

TAYANG 大洋

Ta Yang Group Holdings Limited

大洋集團控股有限公司

(incorporated in the Cayman Islands with limited liability)

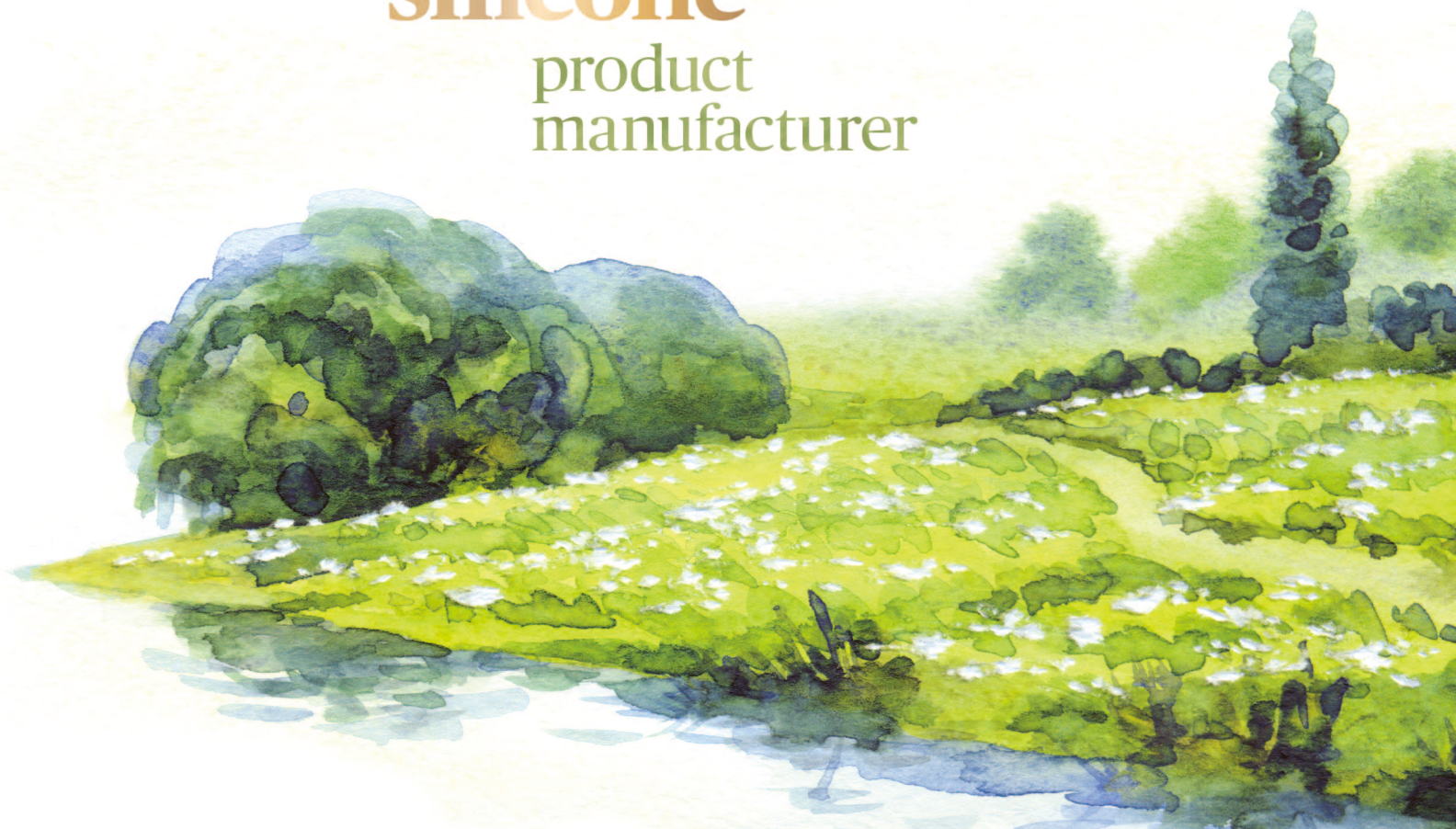
(於開曼群島註冊成立之有限公司)

(Stock Code 股份代號 : 1991)

Annual Report
年報 2020

The world's
most
**competitive
silicone**

product
manufacturer



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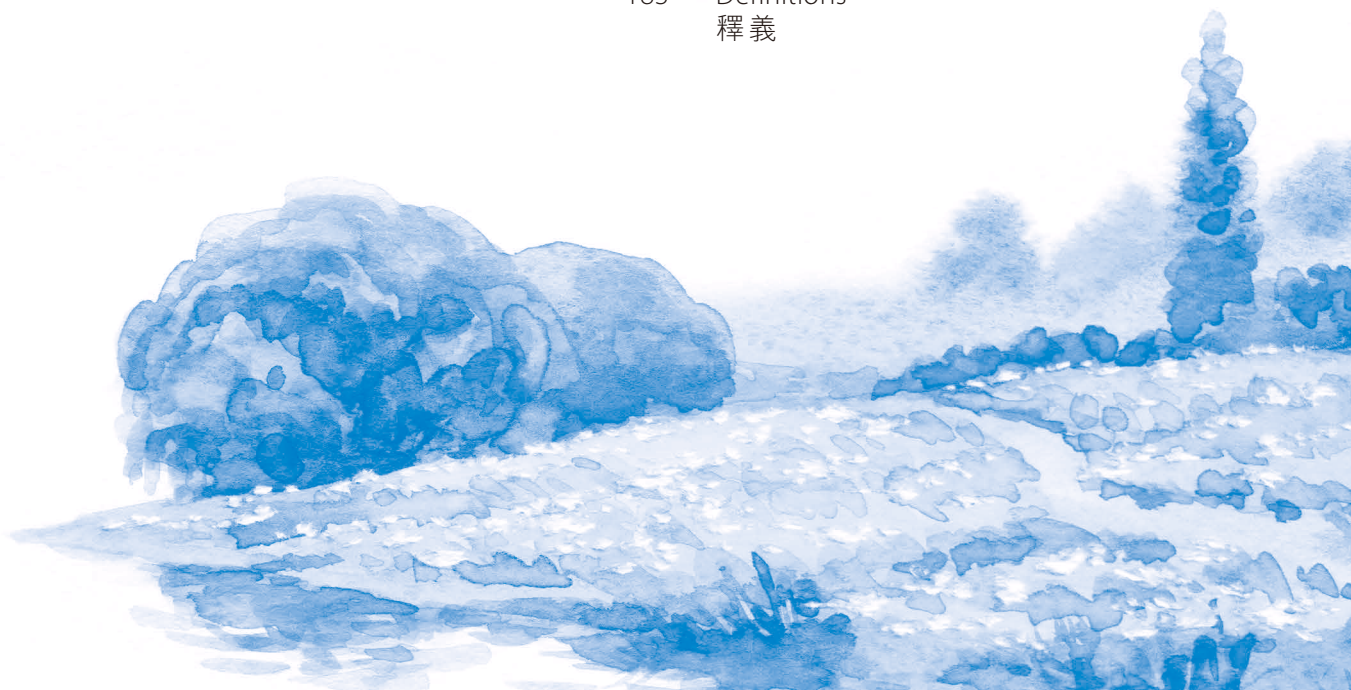
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Corporate Information 公司資料

DIRECTORS

Executive Directors

Ms. Shi Qi (*Chairlady*)
Mr. Liu Wengang (*Chief Executive Officer*)
Mr. Gao Feng
Mr. Cheng Hong

Non-Executive Directors

Mr. Han Lei
Mr. Chan Tsun Hong Philip

Independent Non-Executive Directors

Ms. Zhang Lijuan
Mr. Lin Bing
Mr. Liu Gang
Mr. Hu Jiangbing
Ms. Wang Lina

COMMITTEES

Executive Committee

Mr. Liu Wengang*
Ms. Shi Qi
Mr. Cheng Hong

Audit Committee

Mr. Lin Bing*
Ms. Zhang Lijuan
Mr. Liu Gang
Mr. Hu Jiangbing

董事

執行董事

施琦女士(主席)
劉文剛先生(行政總裁)
高峰先生
程宏先生

非執行董事

韓磊先生
陳俊匡先生

獨立非執行董事

張力涓女士
林兵先生
劉鋼先生
胡江兵先生
王麗娜女士

委員會

執行委員會

劉文剛先生*
施琦女士
程宏先生

審核委員會

林兵先生*
張力涓女士
劉鋼先生
胡江兵先生

Remuneration Committee

Mr. Hu Jiangbing*
Ms. Zhang Lijuan
Mr. Lin Bing
Mr. Liu Gang

Nomination Committee

Mr. Lin Bing*
Ms. Zhang Lijuan
Mr. Liu Gang
Mr. Hu Jiangbing

* Committee Chairman/Chairlady

AUTHORISED REPRESENTATIVES

Mr. Liu Wengang
Mr. Lo Chu Wing

COMPANY SECRETARY

Mr. Lo Chu Wing

薪酬委員會

胡江兵先生*
張力涓女士
林兵先生
劉鋼先生

提名委員會

林兵先生*
張力涓女士
劉鋼先生
胡江兵先生

* 委員會主席

授權代表

劉文剛先生
羅柱榮先生

公司秘書

羅柱榮先生

Corporate Information 公司資料

AUDITORS

Elite Partners CPA Limited
Registered PIE Auditor

REGISTERED OFFICE

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

HEADQUARTER

Unit 5, 1st Floor
Building 2, No. 8 Liuli Road
Jinjiang District
Chengdu, Sichuan
China

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

22/F, H Code
45 Pottinger Street
Central
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Suntera (Cayman) Limited
Suite 3204, Unit 2A
Block 3, Building D
P.O. Box 1586, Gardenia Court
Camana Bay, Grand Cayman
KY1-1100, Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Union Registrars Limited
Suites 3301-04, 33/F.
Two Chinachem Exchange Square
338 King's Road, North Point
Hong Kong

PRINCIPAL BANKERS

Hang Seng Bank Limited
OCBC Wing Hang Bank Limited

核數師

開元信德會計師事務所有限公司
註冊公眾利益實體核數師

註冊辦事處

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

總部

中國
四川省成都市
錦江區
琉璃路8號2棟
1樓5號

香港主要營業地點

香港
中環
砵甸乍街45號
H Code 22層全層

股份過戶及登記總處

Suntera (Cayman) Limited
Suite 3204, Unit 2A
Block 3, Building D
P.O. Box 1586, Gardenia Court
Camana Bay, Grand Cayman
KY1-1100, Cayman Islands

香港股份過戶及登記分處

聯合證券登記有限公司
香港
北角英皇道338號
華懋交易廣場2期
33樓3301-04室

主要往來銀行

恒生銀行有限公司
華僑永亨銀行有限公司

COMPANY WEBSITE

<http://www.tayang.com>

FINANCIAL YEAR END

31 December

SHARE INFORMATION

Listing Date: 8 June 2007
Stock Name: Ta Yang Group
Stock Code: 1991
Nominal Value: HK\$0.10
Board Lot: 2,000 shares

公司網站

<http://www.tayang.com>

財政年度年結日

十二月三十一日

股份資料

上市日期： 二零零七年六月八日
股份名稱： 大洋集團
股份代號： 1991
面值： 0.10港元
每手買賣單位： 2,000股

Directors' Profile 董事簡介

SHI QI

Chairlady and Executive Director

Ms. Shi Qi, aged 41, appointed as Chairlady, Chief Executive Officer and an executive Director in April 2016, and subsequently resigned as Chief Executive Officer in August 2020. She has obtained a master's degree of Business Administration from Centenary College, New Jersey, majoring in Finance in May 2009. Ms. Shi has more than 10 years of experiences in corporate reorganization, corporate and project financing, investments in real estate, securities and non-securities assets and risk management. In 2009, she founded Seven Ocean Investments Limited ("Seven Ocean"), and under the leadership of Ms. Shi, Seven Ocean has developed from a small scale financing company to a company that principally engages in providing financing and corporate solutions and consultancy services, and large scale medical and healthcare development projects. In 2015, Ms. Shi invested in the development of Central Maine Healthcare Institute, which delivers quality healthcare services in Auburn, Maine (USA). Ms. Shi will also be responsible for the on-going management and daily operation of the Central Maine Healthcare Institute. Ms. Shi has also invested in the construction of the Central Leisure Park* (中央休閒公園) in Tongzhou Xincheng* (通州新城), Beijing, a public infrastructure covering an area of approximately 42.62 hectares and providing sports, entertainment, medical and healthcare related services. Ms. Shi was responsible for financing, devising the conceptual design and the implementation plan and monitoring and managing the progress of the construction. Ms. Shi will also be responsible for the project's subsequent operation and maintenance for 30 years. Ms. Shi, the sole director and the ultimate beneficial owner of the controlling shareholder of the Company, is deemed to be interested in 436,540,400 Shares (representing approximately 50.11% of the issued share capital of the Company as at the date of this annual report) held by the controlling shareholder.

施琦

主席兼執行董事

施琦女士，41歲，於二零一六年四月獲委任為主席、行政總裁兼執行董事，並隨後於二零二零年八月辭任行政總裁。彼於二零零九年五月修畢紐澤西世紀學院工商管理碩士學位，主修金融。施女士在企業重組、企業及項目融資、房地產投資、證券及非證券資產及風險管理方面擁有逾10年經驗。於二零零九年，彼創辦Seven Ocean Investments Limited (「Seven Ocean」)，在施女士的帶領下，Seven Ocean由一間小型融資公司發展為一間主要從事提供融資及企業解決方案與諮詢服務，以及大型醫療及保健發展項目的公司。於二零一五年，施女士投資開發中緬因州醫養中心，該中心於美國緬因州奧本市提供優質保健服務。施女士亦將負責中緬因州醫養中心的持續管理及日常營運。施女士亦投資參與北京通州新城中央休閒公園的建設，公園佔地約42.62公頃，提供運動、娛樂、醫療保健相關服務。施女士負責該項目的融資、概念性方案設計及項目實施性方案設計，以及監察及管理建設進度。施女士亦將負責該項目其後30年的營運及維護工作。施女士為本公司控股股東的唯一董事及最終實益擁有人，彼被視為於控股股東持有的436,540,400股股份(相當於本年報日期本公司已發行股本約50.11%)中擁有權益。

* for translation purpose only

LIU WENGANG

Executive Director and Chief Executive Officer

Mr. Liu Wengang, aged 40, appointed as the Chief Executive Officer and executive Director on 26 August 2020, has over a decade of extensive experience in capital, finance and corporate management. Mr. Liu served as the chief investment officer and an executive director of Bisu Technology Group International Limited (a company listed on the Main Board of the Stock Exchange (Stock Code: 1372)) from 1 November 2019 to 20 August 2020. From January 2017 to August 2019, Mr. Liu served as the chairman's assistant and chief financial officer of China Tian Yuan Finance Group (Holdings) Limited. From April 2011 to December 2016, he served as the managing director of Huarong International Trust Co., Ltd. From July 2006 to March 2011, he worked in Ernst and Young. Mr. Liu obtained a master's degree in 2006 in economics from the Capital University of Economics and Business in the People's Republic of China and a bachelor's degree in 2003 in economics from Tianjin University of Finance and Economics.

GAO FENG

Executive Director

Mr. Gao Feng, aged 40, appointed as a non-executive Director in April 2016 and re-designated as an executive Director in November 2019, has around 12 years of experience in corporate management. He has been the general manager of Beijing Zhongmei Zhengchen Construction Co., Ltd.* (北京中煤正辰建設有限公司), which mainly engages in real estate and construction since 2012. He was the general manager of Beijing Kaiyun Zhifeng Industry and Trade Co., Ltd* (北京凱運之峰工貿有限公司) from 2009 to 2012.

劉文剛

執行董事兼行政總裁

劉文剛先生，40歲，於二零二零年八月二十六日獲委任為行政總裁及執行董事，於資本、融資及企業管理方面擁有超過十年的豐富經驗。劉先生自二零一九年十一月一日至二零二零年八月二十日擔任比速科技集團國際有限公司（一間於聯交所主板上市之公司，股份代號：1372）之首席投資官及執行董事。於二零一七年一月至二零一九年八月，劉先生擔任中國天元金融集團（控股）有限公司之董事長助理及首席財務官。於二零一一年四月至二零一六年十二月，彼於華融國際信託有限責任公司擔任董事總經理。於二零零六年七月至二零一一年三月，彼任職於安永會計師事務所。劉先生於二零零六年在中華人民共和國首都經濟貿易大學取得經濟學碩士學位，及於二零零三年在天津財經大學取得經濟學學士學位。

高峰

執行董事

高峰先生，40歲，於二零一六年四月獲委任為非執行董事並於二零一九年十一月調任為執行董事，於企業管理方面約有12年經驗。彼自二零一二年起出任北京中煤正辰建設有限公司總經理，而該公司主要從事房地產及建築業務，彼自二零零九年至二零一二年曾擔任北京凱運之峰工貿有限公司總經理。

* for translation purpose only

Directors' Profile

董事簡介

CHENG HONG

Executive Director

Mr. Cheng Hong, aged 44, appointed as an executive Director in January 2019, graduated at Beijing Wuzi University with a bachelor's degree in economics in July 1998. After graduation, Mr. Cheng joined Haier Group* (海爾集團) as project manager from 1999 to 2004. Mr. Cheng worked at Beijing Tecsun Technology Development Co., Ltd.* (北京德誠吉徠科技發展有限公司) as the deputy general manager from 2004 to 2012. During the period from 2012 to 2015, he served as the general manager of Beijing Jingtian Shiji Technology Development Co., Ltd.* (北京競天世紀科技發展有限公司) and was responsible for the daily operation. From 2015 to 2018, Mr. Cheng held the position of general manager of Zhongshi Jiaxin (Beijing) Investment Co., Ltd.* (中實嘉信(北京)投資有限公司) and was responsible for the project development.

HAN LEI

Non-executive Director

Mr. Han Lei, aged 51, appointed as a non-executive Director in April 2016, has more than 24 years of entertainment and performing experience in the music industry and had received numerous awards in the industry. Mr. Han has participated in CCTV Spring Festival Evening Galas, charity performances, cultural and tourism promotion performances, etc. Other than his entertainment career, he also actively participates in various political associations and social campaigns. He was a member of the tenth session of All-China Youth Federation (中華全國青年聯合會). He was appointed as the "Celebrity of Health"* (健康名人) by the preceding Kang Yi Wang* (康易網) and the image ambassador in "Yao Yang" public pension project* (「曜陽」養老公益項目) conducted by Red Cross Society of China.

程宏

執行董事

程宏先生，44歲，自二零一九年一月起為執行董事，於一九九八年七月畢業於北京物資學院，取得經濟學學士學位。畢業後，程先生加入海爾集團，自一九九九年至二零零四年任職項目經理。程先生在二零零四年至二零一二年在北京德誠吉徠科技發展有限公司擔任副總經理。在二零一二年至二零一五年期間，彼任職北京競天世紀科技發展有限公司總經理，負責公司日常營運。二零一五年至二零一八年，程先生擔任中實嘉信(北京)投資有限公司總經理，負責項目開發。

韓磊

非執行董事

韓磊先生，51歲，於二零一六年四月獲委任為非執行董事，於音樂行業擁有超過24年的娛樂及表演經驗，曾獲業內多個獎項。韓先生曾參與中央電視台春節聯歡晚會、慈善表演、文化及旅遊推廣等多項表演。除娛樂事業外，彼亦積極參與多個政治組織及社會運動。彼為中華全國青年聯合會第十屆委員會委員。彼亦為前康易網的「健康名人」及中國紅十字會舉辦的「曜陽」養老公益項目的形象大使。

* for translation purpose only

CHAN TSUN HONG PHILIP

Non-executive Director

Mr. Chan Tsun Hong Philip, aged 42, appointed as a non-executive Director on 3 August 2020, has over 15 years' experience in auditing, financial accounting and reporting. He worked in BDO Limited and KPMG from 2005 to 2014 and from 2014 to 2019 respectively. His last position with KPMG was a senior audit manager. Mr. Chan is currently the senior vice president at the group finance department of Mason Group Holdings Limited (the shares of which are listed on the Stock Exchange of Hong Kong (stock code: 0273), acting as the group financial controller and oversees all functions of the group's finance department. Mr. Chan holds a bachelor of information technology degree in data communications from Queensland University of Technology in Australia, and a master of practising accounting degree from Monash University in Australia. Mr. Chan is also a member of Hong Kong Institute of Certified Public Accountants and CPA Australia.

ZHANG LIJUAN

Independent Non-executive Director

Ms. Zhang Lijuan, aged 67, appointed as an independent non-executive Director in April 2016, is the consultant and was the 5th executive vice president and the secretary general of Chinese Association of Geriatric Research* (中國老年保健醫學研究會). She has over 10 years of experience in the healthcare and medical industry. She was the vice president and the executive vice secretary general of China National Health Association* (中國民族衛生協會) from August 2005 to May 2010.

陳俊匡

非執行董事

陳俊匡先生，42歲，於二零二零年八月三日獲委任為非執行董事，擁有超過15年的審計、財務會計及報告經驗。陳先生於二零零五年至二零一四年及二零一四年至二零一九年分別任職於香港立信德豪會計師事務所有限公司及畢馬威會計師事務所。彼於畢馬威會計師事務所離任前之職位為高級審計經理。陳先生現任茂宸集團控股有限公司(其股份於香港聯交所上市(股份代號：0273))集團財務部高級副總裁，擔任集團財務總監並管理集團財務部所有職能。陳先生擁有澳洲昆士蘭科技大學資料通信資訊科技學士學位及澳洲莫納什大學會計實務碩士學位。陳先生亦為香港會計師公會及澳洲會計師公會會員。

張力涓

獨立非執行董事

張力涓女士，67歲，於二零一六年四月獲委任為獨立非執行董事，為中國老年保健醫學研究會顧問及曾任第五屆常務副會長兼秘書長，於保健醫療行業擁有逾10年經驗。彼自二零零五年八月至二零一零年五月期間，曾任中國民族衛生協會副會長及常務副秘書長。

* for translation purpose only

Directors' Profile

董事簡介

LIN BING

Independent Non-executive Director

Mr. Lin Bing, aged 48, appointed as an independent non-executive Director on 13 January 2020, is currently a managing director of Protocol Asset Management (Hong Kong) Limited and mainly responsible for asset management and investment. He also has over 20 years' experience in accounting, investment research and asset management. Besides, he previously worked at an international accounting firm for three years and gained experience in auditing and risk management. He holds a bachelor's degree of science in accounting from Franklin University, a master's degree of science in accounting from Kent State University and a master's degree in business administration from Harvard Business School. He is also a member of the American Institute of Certified Public Accountants.

LIU GANG

Independent Non-executive Director

Mr. Liu Gang, aged 49, appointed as an independent non-executive Director on 21 January 2020, graduated from Xi'an Art School. Mr. Liu has been involved in the real estate industry since 2000. He founded Beijing Huaqian Real Estate Development Co., Ltd.* (北京華乾房地產開發有限公司) and served as chairman and general manager. During this period, Mr. Liu was engaged in projects including the Asian Games Village Guan Chao (亞運村觀巢) and Asian Games Village Huijing Garden (亞運村慧景園) (now Pangu Plaza (盤古大觀)) and etc. In addition to real estate industry, Mr. Liu also engaged in the equity investment of unlisted companies. He founded Beijing Changhong Hezhi Asset Management Co., Ltd.* (北京長鴻和智資產管理有限公司), and its projects include pre-IPO investment in Beijing North Star Company Limited (北京北辰實業股份有限公司)* and investment in some internet companies such as Baoxing Tianxia (保行天下).

林兵

獨立非執行董事

林兵先生，48歲，於二零二零年一月十三日獲委任為獨立非執行董事，現任Protocol Asset Management (Hong Kong) Limited的董事總經理，主要負責資產管理及投資。彼亦擁有逾20年的會計、投資研究和資產管理經驗。此外，彼先前在一間國際會計公司任職三年，積累會計及風險管理經驗。彼持有富蘭克林大學(Franklin University)的會計學學士學位、肯特州立大學(Kent State University)的會計學碩士學位及哈佛商學院(Harvard Business School)的工商管理碩士學位。彼亦為美國註冊會計師協會會員。

劉鋼

獨立非執行董事

劉鋼先生，49歲，於二零二零年一月二十一日獲委任為獨立非執行董事，畢業於西安市藝術學校。劉先生自二零零零年涉足房地產行業。他曾創辦北京華乾房地產開發有限公司，並擔任公司董事長兼總經理。在這段期間，劉先生參與項目包括亞運村觀巢、亞運村慧景園(現盤古大觀)等。除地產開發外，劉先生還參與於非上市公司股權投資。彼創辦了北京長鴻和智資產管理有限公司，投資項目包括對北京北辰實業股份有限公司上市前投資以及對保行天下等互聯網企業的投資。

* for translation purpose only

HU JIANGBING

Independent Non-executive Director

Mr. Hu Jiangbing, aged 58, appointed as an independent non-executive Director on 31 March 2020 obtained his bachelor's degree in computer software from University of Science and Technology of China (中國科技大學) in 1984 and his master's degree in business administration from Peking University (北京大學) in 1997. From August 1984 to July 1989, Mr. Hu was the vice general manager of the Sitong Group* (四通集團鷺島公司). From July 1989 to July 1994, Mr. Hu was the general manager (China region) of King Sun Computer (HK) Limited (香港金山電腦有限公司). From July 1994 to July 1997, Mr. Hu was the government relations director for Compaq Computer Limited (China) (美國康柏電腦公司). From 1997 to present, Mr. Hu has been a general manager of Beijing Shengjinnuo Management Consulting Co., Ltd (北京盛金諾管理諮詢有限公司).

As at the date of this report, Mr. Hu has a personal interest in 850,000 Shares of the Company, representing approximately 0.1% of the issued share capital of the Company.

WANG LINA

Independent Non-executive Director

Ms. Wang Lina, aged 37, appointed as an independent non-executive Director of the Company on 22 April 2020, graduated in foreign-related accounting from Shanghai Lixin University of Accounting (上海立信會計學院) in 2005 and obtained her bachelor's degree in accountancy from Northeast Forestry University (東北林業大學) in 2014. From 2005 to present, Ms. Wang has been the manager of finance department and the senior manager of investment department for Shanghai Guoteng Zhirui Co. Ltd.* (上海國騰致瑞科技有限公司).

胡江兵

獨立非執行董事

胡江兵先生，58歲，於二零二零年三月三十一日獲委任為獨立非執行董事，於一九八四年自中國科技大學取得計算機軟件學士學位及於一九九七年自北京大學取得工商管理碩士學位。自一九八四年八月至一九八九年七月，胡先生曾擔任四通集團鷺島公司的副總經理。自一九八九年七月至一九九四年七月，胡先生擔任香港金山電腦有限公司中國區總經理。自一九九四年七月至一九九七年七月，胡先生擔任美國康柏電腦公司政府關係總監。自一九九七年至今，胡先生一直擔任北京盛金諾管理諮詢有限公司總經理。

於本報告日期，胡先生擁有本公司850,000股股份的個人權益，佔本公司已發行股本約0.1%。

王麗娜

獨立非執行董事

王麗娜女士，37歲，於二零二零年四月二十二日獲委任為本公司獨立非執行董事，於二零零五年畢業於上海立信會計學院，修讀涉外會計，並於二零一四年獲得東北林業大學會計學士學位。從二零零五年至今，王女士擔任上海國騰致瑞科技有限公司財務部經理和投資部門的高級經理。

* for translation purpose only

Chairlady's Statement

主席報告

Dear Shareholders,

On behalf of the Board of Directors of Ta Yang Group Holdings Limited (the "Company", together with its subsidiaries (the "Group")), I hereby present to all Shareholders the annual report of the Group for the year ended 31 December 2020.

BUSINESS REVIEW

For the financial year ended 31 December 2020, the Group strives to develop and forge ahead to seize opportunities under the adversity of the raging COVID-19 pandemic, maintaining steady business development and recorded a total turnover of HK\$354.2 million (for the seventeen months ended 31 December 2019: HK\$521.0 million) that is encouraging.

While actively but prudently exploring potential new businesses, Ta Yang Group continues to focus on the manufacturing and sale of silicone products as its core business and continue to strengthen its research and development, expand its product lines and optimise its product portfolio. Meanwhile, the Group's strict control over procurement costs, intensive leverages of production efficiency and strict control over product quality, and various measures taken to increase revenue and reduce expenditure, all of these enabled us to maintain a relatively favourable gross profit despite the adverse factors of the COVID-19 pandemic and the fierce competition in the market.

As for the healthcare and hotel services business, due to the impact of the COVID-19 pandemic, the tourism industry in the PRC was suspended for most of 2020, but as the Group's operation of Hainan Hotel was outsourced at the end of last year, there was no significant impact. Nonetheless, the Group has been adjusting its strategies in response to the market conditions to maximise value for its shareholders.

OUTLOOK

The COVID-19 pandemic in 2020 has brought severe tests and challenges to the global economy. However, the Group strongly believes that opportunities lie within the challenges, and that the ability to discover and seize business opportunities in a crisis is the core competency of an enterprise to survive and grow, and even overtake other peers in the industry.

各位股東：

本人謹代表大洋集團控股有限公司（「本公司」），連同其附屬公司（「本集團」）董事會向全體股東提呈本集團截至二零二零年十二月三十一日止年度之年報。

業務回顧

截至二零二零年十二月三十一日止之財政年度，本集團在新冠肺炎疫情肆虐的逆境下努力開拓，銳意進取，抓住機遇，令業務持續穩健發展，並取得累計營業額354,200,000港元之不俗業績（截至二零一九年十二月三十一日止十七個月：521,000,000港元）。

在積極但謹慎的研究開拓潛在新業務的同時，大洋集團仍堅持以矽膠產品製造及銷售為核心業務，並不斷加強研發，拓寬產品線並優化產品組合。與此同時，本集團嚴控採購成本、狠抓生產效率並嚴格管控產品品質，再加上積極採取各樣的開源節流的舉措，使我們在新冠疫情和市場激烈競爭的雙重不利因素影響下，仍然能維持集團較好的毛利。

在醫療保健及酒店業務上，受到新冠疫情的影響，中國國內的旅遊業於二零二零年大部分時間冰封凋零，但本集團已於去年底將旗下海南酒店營運外包，故未受任何重大影響。儘管如此，本集團仍一直在因應市場狀況隨時調整策略，力求為股東實現最大價值。

展望

二零二零年的新冠疫情對全球經濟帶來極為嚴峻的考驗和挑戰。但本集團亦堅信機遇並存，如何能在危機中找到並抓住商機，是一個企業在危機中求生存，求發展，甚至實現彎道超車的核心能力。

Since the second half of 2020, the pandemic in Mainland China firstly became under control, the performance of the manufacturing industry continued to climb, and the production of the manufacturing industry has become the main driver of increasing the value-added industrial output of Mainland China. In 2021, as different countries started the research and development of vaccines and as the vaccination became commonly available, the global economy is expected to return to normal, and the supply and demand cycle is expected to further recover. With the normalisation of business activities in the market, the profitability level of the manufacturing industry is expected to restore rapidly. Based on the analysis above, the Group believes that the current positive development trend of the manufacturing industry will continue.

The relations between China and the United States has entered a new phase in 2021. The Group is of the view that while their economic and trade competition and cooperation are on the basis of long-term condition, it is unlikely that the relations between China and the United States will improve significantly in the short term, but the competition between the two countries will not have any material adverse effect on our financial position, operation results and growth prospects.

In terms of the personal protective equipment, while the COVID-19 pandemic will eventually become under control in the near future, the Group expects the global demand for personal protective equipment will remain strong in the long run, and will become commonly used personal daily necessities and even fast-moving consumer goods. The Group has gained extensive relevant experience in the research and development, and production and marketing of all-silicone masks during the year, and has also successfully gained global distribution networks and resources for pandemic prevention products. On this basis, the Group not only can accelerate the production and sales of its own products, but also can make use of these networks and resources to expand the sales and trading of other products.

二零二零年下半年以來，中國內地疫情首先受控，製造業景氣度持續攀升，製造業生產已成為拉動中國內地工業增加值增速的主要動力。二零二一年，隨著各國新冠疫苗研發和接種日益推進，世界經濟料將進一步回歸正常化，供需循環有望進一步復蘇，隨著市場經營活動正常化，製造業盈利水準有望快速修復，基於上述分析，本集團認為當前製造業的樂觀發展趨勢有望延續。

二零二一年，中美關係進入一個新的階段，本集團認為，雖然短期內中美關係恐難以出現明顯改善，雙方的經濟、貿易競爭和合作是建立在長期條件的基礎上，但雙方的競爭不會對我們的財務狀況、經營業績及增長前景造成任何重大不利影響。

在個人防疫用品方面，儘管新冠疫情在不遠的將來終將受控，但本集團預期全球個人防疫用品的需求會保持長期旺盛，並將成為常用的個人生活用品甚至快速消費品。本集團在本年度全矽膠口罩的研發和產銷中獲得了豐富的相關經驗，也成功收穫了全球防疫用品的分銷網絡和資源。在此基礎上，本集團不但可以加大加快自有產品的產銷，更加可以利用該等網絡和資源拓展其他產品的銷售及貿易等業務。

Chairlady's Statement 主席報告

The COVID-19 pandemic has also had a significant and profound impact on the way of life of people around the world. More people are spending more time at home, and the demand for household products, including kitchenware and even adult products, has increased significantly, as has the awareness of health and fitness, leading to a strong demand for health products and personal fitness products to be used at home. All these products mentioned require the application of silicone rubber materials. On the one hand, in line with the market trend, the Group will continue to develop the research and development of its own products, launch its own brand of silicone retail products soon and expand its distribution channels including e-commerce on the Internet and New Retail to accelerate in gaining market share. On the other hand, the Group will continue to seek new business opportunities in advanced manufacturing, smart wearable devices, electronic cigarettes, and medical aesthetics in order to actively pursue more rewarding returns for its shareholders.

APPRECIATION

I would like to take this opportunity to express my sincere gratitude to the management team for their outstanding contributions to the Group as well as our workforce for their tireless efforts in ensuring the ongoing development. Last but not least, I must extend my appreciation to all of our business partners, customers and Shareholders for their unwavering trust and tremendous support.

Shi Qi

Chairlady and Executive Director

新冠疫情亦對全世界人民的生活方式產生了重大及深遠的影響。更多的人花更多的時間留在家中，對家庭生活用品包括廚具甚至成人用品等的需求大大增加，保健和健身的意識也大大增加，帶來對家庭保健產品及個人健身產品的旺盛需求。上述產品等都是矽膠材料應用的大好舞臺。一方面，本集團順應市場趨勢，不斷加大自主產品的研發，盡快推出自有矽膠零售產品品牌，多維度拓展包括互聯網電子商務，新零售等分銷管道，加快搶佔市場份額；另一方面也從先進製造、智慧穿戴設備、電子煙以及醫養美容等方面不斷尋求其他新的業務機會，積極為股東更豐厚的收益。

致謝

本人僅藉此機會對管理層團隊為本集團做出的傑出貢獻及全體員工的不懈努力使得本集團不斷發展表示衷心感謝。最後，本人要對本集團所有業務夥伴、客戶及股東的堅定信任及鼎力支持致以誠摯謝意。

施琦

主席兼執行董事

FINANCIAL REVIEW

As announced by the Company on 21 June 2019, the Company's financial year end date has been changed from 31 July to 31 December. Going forward, the Group's financial years would cover a period of twelve months from 1 January to 31 December of a relevant year. The financial statements presented for the previous financial reporting period of the Company cover a period of seventeen months from 1 August 2018 to 31 December 2019, instead of the usual twelve months results. As a result of this, the corresponding comparative amounts shown covered seventeen months period from 1 August 2018 to 31 December 2019 are not directly comparable with the amounts shown for the current financial year.

Revenue

Revenue represents gross revenue generated from the sales of our products and service provided, net of sales tax and other similar taxes.

The revenue for the year ended 31 December 2020 was HK\$354.2 million (for the seventeen months ended 31 December 2019: HK\$521.0 million). The revenue continues to be generated mainly from the sale of silicone rubber and related products, which accounted for approximately 97.1% of the total revenue. In addition, the Group recorded a steady revenue after outsourcing its hotel operations despite the raging COVID-19 pandemic. Revenue from the healthcare and hotel services business segment accounted for approximately 2.9% of the total revenue.

Cost of Sales

The cost of sales for the year ended 31 December 2020 was HK\$276.5 million (for the seventeen months ended 31 December 2019: HK\$416.0 million). The COVID-19 pandemic has brought a business environment with tougher challenges for all manufacturers, and the lack of logistics has caused high cost for raw materials and other materials. As a responsible enterprise, the Group continued to shoulder fixed costs such as staff salaries during the shutdown period at the peak of the pandemic.

Gross Profit

The gross profit of the Group decreased approximately 26.0% from HK\$105.0 million for the seventeen months ended 31 December 2019 to HK\$77.7 million for the year ended 31 December 2020. It was primarily due to the reduction of five months gross profit. The gross profit margin increased by 1.7% from 20.2% for the seventeen months ended 31 December 2019 to 21.9% for the year ended 31 December 2020, mainly due to the positive results of the Group's initiatives to tighten cost control and focus on efficiency.

財務回顧

誠如本公司於二零一九年六月二十一日所公佈，本公司的財政年度結算日已由七月三十一日更改為十二月三十一日。此後，本集團的財政年度將涵蓋有關年度一月一日至十二月三十一日的十二個月期間。本公司前一份財務報表的財務報告期涵蓋二零一八年八月一日至二零一九年十二月三十一日的十七個月期間，而非慣常的十二個月業績。因此，所示相應比較金額涵蓋二零一八年八月一日至二零一九年十二月三十一日的十七個月期間，不可與本財政年度所示金額直接比較。

收益

收益指源自銷售產品及提供服務的收益總額減銷售稅及其他類似稅項。

截至二零二零年十二月三十一日止年度的綜合收益為354,200,000港元(截至二零一九年十二月三十一日止十七個月: 521,000,000港元)。收益仍然主要來自銷售矽膠及相關產品，佔總營業額約97.1%。此外，儘管新冠疫情肆虐，本集團將酒店營運外包後仍錄得穩健收入。期內，醫療保健及酒店業務分部的收益佔總營業額約2.9%。

銷售成本

截至二零二零年十二月三十一日止年度的銷售成本為276,500,000港元(截至二零一九年十二月三十一日止十七個月: 416,000,000港元)。新冠疫情為所有生產商帶來更為嚴峻的經營環境，物流的不暢造成原材料等成本的高企。而作為負責任的企業公民，本集團仍在疫情高峰期停工期間繼續承擔員工薪酬等固定成本。

毛利

本集團的毛利由截至二零一九年十二月三十一日止十七個月的105,000,000港元減少約26.0%至截至二零二零年十二月三十一日止年度的77,700,000港元，主要是由於減少五個月的毛利。毛利率由截至二零一九年十二月三十一日止十七個月的20.2%提升1.7%至截至二零二零年十二月三十一日止年度的21.9%，主要歸功於本集團嚴控成本、狠抓效率等舉措取得積極成效。

Management Discussion and Analysis

管理層討論與分析

Other Income and Gain

Other income and gain decreased by approximately 48.7% to HK\$36.5 million for the year ended 31 December 2020 from HK\$71.1 million for the seventeen months ended 31 December 2019. The decrease in other income and gain was mainly due to absence of gain from one-off disposal of property, plant and equipment and investment properties in the seventeen months ended 31 December 2019, and the decrease in fair value gain on investment properties.

Selling and Distribution Expenses

Selling and distribution expenses decreased by approximately 33.5% to HK\$17.9 million for the year ended 31 December 2020 from HK\$26.9 million for the seventeen months ended 31 December 2019. When counted as a percentage of revenue, the ratio was 5.1% (for the seventeen months ended 31 December 2019: 5.2%).

Administrative Expenses

Administrative expenses decreased by approximately 39.8% to HK\$118.4 million for the year ended 31 December 2020 from HK\$196.7 million for the seventeen months ended 31 December 2019. When counted as a percentage of revenue, the ratio was 33.4% (for the seventeen months ended 31 December 2019: 37.8%). This was mainly attributable to the Group's continued implementation of cost control measures and improvement in operational efficiency.

Loss attributable to Shareholders

Loss attributable to Shareholders for the year ended 31 December 2020 was HK\$95.8 million (for the seventeen months ended 31 December 2019: HK\$86.4 million).

DIVIDEND POLICY

Our Directors expect that dividends will be paid as interim and/or final dividends. We currently intend to pay annual cash dividends of not less than 30% of our Group's audited consolidated profits after taxation to our Shareholders for the applicable year/period. However, the determination to pay such dividends will be made at the discretion of our Board and will be based upon our operating results, cash flows, financial positions, capital requirements and other relevant circumstances that the Board deems relevant. The payment of dividends may be limited by legal restrictions and by agreements that we may enter into in the future. Our Directors are of the views that our dividend policy will not affect the sufficiency of our working capital in the coming years.

其他收入及收益

其他收入及收益由截至二零一九年十二月三十一日止十七個月的71,100,000港元減少約48.7%至截至二零二零年十二月三十一日止年度的36,500,000港元。其他收入及收益減少乃主要由於缺少截至二零一九年十二月三十一日止十七個月期間錄得出售物業、廠房及設備以及投資物業的一次性收益以及投資物業的公平值收益減少所致。

銷售及分銷開支

銷售及分銷開支由截至二零一九年十二月三十一日止十七個月的26,900,000港元減少33.5%至截至二零二零年十二月三十一日止年度的17,900,000港元。以佔收益百分比計算，比例為5.1%（截至二零一九年十二月三十一日止十七個月：5.2%）。

行政開支

行政開支由截至二零一九年十二月三十一日止十七個月的196,700,000港元減少約39.8%至截至二零二零年十二月三十一日止年度的118,400,000港元。以佔收益百分比計算，比例為33.4%（截至二零一九年十二月三十一日止十七個月：37.8%）。主要歸功於本集團持續實施成本控制措施和改善營運效率。

股東應佔虧損

截至二零二零年十二月三十一日止年度的股東應佔虧損為95,800,000港元（截至二零一九年十二月三十一日止十七個月：86,400,000港元）。

股息政策

董事預期股息將作為中期及／或末期股息派付。本集團目前計劃向股東派付不少於本集團適用年度／期間的經審核綜合除稅後溢利30%的年度現金股息。然而，派付該等股息將由董事會酌情決定，並根據本集團經營業績、現金流量、財務狀況、資本需求及董事會視為相關的其他有關情況釐定。派付股息或受法律限制及本集團日後可能訂立的協議所規限。董事認為，本集團的股息政策將不會影響本集團於日後年度的營運資金充裕程度。

Management Discussion and Analysis

管理層討論與分析

FINANCIAL MANAGEMENT AND TREASURY POLICY

The Group adopts a conservative approach for cash management and investment on uncommitted funds.

During the year, the Group's receipts were mainly denominated in US dollars, Hong Kong dollars and Renminbi ("RMB"). Payments were mainly made in US dollars and RMB.

In respect of the US dollar, the management regards that the foreign exchange risk for Hong Kong dollar to US dollar is not material because (i) Hong Kong dollar remains pegged to the US dollar and (ii) most of the Group's purchases are denominated in US dollars, which are to be settled by sales receipts in US dollars.

In respect of the RMB, as the Group's production plants are located in the PRC, most of our labour costs, manufacturing overheads, selling and administrative expenses were denominated in RMB. Therefore, the appreciation of RMB will adversely affect the Group's profitability.

LIQUIDITY AND FINANCIAL RESOURCES

During the year/period, the Group's source of fund was the cash generated from operating activities.

財務管理及庫務政策

本集團對無指定用途的資金採取保守的現金管理及投資策略。

年內，本集團所得款項主要以美元、港元及人民幣（「人民幣」）列值，付款則主要以美元及人民幣支付。

就美元而言，管理層認為港元兌美元的外匯風險並不重大，因為(i)港元仍與美元掛鉤及(ii)本集團大部分採購均以美元列值，且以美元銷售收益結算。

就人民幣而言，由於本集團的生產廠房均位於中國，故大部分勞工成本、生產間接成本、銷售及行政開支均以人民幣列值。因此，人民幣升值將對本集團的盈利能力帶來不利影響。

現金流量及財務資源

年/期內，本集團的資金來源為經營活動產生的現金。

	As at 31 December 2020 於二零二零年 十二月三十一日	As at 31 December 2019 於二零一九年 十二月三十一日
Cash and cash equivalents (HK\$'000)	31,774	94,908
Net cash outflow (HK\$'000)	(67,313)	(92,377)
Current ratio	0.7	0.8
Quick ratio	0.7	0.8
Gearing ratio*	0.9	0.8

* The Group's gearing ratio was calculated by dividing total borrowings by total equity.

* 本集團的負債比率以借款總額除以權益總額計算。

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group had no material acquisition or disposal of any subsidiaries and associated companies for the year ended 31 December 2020.

重大收購及出售附屬公司、聯營公司及合資公司

本集團於截至二零二零年十二月三十一日止年度並無重大收購或出售任何附屬公司及聯營公司。

SIGNIFICANT INVESTMENTS HELD BY THE GROUP

During the reporting period, the Group did not make any significant investments.

本集團持有的重大投資

於報告期內，本集團並無作出任何重大投資。

Management Discussion and Analysis

管理層討論與分析

CAPITAL COMMITMENTS, CONTINGENCIES AND CHARGES ON ASSETS

Capital commitments contracted by the Group but not yet provided for in the financial statements as at 31 December 2020 were approximately HK\$2.1 million (2019: HK\$1.8 million), which was mainly related to the expansion of production capacity in the PRC. Such capital commitments will be financed by the net proceeds from operating activities.

As at 31 December 2020, the Group had no material contingent liabilities (2019: Nil). As at 31 December 2020, certain properties of the Group of HK\$297.8 million (2019: HK\$287.3 million) were pledged to secure banking facilities or bank borrowings granted to the Group.

HUMAN RESOURCES AND REMUNERATION POLICIES

As the Group is committed to expand our production capacity and develop high value-added products, experienced workers, engineers and professionals are the most important assets to the Group. We offer on-the-job training and encourage staff to attend continuous professional training in order to update their skills and knowledge.

We offer competitive remuneration package, including quality staff quarters, trainings, medical, insurance coverage and retirement benefits, to all employees in Hong Kong and in the PRC. As at 31 December 2020, the Group has 1,080 permanent and temporary employees (2019: 1,275). The total salaries and related costs for the year ended 31 December 2020 amounted to approximately HK\$92.3 million (for the seventeen months ended 31 December 2019: HK\$184.3 million).

FINAL DIVIDEND

The directors of the Company do not recommend the payment of final dividend for the year ended 31 December 2020 (for the seventeen months ended 31 December 2019: Nil).

