際集團有限公司(股份代號：990)擔任執行董事及主席，該兩家公司均為聯交所主板上市之公司。彼為本公司主要股東(定義符合證券及期貨條例(「證券及期貨條例」)第XV部)世勤發展有限公司之董事及惟一股東。王先生現為中國全國人民政治協商會議之委員。彼於中國不同行業擁有豐富的貿易、金融及投資經驗。

黎嘉輝先生，52歲，於二零一零年六月加入本集團並於二零一二年一月及二零一七年十一月分別獲委任為本公司執行董事及行政總裁。黎先生負責本集團企業管治、行政管理及新業務開發。彼於英國曼徹斯特都會大學獲得法學學士學位，於香港大學獲得法學專業證書及於英國李斯特大學獲得工商管理碩士學位。彼為香港特別行政區高等法院律師及在法律事務範疇擁有逾二十年經驗。

陶可先生，38歲，於二零一五年三月六日獲委任為本公司之執行董事，陶先生持有格拉斯哥大學之社會科學碩士學位以及北京理工大學經濟學學士學位。陶先生在公司融資及海外併購範疇擁有豐富經驗。彼曾在國際投資銀行負責客戶項目管理、項目收購合併，以及多項首次公開招股上市的工作。陶先生現為山東一家化工集團的總經理。

DIRECTORS' PROFILES

董事簡介

Mr. Qiao Weibing, aged 54, was appointed as an executive director of the Company on 17 March 2016. Mr. Qiao holds a bachelor degree from Shanxi University and a master degree in management engineering from China University of Mining and Technology. Mr. Qiao has over 20 years' working experience in the government regulatory authorities and financial institutions in the PRC. Mr. Qiao is currently the chief investment officer of the Company and the chairman and CEO of Beijing Ever Grand International Finance Lease Co., Ltd., a subsidiary of the Company in the PRC.

Mr. Ng Tin Shui, aged 66, was appointed as an executive director of the Company on 9 September 2020. Mr. Ng holds a bachelor degree of science in Mechanical Engineering from the University of Saskatchewan in Canada. He was the chairman of Hong Kong Overseas Merchants Association between 2008 and 2014. He is also the life time member of the American Society of Mechanical Engineers. Mr. Ng has over 30 years of experience in trading of a variety of pharmaceutical products, health supplement, personal care and other healthcare products (collectively "Pharmaceutical and Healthcare Products"). Prior to joining the Group, Mr. Ng was involved in sales and corporate management in the trading of Pharmaceutical and Healthcare Products, including KT&G Ginseng and Tiger Balm, which were first authorised products for distribution in Hong Kong. Recently, his scope of work and experience expanded to the investment in the research and development and production of biotechnologies, including application of algae and marine ingredients, plant stem cell and Car-T cell specialised in the cancer DNA reading and implanting.

NON-EXECUTIVE DIRECTOR

Ms. Yip Man Yi, aged 50, was appointed as a non-executive director of the Company in October 2019. Ms. Yip was graduated from Seneca College of Applied Arts and Technology, Toronto, Canada and has over 20 years' experience in financial market and money market. Ms. Yip has been worked with HSBC Market (Asia) Limited for Global Markets and companies listed on both the Main and the GEM Boards of The Stock Exchange of Hong Kong Limited. She was actively involved in formulating investment strategy and was responsible for overseeing the operation of various investment projects. Ms. Yip was appointed as executive director and chairman of Union Asia Enterprise Holdings Limited (stock code: 8173), a company listed on the GEM Board of the Stock Exchange from December 2015 to November 2019.

喬衛兵先生，54歲，於二零一六年三月十七日獲委任為本公司執行董事。喬先生持有山西大學學士學位及中國礦業大學管理工程碩士學位。喬先生在中國政府監管部門及金融機構擁有逾二十年的工作經驗。喬先生現為本公司之首席投資官及北京恒嘉國際融資租賃有限公司之主席兼行政總裁，該公司為本公司位於中國的附屬公司。

吳天墅先生，66歲，於二零二零年九月九日獲委任為本公司之執行董事。吳先生持有加拿大薩斯喀徹爾大學機械工程理學學士學位。彼於二零零八年至二零一四年期間擔任香港海外商業聯誼會主席。彼亦為美國機械工程師協會的終身會員。吳先生在各類醫藥產品、保健品、個人護理及其他醫療保健產品（統稱「醫藥及保健產品」）貿易方面擁有逾三十年經驗。於加入本集團前，吳先生曾參與醫藥及保健產品（包括首個獲授權在香港分銷的產品正官庄高麗蔘及虎標萬金油）貿易的銷售及企業管理。近期，其工作範圍及經驗擴大至對生物技術的研發及生產的投資，包括藻類及海洋成分的應用、植物幹細胞及專門用於癌症DNA讀取及植入的Car-T細胞。

非執行董事

葉敏怡女士，50歲，於二零一九年十月獲委任為本公司非執行董事。葉女士畢業於加拿大多倫多Seneca College of Applied Arts and Technology並在金融市場及貨幣市場擁有逾二十年經驗。葉女士一直於HSBC Market (Asia) Limited環球市場部門及香港聯合交易所有限公司主板及GEM上市公司工作，並積極參與制定投資策略及負責監管多個投資項目之管理運作。葉女士於二零一五年十二月至二零一九年十一月獲委任為萬亞企業控股有限公司（股份代號：8173）（聯交所GEM上市公司）之執行董事兼主席。

INDEPENDENT NON-EXECUTIVE DIRECTORS

獨立非執行董事

Mr. Goh Choo Hwee, aged 49, was appointed as an independent non-executive director of the Company in January 2012. He has over 20 years of experience in PRC-related, corporate and securities practice. He is currently a consultant of Ma Tang & Co, Solicitors, a law firm in Hong Kong. He graduated from The University of Hong Kong with Postgraduate Certificate in Laws in 1995. He has become a member of The Law Society of Hong Kong and has been a practicing solicitor in Hong Kong since 1997. He is currently an independent non-executive director of each of Tsui Wah Holdings Limited (stock code: 1314) and Huajin International Holdings Limited (stock code: 2738), all of which are companies listed on the Main Board of the Stock Exchange. He was appointed as the company secretary of Xinhua News Media Holdings Limited (stock code: 309), a company listed on the Main Board of the Stock Exchange, from December 2013 to November 2018.

吳慈飛先生，49歲，於二零一二年一月獲委任為本公司獨立非執行董事。彼擁有逾二十年與中國有關、企業及證券之執業經驗。彼現為馬世欽鄧文政黃和崢吳慈飛律師行（一家香港律師事務所）之顧問。彼於一九九五年畢業於香港大學，持有法學專業證書。彼自一九九七年起成為香港律師會成員及香港執業律師。彼現為於聯交所主板上市之公司翠華控股有限公司（股份代號：1314）及華津國際控股有限公司（股份代號：2738）之獨立非執行董事。彼自二零一三年十二月至二零一八年十一月獲聯交所主板上市之公司新華通訊頻媒控股有限公司（股份代號：309）委任為公司秘書。

Mr. Ho Hin Yip, aged 47, was appointed as an independent non-executive director of the Company in December 2012. He is presently the Financial Controller and Joint Company Secretary of Singapore-listed Dukang Distillers Holdings Limited, where he is responsible for the finance and accounting functions, statutory compliance and corporate governance affairs. He has more than 20 years of financial and auditing experience. He is a fellow member of The Association of Chartered Certified Accountants and a practising member of the Hong Kong Institute of Certified Public Accountants. He also acts as an independent non-executive director of each of Jiyi Household International Holdings Limited (stock code: 1495), Hope Life International Holdings Limited (stock code: 1683) from August 2015 to February 2017 and from August 2018 to July 2019) and Xinhua News Media Holdings Limited (stock code: 309) (from December 2014 to 1 April 2020), all of which are companies listed on the Main Board of the Stock Exchange.

何衍業先生，47歲，於二零一二年十二月獲委任為本公司獨立非執行董事。彼現任新加坡上市公司杜康控股有限公司之財務總監兼聯席公司秘書，負責該公司之財務及會計、法規及企業管治事務。彼於財務及審計方面擁有逾二十年經驗。彼為英國特許公認會計師公會資深會員及香港會計師公會之執業會員。自二零一五年八月至二零一七年二月及自二零一八年八月至二零一九年七月，彼亦為集一家居國際控股有限公司（股份代號：1495）、曠逸國際控股有限公司（股份代號：1683）及新華通訊頻媒控股有限公司（股份代號：309）（二零一四年十二月至二零二零年四月一日）各自之獨立非執行董事，所有該等公司皆於聯交所主板上市。

Mr. U Keng Tin, aged 71, was appointed as an independent non-executive director of the Company in May 2013. He holds the Bachelor's degree of Arts from York University, Canada and Master's degree of Arts in International Economics from University of San Francisco, USA. He is presently a director of an estate management company, Full Fill Services Co., Limited and a director of a brokerage house, Bloomyeas Limited. He also acts as a non-executive director of Noble Engineering Group Holdings Limited (stock code: 8445) since September 2020. He has over 30 years of experience in the securities industry.

余擎天先生，71歲，於二零一三年五月獲委任為本公司獨立非執行董事。彼持有加拿大約克大學文學學士學位及美國三藩市大學國際經濟學文學碩士學位。彼現任物業管理公司豐盛服務有限公司之董事及經紀行昌萬年有限公司之董事。彼亦自二零二零年九月起擔任怡康泰工程集團控股有限公司（股份代號：8445）之非執行董事。彼於證券業擁有逾三十年的經驗。

DIRECTORS' PROFILES

董事簡介

Mr. Leung Yiu Ming, David, aged 55, was appointed as an independent non-executive director of Company on 9 September 2020. Mr. Leung holds a Bachelor's degree of Pharmacy from National Defense Medical Center, School of Pharmacy in Taipei Taiwan, and a master of Science Clinical Pharmacy from University of Sunderland in the UK. He obtained a pharmacist registration and practising certificate from Pharmacy & Poisons Board of Hong Kong. Over 15 years, Mr. Leung has been working as pharmacist and/or consultant in various dispensaries and medical centers where he is responsible for operation, strategic planning and execution of pharmaceutical business. He has been an adjunct lecturer of Pharmaceuticals and Pharmacology in HKU SPACE. Mr. Leung has over 20 years of experience, qualifications and exposure in sales and supply and business management of pharmaceutical and healthcare products in Hong Kong, Macau and the PRC markets.

梁耀鳴先生，55歲，於二零二零年九月九日獲委任為本公司獨立非執行董事。梁先生持有台灣國防醫學院藥學系藥學學士學位及英國桑德蘭大學臨床藥學碩士學位。彼獲得香港藥劑業及毒藥管理局的藥劑師註冊證明書及執業證明書。十五年以來，梁先生一直於各藥房及醫療中心擔任藥劑師及／或顧問，負責醫藥業務的營運、戰略規劃及執行。彼一直擔任香港大學專業進修學院藥物及藥理學客席講師。梁先生在香港、澳門及中國市場的醫藥及醫療保健產品的銷售及供應以及業務管理方面擁有逾二十年經驗、資歷及經歷。



DIRECTORS' REPORT

董事會報告

The Board is pleased to present this Report and the audited financial statements of the Group for the year ended 31 December 2020.

董事會欣然提呈本報告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財務報表。

PRINCIPAL ACTIVITIES

The principal activities of the Company is investment holding.

主要業務

本公司主要業務為投資控股。

Details of the activities and other particulars of the Company's principal subsidiaries are set out in note 40 to the consolidated financial statements.

本公司主要附屬公司之業務詳情及其他詳情載列於綜合財務報表附註40。

SEGMENT INFORMATION

An analysis of the Group's revenue and segment information for the year ended 31 December 2020 is set out in note 5 and note 6 to the consolidated financial statements.

分部資料

截至二零二零年十二月三十一日止年度，本集團之收入及分部資料之分析載列於綜合財務報表附註5及附註6。

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2020 are set out in the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income on pages 74 and 75 of this annual report.

業績及分配

本集團截至二零二零年十二月三十一日止年度之業績載列於本年報第74頁及第75頁之綜合損益表及綜合損益及其他全面收益表。

The directors do not recommend payment of final dividend for the year ended 31 December 2020.

董事不建議派付截至二零二零年十二月三十一日止年度之末期股息。

FINANCIAL SUMMARY

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

財務摘要

本集團過往五個財政年度之業績以及資產與負債之摘要載列於本年報第239頁及第240頁。

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year are set out in note 13 to the consolidated financial statements.

物業、廠房及設備

於本年度內，本集團之物業、廠房及設備之變動詳情載列於綜合財務報表附註13。

SHARE CAPITAL

Details of the share capital of the Company are set out in note 29 to the consolidated financial statements.

股本

本公司之股本詳情載列於綜合財務報表附註29。

SHARE PREMIUM AND RESERVES

Under the Companies Law, Cap. 22(Law 3 of 1961, as consolidated and revised) of the Cayman Islands, the share premium of the Company is available for paying distributions or dividends to shareholders subject to the provisions of its Memorandum or Articles of Association and provided that immediately following the distribution of dividend the Company is able to pay its debts as they fall due in the ordinary course of business.

At 31 December 2020, in the opinion of the directors, the Company's share premium and reserves available for distribution to shareholders amounted to 263,887,000.

Movement in the share premium and reserves of the Group during the year are set out on page 78 of this annual report.

PRE-EMPTIVE RIGHTS

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

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate sales attributable to the Group's largest customer and five largest customers represented 17% and 67% of the Group's revenue in 2020 respectively.

The aggregate purchases attributable to the Group's largest supplier and five largest suppliers represented 57% and 98% of the Group's purchases in 2020 respectively.

None of the directors, their associates, or any shareholder (which to the knowledge of the directors owns more than 5% of the Company's share capital has any interest in the Group's five largest suppliers.

股份溢價及儲備

根據開曼群島公司法第22章(一九六一年第3號法例,經綜合及修訂),本公司之股份溢價可用以向股東作出分派或支付股息,惟須遵守組織章程大綱或細則之規定,且於緊隨分派股息後,本公司須有能力償還其日常業務過程中之到期債務。

於二零二零年十二月三十一日,董事認為本公司可分派予股東之股份溢價及儲備為263,887,000港元。

本集團於本年度內之股份溢價及儲備變動載列於本年報第78頁。

優先購買權

本公司之組織章程細則或開曼群島法例並無列明規定本公司須按比例向現有股東發售新股之優先購買權之條文。

購買、贖回或出售本公司上市證券

本公司或其任何附屬公司於本年度內概無購買、出售或贖回任何本公司上市證券。

主要客戶及供應商

本集團之最大客戶及五大客戶應佔總銷售分別佔本集團二零二零年收入的17%及67%。

本集團之最大供應商及五大供應商應佔總購買分別佔本集團二零二零年購買的57%及98%。

各董事、彼等之聯繫人或任何就董事所知擁有本公司股本5%以上之股東,概無於本集團五大供應商中擁有任何權益。

RELATED PARTY TRANSACTIONS

Related party transactions during the year are disclosed in note 39 to the consolidated financial statements.

DIRECTORS

The directors of the Company during the financial year and up to the date of this report were:

Executive directors

Mr. Wong Lik Ping (*Chairman*)
Mr. Lai Ka Fai
Mr. Tao Ke
Mr. Qiao Weibing
Mr. Ng Tin Shui

Non-executive director

Ms. Yip Man Yi

Independence non-executive directors

Mr. Goh Choo Hwee
Mr. Ho Hin Yip
Mr. U Keng Tin
Mr. Leung Yiu Ming, David

In accordance with Article 84(1) of the Company's Articles of Association, Mr. Qiao Weibing and Mr. Tao Ke shall retire from offices by rotation in the forthcoming annual general meeting, and being eligible, offer themselves for re-election.

In accordance with Article 83(3) of the Company's Articles of Association, Mr. Ng Tin Shui and Mr. Leung Yiu Ming, David shall retire from office in the forthcoming annual general meeting, and being eligible, offer themselves for re-election.

The biographic details of the existing directors are set out on pages 53 to and 56 of this annual report.

關聯方交易

本年度內之關聯方交易披露於綜合財務報表附註39。

董事

於財政年度內及直至本報告日期，本公司之董事如下：

執行董事

王力平先生 (*主席*)
黎嘉輝先生
陶可先生
喬衛兵先生
吳天墅先生

非執行董事

葉敏怡女士

獨立非執行董事

吳慈飛先生
何衍業先生
余擎天先生
梁耀鳴先生

根據本公司組織章程細則第84(1)條，喬衛兵先生及陶可先生將於應屆股東週年大會上輪值告退，惟彼等符合資格並願意重選連任。

根據本公司組織章程細則第83(3)條，吳天墅先生及梁耀鳴先生將於應屆股東週年大會上告退，惟彼等符合資格並願意重選連任。

現任董事之履歷詳情載於本年報第53頁至第56頁。

DIRECTORS' SERVICES 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 and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

SHARE OPTION SCHEME

A share option scheme was adopted on 29 July 2016. As at 31 December 2019, a total outstanding number of share options were granted to the eligible employees, including directors of the Company, amounted to 19,833,334. With no share options lapsed and new share options granted during the year, the outstanding number of share options as at 31 December 2020 shrunk to 1,983,333 solely due to the completion of the share consolidation of the basis of every 10 issued and unissued shares consolidated into 1 consolidated share on 26 March 2020. Details of the share option scheme of the Company are set out in note 31 to the consolidated financial statements.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the directors have any interest in competing business to the Group.

董事之服務合約

被提名於應屆股東週年大會上重選之董事，概無與本公司訂立任何本公司不可於一年內終止而毋須作出賠償（法定賠償除外）之服務合約。

管理合約

本年度內，本公司並無就整體業務或任何重要業務之管理及行政工作訂立或存續任何合約。

購股權計劃

本公司於二零一六年七月二十九日採納一項購股權計劃。於二零一九年十二月三十一日，總共19,833,334份餘下購股權已授予合資格僱員（包括本公司董事）。由於年內概無購股權失效亦無授出新購股權，於二零二零年十二月三十一日，尚未行使的購股權數目減少至1,983,333份，純粹是由於每10股已發行及未發行股份合併為1股合併股份之股份合併已於二零二零年三月二十六日完成。有關本公司購股權的詳情載於綜合財務報表附註附註31。

董事之競爭業務權益

概無董事於與本集團出現競爭之業務中擁有任何權益。

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

董事及主要行政人員於股份、相關股份及債權證中之權益及淡倉

At 31 December 2020, the following directors and chief executive of the Company have the following interests and short positions in shares, underlying shares and debentures of the Company or any 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 Divisions 7 and 8 of Part XV of the SFO and the Model Code:

於二零二零年十二月三十一日，本公司下列董事及主要行政人員於本公司或任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債權證中，擁有須登記於根據證券及期貨條例第352條須存置之登記冊之權益及淡倉，或根據證券及期貨條例第XV部第7及8分部及標準守則須另行知會本公司及聯交所之權益及淡倉如下：

Long and short positions in the ordinary shares/underlying shares of the Company:

於本公司普通股／相關股份之好倉及淡倉：

		Number of share/underlying shares held 持有股份／相關股份數目					
		Personal interests	Corporate interests	Number of underlying shares held under equity derivatives (Note 2) 根據股權衍生工具持有相關股份數目 (附註2)	Total interests	Long(L) or Short(S) Position	Percentage of interests
Directors/chief executive	董事／主要行政人員	個人權益	公司權益		總權益	好倉(L)或淡倉(S)	權益百分比
Wong Lik Ping	王力平	46,600,000	145,500,000 (Note 1) (附註1)	-	192,100,000	S	11.39%
Ng Tin Shui	吳天墜	56,570,000				L	3.35%
Qiao Weibing	喬衛兵			333,333	333,333	L	0.020%
Lai Ka Fai	黎嘉輝			133,333	133,333	L	0.008%
Tao Ke	陶可			100,000	100,000	L	0.006%
Goh Choo Hwee	吳慈飛			66,667	66,667	L	0.004%
Ho Hin Yip	何衍業			66,667	66,667	L	0.004%
U Keng Tin	余擎天			66,667	66,667	L	0.004%

DIRECTORS' REPORT

董事會報告

Notes:

1. These interests are held by Worldkin Development Limited ("Worldkin") which is wholly-owned by Mr. Wong Lik Ping. Mr. Wong is therefore deemed to be interested in the shares held by Worldkin. The interests held by Worldkin are disclosed under the section headed "SUBSTANTIAL SHAREHOLDERS" below.
2. These interests represented the interests in underlying shares in respect of the share options granted by the Company to the directors/chief executive. Details of which are set out in note 31 to the consolidated financial statements.

Save as disclosed above, none of the directors, chief executive and their associated had any interests or short position 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 kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO and the Model Code.

DIRECTORS' AND CHIEF EXECUTIVE'S RIGHTS TO ACQUIRE SHARES OR DEBENTURES

The directors and chief executive have been granted unlisted options under the Company's share option scheme, details of which are set out in note 31 to the consolidated financial statements.

Save as disclosed above, as at 31 December 2020, the directors, chief executive of the Company nor their associates had or was deemed to have any long positions or short position in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which has been recorded in the register maintained by the Company pursuant to section 352 of the SFO or which has been notified to the Company and the Stock Exchange pursuant to the Model Code of the Listing Rules.

附註：

1. 該等權益由世勤發展有限公司（「世勤」）持有，而世勤由王力平先生全資擁有。因此王先生被視為於世勤持有之股份中擁有權益。世勤持有之權益於下文「主要股東」一節披露。
2. 該等權益指有關本公司授予董事／主要行政人員的購股權的相關股份權益。詳情載於綜合財務報表附註31。

除上文所披露者外，概無董事、主要行政人員及彼等之聯繫人於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債權證中，擁有須登記於本公司根據證券及期貨條例第352條須存置之登記冊之任何權益或淡倉，或根據證券及期貨條例第XV部第7及8分部及標準守則須另行知會本公司及聯交所之任何權益或淡倉。

董事及主要行政人員購買股份或債權證之權利

根據本公司購股權計劃，董事及主要行政人員已獲授予非上市購股權，詳情載列於綜合財務報表附註31。

除上文所披露者外，於二零二零年十二月三十一日，概無本公司董事、主要行政人員及彼等之聯繫人於本公司及其相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債權證中擁有或被視作擁有已記錄於本公司根據證券及期貨條例第352條存置之登記冊之好倉或淡倉，或根據上市規則之標準守則已知會本公司及聯交所之好倉或淡倉。

SUBSTANTIAL SHAREHOLDERS

As at 31 December 2020, in accordance with the register of the substantial shareholders kept by the Company under Section 336 of the SFO, or to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO and the Listing Rules, the following persons were interest (including short positions) in the shares or underlying shares of the Company.

Interest in the ordinary shares/underlying shares of the Company:

主要股東

於二零二零年十二月三十一日，根據本公司遵照證券及期貨條例第336條存置之主要股東登記冊，或根據證券及期貨條例第XV部第2及3分部及上市規則規定須予披露者，以下人士於本公司股份或相關股份中擁有權益（包括淡倉）。

於本公司普通股／相關股份之權益：

Name of Shareholders	股東名稱／姓名	Notes	Number of Shares/ underlying Shares held	Long(L) or Short (S) positions	Percentage holding
		附註	持有股份／相關股份數目	好倉(L)或淡倉(S)	持股百分比
Worldkin Development Limited	世勤發展有限公司		145,500,000	S	8.62%
Mr. Wong Lik Ping	王力平先生	1	192,100,000	S	11.39%
Funde Sino Life Insurance Co. Ltd.	富德生命人壽保險股份有限公司		357,443,000	L	21.18%
Win Wind Resources Limited	萬贏資源有限公司	2	192,100,000	L	11.39%
Oshidori International Holdings Limited	威華達控股有限公司	2&3	192,100,000	L	11.39%
Win Wind Capital Limited	萬贏資本有限公司	2及3	192,100,000	L	11.39%
Ms. Chi Chin	冼琴女士	5	192,270,000	L	11.40%
Expert Magic Limited	Expert Magic Limited		257,000,000	L	15.23%
Mr. Lam Tsun On	林浚安先生	4	257,000,000	L	15.23%

DIRECTORS' REPORT

董事會報告

Notes:

1. Mr. Wong Lik Ping holds entire equity interest of Worldkin Development Limited ("Worldkin") and is accordingly deemed to have interest in 145,500,000 shares of the Company that Worldkin has interests in. Mr. Wong personally owns 46,600,000 shares of the Company.
2. Win Wind Resources Limited has security interests in 192,100,000 shares.
3. Win Wind Resources Limited is a wholly owned subsidiary of Win Wind Capital Limited, which in turn is wholly owned by Oshidori International Holdings Limited. Accordingly, Oshidori International Holdings Limited is deemed to have interests in 192,100,000 shares held by Win Wind Resources Limited.
4. Mr. Lam Tsun On holds 65% equity interest of Expert Magic Limited ("Expert Magic") and is deemed to be a controlling shareholder of Expert Magic.
- (5) Out of the 192,270,000 Shares which Ms. Chi Chin was interested in, (i) 135,700,000 were held by Ms. Chi Chin as the beneficial owner, and (ii) 56,570,000 Shares were held by her spouse, Mr. Ng Tin Shui.

Save as disclosed above, no other parties were recorded in the register required to be kept under Section 336 of the SFO as having an interest or a short position in the shares or underlying shares of the Company as at 31 December 2020.

CORPORATE GOVERNANCE

THE Company is committed to maintaining a high standard of corporate governance practices. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 40 to 52 of this annual report.

PERMITTED INDEMNITY PROVISION

A permitted indemnity provision (as defined in section 467 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) for the benefit of the directors of the Group is currently in force and was in force during the year. The Company has taken out insurance against the liabilities and costs associated with proceedings which may be brought against directors of the Group.

附註：

1. 王力平先生持有世勤發展有限公司(「世勤」)之全部股權。因此，王力平先生被視作於世勤於其中擁有權益之本公司145,500,000股股份中擁有權益。王先生個人擁有本公司46,600,000股股份。
2. 萬贏資源有限公司於192,100,000股股份中持有擔保權益。
3. 萬贏資源有限公司為萬贏資本有限公司的全資附屬公司，而萬贏資本有限公司則由威華達控股有限公司全資擁有。因此，威華達控股有限公司被視作於萬贏資源有限公司持有之192,100,000股股份中擁有權益。
4. 林浚安先生持有Expert Magic Limited(「Expert Magic」)之65%股權並被視為Expert Magic之控股股東。
5. 在亓琴女士擁有權益的192,270,000股股份中，(i) 135,700,000股股份由亓琴女士作為實益擁有人持有，及(ii) 56,570,000股股份由其配偶吳天墅先生持有。

除上文所披露者外，於二零二零年十二月三十一日，概無任何其他人士於本公司股份或相關股份中擁有登記於根據證券及期貨條例第336條須存置之登記冊之權益或淡倉。

企業管治

本公司致力維持高水平之企業管治常規。有關本公司所採納之企業管治常規資料刊載於本年報第40頁至第52頁之企業管治報告內。

獲准許的彌償條文

以本集團董事為受益人的獲准許的彌償條文(定義見香港法例第622章公司條例第467條)目前具效力，且在年內仍具效力。本公司已就本集團董事可能面臨的法律訴訟引致的相關責任及成本投購保險。

PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the directors, the Company has maintained the amount of public float as approved by the Hong Kong Stock Exchange and permitted under the Listing Rules as at the date of this report.

CLOSURE OF REGISTER OF MEMBERS

For the purposes of ascertaining shareholders' entitlement to attend and vote at the coming annual general meeting, the register of members of the Company will be closed from 8 June 2021 to 11 June 2021 (both days inclusive), during such period no transfer of shares in the Company will be effected. In order to qualify for entitlement to attend and vote at the forthcoming annual general meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the Company Hong Kong Branch Share Registrar, Tricor Secretaries Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m., 7 June 2021.

AUDITOR

The consolidated financial statements for the year ended 31 December 2020 were audited by Messrs. BDO Limited ("BDO").

A resolution to re-appoint BDO as auditor of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the Board
Wong Lik Ping
Chairman

Hong Kong, 24 March 2021

公眾持股量

根據本公司公開可得資料及就董事所知，於本報告日期，本公司一直維持香港聯交所批准及上市規則核准之公眾持股量。

暫停辦理股份過戶登記手續

為確定股東出席應屆股東週年大會並於會上投票之權利，本公司將於二零二一年六月八日至二零二一年六月十一日（包括首尾兩日）暫停辦理股份過戶登記手續，期間本公司將不會辦理股份過戶登記手續。為符合資格出席應屆股東週年大會並於會上投票之權利，所有過戶文件連同相關股票須於不遲於二零二一年六月七日下午四時三十分送達本公司之香港股份過戶登記分處卓佳秘書商務有限公司，地址為香港皇后大道東183號合和中心54樓以作登記。

核數師

截至二零二零年十二月三十一日止年度的綜合財務報表已由香港立信德豪會計師事務所有限公司（「立信德豪」）審核。

在應屆股東週年大會上將提呈決議案重新委任立信德豪為本公司之核數師。

代表董事會
主席
王力平

香港，二零二一年三月二十四日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



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OPINION

We have audited the consolidated financial statements of China Ever Grand Financial Leasing Group Co., Ltd. (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 74 to 238, which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 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.

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 are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (“the Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

意見

本核數師(以下簡稱「我們」)已審計列載於第74頁至第238頁的中國恒嘉融資租賃集團有限公司(「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表,此財務報表包括於二零二零年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表,以及綜合財務報表附註,包括主要會計政策概要。

我們認為,該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而中肯地反映了貴集團於二零二零年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港公司條例的披露要求妥為擬備。

意見的基礎

我們已根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的專業會計師道德守則(「守則」),我們獨立於貴集團,並已履行守則中的其他專業道德責任。我們相信,我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

KEY AUDIT MATTERS

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

Impairment of finance lease receivables

(Refer to Note 18 to the consolidated financial statements)

As at 31 December 2020, the Group had finance lease receivables of net carrying amount approximately HK\$168.0 million, and impairment of approximately HK\$143.7 million has been made over the balance. It represents 14.2% of total assets of the Group.

Loss allowances for finance lease receivables are based on management's estimate of the lifetime expected credit losses to be incurred, which is estimated by taking into account the credit loss experience, past collection history, subsequent settlement of each finance lease customer, and also relevant deposits received, pledge of leased assets and guarantees and an assessment of both the current and forecast general economic conditions, all of which involve a significant degree of management judgement.

We identified the impairment of finance lease receivables as a key audit matter due to its significance to the consolidated financial statements, and the assessment of the recoverability of finance lease receivables and recognition of loss allowance are inherently subjective and requires significant management judgement, which increases the risk of error or potential management bias.

關鍵審計事項

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

融資租賃應收款減值

(參照綜合財務報表附註18)

於二零二零年十二月三十一日，貴集團擁有賬面淨值約168,000,000港元的融資租賃應收款，並已就結餘計提約143,700,000港元減值。其佔貴集團資產總額的14.2%。

融資租賃應收款的虧損撥備乃根據管理層就將產生的年內預期信貸虧損的估計，其乃經考慮信貸虧損經驗、過往收款記錄及各融資租賃客戶的後續結算及應收相關按金、租賃資產抵押及擔保以及對目前和預測整體經濟狀況的評估而估計，其中各項均涉及重大程度的管理層判斷。

我們將融資租賃應收款減值識別為關鍵審計事項，乃由於其對綜合財務報表的重大性，而對融資租賃應收款可收回性的評估及虧損撥備的確認均在本質上具有主觀性並需要重大管理層判斷，其將增加出現錯誤或潛在管理層偏差的風險。

KEY AUDIT MATTERS (Continued)

Impairment of finance lease receivables (Continued)

Our responses:

- Obtaining an understanding of the Group's impairment provision policy and methodology for impairment assessment in relation to the application of the ECL model;
- Inquiring of management for the status of each of the material finance lease arrangement past due as at year end date and corroborating explanations from management with supporting evidence, such as understanding credit status of debtors, checking historical and subsequent settlement records and other correspondence with the debtors;
- Assessing the reasonableness of the ECL model methodology and related parameter, including probability of default, loss given default, and risk exposure at default used by the management's expert;
- Involving an auditor's expert to assist our assessment on the impairment on finance lease receivables arising from finance lease arrangement;
- Evaluating the independence, competence and objectivity of the management's expert and auditors' expert.

Impairment of loan receivables

(Refer to Note 19 to the consolidated financial statements)

As at 31 December 2020, the net carrying amount of loan receivables and its related impairment allowance amount to HK\$104.3 million and HK\$137.1 million respectively. Impairment allowance for credit exposure at Stage 3 amounted to HK\$133.6 million.

The assessment of impairment for loan receivables involves significant management judgements and estimates on the amount of expected credit loss at the reporting date.

At each reporting date, the Group assesses whether there has been a significant increase in credit risk since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Group considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and also, forward looking analysis.

關鍵審計事項 (續)

融資租賃應收款減值 (續)

我們的回覆：

- 了解貴集團的減值撥備政策及應用預期信貸虧損模式進行減值評估的方法；
- 向管理層查詢各重大融資租賃安排於年結日的逾期情況，並提供證據以證實管理層的解釋，如了解債務人的信貸狀況、查核過往及隨後的結算記錄及與債務人的其他通信；
- 評估管理層專家使用的預期信貸虧損模式方法及相關參數的合理性，包括違約概率，違約損失率，以及違約風險敞口；
- 委託核數師專家協助我們評估融資租賃安排產生的融資租賃應收款的減值；
- 評估管理層專家及核數師專家的獨立性、能力及客觀性。

應收貸款減值

(參照綜合財務報表附註19)

於二零二零年十二月三十一日，應收貸款及其相關減值撥備的賬面淨值分別為104,300,000港元及137,100,000港元。第三階段信貸風險的減值撥備為133,600,000港元。

應收貸款的減值評估涉及管理層於報告日期對預期信貸虧損金額的重大判斷及估計。

於各報告日期，本集團通過比較報告日期與初始確認日期之間預期存續期內發生的違約風險，評估自初始確認以來信貸風險是否顯著增加。就此目的，本集團會考慮毋須過度付出成本或努力即可獲得之相關合理及支持性資料。這包括定量和定性資料以及前瞻性分析。

KEY AUDIT MATTERS (Continued)

Impairment of loan receivables (Continued)

Our responses:

- Understanding of the Group's credit risk management and practices, and assessed the Group's impairment provisioning policy in accordance with the requirements of HKFRS 9, including an evaluation of management judgement on i) the level of disaggregation of portfolios for impairment assessment; ii) the use of reasonable and supportable credit risk information that is available without undue cost or effort; and iii) the staging criteria for determining if a significant increase in credit risk has occurred;
- Testing the appropriateness of the Group's determination of significant increase in credit risk and the basis for classification of exposures into 3 stages. Our testing included the checking to loan overdue information, loan-to-value percentage or other related information, and considering the stage classification determined by the Group;
- Assessing the reasonableness of the ECL model methodology and related parameter, including probability of default, loss given default, and risk exposure at default used by the management's expert;
- Involving an auditor's expert to assist our assessment on the impairment on receivable from sale-leaseback transaction arising from sale-leaseback arrangement;
- Evaluating the independence, competence and objectivity of the management's expert and auditor's expert;
- Assessing the adequacy of the disclosures in relation to impairment of loan receivables, which included in Note 19 and 35 to the consolidated financial statements.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon. Prior to the date of this auditor's report, we have obtained Management Discussion and Analysis but have not obtained the remaining other information included in the annual report (the "Remaining Other Information"), which is expected to be made available to us after that date.

關鍵審計事項 (續)

應收貸款減值 (續)

我們的回覆：

- 了解貴集團信貸風險管理及實務，並評估貴集團根據香港財務報告準則第9號規定之減值撥備政策，包括評估管理層對i)減值評估組合之分類級別；ii)使用毋須過度付出成本或努力即可獲得之合理及支持性信貸風險資料；及iii)釐定信貸風險有否顯著增加的分階段標準作出之判斷；
- 測試貴集團釐定信貸風險大幅增加及將風險分類為三個階段的基準是否合適。我們的測試包括檢查貸款逾期資料、貸款價值比或其他相關資料，並考慮貴集團釐定的階段分類；
- 評估管理層專家使用的預期信貸虧損模式方法及相關參數的合理性，包括違約概率，違約損失率，以及違約風險敞口；
- 委託核數師專家協助我們評估售後回租安排產生的售後回租交易應收款的減值；
- 評估管理層專家及核數師專家的獨立性、能力及客觀性；
- 評估綜合財務報表附註19及35所載應收貸款減值的披露是否足夠。

其他訊息

貴公司董事需對其他訊息負責。其他訊息包括刊載於年報內的訊息，但不包括綜合財務報表及我們的核數師報告。於本核數師報告日期前，我們已取得管理層討論及分析但並未取得載於年報的餘下其他訊息（「餘下其他訊息」），預期其將於該日後提供予我們。

OTHER INFORMATION (Continued)

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.

When we read the Remaining Other Information, if we conclude there is a material misstatement therein, we are required to communicate that matter to the directors and take appropriate action considering our legal rights and obligations.

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.

其他訊息 (續)

我們對綜合財務報表的意見並不涵蓋其他訊息，我們亦不對該等其他訊息發表任何形式的鑒證結論。

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

當我們閱讀餘下其他訊息時，倘我們認為該等訊息存在重大錯誤陳述，我們須與董事溝通該事宜及經考慮我們的合法權利及義務後採取適當行動。

董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露要求擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

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

治理層須負責監督貴集團的財務報告過程。

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

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

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

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

核數師就審計綜合財務報表承 擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並按照我們商定的業務約定條款僅向全體股東出具包括我們意見的核數師報告。除此以外，我們的報告不可用作其他用途。我們並不就本報告之內容對任何其他人士承擔任何責任或接受任何義務。合理保證是高水準的保證，但不能保證按照香港審計準則進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據香港審計準則進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程式以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 瞭解與審計相關的內部控制，以設計適當的審計程式，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

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

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

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.

