



SMARTAC INTERNATIONAL HOLDINGS LIMITED

環球智能控股有限公司

(Formerly known as Smartac Group China Holdings Limited)

(前稱中國智能集團控股有限公司)

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 : 395

The background of the cover is a vibrant orange color with a complex, futuristic digital design. It features a grid of glowing lines, various icons such as a heart with an ECG line, a smartphone, a bar chart, and a globe, and a stylized world map at the bottom. The overall aesthetic is high-tech and modern.

2020

ANNUAL REPORT 年報

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Corporate Information

公司資料

EXECUTIVE DIRECTOR

Mr. Yang Xin Min (*Chairman and Chief Executive Officer*)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Cheng Faat Ting Gary

Mr. Poon Lai Yin Michael

Mr. Peng Bobo

COMPANY SECRETARY

Ms. Yeung Wai Ling

AUDITOR

RSM Hong Kong

Certified Public Accountants

Registered Public Interest Entity Auditor

29th Floor, Lee Garden Two

28 Yun Ping Road

Causeway Bay, Hong Kong

PRINCIPAL BANKERS

China Construction Bank (Asia)

DBS Bank (Hong Kong) Limited

China Merchants Bank

Bank of Suzhou

Bank of Jiangsu

執行董事

楊新民先生(主席及首席執行官)

獨立非執行董事

鄭發丁博士

潘禮賢先生

彭波波先生

公司秘書

楊慧玲女士

核數師

羅申美會計師事務所

執業會計師

註冊公眾利益實體核數師

香港銅鑼灣

恩平道二十八號

利園二期二十九樓

主要往來銀行

中國建設銀行(亞洲)

星展銀行(香港)有限公司

招商銀行

蘇州銀行

江蘇銀行

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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REGISTERED OFFICE

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Grand Cayman, KY1-1111
Cayman Islands

PRINCIPAL SHARE REGISTRAR

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Suite 3204, Unit 2A
Block 3, Building D
P. O. Box 1586, Gardenia Court
Camana Bay
Grand Cayman, KY1-1110
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17th Floor, Hopewell Centre
183 Queen's Road East
Wan Chai, Hong Kong

總辦事處及香港主要營業地點

香港銅鑼灣
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註冊辦事處

Conyers Trust Company (Cayman) Limited
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主要股份過戶登記處

Suntera (Cayman) Limited
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Block 3, Building D
P. O. Box 1586, Gardenia Court
Camana Bay
Grand Cayman, KY1-1110
Cayman Islands

香港股份過戶登記分處

香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心17樓1712–1716號舖

Five-Year Financial Summary

五年財務摘要

		2020	2019	2018	2017	2016
		二零二零年	二零一九年	二零一八年	二零一七年	二零一六年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Revenue	收入	191,648	25,797	17,356	15,693	24,319
Loss for the year	年度虧損	(56,950)	(52,400)	(62,414)	(5,666)	(157,898)
EBIT	息稅前利潤	(55,517)	(59,903)	(63,802)	(134)	(158,294)
EBITDA	息稅折舊及攤銷前利潤	(50,330)	(50,078)	(55,222)	14,407	(125,269)
Earnings/(loss) per share	每股盈利/(虧損)					
— basic (RMB)	— 基本(人民幣)	(0.0088)	(0.0067)	(0.0117)	0.0033	(0.0366)
Earnings/(loss) per share	每股盈利/(虧損)					
— diluted (RMB)	— 攤薄(人民幣)	(0.0088)	(0.0067)	(0.0117)	0.0033	(0.0366)
Ordinary shares (shares)	普通股(股)	5,635,970,924	5,635,970,924	5,635,970,924	4,762,033,424	4,762,033,424
Cash and cash equivalents (including pledged bank deposits)	現金及現金等價物 (包括已抵押銀行存款)	60,469	226,374	252,459	20,551	100,545
Total assets	總資產	255,519	322,433	377,323	246,080	248,061
Net asset value	資產淨值	199,605	268,416	317,060	150,480	137,487
Net asset value per share (RMB)	每股資產淨值 (人民幣)	0.04	0.05	0.06	0.03	0.03

Chairman's Statement 主席報告

Dear Valued Shareholders,

On behalf of the board (the “**Board**”) of directors (the “**Directors**”) of Smartac International Holdings Limited (the “**Company**”) together with its subsidiaries (the “**Group**”), I hereby present the annual results of the Group for the year ended 31 December 2020 (“**FY2020**”).

During FY2020, the COVID-19 pandemic introduced various ramifications, including travel restrictions to contain the virus, erosion in consumer confidence, and a general decline in the business environment worldwide. However, as with every crisis, there are also opportunities. For one thing, the pandemic has expedited the online consumption trend. For another, it has heightened public awareness of the importance of health and wellness, which in turn has driven the demand for wellness products. We have duly tapped these two particular developments during FY2020 to the benefit of the Group's Online to Offline (“**O2O**”) commerce business.

Boasting a strong e-commerce team, innovative solutions and one-stop services, we are pleased to have gained the trust from a number of leading brands, including Stella McCartney, an international luxury lifestyle brand; Nutronic, a fertility-enhancing supplement brand under Huakang Biomedical Holdings Company Limited (HKEX stock code: 8622); Grace Cole, a leading brand from the British renowned for its fragrant bath and body products; and Mimi Luzon, a top skincare brand from Israel. The partnerships have not only enriched our portfolio of branded products, but more importantly, have also paved the way for our cooperation with more world-renowned brands and partners in the future.

Still other positive developments that we have observed amid the pandemic, in particular, we have been able to negotiate for more reasonable rent and have recruited seasoned sales staff at competitive remunerations, thus enabling us to have a good entry point for expanding our retailing presence in Hong Kong. We have adhered steadfastly to our expansion strategy, opening four Grace Cole pop-up stores and a Mimi Luzon concept store in the city. With more diversified O2O commerce platforms and an enriched product range, we have managed to achieve a six-fold increase in revenue when compared with the last financial year, despite the adverse conditions.

We have also strategically selected Hong Kong, a free port, as incubator of the Grace Cole brand, from which expansion to other Southeast Asian markets was pursued. Concurrently, we have leveraged our e-commerce team in establishing a Grace Cole flagship store on Tmall, a major e-commerce platform in the People's Republic of China (“**PRC**”). We are encouraged by the progress made by the Grace Cole business and its proven model, and will replicate and expand this model to more international brands.

尊敬的股東：

本人謹代表環球智能控股有限公司(「本公司」，連同附屬公司統稱「本集團」)董事(「董事」)會(「董事會」)，提呈截至二零二零年十二月三十一日止年度的全年業績(「二零二零財年」)。

於二零二零財年，2019冠狀病毒病疫情帶來各種影響，包括旅遊限制以遏止病毒蔓延、削弱消費信心、全球營商環境普遍倒退等。然而，有危亦有機。一方面，疫情加速了線上消費趨勢。另一方面，疫情提高大眾對健康及保健重要性的意識，繼而推動保健產品的需求。我們於二零二零財年把握這兩方面的發展，有利本集團的線上線下(「**O2O**」)商務業務。

憑藉強大的電子商務團隊、創新的解決方案及一站式服務，我們喜獲多個領導品牌的信任，包括國際奢侈生活品牌Stella McCartney、華康生物醫學控股有限公司(聯交所股份代號：8622)旗下生育補充品的保健品品牌Nutronic、以香薰沐浴及個人護理產品聞名的英國領導品牌Grace Cole及以色列頂級護膚品牌Mimi Luzon。該等夥伴關係不單使我們的品牌產品組合更豐富，更重要的是為日後與更多國際著名品牌及夥伴合作奠定基礎。

我們留意到疫情帶來的另一正面發展是我們能夠磋商更合理的租金，並以具競爭力的薪酬聘用經驗豐富的銷售人員，為我們涉足香港零售市場締造契機。我們貫徹拓展策略，在香港開設四間Grace Cole限定店及一間Mimi Luzon概念店。憑藉更多元化的O2O電商平台及豐富的產品類別，我們的收入在逆境下較上一個財政年度增長六倍。

此外，我們特意選擇香港這個自由港作為Grace Cole品牌的孵化基地，再擴展至其他東南亞市場。與此同時，我們透過電商團隊在中華人民共和國(「**中國**」)的主要電商平台「天貓」開設了Grace Cole旗艦店。我們對Grace Cole業務的進展及行之有效的模式感到鼓舞，未來將會複製此模式並擴大應用於更多國際品牌上。

Chairman's Statement 主席報告

As for the electronic payment solutions business, it has been affected by the pandemic and keen short-term market competition. Nonetheless, electronic payment will continue to gain popularity in the future. It is believed that the demand for the WeChat Pay services will rebound quickly once border shutdowns are lifted as the pandemic eases. In addition to providing online and offline WeChat Pay services to merchants, we will also help them expand their business presence in the Greater Bay Area by setting up WeChat official accounts, WeChat Mall(s) and WeChat mini programs through the WeChat ecosystem. In this way, the merchants can seize opportunities emerging from the development of the Greater Bay Area.

In summary, we will focus on bolstering the O2O commerce business and establishing a well-defined business model in response to the tremendous market potential that health supplements and beauty products have in Hong Kong and the PRC. Our ultimate goal is to offer integrated online and offline one-stop solutions for a portfolio of high-quality overseas brands, and acquire a group of high-value customers, thus be equipped to steer the Group towards new business frontiers and create greater long-term value for shareholders.

Last but not least, I would like to extend my heartfelt gratitude to the Board, the management team and all staff for their contributions and commitment amid the pandemic. At the same time, I would like to extend my sincere gratitude to our customers, business partners and Company's shareholders for their continuous support and trust.

Yang Xin Min
Chairman

31 May 2021

至於電子支付解決方案業務，縱使受到疫情和激烈的短期市場競爭影響，電子支付在未來將越來越普及。在疫情緩和而通關之後，相信微信支付服務的需求將迅速反彈。除了向商戶提供線上和線下的微信支付服務外，我們亦會幫助他們在大灣區擴大業務版圖，透過微信生態系統設立微信公眾號、微信商城及微信小程序，使商戶能夠藉此把握大灣區發展的機遇。

總而言之，鑒於香港及中國內地的保健品及美容產品的市場潛力巨大，我們將專注於加強O2O電子商務業務，並建立清晰的業務模式。我們的最終目標是為優質海外品牌組合提供綜合線上及線下一站式解決方案，獲得高價值的客戶群，從而帶領本集團開拓業務新領域，為股東創造更大的長期價值。

最後，本人謹向董事會、管理團隊及員工於疫情下作出的貢獻及付出致以誠摯謝意，並由衷感謝客戶、業務夥伴及本公司股東堅定不移的支持和信任。

主席
楊新民

二零二一年五月三十一日

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

The Company is an investment holding company, and its subsidiaries mainly provide (i) O2O commerce, and (ii) electronic payment solutions and related services.

(i) O2O commerce segment

During the year ended 31 December 2020, the Group integrated the online and offline operations in Hong Kong and the PRC with a view to consolidate its resources and concentrate its efforts to enhance the Group's capabilities as an e-commerce service provider. The O2O commerce segment is mainly involved in (i) provision of integrated online and offline commerce solutions for licensed brands; (ii) provision of innovative e-tailing solutions for the sales and distribution of branded goods; and (iii) provision of customised supply chain management solutions for enterprises.

With regard to the e-tailing solutions business, online retailing has increased in popularity in the wake of social distancing measures implemented since the COVID-19 outbreak. To capitalise on this trend, the Group has been proactively exploring opportunities by way of launching new products, optimizing its existing product offerings and expanding its clientele by cooperating with leading brands from around the world, along with major e-commerce platforms such as T-mall and JD.com and suppliers. Moreover, the Group has built an experienced e-commerce team in the PRC in early 2020, which is tasked with setting up retail outlets and conducting promotions on the internet. Worth noting as well is the Group's signing of franchise agreements with the international luxury lifestyle brand Stella McCartney in March 2020 to sell its fashion apparel and accessories in the PRC. Furthermore, the Group entered into a distribution agreement with Nutronic Healthcare Company Limited and Nutronic Biomedical Group Limited (wholly-owned subsidiaries of Huakang Biomedical Holdings Company Limited (HKEX stock code: 8622)) in September 2020 for the exclusive right to sell, market and distribute fertility-enhancing supplements under the Nutronic brands.