資本承擔、或有事項及資產抵押

於二零二零年十二月三十一日，本集團已訂約但未於財務報表撥備的資本承擔約為2,100,000港元(二零一九年: 1,800,000港元)，主要與於中國擴充產能有關。有關資本承擔將以經營活動所得款項淨額撥付。

於二零二零年十二月三十一日，本集團並無重大或然負債(二零一九年: 無)。於二零二零年十二月三十一日，本集團價值297,800,000港元(二零一九年: 287,300,000港元)的若干物業已予抵押，作為本集團所獲銀行融資或銀行借款的擔保。

人力資源及薪酬政策

由於本集團致力於擴充產能及開發高增值產品，故經驗豐富的工人、工程師及專業人士乃本集團最重要的資產。我們提供在職培訓，並鼓勵員工參加持續專業培訓，以增進彼等的技能及知識。

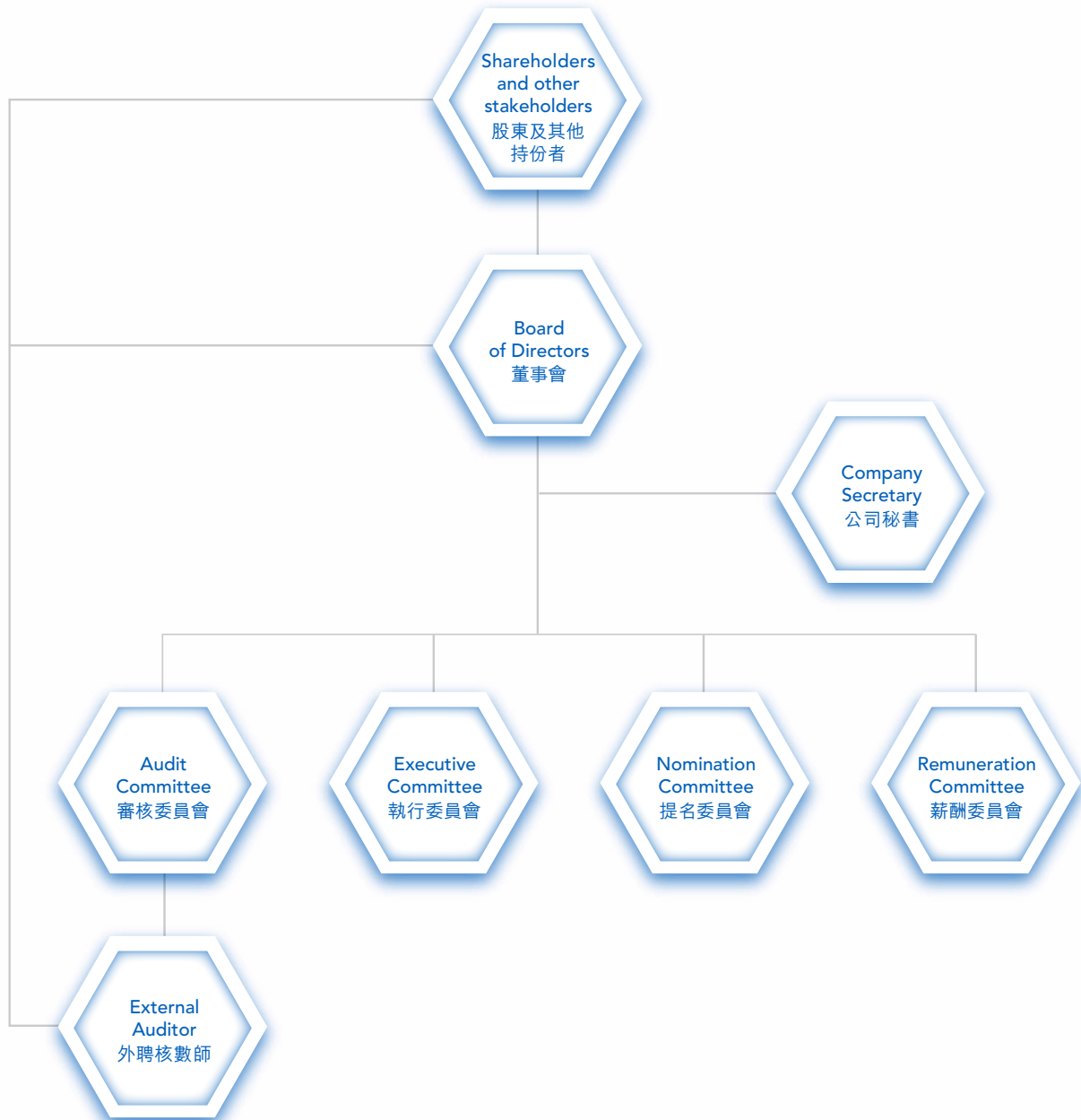
我們向香港及中國所有僱員提供具競爭力的薪酬方案，包括優質的員工宿舍、培訓、醫療、保險及退休福利。於二零二零年十二月三十一日，本集團聘用全職及臨時僱員1,080名(二零一九年: 1,275名)。於截至二零二零年十二月三十一日止年度，薪酬及有關成本總額約為92,300,000港元(截至二零一九年十二月三十一日止十七個月: 184,300,000港元)。

末期股息

本公司董事不建議派付截至二零二零年十二月三十一日止年度的末期股息(截至二零一九年十二月三十一日止十七個月: 無)。

CORPORATE GOVERNANCE STRUCTURE

企業管治架構



Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Company strives to attain and maintain high standards of corporate governance best suited to the needs and interests of the Group as it believes that effective corporate governance practices are fundamental to enhancing Shareholder value and safeguarding interests of Shareholders and other stakeholders. The Board sets appropriate policies and implements corporate governance practices appropriate to the conduct and growth of the Group's business.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company has complied with the applicable code provisions set out in the Corporate Governance Code ("CG Code") contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") throughout the year except:

- (i) the code provision A.2.1, which requires the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. During the period from 6 April 2016 to 25 August 2020, Ms. Shi Qi acted as both the chairlady of the Board (the "Chairlady") and the Chief Executive Officer (the "CEO").

On 26 August 2020, Ms. Shi Qi resigned and Mr. Liu Wengang was appointed as the CEO. Ms. Shi continues to serve as an executive Director and the Chairlady of the Board. Subsequent to the change of CEO, the Company complies with the Code Provision A.2.1.

- (ii) the code provision A.2.7, which requires the chairman should at least annually hold meetings with the independent non-executive Directors without the presence of other directors.

However, the Company considered it is more effective for the independent non-executive Directors to communicate with the Chairlady individually. Therefore, no meeting was arranged during the year.

企業管治常規

本公司致力達到及維持最能迎合本集團需要及利益的高度企業管治水平，因其相信有效的企業管治常規是提升股東價值與保障股東及其他持份者權益的基本要素。董事會制定適當政策及實施適合本集團業務開展及增長的企業管治常規。

遵守企業管治守則

本公司年內一直遵守聯交所證券上市規則（「上市規則」）附錄十四所載的企業管治守則（「企管守則」）載列的適用守則條文，惟：

- (i) 守則條文A.2.1條除外，其規定主席與行政總裁之角色應予區分且不應由同一人士擔任。於二零一六年四月六日至二零二零年八月二十五日期間，施琦女士擔任董事會主席（「主席」）及行政總裁（「行政總裁」）之角色。

於二零二零年八月二十六日，施琦女士辭任及劉文剛先生獲委任為行政總裁。施女士繼續擔任執行董事及董事會主席。行政總裁變更後，本公司符合守則條文A.2.1條之規定。

- (ii) 守則條文A.2.7條除外，其規定主席應至少每年於其他董事避席之情況下與獨立非執行董事舉行會議。

然而，本公司認為由獨立非執行董事各自與主席單獨溝通更為有效。因此，年內並無安排會議。

- (iii) the code provision C.1.2, which requires the management of the Company to provide all members of the Board with monthly updates giving a balanced and understandable assessment of the Company's performance, position and prospects in sufficient detail to enable the Board as a whole and each Director to discharge their duties.

During the reporting period, the management of the Company did not provide monthly updates to all members of the Board as required by the code provision C.1.2, as all the executive Directors were involved in the daily operation of the Group and were fully aware of the performance, position and prospects of the Company, and the management has provided to all Directors (including non-executive Directors and independent non-executive Directors) updates giving a balanced and understandable assessment of the Company's performance, position and prospects in sufficient detail prior to the regular board meetings of the Company.

In addition, the management of the Company has provided all members of the Board, in a timely manner, updates on any material changes to the performance, position and prospects of the Company and sufficient background or explanatory information for matters brought before the Board.

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

As at the date of this report, the Company is in compliance with Rules 3.10(1) and (2), 3.10A, and 3.21 of the Listing Rules, there are not less than three independent non-executive Directors. Among the independent non-executive Directors, at least one of them has appropriate professional qualifications in accounting or related financial management expertise. Independent non-executive Directors represent at least one-third of the Board. The audit committee comprises a minimum of three members.

However, during the reporting period, following the resignation of Mr. Cheung Simon as an independent non-executive Director on 18 December 2019, the number of independent non-executive Directors fell below the requirement of Rules 3.10(1) and 3.10A of the Listing Rules, and the number of members of Audit Committee fell below the requirement of Rule 3.21 of the Listing Rules.

- (iii) 守則條文C.1.2條除外，其要求本公司管理層向董事會所有成員提供每月更新資料，載列有關本公司表現、狀況及前景的公正及易於理解的詳細評估，讓董事會全體及各董事可履行相關職務。

於報告期內，本公司管理層並無按照守則條文C.1.2條的要求向董事會所有成員提供每月更新資料，因為所有執行董事均有參與本集團的日常運作，並完全了解本公司的表現、狀況及前景，且管理層亦有在本公司的常規董事會會議前，向所有董事(包括非執行董事及獨立非執行董事)提供關於本公司的最新資料，當中列載有關本公司表現、狀況及前景作出的公正及易於理解的詳細評估。

此外，本公司管理層已向董事會全體成員及時提供有關本公司表現、狀況及前景的任何重大變動的更新資料，以及董事會商議項目的詳細背景或說明資料。

未遵守上市規則第3.10(1)及3.21條

於本報告日期，本公司遵守上市規則第3.10(1)及(2)、3.10A及3.21條，有不少於三名獨立非執行董事。在獨立非執行董事中，其中至少一名具備合適的會計專業資格或相關財務管理專門知識。獨立非執行董事佔董事會成員人數至少三分之一。審核委員會至少由三名成員組成。

然而，於報告期間，張世文先生於二零一九年十二月十八日辭任獨立非執行董事後，獨立非執行董事人數低於上市規則第3.10(1)及3.10A條之規定，而審核委員會成員人數亦低於上市規則第3.21條之規定。

Corporate Governance Report

企業管治報告

On 13 January 2020, Mr. Wu Tak Kong resigned as and Mr. Lin Bing was appointed as an independent non-executive Director and the chairman of the Audit Committee. On 21 January 2020, Mr. Liu Gang was appointed as an independent non-executive Director and a member of the Audit Committee. Subsequent to the appointment of Mr. Liu Gang on 21 January 2020, the number of independent non-executive Directors and the number of members of the Audit Committee meet with the requirements under Rules 3.10(1) and 3.10A, and 3.21 of the Listing Rules respectively.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted its "Code of Ethics and Securities Transaction" to regulate the Directors and relevant employees of the Group in dealing securities of the Company on terms no less exacting than those set out in the Model Code. The Model Code also provides guidelines and procedures on handling conflict of interest of Directors.

In response to the specific enquiry by the Company, all the Directors confirmed that they have complied with the required standard as set out in the Model Code and its Code of Ethics and Securities Transaction throughout the reporting period.

BOARD OF DIRECTORS

Composition of the Board of Directors

The board of Directors (the "Board") of the Company currently comprises four executive Directors, two non-executive Directors and five independent non-executive Directors. The function of the Board is to guide the management to ensure the interests of the Shareholders of the Company are safeguarded.

The Company recognises and embraces the benefits of having a diverse board to enhance the quality of its performance. The Company adopted a board diversity policy (the "Board Diversity Policy") which aims to set out the approach to achieving diversity for the Board.

Board Diversity Policy

The policy statement of the Board Diversity Policy is that the Company recognises the benefits of the Board that possesses a balance of skills, experience, expertise and diversity of perspectives appropriate to the requirements of the businesses of the Company.

The Company maintains that Board appointment should be based on merit that complements and expands the skills, experience and expertise of the Board as a whole, taking into account gender, age, professional qualifications, cultural and educational background, skills, knowledge, industry and regional experience, and any other factors that the Board might consider relevant and applicable from time to time towards achieving a diverse Board.

於二零二零年一月十三日，胡德光先生辭任及林兵先生獲委任為獨立非執行董事及審核委員會主席。於二零二零年一月二十一日，劉鋼先生獲委任為獨立非執行董事及審核委員會成員。劉鋼先生於二零二零年一月二十一日獲委任後，獨立非執行董事人數及審核委員會成員人數分別符合上市規則第3.10(1)條及第3.10A條，以及第3.21條之規定。

董事的證券交易

本公司已採納「操守及證券交易守則」以規管董事及本集團有關僱員買賣本公司證券，其條款不比標準守則寬鬆。標準守則亦提供有關處理董事利益衝突的指引及程序。

各董事在回應本公司的具體查詢時，全部均確認其於報告期內一直遵從標準守則所規定的標準及其操守及證券交易守則。

董事會

董事會的組成

本公司董事會（「董事會」）目前由四名執行董事、兩名非執行董事及五名獨立非執行董事組成。董事會的職責為引導管理層確保本公司股東的權益受到保障。

本公司深明及相信擁有全面的董事會能提升表現質素的益處。本公司已採納董事會多元化政策（「董事會多元化政策」），旨在載列讓董事會達致多元化的方法。

董事會多元化政策

董事會多元化政策聲明表示，本公司明白一個具備平衡且切合本公司各業務方面需要的技能、經驗、專業知識及多元化的董事會的好處。

本公司認為董事會的委任應以用人唯才為原則，以收到輔助及擴大董事會整體技術、經驗及專業知識之效，當中會考慮性別、年齡、專業資格、文化及教育背景、技能、知識、行業及區域經驗，以及任何其他董事會不時認為屬相關及適用的其他因素，以達致一個多元化的董事會。

The Nomination Committee will consider certain measurable objectives for achieving diversity on the Board and make recommendation to the Board. For the purpose of implementation of the Board Diversity Policy, the following measurable objectives were fulfilled during the reporting period:

1. at least one-third of the Directors shall be independent non-executive Directors;
2. at least one of the independent non-executive Directors shall have obtained accounting or relevant financial management professional qualifications; and
3. at least half of the Directors shall have 7 years or more of experience in the industry he/she is specialised in.

The Nomination Committee of the Company is responsible for reviewing the structure, size and composition of the Board and making recommendations to the Board on the appointment of new directors of the Company from time to time to ensure that it has a balanced composition of skills, experience and expertise appropriate to the requirements of the businesses of the Company, with due regard to the benefits of diversity on the Board. The Board as a whole is also responsible for reviewing the succession plan for the directors of the Company, in particular, the Chairman/the Chairlady and the CEO.

The size and composition of the Board are reviewed from time to time, taking into account the scope and nature of operations of the Company, to ensure that the size of the Board is adequate to provide a diversity of views and facilitate effective decision making. The Directors come from diverse background with varied expertise in finance and business fields. The biographical details of the Directors and the relationships among them are set out in the "Directors' Profile" of this annual report and the Company's website. The Company has maintained on the Company's website and on the website of the Stock Exchange an updated list of its Directors identifying their roles and functions and whether they are independent non-executive Directors. Independent non-executive Directors are identified as such in all corporate communications that disclose the names of Directors.

Save as disclosed in the section of "Directors' Profile", none of the Directors has any financial, business, family or other material or relevant relationships with any members of the Board.

提名委員會為實現董事會成員多元化，將考慮若干可計量目標，並向董事會作出推薦建議。於報告期間，就實施董事會多元化政策而言，已實現下列可計量目標：

1. 至少三分之一董事須為獨立非執行董事；
2. 至少一名獨立非執行董事須取得會計或相關財務管理專業資格；及
3. 至少一半董事須於其專門從事的行業中擁有7年或以上經驗。

本公司的提名委員會負責不時審閱董事會的架構、規模及組成，以及就本公司新董事的任命向董事會作出建議，以確保董事會的組合在切合本公司業務需要的技能、經驗及專業知識方面取得平衡，並適當考慮董事會多元化所帶來的好處。董事會全體成員亦負責審閱董事的繼任計劃，尤其是主席及行政總裁的繼任計劃。

本集團會不時檢討董事會的規模及組成，當中會考慮本公司的業務範疇及性質，以確保董事會的規模足以提供不同的觀點及作出有效決策。董事擁有不同背景，具備金融及商業領域的專業知識。所有董事的履歷詳情及彼等之間的關係載於本年報「董事簡介」及本公司網站。本公司已於本公司網站及聯交所網站刊登最新的董事名單，當中列明彼等的職責及職能及彼等是否為獨立非執行董事。所有披露董事姓名的公司通訊中，亦會清楚列明獨立非執行董事的身份。

除「董事簡介」一節所披露者外，概無董事與董事會任何成員有任何財務、商業、家族或其他重大或相關關係。

Corporate Governance Report

企業管治報告

Directors' Appointment, Re-election, Resignation and Removal

The position, appointment date and re-election date of the current Board members are as follows:

董事的委任、重選、辭任及罷免

現任董事會成員的職位、委任日期及重選日期如下：

Name of Director 董事姓名	Position 職位	Date of first appointment to the Board 首次獲委任為董事會成員的日期	Date of last re-election as Director 最近一次膺選連任為董事的日期
Shi Qi 施琦	Chairlady/Executive Director 主席／執行董事	06/04/2016	29/06/2020
Liu Wengang 劉文剛	Executive Director/Chief Executive Officer 執行董事／行政總裁	26/08/2020	–
Gao Feng 高峰	Executive Director 執行董事	06/04/2016	29/06/2020
Cheng Hong 程宏	Executive Director 執行董事	08/01/2019	29/06/2020
Han Lei 韓磊	Non-Executive Director 非執行董事	06/04/2016	29/06/2020
Chan Tsun Hong Philip 陳俊匡	Non-Executive Director 非執行董事	03/08/2020	–
Zhang Lijuan 張力涓	Independent Non-Executive Director 獨立非執行董事	27/04/2016	14/11/2018
Lin Bing 林兵	Independent Non-Executive Director 獨立非執行董事	13/01/2020	29/06/2020
Liu Gang 劉鋼	Independent Non-Executive Director 獨立非執行董事	21/01/2020	29/06/2020
Hu Jiangbing 胡江兵	Independent Non-Executive Director 獨立非執行董事	31/03/2020	29/06/2020
Wang Lina 王麗娜	Independent Non-executive Director 獨立非執行董事	22/04/2020	29/06/2020

In accordance with the Company's articles of association, all Directors (including executive Directors, non-executive Directors and independent non-executive Directors) are subject to retirement by rotation at least once every three years. Accordingly, at the annual general meeting to be held in year 2021, Mr. Gao Feng, Mr. Cheng Hong and Ms. Zhang Lijuan shall retire from offices by rotation and offer themselves for re-election.

Mr. Liu Wengang and Mr. Chan Tsun Hong Philip, being the newly appointed Directors, will hold office until the forthcoming annual general meeting and be subject to re-election at such meeting in accordance with the Company's articles of association.

Furthermore, all Directors (including non-executive Directors) were appointed for a specific term. Formal letters of appointment or service contracts sets out the key terms and conditions of their appointment were in place.

Mr. Han Lei and Mr. Chan Tsun Hong Philip, the non-executive Directors, have entered into formal appointment letters for a term of one to three years subject to a termination by giving not less than one month's prior written notice.

Ms. Zhang Lijuan, Mr. Lin Bing, Mr. Hu Jiangbing, Ms. Wang Lina and Mr. Liu Gang, the independent non-executive Directors, have entered into formal appointment letters for a term of one to three years subject to a termination by giving not less than one month's prior written notice.

The Board

The composition of the Board is well balanced with each Director having sound industry knowledge, extensive corporate and strategic planning experience and/or expertise relevant to the business of the Group. All executive Directors, non-executive Directors and independent non-executive Directors bring a variety of experience and expertise to the Company.

All independent non-executive Directors have fulfilled all the criteria for independence as stated in Rule 3.13 of the Listing Rules.

根據本公司的組織章程細則，所有董事(包括執行董事、非執行董事及獨立非執行董事)均須最少每三年輪值退任一次。據此，於即將於二零二一年舉行之股東週年大會上，高峰先生、程宏先生及張力涓女士將輪席告退並願意膺選連任。

根據本公司的組織章程細則，劉文剛先生及陳俊匡先生(新委任之董事)將任職至應屆股東週年大會並須於該大會上膺選連任。

此外，所有董事(包括非執行董事)均有指定任期。彼等獲委任之主要條款及條件已載於正式委任書或服務合約。

非執行董事韓磊先生及陳俊匡先生已訂立正式委任書，為期一至三年，可發出不少於一個月的事先書面通知而終止。

獨立非執行董事張力涓女士、林兵先生、胡江兵先生、王麗娜女士及劉鋼先生已訂立正式委任書，為期一至三年，可發出不少於一個月的事先書面通知而終止。

董事會

董事會的成員各有所長，而每名董事均具備與本集團所從業務相關的深厚行業知識、豐富的企業及策略規劃經驗及／或專門知識。所有執行董事、非執行董事及獨立非執行董事均能為本公司帶來各種經驗及專門知識。

所有獨立非執行董事已符合上市規則第3.13條所列之所有獨立性條件。

Corporate Governance Report

企業管治報告

Board Meetings and Board Practices

During the reporting period, the Board held eight meetings. The attendance records of the Directors to these board meetings are set out below:

董事會會議及董事會常規

於報告期內，董事會舉行八次會議。下表顯示董事於該等董事會會議的出席記錄：

		Number of meetings attended/ Number of regular board meetings held during the reporting period 出席會議次數/ 報告期內舉行定期董事會會議次數
Executive Directors		
Shi Qi	施琦	3/8
Liu Wengang (appointed on 26 August 2020)	劉文剛(於二零二零年八月二十六日獲委任)	2/2
Yin Zhiqiang (appointed on 31 March 2020 and resigned on 11 January 2021)	尹志強(於二零二零年三月三十一日獲委任並於二零二一年一月十一日辭任)	3/7
Gao Feng	高峰	0/8
Cheng Hong	程宏	0/8
Zhao Ang (retired on 29 June 2020)	趙昂(於二零二零年六月二十九日退任)	0/4
Non-executive Directors		
Han Lei	韓磊	0/8
Chan Tsun Hong Philip (appointed on 3 August 2020)	陳俊匡(於二零二零年八月三日獲委任)	3/3
Sze Wai Lun (resigned on 30 July 2020)	施偉倫(於二零二零年七月三十日辭任)	3/4
Independent Non-executive Directors		
Zhang Lijuan	張力涓	0/8
Wu Tak Kong (resigned on 13 January 2020)	胡德光(於二零二零年一月十三日辭任)	0/0
Lin Bing (appointed on 13 January 2020)	林兵(於二零二零年一月十三日獲委任)	7/8
Liu Gang (appointed on 21 January 2020)	劉鋼(於二零二零年一月二十一日獲委任)	2/8
Hu Jiangbing (appointed on 31 March 2020)	胡江兵(於二零二零年三月三十一日獲委任)	6/7
Wang Lina (appointed on 22 April 2020)	王麗娜(於二零二零年四月二十二日獲委任)	0/5
Number of board meetings held during the reporting period	報告期內舉行董事會會議次數	8

All minutes of the meetings, record in sufficient detail the matters considered and decisions reached, are kept by the Company and are open to inspection by Directors at any time.

載有所考慮事項及所達致決定的充分詳情的會議記錄由本公司保存，且可供董事於任何時間查閱。

The meetings are structured to allow open discussion. All Directors participate in discussing the strategy, operational and financial performance and internal controls of the Group.

會議的形式有利於進行坦誠討論。所有董事均會參與討論本集團的策略、營運及財務表現以及內部監控。

The Company Secretary assists the Chairlady to prepare the agenda of the meeting and each Director may request to include any matters in the agenda. At least 14 days' notice is given to the Directors for the regular meetings by the Company. All substantive agenda items have comprehensive briefing papers which are distributed by the Company Secretary to Directors at least 3 days before the regular meetings so as to ensure that the Directors may receive accurate, timely and clear information to make informed decisions regarding the matters discussed in the meetings.

All Directors may access to the advice and services of the Company Secretary who regularly updates the Board on governance and regulatory matters. The Company Secretary is also responsible for ensuring the procedures of the Board meetings are observed and providing the Board opinions on matters in relation to the compliance with the procedures of the Board meetings.

If a Director has a conflict of interest in a matter to be considered by the Board, the Company will not deal with the matter by way of written resolution or by a Board committee (except if that Board committee was specifically established for such purpose) but by a physical board meeting. The independent non-executive Directors with no material interest in the matter will attend the meeting to deal with the matter as appropriate subject to the Listing Rules and/or the Company's articles of association, as appropriate. Any Director who or whose associates have any material interest in any proposed Board resolutions shall not vote (nor be counted in the quorum) on the relevant Board resolutions.

Functions of the Board of Directors

The Board is responsible for the oversight of the management of the Company's business and affairs with the goal of maximizing long term shareholder's value, while balancing broader stakeholder interests. The Board has the following main duties:

- determine all the corporate matters;
- be responsible for the management, direction and supervision of the businesses of the Group; and
- be responsible to ensure the effectiveness on Group's financial reporting and compliance.

公司秘書協助主席編製會議議程，而每名董事均可要求將任何事項列入議程。本公司須就定期會議向董事發出最少十四天的通知。所有主要議程項目須具備全面簡介文件，由公司秘書於定期會議前至少三天向董事分發，確保董事可獲得準確、及時及清晰的資料就於會議上討論的事項作出知情決定。

所有董事可獲得公司秘書的建議及服務，而公司秘書會就管治及監管事項定期向董事會提供最新資料。公司秘書亦負責確保董事會會議依程序進行，並就有關遵守董事會會議程序的事項向董事會提供意見。

倘董事在董事會將予考慮的事項中存在利益衝突，本公司應以實際董事會會議，而不得以書面決議案或經由董事委員會（為此目的而特別組成的董事委員會除外）處理該事項。如適合，於該事項中無重大利益的獨立非執行董事將出席處理該事項的會議，惟須遵守適用的上市規則及／或本公司的組織章程細則，在所提呈的任何董事會決議案中擁有任何重大利益的董事或其聯繫人，均不得就有關董事會決議案投票（或計入有關董事會會議的法定人數內）。

董事會的職責

董事會負責監督本公司業務及事務的管理，目標為盡量提升長期股東價值，同時在更廣泛的層面上平衡持份者的權益。董事會的主要職責如下：

- 決定所有企業事宜；
- 負責本集團業務管理、方向及監督；及
- 負責確保本集團的財務申報及合規的有效性。

The Board has matters reserved for its decisions and these include:

- the Group's long-term strategy and business plan;
- major capital projects, acquisitions or divestments;
- funding decision of the Group;
- internal controls, risk management and compliance; and
- annual and interim financial results and shareholder communications.

The Board delegates the authority and responsibility for implementing day-to-day operations, business strategies and management of the Group's businesses to the executive Directors, senior management and certain specific responsibilities to the Board committees.

When the Board delegates aspects of its management and administration functions to the management, it has given clear directions as to the powers of management, in particular, with respect to the circumstances. While allowing management substantial autonomy to run and develop the business, the Board plays a key role in structuring and monitoring the reporting systems and internal controls. The composition, functions of each Board committee and their major role and function are described below. The final decision still rests with the Board unless otherwise provide for in the terms of reference of relevant committees.

Independent Non-executive Directors

The independent non-executive Directors bring a wide range of skills and business experience to the Group. They also bring independent judgment on the issues of strategy, performance and risk through their contribution to the Board meetings and to the Board's committee meetings.

The Board has received from each of its independent non-executive Directors the written confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Board, based on such confirmations, considers, Ms. Zhang Lijuan, Mr. Lin Bing, Mr. Hu Jiangbing, Ms. Wang Lina and Mr. Liu Gang to be independent.

The independence of each independent non-executive Director is reviewed annually by the Nomination Committee based on the definition of independence defined in the Listing Rules. The Nomination Committee is satisfied as to the independence of Ms. Zhang Lijuan, Mr. Lin Bing, Mr. Hu Jiangbing, Ms. Wang Lina and Mr. Liu Gang, all of whom have fulfilled all the criteria for independence as stated in Rule 3.13 of the Listing Rules.

須由董事會決定的事宜包括：

- 本集團的長遠策略及業務計劃；
- 主要資本項目、收購或分拆出售；
- 本集團的融資決策；
- 內部監控、風險管理及合規；及
- 全年及中期財務業績及股東通訊。

董事會將實行日常營運、業務策略及本集團業務管理的權力及責任委派給執行董事及高級管理層，並將若干特定責任指派予董事委員會。

董事會將管理及行政功能方面的權力指派予管理層時，已就有關管理層的權力給予清晰的指引，特別是可施行權力的情況。雖然允許管理層在充分自主的前提下經營及發展業務，惟董事會在架構及監察申報制度與內部監控方面仍扮演關鍵角色。每個董事委員會的組成、職責、主要角色及功能於下文概述。除非相關委員會的職權範圍另有規定，否則董事會仍保留最終決策權。

獨立非執行董事

獨立非執行董事為本集團帶來各方面的技能及業務經驗。彼等亦通過參與董事會會議及董事委員會會議，對策略、表現及風險方面的事宜作出獨立判斷。

根據上市規則第3.13條，董事會已收到每名獨立非執行董事就本身獨立性作出的書面確認。基於該等確認，董事會認為張力涓女士、林兵先生、胡江兵先生、王麗娜女士及劉鋼先生有足夠獨立性。

提名委員會每年均會根據上市規則就獨立性所界定的定義審查每名獨立非執行董事的獨立性。提名委員會信納張力涓女士、林兵先生、胡江兵先生、王麗娜女士及劉鋼先生均為獨立人士，彼等均符合上市規則第3.13條所列之所有獨立性條件。

Supply of and Access to Information

The management supplied the Board with appropriate and sufficient explanation and information through financial reports, business and operational reports and budget statements, in a timely manner, to enable them to make informed decisions.

The Directors are also provided with names and contact details of the Company's senior management and the Company Secretary to facilitate Director's access to senior management and the Company Secretary.

Continuing Professional Development

The Directors keep abreast of responsibilities as a director of the Company and of the conduct, business activities and development of the Company. The Company Secretary from time to time updates and provides written training materials to the Directors on the latest development of the Listing Rules, applicable laws, rules and regulations relating to Directors' duties and responsibilities. The Directors may request the Company, pursuant to the policy for Directors to seek independent professional advice, to provide independent professional advice at the expense of the Company to discharge their duties to the Company.

During the reporting period, the Company has provided training session on the following topics to the Directors:

1. Directors' duties of listed company
2. Updates on the applicable laws, rules and regulations

提供及取閱資料

管理層透過財務報告、業務及營運報告以及預算報表，適時向董事會提供適當及充分的說明及資料，從而讓彼等作出知情決定。

董事亦獲提供本公司高級管理層及公司秘書的姓名及聯絡詳情，以便董事聯絡高級管理層及公司秘書。

持續專業發展

董事不斷留意作為本公司董事的責任及操守，以及有關本公司業務活動及發展的事宜。公司秘書不時就與董事的職務及職責有關的上市規則、適用法律、法規及規章的最新發展為董事更新及提供書面培訓材料。董事可根據董事尋求獨立專業意見的政策要求本公司提供獨立專業意見，以履行彼等對本公司的職責，有關開支概由本公司承擔。

於報告期間，本公司已就以下題目為董事提供培訓課程：

1. 上市公司董事責任
2. 適用法律、規則及法規的最新情況

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The Company maintains records of training received by the Directors. The trainings received by the Directors during the reporting period were as follows:

本公司保留董事接受培訓的記錄。董事於報告期間接受的培訓如下：

Directors 董事	Training Matters 培訓事項
Executive Directors	
Shi Qi	Regulatory 監管
Liu Wengang (appointed on 26 August 2020)	Regulatory 監管
Yin Zhiqiang (appointed on 31 March 2020 and resigned on 11 January 2021)	Regulatory 監管
Zhao Ang (retired on 29 June 2020)	Regulatory 監管
Gao Feng	Regulatory 監管
Cheng Hong	Regulatory 監管
Non-Executive Directors	
Han Lei	Regulatory 監管
Chan Tsun Hong Philip (appointed on 3 August 2020)	Regulatory 監管
Sze Wai Lun (resigned on 30 July 2020)	Regulatory 監管
Independent Non-Executive Directors	
Zhang Lijuan	Regulatory 監管
Lin Bing (appointed on 13 January 2020)	Regulatory 監管
Liu Gang (appointed on 21 January 2020)	Regulatory 監管
Hu Jiangbing (appointed on 31 March 2020)	Regulatory 監管
Wang Lina (appointed on 22 April 2020)	Regulatory 監管

Directors' and Officers' Liability Insurance

The Company has renewed directors' and officers' liabilities insurance for all the Directors and the senior management of the Company for the reporting period. The insurance covers them against costs, charges, expenses and liabilities incurred arising out of the corporate activities.

董事及高級職員的責任保險

於報告期間，本公司已為本公司所有董事及高級管理層重續董事及高級職員責任保險。該等保險為企業活動所產生的成本、費用、開支及責任提供保障。

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

According to the code provision A.2.1 of the CG Code, the roles of the chairman of the board and the chief executive officer should be segregated in order to reinforce their independence and accountability. During the period from 6 April 2016 to 25 August 2020, Ms. Shi Qi acted as both the Chairlady and the CEO. On 26 August 2020, Ms. Shi Qi resigned and Mr. Liu Wengang was appointed as the CEO. Ms. Shi continues to serve as an executive Director and the Chairlady of the Board.

主席及行政總裁

根據企管守則的守則條文A.2.1條，董事會主席與行政總裁之職責應予區分，藉以加強彼等之獨立性及問責性。於二零一六年四月六日至二零二零年八月二十五日期間，施琦女士擔任主席及行政總裁之角色。於二零二零年八月二十六日，施琦女士辭任及劉文剛先生獲委任為行政總裁。施女士繼續擔任執行董事及董事會主席。

Moreover, there are clear demarcations of responsibility and authority between the Chairman/Chairlady and the CEO which also ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making.

此外，主席及行政總裁的職責及權限有明確區分，亦可確保適當權力均衡、加強問責性，以及提高董事會作出獨立決策的能力。

The responsibilities of the Chairlady include:

1. ensuring all Directors are properly briefed on matters to be discussed at Board meetings;
2. ensuring all Directors receive adequate, accurate, clear, complete and reliable information in a timely manner;
3. providing leadership for the Board;
4. ensuring that the Board works effectively, performs its responsibilities and discusses all key issues in a timely manner;
5. ensuring that, with the assistance of the Company Secretary, settles and approves the agenda for Board meetings taking into account any matters proposed by the other Directors for inclusion in the agenda;
6. taking primary responsibility for ensuring that good corporate governance practices and procedures are in place. Assisted by the Company Secretary, the Chairman/Chairlady oversees the implementation of the practices and procedures on corporate governance;
7. giving each Director an opportunity to express his/her different views at Board meetings and to voice their concerns; encouraging all Directors to fully contribute to the Board's affairs and ensuring that the Board acts in the best interests of the Company; allowing sufficient time for discussion of issues and ensuring that Board decisions fairly reflect Board consensus;
8. meeting with the independent non-executive Directors without other Directors present at least once per year;
9. ensuring that appropriate steps are taken to provide effective communication with Shareholders and that their views are communicated to the Board as a whole; and
10. promoting a culture of openness and debate by facilitating the effective contribution of non-executive Directors in particular and ensuring constructive relations between executive and non-executive Directors.

The responsibilities of the CEO include:

1. providing leadership for the management;
2. implementing and reporting to the Board on the Company's strategy;

主席的職責包括：

1. 確保全體董事就即將於董事會會議擬商議的事項獲得合適簡報；
2. 確保全體董事及時收到足夠、準確、清晰、完整及可靠的資料；
3. 領導董事會；
4. 確保董事會有效運作、履行職責，並及時討論一切主要事項；
5. 在公司秘書協助下，確保落實並通過董事會會議的議程，並考慮其他董事提議納入議程的任何事項；
6. 以確保公司備有良好的企業管治常規及程序為首要責任。在公司秘書協助下，主席監督企業管治常規及程序的實施；
7. 給予每名董事在董事會會議上發表不同意見及反映所關注的問題的機會；鼓勵全體董事全力投入董事會事務，並確保董事會以符合本公司最佳利益之方式行事；容許充足時間商討事宜，並且確保董事會決策公平反映董事會的共識；
8. 至少每年一次在其他董事不會出席的情況下與獨立非執行董事舉行會議；
9. 確保採取適當步驟保持與股東有效聯繫，以及確保股東意見可傳達至整個董事會；及
10. 促進董事(特別是非執行董事)對董事會作出有效貢獻，並確保執行董事與非執行董事之間維持建設性的關係，藉此提倡公開、積極討論的文化。

行政總裁的職責包括：

1. 領導管理層；
2. 執行並向董事會匯報本公司策略；

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|---|--|
| 3. overseeing the realisation by the Company of the objectives set by the Board; | 3. 監察本公司實踐董事會訂立的目標； |
| 4. providing all such information to the Board as is necessary to enable the Board to monitor the performance of management; | 4. 為董事會提供監察管理層表現所需的一切資料； |
| 5. leading the management of the Company's relationships with its stakeholders; | 5. 領導本公司管理與持份者的關係； |
| 6. putting in place programs for management development and succession; | 6. 落實管理層培育及繼任計劃； |
| 7. with the financial controller of the Company, establishing and maintaining proper internal controls and risk management systems as well as disclosure controls and procedures; and | 7. 與本公司財務總監共同制訂及維持適當的內部監控及風險管理制度，以及披露監控及程序；及 |
| 8. discharging such duties and authority as may be delegated in writing to him/her by the Board. | 8. 按照董事會的書面授權履行職責及行使權力。 |

BOARD COMMITTEES

To assist the Board in the execution of its duties, the Board has currently delegated specific functions to four Board committees. They are the Audit Committee ("AC"), Remuneration Committee ("RC"), Nomination Committee ("NC") and Executive Committee ("EC"). The Board is responsible for the functions of risk management and corporate governance functions. As at the date of this annual report, the composition of each committee are as follows:

董事委員會

董事會目前向四個董事委員會委派指定職責，以協助董事會執行職務。董事委員會包括審核委員會（「審核委員會」）、薪酬委員會（「薪酬委員會」）、提名委員會（「提名委員會」）及執行委員會（「執行委員會」）。董事會負責風險管理職能及企業管治職能。於本年報日期，各個委員會組成如下：

Name 姓名	Committee membership 委員會成員			
	Audit Committee 審核委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	Executive Committee 執行委員會
Shi Qi 施琦				M
Liu Wengang 劉文剛				C
Cheng Hong 程宏				M
Zhang Lijuan 張力涓	M	M	M	
Lin Bing 林兵	C	C	M	
Liu Gang 劉鋼	M	M	M	
Hu Jiangbing 胡江兵	M	M	C	

Notes:

- C chairman/chairlady of the relevant Board committees ("Committee Chairman/Chairlady")
- M member of the relevant Board committees

附註：

- C 相關董事委員會主席（「委員會主席」）
- M 相關董事委員會成員

The written terms of reference of AC, NC and RC are available on the Company's website and the Stock Exchange's website.

Audit Committee

AC was established on 16 May 2007 and currently comprises four members. All are independent non-executive Directors, namely Mr. Lin Bing (Committee Chairman), Mr. Hu Jiangbing, Mr. Liu Gang and Ms. Zhang Lijuan. The external auditor of the Company also attended meetings of AC by invitation.

The committee's responsibilities include the following:

- reports to the Board and holds regular meetings to assist the Board in discharging its responsibilities for effective financial reporting controls, internal controls and risk management.
- monitors the integrity of the Company's financial statements, annual report and accounts and half-year report and reviews significant financial reporting judgements contained in them.
- reviews, makes recommendations and reports to the Board on findings relating to the financial statements, reports and accounts, systems of internal controls and compliance issues.
- oversees the Company's relationship with the external auditor, reviews auditor's letter of engagement and makes recommendations to the Board on the appointment and re-appointment of external auditor.
- reviews and monitors the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards.
- reviews external auditor's management letter and any material queries raised by the auditor to the management and the management's response.

Further details on the work of the committee for the reporting period could be found under "Audit Committee Report" of this annual report.

審核委員會、提名委員會及薪酬委員會的書面職權範圍載於本公司網站及聯交所網站。

審核委員會

審核委員會於二零零七年五月十六日成立，目前由四名成員組成。全部成員均為獨立非執行董事，彼等為林兵先生(委員會主席)、胡江兵先生、劉鋼先生及張力涓女士。本公司外聘核數師亦獲邀出席審核委員會會議。

委員會的職責包括以下各項：

- 向董事會匯報並定期舉行會議，以協助董事會履行於實行有效財務報告監控、內部監控及風險管理方面的責任。
- 監察本公司財務報表、年度報告及賬目以及半年度報告的完整性，並審閱其中所載的重大財務報告判斷。
- 審閱財務報表、報告及賬目、內部監控系統，以及合規事宜，並就審閱發現的事宜向董事會作出建議及匯報。
- 監察本公司與外聘核數師的關係、審閱核數師的委聘書，並就委聘及續聘外聘核數師向董事會作出建議。
- 根據適用準則審閱及監察外聘核數師的獨立性以及審核程序是否客觀及有效。
- 審閱外聘核數師致管理層的函件及核數師向管理層提出的任何重大疑問，以及管理層作出的回應。

委員會於報告期間工作的進一步詳情可於本年報之「審核委員會報告」一節查閱。

Corporate Governance Report

企業管治報告

Remuneration Committee

Currently, the members of RC are Mr. Hu Jiangbing (Committee Chairman), Ms. Zhang Lijuan, Mr. Lin Bing and Mr. Liu Gang. All of whom are independent non-executive Directors.

The committee met six times during the reporting period. The attendance records are set out below:

Name		No. of meeting attended/ No. of meeting held during the year 出席會議次數／年內舉行會議次數
Hu Jiangbing (Committee Chairman) (appointed on 31 March 2020)	胡江兵(委員會主席) (於二零二零年三月三十一日獲委任)	4/4
Zhang Lijuan	張力涓	0/6
Wu Tak Kong (resigned on 13 January 2020)	胡德光(於二零二零年一月十三日辭任)	0/0
Lin Bing (appointed on 13 January 2020)	林兵(於二零二零年一月十三日獲委任)	6/6
Liu Gang (appointed on 21 January 2020)	劉鋼(於二零二零年一月二十一日獲委任)	3/6
Number of meeting held during the reporting period	報告期間舉行會議次數	6

薪酬委員會

目前，薪酬委員會成員為胡江兵先生(委員會主席)、張力涓女士、林兵先生及劉鋼先生，均為獨立非執行董事。

委員會報告期間舉行六次會議，成員出席記錄載列如下：

The responsibilities of the committee include the following:

- recommend to the Board the Group's remuneration policy for the executive Directors and the senior management of the Company;
- consider and advise on the terms of any contract to be offered to Directors; and
- monitor the remuneration package of the executive Directors and senior management and make recommendations thereto.

Further information of the committee's activities is contained in "Remuneration Committee Report" of this annual report.

委員會的職責包括以下各項：

- 就本集團有關執行董事及本公司高級管理層的薪酬政策向董事會作出建議；
- 考慮向董事提供的任何合約條款及就此提供意見；及
- 監察執行董事及高級管理層的薪酬組合及就此作出建議。

委員會的活動的進一步資料載於本年報之「薪酬委員會報告」。

Nomination Committee

Currently, the members of NC are Mr. Lin Bing (Committee Chairman), Mr. Hu Jiangbing, Mr. Liu Gang and Ms. Zhang Lijuan. All of whom are independent non-executive Directors.

The key objective of the committee is to ensure the Board comprises individuals with a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business so as to enhance Board effectiveness.

The committee met four times during the reporting period, the attendance of the committee members are shown in the following table:

提名委員會

目前，提名委員會成員為林兵先生(委員會主席)、胡江兵先生、劉鋼先生及張力涓女士，均為獨立非執行董事。

委員會之主要職責為確保董事會的組成在技能、經驗及符合本公司業務需要之多元化角度方面取得平衡，以提升董事會效能。

委員會於報告期間舉行四次會議，下表顯示委員會成員的出席記錄：

Name 姓名		Number of meetings attended/ Number of meetings held during the year 出席會議次數／年內舉行會議次數
Lin Bing (Committee Chairman) (appointed on 13 January 2020)	林兵(委員會主席)(於二零二零一月十三日獲委任)	4/4
Zhang Lijuan	張力涓	0/4
Wu Tak Kong (resigned on 13 January 2020)	胡德光(於二零二零年一月十三日辭任)	0/0
Liu Gang (appointed on 21 January 2020)	劉鋼(於二零二零年一月二十一日獲委任)	2/4
Hu Jiangbing (appointed on 30 July 2020)	胡江兵(於二零二零年七月三十日獲委任)	2/2
Number of meetings held during the reporting period	報告期間舉行會議次數	4

The criteria for appointment of a new director set out in the nomination policy are listed out below:

提名政策所載委任新董事的準則載列如下：

- possess core competencies that meet the needs of the Company;
 - be able to commit time and carry out duties and responsibilities; and
 - the independence in case of an independent non-executive Director.
- 擁有本公司所需的核心技能；
 - 能夠投放時間履行職務及職責；及
 - 獨立性(倘為獨立非執行董事)。

Corporate Governance Report

企業管治報告

The committee leads the process and makes recommendation of the appointment of new Director to the Board in accordance with the nomination policy as follows:

- evaluate the balance of skills, knowledge, experience and diversity of perspective on the Board and determine the role and desirable competencies for a particular appointment in consultation with the management;
- review the portfolio of the potential candidate to assess suitability; and
- make recommendation to the Board.

Significant matters discussed by the committee are summarised as follows:

- To consider the re-election of the retiring Directors at the forthcoming annual general meeting having regard to his/her contribution and performance;
- To assess the independence of independent non-executive Directors;
- To review the structure, size and composition of the Board; and
- Consider the appointment of all proposed Director.

Executive Committee

EC was established on 3 September 2007 with specific written terms of reference. The committee currently comprises three members, all of them are executive Directors, namely Mr. Liu Wengang (Committee Chairman), Ms. Shi Qi and Mr. Cheng Hong.

The committee is responsible for the day-to-day management of the Group's businesses, the overall financial performance of the Group in fulfillment of strategy, plans and budgets and the Group capital expenditures as defined in the terms of reference.

The committee reports these topics to the Board their conclusions and recommendations.

委員會根據提名政策引領及建議董事會委任新董事的程序，工作如下：

- 評核董事會於技能、知識、經驗及多元化角度等方面是否均衡，並在諮詢管理層後釐定該特定委任的職務及所需能力；
- 審閱潛在候選人的個人履歷以評估其適合程度；及
- 向董事會提出建議。

委員會討論的重大事項簡述如下：

- 根據退任董事的貢獻及表現，考慮於應屆股東週年大會重選退任董事；
- 評核獨立非執行董事的獨立性；
- 檢討董事會的結構、規模及組成；及
- 考慮委任所有候任董事。

執行委員會

執行委員會於二零零七年九月三日成立，並有具體書面職權範圍。委員會目前由三名成員組成，全部皆為執行董事，彼等為劉文剛先生(委員會主席)、施琦女士及程宏先生。

委員會負責本集團日常的業務管理，以及確保本集團的整體財務表現可滿足其策略、計劃及預算以及本集團資本開支所需，詳情於職權範圍內闡述。

委員會就該等議題向董事會匯報其結論及建議。

ACCOUNTABILITY AND AUDIT

Directors' and Auditor's acknowledgement

The Audit Committee and the Board have reviewed the Company's consolidated financial statements for the year ended 31 December 2020. The Directors acknowledge their responsibilities for preparing the accounts and presenting a balanced, clear and comprehensive assessment for the Company's performance, position and prospects.