核數師就審計綜合財務報表承 擔的責任 (續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務訊息獲取充足、適當的審計憑證，以對綜合財務報表發表意見。我們負責集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

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

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

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

BDO Limited

Certified Public Accountants

Ng Wai Man

Practising Certificate Number P05309

Hong Kong, 24 March 2021

核數師就審計綜合財務報表承 擔的責任 (續)

從與治理層溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

香港立信德豪會計師事務所有限公司

執業會計師

伍惠民

執業證書編號P05309

香港，二零二一年三月二十四日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

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 千港元	2019 二零一九年 HK\$'000 千港元
Revenue	收入	5	66,184	71,155
Cost of revenue	收入成本		(82,552)	(49,354)
Gross (loss)/profit	(毛損) / 毛利		(16,368)	21,801
Other income	其他收入	7	8,245	10,500
Other gains and losses	其他收益及虧損	7	34,801	(583)
Administrative expenses	行政開支		(123,697)	(64,255)
Impairment loss on:	減值虧損：			
Receivable from	售後回租交易應收款			
a sale-leaseback transaction		19	(96,896)	(5,678)
Finance lease receivables	融資租賃應收款	18	(102,530)	(32,578)
Loan receivables	應收貸款	19	(3,380)	(1,211)
Goodwill	商譽	15	–	(9,373)
Property, plant and equipment	物業、廠房及設備	13	(5,089)	–
Interest in an associate upon	重新分類為持作出售之			
reclassification to assets classified as	資產後於一家聯營公司之			
held for sale	權益	16(d)	(30,973)	–
Share of results of associates	分攤聯營公司業績		(5,664)	29,389
Other expenses	其他開支		(661)	(773)
Finance costs	財務成本		(391)	–
Loss before taxation	除稅前虧損		(342,603)	(52,761)
Income tax (expense)/credit	所得稅 (支出) / 抵免	9	(13,975)	1,798
Loss for the year	本年度虧損	10	(356,578)	(50,963)
Loss for the year attributable to:	本年度下列各項應佔虧損：			
Owners of the Company	本公司擁有人		(242,933)	(34,132)
Non-controlling interests	非控股股東權益		(113,645)	(16,831)
			(356,578)	(50,963)
				(Restated) (經重列)
Loss per share (HK cents)	每股虧損 (港仙)			
Basic	基本	11	(16.09)	(2.86)
Diluted	攤薄		(16.09)	(2.86)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 December 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 千港元	2019 二零一九年 HK\$'000 千港元
Loss for the year	本年度虧損	(356,578)	(50,963)
Other comprehensive income/(expense)	其他全面收入／(開支)		
Item that will not be reclassified to profit or loss:	不會重新分類至損益之項目：		
Exchange difference arising on translation to presentation currency	換算呈報貨幣所產生之匯兌差額	3,417	(15,719)
Fair value change on equity investment at fair value through other comprehensive income	按公平值透過其他全面收入列賬之股本投資之公平值變動	(3,563)	-
Share of other comprehensive income of associates	分攤聯營公司其他全面收入	(16)	-
Other comprehensive expense for the year, net of income tax	本年度其他全面開支 (扣除所得稅)	(162)	(15,719)
Total comprehensive expense for the year	本年度全面開支總額	(356,740)	(66,682)
Total comprehensive expense for the year attributable to:	本年度下列各項應佔全面開支總額：		
Owners of the Company	本公司擁有人	(242,695)	(47,518)
Non-controlling interests	非控股股東權益	(114,045)	(19,164)
		(356,740)	(66,682)

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

			2020 二零二零年	2019 二零一九年
	NOTES 附註		HK\$'000 千港元	HK\$'000 千港元
Non-current assets		非流動資產		
Property, plant and equipment	13	物業、廠房及設備	90,112	93,811
Investment properties	14	投資物業	148,331	133,521
Goodwill	15	商譽	25,556	–
Interests in associates	16	於聯營公司之權益	95,111	338,206
Equity investments at fair value through other comprehensive income	17	按公平值透過其他全面收入 列賬之股權投資	123,781	55,517
Finance lease receivables	18	融資租賃應收款	14,132	69,913
Loan receivables	19	應收貸款	21,733	26,151
Deferred tax assets	30	遞延稅項資產	1,579	1,324
Restricted bank deposits	24	受限制銀行存款	20,724	19,520
Deposits	22	按金	11,876	11,186
			552,935	749,149
Current assets		流動資產		
Inventories	20	存貨	19,060	2,137
Contingent consideration receivables	25	應收或然代價	2,553	–
Finance lease receivables	18	融資租賃應收款	153,913	339,309
Loan receivables	19	應收貸款	82,614	214,212
Trade receivables	21	貿易應收款	2,976	–
Other receivables, deposits and prepayments	22	其他應收款、按金及預付款項	43,903	18,612
Financial assets at fair value through profit or loss	23	按公平值透過損益列賬之 金融資產	156,052	25,678
Deposit placed with non-bank financial institutions	24	存放於非銀行金融機構之 存款	39,227	90,545
Cash and cash equivalents	24	現金及現金等值物	132,483	107,033
			632,781	797,526

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 本公司擁有人應佔										
		Share capital	Share premium	Translation reserve	Share options reserve	Other reserve	Investment revaluation reserve	Statutory reserve	Accumulated losses	Subtotal	Non-controlling interests	Total
		股本	股份溢價	匯兌儲備	購股權儲備	其他儲備	投資重估儲備	法定儲備	累計虧損	小計	股東權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2019	於二零一九年一月一日	119,192	1,520,921	(5,328)	1,136	-	3,450	6,397	(857,831)	787,937	139,764	927,701
Loss for the year	本年度虧損	-	-	-	-	-	-	-	(34,132)	(34,132)	(16,831)	(50,963)
Other comprehensive expense for the year	本年度其他全面開支	-	-	(13,386)	-	-	-	-	-	(13,386)	(2,333)	(15,719)
Total comprehensive expense for the year	本年度全面開支總額	-	-	(13,386)	-	-	-	-	(34,132)	(47,518)	(19,164)	(66,682)
Share options lapsed	購股權失效	-	-	-	(409)	-	-	-	409	-	-	-
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	119,192	1,520,921	(18,714)	727	-	3,450	6,397	(891,554)	740,419	120,600	861,019
Loss for the year	本年度虧損	-	-	-	-	-	-	-	(242,933)	(242,933)	(113,645)	(365,578)
Other comprehensive income/(expense) for the year	本年度其他全面收入/(開支)	-	-	2,085	-	-	(1,847)	-	-	238	(400)	(162)
Total comprehensive income/(expense) for the year	本年度全面收入/(開支)總額	-	-	2,085	-	-	(1,847)	-	(242,933)	(242,695)	(114,045)	(356,740)
Issue of shares upon completion of placing	完成配售後發行股份	23,838	8,407	-	-	-	-	-	-	32,245	-	32,245
Issue of shares upon acquisition of a subsidiary	收購一家附屬公司後發行股份	25,700	28,270	-	-	(15,876)	-	-	-	38,094	-	38,094
Transfer to accumulated losses upon disposal of an associate	出售一家聯營公司後轉撥至累計虧損	-	-	14,965	-	-	-	-	(14,965)	-	-	-
At 31 December 2020	於二零二零年十二月三十一日	168,730	1,557,598	(1,664)	727	(15,876)	1,603	6,397	(1,149,452)	568,063	6,555	574,618

Note:

附註：

- (a) As stipulated by the relevant laws and regulations of the People's Republic of China (the "PRC"), before distribution of the net profit each year, the subsidiaries established in the PRC shall set aside 10% of their net profit after taxation to the statutory reserve (except where the reserve has reached 50% of the subsidiaries' registered capital). The reserve fund can only be used, upon approval by the directors of the relevant subsidiaries and by the relevant authority, to offset accumulated losses or increase capital.
- (a) 按照中華人民共和國(「中國」)的相關法律法規規定，在每年分派純利前，在中國成立的附屬公司須撥出除稅後純利的10%至法定儲備(惟儲備已達附屬公司註冊資本50%者除外)。該儲備基金僅可在獲有關附屬公司董事及有關當局批准後方可用作抵銷累計虧損或增加資本。
- (b) Other reserve represents the value of the contingent consideration arrangement on the escrow shares subject to the profit guarantee requirement of the acquisition agreement as set out in note 43(a).
- (b) 其他儲備指誠如附註43(a)所載，根據收購協議溢利保證規定的託管股份或然代價安排的價值。

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 千港元	2019 二零一九年 HK\$'000 千港元
OPERATING ACTIVITIES	經營活動		
Loss before taxation	除稅前虧損	(342,603)	(52,761)
Adjustments for:	作出下列調整：		
Finance costs	財務成本	40,105	40,289
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	5,391	5,303
Change in fair value of financial assets at fair value through profit or loss	按公平值透過損益列賬之金融資產之公平值變動	2,548	5,208
Change in fair value on investment properties	投資物業之公平值變動	(4,091)	(645)
Dividend income	股息收入	(969)	-
Share of results of associates	分攤聯營公司業績	5,664	(29,389)
Impairment loss on goodwill	商譽減值虧損	-	9,373
Write-off of property, plant and equipment	物業、廠房及設備撇銷	11	-
Impairment loss on property, plant and equipment	物業、廠房及設備減值虧損	5,089	-
Impairment loss on interest in an associate upon reclassification to assets classified as held for sale	將聯營公司權益重新分類至分類為持作出售資產之減值虧損	30,973	-
Exchange gain, net	匯兌收益淨額	(17,784)	-
Gain on derecognition of a subsidiary	終止確認一家附屬公司之收益	(2,742)	-
Fair value change on financial liability at fair value through profit or loss	按公平值透過損益列賬之金融負債之公平值變動	(15,660)	(11,662)
Impairment loss on finance lease receivables	融資租賃應收款減值虧損	102,530	32,578
Impairment loss on receivable from sale-leaseback transaction	售後回租交易應收款減值虧損	96,896	5,678
Impairment loss on loan receivables	應收貸款減值虧損	3,380	1,211
Change in fair value of contingent consideration receivables	應收或然代價之公平值變動	2,498	-
Finance lease interest income	融資租賃利息收入	(14,190)	(29,136)
Sale-leaseback transaction interest income	售後回租交易利息收入	(706)	(13,184)
Write-off of inventories	存貨撇銷	419	833
Interest income	利息收入	(6,339)	(3,393)
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	(109,580)	(39,697)
Increase in inventories	存貨增加	(14,288)	(2,882)
(Increase)/decrease in other receivables, deposits and prepayments	其他應收款、按金及預付款項(增加)/減少	(23,926)	21,651
Decrease in trade receivables	貿易應收款減少	78	-
(Decrease)/increase in service cost payables, other payables and accruals	應付服務成本、其他應付款及應計費用(減少)/增加	(945)	1,932
Decrease in deposits received from customers	已收客戶按金減少	-	(321)
(Increase)/decrease in financial assets at fair value through profit or loss	按公平值透過損益列賬之金融資產(增加)/減少	(132,094)	26,864
Decrease in finance lease receivables	融資租賃應收款減少	-	14,510
Increase in loan receivables from sale leaseback transaction	售後回租交易應收貸款增加	-	(151,096)
Decrease/(increase) in deposits placed with financial institutions	存放於金融機構的存款減少/(增加)	51,318	(7,654)
Cash used in operations	經營所用之現金	(229,437)	(136,693)
Income tax paid	已付所得稅	(14,142)	(15,835)
Finance lease interest income received	已收融資租賃利息收入	14,190	29,136
Sale-leaseback transaction interest income received	已收售後回租交易利息收入	706	13,184
Interest element of lease rental paid	已付租金的利息部分	-	(5)
Interest paid	已付利息	(13,320)	(40,289)
NET CASH USED IN OPERATING ACTIVITIES	經營活動所用之現金淨額	(242,003)	(150,502)

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 千港元	2019 二零一九年 HK\$'000 千港元
INVESTING ACTIVITIES	投資活動		
Investment in equity investments at fair value through other comprehensive income	於按公平值透過其他全面收入列賬之股權投資	(74,340)	(21,253)
Addition of loan receivables	應收貸款增加	(50,378)	(83,759)
Repayment from loan receivables	償還應收貸款	95,523	154,151
Purchases of property, plant and equipment	購買物業、廠房及設備	(534)	(46,706)
Purchases of investment property	購買投資物業	(32,947)	-
Net cash inflow/(outflow) arising from acquisition of subsidiaries	收購附屬公司產生之現金流入／(流出)淨額	4,609	(160,050)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	-	215
Proceeds from held to maturity of equity investments at fair value through other comprehensive income	按公平值透過其他全面收入列賬之持有至到期股權投資所得款項	5,938	-
Acquisition of associates	收購聯營公司	(55,529)	-
Proceed from disposal of interest in an associate	出售於一家聯營公司之權益所得款項	335,664	-
Dividend received	已收股息	969	-
Interest received	已收利息	6,339	3,738
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES	投資活動所得／(所用)現金淨額	235,314	(153,664)
FINANCING ACTIVITIES	融資活動		
Proceeds from borrowings	借款之所得款項	20,000	151,011
Repayment of borrowings	償還借款	(20,283)	-
Proceeds from shares placing	股份配售所得款項	32,245	-
Capital element of lease rental paid	已付租金的資本部分	-	(377)
NET CASH GENERATED FROM FINANCING ACTIVITIES	融資活動所得現金淨額	31,962	150,634
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等值物增加／(減少)淨額	25,273	(153,532)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	年初現金及現金等值物	107,033	262,123
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	外匯匯率變動之影響	177	(1,558)
CASH AND CASH EQUIVALENTS AT END OF YEAR	年終現金及現金等值物	132,483	107,033
Represented by: Bank balances and cash	代表： 銀行結餘及現金	132,483	107,033

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

1. GENERAL INFORMATION

China Ever Grand Financial Leasing Group Co., Ltd. (the “Company”) is a public limited company incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section on the annual report.

The principal activities of the Company and its subsidiaries (collectively referred to as the “Group”) are provision of finance lease and related consulting services in the PRC, the trading of equity securities, investment in properties, investment holdings, sale of food additives, sale of medical, health and hygiene products and money lending business.

The functional currency of the Company is Renminbi (“RMB”). The consolidated financial statements are presented in Hong Kong dollars (“HK\$”) as the directors consider that it is a more appropriate presentation for a company listed on the Stock Exchange and for the convenience of the shareholders.

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(a) Adoption of amended HKFRSs – effective at 1 January 2020

The Hong Kong Institute of Certified Public Accountants (“HKICPA”) has issued a number of amended HKFRSs that are first effective for the current accounting period of the Group:

Amendments to HKFRS 3	Definition of a Business
Amendments to HKAS 1 and HKAS 8	Definition of Material
Amendments to HKAS 39, HKFRS 7 and HKFRS 9	Interest Rate Benchmark Reform

1. 一般資料

中國恒嘉融資租賃集團有限公司(「本公司」)為一家上市公司，於開曼群島註冊成立為受豁免之有限責任公司，其股份於香港聯合交易所有限公司(「聯交所」)上市。本公司之註冊辦事處及主要營業地點之地址於年報公司資料一節披露。

本公司及其附屬公司(統稱「本集團」)之主要活動為在中國提供融資租賃及相關諮詢服務、股本證券買賣、物業投資、投資控股、銷售食品添加劑、銷售醫療保健及衛生產品及放貸業務。

本公司之功能貨幣為人民幣(「人民幣」)。綜合財務報表乃以港元(「港元」)呈列，因為董事認為，此乃聯交所上市公司更適用之呈列方式，且方便股東。

2. 採納香港財務報告準則(「香港財務報告準則」)

(a) 採納經修訂香港財務報告準則—於二零二零年一月一日生效

香港會計師公會(「香港會計師公會」)已頒佈數項於本集團本會計期間首次生效之經修訂香港財務報告準則：

香港財務報告準則第3號之修訂	業務定義
香港會計準則第1號及香港會計準則第8號之修訂	重要性定義
香港會計準則第39號、香港財務報告準則第7號及香港財務報告準則第9號之修訂	利率基準改革

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

(a) Adoption of amended HKFRSs – effective at 1 January 2020 (Continued)

Amendments to HKFRS 3, Definition of a Business

The amendments clarify the definition of a business and introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The election to apply the concentration test is made for each transaction. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. If the concentration test is met, the set of activities and assets is determined not to be a business. If the concentration test is failed, the acquired set of activities and assets is further assessed based on the elements of a business.

The Group elected to apply the amendments prospectively to acquisitions for which the acquisition date is on or after 1 January 2020. As described in note 43(a), the Group acquired a set of activities and assets in August 2020 and elected to apply the concentration test to that transaction but the transaction failed the concentration test. Based on the assessment of elements of a business, the Group concluded that the acquired set of activities and assets is a business.

None of these amended HKFRSs has a material impact on the Group’s results and financial position for the current or prior period. The Group has not early applied any new or amended HKFRSs that is not yet effective for the current accounting period.

2. 採納香港財務報告準則 (「香港財務報告準則」)

(續)

(a) 採納經修訂香港財務報告準則一於二零二零年一月一日生效 (續)

香港財務報告準則第3號之修訂業務定義

修訂澄清業務定義並引入選擇性集中度測試，允許簡化評估所收購的一系列活動及資產是否屬業務。每項交易均進行集中度測試的選擇。倘所購總資產之公平值基本上都集中於單一可識別資產或一組相似的可識別資產中，則滿足集中度測試。倘滿足集中度測試，則該系列活動及資產並非業務。倘集中度測試失敗，則所收購的一系列活動及資產將根據業務的要素進一步評估。

本集團選擇就收購日期為二零二零年一月一日或之後的收購事項前瞻性地應用該等修訂。誠如附註43(a)所述，本集團於二零二零年八月收購一系列活動及資產並選擇就該項交易應用集中度測試，惟該交易的集中度測試失敗。根據對業務要素的評估，本集團得出結論認為所收購的一系列活動及資產屬業務。

該等經修訂香港財務報告準則對本集團於本期間或上一期間的業績及財務狀況概無重大影響。本集團並無提前應用於本會計期間尚未生效的任何新訂或經修訂香港財務報告準則。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

(b) New or amended HKFRSs that have been issued but are not yet effective

The following new or amended HKFRSs, potentially relevant to the Group’s financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group’s current intention is to apply these changes on the date they become effective.

Amendments to HKAS 1 and HK Int-5	Classification of Liabilities as Current or Non-current and HK Interpretation 5 (2020), Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ⁴
Amendments to HKAS 16	Proceeds before Intended Use ²
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract ²
HKFRS17	Insurance Contracts ⁴
Amendments to HKFRS 3	Reference to the Conceptual Framework
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁵
Amendments to HKAS 39, HKFRS 4, HKFRS 7, HKFRS 9 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2 ¹
Amendments to HKFRS 16	Covid-19 – Related Rent Concession ⁶
Annual Improvements to HKFRSs 2018-2020	

2. 採納香港財務報告準則 (「香港財務報告準則」)

(續)

(b) 已頒佈但尚未生效之新訂或經修訂香港財務報告準則

以下已頒佈但尚未生效且尚未獲本集團提早採納之新訂或經修訂香港財務報告準則可能與本集團之財務報表有關。本集團現時擬於其生效日期應用該等修訂。

香港會計準則第1號及香港詮釋第5號之修訂	負債分類為流動或非流動及香港詮釋第5號 (二零二零年) 財務報表之呈報—借款人對包含可隨時要求償還條款之定期貸款之分類 ⁴
香港會計準則第16號之修訂	擬定用途前之所得款項 ²
香港會計準則第37號之修訂	虧損性合約—履行合約之成本 ²
香港財務報告準則第17號	保險合約 ⁴
香港財務報告準則第3號之修訂	提述概念框架
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業之間的資產出售或注資 ⁵
香港會計準則第39號、香港財務報告準則第4號、香港財務報告準則第7號、香港財務報告準則第9號及香港財務報告準則第16號之修訂	利率基準改革—第二階段 ¹
香港財務報告準則第16號之修訂	COVID-19相關租金減免 ⁶
二零一八年至二零二零年之香港財務報告準則年度改進	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

(b) New or amended HKFRSs that have been issued but are not yet effective (Continued)

- 1 Effective for annual periods beginning on or after 1 January 2021
- 2 Effective for annual periods beginning on or after 1 January 2022
- 3 Effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after 1 January 2022.
- 4 Effective for annual periods beginning on or after 1 January 2023.
- 5 The amendments shall be applied prospectively to the sale or contribution of assets occurring in annual periods beginning on or after a date to be determined.
- 6 Effective for annual periods beginning on or after 1 June 2020.

Amendments to HKAS 1, Classification of Liabilities as Current or Non-current and HK Interpretation 5 (2020), Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability and explain that rights are in existence if covenants are complied with at the end of the reporting period. The amendments also introduce a definition of ‘settlement’ to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

2. 採納香港財務報告準則 （「香港財務報告準則」）

（續）

(b) 已頒佈但尚未生效之新訂或經修訂香港財務報告準則（續）

- 1 於二零二一年一月一日或之後開始的年度期間生效
- 2 於二零二二年一月一日或之後開始的年度期間生效
- 3 對收購日期為於二零二二年一月一日或之後開始的首個年度期間開始時或之後的業務合併生效
- 4 於二零二三年一月一日或之後開始的年度期間生效
- 5 該修訂將對待定日期或之後開始的年度期間發生的資產出售或注資追溯應用
- 6 於二零二零年六月一日或之後開始的年度期間生效

香港會計準則第1號之修訂負債分類為流動或非流動及香港詮釋第5號（二零二零年）財務報表之呈報－借款人對包含可隨時要求償還條款之定期貸款之分類

該等修訂闡明，將負債分類為流動或非流動乃基於報告期末存在的權利，並訂明分類不受有關實體是否預期會行使其延遲清償負債的權利的影響，並解釋倘在報告期末遵守契諾，則權利即告存在。該等修訂亦引入「結算」的定義，以明確結算是指將現金、股權工具、其他資產或服務轉讓予對手方。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

- (b) **New or amended HKFRSs that have been issued but are not yet effective** (Continued)

Amendments to HKAS 1, Classification of Liabilities as Current or Non-current and HK Interpretation 5 (2020), Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause (Continued)

HK Int-5 (2020) was revised as a consequence of the Amendments to HKAS 1 issued in August 2020. The revision to HK Int-5 (2020) updates the wordings in the interpretation to align with the Amendments to HKAS 1 with no change in conclusion and do not change the existing requirements.

Amendments to HKAS 16, Proceeds before Intended Use

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, the proceeds from selling such items, and the cost of producing those items, is recognised in profit or loss.

The directors of the Company is currently assessing the impact that the application of the amendments will have on the Group’s consolidated financial statements. The directors of the Company anticipate that the application of the amendments will likely impact on the Group’s accounting policies in respect of the construction of assets, as certain proceeds of selling items produced whilst bringing assets under construction are currently deducted from the cost of the asset.

2. 採納香港財務報告準則（「香港財務報告準則」）

(續)

- (b) 已頒佈但尚未生效之新訂或經修訂香港財務報告準則（續）

香港會計準則第1號之修訂負債分類為流動或非流動及香港詮釋第5號（二零二零年）財務報表之呈報－借款人對包含可隨時要求償還條款之定期貸款之分類（續）

香港詮釋第5號（二零二零年）已因二零二零年八月頒佈的香港會計準則第1號之修訂而作出修訂。經修訂香港詮釋第5號（二零二零年）更新了詮釋中的措辭，以與香港會計準則第1號之修訂一致，但結論並無變動，亦不會更改現行規定。

香港會計準則第16號之修訂作擬定用途前的所得款項

該等修訂禁止從物業、廠房及設備項目成本中扣除出售使資產達到管理層擬定的營運方式所需的地點及狀況時產生的項目的所得款項。相反，於損益中確認出售該等項目的所得款項及產生該等項目的成本。

本公司董事目前正在評估應用該等修訂將對本集團綜合財務報表的影響。本公司董事預期應用該等修訂很可能將會影響本集團關於資產建設的會計政策，原因是出售使資產開工建設所產生項目的所得款項目前自資產成本中扣除。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

- (b) **New or amended HKFRSs that have been issued but are not yet effective** (Continued)

Amendments to HKAS 37, Onerous Contracts – Cost of Fulfilling a Contract

The amendments specify that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (e.g. direct labour and materials) or an allocation of other costs that relate directly to fulfilling contracts (e.g. the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

HKFRS 17, Insurance Contracts

The new standard establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes HKFRS 4, Insurance Contracts. The standard outlines a ‘General Model’, which is modified for insurance contracts with direct participation features, described as the ‘Variable Fee Approach’. The General Model is simplified if certain criteria are met by measuring the liability for remaining coverage using the Premium Allocation Approach.

2. 採納香港財務報告準則 (「香港財務報告準則」)

(續)

- (b) 已頒佈但尚未生效之新訂或經修訂香港財務報告準則 (續)

香港會計準則第37號之修訂虧損性合約－履行合約之成本

該等修訂訂明，「履行合約之成本」包括「與合約直接有關的成本」。與合約直接有關的成本可以是履行該合約的增量成本 (如直接勞工及材料) 或與履行合約直接有關的其他成本的分配 (如履行合約所使用的物業、廠房及設備項目的折舊費用的分配)。

香港財務報告準則第17號保險合約

新準則確立確認、計量、呈列及披露保險合約的原則，並取代香港財務報告準則第4號保險合約。該準則概述了一個「一般模型」，該模型就有直接參與特徵的保險合約作出修訂，稱為「可變收費方法」。倘若一般模型的標準透過使用保費分攤法計量餘下保險期而達成，一般模型可予以簡化。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

- (b) **New or amended HKFRSs that have been issued but are not yet effective** (Continued)

Amendments to HKFRS 3, Reference to the Conceptual Framework

The amendments update HKFRS 3 so that it refers to the revised Conceptual Framework for Financial Reporting 2018 instead of the version issued in 2010. The amendments add to HKFRS 3 a requirement that, for obligations within the scope of HKAS 37, an acquirer applies HKAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of HK(IFRIC)-Int 21 Levies, the acquirer applies HK(IFRIC)-Int 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date. The amendments also add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

Amendments to HKFRS 10 and HKAS 28, Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments clarify with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. When the transaction with an associate or joint venture that is accounted for using the equity method, any gains or losses resulting from the loss of control of a subsidiary that does not contain a business are recognised in the profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, any gains or losses resulting from the remeasurement of retained interest in any former subsidiary (that has become an associate or a joint venture) to fair value are recognised in the profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

2. 採納香港財務報告準則（「香港財務報告準則」）

(續)

- (b) 已頒佈但尚未生效之新訂或經修訂香港財務報告準則（續）

香港財務報告準則第3號之修訂提述概念框架

該等修訂更新了香港財務報告準則第3號，使其提述經修訂二零一八年財務報告的概念框架而非二零一零年頒佈的版本。該等修訂在香港財務報告準則第3號中增添一項規定，即就香港會計準則第37號範圍內的義務而言，收購方應用香港會計準則第37號釐定於收購日期是否因過往事件而存在現有義務。對於香港（國際財務報告詮釋委員會）—詮釋第21號徵費範圍內的徵費，收購方應用香港（國際財務報告詮釋委員會）—詮釋第21號以釐定導致支付徵費責任的責任事件是否已於收購日期發生。該等修訂亦增添一項明確聲明，即收購方不會確認在業務合併中收購的或然資產。

香港財務報告準則第10號及香港會計準則第28號之修訂投資者與其聯營公司或合營企業之間的資產出售或注資

該等修訂闡明投資者與其聯營公司或合營企業之間出售或注入資產的情況。當與採用權益法入賬的聯營公司或合營企業進行交易時，因喪失對不包含業務的附屬公司的控制權而產生的任何收益或虧損僅以非關聯投資者在該聯營公司或合營企業的權益為限在損益中確認。同樣地，將任何前附屬公司（已成為聯營公司或合營企業）的保留權益按公平值重新計量而產生的任何收益或虧損，僅以非關聯投資者於新聯營公司或合營企業的權益為限在損益中確認。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

- (b) **New or amended HKFRSs that have been issued but are not yet effective** (Continued)

Amendments to HKAS 39, HKFRS 4, HKFRS 7, HKFRS 9 and HKFRS 16, Interest Rate Benchmark Reform – Phase 2

The amendments address issues that might affect financial reporting when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the interest rate benchmark reform (the “Reform”). The amendments complement those issued in November 2019 and relate to (a) changes to contractual cash flows in which an entity will not have to derecognise or adjust the carrying amount of financial instruments for changes required by the Reform, but will instead update the effective interest rate to reflect the change to the alternative benchmark rate; (b) hedge accounting in which an entity will not have to discontinue its hedge accounting solely because it makes changes required by the Reform, if the hedge meets other hedge accounting criteria; and (c) disclosures in which an entity will be required to disclose information about new risks arising from the Reform and how it manages the transition to alternative benchmark rates.

2. 採納香港財務報告準則 (「香港財務報告準則」)

(續)

- (b) 已頒佈但尚未生效之新訂或經修訂香港財務報告準則 (續)

香港會計準則第39號、香港財務報告準則第4號、香港財務報告準則第7號、香港財務報告準則第9號及香港財務報告準則第16號之修訂利率基準改革 – 第二階段

該等修訂解決因利率基準改革 (「改革」) 而導致公司以替代基準利率取代舊利率基準時可能影響財務報告的問題。該等修訂與二零一九年十一月發佈的修訂相輔相成，涉及(a)合約現金流變動，實體無需因改革所要求的變動而終止確認或調整金融工具的賬面金額，而是更新實際利率以反映替代基準利率的變動；(b)對沖會計法，倘對沖符合其他對沖會計標準，實體無須純粹因改革所要求的變動而終止其對沖會計法；及(c)披露資料，實體須披露關於改革所帶來的新風險的資料，以及如何管理向替代基準利率的過渡。

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

(b) New or amended HKFRSs that have been issued but are not yet effective (Continued)

Amendments to HKFRS 16 – COVID-19-Related Rent Concessions

The amendment exempts lessees from having to consider individual lease contracts to determine whether rent concessions occurring as a direct consequence of the Coronavirus Disease 2019 (“COVID-19”) pandemic are lease modifications and allows lessees to account for such rent concessions as if they were not lease modifications. It applies to COVID-19-related rent concessions that reduce lease payments due on or before 30 June 2021. The amendment does not affect lessors.

Annual Improvements to HKFRSs 2018-2020

The annual improvements amends a number of standards, including:

- HKFRS 1, First-time Adoption of Hong Kong Financial Reporting Standards, which permit a subsidiary that applies paragraph D16(a) of HKFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent’s date of transition to HKFRSs.
- HKFRS 9, Financial Instruments, which clarify the fees included in the ‘10 per cent’ test in paragraph B3.3.6 of HKFRS 9 in assessing whether to derecognise a financial liability, explaining that only fees paid or received between the entity and the lender, including fees paid or received by either the entity or the lender on other’s behalf are included.

2. 採納香港財務報告準則 (「香港財務報告準則」)

(續)

(b) 已頒佈但尚未生效之新訂或經修訂香港財務報告準則 (續)

香港財務報告準則第16號之修訂 – COVID-19 – 相關租金寬免

根據是項修訂，承租人於釐定直接因二零一九年冠狀病毒病 (「COVID-19」) 疫情而起的租金寬免是否租賃修訂時，可免於逐張租約考慮，且獲准將有關寬免作為非租賃修訂入賬。COVID-19相關租金寬免，但凡令二零二一年六月三十日之前到期的租賃付款下降者，適用於是項修訂。出租人不受是項修訂影響。

二零一八年至二零二零年香港財務報告準則的年度改進

年度改進對多項準則進行了修訂，包括：

- 香港財務報告準則第1號首次採納香港財務報告準則，允許應用香港財務報告準則第1號第D16(a)段的附屬公司根據母公司過渡至香港財務報告準則的日期，使用母公司報告的金額計量累計匯兌差額。
- 香港財務報告準則第9號金融工具，闡明香港財務報告準則第9號第B3.3.6段「10%」測試所包括的費用，以評估是否終止確認金融負債，並解釋僅實體與貸款人之間支付或收取的費用，包括實體或貸款人代表其他方支付或收取的費用。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Continued)

- (b) **New or amended HKFRSs that have been issued but are not yet effective** (Continued)

Annual Improvements to HKFRSs 2018-2020

(Continued)

- HKFRS 16, Leases, which amend Illustrative Example 13 to remove the illustration of reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example.
- HKAS 41, Agriculture, which remove the requirement to exclude taxation cash flows when measuring the fair value of a biological asset using a present value technique.

The Group is not yet in a position to state whether these new pronouncements will result in substantial changes to the Group’s accounting policies and financial statements.

2. 採納香港財務報告準則 (「香港財務報告準則」)

(續)

- (b) 已頒佈但尚未生效之新訂或經修訂香港財務報告準則 (續)

二零一八年至二零二零年香港財務報告準則的年度改進 (續)

- 香港財務報告準則第16號租賃，修訂第13項範例以刪除由出租人償還租賃裝修的說明，進而解決因該示例中租賃優惠的說明方式而可能產生的任何有關租賃優惠處理的潛在混淆。
- 香港會計準則第41號農業，該修訂刪除了關於使用現值技術計量生物資產的公平值時不包括稅收現金流量之要求。

本集團尚無法說明該等新聲明會否導致本集團的會計政策及綜合財務報表出現任何重大變動。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation of consolidated financial statements

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

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

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

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

3. 綜合財務報表之編製基準及主要會計政策

3.1 綜合財務報表之呈報基準

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則（「上市規則」）及香港公司條例規定之適用披露。

如下文之會計政策所載，除於各報告期末按公平值計量之金融工具及投資物業外，綜合財務報表乃按歷史成本法編製。

歷史成本一般根據貨物及服務交換所得代價之公平值計算。

公平值為市場參與者於計量日期在有序交易中出售資產可能收取或轉讓負債可能支付之價格，不論該價格是否直接觀察可得或使用另一種估值方法估計。估計資產或負債之公平值時，本集團考慮了市場參與者在計量日期為該資產或負債進行定價時將會考慮的資產或負債特徵。在該等綜合財務報表中計量及／或披露的公平值均在此基礎上予以確定，惟香港財務報告準則第2號「以股份為基礎之付款」範圍內之股份以為基礎付款交易、香港財務報告準則第16號「租賃」範圍內之租賃交易以及與公平值類似但並非公平值的計量（例如，香港會計準則第2號「存貨」中的可變現淨值或香港會計準則第36號「資產減值」中的使用價值）除外。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

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3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.1 Basis of preparation of consolidated financial statements (Continued)

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

For financial instruments and investment properties which are transacted at fair value and a valuation technique that unobservable inputs is to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that at initial recognition the results of the valuation technique equals the transaction price.

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

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

The principal accounting policies are set out below.

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.1 綜合財務報表之呈報基準 (續)

非金融資產的公平值計量乃經計及一名市場參與者透過使用其資產的最高及最佳用途或透過將資產出售予將使用其最高及最佳用途的另一名市場參與者而能夠產生的經濟利益的能力。

就按公平值交易的金融工具及投資物業以及將使用不可觀察輸入數據計量後續期間的公平值的估值技術而言，估值技術須進行調整，以使初步確認的估值技術結果等於交易價。

此外，就財務報告而言，公平值計量根據公平值計量之輸入數據可觀察程度及輸入數據對公平值計量之整體重要性分類為第一級、第二級或第三級，載述如下：

- 第一級輸入數據是實體於計量日期可以取得的相同資產或負債於活躍市場之報價 (未經調整)；
- 第二級輸入數據是就資產或負債直接或間接地可觀察之輸入數據 (第一級內包括的報價除外)；及
- 第三級輸入數據是資產或負債的不可觀察輸入數據。

主要會計政策載列如下。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies

Basis of consolidation

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

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

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

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

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

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策

綜合基準

綜合財務報表包括本公司及受本公司控制的實體及其附屬公司之財務報表。當本公司符合下列條件時，本公司即擁有控制權：

- 對被投資者擁有權力；
- 承擔或擁有自其參與被投資者產生之可變回報之風險或權利；及
- 有能力透過行使權力以影響其回報。

倘有事實及情況顯示上述三項控制因素之一項或多項出現變化，則本集團將重新評估其是否控制被投資者。

附屬公司於本集團取得該附屬公司的控制權時綜合入賬，並於本集團失去對該附屬公司的控制權時終止綜合入賬。具體而言，自本集團取得控制權當日起直至本集團不再控制附屬公司當日，於年內收購或出售的附屬公司的收入及開支計入綜合損益表。

損益及其他全面收入各項目歸屬於本公司擁有人及非控股股東權益。附屬公司之全面收入總額歸屬於本公司擁有人及非控股股東權益，即使此舉會導致非控股股東權益產生虧絀結餘。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Basis of consolidation (Continued)

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

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

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

Changes in the Group's ownership interests in existing subsidiaries

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs).

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

綜合基準 (續)

如有需要，本集團會對附屬公司之財務報表作出調整，使其會計政策與本集團其他成員公司使用的會計政策保持一致。

所有集團內部與本集團成員公司間交易相關的資產及負債、股本、收入、開支及現金流量已於綜合賬目時全數對銷。

於附屬公司的非控股權益與本集團於附屬公司的權益分開呈列，指現時的擁有權權益賦予其持有人於清盤時按比例分攤相關附屬公司的資產淨值的權利。

本集團於現有附屬公司的擁有權權益變動

當本集團失去附屬公司的控制權時，該附屬公司的資產及負債以及非控股權益 (如有) 應予以終止確認。收益或虧損將於損益內確認，並按(i)已收代價之公平值及任何保留權益之公平值總額與(ii)本公司擁有人應佔附屬公司之資產 (包括任何商譽) 及負債之賬面值之差額計算。所有先前於其他全面收入確認之有關該附屬公司之款項，將按猶如本集團已直接出售該附屬公司之相關資產或負債入賬 (即按適用香港財務報告準則之規定/許可條文重新分類至損益或轉撥至另一類權益)。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Basis of consolidation (Continued)

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 “Income taxes” and HKAS 19 “Employee benefits” respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 “Share-based payment” at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 “Non-current assets held for sale and discontinued operations” are measured in accordance with that standard.

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

綜合基準 (續)

業務合併

收購業務採用收購法入賬。業務合併所轉撥之代價按公平值計量，而計算方法為本集團所轉讓之資產、本集團向被收購方原股東產生之負債及本集團於交換被收購方之控制權發行之權益於收購日之公平值之總額。有關收購之成本通常於產生時確認於損益中。

於收購日期，所收購可識別資產及所承擔負債按其收購日期之公平值確認，惟下列項目除外：

- 遞延稅項資產或負債及與僱員福利安排有關的資產或負債分別根據香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認及計量；
- 與被收購方以股份為基礎之付款安排或本集團以所訂立之以股份為基礎之付款安排取代被收購方以股份為基礎之付款安排有關的負債或股本工具，於收購日期根據香港財務報告準則第2號「以股份為基礎之付款」計量（參閱下文會計政策）；及
- 根據香港財務報告準則第5號「持作出售的非流動資產及已終止經營業務」分類為持作出售的資產（或出售組別）根據該項準則計量。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Basis of consolidation (Continued)

Business combinations (Continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

綜合基準 (續)

業務合併 (續)

商譽乃以所轉讓的代價、任何非控股權益於被收購方中所佔金額及收購方以往持有的被收購方股權公平值 (倘有) 的總和超出所收購可識別資產及所承擔負債於收購日期的淨值的部分計量。倘經過重新評估後，所收購可識別資產及所承擔負債的淨值超出所轉讓代價、任何非控股權益於被收購方中所佔金額及收購方以往持有的被收購方股權公平值 (倘有) 的總和，則超出部分即時於損益賬內確認為議價收購收益。

倘本集團於業務合併中轉讓之代價包括或然代價安排，則或然代價按其於收購日期之公平值計量，並作為於業務合併中轉讓代價之一部分計入其中。符合資格為計量期間調整之或然代價公平值變動將予追溯調整，相應調整於商譽進行。計量期間調整為於「計量期間」(不可超過收購日期起一年) 取得有關於收購日期已存在之事實及情況之額外資料產生之調整。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Basis of consolidation (Continued)

Business combinations (Continued)

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets or at fair value. The choice of measurement basis is made on a transaction-by-transaction basis.