On the brick-and-mortar front, the softening of the rental market and decline in staff costs, as well as travel restrictions that have driven local consumption, have combined to create the perfect opportunity for the Group to enter the Hong Kong retail market. The Group has thus established physical presence in the city since October 2020 by introducing two international beauty brands, namely, Grace Cole and Mimi Luzon. Four pop-up stores and one concept store have been opened in popular shopping malls and department stores respectively. As a leading British brand renowned for its fragrant bath and body products, Grace Cole was well received not only in Hong Kong, but also in Southeast Asia. As for Mimi Luzon, a top skincare brand from Israel, although the products received encouraging response, the concept store was intermittently closed as part of measures to halt the spread of the COVID-19 virus.

業務回顧

本公司為投資控股公司，旗下附屬公司主要提供(i)O2O商務及(ii)電子支付解決方案及相關服務。

(i) O2O 商務分部

截至二零二零年十二月三十一日止年度，本集團整合了香港及中國的線上及線下業務，以整合資源及集中提升本集團作為電子商務服務供應商的能力。O2O商務分部主要涵蓋(i)為授權品牌提供綜合線上及線下商務解決方案；(ii)為銷售及分銷品牌貨品提供創新的電子零售解決方案；以及(iii)為企業提供定制供應鏈管理解決方案。

電子零售解決方案業務方面，自2019冠狀病毒病爆發起實施的社交距離措施，令線上零售更為普及。為把握此趨勢，本集團積極開拓商機，包括推出新產品、優化現有產品組合，並透過與國際知名品牌、天貓及京東等主要電子商務平台及供應商合作以擴大客戶群。此外，本集團於二零二零年初在中國建立一支經驗豐富的電子商務團隊，負責在網上開設零售店舖及推廣。另外值得注意的是，本集團於二零二零年三月與國際奢侈生活品牌Stella McCartney簽署特許經營權協議，在中國銷售該品牌的時裝和配飾。此外，本集團於二零二零年九月與Nutronic Healthcare Company Limited及Nutronic Biomedical Group Limited(華康生物醫學控股有限公司(聯交所股份代號:8622)之全資附屬公司)訂立分銷協議，以獨家銷售、營銷及分銷Nutronic品牌生育補充品。

在實體店方面，租賃市場疲弱、員工成本下降及因旅遊限制帶動的本地消費均為本集團進軍香港零售市場創造了黃金機會。因此，本集團於二零二零年十月正式在香港開設實體店，引入兩個國際美容品牌Grace Cole及Mimi Luzon，並於熱門購物商場及百貨公司分別開設四家限定店及一家概念店。以香薰沐浴及身體護理產品聞名的英國領導品牌Grace Cole於香港以至東南亞均深受歡迎。至於以色列頂尖護膚品牌Mimi Luzon，市場對其產品反應熱烈，但概念店因2019冠狀病毒病防控措施而遭間歇性關閉。

Management Discussion and Analysis 管理層討論及分析

The Group also actively explored new business opportunities, including from the Hong Kong Government's Distance Business Programme under the Anti-epidemic Fund. In addition to providing online and offline WeChat Pay services for merchants under the electronic payment solutions segment, the Group also assisted them in expanding their online and offline presence through setting up of WeChat official accounts, WeChat Mall(s) and WeChat mini programs, which enhance the reach and visibility of the Group's O2O commerce business among the population.

Segment revenue for the year ended 31 December 2020 soared by 860.3% to approximately RMB188,916,000 (2019: approximately RMB19,672,000), representing approximately 98.6% of the Group's total revenue. The upsurge was mainly due to the addition of supply chain solutions business and e-tailing solutions business when online consumption began to accelerate amid the COVID-19 outbreak.

(ii) Electronic payment solutions segment

The electronic payment solutions segment provides mobile payment services in Hong Kong through a subsidiary of the Company, Haihai Limited ("Haihai"), to merchants with payment access, settlement and marketing functions offered by WeChat Pay. Haihai has been working with merchants principally engaged in retailing, including medical and pharmaceutical services, cosmetics and beauty, jewelry, apparel, food and beverage, etc., so as to offer customers a more convenient and fast mobile payment option when making both online and offline purchases.

Segment revenue for the year ended 31 December 2020 slipped by 43.0% to approximately RMB1,950,000 (2019: approximately RMB3,424,000). The decline was mainly due to the drop in WeChat Pay transaction value as a result of significantly fewer tourists and reduced local spending during the pandemic.

FINANCIAL REVIEW

The Group recorded a significant revenue increase of 642.9% from approximately RMB25,797,000 for the year ended 31 December 2019 to approximately RMB191,648,000 for the year ended 31 December 2020, which was mainly attributable to the revenue growth from the O2O commerce segment by approximately RMB169,244,000 through the provision of supply chain solutions business and e-tailing solutions business.

Cost of sales and services mainly included cost of merchandises sold under the O2O commerce segment. The amount rose from approximately RMB12,182,000 for the year ended 31 December 2019 to approximately RMB169,551,000 for the year ended 31 December 2020 mainly due to the increase in cost of merchandises sold under the supply chain solutions business and the e-tailing solutions business.

本集團亦積極發掘新商機，包括香港政府在「防疫抗疫基金」下推出的「遙距營商計劃」。除了為電子支付解決方案分部的商戶提供線上及線下微信支付服務，本集團亦透過成立微信公眾號、微信商城及微信小程序，協助商戶擴大線上及線下業務據點，提升本集團O2O商務業務的覆蓋及在大眾之間的知名度。

截至二零二零年十二月三十一日止年度，分部收入飆升860.3%至約人民幣188,916,000元（二零一九年：約人民幣19,672,000元），佔本集團總收入約98.6%。大幅增長主要是因為在2019冠狀病毒病爆發加快網上消費的環境下，本集團新增了供應鏈解決方案業務及電子零售解決方案業務。

(ii) 電子支付解決方案分部

電子支付解決方案分部通過本公司的附屬公司嗨嗨有限公司（「嗨嗨」）在香港為商戶提供移動支付服務，包括微信支付接入、結算及營銷功能。嗨嗨與主要從事零售的商戶合作，包括醫療及醫藥服務、化妝品及美容、珠寶、服飾及餐飲等，以便顧客於線上及線下購物時可選擇更便捷的移動支付方式。

截至二零二零年十二月三十一日止年度，分部收入下跌43.0%至約人民幣1,950,000元（二零一九年：約人民幣3,424,000元）。下跌主要是因為疫情令遊客銳減和本地消費減少，導致微信支付的交易額下降。

財務回顧

本集團錄得收入由截至二零一九年十二月三十一日止年度約人民幣25,797,000元大幅增加642.9%至截至二零二零年十二月三十一日止年度約人民幣191,648,000元，主要由於O2O商務分部透過提供供應鏈解決方案業務及電子零售解決方案業務錄得收入增長約人民幣169,244,000元。

銷售及服務成本主要包括O2O商務分部之已售商品成本。該金額由截至二零一九年十二月三十一日止年度約人民幣12,182,000元增加至截至二零二零年十二月三十一日止年度約人民幣169,551,000元，主要由於供應鏈解決方案業務及電子零售解決方案業務之已售商品成本增加。

Selling expenses mainly included employee benefit expenses of sales and marketing staff, marketing and promotion expenses, e-commerce platform charges and logistics and warehouse expenses. The balance increased from approximately RMB8,933,000 for the year ended 31 December 2019 to approximately RMB27,565,000 for the year ended 31 December 2020 mainly attributable to the increase in headcounts of sales and marketing staff and marketing and promotion expenses incurred for the O2O commerce business.

Administrative expenses mainly included employee benefit expenses of corporate and administrative staff, legal and professional fee, depreciation and office expenses. The balance increased from approximately RMB36,097,000 for the year ended 31 December 2019 to approximately RMB45,084,000 for the year ended 31 December 2020 mainly due to the increase in corporate legal and professional fee and employee benefit expenses.

Other operating expenses mainly represented allowance for inventories and impairment of property, plant and equipment. The amount increased from approximately RMB1,718,000 for the year ended 31 December 2019 to approximately RMB10,043,000 mainly due to low realisation of inventories through sales.

PROSPECTS

In light of vaccine rollouts, control of the COVID-19 pandemic is expected in the future, which in turn will boost consumption sentiment. The management therefore anticipates the global economy will return to a positive trajectory. While the virus will eventually be defeated, one trend that will continue is the shift towards online consumption, an area that the Group has invested considerable resources into developing over the past year.

In terms of product categories, the management has set its sights on health supplements and beauty products, which possess great market potential in the PRC and Hong Kong, especially the former, driven by the public's heightened concerns over their health since the pandemic. Consequently, the Group will source more brands from Hong Kong and overseas that have been eyeing the vast PRC online market.

Leveraging the initial success of Grace Cole in Hong Kong and Southeast Asia, the Group's e-commerce team has within a short time period, i.e. in January 2021, set up a flagship store for Grace Cole on T-mall, which is a testament to the Group's effective business strategy of incubating international brands in Hong Kong before making a push into the PRC market. With the maturing e-commerce business, supported by an experienced team of professionals, the management is confident that this business will grow steadily, and the Group will be able to reap its rewards.

As regards the WeChat Pay business, the entry restrictions in Hong Kong and the PRC will be lifted once the pandemic is under control, which will lead to a revival of inbound tourists.

Looking ahead, the Group aspires to offer integrated online and offline one-stop solutions to a portfolio of high-quality overseas brands, and acquire a group of high-value customers, so as to ultimately create greater value for its shareholders.

銷售開支主要包括銷售及營銷員工之員工福利費用、營銷及推廣開支、電子商務平台費用以及物流及倉庫開支。該結存由截至二零一九年十二月三十一日止年度約人民幣8,933,000元增加至截至二零二零年十二月三十一日止年度約人民幣27,565,000元，主要由於銷售及營銷員工人數增加以及O2O商務業務產生之營銷及推廣開支。

行政開支主要包括企業及行政員工之員工福利費用、法律及專業費用、折舊及辦公室支出。該結存由截至二零一九年十二月三十一日止年度約人民幣36,097,000元增加至截至二零二零年十二月三十一日止年度約人民幣45,084,000元，主要由於企業法律及專業費用及員工福利費用增加。

其他經營費用主要指存貨撥備以及物業、廠房及設備減值。該金額由截至二零一九年十二月三十一日止年度約人民幣1,718,000元增加至約人民幣10,043,000元，主要由於通過銷售變現之存貨較少。

前景

隨著疫苗推出，2019冠狀病毒病疫情預期將於未來受控，從而提振消費氣氛。因此，管理層預計全球經濟將恢復正增長軌道。雖然病毒最終會消退，但轉向網上消費的趨勢將會持續，而本集團去年已投入大量資源發展這個範疇。

就產品類別而言，管理層已鎖定在中港具有巨大市場潛力的保健品及美容產品，特別是在內地，大眾自疫情爆發以來越來越關注健康。因此，本集團將尋找更多瞄準中國龐大網上市場的香港及海外品牌。

憑藉Grace Cole在香港及東南亞的初步成功，本集團的電子商務團隊在短時間內（即二零二一年一月）已在天貓設立了Grace Cole旗艦店，證明本集團先在香港孵化國際品牌、再打入中國市場的業務策略有效。隨著電子商務業務漸趨成熟，加上由專才組成富經驗的團隊的支持，管理層有信心此業務將穩定增長，本集團能夠取得回報。

有關微信支付業務，待疫情受控，中港的出入境限制便會取消，屆時內地遊客的數量勢必恢復。

展望未來，本集團致力提供綜合線上線下的一站式解決方案予各個優質海外品牌，並爭取更多高質素客戶，最終為股東帶來更大價值。

DISCUSSION ON QUALIFIED OPINION

(a) Reasons leading to the qualified opinion on the consolidated financial statements (“Audit Qualification”)

The Company noted that the consolidated financial statements were subject to the Audit Qualification, on the basis as set out in the section headed “Basis for qualified opinion” in the Independent Auditor’s Report. The qualified opinion was in connection with recoverability of trade receivables and net realisable value of inventories as at 31 December 2020.

— Recoverability of trade receivables

The reasons which gave rise to the qualified opinion on trade receivables were due to insufficient appropriate audit evidence provided to the auditor of the Company, RSM Hong Kong, in order to assess the creditability of the new customers during the year ended 31 December 2020 with no prior credit history with the Group and existing customers who were in default of payment. There were no other satisfactory procedures that RSM Hong Kong could perform in order to determine whether the recoverability of trade receivables and the subsequent measurement of the allowance for expected credit loss were properly stated and whether any adjustments to the carrying values of trade receivables were necessary.