Elite Partners CPA Limited ("Elite Partners") acknowledged their reporting responsibilities in the auditor's report on the consolidated financial statements for the year ended 31 December 2020 as set out in this annual report.

Auditor's Remuneration

During the reporting period, Elite Partners was appointed as the Group's auditor until the conclusion of the forthcoming annual general meeting. The remuneration paid/payable to Elite Partners and its affiliates in respect of their audit and non-audit services were as follows:

		2020 二零二零年 HK\$'000 千港元
Audit services	審計服務	1,580
Non-audit services	非審計服務	
Interim review services	中期審閱服務	420
Total	總計	2,000

The consolidated financial statements for the year ended 31 December 2020 were audited by Elite Partners. The Audit Committee has recommended to the Board that Elite Partners be nominated for re-appointment as the auditor of the Company at the forthcoming annual general meeting.

問責性及審計

董事及核數師的確認

審核委員會及董事會已審閱本公司於截至二零二零年十二月三十一日止年度的綜合財務報表。董事確認彼等有責任編製賬目及就本公司的表現、狀況及前景提呈平衡、清晰及全面的評估。

開元信德會計師事務所有限公司(「開元信德」)確認其於本年報所載截至二零二零年十二月三十一日止年度綜合財務報表的核數師報告中所述的申報責任。

核數師薪酬

於報告期間，開元信德獲委任為本集團的核數師，任期至應屆股東週年大會結束為止。就審計及非審計服務已付／應付開元信德及其聯屬公司的薪酬如下：

截至二零二零年十二月三十一日止年度的綜合財務報表由開元信德審核。審核委員會已向董事會建議於應屆股東週年大會提名重新委聘開元信德為本公司的核數師。

Corporate Governance Report

企業管治報告

COMPANY SECRETARY

The Company Secretary, Mr. Lo Chu Wing, reports directly to the Board. All the Directors have easy access to the Company Secretary and responsibility of the Company Secretary is to ensure the board meetings are properly held and are in compliance with the relevant laws and regulations. The Company Secretary is also responsible for giving advices with respect to the Directors' obligations on securities interest disclosure, disclosure requirements of discloseable transactions, connected transactions and inside information. The Company Secretary shall provide advices to the Board with respect to strict compliance with the laws, requirements and the Company's articles of association at appropriate times. As the Company's principal channel of communication with the Stock Exchange, the Company Secretary assists the Board in implementing and strengthening the Company's corporate governance code so as to bring the best long term value to shareholders. In addition, the Company Secretary also provides relevant information updates and continuous professional development to the Directors with respect to legal, supervisory and other continuous obligations for being a director of a listed company at appropriate times.

Mr. Lo Chu Wing is an employee of CS Legend Corporate Services Limited, an external service provider. The primary contact person of Mr. Lo at the Company is Mr. Liu Wengang, the CEO of the Company.

The Board is fully involved in selection, appointment and dismissal of the Company Secretary.

During the reporting period, the Company Secretary has undertaken over 15 hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules.

SHAREHOLDERS' RIGHT

Convene of General Meetings

The Board strives to maintain an on-going dialogue with the Shareholders of the Company. The Company uses annual general meeting as one of the principal channels for communicating with the Shareholders. The Company ensures that Shareholders' views are communicated to the Board. Shareholders are encouraged to participate in general meetings or to appoint proxies to attend and vote at meetings for and on their behalf if they are unable to attend the meetings. The process of the Company's general meeting are monitored and reviewed on a regular basis, and, if necessary, changes will be made to ensure that Shareholders' needs are best served.

公司秘書

公司秘書羅柱榮先生直接向董事會匯報。所有董事均可方便獲得公司秘書的服務，公司秘書的職責是確保董事會會議遵循相關法例法規妥為舉行。公司秘書亦負責就董事擁有證券權益的披露責任、須予披露交易、關連交易及內幕消息的披露規定向董事提供意見。公司秘書應就嚴格遵守法律、規定以及本公司組織章程細則適時向董事會提供意見。作為本公司與聯交所溝通的主要渠道，公司秘書應協助董事會加強落實本公司企業管治守則，確保股東的長期利益最大化。此外，公司秘書亦負責就法律、監管及就上市公司董事的其他持續職責適時為董事提供相關資料的更新以及持續專業發展。

羅柱榮先生現為外聘服務公司領駿企業服務有限公司的員工。羅先生於本公司之主要聯絡人為本公司行政總裁劉文剛先生。

董事會全面參與公司秘書的挑選、委任及罷免程序。

於報告期間，公司秘書已遵照上市規則第3.29條進行超過15小時相關專業培訓。

股東的權利

召開股東大會

董事會致力與本公司股東保持溝通。本公司以股東週年大會作為與股東溝通的其中一項主要渠道。本公司確保股東的意見能向董事會反映。董事會鼓勵股東參與股東大會，或倘其無法出席大會，則鼓勵彼等委任代表代其出席大會及於會上表決。本公司會監察並定期檢討股東大會程序，並於需要時作出改動，以確保其切合股東需要。

At the general meeting, each substantially separate issue has been considered by a separate resolution, including the election of individual Directors. The Chairman/Chairlady, chairmen of the respective board committees and the external auditor usually attend annual general meetings to inter-face with and answer questions from the Shareholders.

於股東大會上，每項大致上屬獨立的事宜以一項獨立的決議案考慮，當中包括個別董事的選任。主席、各董事委員會之主席及外聘核數師一般皆會親自出席股東週年大會，以便與股東接觸並回答其提問。

The last annual general meeting of the Company was held on 29 June 2020 ("2020 AGM"). The attendance records of the Directors to the 2020 AGM are set out below:

本公司上屆股東週年大會於二零二零年六月二十九日(「二零二零年股東週年大會」)舉行。董事出席二零二零年股東週年大會的記錄列載如下：

Directors		Number of meeting attended/ Number of meeting held during the year
董事		出席會議次數／年內舉行會議次數
Executive Directors		
執行董事		
Shi Qi	施琦	0/1
Liu Wengang (appointed on 26 August 2020)	劉文剛(於二零二零年八月二十六日獲委任)	0/0
Yin Zhiqiang (appointed on 31 March 2020 and resigned on 11 January 2021)	尹志強(於二零二零年三月三十一日獲委任並於二零二一年一月十一日辭任)	0/1
Zhao Ang (retired on 29 June 2020)	趙昂(於二零二零年六月二十九日退任)	0/1
Gao Feng	高峰	0/1
Cheng Hong	程宏	0/1
Non-Executive Directors		
非執行董事		
Han Lei	韓磊	0/1
Chan Tsun Hong Philip (appointed on 3 August 2020)	陳俊匡(於二零二零年八月三日獲委任)	0/0
Sze Wai Lun (resigned on 30 July 2020)	施偉倫(於二零二零年七月三十日辭任)	0/1
Independent Non-Executive Directors		
獨立非執行董事		
Zhang Lijuan	張力涓	0/1
Wu Tak Kong (resigned on 13 January 2020)	胡德光(於二零二零年一月十三日辭任)	0/1
Lin Bing (appointed on 13 January 2020)	林兵(於二零二零年一月十三日獲委任)	1/1
Liu Gang (appointed on 21 January 2020)	劉綱(於二零二零年一月二十一日獲委任)	0/1
Hu Jiangbing (appointed on 31 March 2020)	胡江兵(於二零二零年三月三十一日獲委任)	0/1
Wang Lina (appointed on 22 April 2020)	王麗娜(於二零二零年四月二十二日獲委任)	0/1
Number of meeting held during the reporting period	報告期間舉行會議次數	1

Corporate Governance Report

企業管治報告

Notice to Shareholders for the 2020 AGM was sent to Shareholders more than 20 clear business days prior to the 2020 AGM. The chairman of the meeting exercised his power under the Company's articles of association to put each proposed resolution to vote by way of a poll. The Company adopted poll voting for all resolutions put to vote at the meeting. The procedures for voting by poll at the 2020 AGM were contained in the circular of the Company to the Shareholders, which was dispatched together with the annual report, and were further explained at the 2020 AGM prior to the polls being taken. Separate resolutions were proposed at the 2020 AGM on each substantive issue and the percentage of votes cast in favor of such resolutions as disclosed in the announcement of the Company dated 29 June 2020 are set out below:

二零二零年股東週年大會之股東通告已於二零二零年股東週年大會舉行前超過二十個完整營業日寄予各股東。大會主席行使本公司組織章程細則所賦予的權力，就各項提呈的決議案以投票方式表決。本公司就提呈大會表決的所有決議案採用投票方式進行表決。有關二零二零年股東週年大會上以投票方式表決的程序，已列載於本公司致股東的通函內，有關通函已與二零二零年年報一併寄予股東，而有關程序亦在二零二零年股東週年大會進行投票前加以解釋。於二零二零年股東週年大會上，各重大事宜均以單獨決議案提呈，而贊成有關決議案的票數所佔的百分比(於本公司日期為二零二零年六月二十九日的公告中披露)列載如下：

Resolutions proposed at the 2020 AGM	Percentage of Votes cast in favor
於二零二零年股東週年大會提呈的決議案	贊成的票數所佔的百分比
1. To receive and consider the audited consolidated financial statements and the reports of the Directors and the auditors of the Company for the period from 1 August 2018 to 31 December 2019. 省覽及考慮本公司截至二零一八年八月一日至二零一九年十二月三十一日期間的經審核綜合財務報表及董事會報告與核數師報告。	100.00%
2. (a) To re-elect Ms. Shi Qi as an executive Director 重選施琦女士為執行董事	100.00%
(b) To re-elect Mr. Yin Zhiqiang as an executive Director 重選尹志強先生為執行董事	100.00%
(c) To re-elect Mr. Zhao Ang as an executive Director 重選趙昂先生為執行董事	0.00%
(d) To re-elect Mr. Gao Feng as an executive Director 重選高峰先生為執行董事	100.00%
(e) To re-elect Mr. Cheng Hong as an executive Director 重選程宏先生為執行董事	100.00%
(f) To re-elect Mr. Han Lei as a non-executive Director 重選韓磊先生為非執行董事	100.00%
(g) To re-elect Mr. Lin Bing as an independent non-executive Director 重選林兵先生為獨立非執行董事	100.00%
(h) To re-elect Mr. Liu Gang as an independent non-executive Director 重選劉鋼先生為獨立非執行董事	100.00%
(i) To re-elect Mr. Hu Jiangbing as an independent non-executive Director 重選胡江兵先生為獨立非執行董事	100.00%
(j) To re-elect Ms. Wang Lina as an independent non-executive Director 重選王麗娜女士為獨立非執行董事	100.00%

Resolutions proposed at the 2020 AGM 於二零二零年股東週年大會提呈的決議案	Percentage of Votes cast in favor 贊成的票數 所佔的百分比
3. To authorize the board of directors of the Company to fix the remuneration of the Directors. 授權董事會釐定本公司董事的酬金。	100.00%
4. To re-appoint Elite Partners CPA Limited as the auditors of the Company and authorize the board of directors of the Company to fix their remuneration. 重新委聘開元信德會計師事務所有限公司為本公司核數師並授權董事會釐定其酬金。	100.00%
5. To approve granting the general mandate to the Directors to allot, issue and deal with the Company's shares. 批准授予董事一般授權以配發、發行及處理本公司股份。	100.00%
6. To approve granting the general mandate to the Directors to buy-back the Company's shares. 批准授予董事一般授權以購回本公司股份。	100.00%
7. To authorize the Directors of the Company to extend the general mandate to issue new shares by adding the number of shares bought-back. 授權董事藉加入所購回的股份數目擴大發行新股份的一般授權。	100.00%

Procedures by which enquiries may put to the Board

Shareholders may put forward enquiries to the Board through investor relations department who will direct the enquiries to the Board for handling. The contact details of the investor relations department are as follows:

Ta Yang Group Holdings Limited
22/F, H Code
45 Pottinger Street, Central
Hong Kong
Email: TaYang1991@tayanggroup.com
Tel No.: (852) 2851 1038

向董事會作出查詢的程序

股東可透過投資者關係部門向董事會作出查詢，而投資者關係部門會轉交有關查詢予董事會處理。投資者關係部門的聯絡詳情如下：

大洋集團控股有限公司
香港
中環砵甸乍街45號
H Code 22層全層
電郵：TaYang1991@tayanggroup.com
電話號碼：(852) 2851 1038

Corporate Governance Report

企業管治報告

How Shareholders can convene an extraordinary general meeting/procedures for putting forward proposals at a Shareholders' meeting

The Board may whenever it thinks fit call extraordinary general meetings. 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 Company Secretary sent to the aforesaid address, 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 months after the deposit of such requisition. If within twenty-one 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.

Furthermore, Shareholders may propose a person for election as a Director of the Company. The procedures of which are available at the Company's website.

INVESTOR RELATIONS

Significant changes in articles of association

During the reporting period, there is no significant change to the Company's articles of association.

Shareholdings information

As at 31 December 2020

Authorised Capital	:	HK\$2,000,000,000 divided into 20,000,000,000 Shares of HK\$0.1 each
Issued and fully-paid	:	HK\$87,117,800 divided into 871,178,000 Shares of HK\$0.1 each

股東召開股東特別大會之方法及於股東大會上提出建議的程序

董事會可於其認為適當時召開股東特別大會。任何一位或以上於遞呈要求日期持有不少於本公司實繳股本(附有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董事會或公司秘書發出書面要求(寄送至上述地址)，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個月內舉行。倘遞呈後二十一日內，董事會未有召開該大會，則遞呈要求人士可自行以同樣方式召開大會，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。

此外，股東可提名人士參選本公司董事，有關程序可參閱本公司網站。

投資者關係

組織章程細則的重大變動

於報告期間，本公司的組織章程細則並無任何重大變動。

持股資料

於二零二零年十二月三十一日

法定股本	:	2,000,000,000港元，分為20,000,000,000股每股面值0.1港元的股份
已發行及繳足	:	87,117,800港元，分為871,178,000股每股面值0.1港元的股份

The following table summarised the existing shareholding structure of the Company as at 31 December 2020:

下表概列本公司於二零二零年十二月三十一日的現有持股架構：

Category		No. of Shares	% of issued Shares of the Company
類別		股份數目	佔本公司已發行股份的百分比
Substantial Shareholders & Directors	主要股東及董事	437,390,400	50.21%
Public	公眾	433,787,600	49.79%
Total	總計	871,178,000	100.00%

Other corporate information is set out in the “Corporate Information” section of this annual report.

其他公司資料載於本年報「公司資料」一節。

RISK MANAGEMENT AND INTERNAL CONTROL

During the reporting period, the Group has complied with code provision C.2 of the CG Code by establishing appropriate and effective risk management and internal control systems. Management is responsible for the design, implementation and monitoring of such systems, while the Board oversees management in performing its duties on an ongoing basis. Main features of the risk management and internal control systems are described in the sections below:

Risk Management System

The Group adopts a risk management system which manages the risk associated with its business and operations. The system comprises the following phases:

- **Identification:** Identify ownership of risks, business objectives and risks that could affect the achievement of objectives.
- **Evaluation:** Analyze the likelihood and impact of risks and evaluate the risk portfolio accordingly.
- **Management:** Consider the risk responses, ensure effective communication to the Board and on-going monitor the residual risks.

Based on the risk assessments conducted in 2021, no significant risk was identified.

風險管理及內部監控

於報告期間，本集團已遵守企管守則的守則條文C.2條，建立適當及有效之風險管理及內部監控系統。管理層負責該等系統之設計、實施及監控，而董事會負責持續監督管理層執行其職責。風險管理及內部監控系統的主要特徵載於以下章節：

風險管理系統

本集團採納一套風險管理系統，管理與其業務及營運有關的風險。該系統包括以下階段：

- **識別：**識別風險歸屬、業務目標及可能影響目標實現的風險。
- **評估：**分析風險的可能性及影響，並據此評估風險組合。
- **管理：**考慮風險回應措施，確保與董事會有效溝通並持續監控剩餘風險。

根據於二零二一年進行的風險評估，並無發現任何重大風險。

Corporate Governance Report

企業管治報告

Internal Control System

The Company has in place an internal control system which is compatible with the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") 2013 framework. The framework enables the Group to achieve objectives regarding effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations. The components of the framework are shown as follow:

- **Control Environment:** A set of standards, processes and structures that provide the basis for carrying out internal controls across the Group.
- **Risk Assessment:** A dynamic and iterative process for identifying and analyzing risks to achieve the Group's objectives, forming a basis for determining how risks should be managed.
- **Control Activities:** Action established by policies and procedures to help ensure that management directives to mitigate risks to the achievement of objectives are carried out.
- **Information and Communication:** Internal and external communication to provide the Group with the information needed to carry out day-to-day controls.
- **Monitoring:** Ongoing and separate evaluations to ascertain whether each components of internal controls is present and functioning.

In order to enhance the Group's system of handling inside information, and to ensure the truthfulness, accuracy, completeness and timeliness of its public disclosures, the Group also adopts and implements an inside information policy and procedures. Certain reasonable measures have been taken from time to time to ensure that proper safeguards exist to prevent a breach of a disclosure requirement in relation to the Group, which include:

- The access of information is restricted to a limited number of employees on a need-to-know basis. Employees who are in possession of inside information are fully conversant with their obligations to preserve confidentiality.
- Confidentiality agreements are in place when the Group enters into significant negotiations.
- The Executive Directors are designated persons who speak on behalf of the Company when communicating with external parties such as the media, analysts or investors.

Based on the internal control reviews conducted in 2021, no significant control deficiency was identified.

內部監控系統

本公司設有與 Committee of Sponsoring Organizations of the Treadway Commission (「COSO」)二零一三年框架相符的內部監控系統。該框架使本集團能夠實現有關運營有效性及效率、財務報告可靠性以及遵守適用法律及法規的目標。該框架的組成部分列示如下：

- **監控環境：**為於本集團進行內部監控提供基礎的一套準則、程序及架構。
- **風險評估：**識別及分析風險以實現本集團目標，以及為釐定如何管理風險提供基礎的不斷轉變而反覆的過程。
- **監控活動：**根據政策及程序確立的行動，有助確保執行管理層為減低風險以達成目標所作出的指示。
- **資訊及溝通：**為本集團提供進行日常監控所需資訊的內部及外部溝通。
- **監控：**持續及獨立評估以確定內部監控的各組成部分是否存在及運作正常。

為加強本集團處理內幕消息的制度，確保公開披露資料的真實性、準確性、完整性與及時性，本集團亦採納及執行內幕消息政策及程序。本集團已不時採取若干合理措施，確保存有防止違反披露規定的合適保障措施，其中包括：

- 只有需要了解之有限數目的僱員可獲取消息。擁有內幕消息的僱員完全了解其保守機密的責任。
- 本集團訂立重大協商時簽訂保密協議。
- 與外界(如媒體、分析師或投資者)溝通時，執行董事為代表本公司發言的指定人士。

根據於二零二一年進行的內部監控檢討，並無發現任何重大控制缺陷。

Internal Auditors

The Group currently does not have an internal audit department, but it has engaged an external advisor to provide internal audit services. The Board will review and consider to establish such department as and when it thinks necessary.

Effectiveness of the Risk Management and Internal Control Systems

The Board is responsible for the risk management and internal control systems of the Group and ensuring review of the effectiveness of these systems has been conducted annually. Several areas have been considered during the Board's review, which include but not limited to (i) the changes in the nature and extent of significant risks since the last annual review, and the Group's ability to respond to changes in its business and the external environment; and (ii) the scope and quality of management's ongoing monitoring of risks and of the internal control systems.

The Board, through its review and the review made by Audit Committee, concluded that the risk management and internal control systems were effective and adequate. Such systems, however, 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. It is also considered that the resources, staff qualifications and experience of relevant staff were adequate and the training programs and budget provided were sufficient.

內部核數師

本集團目前並無內部審計部門，但已聘請外部顧問提供內部審計服務。董事會將在必要時審查並考慮設立該部門。

風險管理及內部監控系統之有效性

董事會負責本集團的風險管理及內部監控系統，並確保每年審閱該等系統的有效性。董事會審閱時已考慮若干領域，其中包括但不限於(i)自上次年度審閱以來重大風險性質及程度的變動，以及本集團對其業務及外部環境變動作出反應的能力；及(ii)管理層持續監控風險及內部監控系統的範圍及質素。

董事會透過其審閱以及審核委員會作出的審閱得出結論，認為風險管理及內部監控系統為有效及足夠。然而，該等系統旨在管理而非消除未能達成業務目標的風險，且只能針對重大失實陳述或損失作出合理而非絕對的保證。其亦認為資源、員工資歷及相關員工的經驗為足夠，提供的培訓計劃及預算為足夠。

INVESTOR AND SHAREHOLDER RELATIONS

Communication with Investors and Shareholders

The Board recognises the importance of maintaining clear, timely and effective communication with Shareholders and investors. The Board also recognises that effective communication with investors is the key to establish investor confidence and to attract new investors. Therefore, the Group is committed to maintaining high degree of transparency to ensure the investors and the Shareholders are receiving accurate, clear, comprehensive and timely information of the Group via the publication of annual reports, interim reports, press announcements ("Corporate Communications"), and also the Company's website at www.tayang.com.

Corporate Communications issued by the Company are available on the websites of the Company and the Stock Exchange and in both English and Chinese versions to facilitate their understanding. A section entitled "Investor Relations" is available on the Company's website which provides contact details to allow Shareholders to contact the Company easily.

Enquiries from institutional investors and analysts on the Group's strategy, operations, management and plans are welcome.

Our investor relations activities include:

- attend telephone enquiries from analysts and fund managers;
- update of the Company's website regularly;
- hold annual general meeting;
- disclose information on a timely basis via the Company's and Stock Exchange's websites.

MANAGEMENT FUNCTIONS

In general, the daily management and administration functions of the Group have been delegated to the management except for certain matters specifically reserved to the Board for decision. Those matters include the setting of the overall strategic direction and long term objectives of the Company, approval of annual business plan, investments, capital projects, key human resources issue, etc.

投資者及股東關係

與投資者及股東溝通

董事會認同與股東及投資者維持清晰、及時及有效溝通的重要性。董事會亦認同與投資者的有效溝通乃建立投資者信心及吸引新投資者的關鍵。因此，本集團致力維持高透明度，以確保投資者及股東可透過本集團刊發的年報、中期報告、新聞公告（「公司通訊」）及本公司的網站 www.tayang.com 獲取準確、清晰、全面與及時的資料。

本公司刊發的公司通訊可於本公司及聯交所網站取得，並備有中英文版，以方便了解通訊內容。本公司網站設有「投資者關係」一欄，當中提供聯絡資料方便股東聯絡本公司。

本集團歡迎機構投資者及分析師對本集團策略、經營、管理及計劃作出查詢。

本集團的投資者關係活動包括：

- 回應分析師和基金經理的電話查詢；
- 定期更新本公司網站；
- 舉行股東週年大會；
- 適時透過本公司及聯交所網站披露資料。

管理層職能

一般而言，本集團的日常管理及行政職能交由管理層負責，惟若干指明留待董事會決定的事項除外。該等事項包括制訂本公司的整體策略方向及長遠目標、批准全年業務計劃、投資、資本項目、重要人力資源事項等的年度評估。

GOING CONCERN

The Directors are aware of the net current liabilities of the Group of HK\$123,513,000 as at 31 December 2020. In preparing the consolidated financial statements, the Directors have given careful consideration to the future liquidity of the Group and its available sources of finance to continue as a going concern. The Directors considered that it is appropriate to adopt the going concern basis in preparing the consolidated financial statements. Certain measures have been and are being taken to manage its liquidity needs and to improve its financial position, including but not limited to the following:

- (i) The Group has undrawn credit facilities amounting to approximately HK\$185,000,000 from financial institutions for its working capital requirements for the next twelve months which be drawn as and when required;
- (ii) The Group will continue to carry out cost control measurement in forthcoming years, including but not limited to reduce discretionary expenses and administrative costs. On the other hand, the Group will continue to explore various strategies to improve the Group's operating cash inflows including putting extra efforts on the collection of trade receivables; and
- (iii) The Group will explore possible fund-raising opportunities including but not limited to issuance of new shares, right issues or open offer and issuance of convertible bonds where appropriate.

In light of the measures and arrangements as described above, the directors of the Company consider that the Group will have sufficient working capital to meet their financial obligations as they fall due for the foreseeable future. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

Should the Group be unable to continue as a going concern basis, adjustments would have to be made to restate the values of assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively. The effects of these potential adjustments have not been reflected in the consolidated financial statements.

持續經營

董事知悉本集團於二零二零年十二月三十一日擁有流動負債淨額123,513,000港元。於編製綜合財務報表時，董事已對本集團未來流動資金及其可動用之資金來源作出周詳考慮，以評估本集團是否有足夠資金來維持持續經營。董事認為於編製綜合財務報表時採納持續經營基準是適當的。為管理本集團流動資金及改善財務狀況，本集團已採取若干措施，包括但不限於以下各項：

- (i) 本集團於財務機構尚有約185,000,000港元的未動用信貸額度，以應付未來十二個月的營運資金的需求，有關額度可於有需要時隨時提取；
- (ii) 本集團將於未來數年內持續採取成本控制措施，包括但不限於削減非必要開支及行政成本。另一方面，本集團將繼續探索各種策略以改善本集團的營運資金流入，包括加大對應收貿易賬款的收取力度；及
- (iii) 本集團將積極探索可能的集資活動，包括但不限於發行新股份、供股或公開發售以及發行可換股債券（如適合）。

鑒於上述措施及安排，本公司董事認為本集團將擁有充足營運資金以應付其於可見未來到期的財務責任。因此，綜合財務報表已按持續經營基準編製。

倘若本集團無法繼續持續經營，則需要作出調整，以重列資產價值至其可收回金額、為可能產生的任何進一步負債作出撥備以及分別將非流動資產及負債重新分類為流動資產及負債。該等潛在調整的影響並未反映於綜合財務報表內。

Remuneration Committee Report

薪酬委員會報告

This report provides the details of work undertaken by the Remuneration Committee during the reporting period.

MEMBERSHIP OF THE REMUNERATION COMMITTEE

As at the date of this report, the Directors who served on RC were Mr. Hu Jiangbing (Committee Chairman), Ms. Zhang Lijuan, Mr. Lin Bing and Mr. Liu Gang. All of them are independent non-executive Directors.

ACTIVITIES OF THE REMUNERATION COMMITTEE

During the reporting period, RC met six times:

- conduct the annual review of the remuneration for all Directors and making appropriate recommendations to the Board;
- consider the service agreement/appointment letter of the proposed Directors.

REMUNERATION POLICY

The remuneration for the executive Directors comprises basic salary, bonus, share options and pensions. Salary adjustments are made where RC takes into account performance of the individual, contribution, responsibilities, and reference to comparable listed companies in Hong Kong.

The remuneration of non-executive Directors are reviewed annually with reference to the comparable companies and market condition.

Apart from basic salary, executive Directors and employees are eligible to receive a discretionary bonus taking into account factors such as market conditions as well as corporate and individual's performance during the year.

本報告提供有關薪酬委員會於報告內所進行工作的詳情。

薪酬委員會成員

於本報告日期，出任薪酬委員會成員的董事為胡江兵先生(委員會主席)、張力涓女士、林兵先生及劉鋼先生。全部均為獨立非執行董事。

薪酬委員會活動

於報告期間，薪酬委員會舉行六次會議：

- 對所有董事的酬金進行年度檢討及向董事會作出適當推薦意見；
- 考慮候任董事的服務協議／委任書。

薪酬政策

執行董事的薪酬包括基本薪金、花紅、購股權及退休金。薪酬委員會在作出薪金調整時，會考慮個別人士的工作表現、貢獻及職責，並會參考可資比較的香港上市公司。

非執行董事的薪酬每年均會參考可資比較公司及市場狀況作檢討。

除基本薪金外，執行董事及僱員均合資格獲取酌情花紅，惟須根據年內的市場狀況、企業及個人表現等因素而定。

Remuneration Committee Report

薪酬委員會報告

The following table illustrates the elements of remuneration of Executive Directors. 下表說明執行董事薪酬包含的元素。

Remuneration 薪酬	Purpose 目的	Reward 獎勵	Policy details 政策詳情
Basic Salary 基本薪金	To reflect the market value of each individual 反映每名人士的市場價值	<ul style="list-style-type: none"> Cash payment 現金付款 Monthly 每月 	<ul style="list-style-type: none"> Reviewed annually 每年檢討 Compare against selected comparable companies 與選定的可資比較公司比較 Market trend 市場趨向
Discretionary Bonus 酌情花紅	To motivate employees to deliver the high levels of performance of the Company and individual performance goals 鼓勵僱員為本公司取得高水平的表現及達成個人表現目標	<ul style="list-style-type: none"> Cash Payment 現金付款 Annual 每年 	<ul style="list-style-type: none"> Individual performance 個人表現 Market condition 市場狀況 The Group performance relative to corporate targets 本集團相對於企業目標的表現
Pension 退休金	To provide appropriate and competitive post retirement benefits 提供適當及具競爭力的退休後福利	<ul style="list-style-type: none"> Cash contribution 現金供款 Monthly 每月 	<ul style="list-style-type: none"> MPF scheme 強積金計劃

Details of the amount of Directors' remuneration during the reporting period are set out in Note 18 to the consolidated financial statements.

於報告期間的董事層酬金詳情載列於綜合財務報表附註18。

Members of the Remuneration Committee

Hu Jiangbing (*Committee Chairman*)

Zhang Lijuan

Lin Bing

Liu Gang

薪酬委員會成員

胡江兵 (*委員會主席*)

張力涓

林兵

劉鋼

Audit Committee Report

審核委員會報告

This report provides details of the role of the Audit Committee and the work it has undertaken by them during the reporting period.

MEMBERSHIP OF AUDIT COMMITTEE

As at the date of this report, the Directors who served on AC were Mr. Lin Bing (Committee Chairman), Ms. Zhang Lijuan, Mr. Hu Jiangbing and Mr. Liu Gang. All of them are independent non-executive Directors.

MEETINGS AND ATTENDANCE

During the reporting period, AC met three times. The external auditor of the Company attended the meetings by invitation. The attendance records are set out below:

本報告提供有關審核委員會職責及報告期間所進行工作的詳情。

審核委員會成員

於報告期間，出任審核委員會成員的董事為林兵先生(委員會主席)、張力涓女士、胡江兵先生及劉鋼先生。全部為獨立非執行董事。

會議及出席記錄

於報告期間，審核委員會舉行三次會議。本公司外聘核數師獲邀出席會議。出席記錄如下：

Name		Number of meetings attended/ Number of meetings held during the year 出席會議次數／年內舉行會議次數
Zhang Lijuan	張力涓	0/3
Wu Tak Kong (resigned on 13 January 2020)	胡德光(於二零二零年一月十三日辭任)	0/0
Lin Bing (appointed on 13 January 2020)	林兵(於二零二零年一月十三日獲委任)	3/3
Liu Gang (appointed on 21 January 2020)	劉鋼(於二零二零年一月二十一日獲委任)	2/3
Hu Jiangbing (appointed on 30 July 2020)	胡江兵(於二零二零年七月三十日獲委任)	1/1
Number of meetings held during the reporting period	報告期間舉行會議次數	3

SUMMARY OF MAJOR WORKS DONE DURING THE REPORTING PERIOD

During the reporting period, the major works done by AC were summarised as follows:

- reviewed with the management and the external auditors on the interim results and annual results and related announcement including the related disclosures, integrity of financial reporting and the accounting policies adopted by the Group prior to the submission to the Board's approval;
- discussed with management on significant judgments affecting Group's consolidated financial statements;
- considered and pre-approved the appointment and re-appointment of auditors and their audit fee accordingly;

報告期間內完成的主要工作概要

於報告期間，審核委員會完成的主要工作概述如下：

- 在提交董事會批准前，與管理層及外聘核數師審閱中期業績、全年業績以及有關公告，包括有關披露事宜、本集團採納的財務報告及會計政策的完整性；
- 與管理層討論影響本集團綜合財務報表的重大判斷；
- 考慮及預先審批委聘及續聘核數師及其審核費用；

- reviewed and discussed the risk management and internal control report including the status of implementing recommendations on previous report;
 - reviewed, assessed the adequacy and effectiveness of the Company's risk management and internal controls;
 - reviewed and monitored the external auditor's independence and objectivity and the effectiveness during the audit process; and
 - reviewed and discussed the audit plan.
- 審閱及討論風險管理及內部監控報告，包括在上一份報告中所提出的建議的實施情況；
 - 審閱及評估本公司的風險管理及內部監控是否足夠及有效；
 - 審閱及監察外聘核數師的獨立性及客觀性以及審核程序的有效性；及
 - 檢討及討論審核計劃。

FINANCIAL REPORTING

AC has reviewed with the management the accounting principles and practices adopted by the Group and the financial reporting matters including a review of the audited consolidated financial statements for the reporting period.

RISK MANAGEMENT AND INTERNAL CONTROL

During the reporting period, AC engaged Elite Partners Risk Advisory Services Limited ("Elite Partners Risk") to conduct the risk management and internal control review of the Group's operation and made recommendation to Board accordingly. Based on the report issued by Elite Partners Risk, AC considered that the key areas of the Company's risk management and internal control systems are reasonably implemented and the Company has complied with the requirements of the CG code as set out in the Listing Rules in respect of risk management and internal controls. The matters concerns to be brought to the attention to the Board are listed on the Corporate Governance Report of this annual report.

EXTERNAL AUDITOR

AC reviewed the independence of Elite Partners and recommended their re-appointment as auditor of the Group for the ensuing year in the forthcoming AGM.

Members of Audit Committee
Lin Bing (*Committee Chairman*)
Zhang Lijuan
Liu Gang
Hu Jiangbing

財務報告

審核委員會與管理層審閱本集團採納的會計準則與常規及財務報告事宜，包括審閱報告期間的經審核綜合財務報表。

風險管理及內部監控

於報告期間，審核委員會聘任鉅銘風險諮詢服務有限公司〔(鉅銘風險)〕對本集團的營運進行風險管理及內部監控檢討，並向董事會作出相應建議。根據鉅銘風險發出的報告，審核委員會認為本公司風險管理及內部監控系統的主要方面已合理地實行，且本公司已遵守上市規則所載有關風險管理及內部監控的企管守則規定。需要提請董事會垂注之事宜載於本年報企業管治報告。

外聘核數師

審核委員會已審閱開元信德的獨立性，並建議在應屆股東週年大會續聘其出任本集團次年的核數師。

審核委員會成員
林兵 (*委員會主席*)
張力涓
劉鋼
胡江兵

Report of the Directors

董事會報告

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

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the Company's principal subsidiaries are design and manufacture of silicone rubber input devices which are mainly used in lifestyle products and 4Cs (i) Consumer (consumer electronic devices), (ii) Computers (keypads for computers and notebooks), (iii) Communications (mobile phone peripheral products), and (iv) Cars (automotive peripheral products). In addition, the Group has penetrated into healthcare and hotel services. Particulars of the Company's principal subsidiaries are set out in Note 43 to the consolidated financial statements. The nature of the principal activities of the Group has not changed during the reporting period.

RESULTS AND APPROPRIATIONS

The results of the Group and appropriations of the Company are set out in the consolidated statement of profit or loss of this annual report and in the accompanying notes to the consolidated financial statements.

The Board has not recommended the distribution of a final dividend for the year ended to 31 December 2020 (for the seventeen months ended 31 December 2019: nil). Details are set out in Note 15 to the consolidated financial statements.

BUSINESS REVIEW

A fair review of the Group's business during the reporting period, a discussion on the Group's future business development, an analysis of the Group's performance during the reporting period and the material factors underlying its results and financial position are included in the "Chairlady's Statement" and the "Management Discussion and Analysis" sections of this annual report. Description of possible risks and uncertainties that the Group may be facing can be found throughout this annual report, such as "Risk Management and Internal Control" section of the Corporate Governance Report.

There is no important event affecting the Company that has occurred since the end of the reporting period.

An analysis of the Group's performance during the reporting period is provided in the "Financial Review" section and "Five Years Financial Summary" of this annual report.

In addition, discussions on the Group's environmental and social policies and an account of the Group's key relationships with its stakeholders are contained in "Environmental, Social and Governance Report" to be published.

董事謹此提呈其年度報告及截至二零二零年十二月三十一日止年度的經審核綜合財務報表。

主要業務

本公司的主要業務為投資控股。本公司主要附屬公司的主要業務為設計及製造矽膠輸入裝置，而該等裝置主要用於生活產品及4Cs：(i)消費品(消費電子裝置)；(ii)電腦(電腦與筆記型電腦按鍵)；(iii)通訊設備(手機周邊產品)；及(iv)汽車(汽車周邊產品)。此外，本集團已進軍醫療保健及酒店服務。有關本公司主要附屬公司的詳情載於綜合財務報表附註43。於報告期間，本集團主要業務的性質並無變動。

業績及分派

本集團的業績及本公司的分派分別載於本年報綜合損益表及綜合財務報表的隨附附註。

董事會不建議派發截至二零二零年十二月三十一日止年度的末期股息(於截至二零一九年十二月三十一日止十七個月：無)。詳情載於綜合財務報表附註15。

業務回顧

有關本集團於報告期間業務之中肯回顧、本集團未來業務發展之討論、本集團於報告期間表現之分析及與其業績及財務狀況相關之重大因素載於本年報「主席報告」及「管理層討論與分析」一節。本集團可能面臨之風險及不確定性之描述貫穿於本年報，如企業管治報告「風險管理及內部監控」一節。

自報告期末起，概無發生影響本公司之重要事項。

就本集團於報告期間表現進行之分析載於本年報「財務回顧」一節及「五年財務概要」。

此外，就本集團之環境及社會政策及本集團與其利益相關人士之主要關係論述之討論載於將刊發之「環境、社會及管治報告」。

COMPLIANCE WITH LAWS AND REGULATIONS WHICH HAVE A SIGNIFICANT IMPACT ON THE COMPANY

The Company strictly complies with domestic and overseas laws and regulations and industry standards such as the Listing Rules, SFO and PRC Company Law. Please refer to the “Environmental, Social and Governance Report” to be published.

SHARE CAPITAL

Details of movements of the share capital of the Company during the reporting period are set out in Note 33 to the consolidated financial statements.

DONATIONS

Charitable and other donations made by the Group during the year ended 31 December 2020 amounted to approximately HK\$1,328,000 (for the seventeen months ended 31 December 2019: Nil).

TAX RELIEF

The Company is not aware of any relief from taxation available to Shareholders of the Company by reason of their holding of the Company share.

ULTIMATE HOLDING COMPANY

Lyton Maison Limited was the controlling Shareholder of the Company as at 31 December 2020 and also the ultimate holding company of the Company. The ultimate controlling party of the Group is Ms. Shi Qi, the Chairlady of the Board and an executive Director of the Company. She is the sole director and the ultimate beneficial owner of Lyton Maison Limited.

As at 31 December 2020, Lyton Maison Limited directly held 50.11% of the then issued share capital of the Company.

PROPERTY, PLANT AND EQUIPMENT

During the reporting period, the Group spent approximately HK\$21.7 million on additions to property, plant and equipment mainly for the expansion and enhancement of its production capability.

Details of movements in the Group's property, plant and equipment during the reporting period are set out in Note 19 to the consolidated financial statements.

遵守對本公司有重大影響的法律及規例情況

本公司嚴格遵守上市規則、證券及期貨條例及中國公司法等境內境外法律法規及行業規則。請參閱將刊發之「環境、社會及管治報告」。

股本

於報告期間，本公司股本變動的詳情載於綜合財務報表附註33。

捐贈

截至二零二零年十二月三十一日止年度，本集團作出慈善及其他捐贈約1,328,000港元（二零一九年十二月三十一日止十七個月：無）。

稅項減免

本公司並不知悉，本公司股東因持有本公司股份而獲減免任何稅項。

最終控股公司

Lyton Maison Limited為本公司於二零二零年十二月三十一日之控股股東兼本公司之最終控股公司。本集團之最終控股方為董事會主席及本公司執行董事施琦女士。彼為Lyton Maison Limited之唯一董事及最終實益擁有人。

於二零二零年十二月三十一日，Lyton Maison Limited直接持有本公司當時已發行股本的50.11%。

物業、廠房及設備

於報告期間，本集團動用約21,700,000港元添置物業、廠房及設備，主要用以擴充及提升生產產能。

於報告期間，本集團物業、廠房及設備變動的詳情載於綜合財務報表附註19。

Report of the Directors

董事會報告

SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets and liabilities of the Group for the last five financial years is set out in the “Five Years Financial Summary” of this annual report. This summary does not form part of the audited consolidated financial statements.

DISTRIBUTABLE RESERVES AND RESERVES

Movements in reserves of the Company during the reporting period and the distributable reserves of the Company as at 31 December 2020 are set out in Note 42(b) to the consolidated financial statements.

The Company’s reserves available for distribution comprise the share premium account, less accumulated losses.

MAJOR CUSTOMERS AND SUPPLIERS

During the reporting period, the five largest customers of the Group accounted for approximately 34% of the total revenue of the Group and the largest customer accounted for approximately 9% of the total revenue.

The aggregate purchases attributable to the Group’s largest supplier and five largest suppliers taken together accounted for approximately 11% and 42% of the Group’s total purchase for the reporting period.

None of the Directors, their associates, or any Shareholder (which to the knowledge of the Directors own more than 5% of the Company’s issued share capital) has any interest in any of the Group’s five largest suppliers and customers.

DIRECTORS

The Directors of the Company during the reporting period and up to the date of this report were:

Executive Directors

Ms. Shi Qi (*Chairlady*)
Mr. Liu Wengang (*Chief Executive Officer*)
(appointed on 26 August 2020)
Mr. Yin Zhiqiang (appointed on 31 March 2020 and
resigned on 11 January 2021)
Mr. Zhao Ang (retired on 29 June 2020)
Mr. Gao Feng
Mr. Cheng Hong

Non-Executive Directors

Mr. Han Lei
Mr. Chan Tsun Hong Philip (appointed on 3 August 2020)
Mr. Sze Wai Lun (resigned on 30 July 2020)

財務資料概要

本集團最近五個財政年度公佈的業績、資產與負債概要載於本年報「五年財務概要」。該概要並不構成經審核綜合財務報表的一部分。

可供分派儲備及儲備

本公司於報告期間的儲備變動及本公司於二零二零年十二月三十一日的可供分派儲備載於綜合財務報表附註42(b)。

本公司可供分派儲備包括股份溢價賬，扣除累計虧損。

主要客戶及供應商

於報告期間，本集團五大客戶佔本集團總收益約34%，而最大客戶則佔總收益約9%。

本集團最大供應商及五大供應商應佔的總採購額分別合共佔本集團於報告期間總採購額約11%及42%。

各董事、彼等的聯繫人或任何股東(就董事所知，擁有本公司已發行股本5%以上)概無在本集團五大供應商及客戶中擁有任何權益。

董事

於報告期間及截至本報告日期，本公司董事為：

執行董事

施琦女士(主席)
劉文剛先生(行政總裁)
(於二零二零年八月二十六日獲委任)
尹志強先生(於二零二零年三月三十一日
獲委任並於二零二一年一月十一日辭任)
趙昂先生(於二零二零年六月二十九日退任)
高峰先生
程宏先生

非執行董事

韓磊先生
陳俊匡先生(於二零二零年八月三日獲委任)
施偉倫先生(於二零二零年七月三十日辭任)

Independent Non-Executive Directors

Ms. Zhang Lijuan
Mr. Wu Tak Kong (resigned on 13 January 2020)
Mr. Lin Bing (appointed on 13 January 2020)
Mr. Liu Gang (appointed on 21 January 2020)

Mr. Hu Jiangbing (appointed on 31 March 2020)

Ms. Wang Lina (appointed on 22 April 2020)

Pursuant to Article 86(3) of the Company's articles of association, Mr. Liu Wengang and Mr. Chan Tsun Hong Philip, being the newly appointed Directors, will hold their office until the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

Pursuant to Article 87(1) of the Company's articles of association, Mr. Gao Feng, Mr. Cheng Hong and Ms. Zhang Lijuan, will retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

INDEPENDENT NON-EXECUTIVE DIRECTORS' CONFIRMATION

The Company has received from each of the independent non-executive Directors an annual confirmation of his/her independence to Rule 3.13 of the Listing Rules and as at the date of this report still considers that all of the independent non-executive Directors to be independent.

DIRECTORS' SERVICE CONTRACTS

As at 31 December 2020, none of the Directors 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.

EMOLUMENT POLICY

The emoluments of the Directors of the Company are recommended by the Remuneration Committee, and decided by the Board, as authorised by Shareholders in the annual general meeting, having regard to the Company's operating results, individual performance, experience, responsibility, workload and comparable market securities. No Director is involved in deciding their own remuneration.

Details of the remuneration policy for the Directors of the Group are set out in Remuneration Committee Report under the heading "Remuneration Policy" of this annual report.

獨立非執行董事

張力涓女士
胡德光先生(於二零二零年一月十三日辭任)
林兵先生(於二零二零年一月十三日獲委任)
劉鋼先生(於二零二零年一月二十一日獲委任)
胡江兵先生(於二零二零年三月三十一日獲委任)
王麗娜女士(於二零二零年四月二十二日獲委任)

根據本公司的組織章程細則第86(3)條，劉文剛先生及陳俊匡先生(新委任的董事)將任職至應屆股東週年大會，且符合資格並願意膺選連任。

根據本公司的組織章程細則第87(1)條，高峰先生、程宏先生及張力涓女士將於應屆股東週年大會上輪值退任，且符合資格並願意膺選連任。

獨立非執行董事的確認書

本公司已收到獨立非執行董事各自按照上市規則第3.13條就其獨立性發出的年度確認書，於本報告日期，本公司仍認為全體獨立非執行董事具備獨立性。

董事服務合約

於二零二零年十二月三十一日，概無擬於應屆股東週年大會上膺選連任的董事與本公司訂有任何本公司不可於一年內免付賠償(法定賠償除外)而終止的服務合約。

酬金政策

本公司董事的酬金乃由薪酬委員會建議，並遵照股東於股東週年大會上的授權，由董事會按本公司的經營業績、個人表現、經驗、責任、工作量及可供比較市場證券而釐定。董事概無參與決定本身酬金的過程。

有關本集團董事的薪酬政策詳情載於本年報薪酬委員會報告「薪酬政策」一節。

Report of the Directors

董事會報告

EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments of the Directors of the Company and the five highest paid individuals of the Group during the reporting period under review are set out in Note 18 to the consolidated financial statements.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS

Directors' Interests

As at 31 December 2020, the interests and short positions of the Directors and the Chief Executive of the Company in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO as recorded in the register required to be kept by the Company under section 352 of the SFO or otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Long Positions in Shares and Underlying Shares in the Company

董事及五名最高薪酬人士的酬金

於回顧報告期間，有關本公司董事及本集團五名最高薪酬人士的酬金詳情載於綜合財務報表附註18。

董事及主要行政人員的權益

董事權益

於二零二零年十二月三十一日，各董事及本公司主要行政人員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)的股份、相關股份及債券中擁有登記於本公司根據證券及期貨條例第352條規定須存置的登記冊內的權益及淡倉，或根據標準守則須知會本公司及聯交所的權益及淡倉如下：

於本公司股份及相關股份的好倉

Name of Director	Capacity in which interests are held	Number of Shares/underlying shares held in the Company 於本公司持有的股份／相關股份數目			Approximate percentage of Shares in issue of the Company (Note 1) 估本公司已發行股份的概約百分比 (附註1)	Note
		Interests in Shares	Equity derivatives (share options)	Total interests		
董事姓名	持有權益的身份	股份權益	股本衍生工具(購股權)	權益總額	(附註1)	附註
Shi Qi 施琦	Interest of a controlled corporation 受控制法團權益	436,540,400	-	436,540,400	50.11%	2
Hu Jiangbing 胡江兵	Beneficial Owner 實益擁有人	850,000	-	850,000	0.10%	

Notes:

- Based on 871,178,000 Shares in issue as at 31 December 2020.
- Lyton Maison Limited, a limited company incorporated in the British Virgin Islands, issued share of which is one share solely owned by Ms. Shi Qi, is interested in 436,540,400 Shares.