Acquisition of a subsidiary not constituting a business

When the Group acquires a group of assets and liabilities that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to the financial assets and financial liabilities at the respective fair values, the remaining balance of the purchase price is then allocated to the other individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

綜合基準 (續)

業務合併 (續)

不符合資格為計量期間調整之或然代價公平值變動之後續會計處理取決於如何將或然代價分類。分類為權益之或然代價不會於後續報告日期重新計量，其後續結算於權益內入賬。其他或然代價於後續報告日期重新計量公平值，公平值變動於損益內確認。

現時擁有權權益且於清盤時讓持有人有權按比例分佔有關附屬公司資產淨值的非控股權益，可初步按公平值或非控股權益應佔被收購方可識別資產淨值的已確認金額比例或按公平值計量。計量基準視乎每項交易而作出選擇。

收購並不構成業務的附屬公司

當本集團收購並不構成業務的一組資產及負債時，本集團透過首先按各自公平值將購買價在金融資產及金融負債之間分配，然後購買價的其他結餘在其他個別可識別資產及負債間按購買日期彼等相對公平值進行分配而識別及確認所收購的個別可識別資產及承擔的負債。該項交易並不產生商譽或議價收購收益。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Investments in subsidiaries

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all three of the following elements are present: power over the investee, exposure, or rights, to variable returns from the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

De-facto control exists in situations where the Company has the practical ability to direct the relevant activities of the investee without holding the majority of the voting rights. In determining whether de-facto control exists the Company considers all relevant facts and circumstances, including:

The size of the Company's voting rights relative to both the size and dispersion of other parties who hold voting rights;

Substantive potential voting rights held by the Company and other parties who hold voting rights;

Other contractual arrangements; and

Historic patterns in voting attendance.

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment loss, if any. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

於附屬公司之投資

附屬公司為本公司可對其行使控制權的被投資者。倘以下三個因素全部滿足，則本公司控制該被投資者：擁有對被投資者的權力；承擔或享有來自被投資者的可變回報的風險或權利；及可利用其權力影響該等可變回報。當有事實及情況顯示任何該等控制權因素可能出現變動時，控制權需被重新評估。

倘本公司擁有實際能力引導投資對象相關活動，而毋須持有大多數投票權，則存在實際控制權。釐定實際控制權是否存在時，本公司考慮所有相關事實及情況，包括：

相對其他持有投票權人士的數量及分散情況，本公司投票權的數量；

本公司及其他持有投票權人士所持有的實際潛在投票權；

其他合約安排；及

參與投票的歷史模式。

於本公司財務狀況表中，於附屬公司之投資按成本減減值虧損(如有)列賬。附屬公司業績由本公司以已收及應收股息為基準入賬。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of cash-generating units).

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal (or any of the cash-generating unit within group of cash-generating units in which the Group monitors goodwill).

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

商譽

收購業務所產生之商譽以收購業務當日成本減去累計減值虧損 (如有) 計量 (參閱上述會計政策)。

就減值測試而言, 商譽乃獲分配至預期從合併之協同效應中受益之本集團各現金產生單位, 或現金產生單位組別, 即為內部管理目的監察商譽的最低等級及並不比經營分部大。

已獲分配商譽之現金產生單位 (或現金產生單位組別) 每年或凡單位有可能出現減值跡象時進行減值測試。對於報告期間因一項收購產生之商譽, 已獲分配商譽之現金產生單位 (或現金產生單位組別) 於該報告期末前進行減值測試。倘可收回金額少於其賬面值, 則減值虧損會首先獲分配以削減任何商譽之賬面值, 然後再根據單位 (或現金產生單位組別) 內每項資產之賬面值按比例分配至其他資產。

出售相關現金產生單位時, 於釐定出售之損益金額中計入應佔商譽金額 (或本集團監察商譽的現金產生單位組別內的任何現金產生單位)。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Investments in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor a joint arrangement. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

Associates are accounted for using the equity method whereby they are initially recognised at cost and thereafter, their carrying amount are adjusted for the Group's share of the post-acquisition change in the associates' net assets except that losses in excess of the Group's interest in the associate are not recognised unless there is an obligation to make good those losses.

Profits and losses arising on transactions between the Group and its associates are recognised only to the extent of unrelated investors' interests in the associate. The investor's share in the associate's profits and losses resulting from these transactions is eliminated against the carrying value of the associate. Where unrealised losses provide evidence of impairment of the asset transferred, they are recognised immediately in profit or loss.

Any premium paid for an associate above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the associate. Where there is objective evidence that the investment in an associate has been impaired, the carrying amount of the investment is tested for impairment in the same way as other non-financial assets.

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

於聯營公司之投資

聯營公司指本集團對其擁有重大影響力的實體，且其既非附屬公司亦非合營安排。重大影響力指有權參與被投資方的財務及營運政策決定的權利而非對該等政策擁有控制權或共同控制權。

聯營公司乃採用權益法入賬，初步按成本確認，其後就本集團收購後應佔聯營公司資產淨值的變動調整其賬面值，惟超過本集團於聯營公司的權益的虧損不會確認，除非有責任須彌補該等虧損。

本集團與其聯營公司之間的交易產生的損益僅於不相關投資者於聯營公司擁有權益時方才確認。該等交易產生的投資者分攤聯營公司溢利及虧損與聯營公司的賬面值對銷。倘未變現虧損證明轉移資產的減值，則即時於損益賬中確認。

就一家聯營公司支付的任何溢價超過本集團分攤所收購的可識別資產、負債及或然負債的公平值已資本化並已計入聯營公司的賬面值。倘客觀證據顯示於一家聯營公司的投資已減值，則投資的賬面值按其他非金融資產的相同方式進行減值測試。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Investments in associates (Continued)

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate. When the Group retains an interest in the former associate and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with HKFRS 9.

The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, all amounts previously recognised in other comprehensive income in relation to that associate are recognised on the same basis as would be required if that associate had directly disposed of the related assets or liabilities.

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest of that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

In the Company's statement of financial position, investments in associates are carried at cost less impairment losses, if any. The results of associates are accounted for by the Company on the basis of dividends received and receivable during the year.

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

於聯營公司之投資 (續)

本集團自投資終止為聯營公司當日起終止採用權益法。倘本集團保留於前聯營公司的權益且保留權益屬金融資產，則本集團按該日的公平值計量保留權益，而該公平值根據香港財務報告準則第9號被視為於初步確認時的公平值。

聯營公司於終止採用權益法當日的賬面值與任何保留權益公平值間的差額及出售於聯營公司的部分權益的任何所得款項，於釐定出售該聯營公司的收益或虧損時入賬。此外，先前就該聯營公司於其他全面收入確認的所有金額，乃按與該聯營公司直接出售相關資產或負債所需的相同基準確認。

當本集團減少其於聯營公司的擁有權權益但繼續使用權益法時，倘出售有關資產或負債的收益或虧損將重新分類至損益，本集團則將擁有權權益削減相關的先前於其他全面收入確認的收益或虧損部分重新分類至損益。

本公司財務狀況表中，投資聯營公司按成本減減值虧損（如有）列賬。聯營公司的業績由本公司基於年內已收及應收股息基準入賬。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

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 Executive Directors that make strategic decisions.

Revenue recognition

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Depending on the terms of the contract and the laws that apply to the contract, control of the goods or service may be transferred over time or at a point in time. Control of the goods or service is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

分部報告

經營分部乃以與向主要經營決策者提交內部報告一致的方式呈報。主要經營決策者負責分配資源及評估經營分部的表現，已被確認為作出策略決定的執行董事。

收入確認

客戶合約收入在貨品或服務的控制權按反映本集團預期有權就提供該等貨品或服務獲取的代價金額轉讓予客戶時確認，不包括代表第三方收取的該等款項。收入不包括增值稅或其他銷售稅，並經扣除任何貿易折扣。

視乎合約條款及適用於合約的法律，貨品或服務的控制權可隨時間或於某一時點轉移。倘本集團在履約過程中滿足下列條件，貨品或服務的控制權將隨時間轉移：

- 提供客戶同時收取及消耗的所有利益；
- 本集團履約時創建或提升客戶所控制的資產；或
- 並無創建對本集團而言具有可替代用途的資產，而本集團可強制執行其權利收回累計至今已完履約部分的款項。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Revenue recognition (Continued)

If control of the goods or services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods or service.

When the contract contains a financing component which provides the customer a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amounts receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. Where the contract contains a financing component which provides a significant financing benefit to the Group, revenue recognised under that contract includes the interest expense accreted on the contract liability under the effective interest method. For contracts where the period between the payment and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

收入確認 (續)

倘貨品或服務的控制權隨時間轉移，收入將於整個合約期間參考已完成履約義務的進度確認。否則，收入於客戶獲得貨品或服務控制權的某一時點確認。

倘合約中包含融資部分，而該融資部分為客戶提供有關向客戶轉讓貨品或服務超過一年的重大融資利益，則收入按應收賬款的現值計量，並使用本集團與客戶於合約簽訂時進行的單獨融資交易中可能反映的貼現率貼現。倘合約中包含為本集團提供重大融資利益的融資部分，則根據該合約確認的收入包括按實際利息法計算的合約負債所產生的利息開支。就付款至承諾貨品或服務轉讓期間為一年或以下的合約而言，並無利用香港財務報告準則第15號的實際權宜方法就重大融資部分的影響調整交易價。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
綜合財務報表附註

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

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Revenue recognition (Continued)

- (i) Revenue for the provision of asset management advisory services is recognised over time on time apportionment basis as those services are provided throughout the contract period at fixed consideration. Invoices are issued according to the agreed payment schedule and are usually payable within 0-5 days.
 - (ii) Revenue for the sale of food additives and sales of medical, health and hygiene products is recognised at a point in time, customers obtained control of the goods when the goods are delivered to and have been accepted. There is generally only one performance obligation. Invoices are usually payable within 0-60 days.
 - (iii) Rental income from property leasing
- Revenue from rental income is recognised on a straight-line basis over the relevant lease terms.

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

收入確認 (續)

- (i) 提供資產管理諮詢服務的收入按時間分攤基準隨時間確認，乃由於該等服務於整個合約期間內按固定代價予以提供。發票根據協定償還時間表出具，且通常應於0至5日內結付。
 - (ii) 銷售食品添加劑及銷售醫療保健及衛生產品所產生的收入在客戶於貨品予以交付並已獲接納而取得貨品控制權時的某一時間點確認。一般而言，此僅為一項履約義務。發票通常應於0至60日內結付。
 - (iii) 物業租賃之租金收入
- 來自租金收入之收入乃於有關租賃期內按直線法確認。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Revenue recognition (Continued)

(iv) Interest income

Interest income, including finance lease interest income, sale-leaseback transaction interest income, loan interest income and bank interest income, is accrued on a time apportionment basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(v) Dividend income

Dividend income from investments is recognised when the Group's rights to receive payment have been established.

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

收入確認 (續)

(iv) 利息收入

利息收入(包括融資租賃利息收入、售後回租交易利息收入、貸款利息收入及銀行利息收入)乃按時間分攤基準,參考未償還本金及適用之實際利率計算,該利率為確實地將金融資產於預計可用年期內之估計未來現金收入貼現至該資產於初始確認時之賬面淨值之貼現率。

(v) 股息收入

來自投資之股息收入乃於本集團收取款項之權利確立時確認。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Contract liabilities

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

Foreign currencies

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

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

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

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

合約負債

合約負債指本集團因已自客戶收取代價(或已可自客戶收取代價)，而須轉讓服務予客戶的義務。

外幣

於編製各個別集團實體之財務報表時，以該實體之功能貨幣以外之貨幣(外幣)進行之交易乃按交易日期之通行匯率入賬。於報告期末，以外幣定值之貨幣項目乃按該日之匯率重新換算。按公平值以外幣入賬之非貨幣項目則按釐定公平值當日之匯率重新換算。按歷史成本以外幣入賬之非貨幣項目不予重新換算。

結算及重新換算貨幣項目所產生之匯兌差額均於彼等產生期間內在損益中確認。

就綜合財務報表之呈列而言，本集團實體之資產與負債乃按各報告期末之匯率換算為本集團之呈報貨幣(即港元)，而其收入及支出項目乃按該年度之平均匯率換算。所產生之匯兌差額(如有)乃於其他全面收入內確認，並於權益內之匯兌儲備項下累積(歸屬於非控股股東權益(如適用))。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Foreign currencies (Continued)

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Group are reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets and liabilities acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

Borrowing costs

Borrowing costs which are not eligible for capitalisation to qualifying assets are recognised in profit or loss in the period in which they are incurred.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

外幣 (續)

出售海外業務時(即出售本集團於海外業務之全部權益),本集團擁有人就該業務應佔於股權累計之所有匯兌差額乃重新分類至損益。

因收購海外業務時所收購的可識別資產及負債的商譽及公平值調整視為該海外業務的資產及負債及按各報告期末現行匯率換算。所產生的匯兌差額於其他全面收入內確認。

借貸成本

不符合撥充合資格資產的借貸成本於產生期間在損益內確認。

政府補助

倘可合理保證將收取政府補助並遵守所有附帶條件,則政府補助才會被確認。

政府補助作為開支或已發生虧損的補償時或就向本集團給予即時財政支持的目的而言而成為應收賬款時,在其成為應收賬款期間於損益內並不確認日後相關成本。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Retirement benefit costs

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

Short-term and other long-term employee benefits

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

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

Taxation

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

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

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

退休福利成本

定額供款退休福利計劃之付款於僱員提供服務使其有權取得供款時確認為開支。

短期及其他長期僱員福利

短期僱員福利乃按預期於僱員提供服務時支付之未貼現福利金額確認。所有短期僱員福利獲確認為開支，惟另一項香港財務報告準則要求或許可將該福利計入資產成本除外。

於扣除任何已付金額後，就僱員之累計福利 (如工資及薪金、年假及病假) 確認負債。

稅項

所得稅支出指現時應付稅項及遞延稅項之和。

現時應付稅項按本年度應課稅溢利計算。應課稅溢利與損益表所報溢利不同，此乃由於其不包括在其他年度應課稅或可扣減之收入或支出項目，亦不包括永不課稅或可扣減之項目。本集團之即期稅項負債乃按報告期末已生效或實際上已生效之稅率計算。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Taxation (Continued)

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

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

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

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

稅項 (續)

遞延稅項乃按綜合財務報表內資產及負債賬面值與用於計算應課稅溢利之相應稅基兩者間之暫時差額確認。遞延稅項負債通常會就所有應課稅暫時差額確認，而遞延稅項資產通常就所有可扣減暫時差額確認，惟以有應課稅溢利可用以抵銷該等可扣減暫時差額為限。若暫時差額因商譽或由於一項既不影響應課稅溢利亦不影響會計溢利之交易（業務合併除外）中初步確認其他資產及負債而引致，則不會確認該等資產及負債。

除非本集團可控制暫時差額撥回及暫時差額不大可能於可見將來撥回，否則會就有關於附屬公司的投資的應課稅暫時差額確認遞延稅項負債。僅當很可能取得足夠的應納稅利潤以抵扣此類投資及利益相關的可扣減暫時差額，並且暫時差額在可預見的未來將轉回時，才確認該可抵扣暫時差額所產生的遞延稅項資產。

遞延稅項資產之賬面值於報告期末審閱，並於不大可能有足夠應課稅溢利恢復全部或部分資產價值時予以削減。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Taxation (Continued)

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

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

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

Leasing

Accounting as a lessee

All leases (irrespective of they are operating leases or finance leases) are required to be capitalised in the statement of financial position as right-of-use assets and lease liabilities, but accounting policy choices exist for an entity to choose not to capitalise (i) leases which are short-term leases and/or (ii) leases for which the underlying asset is of low-value. The Group has elected not to recognise right-of-use assets and lease liabilities for low-value assets and leases for which at the commencement date have a lease term less than 12 months. The lease payments associated with those leases have been expensed on straight-line basis over the lease term.

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

稅項 (續)

遞延稅項資產及負債乃按預期於償還負債或變現資產期間適用之稅率計算。所根據的稅率(及稅法)乃於報告期末已生效或已實際生效者。

遞延稅項負債及資產的計量反映集團於報告期末，預期收回或償還其資產及負債賬面值的方式可能帶來的稅務後果。

即期及遞延稅項於損益內確認，惟與在其他全面收入或直接於權益內確認之項目除外，在此情況下，即期及遞延稅項亦於其他全面收入或直接於權益內確認。

租賃

作為承租人的會計處理

所有租賃(不論為經營租賃或融資租賃)須於財務狀況表資本化為使用權資產及租賃負債，惟為實體提供現有會計政策選擇，可選擇不將(i)屬短期租賃的租賃及／或(ii)相關資產為低價值的租賃進行資本化。本集團已選擇不就低價值資產以及於開始日期租賃期少於12個月的租賃確認使用權資產及租賃負債。與該等租賃相關的租賃付款已於租賃期內按直線法支銷。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Leasing (Continued)

Right-of-use asset

The right-of-use asset should be recognised at cost and would comprise: (i) the amount of the initial measurement of the lease liability (see below for the accounting policy to account for lease liability); (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The Group measures the right-of-use assets applying a cost model. Under the cost model, the Group measures the right-to-use at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liability.

The Group accounts for leasehold land and buildings which is held for own use under HKAS 16 and are carried at its cost less any accumulated depreciation and any accumulated impairment losses.

The Group accounts for leasehold land building which is held for rental or capital appreciation purpose under HKAS 40 and carried at fair value.

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

租賃 (續)

使用權資產

使用權資產應按成本確認並將包括：(i)初步計量租賃負債的金額（見下文有關租賃負債入賬的會計政策）；(ii)於開始日期或之前作出的任何租賃付款減已收取的任何租賃獎勵；(iii)承租人產生的任何初步直接成本；及(iv)承租人根據租賃條款及條件規定的情況下分解及移除相關資產時將產生的估計成本，除非該等成本乃為生產存貨而產生則除外。本集團採用成本模式計量使用權資產。根據成本模式，本集團按成本減任何累計折舊及任何減值虧損計量使用權，並就租賃負債的任何重新計量作出調整。

本集團將租賃土地及自用樓宇按香港會計準則第16號作會計處理，並按成本減任何累計折舊及任何累計減值虧損列賬。

本集團根據香港會計準則第40號將持作出租或增值用途的租賃土地樓宇入賬，並按公平值列賬。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Leasing (Continued)

Lease liability

The lease liability is recognised at the present value of the lease payments that are not paid at the date of commencement of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the Group's incremental borrowing rate.

The following payments for the right-to-use the underlying asset during the lease term that are not paid at the commencement date of the lease are considered to be lease payments: (i) fixed payments less any lease incentives receivable; (ii) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at commencement date; (iii) amounts expected to be payable by the lessee under residual value guarantees; (iv) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option and (v) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Subsequent to the commencement date, the Group measures the lease liability by: (i) increasing the carrying amount to reflect interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, e.g., a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in substance fixed lease payments or a change in assessment to purchase the underlying asset.

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

租賃 (續)

租賃負債

租賃負債按並非於租賃開始日期支付之租賃付款的現值確認。租賃付款採用租賃暗含的利率貼現(倘該利率可輕易釐定)。倘該利率無法輕易釐定，則本集團採用本集團的增量借款利率。

下列並非於租賃開始日期支付的租賃期內就使用相關資產權利支付的款項被視為租賃付款：(i) 固定付款減任何應收租賃獎勵；(ii) 初步按開始日期之指數或利率計量的浮動租賃付款(取決於指數或利率)；(iii) 承租人根據剩餘價值擔保預期將支付的款項；(iv) 倘承租人合理確定行使購買選擇權，該選擇權的行使價；及(v) 倘租賃期反映承租人行使選擇權終止租賃，終止租賃的罰款付款。

於開始日期後，本集團透過下列方式計量租賃負債：(i) 增加賬面值以反映租賃負債的利息；(ii) 減少賬面值以反映作出的租賃付款；及(iii) 重新計量賬面值以反映任何重估或租賃修改，如指數或利率變動導致日後租賃付款變動、租賃期變動、實質固定租賃付款變動或購買相關資產的評估變動。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Leasing (Continued)

Accounting as a lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

The Group has leased out its investment properties to a number of tenants. Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on the straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

租賃 (續)

作為出租人的會計處理

應收承租人融資租約款項按本集團於租約中的淨投資金額確認為應收賬款。融資租約收入在會計期間分配，以便反映本集團就租約的未償付淨投資的固定定期收益率。

本集團已將其投資物業租予若干租戶。經營租賃之租金收入於有關租賃期間按直線法於損益確認。因商議及安排經營租賃所引致之初步直接成本則計入已出租資產之賬面值並按租賃期以直線法確認為支出。

應收承租人融資租約款項按本集團於租約中的淨投資金額確認為應收賬款。融資租約收入在會計期間分配，以便反映本集團就租約的未償付淨投資的固定定期收益率。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Sale and leaseback transactions

As a buyer-lessor, the Group applies the requirements of HKFRS 15 to assess whether sale and leaseback transactions constitutes as sale, upon application of HKFRS 16. For a transfer that does not satisfy the requirements as sale, the Group accounts for the transfer proceeds within the scope of HKFRS 9.

Property, plant and equipment

Property, plant and equipment including buildings, leasehold land and freehold land held for use in the production or supply of goods or services, or for administrative purposes are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses.

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

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

售後回租交易

於應用香港財務報告準則第16號後，本集團作為買方—出租人應用香港財務報告準則第15號之規定，就售後回租交易是否構成銷售進行評估。就未能達成銷售規定的轉讓而言，本集團將於香港財務報告準則第9號的範圍內將轉讓所得款項入賬。

物業、廠房及設備

物業、廠房及設備包括用於生產或提供貨品或服務、或出於行政目的使用之建築及租賃土地以及自由保有土地，乃按成本減隨後之累計折舊及累計減值虧損於綜合財務狀況表列賬。

按估計使用年期以直線法撇銷物業、廠房及設備項目的成本減去殘值確認折舊。於每個報告期末審閱估計使用年期、殘值及折舊法，按預期基準入賬估計變動的影響。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Property, plant and equipment (Continued)

Property, plant and equipment are depreciated on their costs less their residual values on a straight-line basis over their estimated useful lives as follows:

Right-of-use assets	10 to 50 years
Leasehold improvements, furniture and fixtures	3 to 5 years or over lease term, whichever is shorter
Plant, machinery and equipment	5 to 10 years
Motor vehicles	3 to 8 years

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

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

物業、廠房及設備 (續)

物業、廠房及設備以其成本減去剩餘價值後按直線法於其估計可使用年內折舊如下：

使用權資產	10至50年
租賃物業裝修、傢具及裝置	3至5年或於租期內(以較短者為準)
廠房、機器及設備	5至10年
汽車	3至8年

物業、廠房及設備項目於出售時或當預期持續使用該資產不會帶來未來經濟利益時終止確認。出售或報廢物業、廠房及設備項目的盈虧乃按銷售所得款項與相關資產賬面值之差額釐定並於損益賬確認。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Investment property

Investment property is property held either to earn rentals or for capital appreciation or for both, but not held for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss.

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

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

投資物業

投資物業為持作賺取租金或增值或作該兩項用途而非於日常業務過程中持作出售、用於生產或供應貨品或服務或作行政用途的物業。投資物業於初步確認時按成本及其後按公平值計量，而其任何變動於損益確認。

投資物業於出售，或投資物業永久不再被使用，或預期出售時不會產生未來經濟利益時終止確認。任何因終止確認資產而產生的收益或虧損（按出售所得款項淨額與資產的賬面值之差額計算）於項目終止確認期間計入損益內。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Impairment losses on assets (other than financial assets)

At the end of the reporting period, the Group reviews the carrying amounts of the following to determine whether there is any indication that those assets have suffered an impairment loss or an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment;
- right-of-use assets; and
- investments in subsidiaries and associates.

When it is not possible to estimate the recoverable amount of an asset individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

資產 (金融資產除外) 之減值虧損

本集團於報告期末審閱下列各項之賬面值，藉以決定是否有任何跡象顯示該等資產出現減值虧損或過往已確認之減值虧損不再存在或可能已減少：

- 物業、廠房及設備；
- 使用權資產；及
- 於附屬公司及聯營公司之投資。

當無法單獨估計一項資產的可收回金額時，本集團會估計該資產所屬現金產生單位的可收回金額。當可識別合理一致的分配基準時，公司資產亦會分配至個別現金產生單位或分配至可識別合理一致分配基準的最小現金產生單位組別。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Impairment losses on assets (other than financial assets) (Continued)

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

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

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

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

資產(金融資產除外)之減值虧損 (續)

可收回金額為公平值減出售成本及使用價值的較高者。評估使用價值時，採用除稅前貼現率將估計未來現金流量貼現至其現值，而該貼現率反映當時市場對貨幣時間價值的評估及與未經調整未來現金流量估計的資產(或現金產生單位)有關的特定風險。

倘若一項資產(或現金產生單位)之可收回金額預計低於其賬面值，則該資產(或現金產生單位)之賬面值將減至其可收回金額。於分配減值虧損時，首先分配減值虧損以減低任何商譽的賬面值(如有)，其後按該單位內各資產賬面值之比例分配至其他資產。資產的賬面值不得減少至低於其公平值減出售成本(如可計量)、其使用價值(如可釐定)及零(以最高者為準)。分配至資產的減值虧損金額按單位的其他資產比例分配。減值虧損即時於損益中確認。

倘其後撥回減值虧損時，資產(或現金產生單位)之賬面值可調高至重新估計之可收回金額，惟因此而增加之賬面值不可高於該資產(或現金產生單位)於過往年度未確認減值虧損前之賬面值。撥回之減值虧損即時確認為損益。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Financial instruments

Financial assets

A financial asset (unless it is trade receivables without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss (“FVTPL”), transaction costs that are directly attributable to its acquisition or issue. Trade receivable without a significant financing component is initially measured at the transaction price.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

存貨

存貨乃按成本或可變現淨值兩者中之較低者列賬。成本按先進先出法計算。可變現淨值則按存貨估計售價減完成及作出出售時所必需的估計成本計算。

金融工具

金融資產

金融資產(無重大融資部分的貿易應收款除外)初步按公平值加上(就並非按公平值透過損益列賬「按公平值透過損益列賬」的項目而言)與其收購或發行直接相關的交易成本計量。無重大融資部分的貿易應收款初步按交易價格計量。

所有一般金融資產買賣均於交易日確認，即本集團承諾購買或出售該資產之日。一般金融資產買賣指須於通常根據市場規則或慣例設定的期間內交付的金融資產購買或出售。

具嵌入式衍生工具之金融資產於釐定其現金流量是否僅為支付本金及利息時以整體作出考慮。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments (Continued)

Financial assets (Continued)

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 two 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. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

Fair value through profit or loss ("FVTPL"): Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at FVTPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVTPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income ("FVOCI"), as described above, debt instruments may be designated at FVTPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具 (續)

金融資產 (續)

債務工具

其後計量債務工具的計量方式取決於本集團管理資產的商業模式及資產的現金流量特徵。本集團有兩種分類其債務工具的計量類別：

攤銷成本：持作收取合約現金流量之資產按攤銷成本計量，其中有關現金流量純粹指本金及利息付款。按攤銷成本計量的金融資產其後採用實際利率法計量。利息收入、匯兌收益及虧損以及減值於損益確認。取消確認的任何收益於損益確認。

按公平值透過損益列賬 (「按公平值透過損益列賬」)：按公平值透過損益列賬的金融資產包括持作買賣的金融資產，於初始確認時指定按公平值透過損益列賬的金融資產，或強制要求按公平值計量的金融資產。倘為於不久將來出售或購回為目的而收購金融資產，則該等金融資產分類為持作買賣。衍生工具 (包括獨立嵌入式衍生工具) 亦分類為持作買賣，惟該等衍生工具被指定為有效對沖工具則除外。現金流量並非純粹支付本金及利息的金融資產，不論其商業模式如何，均按公平值透過損益列賬分類及計量。儘管如上文所述債務工具可按攤銷成本或按公平值透過其他全面收入列賬 (「按公平值透過其他全面收入列賬」) 分類，但於初始確認時，倘能夠消除或大幅降低會計錯配，則債務工具可指定為按公平值透過損益列賬。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments (Continued)

Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Equity investments at FVOCI are measured at fair value. Dividend income are recognised in profit or loss unless the dividend income clearly represents a recovery of part of the cost of the investments. Other net gains and losses are recognised in other comprehensive income and are not reclassified to profit or loss. All other equity instruments are classified as FVTPL, whereby changes in fair value, dividends and interest income are recognised in profit or loss.

Impairment loss on financial assets

The Group recognises loss allowances for expected credit loss ("ECL") on trade receivables, other finance lease receivables, loan receivables, and financial assets measured at amortised cost. The ECLs are measured on either of the following bases: (1) 12 months ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具 (續)

股本工具

於初始確認並非持作買賣之股本投資時，本集團可不可撤回地選擇於其他全面收入中呈列投資公平值之後續變動。該選擇乃按投資逐項作出。按公平值透過其他全面收入列賬之股權投資按公平值計量。股息收入於損益確認，除非股息收入明確表示收回部分投資成本。其他收益及虧損淨額於其他全面收入確認且不會重新分類至損益。所有其他的股本工具分類為按公平值透過損益列賬，因此公平值、股息及利息收入變動均於損益確認。

金融資產減值虧損

本集團就貿易應收款、其他融資租賃應收款、應收貸款及按攤銷成本計量的金融資產之預期信貸虧損（「預期信貸虧損」）確認虧損撥備。預期信貸虧損按以下其中一項基準計量：(1)12個月預期信貸虧損：其為於報告日期後12個月內發生的潛在違約事件導致的預期信貸虧損；及(2)年期內預期信貸虧損：此乃於金融工具預計年期內所有可能之違約事件產生之預期信貸虧損。於估計預期信貸虧損時考慮的最長期限為本集團面臨的信貸風險的最長合約期限。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments (Continued)

Impairment loss on financial assets (Continued)

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

The Group has elected to measure loss allowances for trade receivables and finance lease receivables using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. For trade receivables and finance lease receivables relating to customers with known financial difficulties or significant doubt on collection of receivables are assessed individually for provision for impairment allowance.

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具 (續)

金融資產減值虧損 (續)

預期信貸虧損為信貸虧損的概率加權估計。信貸虧損乃基於根據合約應付本集團的所有合約現金流量與本集團預期收取之所有現金流量之間之差額計量。該差額其後按資產原有實際利率相近之差額貼現。

本集團已選擇使用香港財務報告準則第9號簡化法計量貿易應收款及融資租賃應收款之虧損撥備，並根據年期內預期信貸虧損計算預期信貸虧損。本集團已設立根據本集團過往信貸虧損經驗計算之撥備矩陣，並按債務人特定之前瞻性因素及經濟環境作出調整。與已知存在財務困難或應收賬款回收性存在重大疑問的客戶有關的貿易應收款及融資租賃應收款應單獨就計提減值撥備進行評估。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments (Continued)

Impairment loss on financial assets (Continued)

For loan receivables and other debt financial assets, the ECLs are based on the 12-months ECLs. The 12-months ECLs is the portion of the lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具 (續)

金融資產減值虧損 (續)

就應收貸款及其他債務金融資產而言，預期信貸虧損根據12個月預期信貸虧損釐定。12個月預期信貸虧損為年期內預期信貸虧損之一部分，其源自可能在報告日期後之12個月內發生之金融工具違約事件。然而，自開始以來信貸風險顯著增加時，撥備將以年期內預期信貸虧損為基準。

當釐定金融資產之信貸風險是否自初始確認後大幅增加，並於估計預期信貸虧損時，本集團考慮到相關及無須付出過多成本或努力後即可獲得之合理及可靠資料。此包括根據本集團之過往經驗及已知信貸評估得出定量及定性之資料分析，並包括前瞻性資料。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments (Continued)

Impairment loss on financial assets (Continued)

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual or a collective basis. When the assessment is performed on a collective basis, if any, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

The Group considers a financial asset to be credit-impaired when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 90 days past due.

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具 (續)

金融資產減值虧損 (續)

本集團假設，倘逾期超過30日，金融資產之信貸風險會大幅增加。

視乎金融工具的性質，對信貸風險大幅增加之評估乃按個別或共同基準進行。當按共同基準進行評估 (如有) 時，金融工具乃按共同信貸風險特徵 (如逾期狀況及信貸風險評級) 分組。

本集團認為金融資產於以下情況下屬信貸減值：(1) 借款人不大可能在本集團並無追索權 (如變現抵押品 (如持有)) 下向本集團全數支付其信貸義務；或(2) 該金融資產逾期超過90日。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments (Continued)

Impairment loss on financial assets (Continued)

The Group considers a financial asset to be credit-impaired when:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVOCI, for which the loss allowance is recognised in other comprehensive income and accumulated in "FVOCI reserve (recycling)".

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具 (續)

金融資產減值虧損 (續)

當出現以下情況時，本集團認為金融資產信貸減值：

- 債務人出現重大財務困難；
- 違反合約，如違約或逾期超過90日；
- 本集團根據其他情況下不會考慮之條款重組貸款或墊款；
- 債務人很可能破產或進行其他財務重組；或
- 由於出現財務困難，證券失去活躍市場。

本集團就所有金融工具確認減值收益或虧損，並通過虧損撥備賬相應調整有關金融工具的賬面值，惟以按公平值透過其他全面收入列賬計量的債務工具投資除外，有關債務工具投資的虧損撥備於其他全面收入中確認並於「按公平值透過其他全面收入列賬的儲備(再循環)」中累計。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments (Continued)

Impairment loss on financial assets (Continued)

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or in the case of trade receivables, when the amounts are over 2 years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For non credit-impaired financial assets interest income is calculated based on the gross carrying amount.

Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at fair value through profit or loss are initially measured at fair value and financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具 (續)

金融資產減值虧損 (續)

當有資料顯示債務人出現重大財務困難，且並無實際收回的可能時（例如債務人已進行清盤），或（就貿易應收款而言）當款項已逾期兩年以上（以較早者為準）時，本集團會撇銷金融資產。在考慮法律意見（如適用）後，已撇銷的金融資產仍可根據本集團的收回程序實施強制執行。任何收回款項會於損益確認。

信貸減值金融資產的利息收入乃基於攤銷成本（即賬面總值減虧損撥備）計算。非信貸減值金融資產的利息收入乃基於賬面總值計算。

金融負債

本集團根據負債產生的原因分類其金融負債。按公平值透過損益列賬的金融負債初步按公平值計量及按攤銷成本計量的金融負債初步按公平值計量，扣除產生的直接應佔成本。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments (Continued)

Financial liabilities (Continued)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading.

Financial liabilities are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss.

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial liability at fair value through profit or loss, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised in profit or loss in the period in which they arise, except for the gains and losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to the statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具 (續)

金融負債 (續)

按公平值透過損益列賬的金融負債

按公平值透過損益列賬的金融負債包括持作買賣的金融負債。

倘以於不久將來出售為目的而收購金融負債，則該等金融負債分類為持作買賣。衍生工具(包括獨立嵌入式衍生工具)亦分類為持作買賣，惟該等衍生工具被指定為有效對沖工具則除外。持作買賣負債的收益或虧損於損益內確認。

倘一項合約包括一種或以上嵌入式衍生工具，則整份混合合約可指定為按公平值透過損益列賬的金融負債，除非該嵌入式衍生工具不會對現金流量產生重大改變，或明確禁止將嵌入式衍生工具分開列賬。

在初步確認後，按公平值透過損益列賬的金融負債乃按公平值計量，公平值變動於彼等產生的期間內於損益確認，惟本集團擁有的於其他全面收入內呈列且其後不會重新分類至損益表的信貸風險產生的收益及虧損除外。於損益表內確認的公平值收益或虧損淨額並不包括就該等金融負債收取的任何利息。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments (Continued)

Financial liabilities (Continued)

Financial liabilities at amortised cost

Financial liabilities at amortised cost including service cost payables, other payables and accruals and borrowings are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

Equity instruments

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

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具 (續)

金融負債 (續)

按攤銷成本計量的金融負債

按攤銷成本計量的金融負債(包括應付服務成本、其他應付款及應計費用以及借款)其後採用實際利率法按攤銷成本計量。有關利息開支於損益內確認。

取消確認負債及於攤銷過程中產生的收益或虧損於損益內確認。

實際利率法

實際利率法為計算金融資產或金融負債的攤銷成本以及在有關期間內分配利息收入或利息開支的方法。實際利率為於金融資產或負債的預計年期或(倘適用)更短期間準確貼現估計未來現金收入或付款的利率。

股本工具

本公司所發行的股本工具乃按已收款項(扣除直接發行成本)列賬。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Financial instruments (Continued)

Derecognition

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKFRS 9.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

Where the Group issues its own equity instruments to a creditor to settle a financial liability in whole or in part as a result of renegotiating the terms of that liability, the equity instruments issued are the consideration paid and are recognised initially and measured at their fair value on the date the financial liability or part thereof is extinguished. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments are measured to reflect the fair value of the financial liability extinguished. The difference between the carrying amount of the financial liability or part thereof extinguished and the consideration paid is recognised in profit or loss for the year.

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

金融工具 (續)

取消確認

本集團僅於就金融資產收取未來現金流量的合約權利屆滿時，或金融資產經已轉讓，而轉讓符合香港財務報告準則第9號規定的取消確認準則時取消確認金融資產。

僅於有關合約中指定之責任解除、取消或到期時，本集團方會取消確認金融負債。

倘本集團因重新磋商負債條款而向債權人發行本身之股本工具以清償全部或部分金融負債，所發行之股本工具即所付代價，乃初步按有關金融負債（或當中部分）註銷當日之公平值確認及計量。倘已發行股本工具之公平值無法可靠計量，則計量股本工具以反映已註銷金融負債之公平值。已註銷金融負債（或當中部分）之賬面值與所付代價間之差額乃於年內在損益內確認。

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

3.2 Significant accounting policies (Continued)

Equity-settled share-based payment transactions

Share options granted to employees

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

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

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

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

3. 綜合財務報表之編製基準及主要會計政策 (續)

3.2 主要會計政策 (續)

股權結算以股份為基礎之付款交易

授予僱員的購股權

授予僱員之股權結算以股份為基礎之付款乃參考於授出日期股權工具之公平值而釐定。

按授出日期 (並無考慮非市場性質的歸屬條件) 之公平值來釐定的股權結算以股份為基礎之付款, 按集團估計權益工具將會最終歸屬的期間以直線法支銷, 並於權益中 (購股權儲備) 作相應增加。本集團會根據所有相關非市場性質的歸屬條件的評估, 修訂對預期最終歸屬的股權工具數目所作的估計。於歸屬期間, 修訂初始估計的影響 (如有) 在損益中確認, 以使累計開支反應經修訂之估計, 並相應調整購股權儲備。

行使購股權時, 早前已於購股權儲備中確認之數額將轉入股份溢價。倘購股權於歸屬日期後被沒收或於屆滿日期仍未獲行使, 早前已於購股權儲備中確認之數額將轉入累積損益。

授予僱員之股權結算以股份為基礎之付款乃參考於授出日期股權工具之公平值而釐定。

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an 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.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. 估計不確定性之主要來源

在應用本集團會計政策(詳情見附註3)的過程中,本公司董事須對無其他資料來源的資產及負債的賬面值作出判斷、估計及假設。估計及相關假設乃根據過往經驗及多項被視為與之有關的其他因素而作出。實際結果可能有別於此等估算。

本集團持續審閱該等估計及相關假設。對會計估計進行修訂時,倘修訂僅影響修訂估計的期間,則修訂會於該期間內確認;或倘修訂同時影響當期及未來期間,則會於修訂期間及未來期間確認。

以下為有關日後之主要假設及於報告期末之其他估計不確定性之主要來源,該等估計及假設可能會造成須對下一個財政年度內資產及負債賬面值作出重大調整之重大風險。

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Valuation of goodwill

During the year ended 31 December 2020, the Group acquired Tripler Holdings Limited (“Tripler”) and identified a goodwill in the acquisition. The value in use is determined based on the cash flow projection for the cash generating units (“CGUs”), discounted to their present values and requires the use of key assumptions, including the discount rate, terminal growth rate, budgeted sales and gross margin, taking into account the financial budget approved by the directors based on the management’s experience from the sale of medical, health and hygiene products and also management’s expectations for the market development. During the year ended 31 December 2020, the carrying amount of goodwill was HK\$25,556,000 and no impairment loss on goodwill has been recognised in consolidated statement of profit or loss. Details of the calculation of recoverable amount are disclosed in note 15.