— Net realisable value of inventories

The reason which gave rise to the qualified opinion on inventories was insufficient appropriate audit evidence provided to RSM Hong Kong, in order to assess whether the inventories could be realised through subsequent sales under latest sales forecast estimated by the management of the Company (the “Management”), taking into account of the uncertain market situation. There were no other satisfactory procedures that RSM Hong Kong could perform in order to determine whether the allowance for net realisable value of inventories was properly stated and whether any adjustments to the carrying values of inventories were necessary.

(b) The Management’s and the Audit Committee’s view on the Audit Qualification

The Management is of the view that the Audit Qualification is fair and reasonable for the following reasons:

- (i) The Management has communicated with the new customers, who were engaged in the year ended 31 December 2020, during the period from January 2021 to May 2021 and issued legal demand letters to a number of customers in respect of the overdue amounts but remained unsettled as at the date of the issue of the consolidated financial statements; and
- (ii) The Management agreed with RSM Hong Kong and took a prudent view that the realisation of inventories through sales may not be significant based on historical sales records and latest sales forecast under current uncertain market conditions.

保留意見之討論

(a) 導致對綜合財務報表作出保留意見(「審核保留意見」)之理由

本公司注意到，綜合財務報表受限於審核保留意見，其基準載於獨立核數師報告「保留意見基礎」一節。保留意見與於二零二零年十二月三十一日之應收賬款之可收回性及存貨之可變現淨值有關。

— 應收賬款之可收回性

導致就應收賬款作出保留意見之原因為本公司核數師羅申美會計師事務所獲提供之適當審核憑證不足，以評估截至二零二零年十二月三十一日止年度新客戶及拖欠付款之現有客戶(與本集團並無過往信貸記錄)之信譽。羅申美會計師事務所無法執行其他符合要求之程序，以釐定應收賬款之可收回性及預期信貸虧損撥備之其後計量是否妥為列示，以及是否需要對應收賬款之賬面值作出任何調整。

— 存貨之可變現淨值

導致就存貨發出保留意見之原因為羅申美會計師事務所獲提供之適當審核憑證不足，以評估存貨能否根據本公司管理層(「管理層」)估計之最新銷售預測透過其後銷售變現，當中已考慮不明朗市況。羅申美會計師事務所無法執行其他符合要求之程序，以釐定存貨可變現淨值之撥備是否妥為列示，以及是否需要對存貨之賬面值作出任何調整。

(b) 管理層及審核委員會對審核保留意見之意見

管理層認為，審核保留意見屬公平合理，理由如下：

- (i) 管理層已於二零二一年一月至二零二一年五月期間與於截至二零二零年十二月三十一日止年度獲得之新客戶溝通，並就逾期款項向多名客戶發出法律催款函，惟於綜合財務報表刊發日期仍未結清；及
- (ii) 管理層同意羅申美會計師事務所並審慎認為，根據過往銷售記錄及目前不明朗市況下之最新銷售預測，透過銷售變現存貨可能微不足道。

The Audit Committee has critically reviewed the major judgmental areas and has reviewed and agreed with the position and basis of the Management as stated above. The Audit Committee also considered that Audit Qualification as fair and reasonable as stated above.

(c) The Company's proposed plan to address the Audit Qualification

The Company will take all reasonable measures to address the Audit Qualification including proactively following up on all the overdue amounts from the customers and pursuing legal proceedings, where necessary, refining internal credit risk management policy and strengthening the ability of sales and marketing teams.

Since the Audit Qualification only had an impact on the corresponding figures for the consolidated financial statements for the year ended 31 December 2020, this qualified opinion is expected to be uplifted in the consolidated financial statements for the year ending 31 December 2021, subject to the auditor's assessment on the audit evidence to be obtained during the 2021 audit.

審核委員會已嚴格審閱主要判斷範疇，並已審閱及同意上述管理層之立場及基準。審核委員會亦認為上述審核保留意見屬公平合理。

(c) 本公司處理審核保留意見之建議計劃

本公司將採取一切合理措施以處理審核保留意見，包括積極跟進所有應收客戶之逾期款項及於必要時提出法律訴訟、完善內部信貸風險管理政策及加強銷售及營銷團隊之能力。

由於審核保留意見僅影響截至二零二零年十二月三十一日止年度之綜合財務報表之相應數字，因此該保留意見預期將於截至二零二一年十二月三十一日止年度之綜合財務報表中解除，惟須待核數師對於二零二一年審核中取得之審核憑證進行評估後，方可作實。

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2020, the Group's bank and cash balances were approximately RMB60,469,000 (at 31 December 2019: approximately RMB226,374,000) and bank loans were RMB8,000,000 (at 31 December 2019: RMB9,000,000). All bank loans were denominated in Renminbi and repayable within one year. Bank loans of RMB8,000,000 were arranged at fixed interest rates as at 31 December 2020 (at 31 December 2019: RMB9,000,000). The bank loans were secured by charge over the right-of-use assets, building, investment properties and personal guarantee provided by a director of subsidiaries of the Company. The carrying amounts of the Group's cash and cash equivalents are denominated in the following currencies:

流動資金及財政資源

於二零二零年十二月三十一日，本集團之銀行及現金結存約為人民幣60,469,000元（於二零一九年十二月三十一日：約人民幣226,374,000元）以及銀行貸款為人民幣8,000,000元（於二零一九年十二月三十一日：人民幣9,000,000元）。所有銀行貸款均以人民幣計值，且須於一年內償還。於二零二零年十二月三十一日銀行貸款人民幣8,000,000元按固定利率計息（於二零一九年十二月三十一日：人民幣9,000,000元）。銀行貸款以使用權資產、樓宇、投資物業之押記及本公司附屬公司一名董事提供之個人擔保作抵押。本集團現金及現金等價物的賬面值以下列貨幣計值：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
US\$	美金	1,964	51
HK\$	港幣	43,048	212,664
RMB	人民幣	15,419	13,652
Others	其他	38	7
		60,469	226,374

As disclosed in 2018 annual report, the Company had completed the placing of 812,500,000 ordinary shares on 12 December 2018 which generated a net proceed of approximately RMB226,926,000 (equivalent to approximately HK\$257,380,000 after deducting relevant expenses incurred in relation to the placing), which was mainly used as general working capital for existing business and for investment of new business in the upstream and downstream of the Group's principal business if opportunities arise.

誠如二零一八年年報所披露，本公司於二零一八年十二月十二日完成配售812,500,000股普通股，產生所得款項淨額（經扣除就配售產生之相關支出）約人民幣226,926,000元（相等於約港幣257,380,000元），主要用作現有業務之一般營運資金，及於機會出現時用作投資與本集團主要業務相關之上游及下游新業務。

Management Discussion and Analysis 管理層討論及分析

As at 31 December 2020, the aforesaid net proceed uses which are consistent with the intended use of proceeds has been applied as follows:

於二零二零年十二月三十一日，上述所得款項淨額已按與所得款項擬定用途一致之用途應用如下：

		Intended use of proceeds 所得款項 擬定用途 HK\$'000 港幣千元	Utilised amount of proceeds 已動用所得 款項金額 HK\$'000 港幣千元	Unutilised amount of proceeds 未動用所得 款項金額 HK\$'000 港幣千元
(i)	General working capital for existing business	(i) 現有業務之一般營運資金	257,380 (for both (i) and (ii)) (同時用作 (i) 及 (ii))	38,858 (for both (i) and (ii)) (同時用作 (i) 及 (ii))
(ii)	Investment of new business in the upstream and downstream of the Group's principal business	(ii) 投資與本集團主要業務相關之上游及下游新業務		
Total		總計	257,380	38,858

The unutilised proceeds, which being placed at the Group's bank accounts as at 31 December 2020, are expected to be utilised as intended (i.e. general working capital for existing business of the Group and for investment of new business in the upstream and downstream of the Group's principal business if opportunities arise) for the coming six months period up to June 2021.

未動用所得款項已於二零二零年十二月三十一日存入本集團之銀行賬戶，預期將於未來六個月期間直至二零二一年六月按擬定用途（即本集團現有業務之一般營運資金，及於機會出現時用作投資與本集團主要業務相關之上游及下游新業務）予以使用。

HUMAN RESOURCES

As at 31 December 2020, the Group had 154 employees (at 31 December 2019: 97 employees). Employee benefits expenses (including directors' emoluments) for the year ended 31 December 2020 were approximately RMB32,834,000 (2019: approximately RMB23,748,000). Employees were remunerated based on their performance, experience and prevailing industry practice. The Company has adopted a share option scheme for eligible persons and discretionary bonuses are payable to staff based on performance and in accordance with the Group's overall remuneration policies.

人力資源

於二零二零年十二月三十一日，本集團有154名僱員（於二零一九年十二月三十一日：97名僱員）。截至二零二零年十二月三十一日止年度員工福利費用（包括董事酬金）約為人民幣32,834,000元（二零一九年：約人民幣23,748,000元）。僱員薪酬乃按彼等之表現、經驗及當時業內薪酬水平釐定。本公司已為合資格人士採納購股權計劃，並按照表現及根據本集團整體薪酬政策向員工發放酌情花紅。

PLEDGED ASSETS

As at 31 December 2020, the Group's banking facilities and bank loans totalling RMB8,000,000 (2019: RMB9,000,000) are secured by:

- Charge over the Group's building located in the PRC with carrying amount of approximately RMB4,542,000 (2019: approximately RMB4,812,000);
- Charge over the Group's investment properties with fair value of approximately RMB57,800,000 (2019: approximately RMB57,000,000);
- Charge over the Group's right-of-use assets related to leasehold lands in the PRC with carrying amount of approximately RMB1,950,000 (2019: approximately RMB2,006,000); and
- Personal guarantee from a director of the Company's subsidiaries.

SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS

The Group did not have any significant investments, material acquisitions and disposals during the year ended 31 December 2020.

FOREIGN EXCHANGE EXPOSURE

Major subsidiaries of the Group operate in the PRC and most of the transactions are denominated in Renminbi. As certain of the Group's monetary assets and liabilities are denominated in Hong Kong dollars and United States dollars, any significant exchange rate fluctuations of Hong Kong dollars and United States dollars against Renminbi may have financial impacts to the Group. Currently, the Group does not use any derivative financial instruments. Nevertheless, the Group will review the risk from time to time and take response measures if necessary.

資產抵押

於二零二零年十二月三十一日，本集團之銀行融資及銀行貸款合共人民幣8,000,000元(二零一九年：人民幣9,000,000元)乃以下列項目抵押：

- 本集團賬面值約為人民幣4,542,000元(二零一九年：約人民幣4,812,000元)位於中國之樓宇之押記；
- 本集團公允值約為人民幣57,800,000元(二零一九年：約人民幣57,000,000元)之投資物業之押記；
- 本集團賬面值約為人民幣1,950,000元(二零一九年：約人民幣2,006,000元)與中國租賃土地有關之使用權資產之押記；及
- 本公司附屬公司一名董事之個人擔保。

重大投資、收購及出售

本集團於截至二零二零年十二月三十一日止年度並無任何重大投資、重大收購及出售。

外匯風險

本集團主要附屬公司於中國營運，且大部分交易以人民幣計值。由於本集團若干貨幣資產及負債以港幣及美金計值，港幣及美金兌人民幣之任何重大匯率波動或會對本集團造成財務影響。本集團目前並無使用任何衍生金融工具。然而，本集團將不時審視風險，並於必要時採取應對措施。

CONTINGENT LIABILITIES

The Company acquired 51% equity interests in LCE Group Limited (“**LCE Group**”) from the vendor (a BVI company) in 2017. This transaction is regarded as indirect transfer of the PRC subsidiaries of LCE Group by non-tax residents and fall within the scope as described in the Public Notice [2015] No. 7 (“**Public Notice 7**”) issued by the State Administration of Taxation (the “**SAT**”).

The capital gain derived from such indirect transfer will be subject to Enterprise Income Tax (“**EIT**”) and the withholding agent should withhold the EIT amount for settlement with the PRC tax authorities pursuant to the Public Notice [2017] No. 37 and Public Notice 7 issued by the SAT. The PRC tax authorities would demand from the withholding agent for the payment of EIT and impose penalty of 50% to 3 times of the unpaid EIT. The penalty may be relieved if the share transfer transaction has been voluntarily reported to the PRC tax authorities.