附註：

- 根據於二零二零年十二月三十一日已發行871,178,000股股份計算。
- Lyton Maison Limited為於英屬處女群島註冊成立的有限公司，其已發行股份為一股由施琦女士獨資擁有，於436,540,400股股份中擁有權益。

Save as disclosed above, as at 31 December 2020, none of the Directors and the Chief Executive of the Company had any interest or short position in the Shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者外，於二零二零年十二月三十一日，董事及本公司主要行政人員概無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）的股份、相關股份及債券中擁有：(a) 根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的任何權益或淡倉（包括根據上述證券及期貨條例條文被視為或當作擁有的權益或淡倉）；或 (b) 根據證券及期貨條例第352條須登記於該條所述登記冊的任何權益或淡倉；或 (c) 根據標準守則須知會本公司及聯交所的任何權益或淡倉。

INTERESTS OF THE SUBSTANTIAL SHAREHOLDERS

As at 31 December 2020, so far as is known to the Directors, the following person (other than Directors and Chief Executive of the Company) has interest or short position in the Shares or underlying shares of the Company which would fall to be disclosed to the Company under the provision of Divisions 2 and 3 of Part XV of the SFO and are recorded in the register kept by the Company under section 336 of the SFO:

主要股東的權益

於二零二零年十二月三十一日，就董事所知，以下人士（除本公司董事及主要行政人員外）於本公司股份或相關股份擁有根據證券及期貨條例第XV部第2及3分部規定須向本公司披露及記錄於本公司根據證券及期貨條例第336條存置的登記冊中的權益或淡倉：

Long positions in the Shares and Underlying Shares

於股份及相關股份的好倉

Name of shareholder	Capacity in which interests are held	Number of Shares held in the Company	Approximate percentage of Shares in issue of the Company ¹
股東名稱	持有權益的身份	持有本公司股份數目	佔本公司已發行股份的概約百分比 ¹
Lyton Maison Limited	Beneficial Owner 實益擁有人	436,540,400	50.11%
Mason Resources Finance Limited 茂宸資源財務有限公司	Person having a security interest in Shares 於股份中擁有抵押權益之人士	445,342,400	51.12%
Mason Group Holdings Limited 茂宸集團控股有限公司	Interest of controlled corporation 受控制法團權益	445,342,400	51.12%

Notes:

附註：

- (1) Based on 871,178,000 Shares in issue as at 31 December 2020.
- (2) There was a duplication of interests of Ms. Shi Qi and Lyton Maison Limited which represented the same block of Shares.
- (3) There was a duplication of interests of Mason Resources Finance Limited and Mason Group Holdings Limited which represented the same block of Shares.

- (1) 根據於二零二零年十二月三十一日已發行871,178,000股股份計算。
- (2) 施琦女士與Lyton Maison Limited之權益重疊乃涉及同一批股份。
- (3) 茂宸資源財務有限公司與茂宸集團控股有限公司之權益重疊乃涉及同一批股份。

Report of the Directors

董事會報告

Save as disclosed above, as at 31 December 2020, the Company was not notified by any person (other than Directors and Chief Executive of the Company) who has an interest or short position in the Shares, or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of SFO.

SHARE OPTION SCHEME

On 13 December 2018, the Company adopted the share option scheme ("Share Option Scheme") and the major terms of the Share Option Scheme were summarised as follows:

1. Purpose

The Shareholders adopted the Share Option Scheme at the annual general meeting held on 13 December 2018.

The purposes of the Share Option Scheme are to recognise and acknowledge the contributions to those who had made, may have made or will make contributions to the Group. The Share Option Scheme will provide the Eligible Persons (defined hereunder) opportunities to have personal stakes in the Company with the view to achieving the following objectives:

- (a) motivate the Eligible Persons to optimize their performance efficiency for the benefit of the Group; and
- (b) attract and retain or otherwise maintain on-going business relationship with the Eligible Persons whose contributions are or will be beneficial to the long-term growth of the Group.

2. Participants

The administration committee ("Administration Committee"), comprising Ms. Shi Qi and Mr. Liu Wengang, may, at its absolute discretion, invite any person belonging to any of the following classes of participants, to take up options to subscribe for Shares (the "Eligible Person"):

- (1) any full time employee or director of any member of the Group and any entity(ies) in which the Group holds any equity interest ("Invested Entity");
- (2) any part time employee of any member of the Group and Invested Entity;
- (3) any supplier, distributor, service provider, customer of the member of the Group or any Invested Entity;

除上文所披露者外，於二零二零年十二月三十一日，概無任何人士(除本公司董事及主要行政人員外)曾知會本公司其於本公司股份或相關股份持有權益或淡倉而須根據證券及期貨條例第XV部第2及3分部規定向本公司及聯交所披露或記錄於本公司按證券及期貨條例第336條規定存置之登記冊內。

購股權計劃

於二零一八年十二月十三日，本公司採用購股權計劃(「購股權計劃」)及購股權計劃之主要條款概述如下：

1. 目的

股東於二零一八年十二月十三日舉行之股東週年大會上採用購股權計劃。

購股權計劃乃為認可及表彰對本集團已作出、可能已作出或將作出貢獻之人士。購股權計劃將向合資格人士(定義見下文)提供於本公司擁有個人權益之機會，以達致下列目標：

- (a) 激勵合資格人士為本集團之利益提升工作效率；及
- (b) 吸引及挽留其貢獻已對或將對本集團長期增長有利之人士，或以其他方式與其保持持續之業務關係。

2. 參與者

由施琦女士及劉文剛先生組成之管理委員會(「管理委員會」)可全權酌情邀請屬於以下任何參與者組別的任何人士(「合資格人士」)，參與購股權計劃認購股份：

- (1) 本集團任何成員公司及本集團於其中持有任何股權之任何實體(「被投資實體」)的任何全職僱員或董事；
- (2) 本集團任何成員公司及被投資實體的任何兼職僱員；
- (3) 本集團成員公司或任何被投資實體的任何供應商、分銷商、服務供應商、客戶；

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| <p>(4) any shareholder of any member of the Group or any holder of any securities issued by any member of the Group;</p> <p>(5) any consultant or adviser of or to any member of the Group who has provided services to such member of the Group in accordance with the terms of a contractual relationship entered into between the consultant or adviser with such member of the Group;</p> <p>(6) any consultant, adviser, manager, officer or entity that provides research, development or other technological support to the Group or Invested Entity; and</p> <p>(7) such other persons who in the sole opinion of the Administration Committee from time to time, will contribute or have contributed to the Group.</p> | <p>(4) 本集團任何成員公司的任何股東或本集團任何成員公司發行的任何證券的任何持有人；</p> <p>(5) 本集團任何成員公司的任何諮詢人員或顧問，而該諮詢人員或顧問已根據其與本集團有關成員公司訂立的合約關係條款為本集團有關成員公司提供服務；</p> <p>(6) 為本集團或被投資實體提供研發或其他技術支援的任何諮詢人員、顧問、經理、高級職員或實體；及</p> <p>(7) 管理委員會不時全權認為將或已為本集團作出貢獻的有關其他人士。</p> |
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3. Total number of Shares available for issue

The total number of Shares may be granted under the Share Option Scheme is 87,117,800 Shares, representing 10% of the total issued Shares as at the date of this annual report. The maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other schemes of the Company shall not exceed 30% of the total number of Shares in issue from time to time.

4. Maximum entitlement of each participant

The total number of Shares issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the Shares in issue from time to time, unless approved by the Shareholders in the manner as stipulated in the Share Option Scheme.

3. 可供發行之股份總數

根據購股權計劃可授出之股份總數為87,117,800股，相當於本年報日期已發行股份總數的10%。因行使根據購股權計劃及本公司任何其他計劃已授出但尚未行使之所有尚未行使購股權，而可能發行之最大股份數目不得超過不時已發行股份數目的30%。

4. 參與者可獲權益上限

於任何十二個月期間，因行使各參與者獲授購股權(包括已行使及尚未行使的購股權)而發行及將予發行的股份總數，不得超過不時已發行股份的1%，惟以購股權計劃訂明的方式獲股東批准則除外。

For any grant of options to a substantial Shareholder or an independent non-executive Director or any of their respective associates, the total number of Shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant must not:

- (a) exceed 0.1% of the total number of Shares in issue; and
- (b) have an aggregate value, based on the closing price of the Shares on the date of each grant, in excess of HK\$5 million;

unless such grant of options approved by the Shareholders at a general meeting.

5. Acceptance and exercise of options

An option may be accepted by a participant within 28 days from the date of the offer of grant of the option.

A nominal consideration of HK\$1 is payable on acceptance of the offer of grant of an option and shall be received by the Company within such time as may be specified in the offer of grant of the option, which shall not be later than 28 days from the offer date.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by the Directors to each grantee, which period may commence on a day after the date on which the offer for the grant of options is accepted but shall end in any event not later than 10 years from the date of grant of the option subject to the provisions for early termination thereof. Unless otherwise determined by the Administration Committee and stated in the offer of the grant of options to a grantee, there is no minimum period required under the Share Option Scheme for the holding of an Option before it can be exercised.

就向主要股東或獨立非執行董事或彼等各自的任何聯繫人授出任何購股權而言，因行使於十二個月期間直至有關授出日期(包括該日)向有關人士已授出及將授出的所有購股權(包括已行使、已註銷及尚未行使的購股權)而發行及將予發行的股份總數不得：

- (a) 超過已發行股份總數的0.1%；及
- (b) 根據股份於各授出日期之收市價，價值總額超過5,000,000港元；

惟有關授出購股權於股東大會上獲股東批准。

5. 接納及行使購股權

參與者可於授出購股權要約當日起計28日內接納購股權。

接納購股權授出要約時須繳付1港元的象徵代價，並由本公司於授出購股權要約可能規定的有關時間內收取，須為自要約日期起計不遲於28日。

承授人可根據購股權計劃的條款，於董事釐定及通知各承授人的期限內隨時行使購股權，期限乃由接納授出購股權要約日期後翌日起計，且無論如何不得超過自購股權授出當日起計10年，惟須受購股權提前終止的條文所規限。除非管理委員會另有決定及於授出購股權予承授人的要約中說明，否則購股權計劃並無規定承授人行使購股權前須持有購股權的最短期限。

6. Subscription price

The subscription price shall be determined by the Administration Committee in their absolute discretion and notified to the participant (subject to any adjustment made pursuant to the Share Option Scheme) and shall be at least the highest of:

- (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the offer date, which must be a trading day;
- (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the 5 trading days immediately preceding the offer date; and
- (iii) the nominal value of a Share.

7. Performance target

Unless the Administration Committee otherwise determined and stated in the offer of the grant of options to a grantee, a grantee is not required to achieve any performance targets before any options granted under the Share Option Scheme can be vested in, or exercised by, the grantee.

8. Period of the Share Option Scheme

The Share Option Scheme will remain in force for a period of 10 years commencing on the date on which the Share Option Scheme is adopted.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save for the Share Option Scheme adopted by the Company on 13 December 2018, at no time during the reporting period was the Company, any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of Shares in, or debentures of, the Company or any other body corporate.

6. 認購價

認購價由管理委員會全權酌情釐定並知會參與者(可根據購股權計劃作出任何調整),須至少為以下各項之最高者:

- (i) 於要約日期(須為交易日)聯交所每日報價表所列的股份收市價;
- (ii) 緊接要約日期前五個交易日聯交所每日報價表所列的股份平均收市價;及
- (iii) 股份面值。

7. 業績目標

除非管理委員會另有決定及於授出購股權予承授人的要約中說明,否則承授人於可獲得或行使根據購股權計劃授出的任何購股權前,毋須達成任何業績目標。

8. 購股權計劃的期限

購股權計劃將自購股權計劃獲採用當日起計10年期間內一直有效。

董事收購股份或債券的權利

除本公司於二零一八年十二月十三日採用購股權計劃外,於報告期間任何時間,本公司或其任何控股公司、附屬公司或同系附屬公司概無參與任何安排,使本公司董事能透過收購本公司或任何其他法團的股份或債券而獲益。

Report of the Directors

董事會報告

INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

There was no transaction, arrangement or contract of significance, to which the Company, any of its holding companies, subsidiaries or fellow subsidiaries is a party and in which a Director or an entity connected with a Director had material interest, whether directly or indirectly, subsisted at the end of or at any time during the reporting period, nor had there been any contract of significance entered into between the Group and a controlling shareholder of the Company or any of its subsidiaries during the reporting period.

PERMITTED INDEMNITY PROVISION

Pursuant to the Company's articles of association, every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may incur or sustain in or about the execution of the duties in his/her office or otherwise in relation thereto. The Company has arranged appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Group during the reporting period.

MANAGEMENT CONTRACT

During the reporting period, the Company did not enter into any management and administration contracts relating to all or any substantial part of the business of the Company.

EQUITY-LINKED AGREEMENTS

Save for the Share Option Scheme adopted by the Company on 13 December 2018, no equity-linked agreements that have, will or may result in the Company issuing shares or that require the Company to enter into any agreements that have, will or may result in the Company issuing shares were entered into by the Company during the reporting period or subsisted at 31 December 2020.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the reporting period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

於交易、安排及合約的權益

本公司、其任何控股公司、附屬公司或同系附屬公司於年結時或報告期間任何時間，概無訂立任何董事或其關連實體直接或間接擁有重大權益的重要交易、安排或合約，且於報告期間，本集團與本公司控股股東或其附屬公司並無訂立任何重要合約。

獲准許彌償條文

根據本公司之組織章程細則，本公司各董事或其他高級職員均有權就於或有關執行其職責或其他與此有關而蒙受或招致之所有損失或責任獲得以本公司之資產作出之賠償。本公司已投保適當之董事及高級職員責任保險，以於報告期間向本集團董事及高級職員提供保障。

管理合約

於報告期間，本公司概無訂立有關本公司全部或任何重大部份業務的任何管理及行政合約。

股本掛鈎協議

除本公司於二零一八年十二月十三日採用購股權計劃外，本公司於報告期間概無訂立或於二零二零年十二月三十一日概無存續任何股本掛鈎協議，將會或可能導致本公司發行股份或規定本公司訂立將會或可能導致本公司發行股份之任何協議。

購買、出售或贖回本公司上市證券

於報告期間，本公司及其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

COMPETING INTERESTS

As at 31 December 2020, in so far as the Directors were aware, none of the Directors or their respective associates had any interest in a business that competed or was likely to compete with the business of the Group.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the articles of association of the Company or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing Shareholders.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of its Directors, as at the date of this report, there is sufficient public float of not less than 25% of the Company's issued Shares as required under the Listing Rules.

AUDIT COMMITTEE

The Audit Committee was established with terms of reference in compliance with the CG Code. The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, financial reporting system, risk management and internal control systems, and has reviewed the Group's annual results for the Reporting Period. The Audit Committee is of the view that the consolidated financial statements have been prepared in accordance with the applicable standards, the Listing Rules and the statutory provisions and sufficient disclosures have been made.

RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS

During the reporting period, the Group entered into transactions with related parties, details of which are set out in Note 39 to the consolidated financial statements. None of these related party transactions constitutes a connected transaction or a continuing connected transaction of the Group as defined in and required to be disclosed under Chapter 14A of the Listing Rules.

競爭性權益

於二零二零年十二月三十一日，就董事所知，董事或彼等各自的聯繫人概無於與本集團業務構成競爭或可能構成競爭的業務中擁有任何權益。

優先購股權

根據本公司的組織章程細則或開曼群島法律，並無有關優先購股權的規定要求本公司須按比例向現有股東發售新股份。

公眾持股量

根據本公司以公開途徑取得的資料及據董事所知，於本報告日期，公眾持股量足以維持在上市規則所規定不少於本公司已發行股份25%的水平。

審核委員會

審核委員會經已成立，並根據企管守則制定其職權範圍。審核委員會已與管理層審閱本集團採納的會計原則與常規，並討論審核、財務申報系統、風險管理及內部監控系統，及已審閱本集團報告期間的全年業績。審核委員會認為，綜合財務報表已根據適用準則、上市規則及法定條文編製，並已作出充分披露。

關連方交易及關連交易

於報告期間，本集團與關連方訂立交易，詳情載於綜合財務報表附註39。該等關連方交易概無構成上市規則第14A章所定義及須予披露之本集團關連交易或持續關連交易。

Report of the Directors

董事會報告

CLOSURE OF REGISTER OF MEMBERS

The annual general meeting of the Company is expected to be held on Tuesday, 29 June 2021. A notice convening the annual general meeting will be published and despatched to the shareholders of the Company in due course.

In order to determine members who are entitled to attend and vote at the annual general meeting of the Company to be held on Tuesday, 29 June 2021, the register of members of the Company will be closed from Wednesday, 23 June 2021 to Tuesday, 29 June 2021, both days inclusive, during which period no transfer of shares can be registered. All transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Share Registrar, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, for registration not later than 4:00 p.m. on Tuesday, 22 June 2021.

AUDITORS

Following the resignation of SHINEWING (HK) CPA Limited ("SHINEWING") as auditors of the Company on 21 June 2019, Elite Partners CPA Limited ("Elite Partners") was appointed as the auditors of the Company by the Board with effect from 21 June 2019 to fill in the vacancy following the resignation of SHINEWING.

The Board confirmed that there was no disagreement between SHINEWING and the Company.

Save as disclosed above, there were no other changes in auditors of the Company during the past three years.

The financial statements for the year ended 31 December 2020 have been audited by Elite Partners, who will retire and, being eligible, will offer themselves for re-appointment at the forthcoming annual general meeting. A resolution will be proposed at the forthcoming annual general meeting for the re-appointment of Elite Partners as auditor of the Company.

On behalf of the Board

Shi Qi
CHAIRLADY
Chengdu

31 March 2021

暫停辦理股份過戶登記手續

本公司預期將於二零二一年六月二十九日(星期二)舉行股東週年大會。召開股東週年大會之通告將於適當時候刊發及寄發予本公司股東。

為釐定有權出席本公司將於二零二一年六月二十九日(星期二)舉行的股東週年大會及於會上投票的股東，本公司將於二零二一年六月二十三日(星期三)至二零二一年六月二十九日(星期二)(包括首尾兩天)暫停辦理股東登記，於該段期間不會登記任何股份的轉讓。所有過戶文件連同有關股票最遲須於六月二十二日(星期二)下午四時正前送達本公司的香港股份過戶登記分處聯合證券登記有限公司，地址為香港北角英皇道338號華懋交易廣場2期33樓3301-04室，以辦理登記手續。

核數師

於信永中和(香港)會計師事務所有限公司(「信永中和」)於二零一九年六月二十一日辭任本公司核數師後，開元信德會計師事務所有限公司(「開元信德」)於二零一九年六月二十一日獲董事會委任為本公司核數師，以填補信永中和辭任後之空缺。

董事會確認，信永中和與本公司概無意見分歧。

除上文所披露者外，本公司核數師於過往三年內並無其他變動。

截至二零二零年十二月三十一日止年度的財務報表已經由開元信德審核，該公司即將退任，惟符合資格且願意於應屆股東週年大會上膺選續聘。在應屆股東週年大會上，將提呈決議案以續聘開元信德為本公司核數師。

代表董事會

施琦
主席
成都

二零二一年三月三十一日

Independent Auditor's Report 獨立核數師報告

To The Members of Ta Yang Group Holdings Limited
(incorporated in the Cayman Islands with limited liability)

致大洋集團控股有限公司各股東
(於開曼群島註冊成立的有限公司)

OPINION

We have audited the consolidated financial statements of Ta Yang Group Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 72 to 181, which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended 31 December 2020, 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 its 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 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 ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 1 to the consolidated financial statements, which indicates that as of 31 December 2020, the Group had net current liabilities of approximately HK\$123,513,000. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. The directors of the Company are considering a number of financing measures as set forth in note 1 to improve the Group's liquidity and financial position and consider that the Group will have sufficient working capital to finance its operations and to fulfil its financial obligations as and when they fall due in the foreseeable future upon successfully implementing these measures. Our opinion is not modified in respect of this matter.

意見

我們已審核列載於第72頁至第181頁大洋集團控股有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)的綜合財務報表，當中包括於二零二零年十二月三十一日的綜合財務狀況表、截至二零二零年十二月三十一日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表以及綜合財務報表附註，包括主要會計政策概要。

我們認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而公平地反映 貴集團於二零二零年十二月三十一日的綜合財務狀況及其本年度的綜合財務表現及綜合現金流量，並遵照香港公司條例的披露規定妥為編製。

意見基準

我們根據香港會計師公會頒佈的香港核數準則(「香港核數準則」)進行審核。我們於該等準則項下的責任乃於我們的報告核數師就審核綜合財務報表須承擔的責任一節進一步闡述。我們根據香港會計師公會制定的專業會計師職業道德守則(「守則」)獨立於 貴集團，我們亦已根據守則達致我們的其他道德責任。我們認為，我們所獲得的審核憑證屬充足及適當以為我們的意見提供基準。

有關持續經營的重大不確定因素

我們提請注意綜合財務報表附註1，此顯示截至二零二零年十二月三十一日，貴集團的流動負債淨額為約123,513,000港元。該等情況顯示存在可導致對 貴集團繼續持續經營能力產生重大疑慮之重大不確定因素。貴公司董事正在考慮附註1所載的若干融資措施，以改善 貴集團的流動資金及財務狀況，並認為於成功實施該等措施後，貴集團將擁有充足營運資金以為其業務提供資金及履行於可見未來到期的財務責任。我們不會就此事項修訂意見。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS

Key audit matters are those matters that in our professional judgement, were of most significance in our audit of the consolidated financial statements for the year. 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. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be the key audit matters to be communicated in our report.

關鍵審核事項

關鍵審核事項為就我們的專業判斷而言，對我們審核本年度的綜合財務報表最為重要的事項。該等事項是在我們審核整體綜合財務報表及就此出具意見時進行處理的，且我們不會對該等事項提供單獨意見。除有關持續經營的重大不確定因素一節所述的事項外，我們已將下文所述事項釐定為須於報告內溝通的關鍵審核事項。

Key audit matters 關鍵審核事項	How the matter was addressed in our audit 我們的審核如何解決該事項
<p>(1) Impairment assessment of property, plant and equipment and right-of-use assets 物業、廠房及設備以及使用權資產之減值評估</p> <p>The Group's property, plant and equipment and right-of-use assets stated at amounts of approximately HK\$151,497,000 and HK\$135,688,000 respectively as at 31 December 2020. 貴集團之物業、廠房及設備以及使用權資產於二零二零年十二月三十一日列賬金額分別為約151,497,000港元及135,688,000港元。</p> <p>For the impairment assessment, the Group appointed an independent external valuer to assess the recoverable amounts of property, plant and equipment and right-of-use assets. 就減值評估而言，貴集團委聘獨立外部估值師評估物業、廠房及設備以及使用權資產之可收回金額。</p> <p>We had identified the impairment assessment of property, plant and equipment and right-of-use assets as key audit matter due to the significant judgement involved by the management in impairment assessment. 我們將物業、廠房及設備以及使用權資產之減值評估識別為關鍵審核事項，原因是管理層於減值評估時涉及重大判斷。</p>	<p>Our audit procedures in relation to impairment assessment of property, plant and equipment and right-of-use assets included the following: 我們有關物業、廠房及設備以及使用權資產之審核程序包括下列各項：</p> <ul style="list-style-type: none">— We discussed with management whether any impairment indicator exists and basis for the impairment recognised. 我們與管理層討論是否存在任何減值跡象及確認減值的基準。— We assessed the methodology used and the appropriateness of the key assumption adopted in the valuation. 我們評估所用方法及估值所採納之關鍵假設是否適當。— We checked, on sampling basis, the accuracy and relevance of the input data used. 我們運用抽樣基準，檢查所採用的輸入數據的準確性和相關性。— We evaluated the competency of the independent external valuer taking account its experience and qualifications. 我們評估獨立外部估值師之能力，並考慮其經驗及資格。

KEY AUDIT MATTERS (continued)

關鍵審核事項(續)

Key audit matters

關鍵審核事項

- (2) Valuation of investment properties
投資物業估值

Management has estimated the fair value of the Group's investment properties to be approximately HK\$93,650,000 as at 31 December 2020.

管理層估計 貴集團投資物業於二零二零年十二月三十一日的公平值為約93,650,000港元。

For the estimation of fair value, the Group appointed an independent external valuer to determine the fair value of the investment properties.

為估計公平值， 貴集團委聘獨立外部估值師以釐定投資物業的公平值。

We had identified the valuation of investment properties as key audit matter due to the significant judgement involved in determining the fair value.

我們將投資物業估值識別為關鍵審核事項，原因是釐定公平值涉及重大判斷。

How the matter was addressed in our audit

我們的審核如何解決該事項

Our audit procedures in relation to valuation of investment properties included the following:

我們有關投資物業估值的審核程序包括下列各項：

- We evaluated the competence of independent external valuer taking account its experience and qualifications.
我們評估獨立外部估值師之能力，並考慮其經驗及資格。
- We assessed the methodology used and reasonableness of the key assumptions based on the public available facts and circumstances of the property market in the People's Republic of China.
我們基於中華人民共和國地產市場的公開可取得的事實及情況，評估所用方法及關鍵假設是否合理。
- We checked, on a sample basis, the accuracy and relevance of the input data used.
我們運用抽樣基準，檢查所採用的輸入數據的準確性和相關性。
- We assessed the adequacy of the disclosures in relation to the fair value measurement of the investment properties.
我們評估就投資物業公平值計量所作出披露是否充足。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (continued)

關鍵審核事項(續)

Key audit matters 關鍵審核事項	How the matter was addressed in our audit 我們的審核如何解決該事項
<p>(3) Assessment of expected credit losses ("ECL") on trade receivables 應收貿易賬款預期信貸虧損(「預期信貸虧損」)評估</p> <p>As at 31 December 2020, the Group had trade receivables amounting to HK\$84,453,000. 於二零二零年十二月三十一日，貴集團的應收貿易賬款為84,453,000港元。</p> <p>Management judgment is required in assessing and determining the recoverability of trade receivables and adequacy of allowance made using the ECL model under HKFRS 9 "Financial Instruments". 根據香港財務報告準則第9號「金融工具」，於評估及釐定應收貿易賬款的可收回性及採用預期信貸虧損模式所作撥備的充足性時須作出管理層判斷。</p> <p>We had identified impairment assessment of trade receivables as a key audit matter because the assessment of the recoverability of trade receivables and recognition of loss allowance are inherently subjective and requires significant management judgement, which increases the risk of error or potential management bias. 我們將應收貿易賬款的減值評估識別為關鍵審核事項，原因是評估應收貿易賬款的可收回性及確認虧損撥備本身具主觀性，需要作出重大管理層判斷，從而增加了錯誤或潛在管理偏差的風險。</p>	<p>Our audit procedures in relation to valuation of investment properties included the following: 我們有關投資物業估值的審核程序包括下列各項：</p> <ul style="list-style-type: none">— We tested the design and implementation of the relevant key controls over the assessment and monitoring of credit risks, and determination of allowance for expected credit losses. 我們測試信貸風險評估及監測的相關關鍵控制的設計與實施，並釐定預期信貸虧損撥備。— We discussed with management and evaluated the ECL model used in determining the allowance for expected credit losses. We challenged and evaluated management's assessment on both the quantitative and qualitative information considered by them that is reasonable and supportable, including historical experience and forward-looking information such as credit ratings, trade receivables ageing analysis, collections subsequent to the end of the reporting period, local economic conditions, past collection history and trend analysis and knowledge of the businesses. 我們與管理層討論並評估用於釐定預期信貸虧損撥備的預期信貸虧損模式。我們就管理層對其考慮的合理及可靠的定量及定性資料(包括歷史經驗及前瞻性資料，如信貸評級、應收貿易賬款賬齡分析、報告期末後的收款、當地經濟狀況、過往收款記錄及趨勢分析及企業知識)作出的評估提出質疑及評價。— We tested subsequent settlement of trade receivables balances on a sample basis. 我們抽樣測試應收貿易賬款結餘的隨後結算情況。— We assessed whether the time value of money was considered in the expected credit loss impairment model and checked the mathematical accuracy of the calculations. 我們評估預期信貸虧損減值模式是否有考慮貨幣時間價值，並檢查有關計算的算術準確性。— We assessed the adequacy of the Group's disclosures in relation to trade receivables included in the consolidated financial statements. 我們評估綜合財務報表內所列應收貿易賬款的相關披露是否充分。

Independent Auditor's Report 獨立核數師報告

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The directors are responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

The directors 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.

資料(綜合財務報表及就此之核數師報告除外)

董事負責編製其他資料。其他資料包括年報所載資料，惟不包括綜合財務報表及我們就此之核數師報告。我們有關綜合財務報表的意見並不涵蓋其他資料，我們亦並不就此發表任何形式的核證結論。

就我們對綜合財務報表的審核而言，我們的責任是閱讀其他資料，從而考慮其他資料是否與綜合財務報表或我們在審核過程中獲悉的資料存在重大不符，或存在重大錯誤陳述。倘若我們基於已進行的工作認為其他資料出現重大錯誤陳述，我們須報告該事實。我們就此並無報告任何事項。

董事及管治層就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製真實而公允的綜合財務報表，並負責董事認為就為使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所必需的有關內部監控。

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

管治層須負責監督貴集團的財務報告流程。

Independent Auditor's Report

獨立核數師報告

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 judgement and maintain professional skepticism throughout the audit. We also:

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

核數師就審核綜合財務報表須承擔的責任

我們的目標是對整體綜合財務報表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，並根據我們協定的委聘條款僅向閣下(作為整體)出具包括我們意見的核數師報告，除此以外，我們的報告概不作其他用途。我們不就此報告的內容對任何其他人士負責或承擔任何責任。合理保證是高水平的保證，但不能保證按照香港核數準則進行的審核在某一重大錯誤陳述存在時總能被發現。錯誤陳述可以由欺詐或錯誤引起，倘合理預期彼等個別或匯總起來可能影響該等綜合財務報表使用者所作出的經濟決策，則有關錯誤陳述可被視作重大。

我們根據香港核數準則進行審核的工作之一，是運用專業判斷，在整個審核過程中保持職業懷疑態度。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，設計及執行審核程序以應對該等風險，以及取得充足及適當的審核憑證，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，或凌駕於內部監控之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於因錯誤而導致的重大錯誤陳述的風險。
- 了解與審核相關的內部監控，以設計適當的審核程序，但目的並非對貴集團內部監控的效用發表意見。
- 評價董事所用會計政策的恰當性及所作出會計估計及相關披露資料的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所得審核憑證，決定是否存在與事件或情況有關的重大不確定性，而可能對貴集團繼續持續經營的能力構成重大疑慮。倘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垂注綜合財務報表中的相關披露資料，或倘有關披露資料不足，則修訂我們的意見。我們的結論乃基於截至核數師報告日期止所取得的審核憑證。然而，未來事件或情況可能導致貴集團不能繼續持續經營。

Independent Auditor's Report

獨立核數師報告

- 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.
- 評價綜合財務報表(包括披露資料)的整體列報方式、結構及內容，以及綜合財務報表是否公允反映有關交易及事項。
- 就 貴集團中實體或業務活動的財務資料獲取充分及適當的審核證據，以對綜合財務報表發表意見。我們負責指導、監督及執行集團審核。我們僅對我們的審核意見承擔責任。

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

The engagement partner on the audit resulting in the independent auditor's report is Siu Jimmy with Practising Certificate number P05898.

我們與管治層溝通了(其中包括)計劃的審核範圍、時間安排、重大審核發現等事項，包括我們在審核期間識別出內部監控的任何重大缺陷。我們亦向管治層提交聲明，說明我們已符合有關獨立性的相關道德要求，並與彼等溝通所有可能合理地被認為會影響我們獨立性的關係及其他事項，以及相關防範措施(倘適用)。

從與管治層溝通的事項中，我們決定對本期間綜合財務報表的審核最為重要的事項，因而構成關鍵審核事項。我們會在核數師報告中描述該等事項，惟法律法規不允許對某件事項作出公開披露，或在極端罕見的情況下，若有合理預期在我們的報告中溝通某事項造成的負面後果將會超過其產生的公眾利益，則我們將不會在此等情況下在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人為蕭俊武(執業證書編號P05898)。

Elite Partners CPA Limited

Certified Public Accountants

10th Floor,
8 Observatory Road,
Tsim Sha Tsui,
Kowloon, Hong Kong

31 March 2021

開元信德會計師事務所有限公司

執業會計師

香港九龍
尖沙咀
天文台道8號
10樓

二零二一年三月三十一日

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

			Year ended 31 December 2020 截至二零二零年 十二月三十一 止年度 HK\$'000 千港元	Seventeen months ended 31 December 2019 截至二零一九年 十二月三十一 止十七個月 HK\$'000 千港元
Revenue	收益	9	354,190	520,956
Cost of sales	銷售成本		(276,520)	(416,002)
Gross profit	毛利		77,670	104,954
Other income and gain	其他收入及收益	9	36,522	71,054
Selling and distribution expenses	銷售及分銷開支		(17,893)	(26,863)
Administrative expenses	行政開支		(118,359)	(196,713)
Other operating expenses	其他經營開支	11	(13,938)	(2,367)
Share of results of associates	應佔聯營公司的業績		(97)	(1,776)
Finance costs	融資成本	12	(21,137)	(28,322)
Impairment losses on interests in associates	於聯營公司的權益之減值 虧損		(18,939)	-
Impairment losses on goodwill	商譽之減值虧損		(8,008)	-
Impairment losses under expected credit loss model, net of reversal	預期信貸虧損模式下的 減值虧損，扣除撥回		(10,808)	(3,063)
Loss before tax	除稅前虧損		(94,987)	(83,096)
Income tax expense	所得稅開支	13	(838)	(7,884)
Loss for the year/period	年/期內虧損	14	(95,825)	(90,980)
Loss for the year/period attributable to:	以下人士應佔年/期內 虧損：			
Owners of the Company	本公司擁有人		(95,822)	(86,420)
Non-controlling interests	非控股權益		(3)	(4,560)
			(95,825)	(90,980)
Loss per share	每股虧損	16		
Basic (HK cents)	基本(港仙)		(11.00)	(9.92)
Diluted (HK cents)	攤薄(港仙)		(11.00)	(9.92)

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

		Year ended 31 December 2020 截至二零二零年 十二月三十一 止年度 HK\$'000 千港元	Seventeen months ended 31 December 2019 截至二零一九年 十二月三十一 止十七個月 HK\$'000 千港元
Loss for the year/period	年/期內虧損	(95,825)	(90,980)
Other comprehensive (expenses) income Items that will not be reclassified subsequently to profit or loss:	其他全面(開支)收益 不會於其後重新分類至 損益的項目:		
Financial assets at fair value through other comprehensive income ("FVTOCI")	按公平值列賬並在其他全 面收益內處理(「按公平值 列賬並在其他全面收益內 處理」)的金融資產	108	(3,113)
Release of property revaluation reserve upon disposal of properties	出售物業時撥回物業重估 儲備	-	868
		108	(2,245)
Items that may be reclassified subsequently to profit or loss:	可於其後重新分類至損益的 項目:		
Exchange differences arising on translating foreign operations	換算海外業務產生的 匯兌差額	34,813	(11,230)
Release of exchange reserve upon deregistration of subsidiaries	取消註冊附屬公司時撥回 匯兌儲備	-	152
Share of other comprehensive income of associates Share of exchange difference of associates	應佔聯營公司的其他全面收益 應佔聯營公司的匯兌差額	2,186	-
		36,999	(11,078)
Other comprehensive income (expenses) for the year/period	年/期內其他全面收益(開支)	37,107	(13,323)
Total comprehensive expenses for the year/period, net of income tax	年/期內全面開支總額 (扣除所得稅後)	(58,718)	(104,303)
Total comprehensive expenses for the year/period, net of income tax, attributable to:	以下人士應佔年/期內全面 開支總額(扣除所得稅後):		
Owners of the Company	本公司擁有人	(58,705)	(99,743)
Non-controlling interests	非控股權益	(13)	(4,560)
		(58,718)	(104,303)

Consolidated Statement of Financial Position

綜合財務狀況表

AS AT 31 DECEMBER 2020 於二零二零年十二月三十一日

			At 31 December 2020 於二零二零年 十二月三十一日 HK\$'000 千港元	At 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元
		Notes 附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	19	151,497	153,964
Right-of-use assets	使用權資產	20	135,688	-
Prepaid lease payments	預付租賃款項	21	-	114,522
Investment properties	投資物業	22	93,650	87,191
Goodwill	商譽	23	-	8,008
Financial assets at fair value through other comprehensive income	按公平值列賬並在其他全面收益內處理的金融資產	24	2,756	2,648
Interests in associates	於聯營公司的權益	25	45,175	60,246
			428,766	426,579
Current assets	流動資產			
Inventories	存貨	26	34,877	31,734
Trade and other receivables	應收貿易賬款及其他應收款項	27	290,901	247,451
Prepaid lease payments	預付租賃款項	21	-	2,465
Held-for-trading investments	持作買賣投資	28	22	116
Pledged bank deposits	有抵押銀行存款		-	1,110
Bank balances and cash	銀行結餘及現金	29	31,774	94,908
			357,574	377,784
Current liabilities	流動負債			
Trade and other payables	應付貿易賬款及其他應付款項	30	197,689	132,404
Income tax payable	應付所得稅		40,818	38,387
Secured bank borrowings	有抵押銀行借款	31	234,027	276,350
Lease liabilities	租賃負債	32	8,553	-
			481,087	447,141
Net current liabilities	流動負債淨值		(123,513)	(69,357)
Total assets less current liabilities	資產總值減流動負債		305,253	357,222

Consolidated Statement of Financial Position

綜合財務狀況表

AS AT 31 DECEMBER 2020 於二零二零年十二月三十一日

			At 31 December 2020 於二零二零年 十二月三十一日 HK\$'000 千港元	At 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元
Capital and reserves	資本及儲備			
Share capital	股本	33	87,118	87,118
Reserves	儲備		187,942	246,647
Equity attributable to owners of the Company	本公司擁有人應佔權益		275,060	333,765
Non-controlling interests	非控股權益		3,142	3,155
Total equity	權益總值		278,202	336,920
Non-current liabilities	非流動負債			
Secured bank borrowings	有抵押銀行借款	31	3,564	3,330
Lease liabilities	租賃負債	32	5,451	-
Deferred income	遞延收入	34	3,165	3,112
Deferred tax liabilities	遞延稅項負債	35	14,871	13,860
			27,051	20,302
			305,253	357,222

The consolidated financial statements on pages 72 to 181 were approved and authorised for issue by the board of directors on 31 March 2021 and are signed on its behalf by:

第72頁至第181頁的綜合財務報表乃經董事會於二零二一年三月三十一日批准及授權刊發，並由下列董事代表簽署：

Shi Qi
施琦
Director
董事

Liu Wengang
劉文剛
Director
董事

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 the owners of the Company 本公司擁有人應佔										Non-controlling interests		Total
		Share capital	Share premium	Other reserve	Accumulated losses	Exchange reserve	Investments revaluation reserve	Properties revaluation reserve	Capital redemption reserve	Statutory surplus reserve	Legal reserve	Total	Non-controlling interests	Total
		股本	股份溢價	其他儲備	累計虧損	匯兌儲備	投資重估儲備	重估儲備	贖回儲備	盈餘公積金	法定儲備	總計	非控股權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
				(Note a) (附註a)			(Note e) (附註e)		(Note b) (附註b)	(Note c) (附註c)	(Note d) (附註d)			
At 1 August 2018 (restated)	於二零一八年八月一日 (經重列)	87,118	744,710	(3,262)	(577,338)	117,550	5,555	33,195	2,420	30,825	49	440,822	4,211	445,033
Loss for the period	期內虧損	-	-	-	(86,420)	-	-	-	-	-	-	(86,420)	(4,560)	(90,980)
Other comprehensive income (expenses) for the period:	期內其他全面收益(開支):													
Exchange differences arising on translating foreign operations	換算海外業務產生的匯兌差額	-	-	-	-	(11,230)	-	-	-	-	-	(11,230)	-	(11,230)
Release of exchange reserve upon deregistration of subsidiaries	取消註冊附屬公司時撥回匯兌儲備	-	-	-	-	152	-	-	-	-	-	152	-	152
Release of property revaluation reserve upon disposal of properties	出售物業時撥回物業重估儲備	-	-	-	-	-	-	868	-	-	-	868	-	868
Net loss arising on revaluation of financial assets at FVTOCI	重估按公平值列賬並在其他全面收益內處理的金融資產產生的虧損淨額	-	-	-	-	-	(3,113)	-	-	-	-	(3,113)	-	(3,113)
Total comprehensive (expenses) income for the period	期內全面(開支)收入總額	-	-	-	(86,420)	(11,078)	(3,113)	868	-	-	-	(99,743)	(4,560)	(104,303)
Disposal of interest in the subsidiaries	出售附屬公司權益	-	-	-	-	-	-	-	-	-	-	-	3,504	3,504
Disposal of financial assets at FVTOCI	出售按公平值列賬並在其他全面收益內處理的金融資產	-	-	-	-	-	(7,314)	-	-	-	-	(7,314)	-	(7,314)
At 31 December 2019	於二零一九年十二月三十一日	87,118	744,710	(3,262)	(663,758)	106,472	(4,872)	34,063	2,420	30,825	49	333,765	3,155	336,920
At 1 January 2020	於二零二零年一月一日	87,118	744,710	(3,262)	(663,758)	106,472	(4,872)	34,063	2,420	30,825	49	333,765	3,155	336,920
Loss for the year	年內虧損	-	-	-	(95,822)	-	-	-	-	-	-	(95,822)	(3)	(95,825)
Other comprehensive income (expenses) for the year:	年內其他全面收益(開支):													
Exchange differences arising on translating foreign operations	換算海外業務產生的匯兌差額	-	-	-	-	34,823	-	-	-	-	-	34,823	(10)	34,813
Net gain arising on revaluation of financial assets at FVTOCI	重估按公平值列賬並在其他全面收益內處理的金融資產產生的收益淨額	-	-	-	-	-	108	-	-	-	-	108	-	108
Share of exchange difference of associates	應佔聯營公司的匯兌差額	-	-	-	-	2,186	-	-	-	-	-	2,186	-	2,186
Total comprehensive (expenses) income for the year	年內全面(開支)收入總額	-	-	-	(95,822)	37,009	108	-	-	-	-	(58,705)	(13)	(58,718)
Appropriation to statutory surplus reserve	提取法定盈餘公積金	-	-	-	(95)	-	-	-	-	95	-	-	-	-
At 31 December 2020	於二零二零年十二月三十一日	87,118	744,710	(3,262)	(759,675)	143,481	(4,764)	34,063	2,420	30,920	49	275,060	3,142	278,202

Consolidated Statement of Changes in Equity

綜合權益變動表

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

Notes:

- a. Other reserve
- Other reserve represents the difference between the capital contribution received from (paid to) a non-controlling interest of a subsidiary and the increase (decrease) in its shares of net asset value of that subsidiary.
- b. Capital redemption reserve
- Capital redemption reserve represents the nominal value of the shares repurchased which has been paid out of the distributable reserves of the Company.
- c. Statutory surplus reserve
- As stipulated by regulations in the People's Republic of China (the "PRC"), the Company's subsidiaries established and operated in the PRC are required to appropriate 10% of their after-tax-profit (after offsetting prior year losses) as determined in accordance with the PRC accounting rules and regulations, to statutory surplus reserve until the reserve balance reaches 50% of the registered capital. The transfer to this reserve must be made before distribution of a dividend to equity owners.
- d. Legal reserve
- In accordance with Macau Commercial Code, the Company's subsidiary incorporated in Macau is required to appropriate 25% of its net profit to a legal reserve until the balance of the reserve reaches 50% of the subsidiary's registered capital. Legal reserve is not distributable to shareholders.
- e. Investment revaluation reserve
- Investment revaluation reserve represents the change in fair value of equity investments classified as financial assets at fair value through other comprehensive income.