Impairment of financial lease receivables and loan receivables

The Group makes provision for impairment of financial lease receivables and loan receivables based on assumptions about risk of default and expected credit loss. The amount of the impairment loss is measured as the difference between the carrying amount of financial lease receivables and loan receivables and the present value of estimated future cash flows discounted at the financial asset’s original effective interest rate (i.e. the effective interest rate computed at initial recognition).

The provision of ECLs is sensitive to changes in circumstances and of forecast general economic conditions. The information about the ECLs and the Group’s finance lease receivables and loan receivables are disclosed in notes 18 and 19 respectively. If the financial condition of the customers or the forecast economic conditions were to deteriorate, actual loss allowance would be higher than estimated.

4. 估計不確定性之主要來源 (續)

商譽估值

截至二零二零年十二月三十一日止年度，本集團收購森川實業有限公司（「森川」）及於收購時識別商譽。使用價值基於現金產生單位（「現金產生單位」）之現金流量預測貼現至其現值釐定，並須使用關鍵假設，包括貼現率、終端增長率、預算銷售及毛利率、考慮董事基於管理層在銷售醫療保健及衛生產品的經驗及管理層對市場發展的預期批核的財務預算。截至二零二零年十二月三十一日止年度，商譽之賬面值為25,556,000港元及商譽並無減值虧損已於綜合損益表內確認。計算可收回金額之詳情在附註15內披露。

融資租賃應收款及應收貸款之減值

本集團基於有關違約風險及預期信貸虧損的假設對融資租賃應收款及應收貸款之減值計提撥備。減值虧損金額為按融資租賃應收款賬面值及應收貸款與估計未來現金流量以該金融資產原先實際利率折讓（即實際利率於初步確認時計算）的現值之間的差額計量。

預期信貸虧損撥備對各種情況及預測大圍經濟局勢變動敏感。有關預期信貸虧損的資料和本集團融資租賃應收款及應收貸款分別於附註18及19披露。倘客戶的財務狀況或預測經濟狀況行將惡化，則實際虧損撥備會高於估計額。

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5. REVENUE

Revenue represents finance lease interest income generated from financial leasing and sale-leaseback transaction, service fee income provided to outsiders, loan interest income from provision of loan facilities, rental income from leasing out properties, sale of food additives and sale of medical, health and hygiene products.

5. 收入

收入指融資租賃及售後回租交易產生的融資租賃利息收入、向外界所提供的服務費收入、提供貸款融資產生的貸款利息收入、出租物業的租金收入、銷售食品添加劑及銷售醫療保健及衛生產品。

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Asset management advisory service fee income	資產管理諮詢服務費收入	4,915	11,063
Finance lease interest income	融資租賃利息收入	14,190	29,136
Sale-leaseback transaction interest income	售後回租交易利息收入	706	13,184
Loan interest income	貸款利息收入	2,239	13,496
Rental income	租金收入	3,800	2,253
Sale of food additives	銷售食品添加劑	3,526	2,023
Sale of medical, health and hygiene products	銷售醫療保健及衛生產品	36,808	-
		66,184	71,155

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5. REVENUE (Continued)

The disaggregation of the Group's revenue from contracts with customers, including asset management advisory service income, sale of food additives and sale of medical, health and hygiene products, are as follows:

Revenue from contracts with customers within the scope of HKFRS 15

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Timing of revenue recognition:	收入確認時間：		
At point in time	於某一時點		
Sale of food additives	銷售食品添加劑	3,526	2,023
Sale of medical, health and hygiene products	銷售醫療保健及衛生產品	36,808	-
		40,334	2,023
Over time	於一段時間內		
Asset management advisory service	資產管理諮詢服務	4,915	11,063
Total revenue recognised from contracts with customers	就客戶合約所確認之總收入	45,249	13,086
Revenue from other sources	自其他來源的收入		
Finance lease interest income	融資租賃利息收入	14,190	29,136
Sale-leaseback transaction interest income	售後回租利息收入	706	13,184
Loan interest income	貸款利息收入	2,239	13,496
Rental income	租金收入	3,800	2,253
		20,935	58,069
		66,184	71,155

The following table provides information about trade receivables and contract liabilities from contracts with customers:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Trade receivables (note 21)	貿易應收款 (附註21)	2,976	-
Contract liabilities	合約負債	-	2,563

5. 收入 (續)

本集團客戶合約收入包括資產管理諮詢服務收入、銷售食品添加劑及銷售醫療保健及衛生產品，分類如下：

香港財務報告準則第15號下來自客戶合約的收入

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Timing of revenue recognition:	收入確認時間：		
At point in time	於某一時點		
Sale of food additives	銷售食品添加劑	3,526	2,023
Sale of medical, health and hygiene products	銷售醫療保健及衛生產品	36,808	-
		40,334	2,023
Over time	於一段時間內		
Asset management advisory service	資產管理諮詢服務	4,915	11,063
Total revenue recognised from contracts with customers	就客戶合約所確認之總收入	45,249	13,086
Revenue from other sources	自其他來源的收入		
Finance lease interest income	融資租賃利息收入	14,190	29,136
Sale-leaseback transaction interest income	售後回租利息收入	706	13,184
Loan interest income	貸款利息收入	2,239	13,496
Rental income	租金收入	3,800	2,253
		20,935	58,069
		66,184	71,155

下表提供有關來自客戶合約的貿易應收款及合約負債之資料：

5. REVENUE (Continued)

The contract liabilities of HK\$2,563,000 as at 31 December 2019 were mainly related to the service fee income received in advance from customers which were recognised as revenue in the consolidated statement of profit or loss during the year.

6. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision maker (“CODM”) of the Group, for the purposes of resource allocation and assessment of segment performance focuses on the nature of the operations of the Group.

Specifically, the Group’s reportable and operating segments under HKFRS 8 Operating segments are as follows:

Financial leasing	– provision of finance lease consulting services and financing services in the PRC (“Financial Leasing Segment”)
Investment	– investment properties in the PRC and Hong Kong, investments in securities and money lending business in Hong Kong
Trading	– sale of medical, health and hygiene products (“Trading Segment”)
Others	– research and development, manufacturing and sale of food additives, new food ingredients and nutritional enhancers in the PRC (“Food Additives Business”)

5. 收入 (續)

於二零一九年十二月三十一日，合約負債2,563,000港元主要與自客戶預收款收取的服務費收入有關，有關金額已於年內綜合損益表中確認為收入。

6. 分部資料

就資源分配及分部業績評估而向本公司執行董事（即本集團主要營運決策者（「主要營運決策者」））所呈報之資料乃著眼於本集團營運之性質。

具體而言，本集團根據香港財務報告準則第8號經營分部劃分的可呈報及經營分部如下：

融資租賃	– 於中國提供融資租賃諮詢服務及融資服務（「融資租賃分部」）
投資	– 於中國及香港之投資物業、於香港證券及放貸業務之投資
貿易	– 銷售醫療、保健及衛生產品（「貿易分部」）
其他	– 於中國之食品添加劑、新食品原料及營養強化劑的研發、生產及銷售（「食品添加劑業務」）

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6. SEGMENT INFORMATION (Continued)

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segments:

For the year ended 31 December 2020

		Financial leasing 融資租賃 HK\$'000 千港元	Investment 投資 HK\$'000 千港元	Trading 貿易 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Revenue	收入					
External sales	對外銷售	21,649	4,201	36,808	3,526	66,184
Segment (loss)/profit	分部 (虧損) / 溢利	(233,989)	12,058	(5,494)	(17,083)	(244,508)
Unallocated other income, gains and losses	未分配其他收入、收益及虧損					34,553
Corporate expenses	企業支出					(98,288)
Gain on derecognition of a subsidiary	終止確認一家附屬公司之收益					2,742
Other expenses and finance cost	其他開支及財務成本					(465)
Impairment loss on interest in an associate upon reclassification to assets classified as held for sale	將於一家聯營公司之權益重新分類為持作出售之資產後的減值虧損					(30,973)
Share of results of associates	分攤聯營公司業績					(5,664)
Loss before taxation	除稅前虧損					(342,603)

6. 分部資料 (續)

分部收入及業績

以下為本集團按可呈報及經營分部劃分之收入及業績的分析：

截至二零二零年十二月三十一日止年度

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6. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

For the year ended 31 December 2019

		Financial leasing 融資租賃 HK\$'000 千港元	Investment 投資 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Revenue	收入				
External sales	對外銷售	56,393	12,739	2,023	71,155
Segment (loss)/profit	分部(虧損)/溢利	(45,795)	682	(12,606)	(57,719)
Unallocated other income, gains and losses	未分配其他收入、收益 及虧損				12,000
Corporate expenses	企業支出				(35,849)
Other expenses	其他開支				(582)
Share of result of an associate	分攤一家聯營公司業績				29,389
Loss before taxation	除稅前虧損				(52,761)

The accounting policies of the reportable and operating segments are the same as the Group's accounting policies described in note 3.2. Segment results represent the profit earned or loss incurred by each segment without allocation of certain other income, certain other gains and losses, impairment loss on interest in an associate upon reclassification to assets classified as held for sale, gain on derecognition of a subsidiary, share of results of associates and corporate expenses. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

誠如附註3.2所披露，可呈報及經營分部的會計政策與本集團會計政策一致。分部業績乃各分部賺取之溢利或產生之虧損，不包括若干其他收入、若干其他收益及虧損、重新分類為持作出售之資產後於一家聯營公司之權益減值虧損、終止確認一家附屬公司之收益、分攤聯營公司之業績及企業支出之分配。這是向主要營運決策者所報告作為資源分配及表現評估的基準。

6. 分部資料 (續)

分部收入及業績 (續)

截至二零一九年十二月三十一日止年度

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6. SEGMENT INFORMATION (Continued)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

At 31 December 2020

		Financial leasing 融資租賃 HK\$'000 千港元	Investment 投資 HK\$'000 千港元	Trading 貿易 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment assets	分部資產	549,226	238,850	88,483	96,924	973,483
Interests in associates	於聯營公司之權益					95,111
Unallocated corporate assets	未分配之企業資產					117,122
Consolidated assets	綜合資產					1,185,716
Segment liabilities	分部負債	534,539	31,741	2,262	624	569,166
Unallocated corporate liabilities	未分配之企業負債					41,932
Consolidated liabilities	綜合負債					611,098

6. 分部資料 (續)

分部資產及負債

以下為本集團按可呈報及經營分部劃分之資產及負債分析：

於二零二零年十二月三十一日

6. SEGMENT INFORMATION (Continued)**Segment assets and liabilities** (Continued)

At 31 December 2019

		Financial leasing 融資租賃 HK\$'000 千港元	Investment 投資 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment assets	分部資產	880,789	138,426	68,626	1,087,841
Interest in an associate	於一家聯營公司之權益				338,206
Unallocated corporate assets	未分配之企業資產				120,628
Consolidated assets	綜合資產				1,546,675
Segment liabilities	分部負債	631,492	534	720	632,746
Unallocated corporate liabilities	未分配之企業負債				52,910
Consolidated liabilities	綜合負債				685,656

For the purposes of monitoring segment performances and allocating resources among segments:

- all assets are allocated to reportable and operating segments other than an office premise for administrative purpose, certain other receivables, certain deposits placed in non-bank financial institutions and certain cash and cash equivalents; and
- all liabilities are allocated to reportable and operating segments other than certain other payables, certain tax payables, financial liability at FVTPL and deferred tax liabilities.

6. 分部資料 (續)**分部資產及負債** (續)

於二零一九年十二月三十一日

為監控分部表現及在分部之間分配資源：

- 除一處用於行政目的的辦公室物業、若干其他應收款、若干存放於非銀行金融機構之存款以及若干現金及現金等值物外，所有資產均分配至可呈報及經營分部；及
- 除若干其他應付款、若干應付稅項、按公平值透過損益列賬的金融負債及遞延稅項負債外，所有負債均分配至可呈報及經營分部。

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6. SEGMENT INFORMATION (Continued)

Other segment information

For the year ended 31 December 2020

6. 分部資料 (續)

其他分部資料

截至二零二零年十二月三十一日止年度

		Financial leasing 融資租賃 HK\$'000 千港元	Investment 投資 HK\$'000 千港元	Trading 貿易 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Amounts charged (credited) in the measure of segment profit or loss or segment assets:	於計量分部溢利或虧損或分部資產扣除(計入)的款項：					
Additions of property, plant and equipment and investment properties	添置物業、廠房及設備以及投資物業	23	64,133	-	511	64,667
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	698	-	-	3,374	4,072
Write-off of property, plant and equipment	物業、廠房及設備撇銷	11	-	-	-	11
Change in fair value of equity investments at fair value through profit or loss	按公平值透過損益列賬之股權投資之公平值變動	7,530	(5,951)	-	-	1,579
Change in fair value of contingent consideration receivables	或然代價應收款項之公平值變動	-	-	2,498	-	2,498
Interest income from loan receivables	應收貸款之利息收入	(7,782)	(401)	-	-	(8,183)
Finance lease interest income	融資租賃利息收入	(14,190)	-	-	-	(14,190)
Sale-leaseback transaction interest income	售後回租交易利息收入	(706)	-	-	-	(706)
Interest expenses (included in cost of revenue)	利息開支(計入收入成本)	39,714	-	40	-	39,754
Write-off of inventories	存貨撇銷	-	-	2	417	419
Impairment loss on loan receivables	應收貸款減值虧損	3,380	-	-	-	3,380
Impairment loss on property, plant and equipment	物業、廠房及設備減值虧損	-	-	-	5,089	5,089
Impairment loss on finance lease receivables	融資租賃應收款減值虧損	102,530	-	-	-	102,530
Impairment loss on a receivable from sale-leaseback transaction	售後回租交易的應收款減值虧損	96,896	-	-	-	96,896
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment profit or loss:	定期向主要營運決策者提供但未包含於計量分部溢利或虧損的款項：					
Income tax (credit)/expense	所得稅(抵免)/開支	(199)	-	168	-	(31)

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6. SEGMENT INFORMATION (Continued)

Other segment information (Continued)

For the year ended 31 December 2019

		Financial leasing 融資租賃 HK\$'000 千港元	Investment 投資 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Amounts charged (credited) in the measure of segment profit or loss or segment assets:	於計量分部溢利或虧損或分部資產扣除(計入)的款項:				
Additions of property, plant and equipment	添置物業、廠房及設備	13,093	63,976	58,094	135,163
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	103	-	3,827	3,930
Change in fair value of equity investments at fair value through profit or loss	按公平值透過損益列賬之股權投資之公平值變動	(2,558)	7,766	-	5,208
Interest income from loan receivables	應收貸款之利息收入	(10,049)	(10,486)	-	(20,535)
Finance lease interest income	融資租賃利息收入	(29,136)	-	-	(29,136)
Sale-leaseback transaction interest income	售後回租交易利息收入	(13,184)	-	-	(13,184)
Interest expenses (included in cost of revenue)	利息開支(計入收入成本)	40,289	-	-	40,289
Write-off of inventories	存貨撇銷	-	-	833	833
Impairment loss on goodwill	商譽減值虧損	9,373	-	-	9,373
Impairment loss on finance lease receivables	融資租賃應收款減值虧損	32,578	-	-	32,578
Impairment loss on a receivable from sale-leaseback transaction	售後回租交易的應收款減值虧損	5,678	-	-	5,678
Impairment loss on loan receivables	應收貸款減值虧損	1,211	-	-	1,211
Amounts regularly provided to the chief operating decision maker but not included in the measure of segment (profit) or loss:	定期向主要營運決策者提供但未包含於計量分部(溢利)或虧損的款項:				
Income tax credit	所得稅抵免	(1,798)	-	-	(1,798)

6. 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

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6. SEGMENT INFORMATION (Continued)

Information about major customers

Revenue from customers of the financial leasing segment and trading segment of both years contributing over 10% of total sales of the Group are as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Financial leasing segment:	融資租賃分部：		
Customer A	客戶甲	10,939	17,675
Customer B	客戶乙	N/A不適用 ¹	17,450
Trading segment:	貿易分部：		
Customer C	客戶丙	11,198	N/A不適用 ¹
Customer D	客戶丁	10,837	N/A不適用 ¹
Customer E	客戶戊	7,406	N/A不適用 ¹

¹ The corresponding revenue did not contribute over 10% of the total revenue of the Group.

Geographical information

The Group's financial leasing and food additives business are located in the PRC. Trading division is located in Hong Kong. Investment division comprises of investment properties and leasing business in the PRC and Hong Kong, while its money lending and investment in securities businesses are carried out in Hong Kong. Locations are determined according to principal place of operating the businesses. Except for a revenue amount of HK\$38,379,000 that was generated in Hong Kong during the current year (2019: HK\$11,926,000), the remaining amount of HK\$27,805,000 (2019: HK\$59,229,000) was generated in the PRC.

6. 分部資料 (續)

有關主要客戶資料

於兩個年度來自融資租賃分部及貿易分部貢獻本集團總銷售額逾10%之客戶之收入如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Financial leasing segment:	融資租賃分部：		
Customer A	客戶甲	10,939	17,675
Customer B	客戶乙	N/A不適用 ¹	17,450
Trading segment:	貿易分部：		
Customer C	客戶丙	11,198	N/A不適用 ¹
Customer D	客戶丁	10,837	N/A不適用 ¹
Customer E	客戶戊	7,406	N/A不適用 ¹

¹ 相應收入並無貢獻本集團總收入逾10%。

地域資料

本集團之融資租賃及食品添加劑業務均位於中國。貿易分部則位於香港。投資分部包括位於中國及香港的投資物業及租賃業務，而其於證券業務的放貸及投資則位於香港。地點乃按該等業務之主要營業地點釐定。除於本年度在香港產生之金額為38,379,000港元(二零一九年：11,926,000港元)之收入外，餘下金額27,805,000港元(二零一九年：59,229,000港元)乃於中國產生。

6. SEGMENT INFORMATION (Continued)**Geographical information** (Continued)

The following is an analysis of the carrying amount of non-current assets (note) analysed by the geographical location in which the assets are located:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
The PRC	中國	217,044	455,570
Hong Kong	香港	142,066	109,968
		359,110	565,538

Note: Non-current assets excluded finance lease receivables, other financial instruments and deferred tax assets.

6. 分部資料 (續)**地域資料** (續)

以下為按資產所在地域位置分析之非流動資產 (附註) 賬面值的分析：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
The PRC	中國	217,044	455,570
Hong Kong	香港	142,066	109,968
		359,110	565,538

附註：非流動資產不包括融資租賃應收款、其他金融工具及遞延稅項資產。

7. OTHER INCOME, GAINS AND LOSSES**Other income**

Interest income from loan receivables	其他收入 應收貸款之利息收入	5,944	7,039
Interest income from banks and non-bank financial institutions	來自銀行及非銀行金融機構之利息收入	395	3,393
Dividend income	股息收入	969	-
Government grants (note)	政府補助 (附註)	926	-
Sundry income	雜項收入	11	68

Note: Included in profit or loss is HK\$926,000 (2019: Nil) of government grants obtained from Employment Support Scheme ("ESS") under the Anti-epidemic Fund launched by the Hong Kong SAR Government supporting the payroll of the Group's employees. Under the ESS, the Group had to commit to spend these grants on payroll expenses, and not reduce employee head count below prescribed levels for a specified period of time. The Group does not have other unfulfilled obligations relating to this program.

7. 其他收入、收益及虧損

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Other income	其他收入	5,944	7,039
Interest income from loan receivables	應收貸款之利息收入	5,944	7,039
Interest income from banks and non-bank financial institutions	來自銀行及非銀行金融機構之利息收入	395	3,393
Dividend income	股息收入	969	-
Government grants (note)	政府補助 (附註)	926	-
Sundry income	雜項收入	11	68
		8,245	10,500

附註：損益包括926,000港元 (二零一九年：無) 來自香港特區政府防疫抗疫基金項下的保就業計劃 (「保就業計劃」)，提供本集團僱員的工資。根據保就業計劃，本集團須承諾將該等補助用於工資支出，且並無於特定時期將僱員人數裁減至規定標準以下。本集團概無其他有關該計劃而未履行之義務。

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7. OTHER INCOME, GAINS AND LOSSES

(Continued)

7. 其他收入、收益及虧損 (續)

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Other gains and (losses)	其他收益及 (虧損)		
Change in fair value in financial assets at fair value through profit or loss	按公平值透過損益列賬之 金融資產之公平值變動	(2,548)	(5,208)
Change in fair value in financial liability at fair value through profit or loss	按公平值透過損益列賬之 金融負債之公平值變動	15,660	11,662
Change in fair value on investment properties	投資物業之公平值變動	4,091	645
Change in fair value on contingent consideration receivables	或然代價應收款之公平值變動	(2,498)	-
Write-off of property, plant and equipment	物業、廠房及設備撇銷	(11)	-
Write-off of inventories	存貨撇銷	(419)	(833)
Net foreign exchange gain/(loss)	匯兌收益 / (虧損) 淨額	17,784	(523)
Gain on derecognition of a subsidiary (note 42)	終止確認一家附屬公司之收益 (附註42)	2,742	-
Others	其它	-	(6,326)
		34,801	(583)

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8. DIRECTORS, CHIEF EXECUTIVE AND EMPLOYEES EMOLUMENTS

Directors and chief executive emoluments

The emolument paid or payable to each of the directors and chief executives were as follows:

8. 董事、主要行政人員及僱員薪酬

董事及主要行政人員薪酬

已付或應付各董事及主要行政人員之薪酬如下：

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		Fees	Salaries and other benefits	Discretionary bonus	Share-based payments	Retirement benefits scheme contributions	Total
		袍金	薪金及其他福利	酌情花紅	以股份為基礎之付款	退休福利計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
				(Note 4)			
				(附註4)			
Executive Directors	執行董事						
Mr. Wong Lik Ping	王力平先生	-	6,210	32,733	-	18	38,961
Mr. Lai Ka Fai	黎嘉輝先生	-	2,333	24,685	-	18	27,036
Mr. Tao Ke	陶可先生	-	1,200	300	-	18	1,518
Mr. Qiao Weibing	喬衛兵先生	-	1,414	100	-	18	1,532
Mr. Ng Tin Shui (note 1)	吳天墜先生 (附註1)	-	201	-	-	6	207
Sub-total	小計	-	11,358	57,818	-	78	69,254
Non-executive Director	非執行董事						
Ms. Yip Man Yi (note 3)	葉敏怡女士 (附註3)	120	-	-	-	-	120
Sub-total	小計	120	-	-	-	-	120
Independent non-executive Directors	獨立非執行董事						
Mr. Goh Choo Hwee	吳慈飛先生	180	-	100	-	-	280
Mr. U Keng Tin	余擎天先生	180	-	100	-	-	280
Mr. Ho Hin Yip	何衍業先生	180	-	100	-	-	280
Mr. Leung Yiu Ming, David (note 2)	梁耀鳴先生 (附註2)	56	-	-	-	-	56
Sub-total	小計	596	-	300	-	-	896
Total	總計	716	11,358	58,118	-	78	70,270

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8. DIRECTORS, CHIEF EXECUTIVE AND EMPLOYEES EMOLUMENTS (Continued)

Directors and chief executive emoluments (Continued)

		For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度					
		Salaries and other benefits	Discretionary bonus	Share-based payments	Retirement benefits contributions	Total	
		Fees					
		袍金	薪金及其他福利	酌情花紅	以股份為基礎之付款	退休福利計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
				(Note 4) (附註4)			
Executive Directors	執行董事						
Mr. Wong Lik Ping	王力平先生	-	5,220	1,305	-	18	6,543
Mr. Lai Ka Fai	黎嘉輝先生	-	1,885	500	-	18	2,403
Mr. Tao Ke	陶可先生	-	1,200	300	-	18	1,518
Mr. Qiao Weibing	喬衛兵先生	-	1,639	1,216	-	18	2,873
Sub-total	小計	-	9,944	3,321	-	72	13,337
Non-executive Director	非執行董事						
Ms. Yip Man Yi (Note 3)	葉敏怡女士 (附註3)	25	-	-	-	-	25
Sub-total	小計	25	-	-	-	-	25
Independent non-executive Directors	獨立非執行董事						
Mr. Goh Choo Hwee	吳慈飛先生	180	-	100	-	-	280
Mr. U Keng Tin	余擎天先生	180	-	100	-	-	280
Mr. Ho Hin Yip	何衍業先生	180	-	100	-	-	280
Sub-total	小計	540	-	300	-	-	840
Total	總計	565	9,944	3,621	-	72	14,202

The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group. The non-executive director's and the independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company.

8. 董事、主要行政人員及僱員薪酬 (續)

董事及主要行政人員薪酬 (續)

上文所列之執行董事薪酬乃主要為彼等就有關本公司及本集團管理事務提供的服務。上文所列之非執行董事及獨立非執行董事薪酬乃主要為彼等就作為本公司董事提供的服務。

8. DIRECTORS, CHIEF EXECUTIVE AND EMPLOYEES EMOLUMENTS (Continued)

Directors and chief executive emoluments (Continued)

Notes:

- (1) Mr. Ng Tin Shui was appointed as an executive director of the Company with effect from 9 September 2020.
- (2) Mr. Leung Yiu Ming, David was appointed as an independent non-executive director of the Company with effect from 9 September 2020.
- (3) Ms. Yip Man Yi was appointed as a non-executive director of the Company with effect from 17 October 2019.
- (4) The discretionary bonus are based on operating appraisal results and basic salary of each director with reference to the contribution to the Group for the annual operating results and the individual performance.

Employee emoluments

The five highest paid employees of the Group during the year included four directors (2019: four directors), details of whose remuneration are set out above. Details of the remuneration for the year of the remaining one (2019: one) highest paid employee who is neither a director nor chief executive of the Company is as follow:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Salaries and other benefits	薪金及其他福利	960	1,037
Discretionary bonus	酌情花紅	4,000	-
Retirement benefits scheme contributions	退休福利計劃供款	18	18
		4,978	1,055

8. 董事、主要行政人員及僱員薪酬 (續)

董事及主要行政人員薪酬 (續)

附註：

- (1) 吳天墅先生獲委任為本公司執行董事，自二零二零年九月九日起生效。
- (2) 梁耀鳴先生獲委任為本公司非執行董事，自二零二零年九月九日起生效。
- (3) 葉敏怡女士獲委任為本公司非執行董事，自二零一九年十月十七日起生效。
- (4) 酌情花紅乃根據經營評價結果及各董事之基本薪金，參照本集團之年度經營業績之貢獻及個人表現釐定。

僱員薪酬

年內，本集團5名最高薪僱員包括4名董事（二零一九年：4名董事），彼等薪酬詳情載於上文。餘下1名（二零一九年：1名）並非本公司董事或主要行政人員的最高薪僱員年內薪酬詳情如下：

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8. DIRECTORS, CHIEF EXECUTIVE AND
EMPLOYEES EMOLUMENTS (Continued)

Employee emoluments (Continued)

The number of the highest paid employees who are not the directors and chief executive of the Company whose remuneration fell within the following bands is as follow:

		2020 二零二零年	2019 二零一九年
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	-	1
HK\$4,500,001 to HK\$5,000,000	4,500,001港元至5,000,000港元	1	-

During the year, no emoluments were paid by the Group to any of the directors or chief executive as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors waived any emoluments for both years.

8. 董事、主要行政人員及僱
員薪酬 (續)

僱員薪酬 (續)

並非本公司董事及主要行政人員、其酬金屬於下列範圍內的最高薪僱員人數如下：

年內，本集團概無向任何董事或主要行政人員支付任何薪酬作為其加入或加入本集團後之獎勵或作為離職補償。概無董事放棄兩個年度內之任何薪酬。

9. TAXATION

9. 稅項

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Current tax for the year:	本年度即期稅項：		
Hong Kong Profits Tax	香港利得稅	168	-
PRC Enterprise Income Tax ("EIT")	中國企業所得稅 (「企業所得稅」)	-	1,202
PRC withholding tax	中國預扣稅	19,584	-
		19,752	1,202
Overprovision in prior year:	過往年度過度撥備：		
PRC EIT	中國企業所得稅	(35)	-
Deferred tax credit for current year	本年度遞延稅項抵免	(5,742)	(3,000)
Taxation for the year	本年度稅項	13,975	(1,798)

9. TAXATION (Continued)

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit.

Two-tiered profits tax rate was introduced in 2018 and applies to years of assessment commencing on or after 1 April 2018. Under the regime, the first HK\$2 million of the estimated assessable profits of qualifying corporation will be taxed at 8.25%, and the estimated assessable profits above HK\$2 million will be taxed at 16.5%. The two tiered profits tax rates regime was applicable to the Group for the years ended 31 December 2020 and 2019.

EIT is calculated at 25% of the estimated assessable profits of subsidiaries operating in the PRC.

PRC withholding tax represents withholding tax on the estimated capital gain tax arising from the disposal of interest in an associate.

The taxation for the year can be reconciled to the loss before taxation per the consolidated statement of profit or loss as follow:

9. 稅項 (續)

香港利得稅按估計應課稅溢利之16.5%計算。

利得稅兩級制於二零一八年引入，並應用於二零一八年四月一日或之後開始之課稅年度。根據該制度，合資格法團就首2,000,000港元的估計應課稅溢利按8.25%稅率繳納稅項，而超過2,000,000港元的估計應課稅溢利將按16.5%稅率繳納稅項。利得稅兩級制於截至二零二零年及二零一九年十二月三十一日止年度應用於本集團。

企業所得稅按於中國經營之附屬公司之估計應課稅溢利之25%計算。

中國預扣稅指出售一家聯營公司權益產生之估計資本增值稅之預扣稅。

綜合損益表之本年度稅項與除稅前虧損對賬如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Loss before tax for the year	本年度除稅前虧損	(342,603)	(52,761)
Tax at the domestic income tax rate (note)	按國內所得稅稅率計算之稅項 (附註)	(76,921)	(12,728)
Tax effect of expenses not deductible for tax purpose	就稅務而言不可扣減支出之稅務影響	7,494	3,861
Tax effect of income not taxable for tax purpose	就稅務而言毋須課稅收入之稅務影響	(5,910)	(3,075)
Tax effect on share of result of an associate	分攤一家聯營公司業績之稅務影響	935	(4,849)
Utilisation of tax losses previously not recognised	動用先前未確認之稅項虧損	(791)	(122)
Tax effect of withholding tax on the distributable profits of the Group's associate	本集團聯營公司可分配溢利之預扣稅之稅務影響	(5,578)	-
Withholding tax on capital gain on share transfer of an associate	一家聯營公司股份轉讓產生之資本增值之預扣稅	19,584	-
Over-provision in prior year	過往年度過度撥備	(35)	-
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	75,197	15,115
Income tax expense/(credit) for the year	本年度所得稅開支/(抵免)	13,975	(1,798)

Note: The domestic tax rate applicable to profits in the tax jurisdictions concerned is used.

附註：採用適用於有關稅務管轄區溢利之國內稅率。

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10. LOSS FOR THE YEAR

10. 本年度虧損

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Auditor's remuneration	核數師酬金	1,600	1,588
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	909	2,491
Depreciation of right-of-use assets	使用權資產之折舊	4,482	2,812
		5,391	5,303
Interest expenses (included in cost of revenue)	利息開支 (計入收入成本)	40,105	40,289
Cost of inventories sold (included in cost of revenue)	已售存貨成本 (計入收入成本)	38,934	3,545
Interest on lease liabilities	租賃負債之利息	-	5
Write-off of inventories	存貨撇銷	419	833
Short-term lease expenses	短期租賃開支	2,302	3,847
Staff costs:	員工成本：		
Directors' and chief executive's emoluments	董事及主要行政人員薪酬	70,270	14,202
Other staff costs	其他員工成本		
– Salaries and other benefits	– 薪金及其他福利	16,896	18,848
– Discretionary bonus	– 酌情花紅	5,936	904
– Retirement benefits scheme contributions	– 退休福利計劃供款	1,209	1,510
		94,311	35,464

11. LOSS PER SHARE

The calculation of the basic and diluted loss per share from attributable to the owners of the Company is based on the following data:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Loss	虧損		
Loss for the year attributable to the owners of the Company	本公司擁有人應佔之本年度虧損	(242,933)	(34,132)
		2020 二零二零年 '000 千股	2019 二零一九年 '000 千股 (Restate) (經重列)
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic loss per share	藉以計算每股基本虧損之普通股加權平均數	1,509,530	1,191,920
Weighted average number of ordinary shares for the purpose of diluted loss per share	藉以計算每股攤薄虧損之普通股加權平均數	1,509,530	1,191,920

The computation of diluted loss per share for the years ended 31 December 2020 and 2019 does not assume the exercise of share options granted by the Company as the exercise price of those options was higher than the average market price for shares.

The weighted average number of ordinary shares for the purposes of calculating basic and diluted loss per share have been retrospectively adjusted for the effects of share consolidation completed on 26 March 2020.

12. DIVIDENDS

No dividend was paid, declared or proposed for ordinary shareholders of the Company during the year ended 31 December 2020, nor had any dividend been declared or proposed since the end of the reporting period (2019: Nil).

11. 每股虧損

自本公司擁有人應佔每股基本及攤薄虧損乃根據以下數據計算：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Loss	虧損		
Loss for the year attributable to the owners of the Company	本公司擁有人應佔之本年度虧損	(242,933)	(34,132)
		2020 二零二零年 '000 千股	2019 二零一九年 '000 千股 (Restate) (經重列)
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic loss per share	藉以計算每股基本虧損之普通股加權平均數	1,509,530	1,191,920
Weighted average number of ordinary shares for the purpose of diluted loss per share	藉以計算每股攤薄虧損之普通股加權平均數	1,509,530	1,191,920

計算截至二零二零年及二零一九年十二月三十一日止年度之每股攤薄虧損時並未假設本公司所授出購股權被行使，乃由於該等購股權的行使價高於股份的平均市價。

計算每股基本及攤薄虧損所採用之普通股加權平均數已就於二零二零年三月二十六日完成之股份合併的影響作出追溯調整。

12. 股息

截至二零二零年十二月三十一日止年度，概無向本公司普通股股東派付、宣派或擬派任何股息，於報告期末後亦無宣派或建議派付任何股息（二零一九年：無）。

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13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

(1) Reconciliation of carrying amount

(1) 賬面值之對賬

		Right-of-use assets 使用權資產 HK\$'000 千港元	Leasehold improvements, furniture and fixtures 租賃物業 裝修、傢具 及裝置 HK\$'000 千港元	Plant, machinery and equipment 廠房、機器 及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST	成本					
At 1 January 2019	於二零一九年一月一日	26,467	64	6,219	1,550	34,300
Exchange differences	匯兌差額	(1,672)	(1)	(196)	(32)	(1,901)
Additions	添置	43,600	7	3,099	-	46,706
Disposals	出售	-	-	-	(320)	(320)
Reassessment of lease liabilities	重新評估租賃負債	(1,042)	-	-	-	(1,042)
Transfer to investment property	轉撥至投資物業	(63,976)	-	-	-	(63,976)
Acquisition of subsidiary	收購附屬公司	86,333	-	2,059	65	88,457
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	89,710	70	11,181	1,263	102,224
Exchange differences	匯兌差額	6,666	1	700	112	7,479
Additions	添置	-	-	534	-	534
Write-off	撤銷	-	-	(147)	-	(147)
At 31 December 2020	於二零二零年十二月三十一日	96,376	71	12,268	1,375	110,090
DEPRECIATION AND IMPAIRMENT	折舊及減值					
At 1 January 2019	於二零一九年一月一日	2,183	53	357	1,102	3,695
Exchange differences	匯兌差額	(23)	-	(46)	(29)	(98)
Charge for the year	本年度支出	2,812	2	2,373	116	5,303
Eliminated on disposal	出售時撤銷	-	-	-	(105)	(105)
Reassessment of lease liabilities	重新評估租賃負債	(382)	-	-	-	(382)
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	4,590	55	2,684	1,084	8,413
Exchange differences	匯兌差額	646	-	475	100	1,221
Charge for the year	本年度支出	4,482	2	907	-	5,391
Impairment loss	減值虧損	-	-	5,089	-	5,089
Write-off	撤銷	-	-	(136)	-	(136)
At 31 December 2020	於二零二零年十二月三十一日	9,718	57	9,019	1,184	19,978
CARRYING AMOUNTS	賬面值					
At 31 December 2020	於二零二零年十二月三十一日	86,658	14	3,249	191	90,112
At 31 December 2019	於二零一九年十二月三十一日	85,120	15	8,497	179	93,811

13. PROPERTY, PLANT AND EQUIPMENT

(Continued)

13. 物業、廠房及設備 (續)**(2) Right-of-use assets**

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

(2) 使用權資產

按相關資產類別劃分的使用權資產的賬面淨值之分析如下：

	2020 二零二零年 HK\$'000 千港元	2019 二零二零年 HK\$'000 千港元
Ownership interests in leasehold land and building held for own use, carried at the depreciated cost (note)	86,658	85,120

Notes: Ownership interest in leasehold land and building held for own use represented the Group's land use rights on leasehold land and building located in Hong Kong and the PRC. Lump sum payments were made upfront to acquire these leasehold land and building in the PRC and Hong Kong and the lump sum payments cannot be allocated to the leasehold land and buildings portions. Accordingly the whole lump sum payments are classified as right-of-use assets.

附註：持有自用之租賃土地及樓宇之擁有權權益指本集團位於香港及中國的租賃土地的土地使用權及樓宇。本集團直接作出一次性全額付款以獲取位於中國及香港的該等租賃土地及樓宇。一次性全額付款不能分配至租賃土地及樓宇部分。因此，全部一次性全額付款被歸類為使用權資產。

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13. PROPERTY, PLANT AND EQUIPMENT

(Continued)

(2) Right-of-use assets (Continued)

The analysis of expense item in relation to leases recognised in profit or loss is as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Depreciation charge of right-of-use assets by class of underlying assets	按相關資產類別劃分之使用權資產的折舊支出		
Ownership interest in leasehold land and building held for own use	持有自用之租賃土地及樓宇之擁有權權益	4,482	2,430
Other property leased for own use	租賃以供自用的其他物業	-	382
		4,482	2,812
Interest on lease liabilities	租賃負債之利息	-	5
Expenses relating to short-term leases	有關短期租賃之開支	2,302	3,847

(3) Impairment loss

At 31 December 2020, in view of continuous operating losses for the Financial Leasing and Food Additives Business, the management of the Group concluded there were indication of impairment and conducted impairment assessment to estimate the recoverable amounts of the right-of-use assets and plant, machinery and equipment belonging to these businesses on an individual asset or a cash-generating unit ("CGU") basis. The plant, machinery and equipment ("PPE") belonging to the Food Additives Business are assessed for impairment based on the impairment assessment of the CGU. The recoverable amounts of right-of-use assets ("ROU") of Financial Leasing and Food Additives Business are estimated individually based on their estimated fair values.