On 28 December 2017, the Group paid RMB58,358,000 (equivalent to HK\$70,000,000) to the vendor. On 25 June 2018, the Company issued consideration shares of RMB5,414,000 (equivalent to HK\$6,541,000) to the vendor as part of the consideration. Neither the Group nor the vendor has reported the share transfer transaction or has settled the EIT to the PRC tax authorities upon consideration being partially settled according to the sale and purchase agreement. The Board was of opinion that a provision of RMB5,581,000 calculated based on the cash consideration paid to the vendor as of 31 December 2017 and further provision of RMB566,000 regarding the shares granted during 2018 was sufficiently made. They considered that the risk of having a penalty imposed by the PRC tax authorities arising from non-compliance was reasonably low.

Apart from the above, the Group has no other material contingent liabilities as at 31 December 2019 and 2020.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Saved as disclosed in note 43 and note 44 to the consolidated financial statements, the Group had not executed any agreement in respect of material investments or capital assets and did not have any other future plans relating to material investments or capital assets as at the date of this annual report.

或然負債

本公司於二零一七年向賣方（一間英屬處女群島公司）收購 LCE Group Limited（「**LCE Group**」）之 51% 股權。是項交易被視為由非稅務居民間接轉讓 LCE Group 之中國附屬公司，且屬國家稅務總局（「**國家稅務總局**」）頒佈之公告 [2015]7 號（「**7 號公告**」）所述範疇內。

該間接轉讓所得資本收益將須繳納企業所得稅（「**企業所得稅**」），且扣繳義務人須根據國家稅務總局頒佈之公告 [2017]37 號及 7 號公告向中國稅務機構代扣代繳企業所得稅。中國稅務機構將要求扣繳義務人繳納企業所得稅，並徵收相當於未繳企業所得稅 50% 至 3 倍之滯納金。倘本集團主動向中國稅務機構呈報該股份轉讓交易，則上述滯納金或將予解除。

於二零一七年十二月二十八日，本集團向賣方支付人民幣 58,358,000 元（相等於港幣 70,000,000 元）。於二零一八年六月二十五日，本公司向賣方發行為數人民幣 5,414,000 元（相等於港幣 6,541,000 元）之代價股份作為部分代價。根據買賣協議結付部分代價後，本集團或賣方概無向中國稅務機構呈報股份轉讓交易或繳納企業所得稅。董事會認為，應按截至二零一七年十二月三十一日已付賣方之現金代價計提撥備人民幣 5,581,000 元及就於二零一八年授出之股份充分計提額外撥備人民幣 566,000 元。彼等認為遭中國稅務機構因不合規而徵收滯納金之風險屬合理偏低。

除上述者外，於二零一九年及二零二零年十二月三十一日，本集團並無其他重大或然負債。

重大投資或資本資產之未來計劃

除綜合財務報表附註 43 及附註 44 所披露者外，於本年報日期，本集團並無就重大投資或資本資產簽立任何協議，亦無任何有關重大投資或資本資產之其他未來計劃。

LISTING STATUS

Reference is made to the announcements of the Company dated 8 November 2020, 10 November 2020, 23 February 2021 and 26 February 2021 in relation to, inter alia, (i) the decision of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) to suspend trading in the shares of the Company (“**Shares**”) under Rule 6.01(3) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) for failure to maintain a sufficient level of operations as required under Rule 13.24 of the Listing Rules to warrant the continued listing of the Shares and to proceed with cancellation of the listing of the Shares under Rule 6.01A(1) of the Listing Rules if trading remains suspended for a continuous period of 18 months (the “**LD’s Decision**”); (ii) the Company’s request to refer the LD’s Decision to the Listing Committee of the Stock Exchange (the “**Listing Committee**”) for review pursuant to Rule 2B.06(1) of the Listing Rules; (iii) the Listing Committee’s decision to uphold the LD’s Decision (the “**LC’s Decision**”); and (iv) the Company’s request to refer the LC’s Decision to the Listing Review Committee of the Stock Exchange (the “**Listing Review Committee**”) for review pursuant to Rule 2B.06(2) of the Listing Rules, respectively.

On 7 May 2021, the Company has withdrawn its request for the LC’s Decision to be referred to the Listing Review Committee for review. Pursuant to Rule 6.01A of the Listing Rules, the Company shall have a period of 18 months from 1 April 2021 (being the date from which trading in the Shares on the Stock Exchange has been suspended), expiring on 30 September 2022 to take appropriate actions to demonstrate its compliance with Rule 13.24 of the Listing Rules, failing which the Stock Exchange may cancel the listing of the Shares. Further announcements will be made by the Company in respect of this matter as and when appropriate and in accordance with the Listing Rules.

上市狀況

茲提述本公司日期為二零二零年十一月八日、二零二零年十一月十日、二零二一年二月二十三日及二零二一年二月二十六日之公告，內容分別有關(其中包括)(i)香港聯合交易所有限公司(「聯交所」)決定就未能維持香港聯合交易所有限公司證券上市規則(「上市規則」)第13.24條所規定之足夠營運水平以保證本公司股份(「股份」)繼續上市而根據上市規則第6.01(3)條暫停股份買賣，並在股份買賣持續暫停18個月之情況下根據上市規則第6.01A(1)條取消股份之上市地位(「上市科決定」)；(ii)本公司根據上市規則第2B.06(1)條要求將上市科決定轉交聯交所上市委員會(「上市委員會」)覆核；(iii)上市委員會決定維持上市科決定(「上市委員會決定」)；及(iv)本公司根據上市規則第2B.06(2)條要求將上市委員會決定轉交聯交所上市覆核委員會(「上市覆核委員會」)覆核。

於二零二一年五月七日，本公司已撤銷將上市委員會決定轉交上市覆核委員會覆核之要求。根據上市規則第6.01A條，本公司須自二零二一年四月一日(即股份於聯交所暫停買賣當日)起至二零二二年九月三十日止18個月期限內採取適當行動證明其遵守上市規則第13.24條，否則聯交所可能會取消股份上市。本公司將於適當時候根據上市規則就該事項另行刊發公告。

Profile of Directors and Senior Management

董事及高級管理人員簡介

EXECUTIVE DIRECTOR

Mr. Yang Xin Min, aged 71, senior economist, is the founding chairman and substantial shareholder of the Company. Mr. Yang was re-designated as executive Director with effect from 17 December 2020 and appointed as the chief executive officer (the “CEO”) and a member of the Nomination Committee of the Company with effect from 23 April 2021. Mr. Yang graduated from the Beijing Economics Correspondence College. Since August 1977, Mr. Yang has been the general manager of all predecessor entities of the Group. Mr. Yang has over 40 years’ experience in the research, production management and international market development of zirconium chemicals.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Dr. Cheng Faat Ting Gary, aged 53, was appointed as an independent non-executive Director of the Company in November 2001. He is the chairman of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. Dr. Cheng is currently the independent non-executive director and chairman of each of audit committee and remuneration committee of Huakang Biomedical Holdings Company Limited (a company listed on the GEM of the Stock Exchange) (HKEX stock code: 8622). Dr. Cheng was an independent non-executive director of Niche-Tech Group Limited (HKEX stock code: 8490) from May 2018 to June 2019. In 2011, Dr. Cheng graduated with a Doctor of Business Administration from the City University of Hong Kong with research area in “Independent Non-Executive Director and Corporate Governance”. He is one of few practicing CPA in Hong Kong with DBA degree of research area concentrated in INED study. Dr. Cheng is a Fellow Certified Public Accountant in both Hong Kong and the United States of America (“USA”) and a Certified Tax Advisor of the Taxation Institute of Hong Kong. Dr. Cheng received his Bachelor’s degree in Accounting (Honours) and Master’s degree of Business Administration from Southern Illinois University, USA, in 1992 and 1994 respectively. Dr. Cheng had worked at the audit division of the international accounting firm, PricewaterhouseCoopers, and has over 25 years of experience in financial reporting, business advisory, auditing, accounting, tax investigation and liquidation. Dr. Cheng is currently the managing director of Gary Cheng CPA Limited. For public services, Dr. Cheng currently serves Court member of City University of Hong Kong, Charter President and Honorary Advisor of the Lions Club of Huaxia Hong Kong and committee member of Social Welfare Advisory Committee of HKSAR.

執行董事

楊新民先生，71歲，高級經濟師，本公司之創辦主席兼主要股東。楊先生自二零二零年十二月十七日起調任為執行董事，並獲委任為本公司首席執行官（「首席執行官」）及提名委員會成員，自二零二一年四月二十三日起生效。楊先生畢業於北京經濟函授大學。自一九七七年八月起，楊先生一直擔任本集團所有前身機構之總經理。楊先生擁有超過40年銦化合物研究、生產管理及國際市場發展之經驗。

獨立非執行董事

鄭發丁博士，53歲，於二零零一年十一月獲委任為本公司獨立非執行董事。彼為本公司審核委員會、薪酬委員會及提名委員會主席。鄭博士現時為華康生物醫學控股有限公司（一家於聯交所GEM上市的公司）（聯交所股份代號：8622）的獨立非執行董事、審核委員會及薪酬委員會主席。鄭博士於二零一八年五月至二零一九年六月擔任駿碼科技集團有限公司（聯交所股份代號：8490）的獨立非執行董事。於二零一一年，鄭博士畢業於香港城市大學並獲得工商管理學博士，專研「獨立非執行董事及企業管治」範疇。彼為在香港執業會計師當中，擁有工商管理學博士學位並專注於獨立非執行董事研究的少數人士之一。鄭博士擁有香港及美國（「美國」）資深執業會計師資格，同時為香港稅務學會註冊稅務師。鄭博士分別於一九九二年及一九九四年獲得美國南伊利諾州大學會計學學士（一級榮譽）及工商管理學碩士學位。鄭博士曾任職於國際會計師事務所普華永道的審計部，對財務報告、業務顧問、審核、會計、稅務調查及清盤方面擁有逾25年工作經驗。鄭博士現職加多利會計師事務所有限公司董事總經理。公共服務方面，鄭博士現時擔任香港城市大學校務委員會委員、香港華夏獅子會創會會長及榮譽顧問及香港特別行政區政府社會福利諮詢委員會成員。

Profile of Directors and Senior Management 董事及高級管理人員簡介

Mr. Poon Lai Yin, Michael, aged 49, was appointed as an independent non-executive Director of the Company in January 2010. He is also a member of the Audit Committee, Remuneration Committee and Nomination Committee of the Company.

Mr. Poon holds a Bachelor's degree in Administrative Studies from York University in Canada and a Master's degree in practicing accounting from Monash University in Australia. He has been a fellow member of Hong Kong Institute of Certified Public Accountants since July 2009, and a member with CPA Australia since March 2000 respectively. He passed the qualification examination of Asset Management Association of China in 2016. He has over 20 years of experience in financial reporting, business advisory, auditing, taxation, accounting, merger and acquisition.

Mr. Poon is currently an executive director and the chief financial officer of Huakang Biomedical Holdings Company Limited (HKEX stock code: 8622) since August 2017. He is also an independent non-executive director of LFG Investment Holdings Limited (HKEX stock code: 3938) since September 2019, Niche-Tech Group Limited (HKEX stock code: 8490) since June 2019, Teamway International Group Holdings Limited (HKEX stock code: 1239) since March 2019 and China Uptown Group Company Limited (HKEX stock code: 2330) since November 2006.

Mr. Poon was an independent non-executive director of CityNeon Holdings Limited (a company previously listed on the Mainboard of the Singapore Exchange Limited) from August 2017 to April 2019.