附註：

- a. 其他儲備
- 其他儲備指向一間附屬公司非控股權益收取(支付)的注資與所分佔該附屬公司資產淨值增加(減少)數額間的差額。
- b. 資本贖回儲備
- 資本贖回儲備指已購回股份的面值，有關金額以本公司的可供分派儲備支付。
- c. 法定盈餘公積金
- 根據中華人民共和國(「中國」)法規規定，本公司在中國成立及經營的附屬公司須將其根據中國會計規則及法規釐定的除稅後溢利(彌補過往年度虧損後)的10%轉撥至法定盈餘公積金，直至該公積金的結餘達至註冊資本的50%為止，且須於向權益擁有人分派股息前轉撥至該公積金。
- d. 法定儲備
- 根據澳門商業法，本公司於澳門註冊成立的附屬公司須撥出其純利的25%至法定儲備，直至該儲備的結餘達至附屬公司註冊資本的50%為止。法定儲備不得分派予股東。
- e. 投資重估儲備
- 投資重估儲備指分類為按公平值列賬並在其他全面收益內處理的金融資產的權益投資的公平值變動。

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

		For the year ended 31 December 2020 截至二零二零年 十二月三十一日 止年度 HK\$'000 千港元	For the seventeen months ended 31 December 2019 截至二零一九年 十二月三十一日 止十七個月 HK\$'000 千港元
OPERATING ACTIVITIES	經營活動		
Loss before tax	除稅前虧損	(94,987)	(83,096)
Adjustments for:	就以下各項作出調整：		
Allowance for inventories, net of reversal (included in cost of sales)	存貨撥備，扣除撥回 (計入銷售成本)	(20)	849
Amortisation of deferred income	遞延收入攤銷	(242)	(226)
Amortisation of prepaid lease payments	預付租賃款項攤銷	-	3,768
Depreciation of property, plant and equipment	物業、廠房及設備折舊	14,504	34,453
Depreciation of right-of-use assets	使用權資產折舊	11,571	-
Dividend income	股息收入	(56)	(234)
Fair value gain on investment properties	投資物業的公平值收益	(315)	(14,874)
Fair value (gain)/loss on held-for-trading investments	持作買賣投資的公平值 (收益)/虧損	(12)	466
Finance costs	融資成本	21,137	28,322
Fair value loss/(gain) on disposal of financial assets at FVTOCI	出售按公平值列賬並在 其他全面虧損/(收益) 內處理的金融資產	-	218
Loss/(Gain) on disposal of property, plant and equipment	出售物業、廠房及設備的 虧損/(收益)	1,866	(10,850)
Gain on disposal of prepaid lease payment	出售預付租賃款項的收益	-	(1,723)
Gain on disposal of non-current asset classified as held for sale	出售分類為持作出售的 非流動資產的收益	-	(8,463)
Gain on disposal of investment properties	出售投資物業的收益	-	(11,509)
Gain on disposal of a subsidiary	出售一間附屬公司的收益	-	(3,635)
Loss on disposal of held-for-trading investment	出售持作買賣投資的 虧損	3	-
Government grants	政府補助金	(1,688)	(3,143)
Impairment loss recognised in respect of trade and other receivables (net of reversal)	就應收貿易賬款及其他 應收款項確認的減值 虧損(扣除撥回)	10,067	3,063
Impairment losses on goodwill	商譽減值虧損	8,008	-
Impairment losses on interests in associates	於聯營公司權益減值 虧損	18,939	-
Interest income	利息收入	(2,490)	(7,906)
Share of results of associates	應佔聯營公司的業績	97	1,776
Written off of an intangible assets	核銷一項無形資產	-	370
Operating cash flows before movements in working capital	營運資金變動前的經營 現金流量	(13,618)	(72,374)
(Increase)/decrease in inventories	存貨(增加)/減少	(2,903)	13,821
Increase in trade and other receivables	應收貿易賬款及其他應收 款項增加	(33,358)	(21,994)
Increase in trade and other payables	應付貿易賬款及其他應付 款項增加	64,380	28,341
Cash generated from/(used in) operations	來自/(用於)經營活動的 現金	14,501	(52,206)
PRC Profits Tax refund/(paid)	退回/(已付)中國利得稅	2,331	(6,837)
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES	來自/(用於)經營活動的 現金淨額	16,832	(59,043)

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

		For the year ended 31 December 2020 截至二零二零年 十二月三十一日 止年度 HK\$'000 千港元	For the seventeen months ended 31 December 2019 截至二零一九年 十二月三十一日 止十七個月 HK\$'000 千港元
INVESTING ACTIVITIES	投資活動		
Proceeds from disposal of property, plant and equipment and prepaid lease payment	出售物業、廠房及設備及預付租賃款項的所得款項	14,984	23,907
Proceeds from disposal of non-current asset classified as held-for-sale	出售分類為持作出售的非流動資產的所得款項	-	38,739
Proceeds from disposal of financial assets at FVTOCI	出售按公平值列賬並在其他全面收益內處理的金融資產	-	3,239
Proceeds from disposal of held-for-trading investment	出售持作買賣投資之所得款項	103	-
Proceeds from disposal of investment properties	出售投資物業的所得款項	-	46,620
Proceeds from disposal of a subsidiary	出售一間附屬公司所得款項	-	3,171
Interest received	已收利息	2,490	977
Dividends received from financial assets at FVTOCI	自按公平值列賬並在其他全面收益內處理的金融資產收取的股息	56	234
Being refund of the deposits for acquisition of land use rights	為收購土地使用權的按金退款	-	14,065
Purchase of property, plant and equipment	購買物業、廠房及設備	(21,655)	(29,137)
Net cash outflow of acquisition of subsidiary	收購附屬公司的現金流出淨額	-	(10,098)
Investment in associates	於聯營公司的投資	-	(62,022)
Placement in pledged bank deposits	存置有抵押銀行存款	1,110	(1,110)
NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES	(用於)／來自投資活動的現金淨額	(2,912)	28,585
FINANCING ACTIVITIES	融資活動		
Interest paid	已付利息	(19,846)	(29,977)
Repayment of lease liabilities	租賃負債還款	(9,218)	-
New bank borrowings raised	新籌集銀行借款	87,895	33,195
Cash received from government grants	已收政府補助現金	1,688	3,143
Repayment of secured bank borrowings	有抵押銀行借款還款	(141,752)	(68,280)
NET CASH USED IN FINANCING ACTIVITIES	用於融資活動的現金淨額	(81,233)	(61,919)
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少淨額	(67,313)	(92,377)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR/PERIOD	年／期初的現金及現金等價物	94,908	192,888
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	匯率變動影響	4,179	(5,603)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR/PERIOD, represented by bank balances and cash	年／期終的現金及現金等價物，以銀行結餘及現金呈列	31,774	94,908

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 AND BASIS OF PREPARATION

General

Ta Yang Group Holdings Limited (the “Company”) was incorporated in the Cayman Islands with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its ultimate holding company is Lyton Maison Limited which was incorporated in the British Virgin Islands (the “BVI”) and its ultimate controlling party is Ms. Shi Qi, the Chairlady of the Board, the Chief Executive Officer and an executive director of the Company. Ms Shi Qi resigned as the Chief Executive Officer in August 2020. The addresses of the registered office and principal place of business of the Company are disclosed in the “Corporate Information” section to the annual report.

The Company acts as an investment holding company. The principal activities of the Company and its subsidiaries (collectively referred to as the “Group”) are principally engaged in manufacturing and sale of silicone rubber and related products and providing healthcare and hotel services.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”). Other than those subsidiaries established in the PRC, Macau and Indonesia whose functional currencies are Renminbi (“RMB”), Macau Pataca and Indonesian Rupiah respectively, the functional currency of the Company and its other subsidiaries is HK\$. As the Company is listed in Hong Kong, the directors of the Company consider that it is appropriate to present the consolidated financial statements in HK\$.

Change of financial year end date

During the previous financial period, the reporting period end date of the Group was changed from 31 July to 31 December as the directors of the Company determined to bring the annual reporting period end date of the Group in line with that of the Company’s principal subsidiaries and the associates incorporated in the PRC. Accordingly, the consolidated financial statements for the previous period cover the seventeen-month period ended 31 December 2019. The corresponding comparative amounts shown for the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows, and related notes cover a seventeen-month period from 1 August 2018 to 31 December 2019. As a result of this, the corresponding comparative amounts shown covered the seventeen-month period from 1 August 2018 to 31 December 2019 are not directly comparable with the amount shown for the current year.

1. 一般資料及編製基準

一般資料

大洋集團控股有限公司(「本公司」)為在開曼群島註冊成立的有限公司，其股份於香港聯合交易所有限公司(「聯交所」)上市。其最終控股公司為Lyton Maison Limited(於英屬處女群島(「英屬處女群島」)註冊成立)，及其最終控股方為董事會主席、行政總裁及本公司執行董事施琦女士。施琦女士於二零二零年八月辭任行政總裁。本公司註冊辦事處及主要營業地點的地址於年報「公司資料」一節中披露。

本公司為一間投資控股公司。本公司及其附屬公司(下文統稱為「本集團」)主要從事矽膠及相關產品的製造及銷售以及提供醫療保健及酒店服務。

綜合財務報表乃以港元(「港元」)呈列。除於中國、澳門及印尼成立的該等附屬公司分別以人民幣(「人民幣」)、澳門幣及印尼盾作為功能貨幣外，本公司及其其他附屬公司的功能貨幣均為港元。由於本公司於香港上市，故本公司董事認為綜合財務報表以港元呈列實屬恰當。

更改財政年結日

於上一個財政期間，本集團的報告期結算日已由七月三十一日更改為十二月三十一日，因本公司董事決定令本集團的年度報告期結算日與本公司主要附屬公司及於中國註冊成立的聯營公司一致。上一個期間的綜合財務報表涵蓋截至二零一九年十二月三十一日止十七個月期間。因此，綜合損益表、綜合損益及其他全面收益表、綜合權益變動表、綜合現金流量表及有關附註所示之相應比較金額涉及由二零一八年八月一日起至二零一九年十二月三十一日止十七個月期間，不可與本年度所示金額直接比較。

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 AND BASIS OF PREPARATION

(Continued)

Going concern basis

As at 31 December 2020, the Group had net current liabilities of HK\$123,513,000 (2019: HK\$69,357,000). In preparing the consolidated financial statements, the Directors have given careful consideration to the future liquidity of the Group and its available sources of finance to continue as a going concern. The Directors considered that it is appropriate to adopt the going concern basis in preparing the consolidated financial statements. Certain measures have been and are being taken to manage its liquidity needs and to improve its financial position, including but not limited to the following:

- (i) The Group has undrawn credit facilities amounting to approximately HK\$185,000,000 from financial institutions for its working capital requirements for the next twelve months which be drawn as and when required;
- (ii) The Group will continue to carry out cost control measurement in forthcoming years, including but not limited to reduce discretionary expenses and administrative costs. On the other hand, the Group will continue to explore various strategies to improve the Group's operating cash inflows including putting extra efforts on the collection of trade receivables; and
- (iii) The Group will explore possible fund-raising opportunities including but not limited to issuance of new shares, right issues or open offer and issuance of convertible bonds where appropriate.

In light of the measures and arrangements as described above, the directors of the Company consider that the Group will have sufficient working capital to meet their financial obligations as they fall due for the foreseeable future. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

Should the Group be unable to continue as a going concern basis, adjustments would have to be made to restate the values of assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively. The effects of these potential adjustments have not been reflected in the consolidated financial statements.

1. 一般資料及編製基準(續)

持續經營基準

於二零二零年十二月三十一日，本集團擁有流動負債淨值123,513,000港元(二零一九年：69,357,000港元)。於編製綜合財務報表時，董事已對本集團未來流動資金及其可動用之資金來源作出周詳考慮，以評估本集團是否有足夠資金來維持持續經營。董事認為於編製綜合財務報表時採納持續經營基準是適當的。為管理本集團流動資金及改善財務狀況，本集團已採取若干措施，包括但不限於以下各項：

- (i) 本集團於財務機構尚有約185,000,000港元的未動用信貸額度，以應付未來十二個月的營運資金的需求，有關額度可於有需要時隨時提取；
- (ii) 本集團將於未來數年內持續採取成本控制措施，包括但不限於削減非必要開支及行政成本。另一方面，本集團將繼續探索各種策略以改善本集團的營運資金流入，包括加大對應收貿易賬款的收取力度；及
- (iii) 本集團將積極探索可能的集資活動，包括但不限於發行新股份、供股或公開發售以及發行可換股債券(如適合)。

鑒於上述措施及安排，本公司董事認為本集團將擁有充足營運資金以應付其於可見未來到期的財務責任。因此，綜合財務報表已按持續經營基準編製。

倘若本集團無法繼續持續經營，則需要作出調整，以重列資產價值至其可收回金額、為可能產生的任何進一步負債作出撥備以及分別將非流動資產及負債重新分類為流動資產及負債。該等潛在調整的影響並未反映於綜合財務報表內。

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

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

The following new and amendments to HKFRSs and new interpretation have been adopted by the Group for the first time for the current accounting period, beginning on 1 January 2020.

Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term investment in associate and joint ventures
Amendments to HKFRS 9	Prepayment features with Negative Compensation
Amendments to HKFRSs	Annual improvements 2015–2017 Cycle
HKFRS 16	Leases
HK (IFRIC)-Int 23	Uncertainty over Income Tax Treatments
Amendments to HKAS 1 and HKAS 8	Definition of Material
Amendments to HKFRS 3	Definition of a Business
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform

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

2. 應用新訂及修訂的香港財務報告準則(「香港財務報告準則」)

(A) 於本年度強制生效的新訂及修訂香港財務報告準則

本集團已於二零二零年一月一日開始的本會計期間首次採納下列新訂及修訂的香港財務報告準則修訂本及新詮釋。

香港會計準則第19號的修訂	計劃修正、縮減或清償
香港會計準則第28號的修訂	聯營公司及合營企業的長期權益
香港財務報告準則第9號的修訂	具有負補償的預付款項特性
香港財務報告準則的修訂	二零一五年至二零一七年週期的年度改進
香港財務報告準則第16號	租賃
香港(國際財務報告詮釋委員會) — 詮釋第23號	所得稅處理之不確定性
香港會計準則第1號及香港會計準則第8號的修訂	重大的定義
香港財務報告準則第3號的修訂	業務的定義
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號的修訂	利率基準改革

除下述情況外，於本年度應用新訂及修訂香港財務報告準則對本集團於本年度及過往期間的財務狀況及表現及／或該等綜合財務報表所載披露並無造成任何重大影響。

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

- (A) New and amendments to HKFRSs that are mandatorily effective for the current year (Continued)

HKFRS 16 Leases

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

Definition of a lease

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

For contracts entered into or modified on or after 1 January 2020, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 January 2020.

As at 1 January 2020, the Group recognised additional lease liabilities and right-of-use assets at amounts equal to the related lease liabilities adjusted by any prepaid or accrued lease payments by applying HKFRS 16.C8(b) (ii) transition. Any difference at the date of initial application is recognised in the opening retained profits and comparative information has not been restated. When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

- i. elected not to recognise right-of-use assets and lease liabilities for leases with lease terms ends within 12 months of the date of initial application;

2. 應用新訂及修訂的香港財務報告準則(「香港財務報告準則」)(續)

- (A) 於本年度強制生效的新訂及修訂香港財務報告準則(續)

香港財務報告準則第16號租賃

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

租賃之定義

本集團已選擇可行權宜方法，就先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號釐定安排是否包含租賃識別為租賃的合約應用香港財務報告準則第16號，而並無對先前並未識別為包括租賃的合約應用該準則。因此，本集團並無重新評估於首次應用日期前已存在的合約。

就於二零二零年一月一日或之後訂立或修改的合約而言，本集團於評估合約是否包含租賃時根據香港財務報告準則第16號所載的規定應用租賃的定義。

作為承租人

本集團已追溯應用香港財務報告準則第16號，累計影響於首次應用日期(二零二零年一月一日)確認。

於二零二零年一月一日，本集團應用香港財務報告準則第16.C8(b)(ii)條過渡條文，在確認額外租賃負債及使用權資產時，其金額相等於相關租賃負債，並就任何預付或應計租賃款項作出調整。於首次應用日期的任何差額於期初累計虧損確認且比較資料不予重列。於過渡時應用香港財務報告準則第16號項下的經修訂追溯方法時，本集團按逐項租賃基準就先前根據香港會計準則第17號分類為經營租賃且與各租賃合約相關的租賃應用以下可行權宜方法：

- i. 選擇不就租期於首次應用日期起計12個月內結束的租賃確認使用權資產及租賃負債；

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

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

HKFRS 16 Leases (Continued)

As a lessee (Continued)

- ii. applied a single discount rate to a portfolio of leases with a similar remaining terms for similar class of underlying assets in similar economic environment; and
- iii. used hindsight based on facts and circumstances as at date of initial application in determining the lease term for the Group's leases with extension and termination options.

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application. The lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2020 was ranging from 6.22% to 6.70%.

2. 應用新訂及修訂的香港財務報告準則(「香港財務報告準則」)(續)

(A) 於本年度強制生效的新訂及修訂香港財務報告準則(續)

香港財務報告準則第16號租賃(續)

作為承租人(續)

- ii. 就類似經濟環境內相似類別相關資產的類似剩餘租期的租賃組合應用單一貼現率；及
- iii. 根據於首次應用日期的事實及情況於事後釐定本集團帶有續租及終止選擇權的租賃的租期。

於確認先前分類為經營租賃的租賃的租賃負債時，本集團已應用於首次應用日期相關集團實體的增量借款利率。於二零二零年一月一日適用於租賃負債的承租人的增量借款利率介乎於6.22%至6.70%。

		HK\$'000 千港元
Operating lease commitments disclosed as at 31 December 2019	於二零一九年十二月三十一日披露的經營租賃承擔	8,945
Discounted using the lessee's incremental borrowing rate at the date of initial application	使用於首次應用日期承租人的增量借款利率進行貼現	(385)
(Less): short-term leases recognised on a straight-line basis as expenses	(減)：以直線法確認為開支的短期租賃	(1,188)
Lease liabilities recognised as at 1 January 2020	於二零二零年一月一日確認的租賃負債	7,372
Of which are:	即：	
Current lease liabilities	流動租賃負債	4,327
Non-current lease liabilities	非流動租賃負債	3,045
		7,372

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

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

HKFRS 16 Leases (Continued)

As a lessee (Continued)

The carrying amount of right-of-use assets as at 1 January 2020 comprise the following:

		HK\$'000 千港元
Right-of-use assets relating to operating leases recognised upon application of HKFRS 16	與於採納香港財務報告準則第16號後確認的經營租賃有關的使用權資產	7,372
Reclassified from prepaid lease payments for leasehold land (Note)	自租賃土地的預付租賃款項重新分類(附註)	116,987
		124,359
By class:	按類別：	
Leasehold land	租賃土地	116,987
Properties	物業	7,372
		124,359

Note: Upfront payments for leasehold lands in the PRC were classified as prepaid lease payments for leasehold land. Upon application of HKFRS 16, the current portion and non-current portion of prepaid lease payments for leasehold land amounting to HK\$2,465,000 and HK\$114,522,000 respectively were reclassified to right-of-use assets.

Before the application of HKFRS 16, the Group considered refundable rental deposits paid as rights and obligations under leases to which HKAS 17 applied. Based on the definition of lease payments under HKFRS 16, such deposits are not payment relating to the right to use of the underlying assets and were adjusted to reflect the discounting effect at transition. However, no adjustment has been made to adjust the refundable rental deposits paid and right-of-use assets since the discounting effect is insignificant.

2. 應用新訂及修訂的香港財務報告準則(「香港財務報告準則」)(續)

(A) 於本年度強制生效的新訂及修訂香港財務報告準則(續)

香港財務報告準則第16號租賃(續)

作為承租人(續)

於二零二零年一月一日的使用權資產賬面值包括以下：

附註：中國租賃土地的前期付款被分類為租賃土地的預付租賃款項。於應用香港財務報告準則第16號後，分別為2,465,000港元及114,522,000港元之租賃土地的預付租賃款項之流動部分及非流動部分已重新分類至使用權資產。

於應用香港財務報告準則第16號前，本集團採用香港會計準則第17號將已付可退還租金按金確認為租賃項下的權利及責任。根據香港財務報告準則第16號下租賃付款的定義，該等按金並非與使用相關資產權利有關的款項，並經調整以反映於過渡時的貼現影響。然而，由於貼現影響微不足道，因此，並無對已付可退還租金按金及使用權資產作出調整。

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

- (A) New and amendments to HKFRSs that are mandatorily effective for the current year (Continued)

HKFRS 16 Leases (Continued)

As a lessee (Continued)

The transition of HKFRS 16 has no material impact on the accumulated losses as at 1 January 2020.

The following adjustments were made to the amounts recognised in the consolidated statement of financial position at 1 January 2020. Line items that were not affected by the changes have not been included.

2. 應用新訂及修訂的香港財務報告準則(「香港財務報告準則」)(續)

- (A) 於本年度強制生效的新訂及修訂香港財務報告準則(續)

香港財務報告準則第16號租賃(續)

作為承租人(續)

香港財務報告準則第16號的過渡對二零二零年一月一日的累計虧損並無重大影響。

就於二零二零年一月一日在綜合財務狀況表中確認的金額進行了以下調整。不受有關變動影響的行項目未包括在內。

		As at 31 December 2019 as originally presented 於二零一九年 十二月三十一日 如最初呈列 HK\$'000 千港元	HKFRS 16 Leases 香港財務報告 準則第16號 租賃 HK\$'000 千港元	As at 1 January 2020 Restated 於二零二零年 一月一日 經重列 HK\$'000 千港元
Non-current assets	非流動資產			
Prepaid lease payments	預付租賃款項	114,522	(114,522)	-
Right-of-use assets	使用權資產	-	124,359	124,359
Current assets	流動資產			
Prepaid lease payments	預付租賃款項	2,465	(2,465)	-
Current liabilities	流動負債			
Lease liabilities	租賃負債	-	4,327	4,327
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債	-	3,045	3,045

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

(B) New and amendments to HKFRSs in issue but not yet effective

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

2. 應用新訂及修訂的香港財務報告準則(「香港財務報告準則」)(續)

(B) 已頒佈但尚未生效的新訂及經修訂香港財務報告準則

本集團並無提早應用以下已頒佈但尚未生效的新訂及修訂香港財務報告準則：

		Effective for annual periods beginning on or after 於以下日期或之後開始的年度期間生效
HKFRS 17	Insurance Contracts and the related Amendments	1 January 2023
香港財務報告準則第17號	保險合約及相關修訂	二零二三年一月一日
Amendment to HKFRS 16	Covid-19-Related Rent Concessions	1 June 2020
香港財務報告準則第16號的修訂	新冠疫情 — 相關租金寬減	二零二零年六月一日
Amendments to HKFRS 3	Reference to the Conceptual Framework	1 January 2022
香港財務報告準則第3號的修訂	概念框架之提述	二零二二年一月一日
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform — Phase 2	1 January 2021
香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號的修訂	利率基準改革 — 第二階段	二零二一年一月一日
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	A date to be determined
香港財務報告準則第10號及香港會計準則第28號的修訂	投資者與其聯營公司或合營企業間的資產出售或注資	待定日期
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)	1 January 2023
香港會計準則第1號的修訂	將負債分類為流動或非流動以及香港詮釋第5號(二零二零年)之有關修訂	二零二三年一月一日
Amendments to HKAS 16	Property, Plant and Equipment — Proceeds before Intended Use	1 January 2022
香港會計準則第16號的修訂	物業、廠房及設備 — 擬定用途前之所得款項	二零二二年一月一日
Amendments to HKAS 37	Onerous Contracts — Cost of Fulfilling a Contract	1 January 2022
香港會計準則第37號的修訂	有價合約 — 履行合約之成本	二零二二年一月一日
Amendments to HKFRSs	Annual Improvements to HKFRSs 2018–2020	1 January 2022
香港財務報告準則的修訂	香港財務報告準則二零一八年至二零二零年週期的年度改進	二零二二年一月一日

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

(B) New and amendments to HKFRSs in issue but not yet effective (Continued)

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

3. SIGNIFICANT ACCOUNTING POLICIES

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

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

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 Share-based Payment, leasing transactions that are accounted for in accordance with HKFRS 16 Leases (since 1 January 2019) or HKAS 17 Leases (before application 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.

2. 應用新訂及修訂的香港財務報告準則(「香港財務報告準則」)(續)

(B) 已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

董事預期，於可見將來，應用所有新訂及經修訂香港財務報告準則將不會對綜合財務報表造成重大影響。

3. 主要會計政策

綜合財務報表乃根據香港會計師公會所頒佈的香港財務報告準則編製。此外，綜合財務報表包括香港聯合交易所有限公司證券上市規則及香港公司條例所規定之適用披露。

誠如下文所載的會計政策所解釋，綜合財務報表乃以歷史成本基準編製，惟於各報告期末若干投資物業及金融工具按公平值計量除外。

歷史成本一般以作為交換貨品及服務的代價的公平值為依據。

公平值為於計量日期市場參與者於有序交易中出售資產將收取或轉讓負債將支付的價格，不論該價格是否可直接觀察或使用其他估值方法估計。於估計資產或負債的公平值時，本集團會考慮市場參與者於計量日期對資產或負債定價時所考慮資產或負債特點。於本綜合財務報表作計量及／或披露用途的公平值乃按此基準釐定，惟屬於香港財務報告準則第2號「以股份為基礎付款」範疇內的以股份為基礎付款交易、根據香港財務報告準則第16號「租賃」(自二零一九年一月一日起)或香港會計準則第17號「租賃」(於應用香港財務報告準則第16號「租賃」前)入賬的租賃交易，以及與公平值有部分相似但並非公平值的計量(例如香港會計準則第2號「存貨」內的可變現淨值或香港會計準則第36號「資產減值」內的使用價值)除外。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

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.

Basis of consolidation

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

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

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

3. 主要會計政策(續)

對於按公平值進行交易的金融工具及投資物業以及在隨後期間將採用不可觀察的輸入數據計量公平值的估值方式，估值方式將予校準，致使初步確認時估值方式的結果等於交易價。

此外，就財務報告而言，根據公平值計量的輸入數據的可觀察程度及該輸入數據對整體公平值計量的重要性，公平值計量分為第一、第二或第三層，敘述如下：

- 第一層的輸入數據為實體可以於計量日可取得相同資產或負債於活躍市場的報價(未經調整)；
- 第二層的輸入數據為資產或負債的可直接或間接觀察輸入數據(不包括第一層的報價)；及
- 第三層的輸入數據為資產或負債的不可觀察輸入數據。

主要會計政策載列如下。

綜合基準

綜合財務報表包括本公司及本公司控制的實體及其附屬公司的財務報表。在以下情況下，本公司獲得控制權：

- 可對投資對象行使權力；
- 承受及享有其所參與投資對象的浮動回報的風險或權利；及
- 有能力運用其權力影響其回報金額。

若事實及情況表明上文所述控制權的三個元素中其中一個或以上元素出現變動，本集團會重新評估其是否控制投資對象。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Basis of consolidation (Continued)

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/period 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.

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

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities 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.

Investments in subsidiaries

Investments in subsidiaries are stated on the statement of financial position of the Company at cost less accumulated impairment loss.

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.

3. 主要會計政策(續)

綜合基準(續)

附屬公司綜合入賬於本集團取得該附屬公司的控制權時開始，並於本集團失去該附屬公司的控制權時終止。具體而言，於年/期內收購或出售的附屬公司的收入及開支，自本集團取得控制權之日起至本集團不再控制該附屬公司之日止計入綜合損益表。

損益及其他全面收益的各項目歸屬於本公司擁有人及非控股權益。附屬公司的全面收益總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益出現虧絀結餘。

附屬公司財務報表於必要時將作出調整，以使其會計政策與本集團的會計政策一致。

本集團實體之間的所有集團內部資產及負債、權益、收益、支出及交易有關的現金流量均於綜合入賬時全數對銷。

於附屬公司的非控股權益乃與本集團於當中的權益分開呈列，其指當前所有者權益並賦予其持有人權利於清盤時按比例分佔相關附屬公司資產淨值。

於附屬公司的投資

於附屬公司的投資乃以成本減去累計減值虧損於本公司的財務狀況表列賬。

業務合併

收購業務採用收購法入賬。業務合併所轉讓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擁有人產生之負債及本集團為交換被收購方之控制權發行之股權於收購日期之公平值之總額。有關收購之成本通常於產生時於損益中確認。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Business combinations (Continued)

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; 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.

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 of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after re-assessment, the net of the acquisition date amounts 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 recognised in a business combination.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be 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. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable, on the basis specified in another HKFRS.

3. 主要會計政策(續)

業務合併(續)

於收購日期，所收購可識別資產及所承擔負債按其公平值確認，惟下列除外：

- 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的付款安排或本集團為取代被收購方以股份為基礎的付款安排而訂立之以股份為基礎的付款安排有關之負債或權益工具，於收購日期根據香港財務報告準則第2號「以股份為基礎的付款」計量；及
- 根據香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」分類為持作出售之資產(或出售組合)根據該項準則計量。

商譽乃按轉讓代價、任何非控股權益於被收購方中所佔金額及收購方過往持有之被收購方股權之公平值(如有)之總和，超出所收購可識別資產及所承擔之負債於收購日期之淨額之差額計量。倘經過重新評估後，所收購之可識別資產與所承擔之負債於收購日期之淨額高於轉讓代價、任何非控股權益於被收購方中所佔金額及收購方過往持有之被收購方權益之公平值(如有)之總和，則差額即時於損益內確認為於業務合併確認之議價收購收益。

當前所有者權益並賦予其持有人權利於清盤時按比例分佔實體之資產淨值的非控股權益可初步按公平值或非控股權益按比例分佔被收購方可識別資產淨值之已確認金額計量。所選擇之計量基準按個別交易而定。其他類型之非控股權益則按公平值或另一項香港財務報告準則規定之基準計量(如適用)。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Business combinations (Continued)

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from 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 the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments made 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.

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 periods and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting periods in accordance with HKFRS 9 Financial Instruments, or HKAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Goodwill

Goodwill arising on a business combination is carried at cost less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash generating unit ("CGU") (or groups of CGUs) that is expected to benefit from the synergies of the combination.

3. 主要會計政策(續)

業務合併(續)

當本集團於一項業務合併轉讓之代價包括或然代價安排所產生之資產或負債時，或然代價按收購日期之公平值計量，並入賬作為業務合併轉讓代價之一部分。符合作出計量期間調整之或然代價公平值變動會獲追溯調整，並對商譽作相應調整。計量期間調整為於「計量期間」(自收購日期起不超過一年)內取得有關於收購日期已存在事實及情況之額外資料而產生之調整。

不符合作出計量期間調整之或然代價公平值變動之其後會計處理視乎或然代價之分類而定。或然代價被分類為權益時於其後報告期間不會重新計量，而其後之結算於權益入賬。或然代價被分類為資產或負債時於其後報告日期根據香港財務報告準則第9號「金融工具」或香港會計準則第37號「撥備、或然負債及或然資產」(如適用)重新計量，相關收益或虧損於損益確認。

倘於已發生業務合併之報告期末就業務合併的初步會計處理尚未完成，則本集團會按暫定金額呈報未完成之會計處理項目。該等暫定金額可於計量期間調整及確認額外資產或負債，以反映於收購日期已取得之事實及情況的新資料(倘獲悉)對於該日已確認金額所帶來的影響。

商譽

業務合併產生之商譽按成本減累計減值虧損(如有)列賬。

就減值測試而言，商譽分配至預期可透過合併之協同效益獲利之本集團各現金產生單位(「現金產生單位」)(或現金產生單位組別)。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Goodwill (Continued)

A CGU 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 CGU to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Investments in associates

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

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting.

Under the equity method, an investment in associates is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associates. Changes in net assets of the associates other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

3. 主要會計政策(續)

商譽(續)

獲分配商譽之現金產生單位會每年進行減值測試，或於有跡象顯示該單位可能發生減值時更頻繁地進行減值測試。就某報告期間因收購產生之商譽而言，獲分配商譽之現金產生單位於該報告期末前進行減值測試。倘現金產生單位之可收回金額低於其賬面值，減值虧損會先分配以減少分配至該單位之任何商譽賬面值，再根據該單位每項資產之賬面值按比例分攤至該單位之其他資產。商譽之任何減值虧損直接於損益中確認。已確認之商譽減值虧損不可在其後期間撥回。

於聯營公司的投資

聯營公司是本集團具有重大影響力的實體。重大影響力乃有權參與投資對象的財務及經營政策決定而非控制或共同控制該等政策。

聯營公司之業績以及資產及負債按權益會計法計入該等綜合財務報表內。

根據權益法，於聯營公司的投資初步按成本於綜合財務狀況報表內確認，並於隨後調整以確認本集團應佔聯營公司損益及其他全面收益。聯營公司資產淨值變動(損益及其他全面收益除外)並不列賬，除非該等變動導致本集團所持擁有權權益出現變動。當本集團應佔聯營公司的虧損超逾本集團於該聯營公司的權益(包括(實質上)組成本集團於該聯營公司的投資淨額一部分的任何長期權益)時，則本集團不再確認其應佔的進一步虧損。僅當本集團已產生法律或推定責任或代表該聯營公司支付款項，方會確認額外虧損。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investments in associates (Continued)

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group assesses whether there is an objective evidence that the interest in an associate may be impaired. When any objective evidence exists, the entire carrying amount of the investment is tested for impairment in accordance with HKAS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount.

Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 Impairment of Assets to the extent that the recoverable amount of the investment subsequently increases.

When the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal of the relevant associate.

If an associate uses accounting policies other than those of the Group for like transactions and events in similar circumstances, adjustments are made to make the associate's accounting policies conform to those of the Group when the associate's financial statements are used by the Group in applying the equity method.

3. 主要會計政策(續)

於聯營公司的投資(續)

於聯營公司的投資自投資對象成為聯營公司當日起採用權益法入賬。收購於聯營公司的投資時，投資成本超出本集團應佔投資對象可識別資產及負債公平淨值的任何部分確認為商譽，並計入投資賬面值內。本集團應佔可識別資產及負債公平淨值超出投資成本的任何部分，經重新評估後於收購投資期間即時在損益內確認。

本集團評估是否有客觀證據顯示於一間聯營公司的權益可能出現減值。倘出現任何客觀證據，投資之全部賬面值將會根據香港會計準則第36號「資產減值」按單一資產進行減值測試，方法為將其可收回金額(以使用價值與公平值減出售成本之較高者為準)與其賬面值作比較。

已確認的任何減值虧損屬於投資賬面值之一部分。減值虧損之回撥根據香港會計準則第36號「資產減值」確認，以該投資其後增加之可收回金額為限。

倘本集團對聯營公司失去重大影響力，則會被視為出售於被投資對象的全部權益，所產生的收益或虧損於損益確認。此外，本集團會將先前在其他全面收益就該聯營公司確認之所有金額入賬，基準與該聯營公司直接出售相關資產或負債所需基準相同。因此，倘該聯營公司先前已於其他全面收益確認之收益或虧損，會於出售相關資產或負債時重新分類至損益。本集團會於出售相關聯營公司時將收益或虧損由權益重新分類至損益(作為重新分類調整)。

倘一間聯營公司就於類似情況下之類似交易及事件所採用之會計政策有別於本集團所採用者，則需於本集團應用權益法使用該聯營公司之財務報表時，對該聯營公司之會計政策作出調整，使其與本集團之會計政策一致。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investments in associates (Continued)

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

Revenue from contracts with customers

Under HKFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

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

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

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

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

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

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

3. 主要會計政策(續)

於聯營公司的投資(續)

倘集團實體與本集團之聯營公司進行交易，則僅於與該聯營公司之交易所產生的損益與本集團於聯營公司的權益無關時，方於本集團的綜合財務報表確認。

客戶合約收益

根據香港財務報告準則第15號，本集團於完成履約責任時(或就此)確認收益，即於特定履約責任相關之貨品或服務之「控制權」轉讓予客戶時。

履約責任指一項特定貨品或服務(或一批特定貨品或服務)或一系列大致相同的特定貨品或服務。

控制權隨時間轉移，而倘符合以下其中一項準則，則收益乃參照完成相關履約責任的進展情況而隨時間確認：

- 隨著本集團的履約，客戶同時取得並耗用本集團履約所提供的利益；
- 本集團的履約創建及強化一項於本集團履約時即由客戶控制的資產；或
- 本集團的履約並未創建對本集團有替代用途的資產，且本集團對迄今已完成履約的款項具有可執行的權利。

否則，收益於客戶取得特定貨品或服務之控制權的時間點確認。

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)，而須轉讓貨品或服務予客戶的義務。

同一合約的合約負債按淨值基準入賬及呈列。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

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

Output method

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

Variable consideration

For contracts that contain variable consideration, the Group estimates the amount of consideration to which it will be entitled using either (a) the expected value method or (b) the most likely amount, depending on which method better predicts the amount of consideration to which the Group will be entitled.

The estimated amount of variable consideration is included in the transaction price only to the extent that it is highly probable that such an inclusion will not result in a significant revenue reversal in the future when the uncertainty associated with the variable consideration is subsequently resolved.

At the end of each reporting period, the Group updates the estimated transaction price (including updating its assessment of whether an estimate of variable consideration is constrained) to represent faithfully the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period.

Costs to fulfil a contract

The Group incurs costs to fulfil a contract in its construction contracts. The Group first assesses whether these costs qualify for recognition as an asset in terms of other relevant standards, failing which it recognises an asset for these costs only if they meet all of the following criteria:

- (a) the costs relate directly to a contract or to an anticipated contract that the Group can specifically identify;

3. 主要會計政策(續)

隨時間確認收益：計量完全履行履約責任的進度

輸出法

完全履行履約責任期間的進度乃根據輸出法計量，即透過直接計量截至本日已轉讓予客戶的貨品或服務的價值，相對合約下承諾提供的餘下貨品或服務的價值確認收益，有關方法最能反映本集團於轉讓貨品或服務控制權方面的履約情況。

可變代價

就包含可變代價的合約而言，本集團有權使用(a)預期價值法或(b)最可能金額估計代價金額，視乎哪種方法能更有效地預測本集團將有權獲得的代價金額而定。

可變代價的估計金額計入交易價格中，僅限於有關計入於日後當於可變代價相關之不確定性其後獲得解決時導致重大收益撥回的可能性極微。

於各報告期末，本集團更新估計交易價格(包括更新其對可變代價是否受限估計的評估)，以忠實地反映於報告期末存在的情況以及報告期間的情況變化。

履行合約之成本

本集團於建築合約中產生履行合約之成本。本集團首先根據其他相關準則評估該等成本是否合資格確認為資產，倘不合資格，僅在符合以下所有條件後方將有關成本確認為資產：

- (a) 該等成本與本集團能明確識別之合約或預期合約有直接關係；

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Costs to fulfil a contract (Continued)

- (b) the costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
- (c) the costs are expected to be recovered.

The asset so recognised is subsequently amortised to profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the assets relate. The asset is subject to impairment review.

Leases (upon application of HKFRS 16 in accordance with transitions in note 2)

Definition of a lease

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

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

The Group as a lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components, including contract for acquisition of ownership interests of a property which includes both leasehold land and non-lease building components, unless such allocation cannot be made reliably.

As a practical expedient, leases with similar characteristics are accounted on a portfolio basis when the Group reasonably expects that the effects on the consolidated financial statements would not differ materially from individual leases within the portfolio.

3. 主要會計政策(續)

履行合約之成本(續)

- (b) 該等成本產生或改良本集團日後將用於履行(或持續履行)履約責任之資源;及
- (c) 該等成本預期可收回。

所確認之資產隨後按與向客戶轉移該項資產相關貨品或服務一致之系統基準攤銷至損益。該資產須進行減值檢討。

租賃(根據附註2的過渡應用香港財務報告準則第16號時)

租賃之定義

倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約為租賃或包含租賃。

就於初始應用日期或之後訂立或修訂或自業務合併產生之合約或由業務合併產生的合約而言，本集團將根據香港財務報告準則第16號項下之定義，評估該合約於訂立、修訂或收購之日(倘適用)是否屬於租賃或包含租賃。除非有關合約之條款及條件於日後發生變動，該合約將不予重新評估。

本集團作為承租人

分配代價至合約組成部分

就包含租賃部分以及一項或多項額外租賃或非租賃部分的合約而言，本集團根據租賃部分的相對獨立價格及非租賃部分的總獨立價格將合約代價分配至各租賃部分，包括收購物業(包括租賃土地及非租賃樓宇部分)所有權權益的合約，除非無法作出可靠的分配。

作為可行權宜方法，當本集團合理預期對綜合財務報表的影響與組合內個別租賃並無重大差異時，具有類似特徵的租賃按組合基準入賬。

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. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Leases (upon application of HKFRS 16 in accordance with transitions in note 2) (Continued)

The Group as a lessee (Continued)

Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received; and
- any initial direct costs incurred by the Group.

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

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

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

Refundable rental deposits

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

Lease liabilities

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

3. 主要會計政策(續)

租賃(根據附註2的過渡應用香港財務報告準則第16號時)(續)

本集團作為承租人(續)

使用權資產

使用權資產的成本包括：

- 租賃負債的初步計量金額；
- 於租賃開始日期或之前作出的任何租賃付款，減任何已收取的租賃優惠；及
- 本集團產生的任何初始直接成本。

使用權資產按成本減任何累計折舊及減值虧損計量，並就租賃負債的任何重新計量作出調整。

倘本集團合理確定於租期屆滿時可取得相關租賃資產的擁有權，則使用權資產於自租賃開始日期起至可使用年期屆滿期間確認折舊。否則，使用權資產於估計可使用年期或租期(以較短者為準)內按直線法確認折舊。

本集團於綜合財務狀況表內將使用權資產單獨呈列。

可退回租金按金

已付可退回租金按金根據香港財務報告準則第9號入賬，初步按公允價值計量。於初步確認時對公允價值的調整被視為額外租賃付款並計入使用權資產成本。

租賃負債

於租賃開始日期，本集團按該日尚未支付租賃付款的現值確認及計量租賃負債。在計算租賃付款的現值時，倘租賃中所隱含的利率不易確定，則本集團採用租賃開始日期的增量借貸利率進行計算。

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. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Leases (upon application of HKFRS 16 in accordance with transitions in note 2) (Continued)

The Group as a lessee (Continued)

Lease liabilities (Continued)

The lease payments include fixed lease payments (including in-substance fixed payments).

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

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

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment; or
- the lease payments change due to changes in expected payment under a guaranteed residual value, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

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

Leases (Before application of HKFRS 16 for the seventeen months ended 31 December 2019)

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

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

3. 主要會計政策(續)

租賃(根據附註2的過渡應用香港財務報告準則第16號時)(續)

本集團作為承租人(續)

租賃負債(續)

租賃付款包括固定租賃付款(包括實質性固定付款)。

於租賃開始日期後，租賃負債按增長利息及租賃付款予以調整。

在下列情況下，本集團重新計量租賃負債(並對相關使用權資產作出相應調整)：

- 租期變動或行使購買選擇權的評估有變，於此情況下，相關租賃負債於重新評估日期透過使用經修訂貼現率貼現經修訂租賃付款而重新計量；或
- 保證餘值下預期付款變動導致租賃付款變動，於此情況下，相關租賃負債通過使用初始貼現率貼現經修訂租賃付款重新計量。

本集團於綜合財務狀況表內將租賃負債單獨呈列。

租賃(於二零一九年十二月三十一日十七個月應用香港財務報告準則第16號之前)

倘租賃條款將所有權絕大部分風險及回報轉讓予承租人，租賃被分類為融資租賃。所有其他租賃均分類為經營租賃。

本集團作為出租人

經營租賃的租金收入以直線法按有關租賃年期在損益中確認。

本集團作為承租人

經營租賃款項以直線法按租期確認為開支。

Notes to the Consolidated Financial Statements

綜合財務報表附註

FOR THE YEAR ENDED 31 DECEMBER 2020 截至二零二零年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Leases (Before application of HKFRS 16 for the period ended 31 December 2019) (Continued)

Leasehold land and buildings

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as prepaid lease payments in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis except for those that are classified and accounted for as investment properties under the fair value model. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

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 recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing at 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 at 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. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period.

3. 主要會計政策(續)

租賃(於二零一九年十二月三十一日止期間應用香港財務報告準則第16號之前)(續)

租賃土地及樓宇

倘租約包括土地及樓宇部份，則本集團會根據其對各部份擁有權所附帶之絕大部分風險及回報是否已轉移至本集團作出之評估，將各部份獨立分類為融資或經營租賃，除非兩個部份明顯屬於經營租賃，於該情況下，整份租賃分類為經營租賃。具體而言，最低租賃付款(包括任何一次性預付款)會按租賃開始時租賃土地部分與樓宇部分租賃權益的相關公平值比例，於土地及樓宇部分之間分配。

倘租賃付款能夠可靠分配，則作為經營租賃入賬之租賃土地權益於綜合財務狀況表呈列為「預付租賃款項」，並按直線基準於租期內攤銷，惟根據公平值模式分類及入賬列作投資物業除外。當租賃付款不能可靠地於土地及樓宇部分之間作出分配時，則整項租賃一般分類為融資租賃，並作為物業、廠房及設備入賬。

外幣

於編製各個別集團實體的財務報表時，以該實體功能貨幣以外的貨幣(外幣)進行的交易，乃按於交易日期的通行匯率換算成相關的功能貨幣(即該實體經營所在的主要經濟環境的貨幣)記錄。於報告期末，以外幣定值的貨幣項目乃按於該日的通行匯率重新換算。按公平值列賬並以外幣定值的非貨幣項目乃按其公平值釐定當日的通行匯率重新換算。按外幣歷史成本計量的非貨幣項目毋須重新換算。

於結算及重新換算貨幣項目時產生的匯兌差額，乃於產生的期間在損益內確認。重新換算按公平值入賬的非貨幣項目產生的匯兌差額計入期間的損益。

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. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Foreign currencies (Continued)

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

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

Borrowing costs

All borrowing costs 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 are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

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. 主要會計政策(續)

外幣(續)

就呈列綜合財務報表而言，本集團境外業務的資產及負債乃按各報告期末的當時匯率換算為本集團的呈列貨幣(即港元)。收入及支出項目乃按該期間／年度的平均匯率換算，所產生的匯兌差額(如有)乃於其他全面收益中確認並於匯兌儲備項下的權益中累計(如適用，則計入非控股權益)。

於出售一項海外業務(即出售本集團於一項海外業務的全部權益或涉及失去對一間包含海外業務的聯營公司的重大影響力的出售)時，於權益中就本公司擁有人應佔該業務所累計的全部匯兌差額重新分類至損益。

借款成本

所有借款成本於產生有關成本期間在損益中確認。

政府補助金

政府補助金在可合理保證本集團將遵守補助金所附帶的條件且將接獲補助金時，方予確認。

政府補助金乃於本集團將補助金擬補償的有關成本確認為開支的期間有系統地於損益中確認。具體而言，主要條件為本集團須購買、建設或以其他方式收購非流動資產的政府補助金會於綜合財務狀況表內確認為遞延收入，並有系統及合理地按有關資產的使用年期轉撥至損益。

作為已產生開支或虧損的補償的應收款項或為本集團提供即時財政支持(不涉及未來相關成本)的政府補助金於成為應收款項的期間於損益中確認。

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. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Retirement benefit costs

Payments to defined contribution plans/state-managed retirement benefit schemes/the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from loss/profit before tax as reported in the consolidated statement of 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 or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3. 主要會計政策(續)

退休福利成本

向定額供款計劃／國家管理的退休福利計劃／強制性公積金計劃支付的款項於僱員提供服務而使其享有供款時作為開支確認。

短期及其他長期僱員福利

與工資及薪金、年假及病假相關僱員福利確認之負債於提供服務之有關期間按預期交換有關服務須支付之福利之未折現金額計算。

有關短期僱員福利確認之負債乃按預期交換有關服務須支付之福利之未折現金額計算。

有關其他長期僱員福利確認之負債乃按本集團就僱員截至報告日期所提供之服務預期作出之估計未來現金流出之現值計算。

稅項

所得稅開支指當期應付稅項及遞延稅項總額。

當期應付稅項乃按年內應課稅溢利計算。應課稅溢利不包括其他年度的應課稅或應扣減的收入或開支項目，亦不包括毋須課稅或不可扣減的項目，故與綜合損益表所列的除稅前虧損／溢利不同。本集團的即期稅項負債乃按照報告期末訂立或實際上訂立的稅率計算。

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. 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 bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from 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 associates, 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 each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

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

3. 主要會計政策(續)

稅項(續)

遞延稅項乃按綜合財務報表中資產及負債的賬面值與計算應課稅溢利所用相應稅基之間的暫時差額而予以確認。遞延稅項負債一般就所有應課稅暫時差額確認。遞延稅項資產通常就所有可扣稅暫時差額確認，並以極有可能利用可扣稅暫時差額扣稅的應課稅溢利為限。倘暫時差額因商譽或初步確認一項(不包括於業務合併中確認者)不影響應課稅溢利及會計溢利的交易的其他資產及負債而產生，則不會確認有關遞延稅項資產及負債。

本集團會就與於附屬公司及聯營公司的投資有關的應課稅暫時差額確認遞延稅項負債，惟倘本集團能夠控制暫時差額的撥回及暫時差額不大可能於可見將來撥回則除外。可扣稅暫時差額產生的遞延稅項資產(與該等投資及權益有關者)可予確認，惟僅以極可能有足夠應課稅溢利可動用暫時差額的利益，且預期於可預見將來撥回者為限。

遞延稅項資產的賬面值在各報告期末進行檢討，並扣減至再無足夠應課稅溢利可用以收回所有或部份資產。

遞延稅項資產及負債根據於報告期末前已頒佈或實質已頒佈的稅率(及稅法)，按預期適用於負債清償或資產變現期間的稅率計量。

遞延稅項負債及資產的計量反映在報告期末本集團預期將收回或清償其資產及負債賬面值的方式所引致的稅務影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation (Continued)

For the purposes of measuring deferred tax liabilities or deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. If the presumption is rebutted, deferred tax liabilities and deferred tax assets for such investment properties are measured in accordance with the general principles set out in HKAS 12 (i.e. based on the expected manner as to how the property will be recovered).