13. 物業、廠房及設備 (續)

(2) 使用權資產 (續)

與已於損益確認之租賃有關的開支項目的分析如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Depreciation charge of right-of-use assets by class of underlying assets	按相關資產類別劃分之使用權資產的折舊支出		
Ownership interest in leasehold land and building held for own use	持有自用之租賃土地及樓宇之擁有權權益	4,482	2,430
Other property leased for own use	租賃以供自用的其他物業	-	382
		4,482	2,812
Interest on lease liabilities	租賃負債之利息	-	5
Expenses relating to short-term leases	有關短期租賃之開支	2,302	3,847

(3) 減值虧損

於二零二零年十二月三十一日，有鑑於融資租賃及食品添加劑業務的持續經營虧損，本集團管理層認定已出現減值跡象，並按個別資產或現金產生單位（「現金產生單位」）基準進行減值測試，以估計該等物業所屬使用權資產以及廠房、機器及設備（「廠房、機器及設備」）的可收回金額。食品添加劑業務所屬的廠房、機器及設備的減值評估乃根據現金產生單位的減值評估進行。融資租賃及食品添加劑業務使用權資產（「使用權資產」）的可收回金額按彼等的公平值獨立估計。

13. PROPERTY, PLANT AND EQUIPMENT

(Continued)

(3) Impairment loss (Continued)***PPE***

The recoverable amount of PPE as at 31 December 2020, has been determined based on a value-in-use calculation of the CGU. The calculation uses cash flow projection based on financial budgets approved by the management covering a 3 year period. Cash flows beyond the 3 year period are extrapolated using an estimated growth rate of 3%. The pre-tax discount rate applied is 14.18%. Based on the result of the assessment, the impairment loss of HK\$5,089,000 was recognised in consolidated statement of profit or loss.

ROU

The ROU of Financial Leasing and Food Additives Business has been determined based on the fair value less cost of disposal using market comparable approach. Based on the result of the assessment, the fair value less cost of disposal are higher than the carrying amounts of HK\$12,564,000 and HK\$19,112,000 of Financial Leasing and Food Additives Business as at 31 December 2020 respectively. The management of the Group consider no impairment loss was recognised for ROU during the year.

13. 物業、廠房及設備 (續)**(3) 減值虧損 (續)*****廠房、機器及設備***

於二零二零年十二月三十一日，廠房、機器及設備的可收回金額根據現金產生單位的使用價值釐定。有關計算使用基於管理層所批准涵蓋三年期間財務預算的現金流量預測作出。超過三年期間的現金流量乃使用3%的估計增長率推斷，而應用的稅前貼現率為14.18%。根據評估結果，減值虧損5,089,000港元已於綜合損益表確認。

使用權資產

融資租賃及食品添加劑業務的使用權資產根據其公平值減出售成本，使用市場比較方法釐定。根據評估結果，於二零二零年十二月三十一日，融資租賃及食品添加劑業務的公平值減出售成本分別高於賬面值12,564,000港元及19,112,000港元。本集團管理層認為，年內並無就使用權資產確認減值虧損。

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14. INVESTMENT PROPERTIES

Movements of carrying amounts presented in the consolidated statement of financial position can be summarised as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Carrying amount at beginning of year	年初之賬面值	133,521	–
Acquisition of a subsidiary (note 43c)	收購一家附屬公司 (附註43c)	–	70,117
Addition	添置	64,133	–
Disposal of a subsidiary (note 42)	出售一家附屬公司 (附註42)	(61,500)	–
Transfer from property, plant and equipment (note 13)	轉撥自物業、廠房及設備 (附註13)	–	63,976
Net gain from fair value adjustments	公平值變動之收益淨額	4,091	645
Exchange difference	匯兌差額	8,086	(1,217)
Carrying amount at end of year	年末之賬面值	148,331	133,521

The Group's investment properties comprise:

14. 投資物業

於綜合財務狀況表呈列之賬面值變動概述如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Property in Hong Kong	於香港之物業	–	67,300
Properties in the PRC	於中國之物業	148,331	66,221
Carrying amount at end of the year	年末之賬面值	148,331	133,521

本集團投資物業包括：

14. INVESTMENT PROPERTIES (Continued)

- (i) On 27 November 2020, the Group entered into a sale and purchase agreement (“S&P agreement”) with a private company incorporated in the PRC, which was the then landlord (the “Landlord”), an independent third party in relation to the acquisition of a parcel of land and a factory (the “Land and Factory”). Pursuant to the S&P agreement, the Group purchased the Land and Factory from the Landlord at a consideration RMB56,921,000 (approximately HK\$64,133,000). As at 31 December 2020, the land use rights on the parcel of land was located in the PRC for the remaining 40 years starting from December 2020 thereon. The outstanding consideration amount of RMB26,260,000 (approximately HK\$31,186,000) was subsequently settled in January 2021 (note 26).

As at 31 December 2020, the Group was in the process of obtaining land use rights certificates in respect of this investment property. The Directors of the Company were of the view that the relevant land use rights certificates will be granted in due course and the absence of land use rights certificates does not impair the ownership of the relevant property. On 13 January 2021, the Group obtained the land use rights certificates.

During the year, there is no fair value measurement of Level 1 and Level 2.

The fair value of the Group’s investment properties located in the PRC at 31 December 2020 have been arrived at on market value basis carried out by Sinno Appraisals Limited, an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the properties being valued.

The fair value of the Group’s investment properties located in Hong Kong and the PRC at 31 December 2019 had been arrived at on market value basis carried out by Centaline Surveyors Limited and Ravia Global Appraisal Advisory Limited respectively. They are independent valuers who hold a recognised and relevant professional qualification and have recent experience in the location and category of the properties being valued.

14. 投資物業 (續)

- (i) 於二零二零年十一月二十七日，本集團與一家於中國成立的私人公司（為有關收購的一塊土地及一家工廠（「土地及工廠」）當時的獨立第三方地主（「地主」）訂立買賣協議（「買賣協議」）。根據買賣協議，本集團向地主以代價人民幣56,921,000元（約64,133,000港元）購買土地及工廠。於二零二零年十二月三十一日，位於中國的土地的土地使用權自二零二零年十二月起剩餘40年。尚未償還的代價金額人民幣26,260,000元（約31,186,000港元）已其後於二零二一年一月結算（附註26）。

於二零二零年十二月三十一日，本集團正在取得有關該投資物業的土地使用證。本公司董事認為，本公司將於適當時候獲授有關土地使用證，未能取得土地使用證並不損害有關物業的所有權。本集團已於二零二一年一月十三日取得土地使用證。

年內，第一級及第二級並無公平值計量。

於二零二零年十二月三十一日，本集團位於中國的投資物業的公平值乃分別按信諾中創評估有限公司所進行之市場價值基準達致。彼為獨立估值師，其持有認可及相關的專業資格，並於估值的物業地點及類別方面有近期經驗。

於二零一九年十二月三十一日，本集團位於香港及中國之投資物業公平值乃分別由中原測量師行有限公司及瑞豐環球評估諮詢有限公司按市值基準進行。彼等均為持有認可及相關專業資格之獨立估值師，近期亦有評估物業所在地點及類別之經驗。

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14. INVESTMENT PROPERTIES (Continued)

The fair value of investment properties is a level 3 recurring fair value measurement. A reconciliation of the opening and closing fair value balance is provided below:

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Opening balance (level 3 recurring fair value) 期初結餘 (第三級經常性公平值)	133,521	–
Acquisition of subsidiaries (note 43c) 收購附屬公司 (附附43c)	–	70,117
Addition 添置	64,133	–
Disposal of a subsidiary (note 42) 出售一家附屬公司 (附註42)	(61,500)	–
Transfer from property, plant and equipment (note 13) 轉撥自物業、廠房及設備 (附註13)	–	63,976
Net gain from fair value adjustments 公平值調整的收益淨額	4,091	645
Exchange difference 匯兌差額	8,086	(1,217)
Closing balance (level 3 recurring fair value) 期末結餘 (第三級經常性公平值)	148,331	133,521
Change in unrealised gains or losses for the year included in profit or loss for assets held at the end of the year 就年末所持資產計入損益之年內未變現收益或虧損變動	4,091	645

The fair value measurement is based on the above investment properties' highest and best use, which does not differ from their actual use.

The fair value of investment properties is determined using direct comparison approach based on the principle of substitution, where the comparison is made based on market prices of comparable properties. Comparable properties of similar size, scale, nature, character and location are analysed.

14. 投資物業 (續)

投資物業公平值為第三級經常性公平值計量。期初及期末公平值結餘對賬如下：

公平值計量乃以上述投資物業的最高及最佳用途 (與其實際用途並無不同) 為基礎。

投資物業之公平值乃根據替代原則以直接比較法釐定，而比較乃基於可資比較物業市價進行。具有類似大小、規模、性質、特性及地點之可資比較物業已進行分析。

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14. INVESTMENT PROPERTIES (Continued)

14. 投資物業 (續)

Financial assets 金融資產	Fair value as at 公平值	Fair value hierarchy 公平值級別	Valuation techniques and key inputs 估值技術及主要輸入數據	Significant unobservable input(s) 重大不可觀察輸入數據	Relationship of unobservable input to fair value 不可觀察輸入數據與公平值之關係	
						2020 二零二零年 NOTES 附註 HK\$'000 千港元
Property in Hong Kong 位於香港之物業	(i) -	67,300	Level 3 第3級	Market comparison approach 市場比較法	Premium/(discount) on buildings market unit rate N/A (2019: -26.8% to 0.2%) 就樓宇市場單位價格作出之溢價/(貼現) 不適用 (二零一九年: -26.8%至0.2%)	The higher the ratio, the higher the fair value, and vice versa 比率越高則公平值越高, 反之亦然
Properties in the PRC 位於中國之物業	(ii) 148,331	66,221	Level 3 第3級	Market comparison approach 市場比較法	Premium/(discount) on buildings market unit rate ranging from -16% to 7% (2019: -16% to 7%) 就樓宇市場單位價格作出之溢價/(貼現) 介乎-16%至7% (二零一九年: -16%至7%)	The higher the ratio, the higher the fair value, and vice versa 比率越高則公平值越高, 反之亦然

(i) Property in Hong Kong

The fair value of investment property in Hong Kong was determined using the market approach of comparable properties in Hong Kong adjusted for quality of the buildings. The fair value measurement was positively correlated to quality of the buildings. As at 31 December 2019, it was estimated that with all other variables held constant, an increase/decrease in quality of the buildings by 5% would have increased/decreased the Group's profit or loss by HK\$3,365,000.

(i) 位於香港之物業

位於香港之投資物業公平值乃按樓宇品質進行調整之位於香港之可資比較物業之市場法釐定。公平值計量與樓宇品質存在正值關係。於二零一九年十二月三十一日, 估計所有其他變數維持不變, 樓宇品質增加/減少5%將增加/減少本集團溢利或虧損3,365,000港元。

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14. INVESTMENT PROPERTIES (Continued)

(ii) Properties in the PRC

The fair value of investment properties in the PRC is determined using the market approach of comparable properties in the PRC adjusted for quality of the buildings. The fair value measurement is positively correlated to quality of the buildings. As at 31 December 2020, it was estimated that with all other variables held constant, an increase/decrease in quality of the buildings by 5% (2019: 5%) would have increased/decreased the Group's profit or loss by HK\$7,417,000 (2019: HK\$3,311,000).

15. GOODWILL

14. 投資物業 (續)

(ii) 位於中國之物業

位於中國之投資物業公平值乃按樓宇品質進行調整之位於中國之可資比較物業之市場法釐定。公平值計量與樓宇品質存在正值關係。於二零二零年十二月三十一日，估計所有其他變數維持不變，樓宇品質增加／減少5%（二零一九年：5%）將增加／減少本集團溢利或虧損7,417,000港元（二零一九年：3,311,000港元）。

15. 商譽

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Cost	成本		
At 1 January	於一月一日	103,373	103,373
Acquisition of a subsidiary (note 43a)	收購一家附屬公司 (附註43a)	25,556	-
At 31 December	於十二月三十一日	128,929	103,373
Accumulated impairment losses	累計減值虧損		
At 1 January	於一月一日	(103,373)	(94,000)
Impairment losses recognised in the year	年內所確認的減值虧損	-	(9,373)
At 31 December	於十二月三十一日	(103,373)	(103,373)
Carrying value as at 31 December	於十二月三十一日的賬面值	25,556	-

15. GOODWILL (Continued)

Goodwill acquired in business combination is allocated, at acquisition, to the cash generating unit (“CGU”) or group of CGUs in trading segment and financial leasing segment that is expected to benefit from that business combination. As at 31 December 2020 and 2019, the goodwill arose from the acquisition of CGUs is as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Trading segment	貿易分部	25,556	-
Financial leasing segment	融資租賃分部	-	-
Carrying amount at end of the year	年末之賬面值	25,556	-

Trading segment

The Group acquired Tripler Holdings Limited (“Tripler”) in August 2020 (the “Acquisition”), which are principally engaged in wholesale, distribution and trading of daily necessities, including personal care, sanitising products and face masks under its own brand or as OEM for other brands in Hong Kong. The goodwill generated from the Acquisition was allocated to Tripler. The Company is required to assess the carrying value of the goodwill annually or whenever there is an impairment indicator in accordance with HKAS 36.

The recoverable amount of the CGU of the Tripler in 2020 is determined by the value-in-use calculation. It was a discounted cash flow forecast based on a five-year financial budget approved by the management and a pre-tax discount rate of 14.0%. For the forecasted revenue over the five year forecast period, there was a remarkable decline in overall revenue for the first two forecast years, namely a year-on-year drop of 33% in 2021 and that of 11% in 2022 and followed by a mild growth of approximately 2% to 7% per annum for the remaining three years. The Directors of the Group consider the sale of personal hygiene and sanitising products recorded a descending year on year growth rates from 30% to 2% over the forecast period, while there was a significant decrease of sale of face masks in the first two years of the forecast period. Cash flows beyond the five year period were extrapolated at a growth rate of 2% per annum.

15. 商譽 (續)

透過業務合併收購的商譽於收購時分配至現金產生單元 (「現金產生單元」) 或本集團預期可受惠於該業務合併的貿易分部及融資租賃分部的現金產生單元。於二零二零年及二零一九年十二月三十一日自收購現金產生單元所得商譽如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Trading segment	貿易分部	25,556	-
Financial leasing segment	融資租賃分部	-	-
Carrying amount at end of the year	年末之賬面值	25,556	-

貿易分部

本集團於二零二零年八月收購森川實業有限公司 (「森川」) (「收購事項」)，該公司主要從事於香港進行批發、分銷及買賣日用品 (包括個人護理、消毒產品以及自有品牌的口罩或作為其他品牌的OEM)。收購事項產生的商譽獲分配至森川。根據香港會計準則第36號，本公司須每年或於出現減值跡象時評估商譽的賬面值。

於二零二零年，森川現金產生單位的可收回金額通過使用價值計算釐定，此乃基於管理層批准的五年期間財務預算及稅前貼現率為14.0%進行的貼現現金流量預測。就五年預測期間的預測收入而言，前兩個預測年度的整體收入顯著下降，即二零二一年同比下降33%及二零二二年同比下降11%，其餘三年則是按每年約2%至7%的幅度溫和增長。本集團董事認為，於預測期間內，個人衛生及消毒產品的銷售額錄得之按年增長率由30%下降至2%，而於預測期間的首兩個年度，口罩的銷售額將會錄得顯著下降。超過五年期間的現金流量乃使用2%的年增長率推斷。

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15. GOODWILL (Continued)

Trading segment (Continued)

The key assumption used in the value-in-use calculation is the annual growth rate of revenue of Tripler, which is determined based on the past performance and management's expectation through market development. The discount rate used is pre-tax and reflects specific risks relating to Tripler and does not exceed the average long-term growth rate for the relevant industry. Management believes that any reasonably possible change in any of these assumptions would not cause the aggregate amount of Tripler to exceed the aggregate recoverable amount of the segment.

Based on the value-in-use calculation, there was no impairment loss on goodwill for the year ended 31 December 2020.

15. 商譽 (續)

貿易分部 (續)

用於使用價值計算的關鍵假設為森川收益的年增長率，其乃基於過往表現及管理層通過市場發展的預期而釐定。所使用的稅前貼現率反映與森川相關的特定風險，且並未超過相關行業的平均長期增長率。管理層相信，任何該等假設的任何合理可能變動將不會造成森川的總額超過該分部的可收回總額。

根據使用價值計算，截至二零二零年十二月三十一日止年度概無商譽減值虧損。

16. INTERESTS IN ASSOCIATES

16. 於聯營公司之權益

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Unlisted investments at cost	按成本計量之非上市投資	119,829	305,607
Share of post-acquisition (loss)/profit, net of dividend receivable	分佔收購後(虧損)/溢利 (扣除應收股息)	(24,702)	39,888
Share of post-acquisition other comprehensive expense	分佔收購後其他全面收入	(16)	(7,289)
		95,111	338,206

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16. INTERESTS IN ASSOCIATES (Continued)

16. 於聯營公司之權益 (續)

As at 31 December 2020 and 2019, particulars of the associates are as follows:

於二零二零年及二零一九年十二月三十一日，聯營公司的詳情如下：

Name of associate 聯營公司名稱	Place of incorporation/ registration and operations and kind of legal entity 註冊成立／註冊及 營業地點及法律實體種類	Nominal value of registered Capital 註冊資本之 面值	Proportion of ownership voting rights 所有權／ 投票權比例	Principal activities 主要業務
Simagi Finance Company Limited ("Simagi") (Note a)	Hong Kong 香港	HK\$ 107,300,000 107,300,000港元	7.46%* (2019: Nil)* 7.46%* (二零一九年：零)*	Licensed money lender and is engaged in money lending business 持牌放債人並從事放債業務
Simagi Finance Company Limited (「Simagi」) (附註a)				
Era Bright Limited ("Era Bright") (Note b)	Hong Kong 香港	HK\$ 134,763 134,763港元	18.55%* (2019: Nil) 18.55%* (二零一九年：零)	Licensed money lender and is engaged in money lending business 持牌放債人並從事放債業務
辰耀有限公司 (「辰耀」) (附註b)				
Top Insight Holding Limited ("Top Insight") (Note c)	British Virgin Island ("BVI") 英屬處女群島	US\$ 1,000 1,000美元	35.00% (2019: Nil) 35.00% (二零一九年：零)	Investment holding whose subsidiaries are engaged in investment property holding businesses 投資控股，其附屬公司從事投資物業控股業務
Top Insight Holding Limited (「Top Insight」) (附註c)	(「英屬處女群島」)			
Rizhao Lanshan Wansheng Harbour Company Limited ("Rizhao Lanshan") (Note d)	Sino-foreign enterprise, the PRC 中外合營企業，中國	RMB430,000,000 人民幣 430,000,000元	Nil (2019: 25%) 零 (二零一九年：25%)	Loading and discharging services, storage services and leasing of terminal facilities and equipment 裝卸服務、貯存服務及出租碼頭設施和設備
日照嵐山萬盛港業 有限責任公司 (「日照嵐山」) (附註d)				

* The Group completed its acquisition of approximately 7.46% shareholding in Simagi and 18.55% shareholding in Era Bright on 24 January 2020 and 17 March 2020 respectively. With the Group's presence on the boards of directors of Simagi and Era Bright which arose from its contractual right to appoint director on these boards and the resultant participation in the financial and operating policies decisions of Simagi and Era Bright, the Directors consider that the Group could exercise significant influence over Simagi and Era Bright and accordingly these investments are accounted for as associates.

* 本集團分別於二零二零年一月二十四日及二零二零年三月十七日完成其收購Simagi約7.46%股權及辰耀18.55%股權。由於本集團對Simagi及辰耀之董事會來自其於該等董事會委任董事及參與Simagi及辰耀財務及營運政策決定的權利的影響，董事認為本集團會對Simagi及辰耀造成重大影響而因此該等投資作為聯營公司列賬。

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16. INTERESTS IN ASSOCIATES (Continued)

- (a) On 30 December 2019, the Group entered into a subscription agreement with Simagi, a company incorporated in Hong Kong with limited liability, to subscribe approximately 7.46% of the enlarged share capital of Simagi at consideration of HK\$40,000,000. Having satisfied all the terms and conditions of the agreement, the acquisition was completed on 24 January 2020. For the year ended 31 December 2020, the share of loss of Simagi for the year of HK\$21,131,000 was recognised in consolidated statement of profit or loss.
- (b) On 13 March 2020, the Group entered into a subscription agreement with Era Bright, a company incorporated in Hong Kong with limited liability, to subscribe approximately 18.55% of the enlarged share capital of Era Bright at consideration of HK\$15,000,000. Having satisfied all the terms and conditions of the agreement, the acquisition was completed on 17 March 2020. For the year ended 31 December 2020, the share of loss of Era Bright for the year of HK\$508,000 was recognised in consolidated statement of profit or loss.
- (c) On 13 July 2020, the Group entered into a subscription agreement with Top Insight, a company incorporated in BVI with limited liability, to subscribe approximately 35% of the enlarged share capital of Top Insight at consideration of HK\$64,300,000. Having satisfied all the terms and conditions of the agreement, the acquisition was completed on 17 July 2020. With a dividend income receivable of HK\$1,246,000, the share of loss of Top Insight for the year of HK\$1,814,000 was recognised in consolidated statement of profit or loss for the year ended 31 December 2020.

16. 於聯營公司之權益 (續)

- (a) 於二零一九年十二月三十日，本集團與Simagi（一家於香港註冊成立之有限公司）訂立認購協議，以認購Simagi經擴大股本約7.46%，代價為40,000,000港元。達成協議之所有條款及條件後，收購事項已於二零二零年一月二十四日完成。截至二零二零年十二月三十一日止年度，分佔Simagi本年度虧損21,131,000港元已於綜合損益表確認。
- (b) 於二零二零年三月十三日，本集團與辰耀（一家於香港註冊成立之有限公司）訂立認購協議，以認購辰耀經擴大股本約18.55%，代價為15,000,000港元。達成協議之所有條款及條件後，收購事項已於二零二零年三月十七日完成。截至二零二零年十二月三十一日止年度，分佔辰耀本年度虧損508,000港元已於綜合損益表確認。
- (c) 於二零二零年七月十三日，本集團與Top Insight（一家於英屬處女群島註冊成立之有限公司）訂立認購協議，以認購Top Insight經擴大股本約35%，代價為64,300,000港元。達成協議之所有條款及條件後，收購事項已於二零二零年七月十七日完成。截至二零二零年十二月三十一日止年度，應收股息收入為1,246,000港元，分佔Top Insight本年度虧損1,814,000港元已於綜合損益表確認。

16. INTERESTS IN ASSOCIATES (Continued)

- (d) On 15 May 2018, the Group entered into a sale and purchase agreement with the joint venture partner (the “Purchaser”), pursuant to which the Group disposed of 25% out of its 50% equity interest of Rizhao Lanshan, a joint venture (“JCE”) of the Group, for a consideration of RMB294 million (equivalent to approximately HK\$323 million). On the same date, the Group also entered into a Call Option Undertaking to grant the Call Option to the Purchaser, pursuant to which the Purchaser is entitled to acquire the remaining 25% equity interest in Rizhao Lanshan at a consideration of RMB294 million (equivalent to approximately HK\$338 million). Pursuant to the Call Option Undertaking, the Call Option is exercisable by the Purchaser at its discretion during the period from 1 January 2020 up to 30 June 2020 (both dates inclusive). Upon the Completion on 31 August 2018, Rizhao Lanshan ceased to be a JCE of the Group and then became an associate of the Group.

On 30 June 2020, the Purchaser exercised the Call Option, pursuant to which the Purchaser will acquire the remaining 25% equity interest in Rizhao Lanshan at an exercise price of RMB294 million (equivalent to approximately HK\$322,518,000). The fair value of the Call Option reduced to approximately zero on that day, using the Binomial Option Pricing Model. A gain on derecognition in financial liability at fair value through profit or loss of approximately HK\$15,660,000 (2019: HK\$11,662,000) was recognised in consolidated statement of profit or loss during the year ended 31 December 2020.

On the same day, the remaining 25% equity interest in Rizhao Lanshan of carrying amount of HK\$348,321,000 was reclassified from interest in an associate to assets classified as held for sale and by comparing it with the then fair value amount of HK\$317,348,000, an impairment loss of HK\$30,973,000 (after considering the relevant cost of disposal of approximately HK\$5,170,000) was recognised in consolidated statement of profit or loss.

16. 於聯營公司之權益 (續)

- (d) 於二零一八年五月十五日，本集團與合營企業之合夥人（「買方」）訂立買賣協議，據此，本集團出售本集團合營企業（「合營企業」）日照嵐山50%股權中的25%，代價為人民幣294,000,000元（相當於約323,000,000港元）。於同日，本集團亦訂立認購期權承諾以向買方授出認購期權，據此，買方有權收購日照嵐山餘下25%之股權，代價為人民幣294,000,000元（相當於約338,000,000港元）。根據認購期權承諾，認購期權可由買方於二零二零年一月一日起直至二零二零年六月三十日（包括首尾兩日）期間內酌情行使。於二零一八年八月三十一日完成後，日照嵐山不再為本集團的合營企業且自此成為本集團的一家聯營公司。

於二零二零年六月三十日，買方已行使認購期權，據此，買方將以行使價人民幣294,000,000元（相當於約322,518,000港元）收購日照嵐山餘下25%之股權。認購期權之公平值於同日減少至約零時使用二項式期權定價模型。於截至二零二零年十二月三十一日止年度，終止確認按公平值透過損益列賬之金融負債收益約15,660,000港元（二零一九年：11,662,000港元）已於綜合損益表內確認。

同日，於日照嵐山賬面值為348,321,000港元之餘下25%股權從於一家聯營公司之權益被重新分類為持作出售資產，透過比較當時公平值317,348,000港元，已於綜合損益表內確認減值虧損30,973,000港元（經考慮相關出售成本約5,170,000港元）。

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16. INTERESTS IN ASSOCIATES (Continued)

(d) (Continued)

On 26 August 2020, the Group entered into a separate share transfer agreement with the Purchaser on disposal of the remaining 25% equity interest in Rizhao Lanshan. On 23 October 2020, the Group completed the disposal of the remaining 25% equity interest in Rizhao Lanshan after fulfillment of all relevant conditions precedent of the sale and purchase agreement.

Summarised financial information of the associates

Summarised financial information in respect of the Group's associates is set out below.

The associates are accounted for using the equity method in these consolidated financial statements.

Simagi

		2020 二零二零年 HK\$'000 千港元
Current assets	流動資產	400,732
Non-current assets	非流動資產	4,300
Current liabilities	流動負債	150,000
Reconciled to the Group's interest in the associate	與本集團於聯營公司權益對賬	
Gross amount of net assets	資產淨值總額	255,032
Group's effective interest	本集團之實際利率	7.46%
Group's share of net assets of the associate	本集團分佔聯營公司資產淨值	19,025
Carrying amount in the consolidated financial statement	於綜合財務報表之賬面值	19,025

16. 於聯營公司之權益 (續)

(d) (續)

於二零二零年八月二十六日，本集團與買方就出售於日照嵐山之餘下25%股權訂立單獨的股份轉讓協議。於二零二零年十月二十三日，本集團在達成買賣協議的所有先決條件後完成出售日照嵐山餘下25%股權。

聯營公司之財務資料概要

有關本集團聯營公司之財務資料概要載列如下。

聯營公司乃採用權益法於該等綜合財務報表入賬。

Simagi

16. INTERESTS IN ASSOCIATES (Continued)**Summarised financial information of the associates** (Continued)**Simagi** (Continued)

		From acquisition date to 31 December 2020 自收購日期至 二零二零年 十二月 三十一日 HK\$'000 千港元
Revenue	收入	26,312
Loss for the period and total comprehensive expense for the period	期內虧損及期內全面開支總額	(283,260)

Era Bright**辰耀**

		2020 二零二零年 HK\$'000 千港元
Current assets	流動資產	195,218
Current liabilities	流動負債	116,691
Reconciled to the Group's interest in the associate	與本集團於聯營公司權益對賬	
Gross amount of net assets	資產淨值總額	78,527
Group's effective interest	本集團之實際利率	18.55%
Group's share of net assets of the associate	本集團分佔聯營公司資產淨值	14,567
Carrying amount in the consolidated financial statement	於綜合財務報表之賬面值	14,567

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16. INTERESTS IN ASSOCIATES (Continued)

Summarised financial information of the associates (Continued)

Era Bright (Continued)

		From acquisition date to 31 December 2020 自收購日期至 二零二零年 十二月 三十一日 HK\$'000 千港元
Revenue	收入	4,701
Loss for the period and total comprehensive expense for the period	期內虧損及期內全面開支總額	(2,740)

Top Insight

		2020 二零二零年 HK\$'000 千港元
Current assets	流動資產	93,357
Non-current assets	非流動資產	179,828
Current liabilities	流動負債	97,416
Reconciled to the Group's interest in the associate	與本集團於聯營公司權益對賬	
Gross amount of net assets	資產淨值總額	175,769
Group's effective interest	本集團之實際利率	35%
Group's share of net assets of the associate	本集團分佔聯營公司資產淨值	61,519
Carrying amount in the consolidated financial statement	於綜合財務報表之賬面值	61,519

16. 於聯營公司之權益 (續)

聯營公司之財務資料概要 (續)

辰耀 (續)

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16. INTERESTS IN ASSOCIATES (Continued)

Summarised financial information of the associates (Continued)

Top Insight (Continued)

16. 於聯營公司之權益 (續)

聯營公司之財務資料概要 (續)

Top Insight (續)

		From acquisition date to 31 December 2020 自收購日期至 二零二零年 十二月 三十一日 HK\$'000 千港元
Revenue	收入	4,246
Loss for the period and total comprehensive expense for the period	期內虧損及期內全面開支總額	(4,326)
Dividends received from the associate during the period	期內已收聯營公司之股息	1,246

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16. INTERESTS IN ASSOCIATES (Continued)

Summarised financial information of associates (Continued)

Rizhao Lanshan

		2019 二零一九年 HK\$'000 千港元
Current assets	流動資產	245,979
Non-current assets	非流動資產	1,417,774
Current liabilities	流動負債	(77,429)
Non-current liabilities	非流動負債	(13,378)

The above amounts of assets and liabilities include the following:

上述資產及負債金額包括以下各項：

		2019 二零一九年 HK\$'000 千港元
Cash and cash equivalents	現金及現金等值物	59,736
Current financial liabilities (excluding trade and other payables and provisions)	流動金融負債 (不包括應付賬款及其他應付款及撥備)	(56,735)
Non-current financial liabilities (excluding trade and other payables and provisions)	非流動金融負債 (不包括應付賬款及其他應付款及撥備)	(13,378)

16. 於聯營公司之權益 (續)

聯營公司之財務資料概要 (續)

日照嵐山

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16. INTERESTS IN ASSOCIATES (Continued)

16. 於聯營公司之權益 (續)

Summarised financial information of the associates (Continued)

聯營公司之財務資料概要 (續)

Rizhao Lanshan (Continued)

日照嵐山 (續)

		From 1 January 2020 to date of reclassification to assets classified as held for sale 自二零二零年 一月一日至 重新分類為 持作出售 資產之日 2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Revenue	收入	208,565	435,012
Profit for the period/year and total comprehensive income for the period/year	本期間/年度溢利及本期間/年度全面收入總額	71,161	117,557

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16. INTERESTS IN ASSOCIATES (Continued)

Summarised financial information of the associates (Continued)

Rizhao Lanshan (Continued)

The above profit for the period/year includes the following:

		From 1 January 2020 to date of reclassification to assets classified as held for sale 自二零二零年 一月一日至 重新分類為 持作出售 資產之日 2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Depreciation and amortisation	折舊及攤銷	(20,913)	(45,636)
Interest income	利息收入	128	253
Interest expense	利息開支	(1,357)	(6,316)
Income tax expense	所得稅開支	(23,720)	(41,695)

16. 於聯營公司之權益 (續)

聯營公司之財務資料概要 (續)

日照嵐山 (續)

上述本期間/年度溢利包括以下各項：

17. EQUITY INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

17. 按公平值透過其他全面收入列賬之股權投資

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Unlisted investments	非上市投資		
– Equity securities (measured at fair value)	– 股本證券 (按公平值計量)	123,781	55,517

Note: The above unlisted equity investments represent investments in unlisted equity securities issued by private entities established in Hong Kong and the PRC. They were designated as equity investments at fair value through other comprehensive income as the investments are held for long term strategic purposes. They were measured at fair value in the manner described in note 35a.

In 2020, the Group acquired an unlisted equity investment in a private entity established in Hong Kong for an aggregate consideration of HK\$74,340,000 which was stated at fair value.

In 2020, the Group disposed an unlisted equity investment in a private entity with operations of natural gas supply in the PRC at cost, and received a dividend income amount of HK\$969,000 which recognised in consolidated statement of profit or loss for the year.

In the opinion of the directors of the Company, the investments are not expected to be realised within one year from the end of the year.

附註：上述非上市股權投資指投資於香港及中國成立之私人實體所發行之非上市股本證券。由於投資持作長期戰略目的，該等非上市股本投資則指定為按公平值透過其他全面收入列賬之股權投資。該等投資按附註35a所述方式以公平值計量。

於二零二零年，本集團收購一家於香港成立的私人實體的非上市股本投資（按公平值呈列），總代價為74,340,000港元。

於二零二零年，本集團按成本出售於中國進行天然氣供應業務的私人實體的非上市股本投資，並收取股息收入969,000港元，該金額已於本年度的綜合損益表內確認。

本公司董事認為，投資預計自年底起一年內無法變現。

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18. FINANCE LEASE RECEIVABLES/DEPOSITS RECEIVED FROM CUSTOMERS

18. 融資租賃應收款／已收客戶按金

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Finance lease receivables	融資租賃應收款	311,745	442,780
Less: Provision for impairment losses	減：減值虧損撥備	(143,700)	(33,558)
		168,045	409,222

Leasing arrangements

Certain of the Group's machinery and equipment are leased out under finance leases. All leases are denominated in RMB. The average term of finance leases entered into is 5 years (2019: 5 years).

租賃安排

本集團之若干機器及設備乃根據融資租賃租出。所有租賃均以人民幣計值。所訂立之融資租賃平均期限為五年（二零一九年：五年）。

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Non-current finance lease receivables	非即期融資租賃應收款	14,132	69,913
Current finance lease receivables (note)	即期融資租賃應收款 (附註)	153,913	339,309
		168,045	409,222

Note:

As at 31 December 2020, current finance lease receivable amounting to RMB82,000,000 (equivalent to approximately to HK\$97,383,000, relating to a finance lease lessee under a reorganisation process as a result of the application of a reorganisation petition being granted against it by a provincial court.

附註：

於二零二零年十二月三十一日，與一位融資租賃承租人因申請重組請願（已獲一家省級法院批准）而進入重組程序有關之即期融資租賃應收款為人民幣82,000,000元（相當於約97,383,000港元）。

18. FINANCE LEASE RECEIVABLES/DEPOSITS RECEIVED FROM CUSTOMERS (Continued)

18. 融資租賃應收款／已收客戶按金 (續)

Amounts receivable under finance leases

融資租賃項下應收賬款

		Minimum lease payments 最低租賃付款		Present value of lease payments 租賃付款之現值	
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Not later than one year	不超過一年	299,318	421,032	296,900	372,867
Later than one year and not later than two years	超過一年但不超過兩年	15,018	58,208	14,845	55,930
Later than two years and not later than five years	超過兩年但不超過五年	–	14,146	–	13,983
		314,336	493,386	311,745	442,780
Less: unearned finance income	減：未賺取融資收入	(2,591)	(50,606)	–	–
		311,745	442,780	311,745	442,780
Less: impairment allowance	減：減值撥備	(143,700)	(33,558)	(143,700)	(33,558)
		168,045	409,222	168,045	409,222

The Group's finance lease receivables are denominated in RMB. The effective interest rates of the finance leases as at 31 December 2020 range from 4.28% to 5.50% (2019: 4.28% to 5.50%) per annum.

As at 31 December 2020, finance lease receivables amounting to HK\$112,228,000 (2019: HK\$308,547,000) were guaranteed by related parties of customers and/or customers' deposits.

There was no unguaranteed residual value in connection with finance lease arrangements or contingent lease arrangements that needed to be recorded as at the end of the reporting period.

As at 31 December 2020, the finance lease receivables with carrying amounts of HK\$97,383,000 (2019: HK\$283,379,000) were pledged as security for the Group's borrowings.

本集團之融資租賃應收款以人民幣計值。於二零二零年十二月三十一日，融資租賃之實際年利率介乎4.28%至5.50% (二零一九年：4.28%至5.50%)。

於二零二零年十二月三十一日，融資租賃應收款112,228,000港元 (二零一九年：308,547,000港元) 由客戶之關聯方及／或客戶之存款擔保。

於報告期末，並無有關融資租賃安排或或然租賃安排之未擔保剩餘價值需予入賬。

於二零二零年十二月三十一日，賬面值為97,383,000港元 (二零一九年：283,379,000港元) 之融資租賃應收款已被質押作為本集團借款之抵押。

18. FINANCE LEASE RECEIVABLES/DEPOSITS RECEIVED FROM CUSTOMERS (Continued)

Amounts receivable under finance leases (Continued)

Estimates of fair value of collateral are made during the credit approval process. These estimates of valuations are made at the inception of finance lease, and generally not updated except when the receivable is individually impaired. When a finance lease receivable is identified as impaired, the corresponding fair value of collateral of that receivable is updated by reference to market value such as recent transaction price of the assets.

At the end of the reporting period, with the consent from the relevant lessees, certain of these assets underlying of the finance leases have been re-pledged to secure borrowings of the Group.