潘禮賢先生，49歲，於二零一零年一月獲委任為本公司獨立非執行董事。彼亦為本公司審核委員會、薪酬委員會及提名委員會成員。

潘先生持有加拿大約克大學(York University)行政學學士學位及澳洲莫納什大學(Monash University)實務會計碩士學位。彼自二零零九年七月及二零零零年三月起分別為香港會計師公會資深會員及澳洲會計師公會會員。彼於二零一六年通過中國證券投資基金業協會從業資格考試。彼於財務報告、業務諮詢、審計、稅務、會計、收購合併方面擁有逾20年經驗。

潘先生目前自二零一七年八月起擔任華康生物醫學控股有限公司(聯交所股份代號：8622)的執行董事兼首席財務官。彼亦自二零一九年九月起擔任LFG投資控股有限公司(聯交所股份代號：3938)的獨立非執行董事、自二零一九年六月起擔任駿碼科技集團有限公司(聯交所股份代號：8490)的獨立非執行董事、自二零一九年三月起擔任Teamway International Group Holdings Limited(聯交所股份代號：1239)的獨立非執行董事及自二零零六年十一月起擔任中國上城集團有限公司(聯交所股份代號：2330)的獨立非執行董事。

潘先生於二零一七年八月至二零一九年四月擔任城質控股有限公司(先前在新加坡交易所有限公司主板上市的公司)的獨立非執行董事。

Profile of Directors and Senior Management 董事及高級管理人員簡介

Mr. Peng Bobo, aged 34, was appointed as an independent non-executive Director and a member of the Audit Committee of the Company on 27 December 2018 and a member of the Remuneration Committee of the Company with effect from 29 April 2021. Mr. Peng joined the Microelectronics Research Institute of ZTE Corporation as the senior engineer since December 2015 and has been subsequently promoted and appointed as the expert engineer since June 2017. Prior to that, Mr. Peng had been appointed as the engineer and the senior engineer of Advantest Semiconductor Technology Company Limited for the period from August 2012 to August 2014 and for the period from August 2014 to August 2015 respectively. Mr. Peng is a veteran with extensive experience in semiconductor related fields. Mr. Peng obtained a Bachelor's degree and a Master's degree in microelectronics from East China Normal University in 2009 and 2012 respectively. Mr. Peng is the joint inventor for certain invention patents in semiconductor related fields.

SENIOR MANAGEMENT

Ms. Yeung Wai Ling, aged 40, is the chief financial officer and company secretary of the Company. Ms. Yeung graduated from Hong Kong Baptist University and received a bachelor degree in Business Administration (Accounting). She is a member of the Hong Kong Institute of Certified Public Accountants. Before joining the Group in 2015, she has worked in international accounting firm and Singapore listed company. She has extensive experience in auditing and financial reporting.

彭波波先生，34歲，於二零一八年十二月二十七日獲委任為本公司之獨立非執行董事及審核委員會成員，並於二零二一年四月二十九日獲委任為本公司薪酬委員會成員。彭先生於二零一五年十二月起加入中興通訊股份有限公司微電子研究院擔任高級工程師，並於二零一七年六月起晉升及獲委任為專家工程師。在此之前，彭先生曾自二零一二年八月至二零一四年八月及自二零一四年八月至二零一五年八月分別獲委任為愛德萬測試半導體科技(上海)有限公司之工程師及高級工程師。彭先生是一位在半導體相關領域擁有豐富經驗的資深人士。彭先生先後於二零零九年及二零一二年於華東師範大學微電子學分別取得學士學位及碩士學位。彭先生是半導體相關領域某些發明專利的聯合發明人。

高級管理人員

楊慧玲女士，40歲，為本公司首席財務官兼公司秘書。楊女士畢業於香港浸會大學，獲得工商管理會計學學士學位。彼為香港會計師公會會員。於二零一五年加入本集團前，彼就職於國際會計師事務所與新加坡上市公司。彼擁有豐富的審計及財務報告經驗。

Corporate Governance Report

企業管治報告

The Company recognises the importance of good corporate governance to safeguard the interest of the shareholders and achieved these by an effective board, segregation of duties with clear accountability, sound internal controls, appropriate risk assessment procedures and transparency to all the shareholders. Save as disclosed below, the Company has complied with the code provisions (the “Code Provisions”) of the Corporate Governance Code (the “CG Code”) set out in Appendix 14 to the Listing Rules throughout FY2020.

The Board periodically reviews and monitors the Company’s policies and practices on corporate governance or compliance with legal and regulatory requirements and employees’ code of conduct to ensure that the Group’s operations are conducted in accordance with the standards of the CG Code and applicable disclosure requirements. Directors and senior management are provided with appropriate ongoing training, continuing professional development for regular updates of the legal and regulatory requirements relevant to their duties.

BOARD OF DIRECTORS

Board Composition

The Board is responsible for supervision of the management of the business and affairs, approval of strategic plans and reviewing of financial performance. The Board currently comprises four members, including one executive Director and three independent non-executive Directors.

Executive Directors

Mr. Yang Xin Min (*Chairman and CEO*)

Mr. Ho Chi Kin (resigned with effect from 23 April 2021)

Independent non-executive Directors

Dr. Cheng Faat Ting Gary

Mr. Poon Lai Yin Michael

Mr. Peng Bobo

Mr. Tsui Francis King Chung (resigned with effect from 29 April 2021)

Mr. Tang Yat Ming Edward (resigned with effect from 29 April 2021)

本公司深知良好企業管治對保障股東權益之重要性，並透過有效之董事會、明確分工與問責、完備內部監控、恰當風險評估程序及對所有股東維持高透明度以達致良好企業管治。除下文所披露者外，於二零二零財年，本公司已遵守上市規則附錄14所載企業管治守則（「企業管治守則」）的守則條文（「守則條文」）。

董事會定期檢討及監察本公司有關企業管治或遵守法律及監管規定及僱員行為守則之政策及慣例，以確保本集團的營運乃根據企業管治守則的標準及適用的披露規定進行。向董事及高級管理層提供適當的持續培訓、持續的專業發展，以定期更新與其職責相關的法律及監管規定。

董事會

董事會組成

董事會負責監督業務及事務之管理、批准策略規劃以及檢討財務表現。董事會現由四名成員組成，包括一名執行董事及三名獨立非執行董事。

執行董事

楊新民先生（主席及首席執行官）

何致堅先生（自二零二一年四月二十三日起辭任）

獨立非執行董事

鄭發丁博士

潘禮賢先生

彭波波先生

崔勁中先生（自二零二一年四月二十九日起辭任）

鄧日明先生（自二零二一年四月二十九日起辭任）

The changes to the composition of the Board and Board committees during FY2020 and up to the date of this report were as follows:

- (a) Mr. Yang Xin Min was appointed as the CEO and a member of the Nomination Committee of the Company with effect from 23 April 2021.
- (b) Mr. Ho Chi Kin resigned as an executive Director, the CEO and a member of each of the Nomination Committee and the Remuneration Committee of the Company with effect from 23 April 2021.
- (c) Mr. Tsui Francis King Chung resigned as an independent non-executive Director and a member of each of the Audit Committee, the Nomination Committee and the Remuneration Committee of the Company with effect from 29 April 2021.
- (d) Mr. Tang Yat Ming Edward resigned as an independent non-executive Director and a member of each of the Audit Committee, the Nomination Committee and the Remuneration Committee of the Company with effect from 29 April 2021.
- (e) Mr. Peng Bobo was appointed as a member of the Remuneration Committee of the Company with effect from 29 April 2021.

During FY2020, the Company had at all times complied with Rules 3.10 and Rules 3.10A of the Listing Rules.

The biographical details of the Directors are disclosed under the section headed "Profile of Directors and Senior Management" section of this annual report. An updated list of the Directors and their roles and functions is available on the websites of the Company and the Stock Exchange.

Roles and Responsibilities of the Board and Delegation by the Board

The overall management and control of the Company's business are vested in its Board, which assumes responsibility for its leadership and control of the Company and is collectively responsible for promoting the success of the Company by directing and supervising the Company's affairs. All Directors carry out their duties in good faith, take decisions objectively and act in the interests of the Company and shareholders at all times.

Management, under the leadership of the CEO is responsible for the day-to-day management of the Group's businesses and the implementation of the strategies and policies as determined by the Board. The delegations to the management are periodically reviewed by the Board to ensure that they are appropriate and continue to be beneficial to the Group as a whole. All Directors could have recourse to seek independent professional advice in performing their duties at the Company's expense, upon reasonable request made to the Board and are encouraged to access and to consult with the Company's executive Directors and management independently.

於二零二零財年及直至本報告日期，董事會及董事委員會組成的變動如下：

- (a) 楊新民先生獲委任為首席執行官兼本公司提名委員會成員，自二零二一年四月二十三日起生效。
- (b) 何致堅先生辭任本公司執行董事、首席執行官以及提名委員會及薪酬委員會各自之成員，自二零二一年四月二十三日起生效。
- (c) 崔勁中先生辭任本公司獨立非執行董事以及審核委員會、提名委員會及薪酬委員會各自之成員，自二零二一年四月二十九日起生效。
- (d) 鄧日明先生辭任本公司獨立非執行董事以及審核委員會、提名委員會及薪酬委員會各自之成員，自二零二一年四月二十九日起生效。
- (e) 彭波波先生獲委任為本公司薪酬委員會成員，自二零二一年四月二十九日起生效。

於二零二零財年，本公司一直遵守上市規則第3.10條及第3.10A條。

董事的履歷詳情於本年報「董事及高級管理人員簡介」一節披露。最新董事名單及其角色與職能刊登於本公司及聯交所網站。

董事會角色及職責以及董事會轉授職權

董事會負責本公司業務之整體管理及監控，並肩負領導及監控本公司的責任，透過指導及監督本公司事務而共同承擔本公司成功發展之責任。全體董事均真誠履行其職務、作出客觀決策及時刻以本公司及股東利益為依歸行事。

管理層在首席執行官的領導下，負責本集團業務的日常管理以及實行董事會釐定之策略及政策。董事會定期檢討向管理層的轉授情況，確保適當並繼續對本集團整體有利。全體董事可於履行職務時透過向董事會作出合理請求而尋求獨立專業意見，費用由本公司承擔，且彼等獲鼓勵獨立聯絡及諮詢本公司執行董事及管理層。

Chairman and CEO

During FY2020, Mr. Yang Xin Min was the chairman of the Board and Mr. Ho Chi Kin was the CEO.

After the resignation of Mr. Ho Chi Kin and the appointment of Mr. Yang Xin Min as the CEO on 23 April 2021, the roles of the chairman of the Board and the CEO are performed by the same individual, which is a non-compliance to the Code Provision A.2.1 of the CG Code. However, the Board believes that with the support of the management, vesting the roles of both chairman of the Board and the CEO in Mr. Yang Xin Min can facilitate the execution of the Group's business strategies and boost effectiveness of its operation. In addition, the Board is also supervised by three independent non-executive Directors. The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Company. The Company is in the course of identifying suitable candidate to be appointed as CEO in order to re-comply with Code Provision A.2.1 of the CG Code.

Appointments, Re-election and Removal of Directors

All Directors have formal letters of appointment with the Company, which set out the key terms of their appointments. Executive Director was appointed for a term of two years while each independent non-executive Director was appointed for a term of one year from the date of appointment. The term of appointment of each Director is subject to retirement by rotation and re-election at each annual general meeting in accordance with the articles of association of the Company and the Listing Rules.

According to the articles of association, at each annual general meeting one-third of the Directors for the time being shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of shareholders after his appointment and be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election.

The biographies of the Directors proposed to be re-elected at the annual general meeting are set out in the circular sent with this annual report to provide information to shareholders to decide on their re-elections.

The Company has received written annual confirmation from each independent non-executive Director of his independence pursuant to Rule 3.13 of the Listing Rules. Based on the contents of such confirmation, the Company considers all of the independent non-executive Directors to be independent.

主席及首席執行官

於二零二零財年，楊新民先生為董事會主席，而何致堅先生則為首席執行官。

於二零二一年四月二十三日何致堅先生辭任及楊新民先生獲委任為首席執行官後，董事會主席及首席執行官之角色由同一人擔任，此舉違反企業管治守則之守則條文第A.2.1條。然而，董事會相信，在管理層之支持下，由楊新民先生兼任董事會主席及首席執行官之角色可有助執行本集團之業務策略及提高其營運效率。此外，董事會亦由三名獨立非執行董事監督。董事會認為此架構將不會損害董事會與本公司管理層之間之權力及授權平衡。本公司正在物色合適人選以獲委任為首席執行官，藉此重新遵守企業管治守則之守則條文第A.2.1條。

委任、重選及罷免董事

全體董事均與本公司訂有正式委任書，當中載有彼等獲委任的主要條款。執行董事獲委任之任期為自獲委任之日起計兩年，而各獨立非執行董事獲委任之任期為自獲委任之日起計一年。根據本公司組織章程細則及上市規則，各董事須輪值退任，並於各股東周年大會上重選連任。

根據組織章程細則，於各股東周年大會，當時三分之一董事須輪值退任，惟各董事須最少每三年輪值退任一次。退任董事符合資格重選連任並須繼續於其退任之大會上擔任董事。任何獲董事會委任填補臨時空缺的董事須任職直至其獲委任後的首屆股東大會為止，並須於該大會上重選連任，而任何獲董事會委任加入現有董事會的董事僅須任職直至本公司下屆股東大會為止，屆時將符合資格重選連任。

擬於股東周年大會上重選的董事履歷已載於連同本年報寄發之通函內，以向股東提供資料，就董事重選作出決定。

本公司已收到各獨立非執行董事根據上市規則第3.13條作出有關其獨立性之年度確認書。根據有關確認書內容，本公司認為全體獨立非執行董事均為獨立人士。

Board Diversity Policy

With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service, and any other factors that the Board may consider relevant and applicable from time to time. High emphasis is placed on ensuring a balanced composition of skills and experience at the Board level for the benefits of diversity on the Board and enabling the Board to discharge its duties and responsibilities effectively.