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

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

Property, plant and equipment

Property, plant and equipment including leasehold land and buildings 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 subsequent accumulated impairment losses, if any.

Properties in the course of construction for production or supply of goods or services or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

3. 主要會計政策(續)

稅項(續)

於計算使用公平值模式計量的投資物業的遞延稅項負債或遞延稅項資產時，會假定有關物業的賬面值將通過出售全數收回，惟有關假定被推翻除外。倘投資物業可予折舊，且透過隨時間消耗投資物業中的絕大部分經濟利益(而非透過出售)為目標的業務模式持有，則有關假定被推翻。倘假定被推翻，有關投資物業的遞延稅項負債及遞延稅項資產根據香港會計準則第12號所載的一般原則計量(即根據預期收回物業的方式計量)。

倘有合法可執行權利可將即期稅項資產與即期稅項負債抵銷，且該等資產及負債與同一稅務機關徵收之所得稅有關且本集團擬按淨額基準結算其即期稅項資產及負債時，則遞延稅項資產及負債可互相對銷。

即期及遞延稅項於損益確認，惟倘即期及遞延稅項關乎於其他全面收益或直接於權益確認的項目，則即期及遞延稅項亦分別於其他全面收益或直接於權益確認。

物業、廠房及設備

物業、廠房及設備(包括持作生產或供應貨品或服務或行政用途的租賃土地及樓宇)於綜合財務狀況表中按成本值減其後累計折舊及其後累計減值虧損(如有)列賬。

持作生產或供應貨品或服務或行政用途的施工中物業乃按成本減任何已確認的減值虧損列賬。成本包括專業費用，及(就合資格資產而言)根據本集團會計政策資本化的借貸成本。該等物業會於完成及可作擬定用途時歸類至物業、廠房及設備的適當類別。於可作擬定用途時，該等資產會按與其他物業資產相同的基準開始計算折舊。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Property, plant and equipment (Continued)

If a property becomes an investment property when there is a change in use, as evidenced by end of owner-occupation, any difference between the carrying amount and the fair value of that item at the date of transfer is recognised in other comprehensive income and accumulated in properties revaluation reserve. The properties revaluation reserve in respect of that item will be transferred directly to retained earnings when it is derecognised.

Depreciation is recognised so as to allocate 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.

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

Investment properties

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

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

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

3. 主要會計政策(續)

物業、廠房及設備(續)

倘物業於其不再作自用而令其用途有變時而成為一項投資物業，該項目賬面值與於轉撥當日公平值間之任何差額於其他全面收益中確認，並於物業重估儲備中累計。有關該項目之物業重估儲備將於其終止確認時直接轉撥至保留盈利。

物業、廠房及設備項目乃於其估計可使用年期以直線法確認折舊，以分配其成本減剩餘價值。估計可使用年期、剩餘價值及折舊方法於各報告期末進行檢討，任何估計變動的影響按未來適用法入賬。

物業、廠房及設備的項目於出售時或於預計不會從持續使用該項資產中獲得未來經濟利益時終止確認。任何因出售或廢置物業、廠房及設備的項目而產生的收益或虧損，乃按該項資產的銷售所得款項與賬面值之間的差額釐定，並於損益中確認。

投資物業

投資物業乃持作賺取租金及／或資本增值的物業。

投資物業初步按成本計量，包括任何直接應佔支出。於初步確認後，投資物業按公平值計量。投資物業之公平值變動所產生之收益或虧損計入產生期間之損益。

投資物業於出售時或投資物業永久停用及預期不能透過出售取得未來經濟利益時終止確認。終止確認物業所產生的任何收益或虧損(按出售所得款項淨額與有關資產賬面值的差額計量)於終止確認該項物業之期間計入損益中。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses (see the accounting policy in respect of impairment losses on tangible and intangible assets below).

Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

Inventories

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

Cash and cash equivalents

Bank balances and cash in the consolidated statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

3. 主要會計政策(續)

無形資產

單獨購入的無形資產

單獨購入且使用年期有限的無形資產以成本減累計攤銷及任何累計減值虧損計值。使用年期有限的無形資產的攤銷於其估計可使用年期以直線法確認。估計可使用年期及攤銷方法於各報告期末進行檢討，任何估計變動的影響按未來適用法入賬。

單獨購入之具無限可使用年期之無形資產按成本減任何其後累計減值虧損列賬(見下文有關有形資產及無形資產的減值虧損之會計政策)。

研究及開發開支

研究活動的開支於其產生的期間確認為開支。

存貨

存貨按成本與可變現淨值之間的較低者列賬。存貨成本乃使用加權平均法計算釐定。可變現淨值指存貨的估計售價減所有估計完成成本及進行銷售所必須的成本。

現金及現金等價物

綜合財務狀況表內的銀行結餘及現金包括銀行及手頭現金及到期日為三個月或以下的短期存款。

就綜合現金流量表而言，現金及現金等價物包括現金及如上文界定的短期存款。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments

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

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

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

Interest expense is recognised on an effective interest basis.

3. 主要會計政策(續)

金融工具

金融資產及金融負債在集團實體成為工具合約條文的訂約方時確認。金融資產之一切常規買賣概於交易日期確認及取消確認。常規買賣指須根據市場規則或慣例確立之時限內交付資產之金融資產買賣。

金融資產及金融負債初步按公平值計量，惟來自客戶合約的應收貿易賬款根據香港財務報告準則第15號初步計量除外。收購或發行金融資產及金融負債(按公平值列賬並在損益內處理(「按公平值列賬並在損益內處理」)的金融資產或金融負債除外)直接應佔的交易成本乃於初步確認時加入金融資產或金融負債的公平值或自金融資產或金融負債的公平值扣除(如適用)。收購按公平值列賬並在損益內處理的金融資產或金融負債直接應佔的交易成本即時於損益內確認。

實際利率法乃計算金融資產或金融負債攤銷成本及於相關期間分配利息收入及利息開支的方法。實際利率指確切折現金融資產或金融負債預計年期內或(如適用)較短時期內估計未來現金收入及付款(包括所有屬於實際利率一部分的已付或已收費用及點數、交易成本及其他溢價或折讓)至初步確認時賬面淨值的利率。

利息開支乃按實際利率基準確認。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets

Classification and subsequent measurement of financial assets

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

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

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

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

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

3. 主要會計政策(續)

金融工具(續)

金融資產

金融資產的分類及其後計量

符合下列條件的金融資產其後按攤銷成本計量：

- 於目的為收取合約現金流量的業務模式下持有的金融資產；及
- 金融資產的合約條款於指定日期產生現金流量，而純粹作為本金及尚未清償本金的利息的付款。

符合下列條件的金融資產其後按公平值列賬並在其他全面收益內處理計量：

- 於目的為收取合約現金流量及出售的業務模式內持有的金融資產；及
- 金融資產的合約條款於指定日期產生現金流量，而純粹作為本金及尚未清償本金的利息的付款。

所有其他金融資產其後按公平值列賬並在損益內處理計量，惟倘該等權益投資並非持作買賣用途及收購方於香港財務報告準則第3號「業務合併」所適用之業務合併中確認的或然代價，則本集團可於首次應用香港財務報告準則第9號／初步確認金融資產之日不可撤銷地選擇於其他全面收益中呈列權益投資公平值其後變動。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

A financial asset is classified as held for trading if:

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

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

(i) Amortised cost and interest income

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

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產的分類及其後計量(續)

在以下情況，金融資產分類為持作買賣：

- 購入主要為於短期內出售；或
- 於初步確認時構成本集團一併管理的已識別金融工具之組合一部份及具有近期實際短期獲利模式；或
- 為未被指定及有效作為對沖工具之衍生工具。

此外，如本集團不可撤銷地指定按攤銷成本計量或按公平值列賬並在其他全面收益內處理計量的金融資產，按公平值列賬並在損益內處理計量會消除或大幅減少會計錯配，其可如此行事。

(i) 攤銷成本及利息收入

其後按攤銷成本計量的金融資產的利息收入乃使用實際利率法確認。利息收入以金融資產的總賬面值按實際利率計算，惟其後出現信貸減值的金融資產除外(見下文)。就其後出現信貸減值的金融資產而言，自下個報告期間起利息收入透過金融資產的攤銷成本應用實際利率確認。倘有關信貸減值的金融工具信貸風險得到改善以致有關金融資產不再出現信貸減值，則利息收入透過於緊隨釐定有關資產不再出現信貸減值的報告期間開始之金融資產總賬面值應用實際利率確認。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the "other operating income (expenses)" line item.

Impairment of financial assets

The Group recognises a loss allowance for expected credit loss ("ECL") on financial assets which are subject to impairment under HKFRS 9 (including trade and other receivables). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

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

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產的分類及其後計量(續)

(ii) 按公平值列賬並在損益內處理的金融資產

不符合按攤銷成本或按公平值列賬並在其他全面收益內處理或指定為按公平值列賬並在其他全面收益內處理計量的金融資產以按公平值列賬並在損益內處理計量。於各報告期末，按公平值列賬並在損益內處理的金融資產按公平值計量，所致的公平值收益或虧損在損益中確認。在損益中確認的收益或虧損淨額不包括該金融資產所賺取的任何股息或利息，並計入「其他經營收入(開支)」項目內。

金融資產減值

本集團就須根據香港財務報告準則第9號計量減值的金融資產(包括應收貿易賬款及其他應收款項)確認預期信貸虧損(「預期信貸虧損」)的虧損準備。預期信貸虧損金額於各報告期末更新，以反映信貸風險自初步確認以來的變動。

存續期間的預期信貸虧損指相關工具預計存續期間內所有可能發生的違約事件導致的預期信貸虧損。相反，12個月預期信貸虧損(「12個月預期信貸虧損」)指預計於報告日期後12個月內可能發生的違約事件導致的部分存續期間的預期信貸虧損。預期信貸虧損乃根據本集團過往信貸虧損經驗進行評估，並就債務人特定因素、一般經濟狀況以及於報告日期之現時狀況及未來狀況預測之評估作出調整。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

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

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

(i) Significant increase in credit risk

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

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

本集團一直就應收貿易賬款確認存續期間的預期信貸虧損。於評估該等資產的預期信貸虧損時，會就擁有重大結餘的應收賬款進行個別評估及／或使用撥備矩陣對適當分組的資產進行集體評估。

就所有其他工具而言，本集團計量相當於12個月預期信貸虧損的虧損撥備，除非自初步確認以來信貸風險顯著上升，本集團則確認存續期間的預期信貸虧損。評估是否應該確認存續期間的預期信貸虧損乃基於初步確認以來違約可能性或風險有否出現顯著上升。

(i) 信貸風險顯著增加

評估信貸風險自初步確認以來是否顯著增加時，本集團會比較於報告日期金融工具發生違約的風險與於初步確認日期金融工具發生違約的風險。於作出有關評估時，本集團會考慮合理及可靠之定量及定性資料，包括過往經驗及無須付出不必要成本或努力便可獲得之前瞻性資料。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(i) Significant increase in credit risk (Continued)

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

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

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 60 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(i) 信貸風險顯著增加(續)

具體而言，在評估信貸風險是否顯著增加時，會考慮下列資料：

- 金融工具之外部(倘可獲得)或內部信貸評級的實際或預期顯著惡化；
- 信貸風險之外部市場指標出現重大惡化，如債務人信貸息差、信貸違約掉期價格大幅上升；
- 業務、財務或經濟狀況發生或將會發生不利變動，預期將導致債務人償債能力明顯下降；
- 債務人的經營業績實際或預期明顯轉差；
- 債務人所處之監管、經濟或技術環境實際或預期發售重大不利變動，導致債務人償債能力顯著下降。

不論上述評估結果如何，本集團假設倘合約付款逾期超過60天，則信貸風險自初步確認以來顯著增加，除非本集團有能說明信貸風險並無顯著增加的合理可靠資料，則作別論。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

- (i) Significant increase in credit risk (Continued)
- The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.
- (ii) Definition of default
- For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).
- Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 1 year past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.
- (iii) Credit-impaired financial assets
- A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit impaired includes observable data about the following events:
- (a) significant financial difficulty of the issuer or the borrower;
 - (b) a breach of contract, such as a default or past due event;

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

- (i) 信貸風險顯著增加(續)
- 本集團定期監控識別信貸風險是否出現顯著增加所用標準的有效性，並對其作出適當修訂以確保在款項逾期前有關標準能識別信貸風險的顯著增加。
- (ii) 違約的定義
- 本集團認為就內部信貸風險管理而言，倘內部編製或自外部來源獲得的資料表明，債務人不大可能向其債權人(包括本集團)悉數還款(未計及本集團持有的任何抵押品)，則構成違約事件。
- 無論上文為何，本集團認為倘金融資產逾期超過1年，則發生違約事件，除非本集團有能說明更寬鬆的違約標準更為合適的合理可靠資料，則作別論。
- (iii) 信貸減值金融資產
- 當發生一項或多項對金融資產估計未來現金流量有不利影響之違約事件時，金融資產出現信貸減值。金融資產信貸減值之證據包括以下可觀察事件：
- (a) 發行人或借款人陷入重大財務困難；
 - (b) 違反合約，如違約或逾期事件；

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(iii) Credit-impaired financial assets (Continued)

- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

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

(v) Measurement and recognition of ECL

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

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(iii) 信貸減值金融資產(續)

- (c) 借款人之放款人因借款人出現財務困難有關之經濟或合約理由而給予借款人在一般情況下放款人不予考慮之優惠條件；
- (d) 借款人有可能破產或進行其他財務重組；或
- (e) 由於財務困難致使金融資產之活躍市場消失。

(iv) 撇銷政策

當有資料顯示交易對手方有嚴重財務困難及並無實際可收回希望(如交易對手方已進行清算或已進入破產程序)，或倘為應收貿易賬款，賬款逾期超過兩年(以較早發生者為準)，本集團會撇銷金融資產。根據本集團收回程序並考慮法律建議(如適用)，已撇銷金融資產可能仍受到執法活動之約束。一項撇銷構成一項取消確認事件。任何其後收回均於損益中確認。

(v) 預期信貸虧損計量及確認

預期信貸虧損之計量為違約概率、違約損失率(即違約時的損失程度)及違約風險暴露之函數。評估違約概率及違約損失率乃基於經前瞻性質料進行調整的歷史數據。預期信貸虧損的估計反映無偏頗及概率加權數額，其乃根據加權的相應違約風險而釐定。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

(v) Measurement and recognition of ECL (Continued)

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

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

- Nature of financial instruments (i.e. the Group's trade and other receivables are each assessed as a separate group. Loans to related parties are assessed for expected credit losses on an individual basis);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

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

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

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

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(v) 預期信貸虧損計量及確認(續)

一般而言，預期信貸虧損為根據合約應付本集團的所有合約現金流量與本集團預期將收取按初步確認時釐定的實際利率貼現的現金流量之間的差額。

倘預期信貸虧損按整體基準計量以迎合個別工具水平證據未必存在的情況，則金融工具按以下基準歸類：

- 金融工具性質(即本集團貿易及其他應收賬款作為獨立組別個別評估。給予關連方的貸款就預期信貸虧損按個別基準評估)；
- 逾期狀況；
- 債務人的性質、規模及行業；及
- 外部信貸評級(倘有)。

管理層會定期檢討分組情況，以確保各組別繼續擁有類似信貸風險特徵。

利息收入根據金融資產的賬面總額計算，除非金融資產已出現信貸減值，在該情況下，利息收入按金融資產的攤銷成本計算。

本集團藉調整所有金融工具的賬面值，於損益確認減值收益或虧損，惟應收貿易賬款及其他應收款項則透過虧損撥備賬確認相應調整。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments

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

Financial liabilities

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

Equity instruments

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

Derecognition

A financial asset is derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

3. 主要會計政策(續)

金融工具(續)

金融負債及權益工具

集團實體發行的債務及權益工具乃根據所訂立的合約安排的實質內容以及金融負債及權益工具的定義而分類為金融負債或權益。

金融負債

金融負債包括應付貿易賬款及其他應付款項及有抵押銀行借款，乃隨後按採用實際利率法計算的已攤銷成本計量。

權益工具

權益工具為證明於一間實體經扣除其所有負債後的資產中所剩餘權益的任何合約。本公司發行的權益工具按已收所得款項扣除直接發行成本確認。

終止確認

只有在資產收取現金流量的合約權利屆滿，或本集團已將金融資產及當中擁有權的絕大部份風險及回報轉讓予另一實體時，本集團方會終止確認金融資產。倘本集團並無轉讓亦無保留擁有權的絕大部份風險及回報，並繼續控制已轉讓資產，則本集團確認其於資產中的保留權益及其可能須支付的相關負債。倘本集團保留已轉讓金融資產擁有權的絕大部份風險及回報，則本集團將繼續確認金融資產，並就已收取的所得款項確認已抵押借款。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Derecognition (Continued)

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in investment revaluation reserve is recognised in profit or loss.

A financial liability is derecognised when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Impairment losses on tangible and intangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, 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 unit, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

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 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 the cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

3. 主要會計政策(續)

金融工具(續)

終止確認(續)

於完全終止確認金融資產時，該項資產賬面值與已收及應收代價以及已於其他全面收益確認及於投資重估儲備權益累計的累計收益或虧損的總和間的差額，則於損益內確認。

本集團僅會於責任獲解除、註銷或屆滿時，終止確認金融負債。被終止確認的金融負債的賬面值與已付及應付代價間的差額於損益內確認。

有形資產及無形資產的減值虧損

本集團會於各報告期末檢討其有形資產及使用年期有限的無形資產的賬面值，以確定該等資產有否出現減值虧損跡象。倘出現任何有關跡象，會估計資產的可收回金額，以釐定減值虧損(如有)的幅度。倘不可估計個別資產的可收回金額，則本集團會估計該項資產所屬現金產生單位的可收回金額。倘能夠識別一個合理且一致的分配基礎，公司資產亦會分配至個別現金產生單位，若不能分配至個別現金產生單位，則應將公司資產分配至能識別合理且一致基礎的最小現金產生單位組別。

具無限可使用年期之無形資產至少每年及於出現可能減值的跡象時進行減值測試。

可收回金額指公平值減出售成本和使用價值兩者中的較高者。在評估使用價值時，估計未來現金流量會採用稅前貼現率貼現至現值，該稅前貼現率應反映當前市場對貨幣時間價值的評估及該資產特有的風險(估計未來現金流量並未就其作出調整)。

倘若估計資產(或現金產生單位)的可收回金額低於其賬面值，則資產(或現金產生單位)的賬面值將調低至其可收回金額。減值虧損乃即時於損益確認。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the directors of the Company are required to make judgements, estimates and assumptions about the amounts of assets, liabilities, revenue and expenses reported and disclosures made in the consolidated financial statements. 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 on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

The followings are the critical judgements, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised and disclosures made in the consolidated financial statements.

Going concern and liquidity

The assessment of the going concern assumptions involves making judgement by the directors of the Company, at a particular point of time, about the future outcome of events or conditions which are inherently uncertain. The directors of the Company consider that the Group has ability to continue as going concern and the major events or conditions, which may give rise to business risks, that individually or collectively may cast significant doubt about the going concern assumptions are set out in note 1.

Deferred taxation on investment properties

For the purposes of measuring deferred tax liabilities arising from investment properties that are measured using the fair value model, the directors of the Company have reviewed the Group's investment property portfolios and concluded that the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, in measuring the Group's deferred taxation on investment properties, the directors of the Company have determined that the presumption of the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is rebutted.

4. 重要會計判斷及估計不明朗因素的主要來源

於應用附註3所述本集團的會計政策時，本公司董事須對於綜合財務報表呈報的資產、負債、收益及開支金額及披露作出判斷、估計及假設。該等估計及相關假設乃根據過往的經驗及其他被認為有關的因素作出。實際結果可能有別於此等估計。

該等估計及相關假設會持續檢討。如修訂會計估計只影響修訂期間，則該等會計估計在該期間確認，如有關修訂影響當時及未來期間，則在作出修訂的期間及未來期間確認。

應用會計政策的重要判斷

以下為本公司董事於應用本集團會計政策過程中所作並對在綜合財務報表中確認及披露的金額具有重大影響的重要判斷(涉及估計者(見下文)除外)。

持續經營及流動資金

對持續經營假設的評估涉及本公司董事於特定時間就本質上不確定的事件或狀況的未來結果作出判斷。本公司董事認為，本集團有能力持續經營，而可能導致或會個別或共同對持續經營假設構成重大疑慮的業務風險之重大事件或狀況載於附註1。

投資物業的遞延稅項

為計算使用公平值模式計量的投資物業的遞延稅項負債，本公司董事已審閱本集團的投資物業組合，並認為本集團的投資物業乃透過目標是隨時間而非透過銷售消耗投資物業中的絕大部分經濟利益的業務模式持有。因此，於計算本集團投資物業的遞延稅項時，本公司董事已釐定使用公平值模式計量的投資物業的賬面值會全數透過出售收回的假設被推翻。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty

The followings are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives, after taking into account their estimated residual values. The determination of the useful lives and residual values involves management's estimation based on the historical experience of the actual useful lives of the relevant assets of similar nature and function. The Group assesses annually the residual value and the useful life of the property, plant and equipment and if the expectation differs from the original estimate, such a difference may impact the depreciation in the year and the estimate will be changed in the future period.

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

The impairment loss for property, plant and equipment and right-of-use assets was recognised for the amounts by which the carrying amounts exceed their recoverable amounts, in accordance with the Group's accounting policy when impairment indicator is identified on those assets. The recoverable amounts have been determined based on value-in-use calculations and fair value less cost to sell. The value-in-use calculations require the use of estimates such as the cash flows projections and pre-tax discount rates. In determining the fair values, an independent professional valuer assesses the significant unobservable input by reference to market data and takes into consider certain estimates of market conditions.

Fair value of investment properties

Investment properties are carried in the consolidated statement of financial position at their fair values. In determining the fair values, an independent professional valuer assesses the significant unobservable input by reference to market data and takes into consideration certain estimates of market conditions. Favourable or unfavourable changes to these assumptions would result in changes in the fair value of the Group's investment properties and corresponding adjustments to the amount of loss reported in the consolidated statement of profit or loss.

4. 重要會計判斷及估計不明朗因素的主要來源(續)

估計不明朗因素的主要來源

以下為有關未來的主要假設及於報告期末估計不明朗因素的其他主要來源，可能導致對下一財政年度資產和負債賬面值作出重大調整。

物業、廠房及設備折舊

物業、廠房及設備均按其估計可使用年期並經計及其估計剩餘價值，採用直線法進行折舊。釐定可使用年期及剩餘價值涉及管理層的估計，該估計乃根據類似性質及功能的相關資產的實際可使用年期的過往經驗作出。本集團每年估計物業、廠房及設備的剩餘價值及可使用年期，倘預期與原先估計有分別，則該差異可能對年內的折舊造成影響，而估計亦將會於未來期間改變。

物業、廠房及設備以及使用權資產減值

物業、廠房及設備以及使用權資產之減值虧損在該等資產發現減值跡象時根據本集團會計政策就賬面值超出其可收回金額之數額確認。可收回金額根據使用價值計算及公平值減出售成本釐定。使用價值計算需要利用現金流量預測及稅前貼現率等估計。於釐定公平值時，獨立專業估值師參考市場數據及計及若干市況估計評估重大不可觀察輸入數據。

投資物業的公平值

投資物業乃按其公平值於綜合財務狀況表列賬。釐定公平值時，獨立專業估值師經參考市場數據及考慮若干估計市場狀況後對重大不可觀察數據作出評估。該等假設的有利或不利變更將導致本集團投資物業的公平值出現變動，而就虧損額作出的相應調整則於綜合損益表呈報。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Allowance for inventories

The Group makes the allowance for inventories based on assessments of the net realisable value of inventories. An allowance is applied to inventories where events or changes in circumstances indicate that the net realisable value is lower than the costs of inventories. The identification of obsolete inventories requires the use of judgement and estimates on the conditions and usefulness of the inventories. Where the actual outcome in future is different from the original estimate, such difference will impact the carrying value of inventories and allowance write-back in the period in which such estimate has been changed.

Provision of ECL for trade and other receivables

The Group uses provision matrix to calculate ECL for the trade and other receivables. The provision rates are based on industry forecast as groupings of various debtors that have similar loss patterns. The provision matrix is based on the Group's historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered. In addition, trade receivables with significant balances and credit impaired are assessed for ECL individually.

The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group's trade receivables and other receivables are disclosed in note 27 respectively.

Income taxes

The Group is subject to income taxes in several jurisdictions. Significant estimates are required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

4. 重要會計判斷及估計不明朗因素的主要來源(續)

估計不明朗因素的主要來源(續)

存貨撥備

本集團須根據存貨的可變現淨值之評估為存貨計提撥備。倘出現事件或情況變動顯示可變現淨值低於該等存貨的成本，則會對存貨作出撥備。識別滯銷存貨需對存貨的狀況及有用性作出判斷及估計。當未來實際結果與原先估計不同時，有關差額將影響有關估計出現變動期間的存貨賬面值及撥回撥備。

應收貿易賬款及其他應收款項預期信貸虧損撥備

本集團使用撥備矩陣計算應收貿易賬款及其他應收款項的預期信貸虧損。由於各應收賬款分組具有類似虧損模式，故撥備率乃基於行業預測釐定。撥備矩陣基於本集團的歷史違約率，並計及毋須不必要成本或努力即可獲得的合理且有理據的前瞻性資料。於各報告日期，本集團會重新評估歷史觀察違約率，並考慮前瞻性資料的變動。此外，具有重大結餘及已出現信貸減值的應收貿易賬款會個別評估預期信貸虧損。

預期信貸虧損撥備易受估計變動影響。有關預期信貸虧損、本集團的應收貿易賬款及其他應收款項的資料披露於附註27。

所得稅

本集團須繳納若干司法權區的所得稅。在釐定所得稅的撥備時須作出重大估計。在日常業務過程中，有許多交易及計算均難以明確釐定最終的稅項。倘該等事宜的最終稅項結果與最初入賬的金額不同，該等差額將影響稅項釐定期間的所得稅及遞延稅項撥備。

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5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of bank balances and cash, secured bank borrowings, and equity attributable to owners of the Company, comprising issued share capital and reserves. The directors of the Company review the capital structure on a regular basis. As a part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through the payment of dividends, new share issue and the issue of new debts.

6. FINANCIAL INSTRUMENTS

Categories of financial instruments

		As at 31 December 2020 於二零二零年 十二月三十一日 HK\$'000 千港元	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元
Financial Assets	金融資產		
Fair value through profit or loss	按公平值列賬		
Held-for-trading investments	並在損益內處理 持作買賣投資	22	116
At amortised cost (including bank balances and cash)	按攤銷成本(包括銀行結餘及現金)	313,831	377,261
Financial assets at FVTOCI	按公平值列賬並在其他全面收益內處理的金融資產	2,756	2,648
Financial Liabilities	金融負債		
At amortised cost	按攤銷成本	417,872	380,025

5. 資本風險管理

本集團的資本管理旨在透過在債務與權益間作出最佳平衡，確保本集團的實體可持續經營，並為股東締造最大回報。本集團的整體策略與去年維持不變。

本集團的資本架構包括銀行結餘及現金、有抵押銀行借款以及本公司擁有人應佔權益(包括已發行股本及儲備)。本公司董事定期檢討資本架構。作為檢討一部分，本公司董事考慮資本成本及與各類資本相關的風險。根據本公司董事建議，本集團將透過派付股息、發行新股及發行新債平衡其整體資本架構。

6. 金融工具

金融工具的類別

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's major financial instruments include held-to-maturity investments, financial assets at FVTOCI, trade and other receivables, held-for-trading investments, bank balances and cash, secured bank borrowings and trade and other payables (including trade and bills payables, accrued expenses and other payables). Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Currency risk

The Group has transactional currency exposures. Such exposures arise from sales or purchases by several subsidiaries of the Company in currencies other than those subsidiaries' functional currencies. In addition, certain portion of the financial assets at FVTOCI, held-for-trading investments, trade and other receivables, bank balances and cash, trade and other payables and secured bank borrowings are denominated in currencies other than the functional currencies of the entities to which they relate.

The carrying amounts of the Group's foreign currency denominated assets and liabilities at the reporting date are as follows:

	Assets 資產		Liabilities 負債		
	As at 31 December 2020 於二零二零年 十二月三十一日 '000 千元	As at 31 December 2019 於二零一九年 十二月三十一日 '000 千元	As at 31 December 2020 於二零二零年 十二月三十一日 '000 千元	As at 31 December 2019 於二零一九年 十二月三十一日 '000 千元	
United States Dollars ("US\$")	美元(「美元」)	6,309	6,327	21,688	6,658
Euro ("EUR")	歐元(「歐元」)	155	124	-	-
Japanese Yen ("JPY")	日圓(「日圓」)	367	228	-	9,133
New Taiwan Dollars ("NTD")	新台幣(「新台幣」)	10,683	27,206	-	389
RMB	人民幣	2,698	13,362	-	-

The Group currently does not have a foreign currency hedging policy. However, the directors of the Company continuously monitor the related foreign currency exposure and will consider hedging significant foreign currency exposure should the need arise.

7. 財務風險管理目標及政策

本集團的主要金融工具包括持有至到期投資、按公平值列賬並在其他全面收益內處理的金融資產、應收貿易賬款及其他應收款項、持作買賣投資、銀行結餘及現金、有抵押銀行借款以及應付貿易賬款及其他應付款項(包括應付貿易賬款及應付票據、應計開支及其他應付款項)。該等金融工具的詳情於各相關附註披露。下文載列與該等金融工具有關的風險及如何降低該等風險的政策。管理層管理及監控該等風險，以確保可及時和有效地採取適當措施。

貨幣風險

本集團面對交易貨幣風險。有關風險源自本公司多間附屬公司以各自的功能貨幣以外的貨幣進行的銷售或採購。此外，按公平值列賬並在其他全面收益內處理的金融資產、持作買賣投資、應收貿易賬款及其他應收款項、銀行結餘及現金、應付貿易賬款及其他應付款項以及有抵押銀行借款中有若干部分乃以相關實體功能貨幣以外的貨幣計值。

本集團以外幣計值的資產及負債於報告日期的賬面值如下：

本集團目前並無外幣對沖政策。然而，本公司董事持續監察相關外幣風險，並將於需要時考慮就重大外幣風險進行對沖。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Currency risk (Continued)

Sensitivity analysis

The Group is mainly exposed to the effects of fluctuation in US\$, EUR, JPY, NTD and RMB.

The following table details the Group's sensitivity to a 5% (2019: 5%) increase and decrease in functional currency of the relevant group entity (i.e., mainly HK\$ and RMB) against the relevant foreign currencies. 5% (2019: 5%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated items and adjusts their translation at the year-end for a 5% (2019: 5%) change in foreign currency rates. A positive number below indicates an increase in loss where respective functional currency strengthens 5% (2019: 5%) against the relevant currency. For a 5% (2019: 5%) weakening of respective functional currency against the relevant currency, there would be an equal and opposite impact on the loss for the year and other equity, and the balances below would be negative.

		EUR 歐元 HK\$'000 千港元	JPY 日圓 HK\$'000 千港元	NTD 新台幣 HK\$'000 千港元	RMB 人民幣 HK\$'000 千港元
Loss after tax	除稅後虧損				
— 2020	— 二零二零年	667	—	—	189
— 2019	— 二零一九年	57	(31)	353	742

In view of the pegged rate between HK\$ and US\$, the directors of the Company do not expect there is a material effect by any changes in movement in value of US\$ against HK\$.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

7. 財務風險管理目標及政策(續)

貨幣風險(續)

敏感度分析

本集團主要承受美元、歐元、日圓、新台幣及人民幣的波動的影響。

下表詳列本集團對相關集團實體的功能貨幣(即主要為港元及人民幣)兌相關外幣的匯率升或跌5%(二零一九年:5%)的敏感度。5%(二零一九年:5%)為於向主要管理人員作出內部外幣風險匯報時所用的敏感度比率,並為管理層對匯率合理可能變動的評估。敏感度分析僅包括以外幣定值的未償還項目,並就匯率的5%(二零一九年:5%)變動調整彼等於年終換算的金額。下表的正數顯示虧損於相關功能貨幣兌相關貨幣升值5%(二零一九年:5%)時的增加金額。倘相關功能貨幣兌相關貨幣貶值5%(二零一九年:5%),則對年度虧損及其他權益構成相同但相反的影響,而下文的結餘則為負數。

由於港元與美元的聯繫匯率,本公司董事認為美元兌港元的價值變動將不會產生任何重大影響。

管理層認為,由於年終風險並不反映年內風險,故敏感度分析未能代表固有外匯風險。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to its variable-rate deposits with banks and certain secured bank borrowings and is also exposed to fair value interest rate risk in relation to its fixed-rate short-term bank deposits and certain bank borrowings. To mitigate the impact of interest rate fluctuations, the Group continually assesses and monitors the exposure to interest rate risk.

The Group's exposure to interest rates on financial liabilities is detailed in the liquidity risk management section of this note.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis point (2019: 50 basis points) increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates have been 50 basis points (2019: 50 basis points) higher/lower and all other variables were held constant, the Group's loss for the year would increase/decrease by approximately HK\$105,000 (2019: HK\$31,000).

Other price risk

The Group is exposed to equity price risk through its investments in listed financial assets at FVTOCI and held-for-trading investments. The management manages this exposure by maintaining a portfolio of investments with different risks. 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.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity price risks at the end of the reporting period.

7. 財務風險管理目標及政策(續)

利率風險

本集團就其浮息銀行存款及若干有抵押銀行借款承受現金流量利率風險，亦就定息短期銀行存款及若干銀行借款承受公平值利率風險。為減低利率波動的影響，本集團持續評估及監察所承受的利率風險。

本集團的金融負債利率風險於本附註流動資金風險管理一節詳述。

敏感度分析

下文的敏感度分析乃根據非衍生工具於報告期末的利率風險釐定。編製分析時假設於報告期末的未償還金融工具於整個年度均未償還。50個基點(二零一九年：50個基點)增加或減少為於向主要管理人員作出內部利率風險匯報時所採用，並為管理層對利率合理可能變動的評估。

倘利率上調／下滑50個基點(二零一九年：50個基點)，而所有其他變數維持不變，則本集團年內虧損將會增加／減少約105,000港元(二零一九年：31,000港元)。

其他價格風險

本集團因投資於已上市按公平值列賬並在其他全面收益內處理的金融資產及持作買賣投資而承受股票價格風險。管理層透過持有風險程度不同的投資組合管理此風險。此外，本集團已委任特別團隊監察價格風險，並將於有需要時考慮對沖所承受的風險。

敏感度分析

以下的敏感度分析乃根據報告期末所承受的股票價格風險而釐定。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Other price risk (Continued)

Sensitivity analysis (Continued)

If the prices of the respective equity securities have been 5% (2019: 5%) higher/lower:

- loss for the year ended 31 December 2020 would decrease/increase by approximately HK\$1,000 (for the seventeen months ended 31 December 2019: HK\$6,000) as a result of the changes in fair values of held-for-trading investments; and
- investments revaluation reserve would increase/decrease by approximately HK\$138,000 (for the seventeen months ended 31 December 2019: HK\$132,000) as a result of the changes in fair value of financial assets at FVTOCI.

Credit risk

As at 31 December 2020 and 2019, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amounts of the respective recognised financial assets as stated in the consolidated statement of financial position. The Group does not provide any guarantees that would expose the Group to credit risk.

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 trade debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group's concentration of credit risk by geographical locations is mainly in the PRC, which accounted for 78% (2019: 52%) of the total trade and bills receivables as at 31 December 2020.

The Group has concentration of credit risk as 15% (2019: 13%) and 50% (2019: 42%) of the total trade and bills receivables are due from the Group's largest customer and the five largest customers respectively.

7. 財務風險管理目標及政策(續)

其他價格風險(續)

敏感度分析(續)

倘有關股本證券的價格上升/下跌5% (二零一九年: 5%) :

- 截至二零二零年十二月三十一日止年度的虧損將因持作買賣投資的公平值變動而減少/增加約1,000港元(截至二零一九年十二月三十一日止十七個月: 6,000港元); 及
- 投資重估儲備將因按公平值列賬並在其他全面收益內處理的金融資產的公平值變動而增加/減少約138,000港元(截至二零一九年十二月三十一日止十七個月: 132,000港元)。

信貸風險

於二零二零年及二零一九年十二月三十一日, 本集團因對手不履行責任而令本集團蒙受財務虧損的最高信貸風險, 來自綜合財務狀況表所列相關已確認財務資產的賬面值。本集團並無提供任何導致本集團承受信貸風險的擔保。

為盡量降低信貸風險, 本集團管理層已指定團隊負責決定信貸額度、信貸批核及其他監察程序, 確保採取跟進措施以收回逾期債項。此外, 本集團於各報告期末審閱各個別貿易債項的可收回金額, 確保為不可收回金額作出足夠的減值虧損。就此而言, 本公司董事認為本集團的信貸風險已大幅降低。

本集團按地理位置計算的信貸風險主要集中於中國, 佔二零二零年十二月三十一日的應收貿易賬款及應收票據總額78% (二零一九年: 52%)。

本集團有信貸集中的風險, 原因是應收貿易賬款及應收票據總額的15% (二零一九年: 13%) 及50% (二零一九年: 42%) 為分別應收本集團最大客戶及五大客戶的款項。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk (Continued)

For trade receivables, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the expected credit losses on debtors with significant balances individually and/or by using a provision matrix, grouped based on shared credit risk characteristics by reference to past default experience and current past due exposure of the debtor. As part of the Group's credit risk management, the Group uses debtors' past due status to assess the impairment for its customers because these customers consist of a large number of customers with common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms. Loss rates from 0.95% to 28.9% (2019: 9.24% to 100%) were applied by the Group to the trade receivable with carrying amount of HK\$11,923,000 (2019: HK\$13,552,000) which are past due at the reporting period end. The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated.

The credit risk on short-term bank deposits and bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants. During the year ended 31 December 2020 and the seventeen months ended 31 December 2019, the loan covenants were breached. Details are set out in note 31. The following table details the Group's remaining contractual maturity for its financial liabilities. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

7. 財務風險管理目標及政策(續)

信貸風險(續)

就應收貿易賬款而言，本集團已採用香港財務報告準則第9號的簡化方法，按全期預期信貸虧損計量虧損撥備。本集團就具有重大結餘的應收賬款個別釐定預期信貸虧損及／或採用根據參照應收賬款過往違約情況及當前逾期風險而得出的共同信貸風險特徵分組的撥備矩陣釐定預期信貸虧損。作為本集團信貸風險管理的一部分，本集團採用應收賬款的逾期狀況評估其客戶的減值，原因為該等客戶由眾多具有共同風險特徵的客戶所組成，而該等風險特徵可代表客戶按照合約條款支付所有到期款項的能力。本集團就於報告期末已逾期且賬面值為11,923,000港元(二零一九年：13,552,000港元)的應收貿易賬款應用介乎0.95%至28.9%(二零一九年：9.24%至100%)的虧損率。估計虧損率乃根據應收賬款預計年期內的過往觀察所得違約率估算，並就無須付出不必要成本或努力便可獲得的前瞻性資料作出調整。分組工作由管理層定期檢討，以確保更新與特定應收賬款相關的資料。

由於對手均為獲國際信貸評級機構授予高信貸評級的銀行，故此短期銀行存款及銀行結餘的信貸風險有限。

流動資金風險

就管理流動資金風險而言，本集團監察現金及現金等價物，並將其維持於管理層認為足夠的水平，為本集團業務提供資金，並減低現金流量波動的影響。管理層監察銀行借款的運用，以確保符合貸款契約。於截至二零二零年十二月三十一日止年度及截至二零一九年十二月三十一日止十七個月，貸款契約被違反。詳情載於附註31。下表詳列本集團金融負債的餘下合約到期情況。下表包括利息及本金現金流量。倘利息流按浮動利率計算，則未折現金額按報告期末的利率曲線計算。

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7. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued) 7. 財務風險管理目標及政策(續)

Liquidity risk (Continued)

流動資金風險(續)

		Within one year or on demand 一年內或按 要求 HK\$'000 千港元	More than one year but not exceeding two years 一年以上但 不超過兩年 HK\$'000 千港元	More than two years but not more than five years 兩年以上但 不超過五年 HK\$'000 千港元	More than five years 五年以上 HK\$'000 千港元	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
At 31 December 2020	於二零二零年十二月三十一日						
Trade and other payables	應付貿易賬款及其他應付款項	114,944	-	-	-	114,944	114,944
Secured bank borrowings	有抵押銀行借款	204,457	18,546	31,200	-	254,203	237,591
		319,401	18,546	31,200	-	369,147	352,535

		Within one year or on demand 一年內或按 要求 HK\$'000 千港元	More than one year but not exceeding two years 一年以上但 不超過兩年 HK\$'000 千港元	More than two years but not more than five years 兩年以上但 不超過五年 HK\$'000 千港元	More than five years 五年以上 HK\$'000 千港元	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
At 31 December 2019	於二零一九年十二月三十一日						
Trade and other payables	應付貿易賬款及其他應付款項	100,345	-	-	-	100,345	100,345
Secured bank borrowings	有抵押銀行借款	248,703	22,598	30,769	-	302,070	279,680
		349,048	22,598	30,769	-	402,415	380,025

Secured bank borrowings with a repayment on demand clause are included in the "within one year or on demand" time band in the above maturity analysis. At 31 December 2020, the carrying amounts of these bank borrowings amounted to approximately HK\$237,591,000 (2019: HK\$279,680,000). The directors of the Company believe that such bank borrowings will be repaid in accordance with the scheduled repayment dates set out in note 31. The aggregate principal and interest cash outflows with amount to approximately HK\$161,559,000 (2019: HK\$98,257,000).

設有按要求償還條款的有抵押銀行借款於上述到期日分析中計入「一年內或按要求的時間欄位下。於二零二零年十二月三十一日，該等銀行借款的賬面值約為237,591,000港元(二零一九年：279,680,000港元)。本公司董事相信，有關銀行借款將根據附註31所載的計劃還款日期償還。本金額及利息現金流出總額約為161,559,000港元(二零一九年：98,257,000港元)。

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8. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of held-for-trading investments and listed securities classified as financial assets at FVTOCI is calculated using quoted prices.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements were approximate to their fair values due to their immediate or short-term maturities.

The following table provides an analysis of financial assets that are measured at fair value at the end of each reporting period for recurring measurement, grouped into level 1 to 3 based on the degree to which the fair value is observable in accordance to the Group's accounting policy.

Financial assets	Fair value as at 31 December 2020 二零二零年 十二月三十一日 的公平值	Fair value as at 31 December 2019 二零一九年 十二月三十一日 的公平值	Fair value hierarchy	Valuation technique(s) and key inputs
金融資產			公平值層級	估值方法及 主要輸入數據
Listed equity securities classified as financial assets at FVTOCI in the consolidated statement of financial position 於綜合財務狀況表分類為按公平值列賬並在其他全面收益內處理的金融資產的上市股本證券	HK\$2,756,000	HK\$2,648,000	Level 1	Quoted bid prices in active markets
	2,756,000 港元	2,648,000 港元	第一層	活躍市場所報買入價
Listed equity securities classified as held-for-trading investments in the consolidated statement of financial position 於綜合財務狀況表分類為持作買賣投資的上市股本證券	HK\$22,000	HK\$116,000	Level 1	Quoted bid prices in active markets
	22,000 港元	116,000 港元	第一層	活躍市場所報買入價

There were no transfers between levels of fair value hierarchy during the year ended 31 December 2020 and the seventeen months ended 31 December 2019.

8. 金融工具的公平值

持作買賣投資及分類為按公平值列賬並在其他全面收益內處理的金融資產的上市證券的公平值按報價計算。

本公司董事認為，由於綜合財務報表按攤銷成本入賬的金融資產及金融負債即時或於短期內到期，故該等金融資產及金融負債的賬面值與其公平值相若。

下表提供於各報告期末就反覆計量按公平值計量的金融資產分析，乃根據本集團的會計政策按公平值可觀察程度分為第一至三層。

於截至二零二零年十二月三十一日止年度及二零一九年十二月三十一日止十七個月，公平值層級之間並無任何轉撥。

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9. REVENUE AND OTHER INCOME AND GAIN

Revenue represents fair value of the consideration received or receivable and for goods sold and healthcare and hotel services rendered in the normal course of business to customers, net of discounts and sales related taxes.