Movements in the provision for impairment loss are as follows:

		Lifetime ECL not credit impaired 非信貸減值之 年期內預期 信貸虧損 HK\$'000 千港元	Lifetime ECL credit impaired 已信貸減值之 年期內預期 信貸虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance at 1 January 2019	於二零一九年 一月一日的結餘	–	1,493	1,493
New financial assets (i)	新金融資產(i)	–	32,578	32,578
Exchange difference	匯兌差額	–	(513)	(513)
Balance 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 一月一日的結餘	–	33,558	33,558
New financial assets	新金融資產	3,380	–	3,380
Remeasurement of ECL (ii)	重新計量預期 信貸虧損(ii)	–	99,150	99,150
Exchange difference	匯兌差額	183	7,429	7,612
Balance at 31 December 2020	二零二零年 十二月三十一日 的結餘	3,563	140,137	143,700

18. 融資租賃應收款／已收客戶按金 (續)

融資租賃項下應收賬款 (續)

於信貸審批過程中，對抵押品之公平值作出估計。該等估計之估值乃於設立融資租賃時作出，並通常不作更新，除非應收賬款出現個別減值則作別論。當融資租賃應收款被辨別為減值時，該應收賬款的抵押品的相應公平值將參考市場價值 (如資產近期交易價格) 予以更新。

於報告期末，經相關承租人同意，融資租賃的若干該等相關資產已被重新質押作為本集團借款之抵押。

減值虧損撥備的變動如下：

18. FINANCE LEASE RECEIVABLES/DEPOSITS RECEIVED FROM CUSTOMERS (Continued)

Amounts receivable under finance leases (Continued)

Note:

- (i) It was caused by an impairment allowance newly provided in relation to a finance lease customer being defaulted during the year.
- (ii) It was caused by a worsening credit-impaired receivable from the finance lease customer being subject to a reorganisation process during the year.

Security deposits received from customers at the end of the reporting period represent finance lease deposits received from customers which are repayable by end of the lease period of the respective finance leases.

Deposits of HK\$27,100,000 (2019: HK\$24,872,000) have been received by the Group to secure certain finance lease receivables and classified into current or non-current liabilities based on the final lease instalment due date stipulated in the finance lease agreements. The deposits are non-interest bearing, carried effective interest rate at 4.75% (2019: 4.75%) per annum. In addition, the finance lease receivables are secured over the leased assets, mainly plant and machinery leased, at the end of the reporting period. The Group is not permitted to sell, or repledge the collateral of the finance lease receivables without consent from the lessee in the absence of default by the lessee.

18. 融資租賃應收款／已收客戶按金 (續)

融資租賃項下應收賬款 (續)

附註：

- (i) 由年內與融資租賃客戶違約有關而新計提的減值撥備所致。
- (ii) 由年內該融資租賃客戶須進行重組程序，其信貸減值應收款惡化所致。

於報告期末，已收客戶保證按金乃指已收客戶融資租賃按金，須於各融資租賃租賃期結束時償還。

本集團已收按金27,100,000港元(二零一九年：24,872,000港元)作為若干融資租賃應收款之抵押，並根據融資租賃協議中所訂明之最終租賃分期付款到期日分類為流動或非流動負債。該等按金為不計息，及按4.75%(二零一九年：4.75%)的實際年利率計息。此外，於報告期末，融資租賃應收款以租賃資產作抵押，主要為所租賃之廠房及機器。在承租人並無違約的情況下，未經承租人同意，本集團不得出售或重新質押融資租賃應收款之抵押品。

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19. LOAN RECEIVABLES

19. 應收貸款

	Notes 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Carrying amount of loan receivables based on maturity dates set out in the loan agreements:	根據貸款協議載明之到期日的應收貸款之賬面值：		
Receivable from a sale-leaseback transaction due within one year (note)	(b)	160,326	151,011
Less: Provision for impairment losses	減：減值虧損撥備	(108,071)	(5,593)
		52,255	145,418
Other loan receivables	其他應收貸款		
Within one year	一年內		
– Loan A	– 貸款A	25,509	25,509
– Loan B	– 貸款B	2,500	–
– Loan C	– 貸款C	2,500	–
– Trust products	– 信託產品	26,902	74,181
		57,411	99,690
More than one year but less than two years	一年以上但少於兩年		
– Trust products	– 信託產品	23,752	26,151
		81,163	125,841
Less: Provision for impairment losses	減：減值虧損撥備	(29,071)	(30,896)
		52,092	94,945
		104,347	240,363
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Within one year	一年內	82,614	214,212
Within a period of more than one year but not exceeding two years	一年以上但不超過兩年期間內	21,733	26,151
		104,347	240,363

19. LOAN RECEIVABLES (Continued)

Note:

As at 31 December 2020, current loan receivable amounting to RMB44,000,000 (equivalent to approximately to HK\$52,255,000) was not expected to be settled within 1 year due to a sale-leaseback transaction lessee under a reorganisation process.

The Group's loan receivables included 3 major loans were as follows:

- (a) During the year ended 31 December 2016, the Group entered into a loan agreement with an individual borrower (the "Borrower") who is an independent third party. The loan of HK\$30,000,000 is unsecured, interest bearing at a fixed interest rate of 10% per annum, repayable on 3 February 2017 and guaranteed by another individual guarantor (the "Guarantor"). The Borrower and the Guarantor are the directors and substantial shareholders of a listed company in Hong Kong. On 7 February 2017, the Group entered into a loan extension agreement with the Borrower and the Guarantor, pursuant to which half of the loan receivable was repayable on 5 July 2017 and the other half was repayable on 29 December 2017. As at 31 December 2017, the total principal of the loan of HK\$30,000,000, together with any accrued interest, have been past due but not impaired. In March and July 2018, the Borrower made two partial repayments totaling HK\$4,491,000 of the overdue amount. Since then, no repayment was received from the Borrower. The directors assessed that the loan receivable has been past due and credit impaired based on the default history and amount HK\$25,509,000 has fully been impaired based on lifetime ECL, and was recognised to profit or loss for the year ended 2018 and no repayment of principal thereafter.

19. 應收貸款 (續)

附註：

於二零二零年十二月三十一日，由於一位售後回租交易承租人進入重組程序，因此，為數人民幣44,000,000元（相當於約52,255,000港元）之即期應收貸款預期將不會於一年內結算：

本集團應收貸款（包括三項主要貸款）如下。

- (a) 於截至二零一六年十二月三十一日止年度，本集團與一名屬獨立第三方之個人借款人（「借款人」）訂立貸款協議。該筆30,000,000港元之貸款為無抵押，按固定年利率10%計息，須於二零一七年二月三日償還，並由另一名個人擔保人（「擔保人」）擔保。借款人及擔保人均為香港一家上市公司之董事及主要股東。於二零一七年二月七日，本集團與借款人及擔保人訂立貸款展期協議，據此，半數應收貸款須於二零一七年七月五日償還，另一半貸款則須於二零一七年十二月二十九日償還。於二零一七年十二月三十一日，本金總額30,000,000港元之貸款連同任何應計利息已逾期但未減值。於二零一八年三月及七月，借款人作出兩次部分償還逾期款項總計4,491,000港元。自此，概無自借款人收到還款。董事根據違約歷史評估應收貸款已逾期及發生信貸減值，而25,509,000港元根據年期內預期信貸虧損已悉數減值並在截至二零一八年度之損益內確認。在此之後並無償還本金。

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19. LOAN RECEIVABLES (Continued)

(b) During the year ended 31 December 2019, the Group entered into a sale-leaseback transaction agreement with another borrower who is an independent third party. The sale-leaseback transaction of RMB135,000,000 (approximately HK\$160,326,000) were guaranteed by related parties of the borrower and secured by the leased assets with interest bearing at a fixed interest rate of 9% per annum and became default on 8 January 2020. The directors assessed that the sale-leaseback transaction has transferred stage from significant increased in credit risk to credit impaired and an additional impairment loss based on lifetime ECLs of RMB86,000,000 (approximately HK\$96,896,000) (2019: RMB5,000,000 equivalent to approximately HK\$5,678,000) was recognised in consolidated profit or loss during the year.

(c) As at 31 December 2020, the Group's subsidiary 恆嘉(天津)融資租賃有限公司 (Ever Grand (Tianjin) Finance Lease PRC Co., Ltd., "TJ Ever Grand") provided loan receivables with total principal amount of RMB42,654,000 (equivalent to approximately HK\$50,654,000) (2019: RMB89,694,000, equivalent to approximately HK\$100,332,000) to certain sizeable corporations in the PRC through financial institutions in the PRC. Such loan receivables carried fixed interest rates ranging from 7.1% to 9.2% (2019: 6.5% to 9.2%) per annum with specified date of maturities in March 2021 to June 2022 (2019: January 2020 to May 2021).

Except for a loan receivable relating to a trust product at a principal amount of RMB5,000,000 (or equivalent to approximately HK\$5,720,000) fully impaired by a Group's subsidiary 北京恒嘉國際融資租賃有限公司 (Beijing Ever Grand International Finance Lease Co., Ltd., "BJ Ever Grand"), as at 31 December 2020, management of the Group assessed that the credit risk of other loan receivables of the same kind held by TJ Ever Grand has not significantly increased from initial recognition.

During the year ended 31 December 2020, the Group received interest income of HK\$5,944,000 (2019: HK\$7,039,000) and recognised as other income in consolidated statement of profit or loss.

19. 應收貸款 (續)

(b) 於截至二零一九年十二月三十一日止年度，本集團與另一位獨立第三方借款人訂立售後回租交易協議。售後回租交易人民幣135,000,000元(約160,326,000港元)由借款人之關聯方擔保並以按固定年利率9%計息之租賃資產作抵押，並於二零二零年一月八日發生違約。董事評估售後回租交易已自信貸風險具顯著增加轉入信貸減值階段，並於年內根據年期內預期信貸虧損於綜合損益確認額外減值虧損人民幣86,000,000元(約96,896,000港元)(二零一九年：人民幣5,000,000元，相當於約5,678,000港元)。

(c) 於二零二零年十二月三十一日，本集團附屬公司恆嘉(天津)融資租賃有限公司(「天津恆嘉」)透過中國金融機構向中國的若干大型企業提供本金總額為人民幣42,654,000元(相當於約50,654,000港元)(二零一九年：人民幣89,694,000元相當於約100,332,000港元)的應收貸款。該等應收貸款年利率介乎7.1%至9.2%(二零一九年：6.5%至9.2%)，特定期日為二零二一年三月至二零二二年六月(二零一九年：二零二零年一月至二零二一年五月)。

除與本金額為人民幣5,000,000元(相當於約5,720,000港元)的信託產品有關的應收貸款由本集團附屬公司北京恒嘉國際融資租賃有限公司(「北京恒嘉」)悉數減值外，於二零二零年十二月三十一日，本集團管理層評估天津恆嘉持有的同類其他應收貸款的信貨風險自初始確認起並無大幅增加。

於截至二零二零年十二月三十一日止年度，本集團已收利息收入5,944,000港元(二零一九年：7,039,000港元)並在綜合損益表中確認為其他收入。

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19. LOAN RECEIVABLES (Continued)

19. 應收貸款 (續)

(d) Loan receivables and allowance for impairment losses:

(d) 應收貸款及減值虧損撥備：

As at 31 December 2020

於二零二零年十二月三十一日

		12-month ECL 12個月 預期信貸 虧損 HK\$'000 千港元	Lifetime ECL not credit impaired 非信貸減值 之年期內 預期信貸虧損 HK\$'000 千港元	Lifetime ECL credit impaired 已信貸減值 之年期內 預期信貸虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Gross amount of loan receivables	應收貸款總額	55,654	-	191,555	247,209
Less: Allowance for impairment losses	減：減值虧損撥備	(3,562)	-	(133,580)	(137,142)
Write off of impairment losses	減值虧損撇銷	-	-	(5,720)	(5,720)
Carrying amount of loan receivables	應收貸款賬面值	52,092	-	52,255	104,347

As at 31 December 2019

於二零一九年十二月三十一日

		12-month ECL 12個月 預期信貸 虧損 HK\$'000 千港元	Lifetime ECL not credit impaired 非信貸減值 之年期內 預期信貸虧損 HK\$'000 千港元	Lifetime ECL credit impaired 已信貸減值 之年期內 預期信貸虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Gross amount of loan receivables	應收貸款總額	94,945	151,011	30,896	276,852
Less: allowance for impairment losses	減：減值虧損撥備	-	(5,593)	(30,896)	(36,489)
Carrying amount of loan receivables	應收貸款賬面值	94,945	145,418	-	240,363

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19. LOAN RECEIVABLES (Continued)

(e) Movement of allowances for impairment losses on loan receivables:

		12-month ECL 12個月 預期信貸 虧損 HK\$'000 千港元	Lifetime ECL not credit impaired 非信貸減值 之年期內 預期信貸虧損 HK\$'000 千港元	Lifetime ECL credit impaired 已信貸減值 之年期內 預期信貸虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance at 1 January 2019	於二零一九年 一月一日的結餘	-	-	29,778	29,778
New financial assets (i)	新金融資產(i)	-	5,678	-	5,678
Remeasurement of ECL	重新計量預期信貸虧損	-	-	1,211	1,211
Exchange difference	匯兌差額	-	(85)	(93)	(178)
Balance 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 一月一日的結餘	-	5,593	30,896	36,489
New financial assets	新金融資產	3,380	-	-	3,380
Transfer of stage (ii)	階段轉移(ii)	-	(5,634)	5,634	-
Remeasurement of ECL (ii)	重新計量預期信貸虧損(ii)	-	-	96,896	96,896
Bad debt allowance written off and transferred out	壞賬撥備撇銷及轉出	-	-	(5,720)	(5,720)
Exchange difference	匯兌差額	182	41	5,874	6,097
Balance at 31 December 2020	於二零二零年十二月 三十一日的結餘	3,562	-	133,580	137,142

Note:

- (i) It was caused by impairment allowance newly provided in relation to a receivable from sale-leaseback transaction during the year.
- (ii) During the year, a receivable from sale-leaseback transaction become defaulted and transferred to credit impaired category accordingly. As at 31 December 2020, given the customer was still defaulted and even further subject to a reorganisation proceeding thereafter, additional impairment allowance was provided.

附註：

- (i) 由年內就售後回租交易應收款新計提的減值撥備所致。
- (ii) 年內，售後回租交易應收款發生違約並因此轉入信貸減值類別。於二零二零年十二月三十一日，鑒於該客戶仍然違約，且此後進一步進入重組程序，故計提額外減值撥備。

19. 應收貸款 (續)

(e) 應收貸款之減值虧損撥備變動：

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20. INVENTORIES

20. 存貨

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Raw materials	原材料	1,729	608
Finished goods	完成品	17,331	1,529
		19,060	2,137

21. TRADE RECEIVABLES

21. 貿易應收款

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Trade receivables	貿易應收款	3,127	-
Less: allowance for impairment	減：減值撥備	(151)	-
Trade receivables, net	貿易應收款淨額	2,976	-

The credit period granted to customers ranged from 0 to 60 days.

授予客戶介乎0至60天的信貸期間。

As at 31 December 2020 and 2019, the allowance for impairment on trade receivables has been recognised in accordance with the simplified approach, i.e. lifetime ECLs set out in HKFRS 9.

於二零二零年及二零一九年十二月三十一日，貿易應收款減值撥備已根據簡化法確認，即香港財務報告準則第9號載列的年期內預期信貸虧損。

The ageing analysis of the trade receivables (net), based on invoice date, as of the end of the reporting period is as follows:

於報告期末按發票日期之貿易應收款(淨額)之賬齡分析如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
0-30 days	0-30日	1,853	-
31-90 days	31-90日	872	-
Over 90 days	90日以上	251	-
		2,976	-

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22. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

22. 其他應收款、按金及預付款項

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Other receivables, deposit and prepayments 其他應收款、按金及預付款項	55,779	29,798
Less: Amount not receivable within one year 減：於非流動資產列示之一年內 shown under non-current assets 不可回收款項	(11,876)	(11,186)
	43,903	18,612

The following is the breakdown of other receivables, deposits and prepayments:

以下為其他應收款、按金及預付款項之明細：

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Prepayments 預付款項	8,231	10,068
Deposits (note i) 按金 (附註i)	13,433	12,180
Other receivables (note ii) 其他應收款 (附註ii)	34,115	7,550
	55,779	29,798

Note

附註

- (i) Deposits mainly represented an amount of HK\$11,876,000 (2019: HK\$11,186,000) paid to a non-bank financial institution which was backed by a deposit of the same amount received from a customer for the underlying finance lease arrangements pursuant to the requirement from the non-bank financial institution. Such deposit has been classified as a non-current asset as the underlying finance lease has term of over 1 year from the end of the reporting period. The remaining amounts of deposits represented deposits paid to third parties in the ordinary course of business.
- (ii) Amount of HK\$26,700,000 paid to a supplier for purchase of health and hygiene products. Subsequent to the reporting end, the amount was fully refunded to the Group as the supplier could not make the delivery on the specified time.

- (i) 按金主要指支付予一家非銀行金融機構之金額11,876,000港元(二零一九年：11,186,000 港元)，根據該非銀行金融機構之規定，其金額獲得客戶就相關融資租賃安排所收取之相同金額之按金支持。該等按金因相關融資租賃期限自報告期末起超過一年，已被分類為一項非流動資產。餘下按金金額指於日常業務過程中支付予第三方之按金。
- (ii) 支付予供應商以購買保健及衛生產品的26,700,000港元。於報告期末後，由於供應商未能於指定時間交付，故該款項已全數退還予本集團。

Other receivables are unsecured, interest-free and will be settled within twelve months after the end of reporting period.

其他應收款為無抵押、免息及將於報告期末後十二個月內結算。

22. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (Continued)**Movement of allowances for other receivables and deposits**

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Balance at beginning of year	年初之結餘	800	800
Impairment loss for the year	本年度減值虧損	-	-
Balance at end of year	年末之結餘	800	800

22. 其他應收款、按金及預付款項 (續)**其他應收款及按金撥備變動****23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Listed equity and debt securities:	上市股本及債務證券：		
– in Hong Kong	– 於香港	11,176	4,823
– in the PRC	– 於中國	56,858	5,934
Unlisted fund investments:	非上市基金投資：		
– in the PRC	– 於中國	88,018	14,921
		156,052	25,678

23. 按公平值透過損益列賬之金融資產**24. DEPOSITS PLACED WITH NON-BANK FINANCIAL INSTITUTIONS, RESTRICTED BANK DEPOSITS AND CASH AND CASH EQUIVALENTS**

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Deposits placed with non-bank financial institutions	存放於非銀行金融機構之存款	39,227	90,545
Restricted bank deposits	受限制銀行存款		
– non-current portion	– 非即期部分	20,724	19,520
Cash and cash equivalents	現金及現金等值物	132,483	107,033

24. 存放於非銀行金融機構之存款、受限制銀行存款以及現金及現金等值物

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24. DEPOSITS PLACED WITH NON-BANK FINANCIAL INSTITUTIONS, RESTRICTED BANK DEPOSITS AND CASH AND CASH EQUIVALENTS (Continued)

Deposits placed with non-bank financial institutions are for trading in securities and interest bearing at prevailing market rates ranging from 0.01% to 0.09% (2019: 0% to 0.35%) per annum.

Restricted bank deposits were pledged to banks to secure bank borrowings granted to the Group as set out in note 27 and interest bearing at a prevailing market rates ranging from 0% to 0.38% (2019: 0.35% to 3%) per annum.

Cash and cash equivalents included (i) bank balances and cash; and (ii) certain highly liquid investments.

Bank balances carry interest at prevailing market rates which is 0% to 0.3% (2019: 0% to 0.38%) per annum.

Included in deposits placed with non-bank financial institutions, restricted bank deposits and cash and cash equivalents are the following amounts denominated in currencies other than the functional currency of the relevant group entity to which they relate:

24. 存放於非銀行金融機構之存款、受限制銀行存款以及現金及現金等值物 (續)

存放於非銀行金融機構之存款用作證券買賣並按現行市場利率計息，年利率介乎0.01%至0.09%（二零一九年：0%至0.35%）。

受限制銀行存款已抵押予銀行，以取得本集團獲授之銀行借款（載於附註27），並按現行市場利率計息，年利率介乎0%至0.38%（二零一九年：0.35%至3%）。

現金及現金等值物包括(i)銀行結餘及現金；及(ii)若干高流通性投資。

銀行結餘按現行市場利率計息，年利率介乎0%至0.3%（二零一九年：0%至0.38%）。

存放於非銀行金融機構之存款、受限制銀行存款以及現金及現金等值物包括以有關集團實體功能貨幣以外之貨幣計值之款項如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
RMB	人民幣	1,202	13

25. CONTINGENT CONSIDERATION RECEIVABLE

The balance represents the contingent consideration receivable in relation to the acquisition of Tripler from a third party, the vendor, pursuant to the sale and purchase agreement (“Acquisition Agreement”). The amount is classified as financial assets at fair value through profit or loss and measured at fair value.

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
At beginning of year	於年初	-	-
Acquisition of a subsidiary (note 43a)	收購一家附屬公司 (附註43a)	5,051	-
Fair value change recognised in profit or loss	於損益確認之公平值變動	(2,498)	-
At end of year	於年末	2,553	-

Pursuant to the Acquisition Agreement, the vendor guarantees to the Group that Tripler shall meet certain performance targets (the “Profit Guarantee”) for the years ending 31 December 2020 and 2021.

If the Profit Guarantee could not be met, the Group shall have the right to receive the shortfall of the Profit Guarantee of HK\$6,000,000 and HK\$6,500,000 for financial years ending 31 December 2020 and 2021 respectively as cash compensation from the vendor.

25. 應收或然代價

結餘指有關自一名第三方(賣方)根據買賣協議(「收購協議」)收購森川的應收或然代價。該金額分類為按公平值透過損益列賬之金融資產並以公平值計量。

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
At beginning of year	-	-
Acquisition of a subsidiary (note 43a)	5,051	-
Fair value change recognised in profit or loss	(2,498)	-
At end of year	2,553	-

根據收購協議，賣方向本集團保證森川截至二零二零年及二零二一年十二月三十一日止年度將達到特定表現目標(「溢利保證」)。

倘溢利保證未獲達成，本集團將有權於截至二零二零年及二零二一年十二月三十一日止財政年度分別收取溢利保證差額6,000,000港元及6,500,000港元，作為應向賣方收取之現金補償。

25. CONTINGENT CONSIDERATION RECEIVABLE (Continued)

At the date of acquisition, the fair value of the contingent consideration receivable was estimated to be approximately HK\$5,051,000 representing the estimated shortfall of the Profit Guarantee in accordance with the terms of Acquisition Agreement. The fair value was arrived at based on discounted cash flow of Tripler's forecast using financial budgets to capture the present value of the expected future economic benefits that will flow into the Group by applying probability-weighted average of achieving the required benchmark, using discount rate of 4.1%. The valuation was performed by an independent qualified professional valuer.

As at 31 December 2020, the fair value of the contingent consideration receivable was estimated to be approximately HK\$2,553,000, representing the estimated shortfall of the Profit Guarantee in accordance with the terms of Acquisition Agreement. The fair value was arrived at based on discounted cash flow of Tripler's forecast using financial budgets to capture the present value of the expected future economic benefits that will flow into the Group by applying probability-weighted average of achieving the required benchmark, using discount rate of 4.1%. The valuation was performed by an independent qualified professional valuer.

25. 應收或然代價 (續)

於收購日期，應收或然代價之公平值預計約5,051,000港元，即根據收購協議條款之溢利保證的估計差額。有關公平值乃按森川預測財務預算之貼現現金流量（用以透過應用達至規定標準之概率加權平均數，採用4.1%之貼現率以取得將流入本集團之預期未來經濟利益之現值）而計算得出。估計由獨立合資格專業估值師進行。

於二零二零年十二月三十一日，應收或然代價之公平值預計約2,553,000港元，即根據收購協議條款之溢利保證的估計差額。有關公平值乃按森川預測財務預算之貼現現金流量（用以透過應用達至規定標準之概率加權平均數，採用4.1%之貼現率以取得將流入本集團之預期未來經濟利益之現值）而計算得出。估值由獨立合資格專業估值師進行。

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26. SERVICE COST PAYABLES, OTHER PAYABLES AND ACCRUALS

26. 應付服務成本、其他應付款及應計費用

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Service cost payables	應付服務成本	-	1,041
Accruals	應計費用	15,889	14,457
Interest payable	應付利息	34,135	6,212
Value-added tax payables	應付增值稅	418	405
Other payables	其他應付款	37,841	6,168
Receipt in advance	預收款項	-	368
		88,283	28,651

Note: Amount of HK\$31,186,000 owed to the Landlord in respect of the acquisition of the Land and Factory in Liaoning Province. All amount was subsequently settled in January 2021 (note 14).

附註：有關收購遼寧省的土地及工廠而應付地主之31,186,000港元。所有款項隨後已於二零二一年一月結算(附註14)。

Service cost payables, other payables and accruals principally comprise amounts outstanding for service costs and ongoing costs.

應付服務成本、其他應付款及應計費用主要包括服務成本尚未償還之款項及持續成本。

Interest payable represent the unpaid interest expenses for the borrowings.

應付利息指借款之未付利息開支。

The normal credit period of service cost is 0 – 5 days.

就服務成本提供之一般信貸期為0–5日。

An aged analysis of the Group's service cost payables at the end of the reporting period presented based on the invoice dates is as follows:

於報告期末按發票日期呈列之本集團應付服務成本之賬齡分析如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Over 365 days	365日以上	-	1,041

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27. BORROWINGS

27. 借款

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Secured:	有抵押：		
Bank borrowings (note(i))	銀行借款 (附註(i))	412,394	399,396
Other borrowings (note(ii))	其他借款 (附註(ii))	59,380	193,891
		471,774	593,287
Unsecured:	無抵押：		
Bank borrowings (note(ii))	銀行借款 (附註(ii))	1,615	–
		473,389	593,287

The borrowings are repayable as follows:*

借款須於以下期限償還：*

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Within one year	一年內	458,603	523,654
Within a period of more than one year but not exceeding two years	一年以上但不超過兩年期間內	14,786	55,706
Within a period of more than two years but not exceeding five years	兩年以上但不超過五年期間內	–	13,927
		473,389	593,287
Less: Amounts due within one year shown under current liabilities	減：於流動負債列示之一年內 到期之款項	(458,603)	(523,654)
Amounts shown under non-current liabilities	於非流動負債列示之款項	14,786	69,633

* The amounts due are based on scheduled repayment dates set out in the loan agreements.

* 到期金額乃以貸款協議載明之排期還款日為依據。

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27. BORROWINGS (Continued)

Note:

- (i) The bank and other borrowings at 31 December 2020 are interest bearing at floating rates ranged from 4.28% to 9.00% (2019: 4.28% to 9.00%) per annum, secured by the machinery and equipment leased to customers under finance lease, restricted bank deposits and/or finance lease receivables of the Group. Approximately HK\$174,874,000 (2019: HK\$268,893,000) of the borrowings were also guaranteed by a finance lease customer or shareholders of certain finance lease customers.
- (ii) The unsecured bank borrowings at 31 December 2020 are interest bearing at fixed rates from 1.54% to 4.92% per annum with a borrowing amount of HK\$722,000 guaranteed by a substantial shareholder of the Company.

27. 借款 (續)

附註：

- (i) 於二零二零年十二月三十一日，銀行及其他借款乃按浮息利率計息，年利率介乎4.28%至9.00%（二零一九年：4.28%至9.00%），以本集團透過融資租賃租予客戶之機器及設備、受限制銀行存款及／或融資租賃應收款作抵押。約174,874,000港元（二零一九年：268,893,000港元）之借款亦由融資租賃客戶或若干融資租賃客戶之股東作擔保。
- (ii) 於二零二零年十二月三十一日，無抵押銀行借款乃按年利率1.54%至4.92%的固定利率計息，借款金額722,000港元由本公司的一個主要股東擔保。

28. FINANCIAL LIABILITY AT FAIR VALUE THROUGH PROFIT OR LOSS**28. 按公平值透過損益列賬之金融資產**

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
At beginning of year	於年初	15,660	27,322
Change in fair value recognised in profit or loss (note 16(d))	於損益內確認之公平值變動 (附註16(d))	(15,660)	(11,662)
At end of year	於年末	-	15,660

As disclosed in note 16(d), the Group entered into a Call Option undertaking to grant the Call Option to the Purchaser of joint venture of the Group. As at 30 June 2020 the Purchaser exercised the Call Option, the fair value of the Call Option using the Binominal option pricing model was revaluated to zero. A gain on fair value change of approximately HK\$15,660,000 (2019: HK\$11,662,000) was recognised in consolidated statement of profit or loss.

誠如附註16(d)所披露，本集團訂立認購期權承諾以向本集團合營企業的買方授出認購期權。於二零二零年六月三十日，買方行使認購期權，使用二項式期權定價模式的認購期權公平值重估為零。已於綜合損益表確認公平值變動收益約15,660,000港元（二零一九年：11,662,000港元）。

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29. SHARE CAPITAL

29. 股本

		Number of ordinary shares of HK\$0.01 each 每股 面值0.01港元之 普通股數目 '000 千股	Number of ordinary shares of HK\$0.1 each 每股 面值0.1港元之 普通股數目 '000 千股	Nominal value 面值 HK\$'000 千港元
Authorised:	法定：			
At 1 January 2019, 31 December 2019 and 1 January 2020	於二零一九年一月一日、 二零一九年 十二月三十一日及 二零二零年一月一日	40,000,000	-	400,000
Share consolidation (note b)	股份合併 (附註b)	(40,000,000)	4,000,000	-
At 31 December 2020	於二零二零年 十二月三十一日	-	4,000,000	400,000
Issued and fully paid:	已發行及繳足：			
At 1 January 2019, 31 December 2019 and 1 January 2020	於二零一九年一月一日、 二零一九年十二月 三十一日及 二零二零年一月一日	11,919,198	-	119,192
Shares issued upon completion of share placement (note a)	股份配售完成後所發行的 股份 (附註a)	2,383,830	-	23,838
Share consolidation (note b)	股份合併 (附註b)	(14,303,028)	1,430,303	-
Issued of shares upon acquisition of a subsidiary (note c)	收購一家附屬公司後的 已發行股份 (附註c)	-	257,000	25,700
At 31 December 2020	於二零二零年 十二月三十一日	-	1,687,303	168,730

(a) Pursuant to the placing agreement on 30 December 2019, the Company has conditionally agreed to place, through placing agents, up to 2,383,830,000 new shares to not less than 6 placees at the placing price HK\$0.014 per share. The placing of entire number of new shares was completed on 22 January 2020.

(b) With effect from 26 March 2020, every ten (10) issued and unissued shares of the Company of HK0.01 each was consolidated into one (1) consolidated share of the Company of HK\$0.1 each (the "Share Consolidation"). Further details of the Share Consolidation are set out in the announcements dated 14 February 2020 and 24 March 2020 and circular of the Company dated 4 March 2020.

(a) 根據於二零一九年十二月三十日的配售協議，本公司已有條件同意通過配售代理按配售價每股新股份0.014港元配售最多2,383,830,000股股份予不少於六名承配人，配售全部新股份已於二零二零年一月二十二日完成。

(b) 自二零二零年三月二十六日起，本公司每股面值0.01港元之已發行及未發行股份中每十(10)股股份已合併為一(1)股本公司每股面值0.1港元之合併股份(「股份合併」)。股份合併的進一步詳情分別載於本公司日期為二零二零年二月十四日及二零二零年三月二十四日之公告及日期為二零二零年三月四日之通函。

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29. SHARE CAPITAL (Continued)

(c) On 21 August 2020, 257,000,000 shares of HK\$0.1 each in the capital of the Company were issued and allotted to the vendor under the acquisition. 108,000,000 shares of the total were subjected to the escrow arrangement in accordance with the profit guarantee requirement of the acquisition agreement (note 43(a)). These shares rank pari passu in all respect with other shares in issue.

29. 股本 (續)

(c) 於二零二零年八月二十一日，本公司股本中每股面值0.1港元的257,000,000股股份已根據收購事項發行及配發予賣方。其中108,000,000股股份根據收購協議之溢利保證之規定受託管安排所規限(附註43(a))。該等股份將與其他已發行股份享有同等地位。

30. DEFERRED TAX

The following are the major deferred tax (assets)/liabilities recognised by the Group and the movement thereon, during the current and prior years.

30. 遞延稅項

以下為本集團於本年度及過往年度確認之主要遞延稅項(資產)/負債及其變動。

		Imputed interest on deposits received from customers 已收客戶按金 之估算利息 HK\$'000 千港元	Undistributed profits of subsidiaries, and an associate 附屬公司 及一家聯營 公司之 未分配溢利 HK\$'000 千港元	Tax losses 稅項虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	1,659	6,372	-	8,031
Exchange differences	匯兌差額	(26)	-	43	17
Credit profit or loss (note 9)	於損益計入(附註9)	(161)	-	(2,839)	(3,000)
At 31 December 2019	於二零一九年十二月三十一日	1,472	6,372	(2,796)	5,048
Exchange differences	匯兌差額	81	-	255	336
Credit to profit or loss (note 9)	於損益計入(附註9)	(164)	(5,578)	-	(5,742)
At 31 December 2020	於二零二零年十二月三十一日	1,389	794	(2,541)	(358)

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30. DEFERRED TAX (Continued)

At 31 December 2020, other than the deferred tax assets and liabilities mentioned above, subsidiaries of the Group had unused tax losses of approximately HK\$597,659,000 (2019: HK\$281,724,000) available for offset against future profit. No deferred tax asset has been recognised due to the unpredictability of future profit streams of those subsidiaries. Except for an amount of HK\$282,967,000 (2019: HK\$24,476,000) which can be carried forward for 5 years, the remaining unused tax losses may be carried forward indefinitely.

Under the EIT Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by the PRC group entities from 1 January 2008 onwards. Withholding tax has been fully provided at 5% (2019: 5%) on the distributable profits, if any, of the Group's PRC group entities and included in deferred taxation.

30. 遞延稅項 (續)

於二零二零年十二月三十一日，除上述遞延稅項資產及負債外，本集團附屬公司有未動用稅項虧損約597,659,000港元（二零一九年：281,724,000港元）可用於抵銷未來溢利。由於該等附屬公司之未來溢利流難以預測，故並無確認遞延稅項資產。除282,967,000港元（二零一九年：24,476,000港元）之金額可結轉5年外，餘下未動用稅項虧損可無限期結轉。

根據中國企業所得稅法，自二零零八年一月一日起，就中國集團實體所賺取溢利宣派之股息須繳交預扣稅。預扣稅乃按本集團中國集團實體已悉數分配溢利（如有）之5%（二零一九年：5%）計提撥備，並計入遞延稅項。

31. SHARE-BASED PAYMENT TRANSACTIONS 31. 以股份為基礎之付款交易

The Company's new share option scheme (the "Scheme"), was adopted pursuant to a resolution passed on 29 July 2016 for the primary purpose of providing incentives to directors and eligible employees (the "Grantees"). Under the Scheme, the directors of the Company may grant options to eligible employees, including directors of the Company, to subscribe for shares in the Company.

At 31 December 2020, the number of shares after the share consolidated on ten to one basis on 26 March 2020 in respect of which options had been granted and remained outstanding under the Scheme was 1,983,333 (2019: 19,833,334), representing 0.12% (2019: 0.17%) of the shares of the Company in issue at that date. The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders.

Options granted must be taken up within 28 days of the date of grant, upon payment of HK\$1 per option. Options are divided into 3 tranches, namely Tranch 1, Tranch 2 and Tranch 3, and are exercisable, subject to the fulfilment of vesting conditions which, among others, includes the achieving of specific annual financial performance target of a subsidiary of the Company for each of the year ended 31 December 2016, 2017 and 2018 for Tranch 1, Tranch 2 and Tranch 3 respectively, that whether achieved or not would be confirmed around the time in the first quarter of the following year then vest, to the fifth anniversary of the date of grant. The exercise price is determined by the directors of the Company, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant, (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

本公司根據二零一六年七月二十九日通過之一項決議案採納新購股權計劃（「計劃」），主要目的是向董事及合資格僱員（「承授人」）給予激勵。根據計劃，本公司董事可向合資格僱員（包括本公司董事）授出購股權以認購本公司股份。

於二零二零年十二月三十一日，在二零二零年三月二十六日按每10股股份合併為1股股份之股份合併後，根據計劃已授出且尚未行使之購股權涉及之股份數目為1,983,333股（二零一九年：19,833,334股），佔該日本公司已發行股份之0.12%（二零一九年：0.17%）。未經本公司股東事先批准，根據計劃可能授出之購股權涉及之股份總數不得超過本公司不時已發行股份之10%。未經本公司股東事先批准，任何一年內已授出及可能授出予任何個人之購股權所涉及之已發行及將予發行之股份數目不得超過本公司不時已發行股份之1%。

授出之購股權須在支付每份購股權1港元之後於授出日期起28日內接納。購股權分為三批，即第一批、第二批及第三批，可予以行使，惟須滿足歸屬條件，其中包括達到本公司附屬公司為第一批、第二批及第三批分別設定之截至二零一六年、二零一七年及二零一八年十二月三十一日止各年度特定財務表現年度目標（是否達成或將於當時歸屬年度首個季度確認），直至於授出日期起第五個週年。行使價由本公司董事釐定，且將不低於以下較高者：(i)本公司股份於授出日期之收市價；(ii)於緊接授出日期前五個營業日，股份之平均收市價；及(iii)本公司股份面值。

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31. SHARE-BASED PAYMENT TRANSACTIONS 31. 以股份為基礎之付款交易
(Continued) (續)

The following table discloses the movements of the Company's share options during the year ended 31 December 2020:

下表披露本公司截至二零二零年十二月三十一日止年度之購股權變動情況：

Name of participant 參與者姓名	Number of share options outstanding at 1 January 2020 於二零二零年一月一日尚未行使之 購股權數目				Adjustment (note) 調整 (附註)				Lapsed during the year 年內已失效				Number of share options outstanding at 31 December 2020 於二零二零年十二月三十一日尚未行使之 購股權數目			
	Tranch 1 第一批	Tranch 2 第二批	Tranch 3 第三批	Total 總計	Tranch 1 第一批	Tranch 2 第二批	Tranch 3 第三批	Total 總計	Tranch 1 第一批	Tranch 2 第二批	Tranch 3 第三批	Total 總計	Tranch 1 第一批	Tranch 2 第二批	Tranch 3 第三批	Total 總計
Executive Directors 執行董事																
Qiao Weibing 喬衛兵	3,333,333	-	-	3,333,333	(3,000,000)	-	-	(3,000,000)	-	-	-	-	333,333	-	-	333,333
Lai Ka Fai 黎嘉輝	1,333,333	-	-	1,333,333	(1,200,000)	-	-	(1,200,000)	-	-	-	-	133,333	-	-	133,333
Tao Ke 陶可	1,000,000	-	-	1,000,000	(900,000)	-	-	(900,000)	-	-	-	-	100,000	-	-	100,000
Independent non-executive Directors 獨立非執行董事																
Goh Choo Hwee 吳碧飛	666,667	-	-	666,667	(600,000)	-	-	(600,000)	-	-	-	-	66,667	-	-	66,667
Ho Hin Yip 何衍業	666,667	-	-	666,667	(600,000)	-	-	(600,000)	-	-	-	-	66,667	-	-	66,667
U Keng Tin 余肇天	666,667	-	-	666,667	(600,000)	-	-	(600,000)	-	-	-	-	66,667	-	-	66,667
Employees 僱員																
Other participants 其他參與者	12,166,667	-	-	12,166,667	(10,950,001)	-	-	(10,950,001)	-	-	-	-	1,216,666	-	-	1,216,666
	19,833,334	-	-	19,833,334	(17,850,001)	-	-	(17,850,001)	-	-	-	-	1,983,333	-	-	1,983,333
Exercisable at the end of the reporting period 於報告期末可予行使													1,983,333	-	-	1,983,333

Note:

As a result of the share consolidation which was effective on 26 March 2020, the exercise price per share and number of outstanding share option granted on 8 December 2016 were adjusted from HK\$0.12 to HK1.20 and 19,833,334 to 1,983,333 respectively.