Selection of candidates will be based on the Company's nomination policy and will take into account the Board diversity policy. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board, having due regard to the benefits of diversity on the Board and also the needs of the Board without focusing on a single diversity aspect. The Nomination Committee shall report its findings and make recommendation to the Board. Such policy and objectives will be reviewed from time to time to ensure their appropriateness in determining the optimum composition of the Board.

Nomination Policy

Objectives

The Nomination Committee assists the Board in making recommendations to the Board on the appointment of Directors and succession planning for Directors. The Nomination Policy provides the key selection criteria and principles of the Nomination Committee in making any such recommendations.

Selection Criteria

When making recommendations regarding the appointment of any proposed candidate to the Board or reappointment of any existing member(s) of the Board, the Nomination Committee shall consider a variety of factors including without limitation the following in assessing the suitability of the proposed candidate:

- Reputation for integrity;
- Relevant skills and experience in the information technology industry and other relevant sectors;
- Commitment in respect of sufficient time, interest and attention to the Company's business;

董事會多元化政策

為達致可持續平衡發展，本公司認為董事會層面增加多元化乃支持其達致策略目標及可持續發展之重要因素。設計董事會之組成時，從多方面考慮董事會多元化，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能、知識及服務年期以及董事會可能不時認為相關及適用之任何其他因素。就董事會多元化的裨益而言，我們高度重視確保董事會層面之技能及經驗組合均衡，讓董事會得以有效履行職務及職責。

本公司將根據其提名政策並考慮董事會多元化政策甄選候選人，並將於審慎考慮對董事會多元化之裨益及董事會之需要後基於獲甄選候選人將為董事會帶來之優勢及貢獻而非專注於單一多元化層面而作出最終決定。提名委員會將向董事會報告其結果及提出推薦建議。有關政策及目標將不時予以檢討，以確保適用於確定董事會之最佳組成。

提名政策

目標

提名委員會協助董事會就董事之委任及董事繼任計劃向董事會提出推薦建議。提名政策訂明提名委員會提出任何該等推薦建議所依據主要甄選標準及原則。

甄選標準

提出推薦建議委任任何建議候選人出任董事會成員或重新委任任何現任董事會成員時，提名委員會將考慮各項因素以評估建議候選人是否合適，包括但不限於下列各項：

- 誠信之聲譽；
- 於資訊科技行業及其他相關範疇之有關技能及經驗；
- 就為本公司業務投入足夠時間、興趣及注意之承諾；

- Diversity in all aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge;
 - Compliance with the criteria of independence as prescribed under Rule 3.13 of the Listing Rules for the appointment of an independent non-executive Director; and
 - Any other relevant factors as may be determined by the Nomination Committee or the Board from time to time.
- 於各方面之多元化程度，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能及知識；
 - 是否符合上市規則第3.13條所規定有關委任獨立非執行董事之獨立標準；及
 - 提名委員會或董事會可能不時釐定之任何其他相關因素。

The appointment of any proposed candidate to the Board or re-appointment of any existing member(s) of the Board shall be made in accordance with the Company's articles of association and other applicable rules and regulations.

委任任何建議候選人出任董事會成員或重新委任任何現任董事會成員時應符合本公司組織章程細則及其他適用規則及規例。

Nomination Procedures

The Secretary of the Nomination Committee shall convene a meeting, and invite nominations of candidates from Board members (if any), for consideration by the Nomination Committee. The Nomination Committee may also nominate candidates for its consideration.

提名程序

提名委員會秘書應召開會議並邀請董事會成員提名候選人(如有)供提名委員會考慮。提名委員會亦可提名候選人以供考慮。

In the context of appointment of any proposed candidate to the Board, the Nomination Committee shall undertake adequate due diligence in respect of such individual and make recommendations for the Board's consideration and approval.

就委任任何建議候選人出任董事會成員而言，提名委員會應該該名候選人進行充足盡職審查，並提出推薦建議供董事會考慮及批准。

In the context of re-appointment of any existing member(s) of the Board, the Nomination Committee shall make recommendations to the Board for its consideration and recommendation, for the proposed candidates to stand for re-election at a general meeting.

就重新委任任何現任董事會成員而言，提名委員會應就有關建議候選人於股東大會接受重選向董事會提出推薦建議以供考慮及推薦。

Please refer to the "Procedures for shareholders to propose candidates for election as Directors", which is available on the Company's website, for procedures for shareholders' nomination of any proposed candidate for election as a Director.

有關股東提名任何建議候選人參選董事之程序，請參閱本公司網站所載「股東提名候選人參選董事的程序」。

The Nomination Committee shall review and monitor the structure, size and composition (including the skills, knowledge, experience and diversity of perspectives) of the Board on an annual basis and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy.

提名委員會應每年檢討及監察董事會之結構、規模及組成(包括技能、知識、經驗及觀點多元化)，並就任何建議變動向董事會提出推薦建議，以配合本公司之公司策略。

The Board shall have the final decision on all matters relating to its recommendation of candidates to stand for election at a general meeting.

董事會有權就所有有關其建議候選人於股東大會參選之事宜作出最終決策。

Review of the Nomination Policy

The Nomination Committee will review the Nomination Policy periodically in line with the Company's strategy and recommend any proposed changes to the Board for approval.

Directors' Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules as its code of conduct for dealing in securities of the Company by the Directors.

The Company, having made specific enquiries from all the Directors that they have complied with the required standards set out in the Model Code throughout FY2020.

Directors' and Officers' Liabilities Insurance

The Company has arranged appropriate insurance coverage on directors' and officers' liabilities of the Company in respect of any legal actions taken against the Directors and officers of the Company arising out of corporate activities.

Directors' Induction and Continuing Professional Development

Each newly appointed Director is provided with necessary induction and information to ensure proper understanding of the Company's operations and businesses as well as responsibilities under relevant statutes, laws, rules and regulations. The company secretary of the Company (the "Company Secretary") from time to time provides the Directors with updates on latest development and changes in the Listing Rules and other relevant legal and regulatory requirements. The Company Secretary maintains records of trainings attended by the Directors and the summary of trainings is set out on page 27 of this annual report.

BOARD COMMITTEES

The Board has established three Board Committees to oversee various aspects of the Group's affairs: the Audit Committee, the Remuneration Committee and the Nomination Committee. Terms of reference of all Board committees are available on the websites of the Stock Exchange and the Company.

Audit Committee

The Audit Committee currently comprises three independent non-executive Directors, namely Mr. Poon Lai Yin Michael, Mr. Peng Bobo and is chaired by Dr. Cheng Faat Ting Gary who has substantial accounting and related financial management expertise.

檢討提名政策

提名委員會將定期檢討提名政策，以配合本公司策略，並向董事會提出任何建議變動，以供批准。

董事進行證券交易

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)作為董事買賣本公司證券的行為守則。

經向全體董事作出特定查詢後，本公司確認彼等於二零二零財年一直遵守標準守則所載規定標準。

董事及高級職員之責任保險

本公司已為本公司的董事及高級職員因公司業務而招致針對本公司的董事及高級職員之任何法律行動所承擔之責任安排投購適當之保險。

董事就職及持續專業發展

各新委任董事接受必需就職及資料，以確保正確了解本公司營運及業務以及根據相關法律條文、法律、規則及法規的責任。本公司的公司秘書(「公司秘書」)不時向董事提供有關上市規則及其他相關法律及監管規定的最新發展及變動。公司秘書存置董事出席培訓之記錄，培訓概要載於本年報第27頁。

董事委員會

董事會已成立三個董事委員會以監督本集團事務的各個方面：審核委員會、薪酬委員會及提名委員會。所有董事委員會的職權範圍刊登於聯交所及本公司網站。

審核委員會

審核委員會現時由三名獨立非執行董事組成，即潘禮賢先生、彭波波先生並由鄭發丁博士出任主席，鄭發丁博士具備豐富會計及相關財務管理經驗。

The Audit Committee is responsible for (i) monitoring and reviewing the effectiveness of the Group's financial reporting system, risk management and internal control systems; (ii) reviewing the Group's financial information; and (iii) overseeing the relationship with the auditor of the Company. The work performed by the Audit Committee during FY2020 were:

- Reviewed the interim results and annual results;
- Reviewed the auditing and financial reporting matters, including the management letter from the external auditor in relation to the audit of the Group for FY2020;
- Recommended to the Board on the appointment of external auditor;
- Reviewed and approved the internal audit plans; and
- Reviewed the adequacy and effectiveness of financial reporting system, risk management and internal control systems.

Auditor's Remuneration

An analysis of the remuneration paid to the external auditor of the Company, RSM Hong Kong, in respect of audit services and non-audit services for FY2020 is set out below:

審核委員會負責 (i) 監察及審閱本集團財務報告系統、風險管理及內部監控系統的成效；(ii) 審閱本集團的財務資料；及 (iii) 監督與本公司核數師的關係。審核委員會於二零二零財年進行的工作為：

- 審閱中期業績及年度業績；
- 審閱審核及財務報告事宜，包括外聘核數師就本集團於二零二零財年之審核事宜發出之管理層函件；
- 就委任外聘核數師向董事會作出推薦建議；
- 審閱及批准內部審核計劃；及
- 檢討財務報告系統、風險管理及內部監控系統是否充足有效。

核數師酬金

於二零二零財年，就審核服務及非審核服務支付予本公司外聘核數師羅申美會計師事務所之酬金分析載列如下：

Service category	服務類別	Fees paid/ payable 已付／應付費用 HK\$'000 港幣千元
Audit service	審核服務	
• Annual audit for 2020	• 二零二零年年度審核	1,660
Non-audit service	非審核服務	
• Agreed upon procedures	• 協定程序	330
• Review on continuing connected transactions	• 持續關連交易審查	50
		2,040

Remuneration Committee

The Remuneration Committee currently comprises of three independent non-executive Directors, namely Mr. Poon Lai Yin Michael, Mr. Peng Bobo and is chaired by Dr. Cheng Faat Ting Gary. All of the members of the Remuneration Committee consists of independent non-executive Directors.

The Remuneration Committee is responsible for (i) reviewing the remuneration packages of the executive Directors and senior management; (ii) making recommendations to the Board on the Directors' fee structure; and (iii) reviewing and approving compensation-related issues.

During FY2020, the Remuneration Committee reviewed the adjustment and proposals of director fee, salary and discretionary bonus of Directors and senior management.

Remuneration payable to members of senior management of the Company (excluding Directors) for the year of 2020 is within the following bands:

		Number of individuals 人數	
		2020 二零二零年	2019 二零一九年
Nil to RMB500,000	零至人民幣 500,000 元	-	2
RMB500,001 to RMB1,000,000	人民幣 500,001 元至人民幣 1,000,000 元	-	1
RMB1,000,001 to RMB1,500,000	人民幣 1,000,001 元至人民幣 1,500,000 元	1	2

Nomination Committee

The Nomination Committee currently comprises one executive Director, namely Mr. Yang Xin Min and two independent non-executive Directors, namely Mr. Poon Lai Yin Michael and is chaired by Dr. Cheng Faat Ting Gary.

The Nomination Committee is responsible for (i) reviewing the structure, size and composition of the Board; (ii) assessing the suitability and qualification of any proposed director candidate; (iii) assessing the independence of the independent non-executive Directors; (iv) making recommendation to the Board on the appointment or re-appointment of Directors; and (v) monitoring and reviewing the implementation of the Board Diversity Policy and Nomination Policy.

The work performed by the Nomination Committee during FY2020 were:

- Reviewed the structure, size and composition of the Board;
- Assessed the independence of each independent non-executive Directors; and
- Reviewed and made recommendations to the Board on the appointment and re-appointment of the Directors.