9. 收益及其他收入及收益

收益指已收或應收代價及在日常業務過程中向客戶出售貨品以及提供醫療保健及酒店服務的代價的公平值，扣除折扣及銷售相關稅項。

		Year ended 31 December 2020 截至二零二零年 十二月三十一日 止年度 HK\$'000 千港元	Seventeen months ended 31 December 2019 截至二零一九年 十二月三十一日 止十七個月 HK\$'000 千港元
Revenue	收益		
Sales of goods — point of time	銷售貨品 — 於某一時點	343,922	510,617
Healthcare and hotel services — overtime	醫療保健及酒店服務 — 於一段時間	10,268	10,339
		354,190	520,956
Other income and gain	其他收入及收益		
Interest income	利息收入		
— Loan receivables	— 應收貸款	2,371	6,929
— Bank deposits	— 銀行存款	119	977
Total interest income	利息收入總額	2,490	7,906
Dividend income	股息收入	56	234
Fair value gain on investment properties	投資物業的公平值收益	315	14,874
Comission income	佣金收入	14,910	—
Gain on disposal of subsidiaries	出售附屬公司的收益	—	3,635
Gain on disposal of investment properties	出售投資物業的收益	—	11,509
Net gain on disposal of non-current assets classified as held for sale (Note a)	出售分類為持作出售的非流動資產的收益淨額(附註a)	—	8,463
Net gain on disposal of property, plant and equipment (Note a)	出售物業、廠房及設備的收益淨額(附註a)	—	10,850
Net gain on disposal of prepaid lease payments (Note a)	出售預付租賃款項的收益淨額(附註a)	—	1,723
Reserve of impairment loss on trade receivable	貿易應收賬款減值虧損準備	512	—
Government grants	政府補助金		
— Amortisation of deferred income for the year	— 一年內遞延收入攤銷	242	226
— Government grants (Note b)	— 政府補助金(附註b)	1,688	3,143
Net rental income (Note c)	租金收入淨額(附註c)	10,647	4,400
Sundry income	雜項收入	5,662	4,091
		36,522	71,054

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9. REVENUE AND OTHER INCOME AND GAIN

(Continued)

Notes:

- (a) The amount represented the disposal of certain properties held by the Group located in Hong Kong, Macau and the PRC. The net gain on the disposal of non-current assets classified as held for sale, properties and prepaid lease payments included the expenses incurred in relation to the disposal during the seventeen months ended 31 December 2019. The outgoings included commission and other taxes incurred for the disposal of properties.
- (b) The amounts represent unconditional grants from government for subsidising the operations of the subsidiaries in the PRC.
- (c) An analysis of the Group's net rental income is as follows:

9. 收益及其他收入及收益(續)

附註：

- (a) 有關款項來自出售本集團於香港、澳門及中國持有的若干物業。出售分類為持作出售的非流動資產、物業及預付租賃款項的收益淨額包括於截至二零一九年十二月三十一日止十七個月有關出售產生的開支。開支包括出售物業產生的佣金及其他稅項。
- (b) 有關款項為政府用作資助中國附屬公司營運的無條件補助金。
- (c) 本集團租金收入淨額的分析如下：

		Year ended 31 December 2020 截至二零二零年 十二月三十一日 止年度 HK\$'000 千港元	Seventeen months ended 31 December 2019 截至二零一九年 十二月三十一日 止十七個月 HK\$'000 千港元
Gross rental income	租金收入總額	13,173	5,172
Less: Outgoings incurred for investment properties that generated rental income during the year/period	減：於年／期內產生租金收入的投資物業所涉及的開支	(2,526)	(772)
Net rental income	租金收入淨額	10,647	4,400

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10. SEGMENT INFORMATION

The Group's reportable and operating segments, based on information reported to the chief operating decision maker ("CODM"), being the chief executive officer of the Company, for the purpose of resource allocation and performance assessment focuses on type of goods or services delivered or provided are as follows:

- (a) Silicone rubber and related products — manufacturing and sale of silicone rubber and related products; and
- (b) Healthcare and hotel services — providing healthcare and hotel services.

No operating segment identified by the CODM has been aggregated in arriving at the reportable segment of the Group.

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segment.

For the year ended 31 December 2020

		Silicone rubber and related products 矽膠及 相關產品 HK\$'000 千港元	Healthcare and hotel services 醫療保健及 酒店服務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
REVENUE	收益			
External sales	對外銷售	343,922	10,268	354,190
Segment results	分部業績	8,860	(27,854)	(18,994)
Unallocated income	未分配收入			1,962
Unallocated expenses	未分配開支			(77,955)
Loss before tax	除稅前虧損			(94,987)

10. 分部資料

根據呈報予主要營運決策者（「主要營運決策者」）（即本公司之行政總裁）以進行資源分配及表現評估的資料（專注於所交付貨物或提供服務的類型），本集團的可報告及經營分部載列如下：

- (a) 矽膠及相關產品 — 製造及銷售矽膠及相關產品；及
- (b) 醫療保健及酒店服務 — 提供醫療保健及酒店服務。

於達致本集團的可報告分部時，並無集合主要營運決策者識別的經營分部。

分部收益及業績

以下為本集團按可報告及經營分部劃分的收益及業績分析。

截至二零二零年十二月三十一日止年度

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10. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

For the seventeen months ended 31 December 2019

		Silicone rubber and related products 矽膠及 相關產品 HK\$'000 千港元	Healthcare and hotel services 醫療保健及 酒店服務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
REVENUE	收益			
External sales	對外銷售	510,617	10,339	520,956
Segment results	分部業績	39,190	(45,712)	(6,522)
Unallocated income	未分配收入			8,990
Unallocated expenses	未分配開支			(85,564)
Loss before tax	除稅前虧損			(83,096)

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3 of annual report. Segment results represent profit earned by (loss from) each segment without allocation of certain other income, directors' emoluments and central administrative costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales during the year ended 31 December 2020 and the seventeen months ended 31 December 2019.

10. 分部資料(續)

分部收益及業績(續)

截至二零一九年十二月三十一日止
十七個月

經營分部的會計政策與年報附註3所述的本集團會計政策相同。分部業績指在並無分配若干其他收入、董事酬金及中央行政成本的情況下，各分部賺取的溢利(產生的虧損)。此乃呈報予主要營運決策者以進行資源分配及表現評估的計量。

上文呈報的分部收益指外部客戶產生的收益。於截至二零二零年十二月三十一日止年度及截至二零一九年十二月三十一日止十七個月並無分部間銷售。

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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

10. SEGMENT INFORMATION (Continued)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segment:

Segment assets

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Silicone rubber and related products	矽膠及相關產品	399,866	374,993
Healthcare and hotel services	醫療保健及酒店服務	315,392	335,896
Total segment assets	分部資產總值	715,258	710,889
Unallocated corporate assets	未分配公司資產	71,082	93,474
Consolidated total assets	綜合資產總值	786,340	804,363

Segment liabilities

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Silicone rubber and related products	矽膠及相關產品	226,965	208,655
Healthcare and hotel services	醫療保健及酒店服務	247,801	255,180
Total segment liabilities	分部負債總額	474,766	463,835
Unallocated corporate liabilities	未分配公司負債	33,372	3,608
Consolidated total liabilities	綜合負債總額	508,138	467,443

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than assets for corporate use including financial assets at FVTOCI, held-for-trading investments, certain furniture, fixtures and equipment, deposits and other receivables and bank balances and cash; and
- all liabilities are allocated to operating segments other than corporate liabilities including certain accrued expenses and other payables.

10. 分部資料(續)

分部資產及負債

以下為本集團按可報告及經營分部劃分的資產及負債分析：

分部資產

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Silicone rubber and related products	矽膠及相關產品	399,866	374,993
Healthcare and hotel services	醫療保健及酒店服務	315,392	335,896
Total segment assets	分部資產總值	715,258	710,889
Unallocated corporate assets	未分配公司資產	71,082	93,474
Consolidated total assets	綜合資產總值	786,340	804,363

分部負債

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Silicone rubber and related products	矽膠及相關產品	226,965	208,655
Healthcare and hotel services	醫療保健及酒店服務	247,801	255,180
Total segment liabilities	分部負債總額	474,766	463,835
Unallocated corporate liabilities	未分配公司負債	33,372	3,608
Consolidated total liabilities	綜合負債總額	508,138	467,443

就監察分部表現及於分部之間分配資源而言：

- 除作公司用途的資產(包括按公平值列賬並在其他全面收益內處理的金融資產、持作買賣投資、若干傢俬、裝置及設備、按金及其他應收款項以及銀行結餘及現金)外，所有資產均分配至經營分部；及
- 除公司負債(包括若干應計開支及其他應付款項)外，所有負債均分配至經營分部。

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10. SEGMENT INFORMATION (Continued)

Other segment information

For the year ended 31 December 2020

10. 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

	Unallocated	Silicone rubber and related products	Healthcare and hotel services	Total
	未分配	矽膠及相關產品	醫療保健及酒店服務	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元
Amounts included in the measure of segment results or segment assets:				
Allowance for inventories, net of reversal (including in cost of sales)	-	-	(20)	(20)
Additions of property, plant and equipment	9,682	11,941	32	21,655
Depreciation of right-of-use assets	1,921	7,244	2,406	11,571
Depreciation of property, plant and equipment	2,008	8,298	4,198	14,504
Fair value gain on investment properties	-	(315)	-	(315)
Impairment loss recognised in respect of:				
— trade receivables	-	5,243	-	5,243
Interest expenses	4	4,624	16,509	21,137
Interest income	(19)	(1,701)	(770)	(2,490)
Share of results of associates	97	-	-	97
Loss on disposal of property, plant and equipment	22	1,842	2	1,866
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss or segment assets:				
Change in fair value on held-for-trading investments	(12)	-	-	(12)
Loss on disposal of held-for-trading investments	3	-	-	3

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10. SEGMENT INFORMATION (Continued)

Other segment information (Continued)

For the seventeen months ended 31 December 2019

10. 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十七個月

	Unallocated	Silicone rubber and related products 矽膠及相關產品	Healthcare and hotel services 醫療保健及酒店服務	Total
	未分配	相關產品	及酒店服務	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元

Amounts included in the measure of segment results or segment assets:

計入分部業績或分部資產計量的金額:

Allowance for inventories	存貨撥備	-	460	389	849
Additions of property, plant and equipment	添置物業、廠房及設備	8,945	17,830	2,362	29,137
Amortisation of prepaid lease payments	預付租賃款項攤銷	184	132	3,452	3,768
Depreciation of property, plant and equipment	物業、廠房及設備折舊	1,668	22,858	9,927	34,453
Fair value gain on investment properties	投資物業的公平值收益	-	(14,874)	-	(14,874)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備的收益	(2,528)	(8,322)	-	(10,850)
Gain on disposal of prepaid lease payment	出售預付租賃款項的收益	-	(1,723)	-	(1,723)
Gain on disposal of non-current asset classified as held for sale	出售分類為持作出售的非流動資產的收益	-	-	(8,463)	(8,463)
Impairment loss recognised in respect of:	就以下各項確認的減值虧損:				
— trade receivables	— 應收貿易賬款	-	2,028	3	2,031
Interest expenses	利息開支	4	2,935	25,383	28,322
Interest income	利息收入	(238)	(7,118)	(550)	(7,906)
Share of results of associates	應佔聯營公司的業績	1,776	-	-	1,776
Written off of intangible assets	撇銷無形資產	370	-	-	370

Amounts regularly provided to the CODM but not included in the measure of segment profit or loss or segment assets:

定期提供予主要營運決策者但不計入分部損益或分部資產計量的金額:

Change in fair value on held-for-trading investments	持作買賣投資的公平值變動	466	-	-	466
Loss on disposal of financial assets at FVTOCI	出售按公平值列賬並在其他全面收益內處理的金融資產的虧損	218	-	-	218

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10. SEGMENT INFORMATION (Continued)

Revenue from major products and services

The following is an analysis of the Group's revenue from sales of its major products and provision of services to external customers:

10. 分部資料(續)

主要產品及服務收益

本集團向外部客戶銷售其主要產品及提供服務所帶來的收益分析如下：

	Year ended 31 December 2020 截至二零二零年 十二月三十一日 止年度 HK\$'000 千港元	Seventeen months ended 31 December 2019 截至二零一九年 十二月三十一日 止十七個月 HK\$'000 千港元
Consumer electronic devices peripheral products	230,980	408,212
Keypads for computers and notebooks	27,942	44,026
Lifestyle products	58,137	26,548
Mobile phone peripheral products	8,220	5,572
Automotive peripheral products	9,448	15,399
Chemical products	2,531	-
Other products	6,664	10,849
Provision of healthcare and hotel services	10,268	10,350
	354,190	520,956

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10. SEGMENT INFORMATION (Continued)

Geographical information

The Group's operations are principally located in the PRC and Hong Kong.

Information about the Group's revenue from external customers based on the location of the customers and information about its non-current assets by geographical location of the assets are detailed below:

10. 分部資料(續)

地區資料

本集團的營運主要位於中國及香港。

本集團按客戶所在地劃分之來自外部客戶的收益資料及按資產所在地劃分之非流動資產資料詳列如下：

		Revenue from external customers 來自外部客戶的收益		Non-current assets 非流動資產	
		Year ended 31 December 2020 截至 二零二零年 十二月 三十一日 止年度 HK\$'000 千港元	Seventeen months ended 31 December 2019 截至 二零一九年 十二月 三十一日 止十七個月 HK\$'000 千港元	As at 31 December 2020 於二零二零年 十二月三十一日 HK\$'000 千港元	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元
The PRC (excluding Hong Kong)	中國(香港除外)	140,474	233,606	371,760	350,142
Hong Kong	香港	45,413	95,947	9,075	5,535
Other Asian countries	其他亞洲國家	53,099	69,391	-	-
America	美洲	91,414	99,820	-	-
Europe	歐洲	23,790	22,192	-	-
		354,190	520,956	380,835	355,677

Non-current assets exclude financial assets at FVTOCI, interests in associates and goodwill.

非流動資產不包括按公平值列賬並在其他全面收益內處理的金融資產，於聯營公司的權益及商譽。

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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

10. SEGMENT INFORMATION (Continued)

Information about major customers

Revenue from customers contributing over 10% of the total sales of the Group in the year ended 31 December 2020 and seventeen months ended 31 December 2019 are as follows:

		Year ended 31 December 2020 截至二零二零 年十二月三十一 日止年度 HK\$'000 千港元	Seventeen months ended 31 December 2019 截至二零一九 年十二月三十一 日止十七個月 HK\$'000 千港元
Customer A	客戶A	N/A 不適用 ²	71,071 ¹
Customer B	客戶B	N/A 不適用 ²	54,707 ¹

¹ Sales are derived from the sale of consumer electronic devices peripheral products and automotive peripheral products.

² The corresponding revenue did not contribute over 10% of the total revenue of the Group.

10. 分部資料(續)

主要客戶資料

於截至二零二零年十二月三十一日止年度及截至二零一九年十二月三十一日止十七個月，來自佔本集團銷售總額逾10%的客戶的收益載列如下：

¹ 銷售額乃源自銷售消費電子裝置周邊產品及汽車周邊產品。

² 相關收益貢獻並無超逾本集團收益總額的10%。

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11. OTHER OPERATING EXPENSES

11. 其他經營開支

		Year ended 31 December 2020 截至二零二零年 十二月三十一日 止年度 HK\$'000 千港元	Seventeen months ended 31 December 2019 截至二零一九年 十二月三十一日 止十七個月 HK\$'000 千港元
Exchange losses	匯兌虧損	8,061	541
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	1,866	-
(Gain)/loss on fair value of held-for-trading investments	持作買賣投資的公平值(收益)/虧損	(12)	466
Written off of intangible assets	撇銷無形資產	-	370
Donation	捐贈	1,328	-
Loss on disposal of financial assets at FVTOCI	出售按公平值列賬並在其他全面收益處理的金融資產的虧損	-	218
Others	其他	2,695	772
		13,938	2,367

12. FINANCE COSTS

12. 融資成本

		Year ended 31 December 2020 截至二零二零年 十二月三十一日 止年度 HK\$'000 千港元	Seventeen months ended 31 December 2019 截至二零一九年 十二月三十一日 止十七個月 HK\$'000 千港元
Interests on:	以下各項的利息：		
Secured bank borrowings	有抵押銀行借款	19,807	28,322
Lease liabilities	租賃負債	1,330	-
		21,137	28,322

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13. INCOME TAX EXPENSE

13. 所得稅開支

		Year ended 31 December 2020 截至二零二零年 十二月三十一日 止年度 HK\$'000 千港元	Seventeen months ended 31 December 2019 截至二零一九年 十二月三十一日 止十七個月 HK\$'000 千港元
PRC Land Appreciation Tax	中國土地增值稅	100	4,134
Deferred taxation Current year/period	遞延稅項 本年度／期間	738	3,750
		838	7,884

Hong Kong Profits Tax has not been provided for in the consolidated financial statements for the current period and prior year as the Group did not derive any assessable profits in Hong Kong.

Pursuant to the rules and regulations of the Cayman Islands and BVI, the Group is not subject to any income tax in the Cayman Islands and BVI.

No provision for Indonesia Income Tax for the current period and prior year has been made as the subsidiary operating in Indonesia did not generate any assessable profits in Indonesia.

Ta Yang Group (Macao Commercial Offshore) Limited is incorporated as a commercial offshore entity in Macau and is exempted from Macau Complementary Income Tax.

No provision for Taiwan Profit-Seeking Enterprise Income Tax for the current period and prior year has been made as the Group did not generate any assessable profits in Taiwan.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards. Accordingly, provision for PRC Enterprise Income Tax for the PRC subsidiaries is calculated at 25% of estimated assessable profits for the period/year.

由於本集團並無於香港產生任何應課稅溢利，故並無於本期間及過往年度於綜合財務報表作出香港利得稅撥備。

根據開曼群島及英屬處女群島的規則及法規，本集團毋須繳納開曼群島及英屬處女群島的任何所得稅。

由於在印尼營運的附屬公司並無在印尼產生任何應課稅溢利，故並無於本期間及過往年度作出印尼所得稅撥備。

大洋集團(澳門離岸商業服務)有限公司在澳門註冊成立為離岸商業服務機構，獲豁免繳納澳門所得補充稅。

由於本集團並無於台灣產生任何應課稅溢利，因此並無於本期間及過往年度計提台灣營利事業所得稅撥備。

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司於二零零八年一月一日起的稅率為25%。因此，中國附屬公司的中國企業所得稅撥備按期／年內估計應課稅溢利的25%計算。

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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

13. INCOME TAX EXPENSE (Continued)

Land appreciation tax of the PRC is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures.

The income tax expense for the year/period can be reconciled to the loss before tax per the consolidated statement of profit or loss as follows:

13. 所得稅開支(續)

中國土地增值稅乃就土地價值升幅(即出售物業所得款項減可扣減開支)按介乎30%至60%的累進稅率徵收。

年/期內所得稅開支與綜合損益表所載的除稅前虧損對賬如下:

		Year ended 31 December 2020 截至二零二零年 十二月三十一日 止年度 HK\$'000 千港元	Seventeen months ended 31 December 2019 截至二零一九年 十二月三十一日 止十七個月 HK\$'000 千港元
Loss before tax	除稅前虧損	(94,987)	(83,096)
Tax credit at rates applicable to (loss) profit in the jurisdictions concerned	按適用於有關司法管轄區(虧損)溢利的稅率計算的稅務抵免	(18,777)	(20,774)
Tax effect of income not taxable for tax purposes	毋須課稅收入的稅務影響	(232)	(13,605)
Tax effect of expenses not deductible for tax purposes	不可扣稅開支的稅務影響	14,341	14,252
Tax effect of share of results of associates	分佔聯營公司業績的稅務影響	25	444
Land appreciation tax	土地增值稅	100	4,134
Utilisation of tax losses previously not recognised	動用過往並無確認的稅務虧損	(5,005)	(10,606)
Tax effect of tax losses not recognised	未確認稅務虧損的稅務影響	10,386	34,039
Income tax expense for the year/period	年/期內所得稅開支	838	7,884

Details of deferred taxation are shown in Note 35.

遞延稅項詳情載於附註35。

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14. LOSS FOR THE YEAR/PERIOD

14. 年／期內虧損

	Year ended 31 December 2020 截至二零二零年 十二月三十一日 止年度 HK\$'000 千港元	Seventeen months ended 31 December 2019 截至二零一九年 十二月三十一日 止十七個月 HK\$'000 千港元
Loss for the year/period has been arrived at after (crediting)/charging:	年／期內虧損乃經(計入)／扣除以下各項：	
Auditor's remuneration	核數師酬金	
— Audit service	— 審計服務	1,580
— Non-audit service	— 非審計服務	420
Allowance for inventories (included in cost of sales), net of reversal	存貨撥備(計入銷售成本)，扣除撥回	(20)
Amortisation of prepaid lease payments	預付租賃款項攤銷	-
Costs of inventories sold (Note)	已售存貨成本(附註)	274,481
Depreciation of right-of-use assets	使用權資產折舊	11,571
Depreciation of property, plant and equipment	物業、廠房及設備折舊	14,504
Directors' emoluments	董事酬金	6,716
Staff costs (excluding directors' emoluments)	員工成本 (不包括董事酬金)	92,264
		1,600
		-
		849
		3,768
		393,830
		-
		34,453
		9,576
		184,348

Note:

Cost of inventories sold includes approximately HK\$73,979,000 (2019: HK\$131,484,000) relating to staff costs, depreciation expenses and operating lease charges which amounts are also included in the respective total amounts disclosed separately above.

附註：

已售存貨成本包括與員工成本、折舊開支、經營租賃費用有關的金額約73,979,000港元(二零一九年：131,484,000港元)，有關金額亦已計入於上文獨立披露的有關總額內。

15. DIVIDENDS

No dividend was paid or proposed for the year ended 31 December 2020 and the seventeen months ended 31 December 2019, nor has any dividend been proposed since the end of the reporting period.

15. 股息

於截至二零二零年十二月三十一日止年度及截至二零一九年十二月三十一日止十七個月並無支付或建議派發任何股息，自報告期末以來亦無建議派發任何股息。

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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

16. LOSS PER SHARE

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year ended 31 December 2020 and the seventeen months ended 31 December 2019.

16. 每股虧損

每股基本虧損乃按於截至二零二零年十二月三十一日止年度及截至二零一九年十二月三十一日止十七個月本公司擁有人應佔虧損除以已發行普通股的加權平均數計算。

		Year ended 31 December 2020 截至二零二零年 十二月三十一 止年度	Seventeen months ended 31 December 2019 截至二零一九年 十二月三十一 止十七個月
Loss for the year/period attributable to owners of the Company (HK\$'000)	本公司擁有人應佔年／期內虧損(千港元)	(95,822)	(86,420)
Weighted average number of ordinary shares in issue ('000)	已發行普通股的加權平均數(千股)	871,178	871,178

During the year ended 31 December 2020 and the seventeen months ended 31 December 2019, the basic loss per share and the diluted loss per share are the same because there are no potential dilutive shares outstanding.

於截至二零二零年十二月三十一日止年度及截至二零一九年十二月三十一日止十七個月，每股基本虧損與每股攤薄虧損相同，原因是並無發行在外的潛在攤薄股份。

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17. STAFF COSTS (EXCLUDING DIRECTORS' EMOLUMENTS)

17. 員工成本(不包括董事酬金)

		Year ended 31 December 2020 截至二零二零年 十二月三十一日 止年度 HK\$'000 千港元	Seventeen months ended 31 December 2019 截至二零一九年 十二月三十一日 止十七個月 HK\$'000 千港元
Salaries, allowances and other benefits	薪金、津貼及其他福利	91,116	169,111
Retirement benefit schemes contributions	退休福利計劃供款	1,148	15,237
		92,264	184,348

The subsidiaries in Hong Kong operate defined contribution schemes under the Hong Kong Mandatory Provident Fund Schemes Ordinance which are available to qualified employees. The assets of the schemes are held separately from those of the subsidiaries in independently administered funds. Monthly contributions made by the subsidiaries are calculated based on certain percentages of the applicable payroll costs or fixed sums as stipulated under the relevant requirements, with maximum relevant income level for contributions of HK\$30,000 monthly.

香港的附屬公司根據香港強制性公積金計劃條例為合資格僱員設立定額供款計劃。該等計劃的資產由獨立管理基金持有，與附屬公司的資產分開。附屬公司每月按適用薪酬成本的若干百分比或按相關規定訂明的固定款額作出供款。供款的有關收入水平上限為每月30,000港元。

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17. STAFF COSTS (EXCLUDING DIRECTORS' EMOLUMENTS) (Continued)

Pursuant to the regulations of the relevant authorities in the PRC, the subsidiaries of the Group participate in respective government retirement benefit schemes (the "Schemes") whereby the subsidiaries are required to contribute to the Schemes to fund the retirement benefits of the eligible employees. Contributions made to the Schemes are calculated based on certain percentages of the applicable payroll costs as stipulated under the requirements in the PRC. The relevant authorities of the PRC are responsible for the entire pension obligations payable to the retired employees. The only obligation of the Group with respect to the Schemes is to pay the ongoing required contributions under the Schemes.

Employees employed by the Group's operations in Macau Special Administrative Region ("MSAR") are members of government-managed retirement benefits scheme operated by the MSAR government. The MSAR operations are required to pay a monthly fixed contribution to the retirement benefits schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefits schemes operated by the MSAR government is to make the required contributions under the scheme.

The retirement benefit schemes contributions represent contributions by the Group to the Schemes operated by the relevant authorities of the PRC, the retirement scheme operated by the MSAR government and the defined contribution schemes operated in Hong Kong.

17. 員工成本(不包括董事酬金)(續)

根據中國有關當局的規例，本集團的附屬公司參與相關政府的退休福利計劃（「該等計劃」），附屬公司須就此向該等計劃作出供款，為合資格僱員的退休福利提供資金。向該等計劃作出的供款乃按中國規例訂明的適用薪酬成本的若干百分比計算。中國有關當局負責向退休僱員支付整筆退休金。本集團就該等計劃的唯一責任是持續支付該等計劃所規定的供款。

本集團於澳門特別行政區（「澳門特區」）的業務所僱用的僱員為澳門特區政府所營辦政府管理退休福利計劃的成員。於澳門特區經營的業務須向該退休福利計劃每月作出定額供款，為有關福利提供資金。就此項澳門特區政府所運作的退休福利計劃而言，本集團的唯一責任是作出該計劃所規定的供款。

退休福利計劃供款指本集團向中國有關當局設立的該等計劃、澳門特區政府設立的退休計劃及於香港設立的定額供款計劃作出的供款。

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18. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS

(a) Directors' and chief executive officer's emoluments

The emoluments paid or payable to each of the directors including the chief executive officer (the "CEO") are as follows:

For the year ended 31 December 2020

	Fees	Salaries, allowances and other benefits	Discretionary bonus	Retirement benefit schemes contributions	Total	
	袍金	薪金、津貼及其他福利	酌情花紅	退休福利計劃供款	總計	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	千港元	
Executive directors	執行董事					
Shi Qi	施琦	-	3,818	-	18	3,836
Cheng Hong	程宏	-	120	-	6	126
Gao Feng	高峰	-	1,500	-	18	1,518
Zhao Ang (Note vi)	趙昂(附註vi)	-	-	-	-	-
Liu Wengang (Note viii)	劉文剛(附註viii)	-	700	-	8	708
Yin Zhiqiang (Note iv)	尹志強(附註iv)	-	-	-	-	-
Non-executive directors	非執行董事					
Han Lei	韓磊	-	-	-	-	-
Sze Wai Lun (Note vii)	施偉倫(附註vii)	-	-	-	-	-
Chan Tsun Hong Philip (Note viii)	陳俊匡(附註viii)	-	-	-	-	-
Independent non-executive directors	獨立非執行董事					
Zhang Lijuan	張力涓	-	-	-	-	-
Wu Tak Kong (Note i)	胡德光(附註i)	-	9	-	-	9
Lin Bing (Note ii)	林兵(附註ii)	-	232	-	-	232
Liu Gang (Note iii)	劉鋼(附註iii)	-	114	-	-	114
Wang Lina (Note v)	王麗娜(附註v)	-	83	-	-	83
Hu Jiangbing (Note iv)	胡江兵(附註iv)	-	90	-	-	90
		-	6,666	-	50	6,716

18. 董事及行政總裁酬金

(a) 董事及行政總裁酬金

已付或應付董事(包括行政總裁(「行政總裁」))各自的酬金載列如下:

截至二零二零年十二月三十一日止年度

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18. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS (Continued)

(a) Directors' and chief executive officer's emoluments (Continued)

For the seventeen months ended 31 December 2019

18. 董事及行政總裁酬金(續)

(a) 董事及行政總裁酬金(續)

截至二零一九年十二月三十一日止十七個月

	Fees	Salaries, allowances and other benefits	Discretionary bonus	Retirement benefit schemes contributions	Total	
	袍金	薪金、津貼及其他福利	酌情花紅	退休福利計劃供款	總計	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	千港元	
Executive directors	執行董事					
Shi Qi	施琦	-	6,657	621	25	7,303
Cheng Hong	程宏	-	118	-	6	124
Gao Feng	高峰	-	200	-	3	203
Zhao Ang (Note vi)	趙昂(附註vi)	-	1,401	-	22	1,423
Yin Zhiqiang (Note iv)	尹志強(附註iv)	-	-	-	-	-
Non-executive directors	非執行董事					
Han Lei	韓磊	-	-	-	-	-
Sze Wai Lun (Note v)	施偉倫(附註v)	-	-	-	-	-
Independent non-executive directors	獨立非執行董事					
Zhang Lijuan	張力涓	-	-	-	-	-
Pak Wai Keung (Note x)	白偉強(附註x)	44	-	-	-	44
Cheung Simon (Note xi)	張世文(附註xi)	168	-	-	-	168
Wu Tak Kong (Note i)	胡德光(附註i)	311	-	-	-	311
Lin Bing (Note ii)	林兵(附註ii)	-	-	-	-	-
Liu Gang (Note iii)	劉鋼(附註iii)	-	-	-	-	-
Wang Lina (Note iv)	王麗娜(附註iv)	-	-	-	-	-
Hu Jiangbing (Note viii)	胡江兵(附註viii)	-	-	-	-	-
		523	8,376	621	56	9,576

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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

18. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS (Continued)

(a) Directors' and chief executive officer's emoluments (Continued)

For the year ended 31 December 2020 (Continued)

Notes:

- (i) Resigned on 13 January 2020.
- (ii) Appointed on 13 January 2020.
- (iii) Appointed on 21 January 2020.
- (iv) Appointed on 31 March 2020.
- (v) Appointed on 22 April 2020.
- (vi) Retired on 29 June 2020.
- (vii) Resigned on 30 July 2020.
- (viii) Appointed on 3 August 2020.
- (ix) Appointed on 26 August 2020.
- (x) Resigned on 29 October 2018.
- (xi) Appointed on 25 January 2019 and resigned on 18 December 2019.

Shi Qi has resigned CEO of the Company on 26 August 2020. Her emoluments disclosed above include those for services rendered by her as the chief executive officer from 1 January 2020 to 26 August 2020.

Liu Wengang is the CEO of the Company from 26 August 2020. His emoluments disclosed above include those for services rendered by his as the chief executive officer from 26 August 2020.

No directors and the chief executive officer waived or agreed to waive any emoluments during both years.

18. 董事及行政總裁酬金(續)

(a) 董事及行政總裁酬金(續)

截至二零二零年十二月三十一日止年度(續)

附註：

- (i) 於二零二零年一月十三日辭任。
- (ii) 於二零二零年一月十三日獲委任。
- (iii) 於二零二零年一月二十一日獲委任。
- (iv) 於二零二零年三月三十一日獲委任。
- (v) 於二零二零年四月二十二日獲委任。
- (vi) 於二零二零年六月二十九日退任。
- (vii) 於二零二零年七月三十日辭任。
- (viii) 於二零二零年八月三日獲委任。
- (ix) 於二零二零年八月二十六日獲委任。
- (x) 於二零一八年十月二十九日辭任。
- (xi) 於二零一九年一月二十五日獲委任並於二零一九年十二月十八日辭任。

於二零二零年八月二十六日，施琦辭任本公司行政總裁。上文所披露的酬金包括其於二零二零年一月一日至二零二零年八月二十六日作為行政總裁提供服務的酬金。

劉文剛自二零二零年八月二十六日起擔任公司行政總裁。上文所披露的酬金包括其自二零二零年八月二十六日作為行政總裁提供服務的酬金。

於兩個年度，概無董事及行政總裁放棄或同意放棄任何酬金。

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18. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS (Continued)

(b) Five highest paid individuals emoluments

Of the five individuals with the highest emoluments in the Group, two (2019: one) were directors of the Company whose emoluments are set out above. The emoluments of the remaining three (2019: four) individuals are as follows:

	Year ended 31 December 2020 截至二零二零年 十二月三十一日 止年度 HK\$'000 千港元	Seventeen months ended 31 December 2019 截至二零一九年 十二月三十一日 止十七個月 HK\$'000 千港元
Salaries, allowances and other benefits	3,658	7,785
Retirement benefit schemes contributions	48	84
	3,706	7,869

The emolument is within the following bands:

酬金介乎以下範圍：

	No. of individuals 人數	Year ended 31 December 2020 截至二零二零年 十二月三十一日 止年度	Seventeen months ended 31 December 2019 截至二零一九年 十二月三十一日 止十七個月
Nil to HK\$1,000,000	2	2	-
HK\$1,500,001 to HK\$2,000,000	-	-	3
HK\$2,000,001 to HK\$2,500,000	1	1	1

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19. PROPERTY, PLANT AND EQUIPMENT

19. 物業、廠房及設備

		Properties held for own use 持作 自用物業 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Plant and machinery 廠房及 機器 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 千港元	Leasehold improvements 租賃物業 裝修 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST 成本								
At 1 August 2018	於二零一八年八月一日	129,532	4,833	197,385	69,870	31,565	358	433,543
Exchange realignment	匯兌調整	(4,125)	(164)	(3,413)	(1,324)	(1,174)	(27)	(10,227)
Additions	添置	534	2,555	9,251	7,094	8,578	1,125	29,137
Addition for acquisition of subsidiary	因收購附屬公司而添置	-	-	-	3,078	223	-	3,301
Disposals/write-off	出售/撤銷	(4,118)	(1,067)	(23,522)	(4,021)	(1,259)	(534)	(34,521)
At 31 December 2019	於二零一九年十二月三十一日	121,823	6,157	179,701	74,697	37,933	922	421,233
Exchange realignment	匯兌調整	5,022	374	6,450	3,521	2,428	65	17,860
Additions	添置	27	30	9,827	2,162	8,465	1,144	21,655
Transfer	轉撥	-	-	-	961	-	(961)	-
Disposals/write-off	出售/撤銷	-	(446)	(26,558)	(9,036)	(3,284)	-	(39,324)
At 31 December 2020	於二零二零年十二月三十一日	126,872	6,115	169,420	72,305	45,542	1,170	421,424
ACCUMULATED DEPRECIATION AND IMPAIRMENT 累計折舊及減值								
At 1 August 2018	於二零一八年八月一日	30,629	3,398	155,079	51,773	20,710	-	261,589
Exchange realignment	匯兌調整	(1,042)	(117)	(2,237)	(1,068)	(907)	-	(5,371)
Provided for the period	期內撥備	4,612	878	11,018	7,788	10,157	-	34,453
Eliminated on disposals/write-off	出售/撤銷時對銷	(864)	(557)	(18,725)	(3,230)	(26)	-	(23,402)
At 31 December 2019	於二零一九年十二月三十一日	33,335	3,602	145,135	55,263	29,934	-	267,269
Exchange realignment	匯兌調整	2,126	230	4,201	2,168	1,903	-	10,628
Provided for the year	年內撥備	3,431	818	2,808	5,922	1,525	-	14,504
Eliminated on disposals/write-off	出售/撤銷時對銷	(406)	(402)	(14,411)	(4,493)	(2,762)	-	(22,474)
At 31 December 2020	於二零二零年十二月三十一日	38,486	4,248	137,733	58,860	30,600	-	269,927
CARRYING VALUES 賬面值								
At 31 December 2020	於二零二零年十二月三十一日	88,386	1,867	31,687	13,445	14,942	1,170	151,497
At 31 December 2019	於二零一九年十二月三十一日	88,488	2,555	34,566	19,434	7,999	922	153,964

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19. PROPERTY, PLANT AND EQUIPMENT (Continued)

The above items of property, plant and equipment, except for construction in process, are depreciated on a straight-line basis over the estimated useful lives less residual values as follows:

Properties held for own use situated on leasehold land are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 50 years after the date of initial recognition.

	Estimated useful life 估計可使用年期	Residual value 剩餘價值
Motor vehicles 汽車	5 years 5年	10%
Plant and machinery 廠房及機器	10 years 10年	10%
Furniture, fixtures and equipment 傢俬、裝置及設備	3 to 10 years 3至10年	10%
Leasehold improvements 租賃物業裝修	Shorter of the lease term and 5 to 10 years 租期及5至10年，以較短者為準	—

At the end of each reporting period, the directors of the Company have performed impairment assessment in respect of the healthcare and hotel service, the recoverable amounts of which have been determined based on value-in-use using cashflow projection approved by the management of the Company covering a five years period. The pre-tax discount rates applied in measuring the amounts of value-in-use is 18% (2019: 10%). There was no impairment considered necessary of provide in the consolidated financial statements for the period ended 31 December 2020 (2019: HK\$ Nil).

The carrying value of properties held for own use shown above comprises of:

	As at 31 December 2020 於二零二零年 十二月 三十一日 HK\$'000 千港元	As at 31 December 2019 於二零一九年 十二月 三十一日 HK\$'000 千港元
Medium-term leases — in Hong Kong — outside Hong Kong	中期租賃 — 位於香港 — 香港境外	
	4,334 84,052	4,486 84,002
	88,386	88,488

19. 物業、廠房及設備(續)

除在建工程外，以上物業、廠房及設備項目以直線法按以下估計可使用年期減剩餘價值計算折舊：

租賃土地上的持作自用物業按未屆滿的租期及其估計可使用年期(於初步確認日期後50年內)的較短者折舊。

於各報告期末，本公司董事已就醫療保健和酒店服務進行減值評估，其可收回金額乃使用本公司管理層所批准涵蓋五年期間的現金流量預測根據使用價值釐定。計量使用價值金額所採用的稅前貼現率為18% (二零一九年：10%)。截至二零一九年十二月三十一日止期間，概無減值被認為須於綜合財務報表內作出撥備(二零一九年：零港元)。

上述持作自用物業的賬面值包括：

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19. PROPERTY, PLANT AND EQUIPMENT (Continued)

As at 31 December 2020, properties located in Hong Kong under medium-term leases with carrying value of approximately HK\$4,334,000 (2019: HK\$4,486,000) have been pledged to secure banking facilities granted to the Group.

As at 31 December 2020, properties located in the PRC under medium-term leases with carrying value of approximately HK\$81,242,000 (2019: HK\$80,870,000) have been pledged to secure bank borrowings.

19. 物業、廠房及設備(續)

於二零二零年十二月三十一日，賬面值約4,334,000港元(二零一九年：4,486,000港元)位於香港根據中期租賃持有的物業已予抵押，作為本集團所獲授銀行信貸的擔保。

於二零二零年十二月三十一日，賬面值約81,242,000港元(二零一九年：80,870,000港元)位於中國根據中期租賃持有的物業已予抵押，作為銀行借款的擔保。

20. RIGHT-OF-USE ASSETS

20. 使用權資產

		Leasehold land 租賃土地 HK\$'000 千港元	Leased properties 租賃物業 HK\$'000 千港元	Total 總計 HK\$'000 千港元
As at 1 January 2020	於二零二零年 一月一日			
Carrying Amount	賬面值	116,987	7,372	124,359
As at 31 December 2020	於二零二零年 十二月三十一日			
Carrying Amount	賬面值	122,529	13,159	135,688
For the year ended 31 December 2020	截至二零二零年 十二月三十一日 止年度			
Depreciation Charge	折舊費用	2,882	8,689	11,571
Expenses relating to short-term leases with lease terms end within 12 months of the date of initial application of HKFRS 16	具短期條款的短期租賃費用在首次應用香港財務報告準則第16號之日起12個月內終止			1,188
Total cash outflow for leases	租賃現金流出總額			9,218
Addition to right-of-use assets	添置使用權資產			13,514

As at 31 December 2020, right-of-use assets with carrying amount of approximately HK\$118,622,000 has been pledged to secure bank borrowings.

於二零二零年十二月三十一日，賬面值約118,622,000港元的使用權資產已予抵押，作為銀行借款的擔保。

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21. PREPAID LEASE PAYMENTS

21. 預付租賃款項

		As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元
Current asset	流動資產	2,465
Non-current asset	非流動資產	114,522
		116,987

The prepaid lease payments represent cost of land use rights in respect of land located in the PRC held under medium-term leases, on which the Group's factory plants, staff quarters, hotel and healthcare center are built. There was no transfer out of prepaid lease payments during the year ended 31 December 2019. The remaining period of the land use rights of the Group ranges from 36 to 44 years as at 31 December 2019.

Upon application of HKFRS 16 on 1 January 2020, the Group has reclassified prepaid lease payments to right-of-use assets.

As at 31 December 2019, prepaid lease payments with carrying amount of approximately HK\$114,740,000 has been pledged to secure bank borrowings.

預付租賃款項指有關位於中國按中期租賃持有的土地(本集團在該幅土地上建有廠房、員工宿舍、酒店及醫療保健中心)的土地使用權成本值。截至二零一九年十二月三十一日止年度，預付租賃款項並無轉出。於二零一九年十二月三十一日，本集團土地使用權的剩餘期限介乎36至44年不等。

於二零二零年一月一日應用財務報告準則第16號後，本集團已將預付租賃款項重新分類至使用權資產。

於二零一九年十二月三十一日，賬面值約114,740,000港元的預付租賃款項已予抵押，作為銀行借款的擔保。

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22. INVESTMENT PROPERTIES

22. 投資物業

		HK\$'000 千港元
FAIR VALUE	公平值	
As at 1 August 2018	於二零一八年八月一日	102,442
Change in fair value recognised in profit or loss	於損益確認的公平值變動	14,874
Disposals	出售	(26,857)
Exchange realignment	匯兌調整	(3,268)
As 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	87,191
Change in fair value recognised in profit or loss (Note 9)	於損益確認的公平值變動(附註9)	315
Exchange realignment	匯兌調整	6,144
As at 31 December 2020	於二零二零年十二月三十一日	93,650

Notes:

- (a) All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.
- (b) The investment properties shown above are situated in the PRC and held under medium-term leases.
- (c) There was no transfer to investment properties during the year ended 31 December 2020 (for the seventeen months ended 31 December 2019: Nil).
- (d) As at 31 December 2020, the fair value of the investment properties amounted to HK\$93,650,000 (2019: HK\$87,191,000) was valued by an independent valuer, by using the investment approach.
- (e) At 31 December 2020, investment properties with fair value of approximately HK\$93,650,000 (2019: HK\$87,191,000) has been pledged to secure bank borrowings.

附註：

- (a) 本集團按經營租賃持有用於賺取租金或資本增值的所有物業權益均以公平值模式計量，並分類及入賬列作投資物業。
- (b) 以上所示為根據中期租賃持有位於中國的投資物業。
- (c) 截至二零二零年十二月三十一日止年度，投資物業並無轉入(截至二零一九年十二月三十一日止十七個月：無)。
- (d) 於二零二零年十二月三十一日，投資物業的公平值為93,650,000港元(二零一九年：87,191,000港元)，乃由獨立估值師採用投資法評估。
- (e) 於二零二零年十二月三十一日，公平值約93,650,000港元(二零一九年：87,191,000港元)的投資物業已予抵押，作為銀行借款的擔保。

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22. INVESTMENT PROPERTIES (Continued)

Notes: (Continued)

- (f) Details of the Group's investment properties and information about the fair value hierarchy as at 31 December 2020 and 2019 are as follows:

22. 投資物業(續)

附註：(續)

- (f) 於二零二零年及二零一九年十二月三十一日，本集團的投資物業詳情及有關公平值層級的資料如下：

		Fair value 公平值	
		As at 31 December 2020 於二零二零年 十二月三十一日 HK\$'000 千港元 (Level 3) (第三層)	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元 (Level 3) (第三層)
Investment properties	投資物業	93,650	87,191

There was no transfer into or out of Level 3 for both years.

於兩個年度內並未轉撥至或轉撥自第三層。

Information about Level 3 fair value measurements of investment properties as at 31 December 2020 and 2019 is as follows:

於二零二零年及二零一九年十二月三十一日，有關投資物業第三層公平值計量的資料如下：

Asset 資產	Valuation technique 估值方法	Significant unobservable input 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的關係
Investment properties 投資物業	Investment Approach 投資法	Market unit rents of building (per square meter ("sq.m.)) are in a range from RMB12 to RMB16 建築物的市場租值(每平方米)介乎人民幣12元至人民幣16元	A slight increase in market unit rent will have a slight increase in the fair value. 市場租值輕微上升將會令公平值輕微上升。

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23. GOODWILL

23. 商譽

		HK\$'000 千港元
At carrying value:	按賬面值：	
At 1 August 2018, 31 December 2019 and 1 January 2020	於二零一八年八月一日、 二零一九年十二月三十一日及 二零二零年一月一日	-
Arising from business combination	產生自業務合併	8,008
At 31 December 2019	於二零一九年十二月三十一日	8,008
Impairment losses on goodwill	商譽減值虧值	(8,008)
At 31 December 2020	於二零二零年十二月三十一日	-

For the purpose of impairment assessment, goodwill set out above has been allocated to CGU relating to the healthcare and medical services.

The recoverable amount of CGU as at 31 December 2020 has been determined based on a value in use calculation with reference to a valuation performed an independent professional valuer. The calculation use cash flows projections based on financial budget approved by management covering 5-years period and pre-tax discount rate of 15.5% (2019: 10%). Cash flows beyond the 5-years period have been extrapolated using a steady 2.0% (2019: 2%) growth rate. The growth rate is based on based on relevant industry growth forecasts and does not exceed the average long-term growth rate for the relevant industry. Other key assumptions for the value in use calculation relate to the estimation of cash inflows/outflows include budgeted sales and gross profit margin.

就減值評估而言，上述商譽已分配至醫療保健服務相關的現金產生單位。

於二零二零年十二月三十一日，現金產生單位的可收回金額乃基於使用價值計算並參考獨立專業估值師的估值釐定。該計算乃使用基於管理層所批准涵蓋五年期的財務預算的現金流量預測以及稅前貼現率15.5%（二零一九年：10%）。超過五年期的現金流量已使用穩定增長率2.0%（二零一九年：2%）予以推算。增長率乃基於相關行業增長預測及並無超過相關行業的平均長期增長率。有關現金流入／流出估計的其他使用價值計算的主要假設包括預算銷售及毛利率。

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24. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	As at 31 December 2020 於二零二零年 十二月三十一日 HK\$'000 千港元	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元
Listed outside Hong Kong Listed equity securities (note)	2,756	2,648
	於香港境外上市 上市股本證券 (附註)	

Note:

The above equity securities represent ordinary shares of entities outside Hong Kong and previously classified as available-for-sales financial assets. These investments are not held for trading, instead, they are held for long-term strategic purposes. Upon the adoption of HKFRS 9, the directors of the Company have elected to designate these investments in financial assets at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

The listed equity securities are determined based on the quoted market bid prices available on the relevant stock exchange and categories as level 1 under fair value hierarchy. During the year ended 31 December 2020, the fair value gain of approximately HK\$108,000 had been recognised in the other comprehensive income (for the seventeen months ended 31 December 2019: loss of approximately HK\$3,212,000).