附註：

由於股份合併自二零二零年三月二十六日起生效，故每股份行使價及於二零一六年十二月八日授出尚未行使之購股權數目分別自每股0.12港元調整至每股1.20港元及自19,833,334份調整至1,983,333份。

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31. SHARE-BASED PAYMENT TRANSACTIONS 31. 以股份為基礎之付款交易
(Continued) (續)

The following table discloses the movements of the Company's share options during the year ended 31 December 2019:

下表披露本公司截至二零一九年十二月三十一日止年度之購股權變動情況：

Name of participant 參與者姓名	Number of share options outstanding at 1 January 2019 於二零一九年一月一日尚未行使之購股權數目				Lapsed during the year 年內已失效				Number of share options outstanding at 31 December 2019 於二零一九年十二月三十一日尚未行使之購股權數目			
	Tranch 1 第一批	Tranch 2 第二批	Tranch 3 第三批	Total 總計	Tranch 1 第一批	Tranch 2 第二批	Tranch 3 第三批	Total 總計	Tranch 1 第一批	Tranch 2 第二批	Tranch 3 第三批	Total 總計
Executive Directors 執行董事												
Qiao Weibing 喬衛兵	3,333,333	-	3,333,334	6,666,667	-	-	(3,333,334)	(3,333,334)	3,333,333	-	-	3,333,333
Lai Ka Fai 黎嘉輝	1,333,333	-	1,333,334	2,666,667	-	-	(1,333,334)	(1,333,334)	1,333,333	-	-	1,333,333
Tao Ke 陶可	1,000,000	-	1,000,000	2,000,000	-	-	(1,000,000)	(1,000,000)	1,000,000	-	-	1,000,000
Independent non-executive Directors 獨立非執行董事												
Goh Choo Hwee 吳慈飛	666,667	-	666,666	1,333,333	-	-	(666,666)	(666,666)	666,667	-	-	666,667
Ho Hin Yip 何衍業	666,667	-	666,666	1,333,333	-	-	(666,666)	(666,666)	666,667	-	-	666,667
U Keng Tin 余擎天	666,667	-	666,666	1,333,333	-	-	(666,666)	(666,666)	666,667	-	-	666,667
Employees 僱員												
Wang Liang 王亮	3,333,333	-	3,333,334	6,666,667	(3,333,333)	-	(3,333,334)	(6,666,667)	-	-	-	-
Other participants 其他參與者	18,833,332	-	18,833,334	37,666,666	(6,666,665)	-	(18,833,334)	(25,499,999)	12,166,667	-	-	12,166,667
	29,833,332	-	29,833,334	59,666,666	(9,999,998)	-	(29,833,334)	(39,833,332)	19,833,334	-	-	19,833,334
E exercisable at the end of the reporting period 於報告期末可予行使									19,833,334	-	-	19,833,334

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32. OPERATING LEASE COMMITMENT

Operating leases – lessor

The Group's investment properties are leased to a number of tenants for two to three years (2019: two to three years).

The minimum rent receivables under non-cancellable operating leases are as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Within one year	一年內	6,088	4,762
In the second to fifth year	兩至五年	7,948	4,840
		14,036	9,602

32. 經營租賃承擔

經營租賃 – 出租人

本集團之投資物業按兩至三年(二零一九年：兩至三年)的租期租予若干租戶。

不可撤銷經營租賃項下之最低應收租金如下：

33. CAPITAL COMMITMENTS

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	已訂約惟未於綜合財務報表撥備之物業、廠房及設備增購之資本開支	73	124

33. 資本承擔

34. RETIREMENT BENEFITS SCHEMES

The operating subsidiaries in Hong Kong joined the mandatory provident fund scheme (“MPF Scheme”) for all employees in Hong Kong. The MPF Scheme is registered with the Mandatory Provident Fund Scheme Authority under the Mandatory Provident Scheme Ordinance. The assets of the scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rule of the MPF Scheme, the employer and its employees are each required to make contributions at 5% of the relevant payroll of the employees to the MPF Scheme, capped at HK\$1,500 per employee per month. The obligation of the Group with respect of MPF Scheme is to make the required contribution under the MPF Scheme. The retirement benefits cost charged to the consolidated statement of profit or loss represent contributions paid and payable to the MPF Scheme by the Group.

The PRC employees of each subsidiary in the PRC are members of the pension scheme operated by the PRC local government. The subsidiary is required to contribute Fund Scheme Authority under the Mandatory Provident Scheme 16% (2019: 16% – 19%) of the relevant payroll of these employees to the pension scheme to fund the benefits. The only obligation for the Group with respect to the pension scheme is the required contributions under the pension scheme.

During the year, the Group made retirement benefits scheme contributions of approximately HK\$1,287,000 (2019: HK\$1,582,000).

34. 退休福利計劃

本集團於香港經營之附屬公司為所有香港僱員參與強制性公積金計劃（「強積金計劃」）。強積金計劃乃根據強制性公積金計劃條例於強制性公積金計劃管理局登記。強積金計劃之資產由獨立受託人以基金形式管理，並與本集團之資產分開持有。根據強積金計劃之條例，僱主及僱員均須按僱員有關薪酬之5%向強積金計劃作出供款，每名僱員每月最高為1,500港元。本集團根據強積金計劃所承擔之責任為根據強積金計劃作出所需供款。於綜合損益表中所列之退休福利成本指本集團就強積金計劃已付或應付之供款。

中國各附屬公司之中國僱員已參與由中國當地政府設立之退休金計劃。該附屬公司須按強制性公積金計劃管理局項下強積金計劃將該等僱員有關薪酬之16%（二零一九年：16% – 19%）向退休金計劃供款以為福利融資。本集團於該退休金計劃下所負之唯一責任為作出退休金計劃規定之供款。

本集團於本年度作出退休福利計劃供款約1,287,000港元（二零一九年：1,582,000港元）。

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35. FINANCIAL INSTRUMENTS

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debts, which include the bank and other borrowings and equity attributable to owners of the Company, comprising issued share capital, reserves and accumulated losses. The management reviews the capital structure by considering the cost of capital and the risks associated with each class of capital. In view of this, the Group will balance its overall capital structure through new share issues as well as the issue of new debt or the redemption of existing debt. The Group's overall strategy remains unchanged throughout the year.

Categories of financial instruments

35. 金融工具

資本風險管理

本集團管理其資本，以確保本集團之實體將可持續經營，並透過優化債務及權益結餘為股東帶來最大回報。本集團之資本結構包含債務（包括銀行及其他借款）及本公司擁有人應佔權益（包括已發行股本、儲備及累計溢利）。管理層透過考慮資本成本及與各類別資本相關之風險而審閱資本結構。有鑑於此，本集團將透過發行新股及新增債務或贖回現有債務而平衡其整體資本結構。於整個年度，本集團之整體策略維持不變。

金融工具之類別

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Financial assets	金融資產		
Financial assets at amortised cost	按攤銷成本計量之金融資產	516,637	883,321
Equity investments at fair value through other comprehensive income	按公平值透過其他全面收入列賬之股權投資	123,781	55,517
Financial assets at fair value through profit or loss	按公平值透過損益列賬之金融資產	156,052	25,678
Financial liabilities	金融負債		
Amortised cost	攤銷成本	588,354	646,037
Fair value through profit or loss	按公平值透過損益列賬	-	15,660

35. FINANCIAL INSTRUMENTS (Continued)**Financial risk management objectives and policies**

The Group's major financial instruments include equity investments at FVOCI, financial assets at FVTPL, financial assets at amortised cost (including trade receivables, finance lease receivables, loan receivables, restricted bank deposits, cash and cash equivalents, deposits placed with non-bank financial institutions), financial liabilities at FVTPL and financial liabilities at amortised cost (including service cost payables, other payables and accruals, borrowings and deposits received from customers). Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Interest rate risk

As at 31 December 2020 and 2019, the Group's fair value interest rate risk relates primarily to its loan receivables.

As at 31 December 2020 and 2019, the Group is exposed to cash flow interest rate risk in relation to variable-rate borrowings, finance lease receivables, all deposits and balances with non-bank financial institutions and banks.

The Group currently does not have a cash flow interest rate hedging policy. However, the management closely monitors its exposure to future cash flow risk as a result of change on market interest rate and will consider hedging changes in market interest rates should the need arise. A 100 basis points (2019: 100 basis points) change represents management's assessment of the reasonably possible change in interest rates.

The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of People's Bank of China Rate arising from the Group's variable interest rate bank borrowings and finance lease receivables.

35. 金融工具 (續)**財務風險管理目標及政策**

本集團之主要金融工具包括按公平值透過其他全面收入列賬之股權投資、按公平值透過損益列賬之金融資產、按攤銷成本計量之金融資產(包括貿易應收款、融資租賃應收款、應收貸款、受限制銀行存款、現金及現金等值物、存放於非銀行金融機構的存款)、按公平值透過損益列賬之金融負債及按攤銷成本計量的金融負債(包括應付服務成本、其他應付款以及應計費用、借款及已收客戶按金)。該等金融工具之詳情披露於其各自之附註。與該等金融工具相關之風險及降低該等風險之政策載於下文。管理層管理及監控該等風險，確保能及時及有效採取適當措施。

利率風險

於二零二零年及二零一九年十二月三十一日，本集團公平值利率風險主要與其應收貸款有關。

於二零二零年及二零一九年十二月三十一日，本集團浮息借款、融資租賃應收款、於非銀行金融機構及銀行存放的所有存款及結餘令本集團承受現金流量利率風險。

本集團目前並無現金流量利率對沖政策。然而，管理層密切監察因市場利率變動而引致的未來現金流量風險及將在必要時考慮對沖市場利率變動。100個基點(二零一九年：100個基點)變動乃管理層對利率可能出現合理變動之評估。

本集團的現金流量利率主要為因本集團浮息銀行借款及融資租賃應收款而產生，集中於中國人民銀行利率波動。

35. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Interest rate risk (Continued)

Sensitivity analysis

The management considers that the Group's exposure to future cash flow risk on certain variable-rate deposits and balances with non-bank financial institutions and banks as a result of the change of market interest rate is insignificant and thus those variable-rate deposits and balances with non-bank financial institutions and banks are not included in the sensitivity analysis.

The sensitivity analysis is prepared assuming the relevant financial instruments outstanding at the end of the reporting period were outstanding for the whole year. If the interest rate of borrowings, sale-leaseback transaction and finance lease receivables had been 100 basis points (2019: 100 basis points) higher/lower and all other variables were held constant, the Group's post-tax loss for the year ended 31 December 2020 would have increased/decreased by HK\$10,000 (2019: post-tax loss would have decreased/increased by HK\$4,000). This is mainly attributable to the Group's exposure to interest rates on its variable-rate borrowings, sale-leaseback transaction and finance lease receivables.

Currency risk

As at 31 December 2020 and 2019, there were no significant foreign currency denominated monetary assets and liabilities. Therefore the management considers that the Group was not exposed to significant currency risk.

Other price risk

The Group is exposed to price risk through its investments in listed equity and debt securities and unlisted fund investments. The management manages this exposure by maintaining a portfolio of investments with different risks. The Group's price risk is mainly concentrated on equity instruments listed in The Stock Exchange of Hong Kong Limited, the Shanghai Stock Exchange and Shenzhen Stock Exchange. In addition, the Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

35. 金融工具 (續)

財務風險管理目標及政策 (續)

利率風險 (續)

敏感度分析

管理層認為，本集團面臨若干浮息存款及於非銀行金融機構及銀行結餘的未來現金流量風險，因市場利率變動幅度不大，因而該等浮息存款及於非銀行金融機構及銀行結餘並未計入敏感度分析。

編製敏感度分析乃假定於報告期末，相關未清償的金融工具在全年內一直未清償，倘借款、售後回租交易應收款及融資租賃應收款之利率上升/下降100個基點（二零一九年：100個基點）且所有其他變數維持不變，則本集團截至二零二零年十二月三十一日止年度之除稅後虧損應將增加/減少10,000港元（二零一九年：除稅後虧損應將減少/增加4,000港元）。此乃由於本集團承受浮息借款、售後回租交易及融資租賃應收款之利率風險。

貨幣風險

於二零二零年及二零一九年十二月三十一日，概無重大以外幣計值的貨幣資產及負債。因此，管理層認為，本集團並無面對重大貨幣風險。

其他價格風險

本集團透過其上市股本及債務證券投資及非上市基金投資承受價格風險。管理層透過維持不同風險的投資組合管理其風險。本集團價格風險主要集中於在香港聯合交易所有限公司、上海證券交易所及深圳證券交易所上市的股本工具。此外，本集團委任一個特別小組監察價格風險並在必要時考慮對沖風險。

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35. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Other price risk (Continued)

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to price risk of listed equity and debt securities and unlisted fund investment at the reporting date. The analysis is based on the assumption that the relevant index had changed by 10% with all other variables held constant and all the listed equity and debt securities move according to the historical correlation with the index. If the prices of the respective instruments had been 10% higher/lower, and held other variables constant, the impacts to the post-tax loss for the year are as follow:

35. 金融工具 (續)

財務風險管理目標及政策 (續)

其他價格風險 (續)

敏感度分析

以下敏感度分析乃根據報告日期上市股本及債務證券以及非上市基金投資價格風險而釐定。分析基於相關指數已變動10%而所有其他變數維持不變，以及所有上市股本及債務證券根據以往與指數之相關性變動之假設而作出。倘相關工具的價格增加／減少10%，而其他變數維持不變，則年內的稅後虧損影響如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Listed equity and debt securities	上市股本及債務證券		
Decrease by 10%	減少10%	5,197	1,522
Increase by 10%	增加10%	(5,197)	(1,522)
Unlisted fund investment	非上市基金投資		
Decrease by 10%	減少10%	6,601	445
Increase by 10%	增加10%	(6,601)	(445)

35. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk

The Group's credit risk is primarily attributable to trade receivables, loan receivables, other receivables and deposits, finance lease receivables, deposits placed with non-bank financial institutions, restricted bank deposits, and cash and cash equivalents.

The Group's maximum exposure to credit risk in the event of the counterparties failure to perform their obligations as at 31 December 2020 and 2019 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group 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. In addition, the Group reviews the recoverable amount of each individual debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

For finance lease receivables and receivables from sale-leaseback transactions, the Group has closely monitored the recoverability and ensured adequate collaterals are received from these customers. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

35. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險

本集團信貸風險主要因貿易應收款、應收貸款、其他應收款及按金、融資租賃應收款、存放於非銀行金融機構的存款、受限制銀行存款以及現金及現金等值物而引致。

倘對手方於二零二零年及二零一九年十二月三十一日未能履行其義務，則本集團就有關各類已確認金融資產要承受之最大信貸風險為綜合財務狀況表所列該等資產之賬面值。

為了盡量減低信貸風險，本集團管理層已授權一個小組負責信貸額之釐定、信貸批核及其他監察程序，以確保採取跟進措施收回逾期之賬款。此外，本集團於報告期末檢討各個別債項之可收回數額，以確保就無法收回之數額作出足夠之減值虧損撥備。

就融資租賃應收款及售後回租交易應收款而言，本集團密切監察可收回程度，確保自該等客戶獲取充足抵押品。有鑑於此，本公司董事認為本集團之信貸風險已顯著地減低。

35. FINANCIAL INSTRUMENTS (Continued)**Financial risk management objectives and policies** (Continued)**Credit risk** (Continued)

For loan receivables (except for receivables from sales-leaseback transactions), the Group has closely monitored the recoverability of loan receivables from the loan borrowers, including but not limited to timely review loan borrower's financial performance, follow-up action if become default, etc. In this regards, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group measures impairment loss of trade receivables based on HKFRS 9 simplified approach at an amount equal to lifetime ECLs. Before accepting any new customer, the Group assesses potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed regularly. The Group has establish a provision matrix that is based on the Group's historical credit losses experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group measures loss allowance for finance lease receivables and trade receivables based on lifetime ECLs. For other financial assets receivables, the Group assessed the loss allowance for receivables that are not credit-impaired collectively based on 12 months expected credit loss and lifetime ECL and assessed receivables that are credit-impaired individually based on lifetime expected credit loss.

35. 金融工具 (續)**財務風險管理目標及政策** (續)**信貸風險** (續)

就應收貸款(除售後回租交易應收款外)而言,本集團已密切監察貸款借款人的應收可收回貸款,包括但不限於及時檢討貸款借款人的財務表現,倘違約時能採取措施等。有鑑於此,本公司董事認為本集團的信貸風險已顯著地減少。

本集團根據香港財務報告準則第9號的簡化法,按相等於年期內預期信貸虧損的金額,計量貿易應收款的減值虧損。於接受新客戶前,本集團評估潛在客戶的信貸質素並按客戶基準釐定信貸額。歸屬於客戶的限額乃獲定期審閱。本集團已基於本集團歷史信貸虧損經驗建立撥備矩陣,並就債務人及經濟環境的特定前瞻性因素作出調整。

本集團按年期內預期信貸虧損計量融資租賃應收款及貿易應收款的虧損撥備。就其他金融資產而言,本集團按共同評估12個月預期信貸虧損及年期內預期信貸虧損(未信貸減值)及個別評估年期內預期信貸虧損(信貸減值)計量虧損撥備。

35. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk (Continued)

Other receivables and deposit (other than deposit at bank) is classified as financial asset at amortised cost. For other receivables and deposit, the management of the Group makes periodic collective assessment as well as individual assessment on the recoverability of other receivables and deposit based on historical settlement records and past experience. For the year ended 31 December 2020 and 2019, the Group assessed the ECL for other receivables and deposit were insignificant and thus no additional loss allowance was recognised.

The Group's bank balances and deposits are deposited with banks and non-bank financial institutions in Hong Kong and the PRC and the Group has limited the exposure to any single financial institution. The credit risk on liquid funds is limited because the counterparties are banks and non-bank financial institution with good credit-rating.

As at 31 December 2020, the Group had certain concentration of credit risk as 58% and 100% (2019: 46% and 100%) of the aggregate amount of finance lease receivables are due from the Group's largest and the five largest customers respectively, which are mainly state owned enterprises or sizeable private owned enterprises in the PRC. The management exercises due care in granting credit and checking the background of these counterparties on a regular basis and closely monitors the subsequent settlement of the customers. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

35. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險 (續)

其他應收款項及按金(銀行存款除外)乃分類為按攤銷成本計量的金融資產。就其他應收款項及按金而言,本集團管理層根據歷史償付記錄及過往經驗,就其他應收款項及按金的可收回金額進行定期綜合評估及個別評估。截至二零二零年及二零一九年十二月三十一日止年度,本集團其他應收款項及按金的經評估預期信貸虧損並不重大,故並無確認額外虧損撥備。

本集團的銀行結餘及存款存放於香港及中國的銀行及非銀行金融機構及本集團承受任何單一金融機構的風險有限。流動資金的信貸風險有限,乃由於對手方為具有良好信貸評級的銀行及非銀行金融機構。

於二零二零年十二月三十一日,由於融資租賃應收款總額之58%及100%(二零一九年:46%及100%)分別來自本集團最大及五大客戶(主要為中國國有企業或具規模的民營企業),本集團因此承受若干信貸集中風險。管理層審慎授出信貸,定期核查此等對手方的背景,並密切監控客戶的後續結算。就此而言,本公司董事認為本集團的信貸風險已顯著地減低。

35. FINANCIAL INSTRUMENTS (Continued)**Financial risk management objectives and policies** (Continued)**Credit risk** (Continued)

The Group's internal credit risk grading assessment comprises the following categories that should be read in conjunction with note 3.2 regarding the accounting policies of impairment loss on financial assets:

Internal credit rating 內部信貸評級	Description 描述	Finance lease and trade receivables 融資租賃及貿易應收款	Other financial assets 其他金融資產
Stage 1 第一級	The counterparty has a low risk of default and does not have any past-due amounts, or debtor frequently repays after due dates but usually settle after due date 對手方的違約風險低亦無任何逾期款項，或債務人經常於到期日後償還但通常於到期日後結清	Lifetime ECL – not credit impaired 年期內預期信貸虧損—無信貸減值	12 month ECL 12個月逾期信貸虧損
Stage 2 第二級	There have been significant increases in credit risk since initial recognition through information developed internally or external resources 自透過已開發內部及外部資源的資料初步確認以來，信貸風險並無顯著地增加	Lifetime ECL – not credit impaired 年期內預期信貸虧損—無信貸減值	Lifetime ECL – not credit impaired 年期內預期信貸虧損—無信貸減值
Stage 3 第三級	There is evidence indicating the asset is credit-impaired 有證據顯示資產為信用減值	Lifetime ECL – credit impaired 年期內預期信貸虧損—信貸減值	Lifetime ECL – credit impaired 年期內預期信貸虧損—信貸減值
Written off 撇銷	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery 有證據顯示債務人面臨峻財務困境，本集團並無實際收回可能性	Amounts is written-off 款項進行撇銷	Amounts is written-off 款項進行撇銷

35. 金融工具 (續)**財務風險管理目標及政策** (續)**信貸風險** (續)

本集團的內部信貸風險評級評估包括以下類別，應與有關金融資產減值虧損會計政策的附註3.2一併閱讀：

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35. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk (Continued)

The following table provide information about the Group's exposure to credit risk and ECLs for trade receivables according to their past due dates:

As at 31 December 2020

		Expected loss rate 預期虧損率 %	Gross carrying amount 賬面總值 HK\$'000 千港元	Loss allowance 虧損撥備 HK\$'000 千港元
Neither past due nor impaired	無逾期亦無減值	4.57	2,867	131
Past due less than 30 days	逾期少於30日	6.58	152	10
Past due for 30 days or more but less than 90 days	逾期30日或以上但少於90日	7.95	88	7
Past due for 91 days or more but less than 270 days	逾期91日或以上但少於270日	15.00	20	3
As 31 December 2020	於二零二零年十二月三十一日		3,127	151

35. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險 (續)

下表提供有關本集團面臨的信貸風險以及根據逾期日的貿易應收款的預期信貸虧損資料：

於二零二零年十二月三十一日

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35. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk (Continued)

Maximum exposure and year-end staging

The table below shows the credit quality and the maximum exposure to credit risk based on the Group's policy, which is mainly based on past due information unless other information is available without undue cost or effect, and year-end staging classification. The amounts presented are gross carrying amounts for financial assets.

		As at 31 December 2020 於二零二零年十二月三十一日				
		12 months ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Simplified approach	Total
		12個月 預期信貸虧損	非信貸減值之 年內預期 信貸虧損	已信貸減值之 年內預期 信貸虧損	簡化法	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Contingent consideration receivables	應收或然代價	2,553	-	-	-	2,553
Finance lease receivables	融資租賃應收款	-	-	-	311,745	311,745
Loan receivables	應收貸款	55,654	-	185,835	-	241,489
Trade receivables	貿易應收款	-	-	-	3,127	3,127
Other receivables and deposits	其他應收款及按金	46,282	-	-	-	46,282
Restricted bank deposits	受限制銀行存款	20,724	-	-	-	20,724
Deposit placed with non-bank financial institutions	存放於非銀行金融機構之存款	39,227	-	-	-	39,227
Cash and cash equivalents	現金及現金等值物	132,483	-	-	-	132,483
		296,923	-	185,835	314,872	797,630

		As at 31 December 2019 於二零一九年十二月三十一日				
		12 months ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Simplified approach	Total
		12個月 預期信貸虧損	非信貸減值之 年內預期 信貸虧損	已信貸減值之 年內預期 信貸虧損	簡化法	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Finance lease receivables	融資租賃應收款	-	-	-	442,780	442,780
Loan receivables	應收貸款	94,945	151,011	30,896	-	276,852
Other receivables and deposits	其他應收款及按金	19,730	-	-	-	19,730
Restricted bank deposits	受限制銀行存款	19,520	-	-	-	19,520
Deposit placed with non-bank financial institutions	存放於非銀行金融機構之存款	90,545	-	-	-	90,545
Cash and cash equivalents	現金及現金等值物	107,033	-	-	-	107,033
		331,773	151,011	30,896	442,780	956,460

35. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險 (續)

最大風險及年結階段

下表列示基於本集團政策的信貸質素及最大信貸風險，其主要基於逾期資料（除非其他資料可在無須付出不必要成本或努力的情況下獲得）及年結階段分類。所呈列金額為金融資產的賬面總值。

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35. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk (Continued)

Maximum exposure and year-end staging (Continued)

The Group has conducted an assessment of ECLs according to forward-looking information and used appropriate models and a large number of assumptions in its expected measurement of credit losses. These model and assumptions related to the future macroeconomic conditions and borrower's creditworthiness (e.g., the likelihood of default by lessees/customers and corresponding losses). The Group has adopted judgement, assumptions and estimation techniques in order to measure ECLs according to the requirements of accounting standard such as criteria for judging significant increases in credit risk, definition of credit-impaired financial asset, parameters for measuring ECLs and forward-looking information.

The following table provides information about the Group's exposure to credit risk and ECLs for finance lease receivables, trade receivables and loan receivables as at 31 December 2020 and 2019:

		Stage 1 第一級 HK\$'000 千港元	Stage 2 第二級 HK\$'000 千港元	Stage 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元	Written-off 撇銷 HK\$'000 千港元
31 December 2020	二零二零年十二月三十一日					
Finance lease receivables	融資租賃應收款					
Lifetime ECL not credit impaired	非信貸減值之 年期內預期信貸虧損					
Expected loss rate	預期虧損率	4.8%	-	-	-	-
Provision	撥備	3,563	-	-	3,563	-
Collectively assessed gross receivable	經綜合評估的應收款總額	74,225	-	-	74,225	-
Lifetime ECL credit impaired	已信貸減值之 年期內預期信貸虧損					
Expected loss rate	預期虧損率	-	-	59.00%	-	-
Provision	撥備	-	-	140,137	140,137	-
Individually assessed gross receivable	經個別評估的應收款總額	-	-	237,520	237,520	-
Loan receivables	應收貸款					
12-month ECL	12個月預期信貸虧損					
Expected loss rate	預期虧損率	6.40%	-	-	-	-
Provision	撥備	3,562	-	-	3,562	-
Collectively assessed gross receivable	經綜合評估的應收款總額	55,654	-	-	55,654	-
Lifetime ECL credit impaired	已信貸減值之 年期內預期信貸虧損					
Expected loss rate	預期虧損率	-	-	71.88%	-	100%
Provision	撥備	-	-	133,580	133,580	5,720
Individually assessed gross receivable	經個別評估的應收款總額	-	-	185,835	185,835	5,720
Trade receivables	貿易應收款					
Lifetime ECL – not credit impaired	年期內預期信貸虧損 — 無信貸減值					
Expected loss rate	預期虧損率	4.67%	7.95%	15.00%	-	-
Provision	撥備	141	7	3	151	-
Collectively assessed gross receivable	經個別評估的應收款總額	3,019	88	20	3,127	-

35. 金融工具 (續)

財務風險管理目標及政策 (續)

信貸風險 (續)

最大風險及年結階段 (續)

本集團已根據前瞻性資料進行預期信貸虧損評估，並於其預期信貸虧損的計量中使用適當模式及眾多假設。該等模式及假設與未來宏觀經濟狀況及借款人的可信度(即承租人違約/客戶及相應虧損的可能性)相關。本集團已根據會計準則的規定(如判斷信貸風險大幅增加的標準、信貸虧損金融資產的定義、計量預期信貸虧損的參數及前瞻性資料)，採納判斷、假設及估計技術計量預期信貸虧損。

下表提供有關本集團於二零二零年及二零一九年十二月三十一日就融資租賃應收款、貿易應收款及應收貸款所面臨的信貸風險及預期信貸虧損的資料：

35. FINANCIAL INSTRUMENTS (Continued)

35. 金融工具 (續)

Financial risk management objectives and policies (Continued)

財務風險管理目標及政策 (續)

Credit risk (Continued)

信貸風險 (續)

Maximum exposure and year-end staging (Continued)

最大風險及年結階段 (續)

		Stage 1 第一級 HK\$'000 千港元	Stage 2 第二級 HK\$'000 千港元	Stage 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
31 December 2019	二零一九年十二月三十一日				
Finance lease receivables	融資租賃應收款				
Lifetime ECL not credit impaired	非信貸減值之年期內預期信貸虧損				
Expected loss rate	預期虧損率	0%	-	-	-
Provision	撥備	-	-	-	-
Collectively assessed gross receivable	經綜合評估的應收款總額	219,060	-	-	219,060
Lifetime ECL credit impaired	已信貸減值之年期內預期信貸虧損				
Expected loss rate	預期虧損率	-	-	15.00%	-
Provision	撥備	-	-	33,558	33,558
Individually assessed gross receivable	經個別評估的應收款總額	-	-	223,720	223,720
Loan receivables	應收貸款				
12-month ECL	12個月預期信貸虧損				
Expected loss rate	預期虧損率	0%	-	-	-
Provision	撥備	-	-	-	-
Collectively assessed gross receivable	經綜合評估的應收款總額	94,945	-	-	94,945
Lifetime ECL not credit impaired	非信貸減值之年期內預期信貸虧損				
Expected loss rate	預期虧損率	-	3.70%	-	-
Provision	撥備	-	5,593	-	5,593
Individually assessed gross receivable	經個別評估的應收款總額	-	151,011	-	151,011
Lifetime ECL credit impaired	已信貸減值之年期內預期信貸虧損				
Expected loss rate	預期虧損率	-	-	100%	-
Provision	撥備	-	-	30,896	30,896
Individually assessed gross receivable	經個別評估的應收款總額	-	-	30,896	30,896

Liquidity risk

流動資金風險

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of borrowings and ensures compliance with loan covenants.

在管理流動資金風險時，本集團監控及維持管理層視為充足的一定水平的現金及現金等值物，以撥資本集團營運及減緩現金流量波動的影響。管理層監察借貸的利用及確保遵守貸款契諾。

The management considers that liquidity risk is limited after considering the future cash flows of the Group in the foreseeable future, including the repayment schedule of bank borrowings as discussed above and the short-term liabilities which are required to be repaid within three months from the end of the reporting period. The Group manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

在考慮到本集團於可預見未來的未來現金流量，包括銀行借款的償還時間表（如上文所述）及須自報告期末起三個月內償還的短期負債後，管理層認為流動資金風險有限。本集團透過持續監察預測及實際現金流量及配對金融資產及負債到期情況維持充足之儲備而管理流動資金風險。

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35. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

		Weighted average effective interest rate 加權平均 實際利率 %	Within				Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
			1 year 1年內 HK\$'000 千港元	1-2 years 1至2年 HK\$'000 千港元	3-5 years 3至5年 HK\$'000 千港元	Over 5 years 超過5年 HK\$'000 千港元		
As at 31 December 2020	於二零二零年十二月三十一日							
Other payables and accruals	其他應付款及應計費用	-	87,865	-	-	87,865	87,865	
Borrowings	借款	6.53	499,986	14,958	-	514,944	473,389	
Deposits received from customers	已收客戶按金	4.75	-	14,845	-	17,814	27,100	
			587,851	29,803	-	17,814	635,468	
							588,354	
As at 31 December 2019	於二零一九年十二月三十一日							
Other payables and accruals	其他應付款及應計費用	-	26,837	-	-	26,837	26,837	
Service cost payables	應付服務成本	-	1,041	-	-	1,041	1,041	
Borrowings	借款	6.20	568,948	72,354	-	641,302	593,287	
Deposits received from customers	已收客戶按金	4.75	-	13,983	-	16,779	24,872	
			596,826	86,337	-	16,779	699,942	
							646,037	

35. 金融工具 (續)

財務風險管理目標及政策 (續)

流動資金風險 (續)

35. FINANCIAL INSTRUMENTS (Continued)

35. 金融工具 (續)

Fair value measurements of financial instruments

This note provides information about how the Group determines fair values of various financial assets.

Fair value of the Group's financial assets and liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and liabilities 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 and liabilities are determined (in particular, the valuation techniques and inputs used).

金融工具的公平值計量

此附註提供本集團如何釐定各項金融資產之公平值之資料。

按經常性基準以公平值計量之本集團金融資產及負債之公平值

本集團部分金融資產及負債於各報告期末按公平值計量。下表提供如何釐定該等金融資產及負債之公平值之資料 (特別是所使用之估值技術及輸入數據)。

Financial assets and liability	Fair value as at	Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable input(s)	Relationship of unobservable input(s) to fair value	Sensitivity of fair value to the input(s)
金融資產及負債	公平值	公平值級別				
	2020 二零二零年 NOTES 附註 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元				
1. Financial assets at fair value through profit or loss						
1. 按公平值透過損益列賬之金融資產						
- Traded on stock exchanges	23 68,034	10,757	Level 1 Quoted bid prices in active market	N/A	N/A	N/A
- 證券交易所交易			第一級 活躍市場的買入報價	不適用	不適用	不適用
- Unlisted fund investment in the PRC	23 88,018	14,921	Level 3 Based on the net asset values of the fund investment determined with reference to third party valuation of underlying investment portfolio and adjustments of related expenses	Third party valuation of underlying investment portfolio	The higher the net asset value, the higher the fair value	5% increase/(decrease) in third party valuation of underlying investment portfolio would result in increase/(decrease) in fair value of approximately HK\$4,401,000 (2019: HK\$746,000)
- 中國非上市基金投資			第三級 基於基金投資的資產淨值，根據相關投資組合及有關開支調整的第三方估值釐定	相關投資組合的第三方估值	第三方估值越高則公平值越高	相關投資組合的第三方估值增加/(減少) 5%將導致公平值增加/(減少) 約4,401,000港元(二零一九年：746,000港元)

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35. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

Fair value of the Group's financial assets and liabilities that are measured at fair value on a recurring basis (Continued)

Financial assets and liability 金融資產及負債	Fair value as at 公平值	Fair value hierarchy 公平值級別	Valuation techniques and key inputs 估值技術及主要輸入數據	Significant unobservable input(s) 重大不可觀察輸入數據	Relationship of unobservable input(s) to fair value 不可觀察輸入數據與公平值之關係	Sensitivity of fair value to the input(s) 公平值對輸入數據之敏感度
1. Financial assets at fair value through profit or loss (Continued) 按公平值透過損益列賬之金融資產 (續)						
- Contingent consideration receivables - 應收或然代價	25 2,553	N/A	Level 3 Based on the probability-weighted average of achieving the profit guarantee 根據達成溢利保證的概率加權平均數	N/A 不適用	N/A 不適用	N/A 不適用
2. Equity investments at fair value through other comprehensive income 按公平值透過其他全面收入列賬之股權投資						
- Unlisted equity investment which principally invests in shopping malls in the PRC - 主要投資中國商場的非上市股本投資	17 30,439	28,671	Level 3 Net asset values based on the valuation of shopping malls determined by market approach 第三級 基於商場估值的資產淨值由市場法釐定	Discount for quality of properties (eg. size and location) ranging from -20% to 20% (2019: -35% to 10%) 物業品質 (如面積及地點) 的貼現, 介乎-20%至20% (二零一九年:-35%至10%)	The higher discount rate, the lower the fair value 貼現率越高則公平值越低	5% increase/(decrease) in discount for quality of properties would result in (decrease)/increase in fair value of approximately HK\$1,522,000 (2019: HK\$1,434,000) 物業品質貼現增加/(減少) 5%將導致公平值(減少)/增加約1,522,000港元 (二零一九年: 1,434,000港元)

35. 金融工具 (續)

金融工具的公平值計量 (續)

按經常性基準以公平值計量之本集團金融資產及負債之公平值 (續)

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35. FINANCIAL INSTRUMENTS (Continued)

35. 金融工具 (續)

Fair value measurements of financial instruments (Continued)

金融工具的公平值計量 (續)

Fair value of the Group's financial assets and liabilities that are measured at fair value on a recurring basis (Continued)

按經常性基準以公平值計量之本集團金融資產及負債之公平值 (續)

Financial assets and liability	Fair value as at	Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable input(s)	Relationship of unobservable input(s) to fair value	Sensitivity of fair value to the input(s)		
							公平值	公平值級別
金融資產及負債	公平值	公平值級別	估值技術及主要輸入數據	重大不可觀察輸入數據	不可觀察輸入數據與公平值之關係	公平值對輸入數據之敏感度		
	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元						
NOTES 附註								
2. Equity investments at fair value through other comprehensive income (Continued)								
2. 按公平值透過其他全面收入列賬之股權投資 (續)								
- Unlisted equity investment which principally invests in a private entity with operations of natural gas supply in the PRC	17	NA	5,593	Level 3	Based on the investee's financial performance and the multiples of comparable companies and using market approach	Price to earnings ratio: Nil (2019: 12.36%) Discount for lack of marketability: Nil (2019: 30%)	The higher ratio, the higher the fair value The higher discount rate, the lower the fair value	5% increase/(decrease) in price to earnings ratio would result in increase/(decrease) in fair value of approximately HK\$291,000
- 主要投資在中國進行天然氣供應業務的私人實體的非上市股本投資		不適用		第三級	基於被投資者財務表現及可資比較公司倍數及使用市場法	市盈率：無(二零一九年：12.36%) 缺乏市場流通性貼現：無(二零一九年：30%)	比率越高則公平值越高 貼現率越高則公平值越低	5% increase/(decrease) in discount for lack of marketability would result in (decrease)/increase in fair value of approximately HK\$125,000 市盈率增加/(減少) 5% 將導致公平值增加/(減少) 約291,000港元 缺乏市場流通性貼現增加/(減少) 5% 將導致公平值(減少)/增加約125,000港元
- Unlisted equity investment which principally invests in a private entity with operations of software development in the PRC	17	19,002	21,253	Level 3	Based on the investee's financial position, performance and using net asset values	N/A	N/A	N/A
- 主要投資在中國進行軟件開發業務的私人實體的非上市股本投資				第三級	基於被投資者財務狀況、表現及資產淨值	不適用	不適用	不適用

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35. FINANCIAL INSTRUMENTS (Continued)

Fair value measurements of financial instruments (Continued)

Fair value of the Group's financial assets and liabilities that are measured at fair value on a recurring basis (Continued)

Financial assets and liability	Fair value as at	Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable input(s)	Relationship of unobservable input(s) to fair value	Sensitivity of fair value to the input(s)
2. Equity investments at fair value through other comprehensive income (Continued)						
2. 按公平值透過其他全面收入列賬之股權投資 (續)						
- Unlisted equity investment which principally engage in SFC licensed business of type 1, 2, 4, 5 and 9 in Hong Kong	17 74,340	NA	Level 3 Based on the net assets value determined by market approach	Price to book ratio: 1.14 (2019: Nil) Discount for lack of marketability: 25% (2019: Nil)	The higher ratio, the lower the fair value	5% increase/(decrease) in price to book ratio would result in increase/(decrease) in fair value of approximately HK\$3,800,000 (2019: Nil).
- 主要在香港從事證監會許可第1類、第2類、第4類、第5類及第9類持牌業務的非上市股本投資		不適用	第三級 基於使用市場法的資產淨值	市賬率：1.14 (二零一九年：無) 缺乏市場流通性貼現：25% (二零一九年：無)	比率越高則公平值越低	5% increase/(decrease) in discount for lack of marketability would result in (decrease)/increase in fair value of approximately HK\$1,267,000 (2019: Nil). 市賬率增加/(減少) 5% 將導致公平值增加/(減少) 約3,800,000港元 (二零一九年：無) 缺乏市場流通性貼現增加/(減少) 5% 將導致公平值(減少)/增加約1,267,000港元 (二零一九年：無)

35. 金融工具 (續)

金融工具的公平值計量 (續)

按經常性基準以公平值計量之本集團金融資產及負債之公平值 (續)

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35. FINANCIAL INSTRUMENTS (Continued)

35. 金融工具 (續)

Fair value measurements of financial instruments (Continued)

金融工具的公平值計量 (續)

Fair value of the Group's financial assets and liabilities that are measured at fair value on a recurring basis (Continued)

按經常性基準以公平值計量之本集團金融資產及負債之公平值 (續)

Financial assets and liability 金融資產及負債	Fair value as at 公平值	Fair value hierarchy 公平值級別	Valuation techniques and key inputs 估值技術及主要輸入數據	Significant unobservable input(s) 重大不可觀察輸入數據	Relationship of unobservable input(s) to fair value 不可觀察輸入數據與公平值之關係	Sensitivity of fair value to the input(s) 公平值對輸入數據之敏感度
3. Financial liability at fair value through profit or loss Call Option	NA	Level 3	Based on business valuation of the underlying business determined by market approach as key input and using Binomial option pricing model	Expected volatility: Nil (2019: 22%) Discount for lack of marketability: 16.11% (2019: 16.11%)	The higher volatility, the higher the fair value The higher discount rate, the lower the fair value	5% increase/(decrease) in expected volatility would result in increase/(decrease) in fair value of approximately HK\$935,000 5% increase/(decrease) in discount for lack of marketability would result in (decrease)/increase in fair value of approximately HK\$1,378,000
3. 按公平值透過損益列賬之金融負債認購期權	不適用	第三級	基於相關業務的業務估值，由市場法作為主要輸入數據及使用二項式期權定價模型釐定	預計波幅：無(二零一九年：22%) 缺乏市場流通性貼現：16.11%(二零一九年：16.11%)	波幅越大則公平值越高 貼現率越高則公平值越低	預計波幅增加/(減少)5%將導致公平值增加/(減少)約935,000港元 缺乏市場流通性貼現：增加/(減少)5%將導致公平值(減少)/增加約1,378,000港元

There were no transfers among Level 1, 2 and 3 during both years.