薪酬委員會

薪酬委員會現時由三名獨立非執行董事組成，即潘禮賢先生、彭波波先生並由鄭發丁博士出任主席。薪酬委員會所有成員均由獨立非執行董事組成。

薪酬委員會負責 (i) 檢討執行董事及高級管理人員之薪酬待遇；(ii) 就董事袍金結構向董事會作出推薦建議；及 (iii) 審閱及批准補償相關事宜。

於二零二零財年，薪酬委員會已審閱董事袍金、薪金以及董事及高級管理人員之酌情花紅調整及建議。

二零二零年度應付本公司高級管理人員（不包括董事）之酬金介乎以下範圍：

提名委員會

提名委員會現時由一名執行董事楊新民先生及兩名獨立非執行董事組成，即潘禮賢先生並由鄭發丁博士出任主席。

提名委員會負責 (i) 檢討董事會的結構、規模及組成；(ii) 評估任何建議董事候選人是否合適及符合資格；(iii) 評估獨立非執行董事的獨立性；(iv) 向董事會推薦建議董事之任命及重新委任；及 (v) 監察及檢討實行董事會多元化政策及提名政策。

提名委員會於二零二零財年進行的工作為：

- 檢討董事會的結構、規模及組成；
- 評估各獨立非執行董事的獨立性；及
- 審視並向董事會推薦建議董事之任命及重新委任。

2020 BOARD AND COMMITTEE ATTENDANCE AND TRAINING RECORDS

The attendance of the Directors at the Board meetings, Board Committee meetings, general meetings of the Company and training for FY2020 was as follows:

二零二零年董事會及委員會出席會議及培訓記錄

董事於本公司二零二零財年董事會會議、董事委員會會議、股東大會的出席情況以及培訓如下：

		Attendance/Number of meeting(s) held during the respective term of services 於各自任期期間出席/舉行會議次數						
Directors	董事	Board Meeting 董事會會議	Audit Committee Meeting 審核委員會會議	Remuneration Committee Meeting 薪酬委員會會議	Nomination Committee Meeting 提名委員會會議	Annual General Meeting 股東周年大會	Extraordinary General Meeting 股東特別大會	Training (Note) 培訓 (附註)
Executive Director	執行董事							
Mr. Yang Xin Min (Chairman and CEO)	楊新民先生 (主席及首席執行官)	16/16				1/1	1/1	✓
Independent Non-executive Directors	獨立非執行董事							
Dr. Cheng Faat Ting Gary	鄭發丁博士	15/16	3/3	3/3	2/2	1/1	1/1	✓
Mr. Poon Lai Yin Michael	潘禮賢先生	15/16	3/3	3/3	2/2	1/1	1/1	✓
Mr. Peng Bobo	彭波波先生	15/16	3/3			1/1	1/1	✓
Resigned Directors	辭任董事							
Mr. Ho Chi Kin	何致堅先生	16/16		3/3	2/2	1/1	1/1	✓
Mr. Tsui Francis King Chung	崔勁中先生	15/16	3/3	3/3	2/2	1/1	1/1	✓
Mr. Tang Yat Ming Edward	鄧日明先生	15/16	3/3	3/3	2/2	1/1	1/1	✓
Number of meetings held in 2020	於二零二零年舉行之會議數目	16	3	3	2	1	1	

Note: Trainings included attending seminars and/or reading materials on legal and regulatory updates, corporate governance, director's duties and responsibilities.

附註：培訓包括參加有關法律及監管最新情況、企業管理、董事職務及責任的研討會及/或閱讀有關資料。

Apart from meetings in person or by other electronic means, the Board and Board Committees also circulate written resolutions for approval by the relevant members of the Board and Board Committees in compliance with the Company's articles of association and Code Provision of the CG Code.

除親身或以其他電子方式出席會議外，董事會及董事委員會亦根據本公司組織章程細則及企業管治守則的守則條文傳閱書面決議案，以供董事會及董事委員會相關成員批准。

Company Secretary

The Company Secretary, Ms. Yeung Wai Ling, supports the Board and Board Committees by ensuring good information flow within the Board and that the Board's policy and procedures and all applicable rules and regulations are followed. The Company Secretary is responsible for advising the Board on corporate governance matters and facilitating the induction and continuous professional development of Directors. During FY2020, the Company Secretary received not less than 15 hours of relevant professional training to update her skills and knowledge. Her biography is set out in this annual report under the section headed "Profiles of Directors and Senior Management".

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Directors acknowledge their responsibilities for the preparation of financial statements for each financial period, which give a true and fair view of the state of affairs of the Group and of the results and cash flow for that period. The Directors confirm that, to the best of their knowledge, information and belief, having made all reasonable enquiries, they are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Group's ability to continue as a going concern.

The statement of the auditor of the Company about their responsibilities for the audit of the Group's consolidated financial statements is set out in the Independent Auditor's Report on pages 53 to 55.

Basis for qualified opinion

(a) Recoverability of trade receivables

As set out in note 29 to the consolidated financial statements, the carrying amount of trade receivables as at 31 December 2020 was RMB61,387,000 net of allowances of RMB1,299,000. Allowance for impairment of trade receivables charged to profit or loss for the year ended 31 December 2020 was RMB936,000. Up to the date of approval of these consolidated financial statements, trade receivables of RMB42,586,000 as at 31 December 2020 have not been settled. The Group has issued legal demand letters to a number of customers in respect of overdue amounts. In addition, the auditor of the Company, RSM Hong Kong, have not been provided with customer specific credit information in respect of new customers during the year ended 31 December 2020 with no prior credit history with the Group or existing customers who were in default of payment. As a result, RSM Hong Kong was unable to obtain sufficient appropriate audit evidence to satisfy themselves that the allowance for impairment of trade receivables was properly stated as at 31 December 2020.

公司秘書

公司秘書楊慧玲女士透過確保董事會內良好資訊流通以及遵循董事會政策及程序以及所有適用規則及法規，協助董事會及董事委員會。公司秘書負責就企業管治事宜向董事會提供意見，並促進董事的就職及持續專業發展。於二零二零財年，公司秘書已接受不少於15小時相關專業培訓以掌握最新技能及知識。其履歷載於本年報「董事及高級管理人員簡介」一節。

問責及審核

財務報告

董事確認彼等編製各財政期間財務報表之責任，以真實和公平地反映本集團於該期間之事務狀況及業績與現金流量。董事經作出一切合理查詢後確認，就彼等所深知、全悉及確信，彼等並不知悉任何與可能對本集團持續經營能力構成重大疑慮之事件或情況相關之重大不確定因素。

有關本公司核數師就審核本集團綜合財務報表須承擔責任之聲明，載於第53至55頁之獨立核數師報告內。

保留意見基礎

(a) 應收賬款之可收回性

誠如綜合財務報表附註29所載，於二零二零年十二月三十一日之應收賬款賬面值為人民幣61,387,000元（扣除撥備人民幣1,299,000元）。截至二零二零年十二月三十一日止年度，自損益扣除之應收賬款減值撥備為人民幣936,000元。截至該等綜合財務報表批准日期，於二零二零年十二月三十一日之應收賬款人民幣42,586,000元尚未結清。本集團已就逾期款項向多名客戶發出法律催款函。此外，本公司核數師羅申美會計師事務所未獲提供有關截至二零二零年十二月三十一日止年度新客戶（與本集團並無過往信貸記錄）或拖欠付款之現有客戶之客戶具體信貸資料。因此，羅申美會計師事務所無法獲取充足適當之審核憑證，以信納應收賬款減值撥備已於二零二零年十二月三十一日妥為列示。

(b) Net realisable value of inventories

As set out in note 28 to the consolidated financial statements, the carrying amount of inventories as at 31 December 2020 was RMB22,349,000 net of allowance of RMB9,873,000. Allowance for inventories charged to profit or loss for the year ended 31 December 2020 was RMB8,356,000. Up to the date of approval of these consolidated financial statements, inventories of approximately RMB2.5 million have been realised through sales. The sales forecast prepared by the management for the period to 31 December 2021 shows that realisation of inventories will continue to be slow due to the uncertain market conditions. As a result, RSM Hong Kong was unable to obtain sufficient appropriate audit evidence to satisfy themselves that the allowance for net realisable value of the inventories was properly stated as at 31 December 2020.

On the above basis, RSM Hong Kong expressed a qualified opinion on the Company's annual results for the year ended 31 December 2020. For further details of the auditor's qualified opinion, please refer to the paragraph headed "Basis for qualified opinion" in the section headed "Independent Auditor's Report" and the paragraph headed "Qualified Opinion on the Company's Consolidated Financial Statements for the Year Ended 31 December 2020" in the section headed "Management Discussion and Analysis" of this annual report.

Risk Management and Internal Controls

The Board acknowledges its responsibility for overseeing the Group's risk management and internal control systems on an ongoing basis in order to safeguard the Group's assets, investments and the shareholders' interest, and in reviewing their effectiveness at least annually through the Audit Committee.

The Group has engaged an external independent professional firm as the outsourced internal auditor which provides an independent review on the effectiveness of the Group's risk management and internal control systems on an annual basis and in fulfilling its duties to oversee corporate governance and material controls in the Group's financial, operational and compliance controls. The systems and internal controls can only provide reasonable and not absolute assurance against material misstatement or loss, as they are designed to manage, rather than eliminate the risk of failure to achieve business objectives.

(b) 存貨之可變現淨值

誠如綜合財務報表附註28所載，於二零二零年十二月三十一日之存貨賬面值為人民幣22,349,000元（扣除撥備人民幣9,873,000元）。截至二零二零年十二月三十一日止年度，自損益扣除之存貨撥備為人民幣8,356,000元。截至該等綜合財務報表批准日期，存貨約人民幣2.5百萬元已通過銷售變現。管理層所編製至二零二一年十二月三十一日期間之銷售預測顯示，由於市況尚不明確，存貨變現將繼續放緩。因此，羅申美會計師事務所無法獲取充足適當之審核憑證，以信納存貨之可變現淨值撥備已於二零二零年十二月三十一日妥為列示。

根據上述基礎，羅申美會計師事務所就本公司截至二零二零年十二月三十一日止年度的年度業績發出保留意見。有關核數師保留意見的進一步詳情，請參閱本年報「獨立核數師報告」一節「保留意見基礎」一段以及「管理層討論及分析」一節「就本公司截至二零二零年十二月三十一日止年度的綜合財務報表的保留意見」一段。

風險管理及內部監控

為保障本集團資產、投資及股東利益，董事會確認其持續監督本集團風險管理及內部監控系統之責任，並透過審核委員會最少每年檢討其成效。

本集團已委聘外部獨立專業公司為外判內部核數師，每年就本集團風險管理及內部監控系統之成效進行獨立檢討，並履行其監督本集團財務、營運及合規監控方面之企業管治及重大控制之職務。由於該等系統及內部監控旨在管理而非消除未能達致業務目標之風險，故僅可合理而非絕對保證不會有重大失實陳述或損失。

During FY2020, the Group's internal auditor conducted selective reviews of the effectiveness of the systems of risk management and internal controls of the Group based on the audit plan agreed annually by the Audit Committee over financial, operational and compliance controls. These results were assessed by Group's internal auditor and reported to the Audit Committee, which then reviewed and reported the same to the Board. The Board and Audit Committee closely monitor the findings conducted and recommendations proposed by the internal auditor and also the corrective measures taken by relevant departments.

Based on the risk management and internal control systems established and maintained by the Group, the work performed by the internal auditor, and reviews performed by the management, the Audit Committee and the Board were not aware of any areas of concern that would have a material impact on the Group's financial position or operating results, and considered that the risk management and internal control systems to be generally effective and adequate. The Group would also engage an external internal control consultant to assist the Company to further strengthen the internal control systems of the Group.

POLICY AND PROCEDURES OF INSIDE INFORMATION HANDLING AND DISSEMINATION

The Group acknowledges its responsibilities under the Securities and Futures Ordinance and the Listing Rules and the overriding principle that inside information should be announced immediately when it is the subject of a decision. The procedures and internal controls for the handling and dissemination of inside information are as follows:

- The Group conducts its affairs with close regard to the disclosure requirement under the Listing Rules as well as the "Guidelines on Disclosure of Inside Information" published by the Securities and Futures Commission of Hong Kong in June 2012;
- The Group strictly prohibits unauthorised use of confidential or inside information applicable to all employees of the Group;
- The Group strictly keeps inside information confidential and restricts to relevant parties on a need-to-know basis so as to ensure confidentiality until consistent and timely disclosure of the inside information in an equal and timely manner by way of financial reporting, company announcements and its website; and
- The Board consults the Company's legal advisor in assisting to assess whether the relevant information is considered to be inside information which needs to be disclosed as soon as reasonably practicable.