25. INTERESTS IN ASSOCIATES

	As at 31 December 2020 於二零二零年 十二月三十一日 HK\$'000 千港元	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元
Unlisted shares, at cost	63,247	1,225
Additions (note a & b)	-	62,022
Share of post-acquisition results and exchange reserves	1,447	(2,421)
Accumulated impairment losses recognised (note c)	(19,519)	(580)
	45,175	60,246
	非上市股份，按成本值 添置(附註a及b)	
	分佔收購後業績及 匯兌儲備	
	已確認累計 減值虧損(附註c)	

24. 按公平值列賬並在其他全面收入內處理的金融資產

附註：

上述股本證券指香港境外實體的普通股，先前分類為可供出售金融資產。該等投資並非持作買賣而是持作長期策略目的。於採納香港財務報告準則第9號後，本公司董事已選擇指定該等金融資產之投資按公平值列賬並在其他全面收益內處理，原因為其認為於損益內確認該等投資公平值的短期波動與本集團持有該等投資作長期目的及從長遠實現其表現潛力的策略不一致。

上市股本證券乃根據於相關證券交易所可得的市場買入報價釐定，並歸類為公平值層級第一層。於截至二零二零年十二月三十一日止年度，公平值收益約108,000港元已於其他全面收益內確認(截至二零一九年十二月三十一日止十七個月：虧損約3,212,000港元)。

25. 於聯營公司的權益

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25. INTERESTS IN ASSOCIATES (Continued)

Details of the associates at 31 December 2020 and 31 December 2019 are as follows:

Name of company 公司名稱	Form of business structure 業務架構形式	Place of incorporation/ operation 註冊成立/ 經營地點	Registered/share capital 註冊/股本	Proportion of ownership interest and voting rights held by the Group 本集團持有的擁有權權益及投票權比例		Principal activities 主要業務
				2020 二零二零年	2019 二零一九年	
BiOcean Holdings Limited BiOcean Holdings Limited	Incorporated 註冊成立	Hong Kong 香港	HK\$2,500,000 2,500,000港元	49% 49%	49% 49%	Investment holding 投資控股
Biomar Industries Sdn Bhd Biomar Industries Sdn Bhd	Incorporated 註冊成立	Malaysia 馬來西亞	MYR400,000 400,000令吉	49% 49%	49% 49%	Trading of chemistry oil 化學油貿易
Yuntou (Note a) 雲投(附註a)	Established 成立	the PRC 中國	RMB150,000,000 人民幣 150,000,000元	35% 35%	35% 35%	Construction project in the PRC 中國建設項目
Sinohk Group (Note b) 中港集團(附註b)	Incorporated 註冊成立	Hong Kong 香港	HK\$150,000 150,000港元	33% 33%	33% 33%	Financial services in HK 香港金融服務

Notes:

- (a) During the seventeen months ended 31 December 2019, the Group, together with two independent third parties, set up Yuntou Infrastructure (Yuncheng) Investment Development Co., Limited (雲投基礎設施(鄆城)投資發展有限公司) ("Yuntou") in the PRC, of which the Group holds 35% equity interests in Yuntou. The registered capital of Yuntou is RMB150,000,000, of which RMB52,500,000 to be contributed by the Group, representing 35% equity interest in Yuntou. During the period ended 31 December 2019, the Group's portion of capital contribution has been fully paid.
- (b) During the seventeen months ended 31 December 2019, the Group acquired 33% equity interests in Sinohk Link Capital and its wholly owned subsidiary, i-Golden Data Capital Limited ("Sinohk Group") at a cash consideration of HK\$3,697,000. Sinohk Group is principally engaged in the provision of financial services business in Hong Kong with Type 4 and Type 9 licenses issued by the SFC.
- (c) During the year ended 31 December 2020, the Group engaged an independent external valuer to assist the management in performing impairment review for associates of the Group, which is considered as having impairment indicators. Based on the valuation, an impairment loss of approximately HK\$18,939,000 has recognised during the year ended 31 December 2020 (2019: HK\$ Nil).

25. 於聯營公司的權益(續)

於二零二零年十二月三十一日及二零一九年十二月三十一日的聯營公司詳情如下：

附註：

- (a) 於截至二零一九年十二月三十一日止十七個月，本集團連同兩名獨立第三方於中國成立雲投基礎設施(鄆城)投資發展有限公司(「雲投」)，其中本集團持有雲投35%股本權益。雲投的註冊資本為人民幣150,000,000元，其中本集團注資人民幣52,500,000元，佔雲投股本權益的35%。於截至二零一九年十二月三十一日止期間，本集團注資部分已獲全部支付。
- (b) 於截至二零一九年十二月三十一日止十七個月，本集團以現金代價3,697,000港元收購中港通資本及其全資附屬公司大數據投資有限公司(「中港集團」)的33%股本權益。中港集團持有證監會頒發的第四類及第九類執照，主要從事提供金融服務業務。
- (c) 於截至二零二零年十二月三十一日止年度，本集團委聘一名獨立外部估值師協助管理層對本集團聯營公司進行減值審查，該評估被認為具有減值指標。根據估值，截至二零二零年十二月三十一日止年度已確認減值虧損約18,939,000港元(二零一九年：零港元)。

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25. INTERESTS IN ASSOCIATES (Continued)

The summarised financial information of the material associates, adjusted for any differences in accounting policies are as follows:

		As at 31 December 2020 於二零二零年 十二月三十一日 HK\$'000 千港元	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元
Non-current assets	非流動資產	504	603
Current assets	流動資產	106,870	100,003
Current liabilities	流動負債	(64,467)	(60,240)
Revenue	收益	—	5
Loss for the year/period	年/期內虧損	(134)	(5,074)
Total comprehensive income (expense) for the year/period	年/期內全面收益 (開支)總額	2,541	(4,921)

The Group's interests in associates are accounted for using the equity method as summarised below:

本集團於聯營公司的權益乃採用權益法入賬，概述如下：

		Year ended 31 December 2020 截至 二零二零年 十二月三十一日 止年度 HK\$'000 千港元	Seventeen months ended 31 December 2019 截至 二零一九年 十二月三十一日 止十七個月 HK\$'000 千港元
The Group's share of loss	本集團分佔虧損	(97)	(1,776)
The Group's share of total comprehensive expenses	本集團分佔全面開支總額	(97)	(1,776)

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26. INVENTORIES

26. 存貨

		As at 31 December 2020 於二零二零年 十二月三十一日 HK\$'000 千港元	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元
Raw materials	原材料	8,941	13,301
Work-in-progress	在製品	4,145	3,574
Finished goods	製成品	21,791	14,859
		34,877	31,734

27. TRADE AND OTHER RECEIVABLES

27. 應收貿易賬款及其他應收款項

		As at 31 December 2020 於二零二零年 十二月三十一日 HK\$'000 千港元	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元
Trade and bills receivables — from third parties	應收貿易賬款及應收票據 — 應收第三方	93,771	106,480
Less: Allowance for ECLs recognised in respect of trade and bills receivables from third parties	減：就應收第三方的應收 貿易賬款及應收票 據確認的預期信貸 虧損撥備	(9,318)	(4,358)
		84,453	102,122
Prepayments, deposits and other receivables	預付款項、按金及其他應 收款項	212,777	146,322
Less: Allowance for ECLs	減：預期信貸虧損撥備	(6,329)	(993)
		206,448	145,329
		290,901	247,451

The Group did not hold any collateral over these balances.

本集團並未就該等結餘持有任何抵押品。

The Group normally grants to its customers credit periods ranging from 30 to 90 days which are subject to periodic review by the management.

本集團一般給予其客戶介乎30日至90日的信貸期，而管理層會定期檢討有關信貸期。

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27. TRADE AND OTHER RECEIVABLES (Continued)

The following is an aged analysis of trade and bills receivables, net of allowance for ECLs presented based on the invoice date at the end of the reporting period, which approximated the respective revenue recognition date.

		As at 31 December 2020 於二零二零年 十二月三十一日 HK\$'000 千港元	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元
0-90 days	0至90日	78,722	92,928
91 days to 1 year	91日至1年	5,731	9,194
		84,453	102,122

The movement in the allowance for ECLs of trade receivables is as follows:

		HK\$'000 千港元	HK\$'000 千港元
At 1 January 2020 and 1 August 2018	於二零二零年一月一日及 二零一八年八月一日	4,358	2,327
Exchange realignment	匯兌調整	229	(39)
Impairment loss recognised	已確認減值虧損	5,243	2,070
Reverse of provision of bad debts	壞賬準備撥回	(512)	-
At 31 December 2020 and 2019	於二零二零年及二零一九 年十二月三十一日	9,318	4,358

Included in the allowance for ECLs recognised are individually impaired trade receivables with an aggregate balance of approximately HK\$9,318,000 (2019: HK\$4,358,000). The individually impaired receivables mainly relate to customers that are in financial difficulty or of poor credit history. During the year ended 31 December 2020, no direct write-off of trade receivables was recognised (2019: nil).

27. 應收貿易賬款及其他應收款項 (續)

於報告期末，扣除預期信貸虧損撥備後的應收貿易賬款及應收票據按發票日期(接近各自的收益確認日期)的賬齡分析呈列如下。

應收貿易賬款的預期信貸虧損撥備變動如下：

已確認預期信貸虧損撥備包括結餘總額約9,318,000港元(二零一九年：4,358,000港元)的個別已減值應收貿易賬款。個別已減值應收款項主要與面對財政困難或信貸記錄不良的客戶有關。截至二零二零年十二月三十一日止年度，概無確認應收貿易賬款直接撇銷(二零一九年：無)。

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27. TRADE AND OTHER RECEIVABLES (Continued)

At 31 December 2020 and 2019, the analysis of trade and bills receivables that are past due but not impaired are as follows:

		Past due but not impaired 已逾期但並無減值			
		Total 總計 HK\$'000 千港元	Neither past due nor impaired 並無逾期亦 無減值 HK\$'000 千港元	Less than 90 days 少於90日 HK\$'000 千港元	Over 90 days but less than 1 year 90日以上但 少於一年 HK\$'000 千港元
31 December 2020	二零二零年十二月 三十一日	84,453	80,904	3,549	-
31 December 2019	二零一九年十二月 三十一日	102,122	97,525	4,597	-

Trade and bills receivables that are neither past due nor impaired relate to a wide range of customers for whom there is no recent history of default.

Trade and bills receivables that are past due but not impaired relate to a number of independent customers that have a good track payment record with the Group. Based on past experience, management believes that no allowance for doubtful debts is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

27. 應收貿易賬款及其他應收款項 (續)

於二零二零年及二零一九年十二月三十一日，已逾期但並無減值的應收貿易賬款及應收票據的分析如下：

並無逾期亦無減值的應收貿易賬款及應收票據與近期並無拖欠記錄的多名客戶有關。

已逾期但並無減值的應收貿易賬款及應收票據與本集團多名有良好付款記錄的獨立客戶有關。根據過去經驗，由於信貸質素並無重大變動及結餘仍被視為可悉數收回，故管理層相信毋須就該等結餘作出呆賬撥備。

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27. TRADE AND OTHER RECEIVABLES (Continued)

Included in trade and other receivables are the following amounts in currencies other than the functional currency of the relevant group entity to which they relate:

		As at 31 December 2020 於二零二零年 十二月三十一日 HK\$'000 千港元	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元
US\$	美元	143,030	4,234
NTD	新台幣	N/A (不適用)	53,546

Included in prepayments, deposits and other receivables was approximately HK\$52,626,000 (2019: HK\$48,450,000) of loan receivables granted to independent third parties, carrying interests of 5.5% to 15% (2019: 6% to 15%), unsecured and recoverable in one year.

27. 應收貿易賬款及其他應收款項 (續)

應收貿易賬款及其他應收款項包括下列以相關集團實體的功能貨幣以外的貨幣列值的金額：

預付款項、按金及其他應收款項包括授予獨立第三方之應收貸款約52,626,000港元(二零一九年：48,450,000港元)，按利率5.5厘至15厘計息(二零一九年：6厘至15厘)、無抵押及可於一年內收回。

28. HELD-FOR-TRADING INVESTMENTS

		As at 31 December 2020 於二零二零年 十二月三十一日 HK\$'000 千港元	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元
Equity securities at quoted market prices	股本證券(按市場報價)		
— listed in Hong Kong	— 於香港上市	-	106
— listed outside Hong Kong	— 於香港境外上市	22	10
		22	116

Held-for-trading investments are classified as financial assets at FVTPL and are determined based on the quoted market bid prices available on the relevant stock exchange and categories as level 1 under fair value hierarchy.

28. 持作買賣投資

持作買賣投資乃分類為按公平值列賬並在損益內處理的金融資產，並根據於相關證券交易所可得的市場買入報價釐定及歸類為公平值層級第一層。

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29. BANK BALANCES AND CASH

At 31 December 2020 and 2019, bank balances and cash held by the Group at prevailing market rates. The maturities of bank balances and bank deposits are within three months.

Bank balances and bank deposits carry interest at average market rates of 0.3% (2019: 1.05%) per annum.

At 31 December 2020, conversion of the Group's bank balances and cash denominated in RMB amounted to approximately RMB16,724,000 (equivalent to approximately HK\$19,867,000) (2019: RMB30,723,000 (equivalent to approximately HK\$34,103,000)) into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

Included in bank balances and cash are the following amounts in currencies other than the functional currency of the relevant group entity to which they relate:

29. 銀行結餘及現金

於二零二零年及二零一九年十二月三十一日，銀行結餘及本集團持有按當前市場利率計息的現金。銀行結餘及銀行存款於三個月內到期。

銀行結餘及銀行存款按0.3厘(二零一九年：1.05厘)的平均市場年利率計息。

於二零二零年十二月三十一日，將本集團以人民幣計值的銀行結餘及現金約人民幣16,724,000元(相當於約19,867,000港元)(二零一九年：人民幣30,723,000元(相當於約34,103,000港元))兌換為外幣須受中國外匯管理條例及結匯、售匯及付匯管理規定所限。

銀行結餘及現金包括下列以相關集團實體的功能貨幣以外的貨幣列值的金額：

		As at 31 December 2020 於二零二零年 十二月三十一日 HK\$'000 千港元	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元
US\$	美元	2,530	4,656
EUR	歐元	987	124
JPY	日圓	-	228
NTD	新台幣	-	112
RMB	人民幣	22,605	13,362

30. TRADE AND OTHER PAYABLES

30. 應付貿易賬款及其他應付款項

		As at 31 December 2020 於二零二零年 十二月三十一日 HK\$'000 千港元	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元
Trade and bills payables	應付貿易賬款及應付票據	65,588	42,027
Accrued expenses	應計開支	31,501	41,210
Other payables	其他應付款項	55,023	26,088
Other tax payables	其他應付稅項	11,000	18,077
Contract liabilities/deposits received	合約負債／已收按金	34,577	5,002
		132,101	90,377
		197,689	132,404

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30. TRADE AND OTHER PAYABLES (Continued)

An aged analysis of trade and bills payables based on the invoice date at the end of the reporting period is as follows:

		As at 31 December 2020 於二零二零年 十二月三十一日 HK\$'000 千港元	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元
Within 1 month or on demand	一個月內或按要求償還	14,739	11,153
More than 1 month but less than 3 months	一個月以上但少於三個月	22,424	20,263
More than 3 months but less than 12 months	三個月以上但少於十二個月	27,565	8,736
More than 12 months	十二個月以上	860	1,875
		65,588	42,027

The average credit period on purchases of goods is ranging from 30 to 90 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

Included in trade and other payables are the following amounts denominated in currencies other than the functional currency of the relevant group entity to which they relate:

		As at 31 December 2020 於二零二零年 十二月三十一日 HK\$'000 千港元	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元
US\$	美元	337	39
JPY	日圓	-	9,133
NTD	新台幣	-	389

30. 應付貿易賬款及其他應付款項 (續)

於報告期末，應付貿易賬款及應付票據按發票日期的賬齡分析呈列如下：

購買貨品的平均信貸期介乎30日至90日。本集團設有財務風險管理政策，以確保所有應付款項均於信貸期內支付。

應付貿易賬款及其他應付款項包括下列以相關集團實體的功能貨幣以外的貨幣列值的金額：

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31. SECURED BANK BORROWINGS

31. 有抵押銀行借款

		As at 31 December 2020 於二零二零年 十二月三十一日 HK\$'000 千港元	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元
Carrying amount of bank borrowings that are not repayable on demand or within one year from the end of the reporting period but:	毋須按要求或於報告期末起一年內償還的銀行借款賬面值，惟：		
— repayable on demand due to breach of loan covenants (<i>note</i>)	— 因違反貸款契約而須按要求償還(附註)	163,944	197,580
— contain a repayment on demand clause	— 含有按要求償還條款	70,083	78,770
Amounts classified as current liabilities	分類為流動負債的款項	234,027	276,350
Amount as non-current liabilities	非流動負債款項	3,564	3,330
		237,591	279,680
Carrying amounts repayable (based on scheduled repayment dates set out in the loan agreements):	應償還的賬面值(基於貸款協議所載的計劃還款日期)：		
Within one year	一年內	123,552	123,170
More than one year but not exceeding two years	一年以上但不超過兩年	61,771	51,060
More than two years but not exceeding five years	兩年以上但不超過五年	52,268	105,450
		237,591	279,680

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31. SECURED BANK BORROWINGS (Continued)

Note: As at 31 December 2020, a bank borrowing of approximately HK\$163,944,000 (2019: HK\$197,580,000) were secured with certain properties, which were disposed of in prior years. The Group has breached the bank covenant. Reference to the respective bank borrowing and pledge asset agreements entered into between the Group and the bank, the bank has the right to demand for immediate payment. The bank borrowing has been therefore classified as a current liability as at 31 December 2020 and 2019. Subsequent to the end of reporting period and up to the date of the approval of the consolidated financial statements, the Group is negotiating with the relevant bank on restructuring the respective borrowing based on the secured sold and unsold properties. During the year ended 31 December 2020 and seventeen months ended 31 December 2019, no action has been taken by the relevant bank to demand immediate repayment of the portion of bank borrowing relating to the secured unsold properties.

Up to the date of the issuance of the consolidated financial statements, the management of the Group considered that the aforementioned bank borrowing will not be demanded for immediate payment based on the negotiation with the bank.

During the year ended 31 December 2020, the Group obtained new loans in amount of approximately HK\$70,081,000 and will be repayable in 2021 (2019: HK\$ HK\$33,195,000 and will be repayable ranged from 2020 to 2022).

The effective interest rates on the Group's bank borrowings ranged from 3.50% to 7.70% (2019: 2.79% to 7.80%) per annum.

As at 31 December 2020, land and buildings located in Hong Kong under medium-term leases with carrying value of approximately HK\$4,334,000 (2019: HK\$4,486,000) have been pledged to secure banking facilities granted to the Group.

As at 31 December 2020, land and buildings and right-of-use assets located in Hainan, the PRC under medium-term leases with carrying value of approximately HK\$81,242,000 (2019: HK\$80,870,000) and HK\$116,983,000 (2019: prepaid lease payments of HK\$113,209,000) respectively, have been pledged to secure bank borrowings granted to the Group.

As at 31 December 2020, investment properties and right-of-use assets located in Huzhou, the PRC with fair value of approximately HK\$93,650,000 (2019: HK\$87,191,000) and carrying value of approximately HK\$1,639,000 (2019: prepaid lease payment of HK\$1,531,000) respectively, have been pledged to secure bank borrowings granted to the Group.

31. 有抵押銀行借款(續)

附註：於二零二零年十二月三十一日，銀行借款約163,944,000港元(二零一九年：197,580,000港元)乃以若干物業作擔保，而有關物業已於過往年度出售。本集團已違反銀行契約。茲提述本集團與銀行訂立的有關銀行借款及資產抵押協議，該銀行有權要求立即付款。因此，於二零二零年及二零一九年十二月三十一日，銀行借款已分類為流動負債。於報告期末後及直至批准綜合財務報表日期，本集團正與相關銀行就基於已抵押已售及未售物業重組有關借款進行磋商。截至二零二零年十二月三十一日止年度及二零一九年十二月三十一日止十七個月，相關銀行並無採取任何行動要求立即償還已抵押未售物業的銀行借款部分。

截至刊發綜合財務報表日期，本集團管理層認為，基於與銀行的磋商，上述銀行借款將不會被要求立即支付。

截至二零二零年十二月三十一日止年度，本集團獲得新貸款約70,081,000港元及將須於二零二一年償還(二零一九年：33,195,000港元及將須於二零二零年至二零二二年內償還)。

本集團銀行借款的實際年利率介乎3.50厘至7.70厘(二零一九年：2.79厘至7.80厘)。

於二零二零年十二月三十一日，賬面值約4,334,000港元(二零一九年：4,486,000港元)位於香港根據中期租賃持有的土地及樓宇已予抵押，作為本集團所獲授銀行信貸的擔保。

於二零二零年十二月三十一日，賬面值分別約81,242,000港元(二零一九年：80,870,000港元)及116,983,000港元(二零一九年：113,209,000港元預付租賃款項)的位於中國海南根據中期租賃持有的土地及樓宇以及使用權資產已予抵押，作為本集團所獲授銀行借款的擔保。

於二零二零年十二月三十一日，公平值約93,650,000港元(二零一九年：87,191,000港元)之位於中國杭州的投資物業及賬面值約1,639,000港元(二零一九年：1,531,000港元預付租賃款項)之使用權資產已予抵押，作為本集團所獲授銀行借款的擔保。

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31. SECURED BANK BORROWINGS (Continued)

Included in secured bank borrowings are the following amounts denominated in a currency other than the functional currency of the relevant group entity to which they relate:

	As at 31 December 2020 於二零二零年 十二月三十一日 HK\$'000 千港元	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元
US\$	21,688	6,619

32. LEASE LIABILITIES

	As at 31 December 2020 於二零二零年 十二月三十一日 HK\$'000 千港元
Lease liabilities payable:	
Within one year	8,553
Within a period of more than one year but not exceeding two years	4,593
Within a period of more than two years but not exceeding five years	858
	14,004
Less: amount due for settlement with 12 months shown under current liabilities	(8,553)
Amount due for settlement after 12 months shown under non-current liabilities	5,451

The weighted average incremental borrowing rates applied to lease liabilities range from 6.22% to 15.70%.

Lease obligations are denominated in currencies of the functional currencies of the relevant group entities.

31. 有抵押銀行借款(續)

有抵押銀行借款包括下列以相關集團實體的功能貨幣以外的貨幣列值的金額：

32. 租賃負債

適用於租賃負債的加權平均增量借款利率為6.22%至15.70%。

租賃義務以相關集團實體的功能貨幣計價。

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33. SHARE CAPITAL

Authorised and issued share capital

33. 股本

法定及已發行股本

		Number of shares		Share capital	
		股份數目		股本	
		As at	As at	As at	As at
		31 December	31 December	31 December	31 December
		2020	2019	2020	2019
		於二零二零年	於二零一九年	於二零二零年	於二零一九年
		十二月三十一日	十二月三十一日	十二月三十一日	十二月三十一日
		'000	'000	HK\$'000	HK\$'000
		千股	千股	千港元	千港元
Ordinary shares of HK\$0.1 each	每股面值0.1港元的普通股				
Authorised:	法定:				
At beginning and end of the year	於年初及年末	20,000,000	20,000,000	2,000,000	2,000,000
Issued and fully paid:	已發行及已繳足:				
At beginning and end of the year	於年初及年末	871,178	871,178	87,118	87,118

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34. DEFERRED INCOME

34. 遞延收入

		As at 31 December 2020 於二零二零年 十二月三十一日 HK\$'000 千港元	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元
At 1 January 2020 and 1 August 2018	於二零二零年一月一日及 二零一八年八月一日	3,112	3,453
Exchange realignment	匯兌調整	295	(115)
Credited to profit or loss	計入損益	(242)	(226)
At 31 December 2020 and 31 December 2019	於二零二零年十二月 三十一日及二零一九年 十二月三十一日	3,165	3,112

In 2009, the Group received a government grant ("Grant A") of approximately HK\$1,049,000 from 浙江湖州經濟開發區管理委員會 for the acquisition of prepaid lease payments. The amount is recognised as other income over the unexpired lease term of prepaid lease payments. During the year ended 31 December 2020, deferred income of approximately HK\$34,000 (2019: HK\$32,000) has been recognised for Grant A in the consolidated statement of profit or loss.

於二零零九年，本集團就購入預付租賃款項收到浙江湖州經濟開發區管理委員會給予的政府補助金（「補助金甲」）約1,049,000港元。該金額於預付租賃款項的未屆滿租期內確認為其他收入。於截至二零二零年十二月三十一日止期間，已於綜合損益表內就補助金甲確認遞延收入約34,000港元（二零一九年：32,000港元）。

In 2013, the Group received a government grant ("Grant B") of approximately HK\$2,962,000 from 東莞市科學技術局 for the development of high resolution flexible circuit board technology. During the year ended 31 December 2020, deferred income of approximately HK\$208,000 (2019: HK\$194,000) has been recognised for Grant B in the consolidated statement of profit or loss.

於二零一三年，本集團就發展高分辨率柔性電路板技術收到東莞市科學技術局給予約2,962,000港元的政府補貼金（「補助金乙」）。於截至二零二零年十二月三十一日止期間，遞延收入約208,000港元（二零一九年：194,000港元）已就補助金乙於綜合損益表確認。

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35. DEFERRED TAX LIABILITIES

The followings are the major deferred tax (assets) liabilities recognised and movements thereof during the current and prior years:

35. 遞延稅項負債

本年度及過往年度已確認的主要遞延稅項(資產)負債及其變動如下:

		Unrealised (profits) loss on inventories	Accelerated tax depreciation	Estimated tax losses	Change in fair value of properties	Deferred income arising from government grants 政府補助 產生的遞延 收入	Total
		存貨的未變現 (溢利)虧損 HK\$'000 千港元	加速 稅項折舊 HK\$'000 千港元	估計 稅項虧損 HK\$'000 千港元	物業的 公平值變動 HK\$'000 千港元	政府補助 產生的遞延 收入 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 August 2018	於二零一八年 八月一日	25	266	(266)	12,281	(863)	11,443
Exchange realignment	匯兌調整	-	-	-	(460)	(1)	(461)
Charged to profit or loss	於損益扣除	-	-	-	3,715	-	3,715
(Credited) charged to other comprehensive income	於其他全面收益 (計入)扣除	-	-	-	(893)	56	(837)
At 31 December 2019	於二零一九年 十二月三十一日	25	266	(266)	14,643	(808)	13,860
Exchange realignment	匯兌調整	-	-	-	272	1	273
Charged to profit or loss	於損益扣除	-	-	-	738	-	738
At 31 December 2020	於二零二零年 十二月三十一日	25	266	(266)	15,653	(807)	14,871

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35. DEFERRED TAX LIABILITIES (Continued)

Under the EIT Law, withholding tax is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to the profits of the PRC subsidiaries amounting to approximately HK\$2,824,000 (2019: HK\$2,824,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

At the end of the reporting period, the Group has unused tax losses of approximately HK\$411,682,000 (2019: HK\$414,271,000) available for offset against future profits. No deferred tax asset has been recognised in respect of the losses due to the unpredictability of future profit streams.

As at 31 December 2020 and 2019, no deferred tax asset has been recognised in relation to deductible temporary differences of HK\$687,000 (2019: HK\$687,000) derived from property, plant and equipment and trade and other receivables in Hong Kong as it is not probable that taxable profits will be available against which the deductible temporary differences can be utilised.

35. 遞延稅項負債(續)

根據企業所得稅法，中國附屬公司由二零零八年一月一日起須就所賺溢利宣派的股息繳納預扣稅。本集團並無於綜合財務報表中就中國附屬公司溢利所產生的暫時性差額約2,824,000港元(二零一九年：2,824,000港元)計提遞延稅項撥備，原因為本集團能夠控制撥回暫時性差額的時間，且該等暫時性差額不大可能於可見將來撥回。

於報告期末，本集團有尚未動用稅項虧損約411,682,000港元(二零一九年：414,271,000港元)，可供對銷未來溢利。由於未能預計未來溢利流，概無就虧損確認遞延稅項資產。

於二零二零年及二零一九年十二月三十一日，由於不大可能有應課稅溢利可動用與可扣減暫時性差額687,000港元(二零一九年：687,000港元)抵銷，因此並無就於香港之物業、廠房及設備以及應收貿易賬款及其他應收款項產生的可扣減暫時性差額確認遞延稅項資產。

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36. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the consolidated statement of cash flows as cash flows from financing activities.

36. 融資活動產生的負債對賬

下表詳細說明本集團融資活動產生負債的變動，包括現金及非現金變動。融資活動產生的負債為現金流量已經或未來現金流量將會於綜合現金流量表分類為融資活動產生現金流量的負債。

		1 January 2020	Financing cash flow	New lease entered	Exchange adjustment	31 December 2020
		二零二零年 一月一日	融資 現金流量	訂立 新租賃	匯兌調整	二零二零年 十二月 三十一日
		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
Bank borrowings	銀行借款	279,680	(53,857)	-	11,768	237,591
Interest payables (included in trade and other payables)	應付利息(計入貿易及其他應付款項)	801	(39)	-	-	762
Lease liabilities	租賃負債	7,372	(9,218)	13,514	2,336	14,004
		287,853	(63,114)	13,514	14,104	252,357

		1 July 2018	Financing cash flow	Exchange adjustment	Non-cash changes Finance costs incurred	31 December 2019
		二零一八年 七月三十一日	融資 現金流量	匯兌調整	非現金變動 已產生的 融資成本	二零一九年 十二月 三十一日
		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
Bank borrowings	銀行借款	322,605	(33,405)	(9,520)	-	279,680
Interest payables (included in trade and other payables)	應付利息(計入貿易及其他應付款項)	2,457	(29,932)	(46)	28,322	801
		325,062	(-63,337)	(9,566)	28,322	280,481

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37. ACQUISITIONS OF A SUBSIDIARY

(a) Acquisition of a subsidiary for the period ended 31 December 2019

On 20 November 2019, the Group entered into sales and purchase agreement for acquisition of the entire equity interest of Life Spring (Sanya) Health Industry Investment Co., Ltd. (collectively the "Life Spring") with cash consideration of approximately HK\$11,100,000. Life Spring is mainly engaged in healthcare services in the PRC.

The following table summarises the consideration paid for the acquisition and the amounts of assets acquired and liabilities assumed at the date of acquisition.

		HK\$'000 千港元
Recognised amounts of identifiable assets acquired and liabilities assumed:	所收購可識別資產及所承擔負債的已確認金額：	
Properties, plant and equipment	物業、廠房及設備	3,301
Other receivables	其他應收款項	18
Bank balances and cash	銀行結餘及現金	1,002
Trade and other payables	應付貿易賬款及其他應付款項	(597)
Income tax payables	應付所得稅	(632)
		3,092
Add: Goodwill arising from the acquisition	加：收購產生的商譽	8,008
Total consideration	總代價	11,100
Net cash inflow arising on the acquisition:	收購產生的現金流入淨額：	
Cash consideration	現金代價	11,100
Less: Bank balances and cash acquired	減：所收購的銀行結餘及現金	(1,002)
Net cash outflow respect of the acquisition	有關收購的現金流出淨額	10,098

During the period ended 31 December 2019, Life Spring contributed HK\$Nil to the Group's revenue since acquisition. The Group's profit in the consolidated income statement for the period ended 31 December 2019 included a loss of approximately HK\$15,000 contributed by Life Spring after the date of the acquisition.

37. 收購一間附屬公司

(a) 於截至二零一九年十二月三十一日止期間收購一間附屬公司

於二零一九年十一月二十日，本集團訂立買賣協議以按現金代價約11,100,000港元收購 Life Spring (Sanya) Health Industry Investment Co., Ltd. (統稱「Life Spring」) 的全部股本權益。Life Spring 主要於中國從事保健服務。

下表概述於收購日期就收購支付的代價及所收購資產的金額以及所承擔的負債。

截至二零一九年十二月三十一日止期間，Life Spring 自收購以來向本集團貢獻收益零港元。截至二零一九年十二月三十一日止期間，本集團於綜合收益表內的溢利包括 Life Spring 於收購日期後貢獻的虧損約15,000港元。

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38. DISPOSAL OF SUBSIDIARIES

- (a) On 13 August 2018, the Group disposed of its subsidiary, Yunnan Dayang Zizai Hotel Management Company Limited (the "Dayang Zizai") with cash consideration of approximately HK\$1,150,000.
- (b) On 20 August 2018, the Group disposed of its subsidiary, Hainan Zizaiju Apartment Management Company Limited ("Hainan Zizai") with cash consideration of approximately HK\$2,300,000.

The aggregate net assets of Dayang Zizai and Hainan Zizai at the date of disposal were as follows:

38. 出售附屬公司

- (a) 於二零一八年八月十三日，本集團以現金代價約1,150,000港元出售其附屬公司雲南大洋自在酒店管理有限公司（「大洋自在」）。
- (b) 於二零一八年八月二十日，本集團以現金代價約2,300,000港元出售其附屬公司海南自在旅居公寓管理有限公司（「海南自在」）。

於出售日期，大洋自在及海南自在的資產淨值總額如下：

		HK\$'000 千港元
Analysis of assets and liabilities over which control was lost:	失去控制權的資產及負債分析：	
Bank balances and cash	銀行結餘及現金	279
Other payables	其他應付款項	(3,968)
Non-controlling interests	非控股權益	3,504
Net liabilities disposed of	已出售的負債淨額	(185)
Gain on disposal of a subsidiary:	出售一間附屬公司的收益：	
Consideration received	已收代價	3,450
Net liabilities disposed of	已出售的負債淨額	185
Gain on disposal	出售收益	3,635
Net cash outflow arising on disposal:	出售的現金流出淨額：	
Cash consideration	現金代價	3,450
Bank balances and cash disposed of	已出售的銀行結餘及現金	(279)
		3,171

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39. RELATED PARTY TRANSACTIONS

- (a) Other than disclosed elsewhere in the consolidated financial statements, the Group entered into the following transactions with related parties during the year:

Name of company	Nature of transaction	Year ended	Seventeen
		31 December	months ended
		2020	31 December
		截至	2019
		二零二零年	二零一九年
		十二月三十一日	十二月三十一日
		止年度	止十七個月
		HK\$'000	HK\$'000
		千港元	千港元
Ms. Shi Qi (Note i) 施琦女士(附註i)	Rental expense 租金開支	150	517

Notes:

- (i) These transactions were carried out at terms determined and agreed by the Group and the respective related party.

(b) Compensation of key management personnel

The emoluments paid to the directors of the Company, who are the key management of the Group, are included in note 18(a).

39. 關連方交易

- (a) 除於綜合財務報表另行披露者外，於年內，本集團與關連方訂立以下交易：

附註：

- (i) 該等交易乃按由本集團與各關連方釐定及協定的條款進行。

(b) 主要管理人員報酬

向本公司董事(即本集團主要管理人員)支付之酬金載於附註18(a)。

40. CAPITAL COMMITMENTS

	2020	2019
	二零二零年	二零一九年
	HK\$'000	HK\$'000
	千港元	千港元
Capital expenditure contracted for but not provided for in the consolidated financial statements in respect of:		
— Acquisition of property, plant and equipment	2,129	1,784

下列各項的已訂約但尚未於綜合財務報表撥備的資本開支：
— 收購物業、廠房及設備

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41. COMMITMENTS UNDER OPERATING LEASES

The Group as lessor

Property rental income earned during the year is approximately HK\$10,647,000 (2019: HK\$5,172,000). The investment properties held have committed tenants for the next year.

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

		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	921	1,170
In the second to fifth year inclusive	第二至第五年 (首尾兩年包括在內)	58	196
After five years	五年以上	-	67
		979	1,433

The Group as lessee

The Group leases a number of properties under operating leases for its factories, offices and staff quarters. The leases were negotiated for terms ranging from one to five years, with the options to renew the leases when all terms are renegotiated. None of the leases includes contingent rentals.

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		31 December 2019 二零一九年 十二月三十一日 HK\$'000 千港元
Land and buildings:	土地及樓宇：	
Within one year	一年內	5,424
In the second to fifth year inclusive	第二至第五年(首尾兩年包括在內)	3,521
		8,945

41. 經營租賃承擔

本集團作為出租人

期內賺取的物業租金收入約為10,647,000港元(二零一九年：5,172,000港元)。所持投資物業於來年已有租戶承租。

於報告期末，本集團已就下列未來最低租賃款項與租戶訂約：

本集團作為承租人

本集團根據經營租賃租賃若干物業用作廠房、辦公室及員工宿舍。該等租賃的經協商租期介乎一至五年，並且有權選擇續租，屆時所有條款均可重新商定。該等租賃概無包括或然租金。

於報告期末，本集團根據不可撤銷經營租賃須於下列期間到期支付的未來最低租賃款項承擔如下：

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42. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

42. 本公司的財務狀況表

		As at 31 December 2020 於二零二零年 十二月三十一日 HK\$'000 千港元	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元
Non-current assets	非流動資產		
Plant and equipment	廠房及設備	4,377	446
Investment in a subsidiaries	於附屬公司的 投資	124,160	124,149
		128,537	124,595
Current assets	流動資產		
Other receivables	其他應收款項	43,552	2,136
Amounts due from subsidiaries	應收附屬公司款項	112,162	92,068
Bank balances and cash	銀行結餘及現金	1,235	1,976
		156,949	96,180
Current liabilities	流動負債		
Other payables	其他應付款項	3,623	3,274
Amounts due to subsidiaries	應付附屬公司款項	202,209	116,589
		205,832	119,863
Net current liabilities	流動負債淨值	(48,883)	(23,683)
Total assets less current liabilities	資產總值減流動負債	79,654	100,912
Capital and reserves	資本及儲備		
Share capital	股本	87,118	87,118
Reserves	儲備	(7,464)	13,794
Total equity	權益總值	79,654	100,912

(a) Amounts due from (to) subsidiaries

The amounts are unsecured, non-interest bearing and repayable on demand.

(a) 應收(應付)附屬公司款項

有關款項為無抵押、免息及按要求償還。

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42. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

42. 本公司的財務狀況表(續)

(b) Reserves

(b) 儲備

		Share premium 股份溢價 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Capital redemption reserve 資本贖回儲備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 August 2018	於二零一八年八月一日	744,710	(666,731)	2,420	80,399
Total comprehensive expenses for the year	年內全面開支總額	-	(66,605)	-	(66,605)
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	744,710	(733,336)	2,420	13,794
Total comprehensive expenses for the year	年內全面開支總額	-	(21,258)	-	(21,258)
At 31 December 2020	於二零二零年十二月三十一日	744,710	(754,594)	2,420	(7,464)

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43. PRINCIPAL SUBSIDIARIES

Details of the principal subsidiaries held by the Company at the end of the reporting periods are as follows:

43. 主要附屬公司

於報告期末，本公司持有的主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment and operations 註冊成立/ 成立地點及 營業地點	Class of shares held 所持股份類別	Issued share capital/ registered capital 已發行股本/註冊資本		Attributable equity interest of the Group 本集團應佔股本權益		Principal activities 主要業務
			31 December 2020 二零二零年 十二月三十一日	31 December 2019 二零一九年 十二月三十一日	31 December 2020 二零二零年 十二月三十一日	31 December 2019 二零一九年 十二月三十一日	
Ta Yang Silicone Rubber Industrial Company Limited 大洋矽橡膠工業有限公司	Hong Kong 香港	Ordinary shares 普通股	HK\$1,000,000 1,000,000港元	HK\$1,000,000 1,000,000港元	100%	100%	Trading of silicone rubber 買賣矽膠
Chief Ocean Limited 致洋有限公司	Hong Kong 香港	Ordinary shares 普通股	HK\$1 1港元	HK\$1 1港元	100%	100%	Provision of management services 提供管理服務
Ta Yang Medical Investment Limited ("Ta Yang Medical") 大洋醫療投資有限公司 〔大洋醫療〕	Hong Kong 香港	Ordinary shares 普通股	HK\$20,000,000 20,000,000港元	HK\$20,000,000 20,000,000港元	100%	100%	Investments holding 投資控股
Ta Yang Group Limited 大洋集團有限公司	BVI/Hong Kong 英屬處女群島/ 香港	Ordinary shares 普通股	11,930,811 shares of US\$1 each 11,930,811股每股面值1美元的股份	11,930,811 shares of US\$1 each 11,930,811股每股面值1美元的股份	100%	100%	Investments holding 投資控股

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43. PRINCIPAL SUBSIDIARIES (Continued)

43. 主要附屬公司(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment and operations 註冊成立/ 成立地點及 營業地點	Class of shares held 所持股份類別	Issued share capital/ registered capital 已發行股本/註冊資本		Attributable equity interest of the Group 本集團應佔股本權益		Principal activities 主要業務
			31 December 2020 二零二零年 十二月三十一日	31 December 2019 二零一九年 十二月三十一日	31 December 2020 二零二零年 十二月三十一日	31 December 2019 二零一九年 十二月三十一日	
Top View Investment Holdings Limited 遠思投資控股有限公司	BVI/Hong Kong 英屬處女群島/ 香港	Ordinary shares 普通股	1 share of US\$1 each 1股面值1美元的股份	1 share of US\$1 each 1股面值1美元的股份	100%	100%	Investments holding 投資控股
Ta Yang Group (Macao Commercial Offshore) Limited 大洋集團(澳門離岸商業服務)有限公司	MSAR 澳門特區	Ordinary shares 普通股	1 share of MOP100,000 each 1股面值100,000澳門幣的股份	1 share of MOP 100,000 each 1股面值100,000澳門幣的股份	100%	100%	Trading of silicone rubber 買賣矽膠
Dongguan Ta Yang Silicone Rubber Industrial Company Limited 東莞大洋矽膠製品有限公司	The PRC (note ii) 中國(附註ii)	Contributed capital 繳入資本	HK\$86,000,000 86,000,000港元	HK\$86,000,000 86,000,000港元	100%	100%	Manufacturing of silicone rubber 製造矽膠
Huzhou Ta Yang Electronic Technology Company Limited 湖州大洋電子科技有限公司	The PRC (note ii) 中國(附註ii)	Contributed capital 繳入資本	US\$38,000,000 38,000,000美元	US\$38,000,000 38,000,000美元	100%	100%	Manufacturing of silicone rubber 製造矽膠
Dongguan Tay Yang Rubber Plastic Industrial Company Limited 東莞泰洋橡膠製品有限公司	The PRC (note ii) 中國(附註ii)	Contributed capital 繳入資本	N/A (note ii) 不適用(附註ii)	N/A (note ii) 不適用(附註ii)	100%	100%	De-registered 暫無營業
Dongguan Tai Yang Rubber Plastic Industrial Company Limited ("Dongguan Tai Yang") 東莞大洋橡膠製品有限公司 ("東莞大洋")	The PRC (note ii) 中國(附註ii)	Contributed capital 繳入資本	HK\$130,000,000 130,000,000港元	HK\$70,000,000 70,000,000港元	100%	100%	Manufacturing of silicone rubber 製造矽膠
大洋(海南)健康產業發展有限公司	The PRC (note ii) 中國(附註ii)	Contributed capital 繳入資本	RMB150,000,000 人民幣150,000,000元	RMB150,000,000 人民幣 150,000,000元	100%	100%	Healthcare service 醫療保健服務
三亞生命泉酒店有限公司	The PRC (note ii) 中國(附註ii)	Contributed capital 繳入資本	RMB50,000,000 人民幣50,000,000元	RMB50,000,000 人民幣 50,000,000元	100%	100%	Hotel service 酒店服務

Notes:

- (i) The above table lists the subsidiaries of the Group which, in the opinion of the directors of the Company, principally affect the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.
- (ii) The subsidiaries are wholly-owned foreign enterprise.

附註:

- (i) 上表列示本公司董事認為主要影響本集團業績或資產的本集團附屬公司。本公司董事認為詳列其他附屬公司資料會導致篇幅過於冗長。
- (ii) 該等附屬公司為外商獨資企業。

Five Years Financial Summary

五年財務概要

CONSOLIDATED RESULTS

綜合業績

		Year ended 31 July 2016 截至 二零一六年 七月三十一日 止年度 HK\$'000 千港元	Year ended 31 July 2017 截至 二零一七年 七月三十一日 止年度 HK\$'000 千港元	Year ended 31 July 2018 截至 二零一八年 七月三十一日 止年度 HK\$'000 千港元	Seventeen months ended 31 December 2019 截至 二零一九年 十二月三十一日 止十七個月 HK\$'000 千港元	Year ended 31 December 2020 截至 二零二零年 十二月三十一日 止年度 HK\$'000 千港元
Revenue	收益	386,516	400,500	377,160	520,956	354,190
Loss for the year/period	年/期內虧損	(72,250)	(74,060)	(4,310)	(90,980)	(95,825)
Loss for the year/period attributable to:	以下人士應佔年/期 內虧損：					
Owners of the Company	本公司擁有人	(71,304)	(72,943)	(3,756)	(86,420)	(95,822)
Non-controlling interests	非控股權益	(946)	(1,117)	(554)	(4,560)	(3)
		(72,250)	(74,060)	(4,310)	(90,980)	(95,825)

CONSOLIDATED ASSETS AND LIABILITIES

綜合資產及負債

		As at 31 July 2016 於二零一六年 七月三十一日 HK\$'000 千港元	As at 31 July 2017 於二零一七年 七月三十一日 HK\$'000 千港元	As at 31 July 2018 於二零一八年 七月三十一日 HK\$'000 千港元	As at 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元	As at 31 December 2020 於二零二零年 十二月三十一日 HK\$'000 千港元
Total assets	資產總值	567,746	954,503	914,240	804,363	786,340
Total liabilities	負債總值	(156,584)	(510,617)	(467,856)	(467,443)	(508,138)
Total equity	權益總值	411,162	443,886	446,384	336,920	278,202
Equity attributable to:	以下人士應佔 權益：					
Owners of the Company	本公司擁有人	410,509	444,282	442,173	333,765	275,060
Non-controlling interests	非控股權益	653	(396)	4,211	3,155	3,142
Total equity	權益總值	411,162	443,886	446,384	336,920	278,202

“Board” 「董事會」	指	the board of Directors of the Company 本公司董事會
“Company” 「本公司」	指	Ta Yang Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the Main Board of the Stock Exchange 大洋集團控股有限公司，一間於開曼群島註冊成立的有限公司，其股份於聯交所主板上市
“connected person(s)”, “percentage ratio(s)” and “subsidiary(ies)” 「關連人士」、「百分比率」及 「附屬公司」	指	each has the meaning ascribed to it under the Listing Rules 各自具有上市規則賦予之涵義
“Directors” 「董事」	指	the directors of the Company 本公司董事
“Group” 「本集團」	指	the Company and its subsidiaries 本公司及其附屬公司
“HK\$” 「港元」	指	Hong Kong dollars, the lawful currency of Hong Kong 港元，香港法定貨幣
“Hong Kong” 「香港」	指	Hong Kong Special Administrative Region of the PRC 中國香港特別行政區
“Listing Rules” 「上市規則」	指	the Rules Governing the Listing of Securities on the Stock Exchange 聯交所證券上市規則
“PRC” 「中國」	指	the People’s Republic of China (for the purpose of this report, excluding Hong Kong, Macau Special Administrative Region and Taiwan) 中華人民共和國，就本報告而言，不包括香港、澳門特別行政區及台灣
“RMB”, “Renminbi” 「人民幣」	指	Renminbi, the lawful currency of the PRC 中國法定貨幣人民幣
“SFO” 「證券及期貨條例」	指	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time 香港法例第571章證券及期貨條例(經不時修訂或補充)
“Shareholder(s)” 「股東」	指	holder(s) of the Shares 股份持有人
“Shares” 「股份」	指	ordinary shares of HK\$0.10 each in the share capital of the Company 本公司股本中每股面值0.10港元的普通股

Definitions 釋義

“Stock Exchange” 「聯交所」	The Stock Exchange of Hong Kong Limited 指 香港聯合交易所有限公司
“the year” 「年內」	the year ended 31 December 2020 指 截至二零二零年十二月三十一日止年度
“%” 「%」	per cent 指 百分比
「Chief Executive Officer, CEO」 「行政總裁」	chief executive officer of the Company 指 本公司行政總裁
「Chairman, Chairlady」 「主席」	chairman, chairlady of the Board 指 董事會主席
「Committee Chairman/ Chairlady」 「委員會主席」	chairman/chairlady of the relevant Board committees 指 相關董事委員會主席
「Model Code」 「標準守則」	the Model Code for Securities Transactions by Directors of Listed Issuers stated in Appendix 10 of the Listing Rules 指 上市規則附錄十所載《上市發行人董事進行證券交易的標準守則》