第一級、第二級及第三級之間於兩個年度內概無互相轉移。

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35. FINANCIAL INSTRUMENTS (Continued)

Reconciliation of Level 3 fair value measurements (Continued)

Fair value measurements of financial instruments (Continued)

(a)

35. 金融工具 (續)

第三級公平值測量法之對賬

金融工具的公平值計量 (續)

(a)

		Equity investments at fair value through other comprehensive income 按公平值透過 其他全面收入列賬 之股權投資 HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	35,174
Purchases	購買	21,253
Exchange difference	匯兌差額	(910)
At 31 December 2019 and at 1 January 2020	於二零一九年十二月三十一日及 於二零二零年一月一日	55,517
Purchase	購買	74,340
Held to maturity	持有至到期	(5,938)
Change in fair value recognised in other comprehensive income	於其他全面收入確認之 公平值變動	(3,563)
Exchange difference	匯兌差額	3,425
At 31 December 2020	於二零二零年十二月三十一日	123,781

35. FINANCIAL INSTRUMENTS (Continued)**35. 金融工具** (續)**Reconciliation of Level 3 fair value measurements** (Continued)**第三級公平值測量法之對賬****Fair value measurements of financial instruments** (Continued)**金融工具的公平值計量** (續)

(b)

(b)

		Equity investments at fair value through profit or loss 按公平值透過 損益列賬之 股權投資 HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	4,548
Purchases	購買	15,148
Disposal	出售	(4,730)
Change in fair value recognised in profit or loss	於損益確認之公平值變動	230
Exchange difference	匯兌差額	(275)
At 31 December 2019 and at 1 January 2020	於二零一九年十二月三十一日及於 二零二零年一月一日	14,921
Purchase	購買	88,476
Disposal	出售	(8,391)
Change in fair value recognised in profit or loss	於損益確認之公平值變動	(7,504)
Exchange difference	匯兌差額	516
At 31 December 2020	於二零二零年十二月三十一日	88,018

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35. FINANCIAL INSTRUMENTS (Continued)

Reconciliation of Level 3 fair value measurements (Continued)

Fair value measurements of financial instruments (Continued)

(c)

		Financial liability at fair value through profit or loss 按公平值透過 損益列賬之 金融負債 HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	27,322
Change in fair value recognised in profit or loss	於損益內確認之公平值變動	(11,662)
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	15,660
Change in fair value recognised in profit or loss of an associate upon reclassification to assets classified as held for sale	一家聯營公司重新分類為持作 出售之資產後於損益內確認之 公平值變動	(15,660)
At 31 December 2020	於二零二零年十二月三十一日	-

The management of the Group estimates the fair value of its financial assets and financial liabilities measured at amortised cost using the discounted cash flows analysis.

The management of the Group considers that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated statement of financial position approximate their fair values.

35. 金融工具 (續)

第三級公平值測量法之對賬 (續)

金融工具的公平值計量 (續)

(c)

本集團管理層使用貼現現金流量分析估計按攤銷成本計量的金融資產及金融負債的公平值。

本集團管理層認為，在綜合財務狀況表內按攤銷成本入賬的金融資產及金融負債的賬面值與其公平值相若。

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36. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details change in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flow will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

36. 有關融資活動所產生負債之對賬

下表詳述本集團融資活動所產生負債之變動，包括現金及非現金變動。融資活動產生之負債為現金流量或未來現金流量，該等現金流量或未來現金流量於本集團綜合現金流量表中分類為融資活動所產生之現金流量。

		Borrowings 借款 (note 27) (附註27) HK\$'000 千港元	Lease liabilities 租賃負債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	850,214	267	850,481
Change from financing cash flow:	融資現金流量的變動：			
Financing cash flows	融資現金流量	151,011	-	151,011
Repayment of borrowings by lessees (note 37)	承租人償還借款 (附註37)	(393,151)	-	(393,151)
Interest element of lease rental paid	已付租金的利息部分	-	(5)	(5)
Capital element of lease rental paid	已付租金的資本部分	-	(377)	(377)
Foreign exchange differences	匯兌差額	(14,787)	-	(14,787)
Total change from financing cash flow:	融資現金流量總變動：	593,287	(115)	593,172
Other changes:	其他變動：			
Increase in lease liabilities from entering into new lease during the period	期內訂立新租賃所產生之租賃 負債增加	-	775	775
Reassessment of lease liabilities (Note 13)	重新評估租賃負債 (附註13)	-	(660)	(660)
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	593,287	-	593,287
Change from financing cash flow:	融資現金流量的變動：			
Financing cash flows	融資現金流量	20,000	-	20,000
Repayment of borrowings by lessees (note 37)	承租人償還借款 (附註37)	(150,001)	-	(150,001)
Repayment	償還	(20,283)	-	(20,283)
Foreign exchange differences	匯兌差額	28,488	-	28,488
Total change from financing cash flow:	融資現金流量總變動：	471,491	-	471,491
Other change:	其他變動：			
Acquisition of a subsidiary (note 43(a))	收購一家附屬公司 (附註43(a))	1,898	-	1,898
At 31 December 2020	於二零二零年十二月三十一日	473,389	-	473,389

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37. TRANSFERS OF FINANCIAL ASSETS

Transferred financial assets that are not derecognised in their entirety

At 31 December 2020, the Group entered into sale-leaseback transaction and finance lease receivables transfer agreements (the “Agreements”) and transferred certain sale-leaseback and finance lease receivables (the “Transferred Lease Receivables”) to banks and other financial institutions for financing. Under the Agreements, the banks and other financial institutions have recourse right and the Group has the obligation to reimburse the banks and other financial institutions for loss of rental if any lessees have late and default payment. As the Group has not transferred the significant risks relating to these Transferred Lease Receivables, it continues to recognise in their full carrying amount and has recognised the cash received for the transfer as secured borrowings.

The following tables provide a summary of carrying amounts related to transferred financial assets that are not derecognised in their entirety and the associated liabilities:

37. 轉讓金融資產

轉讓未整個終止確認之金融資產

於二零二零年十二月三十一日，本集團訂立售後回租交易及應收融資租賃轉讓協議（「協議」），轉讓若干售後回租交易及融資租賃應收款（「已轉讓租賃應收款」）予銀行及其他金融機構以供融資。根據協議，銀行及其他金融機構擁有追索權，倘若承租人滯後付款或違約，本集團有責任償付銀行及其他金融機構之租金損失。由於本集團並無就此等已轉讓租賃應收款轉移主要風險，因此持續確認其全部賬面值，並會確認轉讓所收取的現金為有抵押借款。

下列表格概述有關被轉讓卻未完全終止確認的金融資產及相關負債的賬面值：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Carrying amount of transferred assets	已轉讓資產之賬面值	168,045	409,222
Carrying amount of associated liabilities	相關負債之賬面值	(471,774)	(593,287)
Net position	淨額	(303,729)	(184,065)

37. TRANSFERS OF FINANCIAL ASSETS

(Continued)

Transferred financial assets that are not derecognised in their entirety (Continued)

At 31 December 2020, the Group had certain other finance lease receivables transfer agreements (the “Non-recourse Agreements”) and transferred certain finance lease receivables with interests (the “Non-recourse Transferred Lease Receivables”) to banks and other financial institutions for financing without recourse with an aggregate amount of HK\$3,292,778,000 (2019: HK\$5,909,295,000). Under the Non-recourse Agreements, the banks and other financial institutions do not have recourse right and the Group does not have the obligation to reimburse the banks and other financial institutions for loss of rental if any lessees have late and default payment. In the opinion of the directors of the Company, the Group has transferred all risks and rewards relating to these Non-recourse Transferred Lease Receivables. Accordingly, it has derecognised the full carrying amounts of the Non-recourse Transferred Lease Receivables and the associated liabilities. During the year ended 31 December 2020 and 2019, the Group has not recognised any loss in relation to the continuing involvement, both during the period or cumulatively.

37. 轉讓金融資產 (續)**轉讓未整個終止確認之金融資產 (續)**

於二零二零年十二月三十一日，本集團擁有若干其他融資租賃應收款轉讓協議（「無追索權協議」），轉讓若干計息融資租賃應收款（「無追索權已轉讓租賃應收款」）予銀行及其他金融機構以融資合共3,292,778,000港元（無追索權）（二零一九年：5,909,295,000港元）。根據無追索權協議，銀行及其他金融機構並無追索權，而倘任何承租人滯後付款或違約，本集團並無責任償付銀行及其他金融機構之租金損失。本公司董事認為，本集團已就此等無追索權已轉讓租賃應收款轉移全部主要風險及回報。因此，已終止確認無追索權已轉讓租賃應收款及相關負債的全部賬面值。於截至二零二零年及二零一九年十二月三十一日止年度，本集團並無就期間或累計期間持續參與確認任何虧損。

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38. NOTES TO THE CONSOLIDATED
STATEMENT OF CASH FLOWS

Financial impact on disposal of interest in an associate

On 23 October 2020, the Group completed the disposal of the remaining 25% equity interest in Rizhao Lanshan. Further details are disclosed in note 16(d).

The financial impact on disposal of remaining 25% equity interest in Rizhao Lanshan was as follows:

38. 綜合現金流量表附註

出售於一家聯營公司權益之財務影響

於二零二零年十月二十三日，本集團已完成出售日照嵐山的餘下25%股權。進一步詳情載於附註16(d)。

出售於日照嵐山餘下25%股權的財務影響如下：

		On 23 October 2020 二零二零年 十月二十三日 HK\$'000 千港元
Consideration from the Purchaser	來自買方的代價	340,834
Fair value of interest in an associate upon reclassification of equity interest in derecognised to assets classified as held for sale	重新分類於已終止確認分類為持作出售 資產內股本權益時於聯營公司權益的 公平值	(317,348)
Less: Direct transaction costs	減：直接交易成本	(5,170)
Exchange difference	匯兌差額	(18,316)
		-

39. RELATED PARTY TRANSACTIONS

Same as disclosed elsewhere in the consolidated financial statements, during the year the Group had the following transactions with related parties.

- (a) **The Group had the following transactions with the subsidiaries of the controlling shareholder of the Group's associate during the period/year:**

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Subsidiaries of the controlling shareholder of the Group's associate (note)	本集團聯營公司控股股東之附屬公司 (附註)		
Service charges paid	已付服務費	55,921	130,222
Leasing income	租賃收入	60,482	154,813

Note: The transaction amount in 2020 only covered the first six months 30 June 2020 as interest in an associate upon reclassification to assets held for sale on 30 June 2020 (note 16d) while that in 2019 covered the entire year.

- (b) The remuneration of key management personnel of the Group, represented directors and chief executive, during the year are set out in note 8. The remuneration of directors and chief executive is determined by the remuneration committee having regard to the performance of individuals and market trend.

39. 關聯方交易

誠如綜合財務報表其他部分所披露者，本集團年內與關聯方進行以下交易。

- (a) 本集團於本期間／年度與本集團聯營公司控股股東之附屬公司進行以下交易：

附註：二零二零年的交易金額僅涵蓋截至二零二零年六月三十日的首六個月，乃由於二零二零年六月三十日將於聯營公司的權益重新分類至持作出售資產 (附註16d)，而二零一九年的交易金額則涵蓋全年度。

- (b) 年內本集團主要管理人員 (指董事及主要行政人員) 之酬金載列於附註8。董事及主要行政人員之酬金乃由薪酬委員會根據個別人士之表現及市場趨勢釐定。

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40. PARTICULARS OF PRINCIPAL
SUBSIDIARIES

40. 主要附屬公司之詳情

Particulars of the subsidiaries of the Company at 31 December 2020 and 2019 are as follows:

於二零二零年及二零一九年十二月三十一日，本公司附屬公司之詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 註冊成立/ 註冊地點	Issued and fully paid share capital (note a) 已發行及繳足股本 (附註a)	Proportion of nominal value of issued share capital held by the Company 本公司所持已發行股本之 面值比例		Principal activities 主要業務
			2020 二零二零年	2019 二零一九年	
Indirectly held by the Company 本公司間接持有					
Able Winner International Limited 興勝國際有限公司	Hong Kong 香港	Ordinary shares HK\$1 普通股1港元	100%	100%	Investment holding 投資控股
Uprmove International Limited 晉瑞國際有限公司	Hong Kong 香港	Ordinary share HK\$1 普通股1港元	100%	100%	Investment holding 投資控股
Elegant Basic Investments Limited 精基投資有限公司	BVI 英屬處女群島	Ordinary shares US\$100 普通股100美元	100%	100%	Investment 投資
TF Advances Limited	Hong Kong 香港	Ordinary shares HK\$1 普通股1港元	100%	100%	Treasury investment activities including money lending 資金投資業務包括放貸
Multi Kingdom Investment Limited ("Multi Kingdom")	BVI 英屬處女群島	Ordinary shares US\$100 普通股100美元	100%	100%	Property investment 物業投資
Jumbo Hall International Limited ("Jumbo Hall") 鉅豪國際有限公司 (「鉅豪」)	Hong Kong 香港	Ordinary shares HK\$2 普通股2港元	N/A 不適用	100%	Property investment 物業投資
Amaze Global Limited	BVI 英屬處女群島	Ordinary shares US\$1,000 普通股1,000美元	100%	100%	Office management 辦公室管理
BJ Ever Grand [^] 北京恒嘉	The PRC 中國	US\$36,000,000 36,000,000美元	51.39%	51.39%	Provision of finance lease and related consulting services in the PRC 在中國提供融資租賃及 相關諮詢服務

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40. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

40. 主要附屬公司之詳情 (續)

BJ Ever Grand and its wholly owned subsidiary (Continued)

北京恒嘉及其全資附屬公司 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration 註冊成立/ 註冊地點	Issued and fully paid share capital (note a) 已發行及繳足股本 (附註a)	Proportion of nominal value of issued share capital held by the Company Principal activities		Principal activities 主要業務
			本公司所持已發行股本之 面值比例		
			2020 二零二零年	2019 二零一九年	
TJ Ever Grand 天津恒嘉	The PRC 中國	RMB200,000,000 人民幣200,000,000元	51.39%	51.39%	Provision of finance lease and related consulting services in the PRC 在中國提供融資租賃及相關諮詢服務
Qikang Biological Technology Limited ("Qikang")*	The PRC	HK\$130,376,000	100%	100%	Research & development, manufacturing and sales of food additives and health beverage products in the PRC 中國食品添加劑及健康飲品的研發、生產及銷售
遼寧啟康生物科技有限公司 (「啟康」)	中國	130,376,000港元			
Zhujian Biotechnology (Shanghai) Company Limited ("Zhujian")*	The PRC	RMB5,000,000	100%	100%	Research & development of bioengineering technology and sales of food additives and health beverage products in the PRC 中國生物工程技術的研發及食品添加劑及健康飲品的銷售
竹間生物科技(上海)有限公司 (「竹間」)	中國	人民幣5,000,000元			
Livingzone (Shanghai) Bio-Chem Technology Co., Ltd. ("Livingzone")*	The PRC	HK\$126,310,000	100%	100%	Research & development of bioengineering technology and property investment in the PRC 中國生物工程技術的研發及物業投資
上海立足生物科技有限公司 (「立足」)	中國	126,310,000港元			
Ever Grand Healthcare Company Limited 恒嘉健康管理有限公司	Hong Kong 香港	HK\$100 100港元	100%	N/A	Provision of sale of medical and health products 提供醫療保健品的銷售
Tripler Holdings Limited 森川實業有限公司	Hong Kong 香港	HK\$1,000,000 1,000,000港元	100%	N/A	Provision of sale of daily necessities and personal hygiene products 提供日用品及個人衛生產品的銷售

* English name for reference only

^ The subsidiary is a sino-foreign equity joint venture

^ 該附屬公司為中外合資企業

Note:

(a) All principal subsidiaries operate principally in Hong Kong except BJ Ever Grand, TJ Ever Grand and Qikang, Zhujian.

附註:

(a) 所有主要附屬公司均主要在香港經營，惟北京恒嘉、天津恒嘉及啟康、竹間除外。

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40. PARTICULARS OF PRINCIPAL
SUBSIDIARIES (Continued)

The above table lists the subsidiaries of the Group which, in the opinion of the directors, principally affected the results of the year or formed a substantial portion of the assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

None of the subsidiaries had any debt securities subsisting at 31 December 2020 and 2019 or at anytime during the year.

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:

Name of subsidiary 附屬公司名稱	Place of incorporation and principal place of business 註冊成立地點及主要營業地點	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比例		Loss allocated to non-controlling interests 分配予非控股權益之虧損		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	2019 二零一九年	2020 二零二零年	2019 二零一九年
				HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
BJ Ever Grand 北京恒嘉	The PRC 中國	48.61%	48.61%	(113,645)	(16,831)	6,555	120,600

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

40. 主要附屬公司之詳情 (續)

董事認為上表列出主要影響本年度業績或構成本集團資產之主要部分之本集團附屬公司。董事認為，呈列其他附屬公司之詳情將導致其詳情過於冗長。

於二零二零年及二零一九年十二月三十一日或於本年度任何時間，附屬公司概無持有任何債務證券。

擁有重大非控股權益之非全資附屬公司詳情

下表列示本集團擁有重大非控股權益之非全資附屬公司詳情：

有關本集團擁有重大非控股權益之各附屬公司之財務資料概要載於下文。以下財務資料概要呈列集團內各公司間對銷前之金額。

40. PARTICULARS OF PRINCIPAL SUBSIDIARIES (Continued)

40. 主要附屬公司之詳情 (續)

BJ Ever Grand and its wholly owned subsidiary

北京恒嘉及其全資附屬公司

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Current assets	流動資產	416,594	684,114
Non-current assets	非流動資產	132,634	196,676
Current liabilities	流動負債	(492,655)	(536,985)
Non-current liabilities	非流動負債	(41,886)	(94,506)
Equity attributable to owners of the Company	本公司擁有人應佔權益	8,132	128,699
Non-controlling interests	非控股權益	6,555	120,600
Revenue	收入	21,649	56,393
Expenses	開支	(51,409)	(59,232)
Other income and loss	其他收入及虧損	(204,029)	(33,583)
Loss for the year	年內虧損	(233,790)	(34,624)
Loss attributable to owners of the Company	本公司擁有人應佔虧損	(120,145)	(17,793)
Loss attributable to the non-controlling interests	非控股權益應佔虧損	(113,645)	(16,831)
Loss for the year	年內虧損	(233,790)	(34,624)

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40. PARTICULARS OF PRINCIPAL
SUBSIDIARIES (Continued)

Particulars of the subsidiaries of the Company at 31 December 2020 and 2019 are as follow: (Continued)

40. 主要附屬公司之詳情 (續)

於二零二零年及二零一九年十二月三十一日，本公司附屬公司之詳情如下：
(續)

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Other comprehensive expense attributable to owners of the Company	本公司擁有人應佔 其他全面開支	(422)	(2,468)
Other comprehensive expense attributable to the non-controlling interests	非控股權益應佔 其他全面開支	(400)	(2,333)
Other comprehensive expense for the year	年內其他全面開支	(822)	(4,801)
Total comprehensive expense attributable to owners of the Company	本公司擁有人應佔全面開支總額	(120,567)	(20,261)
Total comprehensive expense attributable to the non-controlling interests	非控股權益應佔全面開支總額	(114,045)	(19,164)
Total comprehensive expense for the year	年內全面開支總額	(234,612)	(39,425)
Net cash outflow from operating activities	經營活動產生之現金流出淨額	(85,410)	(130,125)
Net cash inflow/(outflow) from investing activities	投資活動產生之現金流入／(流出) 淨額	66,479	(78,609)
Net cash inflow from financing activities	融資活動產生之現金流入淨額	-	151,011
Net cash outflow	現金流出淨額	(18,931)	(57,723)

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41. STATEMENT OF FINANCIAL POSITION
AND RESERVES OF THE COMPANY

41. 本公司之財務狀況表及儲備

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Non-current assets	非流動資產		
Investment in subsidiaries	於附屬公司之投資	11	11
Amounts due from subsidiaries	應收附屬公司款項	439,051	537,084
		439,062	537,095
Current assets	流動資產		
Other receivables, deposits and prepayments	其他應收款、按金及預付款項	1,297	1,883
Amounts due from a subsidiary	應收一家附屬公司款項	5,000	17,000
Bank balances and cash	銀行結餘及現金	370	153
		6,667	19,036
Current liabilities	流動負債		
Amounts due to subsidiaries	應付附屬公司款項	2	2
Other payables and accruals	其他應付款及應計費用	13,110	13,129
		13,112	13,131
Net (current liabilities)/current assets	(流動負債) / 流動資產淨值	(6,445)	5,905
Total assets less current liabilities	總資產減流動負債	432,617	543,000
Capital and reserves	股本及儲備		
Share capital	股本	168,730	119,192
Reserves	儲備	263,887	423,808
Total equity	總權益	432,617	543,000

Approved by the Board of Directors on 24 March 2021 and are signed on its behalf by:

已於二零二一年三月二十四日獲董事會批准，並由以下董事代表簽署：

WONG LIK PING
王力平
Director
董事

LAI KA FAI
黎嘉輝
Director
董事

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41. STATEMENT OF FINANCIAL POSITION
AND RESERVES OF THE COMPANY

(Continued)

Movement in the Company's reserves

		Share premium 股份溢價 HK\$'000 千港元	Share options reserve 購股權儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2019	於二零一九年一月一日	1,520,921	1,136	(1,095,919)	426,138
Loss and total comprehensive expense for the year	本年度虧損及全面開支總額	-	-	(2,330)	(2,330)
Share options lapsed	購股權失效	-	(409)	409	-
At 31 December 2019	於二零一九年十二月三十一日	1,520,921	727	(1,097,840)	423,808
Loss and total comprehensive expense for the year	本年度虧損及全面開支總額	-	-	(196,598)	(196,598)
Issue of shares upon completion of placing	配售完成後發行股份	8,407	-	-	8,407
Issue of shares upon acquisition of a subsidiary	收購一家附屬公司後發行股份	28,270	-	-	28,270
At 31 December 2020	於二零二零年十二月三十一日	1,557,598	727	(1,294,438)	263,887

41. 本公司之財務狀況表及儲備 (續)

本公司之儲備變動

42. DISPOSAL OF A SUBSIDIARY

On 13 July 2020, Multi Kingdom, a wholly owned subsidiary of the Company, entered into a subscription agreement (the "Subscription Agreement") with Top Insight. Pursuant to the Subscription Agreement Multi Kingdom agreed to dispose of its entire equity interest Jumbo Hall, a wholly-owned subsidiary of Multi Kingdom to subscribe for 350 subscription shares of Top Insight. Completion of the subscription took place on 16 July 2020.

42. 出售一家附屬公司

於二零二零年七月十三日，本公司之全資附屬公司Multi Kingdom與Top Insight訂立認購協議（「認購協議」）。根據認購協議，Multi Kingdom同意出售其於鉅豪（Multi Kingdom的全資附屬公司）的全部股權以認購Top Insight的350股認購股份。認購完成於二零二零年七月十六日落實。

		HK\$'000 千港元
Investment property (note 14)	投資物業 (附註14)	61,500
Prepayments & Deposit	預付款項及按金	58
Net assets disposed of	出售的資產淨值	61,558
Fair value of Top Insight	Top Insight的公平值	64,300
Net assets disposal of	出售的資產淨值	(61,558)
Gain on derecognition of a subsidiary (note 7)	終止確認一家附屬公司之收益 (附註7)	2,742

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43. ACQUISITION OF SUBSIDIARIES

- (a) On 21 August 2020 (the “Completion Date”), Ever Grand Healthcare Company Limited, a wholly owned subsidiary of the Company, had completed the acquisition of Tripler. Tripler is principally engaged in provision of sale of daily necessities and personal hygiene products in Hong Kong.

The consideration for the acquisition is HK\$47,802,000, which satisfied by the allotment and issue of an aggregate of 257,000,000 ordinary shares of the Company (the “Consideration Shares”) at issue price of HK\$0.186 per share of which 108,000,000 new shares were subjected to the escrow arrangement according to the profit guarantee requirement set out in the acquisition agreement. The fair value of Consideration Shares at the date of acquisition amount to HK\$53,970,000 based on the closing market price at the date of acquisition.

Pursuant to the acquisition agreement, the vendor guaranteed to the Group that the net profit after tax of Tripler (the “Actual Profit”) for each of the two financial years ending 31 December 2020 and 31 December 2021 shall be as follows: (i) for the year ending 31 December 2020: not less than HK\$6,000,000 and (ii) for the year ending 31 December 2021: not less than HK\$6,500,000 (collectively referred to as “Profit Guarantee”). Each of the specified period is independent and no excessive amount of Actual Profit can carry forward.

Such shares shall be released to the vendor if the business of Tripler achieves the aforesaid profit guarantee within the relevant financial period (i.e. 54,000,000 shares in respect of each of two financial years). If Tripler fail to achieve the Profit Guarantee within each of the relevant financial years, the Group will receive cash compensation from the vendor for any shortfall equivalent to the difference between the Profit Guarantee within the relevant period and the Actual Profit. In addition, 54,000,000 shares escrowed in respect of the relevant period shall be returned to the Group and cancelled thereafter.

At the Completion Date, the fair value of this contingent consideration receivables and other reserve are estimated at approximately HK\$5,051,000 and HK\$15,876,000 respectively, in respect of the possible outcome of each of two financial years. Other reserve is not subjected to remeasurement in subsequent years.

Further details are set out in the Company’s announcement dated 29 July 2020 and 21 August 2020.

43. 收購附屬公司

- (a) 於二零二零年八月二十一日（「完成日期」），本公司全資附屬公司恒嘉健康管理有限公司已完成收購森川。森川主要於香港從事提供日用品及個人衛生產品的銷售。

收購事項代價為47,802,000港元，已按發行價每股0.186港元配發及發行本公司合共257,000,000股普通股（「代價股份」）支付，其中108,000,000股新股根據收購協議所載之溢利保證之規定受託管安排所規限。代價股份於收購日期之公平值乃基於收購日期的收市價為53,970,000港元。

根據收購協議，賣方向本集團保證森川截至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兩個財政年度的除稅後純利（「實際溢利」）分別為：(i)截至二零二零年十二月三十一日止年度：不低於6,000,000港元及(ii)截至二零二一年十二月三十一日止年度：不低於6,500,000港元（統稱「溢利保證」）。各特定期間為獨立且並無過多的實際溢利可予結轉。

倘森川的業務於有關財政期間達成上述溢利保證（即就兩個財政年度各年54,000,000股股份），有關股份應發給予賣方。倘森川未能於有關財政年度內達成溢利保證，本集團將從賣方收取等同於在有關期間內溢利保證與實際溢利之間任何差額的現金補償。此外，於有關期間託管之54,000,000股股份應歸還予本集團並於其後註銷。

於完成日期，該應收或然代價及其他儲備之公平值估計於兩個財政年度之可能結果分別為約5,051,000港元及15,876,000港元。其他儲備於隨後年度無須重新計量。

進一步詳情載於本公司日期為二零二零年七月二十九日及二零二零年八月二十一日之公告。

43. ACQUISITION OF SUBSIDIARIES (Continued)

43. 收購附屬公司 (續)

(a) (Continued)

The identifiable assets and liabilities acquired was recognised at the date of acquisition as follows:

(a) (續)

於收購日期確認之所收購可識別資產及負債如下：

		Fair value 公平值 HK\$'000 千港元
Inventories	存貨	3,054
Trade and other receivables	貿易應收款及其他應收款	3,173
Cash and bank balance	現金及銀行結餘	4,609
Trade and other payables	貿易應付款及其他應付款	(1,451)
Bank loans	銀行貸款	(1,898)
Net identifiable assets at fair values	按公平值之可識別資產淨值	7,487
Goodwill arising from the acquisition	產生自收購的商譽	25,556
Total fair value consideration	總公平值代價	33,043
Consideration satisfied by:	代價按以下償付：	
Fair value of consideration shares	代價股份的公平值	53,970
Less:	減：	
Contingent consideration receivables	應收或然代價	(5,051)
Other reserve	其他儲備	(15,876)
		33,043
Net cash inflow arising on acquisition:	產生自收購的現金流入淨額：	
Cash and cash equivalents acquired of	所收購現金及現金等值物	4,609

The revenue included in the consolidated statement of profit or loss since 21 August 2020 contributed by Tripler was HK\$6,961,000. The profit of HK\$851,000 was accounted for the same period.

自二零二零年八月二十一日以來，森川貢獻並計入綜合損益表的收益為6,961,000港元。溢利851,000港元已於同期入賬。

Had this business combination been effected at 1 January 2020, the revenue of the Group would have been approximately HK\$101,146,000 and the loss for the year would have been approximately HK\$350,224,000. The directors consider these 'pro-forma' numbers to represent an approximate measure of the performance of the combined Group on an annualised basis and to provide a reference point for comparison in future periods.

倘該業務合併已於二零二零年一月一日生效，本集團的收益應為約101,146,000港元，而年內虧損應為約350,224,000港元。董事認為，該等「備考」數字代表有關合併本集團年化基準表現的概略計量，並為未來期間提供比較參考點。

The goodwill of HK\$25,556,000, which is not deductible for tax purposes, comprise the acquired workforce and the value of the expected distribution networks arising from the combination of the acquired business with the existing operations of the Group.

就稅務而言不可扣減的商譽25,556,000港元包括將已收購業務與本集團現有業務合併而產生的已收購勞動力及預期分銷網絡價值。

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43. ACQUISITION OF SUBSIDIARIES (Continued)

- (b) On 22 February 2019, the Group had entered into a preliminary sale and purchase agreement with Quantum Power Limited (“Quantum Power”), a company incorporated in the BVI with limited liability which is ultimately owned by the Vendor’s Guarantor, the son of Mr. Wong, an executive Director and a substantial Shareholder, and is a connected person of the Company, to acquire 100% of issued share capital of Quantum Power and its subsidiary at an aggregation consideration of approximately HK\$90,000,000. Shanghai Lizu is the indirect subsidiary of Quantum Power which principal assets are located at Shanghai. Having satisfied all the terms and conditions of the agreement, the acquisition was completed on 1 March 2019.

The consideration of approximately HK\$90,000,000 was satisfied by cash. This transaction has been accounted for as an acquisition of assets as the acquisition does not meet the definition of a business combination. The assets acquired and liabilities assumed do not constitute a business. The transaction was accounted for as an acquisition of properties including mainly approximately 6,300 square meters property in Shanghai and facilities and equipments used for research and studies of biotechnology for development of food additives business.

43. 收購附屬公司 (續)

- (b) 於二零一九年二月二十二日，本集團與勁力有限公司（「勁力」，一家於英屬處女群島註冊成立的有限公司，並由賣方擔保人（即執行董事及主要股東王先生的兒子）最終擁有，故為本公司關連人士）訂立初步買賣協議，以收購勁力及其附屬公司之全部已發行股本，總代價約為90,000,000港元。上海立足為勁力的間接附屬公司，其主要資產位於上海。於達成該協議所有條款及條件後，收購事項已於二零一九年三月一日完成。

代價約90,000,000港元已以現金償付。由於是項收購並不符合業務合併之定義，故該交易已入賬列作收購資產。所收購資產及所承擔負債不構成一項業務。是項交易已入賬列作物業收購，包括主要為就發展食品添加劑業務所收購位於上海約6,300平方米的物業以及用於研發生物科技的設施及設備。

43. ACQUISITION OF SUBSIDIARIES (Continued)**43. 收購附屬公司** (續)

(b) (Continued)

The identifiable assets and liabilities acquired was recognised at the date of acquisition as follows:

(b) (續)

於收購日期確認之所收購可識別資產及負債如下：

		HK\$'000 千港元
Net assets acquired	所收購資產淨值	
Plant, machinery and equipment	廠房、機器及設備	2,059
Motor vehicles	汽車	65
Self-occupied property in Shanghai	於上海的自有物業	86,333
Prepayments and other receivables	預付款項及其他應收款	3,468
Accruals and other payables	應計費用及其他應付款	(2,043)
Net assets	資產淨值	89,882
Net cash outflow in connection with the acquisition of subsidiaries:	有關收購附屬公司的現金流出淨額：	
Cash and cash equivalent balance acquired	所收購現金及現金等值物結餘	(1,399)
Consideration paid	已付代價	91,281
		89,882

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

43. ACQUISITION OF SUBSIDIARIES (Continued)

- (c) On 10 April 2019, the Group had entered into a preliminary sale and purchase agreement with an independent third party relating to acquisition of 100% equity interests of Jumbo Hall, which principal assets comprise offices in Wan Chai at a total consideration of HK\$70,000,000 was satisfied by cash on completion. Having satisfy all the terms and conditions, the acquisition was completed on 12 April 2019.

This transaction has been accounted for as an acquisition of assets as the acquisition does not meet the definition of a business combination. The assets acquired and liabilities assumed do not constitute a business. The transaction was accounted for as an acquisition of investment properties in the ordinary course of the company's property investment business.

The identifiable assets and liabilities acquired was recognised at the date of acquisition as follows:

		HK\$'000 千港元
Net assets acquired	所收購資產淨值	
Investment property (note 14)	投資物業 (附註14)	70,117
Deposits	按金	58
Accruals	應計費用	(7)
Net assets	資產淨值	70,168
Net cash outflow in connection with the acquisition of subsidiary:	有關收購附屬公司的現金流出淨額：	
Cash and cash equivalent balance acquired	所收購現金及現金等值物結餘	(1)
Consideration paid	已付代價	70,169
		70,168

44. EVENTS AFTER THE REPORTING PERIOD

On 12 January 2021, the Group entered into a loan agreement with an individual, pursuant to which the Group provided a loan in the principal amount of HK\$56,000,000 for 12 months, interest bearing at a fixed interest rate of 10% per annum, secured by the entire equity interest of a company majority owned by the individual.

43. 收購附屬公司 (續)

- (c) 於二零一九年四月十日，本集團與一名獨立第三方訂立初步買賣協議，內容有關收購鉅豪之全部股權，其主要資產包括灣仔的辦公室，總代價70,000,000港元已於完成時以現金償付。於達成所有條款及條件後，收購事項已於二零一九年四月十二日完成。

由於是項收購並不符合業務合併之定義，故是項交易已入賬列作收購資產。所收購資產及所承擔負債不構成一項業務。是項交易已入賬列作於本公司物業投資業務的日常業務過程中的收購投資物業。

於收購日期確認之所收購可識別資產及負債如下：

44. 報告期後事項

於二零二一年一月十二日，本集團與個人訂立一份貸款協議，據此，本集團以該名個人大部分擁有的一家公司的全部股權作抵押，提供本金額為56,000,000港元之貸款，為期12個月，並按固定年利率10%計息。

FINANCIAL SUMMARY

財務摘要

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

RESULTS

業績

		Year ended 31 December 截至十二月三十一日止年度				
		2016 二零一六年	2017 二零一七年	2018 二零一八年	2019 二零一九年	2020 二零二零年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
		(Restated) (重列)				
Continuing operations	持續經營業務					
Revenue	收入	221,212	198,134	90,523	71,155	66,184
Profit/(loss) before taxation	除稅前溢利／(虧損)	96,844	(29,630)	(359,626)	(52,761)	(342,603)
Income tax (expense)/credit	所得稅(支出)／抵免	(17,651)	(6,059)	(13,468)	1,798	(13,975)
Profit/(loss) for the year from continuing operations	本年度來自持續經營業務之溢利／(虧損)	79,193	(35,689)	(373,094)	(50,963)	(356,578)
Discontinued operation	已終止經營業務					
Loss for the year from discontinued operation	本年度來自已終止經營業務之虧損	(27,365)	(114)	–	–	–
Profit/(loss) for the year	本年度溢利／(虧損)	51,828	(35,803)	(373,094)	(50,963)	(356,578)
Profit/(loss) for the year attributable to:	下列各項應佔本年度溢利／(虧損)：					
– Owners of the Company	– 本公司擁有人	29,813	(42,654)	(372,098)	(34,132)	(242,933)
– Non-controlling interests	– 非控股股東權益	22,015	6,851	(996)	(16,831)	(113,645)
		51,828	(35,803)	(373,094)	(50,963)	(356,578)

FINANCIAL SUMMARY

財務摘要

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

ASSETS AND LIABILITIES

資產及負債

		As at 31 December				
		於十二月三十一日				
		2016	2017	2018	2019	2020
		二零一六年	二零一七年	二零一八年	二零一九年	二零二零年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Total assets	總資產	1,833,875	2,584,589	1,878,875	1,546,675	1,185,716
Total liabilities	總負債	(493,978)	(1,230,181)	(951,174)	(685,656)	(611,098)
		1,339,897	1,354,408	927,701	861,019	574,618
Equity attributable to owners of the Company	本公司擁有人應佔權益	1,187,202	1,204,447	787,937	740,419	568,063
Non-controlling interests	非控股股東權益	152,695	149,961	139,764	120,600	6,555
		1,339,897	1,354,408	927,701	861,019	574,618



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