於二零二零財年，本集團內部核數師根據審核委員會每年同意有關財務、營運及合規監控方面之審核計劃對本集團風險管理及內部監控系統之成效進行篩查檢討。有關結果由本集團內部核數師評估並向審核委員會報告，審核委員會審閱有關資料後向董事會報告。董事會及審核委員會密切監控內部核數師得出之結果及提出之建議以及有關部門採取之糾正措施。

基於本集團建立並維持的風險管理及內部監控系統、內部核數師進行的工作以及管理層進行的審閱，審核委員會及董事會並不知悉任何會對本集團財務狀況或經營業績構成重大影響之疑慮，並認為風險管理及內部監控系統整體有效及充足。本集團亦將委聘外部內部監控顧問以協助本公司進一步增強本集團的內部監控系統。

處理及發佈內幕消息之政策及程序

本集團確認其根據證券及期貨條例以及上市規則須履行之責任，首要原則為內幕消息須在決定後即時公佈。處理及發佈內幕消息之程序及內部監控如下：

- 本集團處理事務時會充分考慮上市規則項下披露規定及香港證券及期貨事務監察委員會於二零一二年六月頒佈之「內幕消息披露指引」；
- 本集團嚴格禁止未經授權使用本集團全體僱員適用之機密或內幕消息；
- 本集團嚴格保持內幕消息機密，並僅根據知情需要向有關人士披露內幕消息，從而確保於透過財務報告、公司公告及其網站以公平及時之方式貫徹一致且及時披露內幕消息前保持機密；及
- 董事會諮詢本公司法律顧問以協助評估有關消息是否被視為須在合理實際可行情況下盡快披露之內幕消息。

SHAREHOLDERS' RIGHTS

To safeguard shareholders' interests and rights, a separate resolution is proposed for each substantially separate issue at general meetings, including the election of individual directors. All resolutions put forward at general meetings will be voted on by poll pursuant to the Listing Rules and the poll results will be posted on the websites of the Company and the Stock Exchange after each general meeting.

Procedures for Shareholders to Convene an Extraordinary General Meeting

Pursuant to Article 58 of the articles of association of the Company, 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, 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.

Shareholders may also propose a person for election as director and the procedures for shareholders to propose candidates for election as Directors are available on the Company's website.

Putting Forward Proposals at General Meetings

Shareholders are welcomed to put forward proposals relating to the operations and management of the Group to be discussed at general meetings. The proposals shall be sent to the Company Secretary by a written requisition with his detailed contact information to the Company's head office and principal place of business in Hong Kong (details of which are set out in the section headed "Corporate Information" of this annual report). Shareholders who wish to put forward a proposal should convene an extraordinary general meeting by following the procedures set out in "Procedures for shareholders to Convene an Extraordinary General Meeting" above.

Right to Put Enquiries to the Board

Shareholders have a right to put enquiries to the Board. All enquiries should be in writing and sent to the Company Secretary at Room 2101, 21st Floor, COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong or by email to investors@smartacgroup.com.

股東權利

為保障股東權益及權利，本公司於股東大會就各項大致獨立之事項(包括選舉個別董事)提呈獨立決議案。所有於股東大會提呈之決議案將根據上市規則以按股數投票方式表決，而表決結果將於各股東大會結束後於本公司及聯交所網站登載。

股東召開股東特別大會之程序

根據本公司組織章程細則第58條，任何於遞呈要求日期持有本公司繳足股本(附帶權利可於本公司股東大會表決)不少於十分之一的一名或多名股東有權隨時向董事會或公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求中指明之任何事項；且該大會應於遞呈該要求後兩個月內舉行。倘董事會未有於遞呈要求後二十一日內召開有關大會，則要求人可以同一方式自行召開股東特別大會，而本公司須向要求人彌償要求人因董事會未能召開股東特別大會而產生之所有合理支出。

股東亦可建議他人參選董事，股東建議候選人參選董事的程序載於本公司網站。

於股東大會提呈建議

本公司歡迎股東提呈有關本集團營運及管理的建議於股東大會上討論。有關建議須透過書面要求寄交予公司秘書，其詳細聯絡資料寄交予本公司總辦事處及香港主要營業地點(其詳情載於本年報「公司資料」一節)。擬提呈建議的股東應遵照上文「股東召開股東特別大會之程序」所載的程序召開股東特別大會。

向董事會作出查詢之權利

股東有權向董事會作出查詢。所有查詢必須以書面提出，並郵寄至公司秘書，地址為香港銅鑼灣告士打道262號中糧大廈21樓2101室，或電郵至investors@smartacgroup.com。

DIVIDEND POLICY

The Company considers stable and sustainable returns to shareholders to be our goal. In deciding whether to propose a dividend and in determining the dividend amount, the Board shall take into account, inter alia:

- (i) the Group's actual and expected financial performance;
- (ii) the Group's actual and future operations and liquidity position;
- (iii) the Group's expected working capital requirements, future expansion plans and future commitments at the time of declaration of dividend;
- (iv) the level of the Group's debts to equity ratio, return on equity and the relevant financial covenants;
- (v) any restrictions on payment of dividends that may be imposed by the Group's lenders;
- (vi) any restrictions under the Companies Law of the Cayman Islands and any applicable laws, rules and regulations relevant to the Group;
- (vii) the retained earnings and distributable reserves of the Company and each of the members of the Group;
- (viii) general economic conditions, business cycle of the Group and other internal or external factors that may have an impact on the business or financial performance and position of the Group; and
- (ix) any other factors that the Board deems appropriate.

The Dividend Policy and the declaration and/or payment of future dividends under the Dividend Policy are subject to the Board's continuing determination that the Dividend Policy and the declaration and/or payment of dividends would be in the best interests of the Group and shareholders, and are in compliance with all applicable laws and regulations.

The Board endeavours to maintain a balance between meeting shareholders' expectations and prudent capital management with a sustainable Dividend Policy.

The Board will continually review the Dividend Policy and reserves the right in its sole and absolute discretion to update, amend, modify and/or cancel the Dividend Policy at any time.

股息政策

本公司認為我們之目標乃為股東帶來穩定及可持續回報。董事會將於決定是否建議派發股息及釐定股息金額時考慮(其中包括):

- (i) 本集團實際及預期財務表現;
- (ii) 本集團實際及未來經營及流動資金狀況;
- (iii) 本集團於宣派股息時之預期營運資金需要、未來擴展計劃及未來承擔;
- (iv) 本集團債務對權益比率、權益回報及有關財務契諾水平;
- (v) 本集團貸款人可能施加關於派付股息之任何限制;
- (vi) 開曼群島公司法以及與本集團有關之任何適用法例、規則及規例項下任何限制;
- (vii) 本公司及本集團各成員公司之保留盈利及可分派儲備;
- (viii) 整體經濟環境、本集團業務週期以及其他可能對本集團業務或財務表現及狀況構成影響之內部或外部因素;及
- (ix) 董事會視為適當之任何其他因素。

股息政策以及根據股息政策宣派及/或派付未來股息須待董事會持續釐定股息政策以及宣派及/或派付股息會否符合本集團及股東最佳利益且符合所有適用法例及規例後,方可作實。

董事會致力於達致股東期望與根據可持續股息政策審慎管理資本之間取得平衡。

董事會將持續檢討股息政策並保留其全權及絕對酌情權利,隨時更新、修訂、修改及/或取消股息政策。

The Dividend Policy shall in no way constitute a legally binding commitment by the Group in respect of its future dividend and/or in no way obligate the Group to declare a dividend at any time or from time to time, there can be no assurance that dividends will be paid in any particular amount for any given period.

Even if the Board decides to recommend and pay dividends, the form, frequency and amount will depend upon the abovementioned factors.

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

The Board recognises the importance of good communications with all shareholders. The Company's general meeting is a valuable forum for the Board to communicate directly with the shareholders. The Chairmen of the Board Committees are present to answer shareholders' questions. The Company aims to be open and transparent with shareholders and encourages shareholders' active participation at the Company's general meetings.

Information would be communicated to the shareholders mainly through the Company's corporate communications (such as interim and annual reports, announcements and circulars), annual general meeting and other general meetings, as well as disclosure on the websites of the Company and the Stock Exchange. Interim reports, annual reports and circulars are sent to the shareholders in a timely manner and are also available on the websites of the Company and the Stock Exchange. The Company's and the Stock Exchange's websites provides shareholders with the corporate information.

The Company's annual general meeting allows the Directors to meet and communicate with shareholders. The Company ensures that shareholders' views are communicated to the Board. The notice of annual general meeting is distributed to all shareholders at least 21 days prior to the annual general meeting and the accompanying circular also sets out the procedures for conducting a poll and other relevant information of the proposed resolutions. Voting results are posted on the websites of the Company and the Stock Exchange on the day of the annual general meeting.

Shareholders and investors may also contact the Company by email to investors@smartacgroup.com or by mail to the Company Secretary at Room 2101, 21st Floor, COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong. The website of the Company at www.smartacgroup.com also provides a medium to make information of the Group available to shareholders.

Constitutional Documents

There has been no change in the Company's constitutional documents during FY2020 and up to the date of this annual report.

股息政策絕不構成本集團在未來股息方面之具法律約束力承擔及／或絕無規定本集團須於任何時間或不時宣派股息，亦無法保證將就任何指定期間派付任何特定金額之股息。

即使董事會決定建議及派付股息，有關形式、頻率及金額仍將視乎上述因素而定。

與股東及投資者溝通

董事會深明與所有股東保持良好溝通至關重要。本公司股東大會提供寶貴場合讓董事會直接與股東溝通。董事委員會主席出席大會回答股東提問。本公司旨在對股東保持公開透明，並鼓勵股東積極參與本公司的股東大會。

本公司主要透過本公司的公司通訊（如中期及年度報告、公告及通函）、股東周年大會及其他股東大會以及在本公司及聯交所網站上之披露向股東傳達資料。中期報告、年報及通函將適時寄發予股東，亦可於本公司及聯交所網站查閱。本公司及聯交所網站為股東提供公司資料。

本公司之股東周年大會讓董事可與股東會面及溝通。本公司確保股東之意見可傳達至董事會。股東周年大會通告於股東周年大會前最少21天發送予所有股東，而附隨之通函亦載列以按股數投票方式表決之程序及建議決議案之其他相關資料。投票結果會於股東周年大會當日刊登於本公司及聯交所網站。

股東及投資者如欲聯絡本公司，可電郵至 investors@smartacgroup.com 或 郵寄至公司秘書，地址為香港銅鑼灣告士打道262號中糧大廈21樓2101室。本公司網站 www.smartacgroup.com 亦為股東提供本集團資訊之渠道。

組織章程文件

於二零二零財年及直至本年報日期，本公司的組織章程文件概無變動。

Directors' Report

董事會報告

PRINCIPAL ACTIVITIES

The Group is principally engaged in providing (i) O2O commerce; (ii) electronic payment solutions; and (iii) others.

The principal activities of the Company's subsidiaries are set out in note 25 to the consolidated financial statements.

An analysis of the Group's performance for FY2020 by operating segment is set out in note 10 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for FY2020 are set out in the consolidated statement of profit or loss and other comprehensive income on pages 56 to 57.

The Board does not recommend the payment of a final dividend for FY2020 (2019: Nil).

FIVE YEAR FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on page 4.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during FY2020 are set out in note 19 to the consolidated financial statements.

PROPERTY HELD FOR INVESTMENT

As at 31 December 2020, the Group has investment properties located in Yinglian International Epibolic Centre, No. 288 Dongping Street, Suzhou Industrial District, Suzhou City, Jiangsu Province, the PRC. The investment properties are held for commercial use and on medium term lease. Details of the investment properties are set out in note 20 to the consolidated financial statements.

SHARE ISSUED DURING THE YEAR

Details of the Shares issued during FY2020 are set out in note 38 to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Group during FY2020 are set out in the consolidated statement of changes in equity on page 60.

主要業務

本集團主要從事提供 (i) O2O 商務；(ii) 電子支付解決方案；及 (iii) 其他。

本公司附屬公司之主要業務載於綜合財務報表附註 25。

本集團於二零二零財年按經營分部劃分之表現分析載於綜合財務報表附註 10。

業績及分派

本集團於二零二零財年之業績載於第 56 至 57 頁之綜合損益與其他全面收益表。

董事會不建議就二零二零財年派付末期股息 (二零一九年：無)。

五年財務摘要

本集團過去五個財政年度之業績及資產與負債摘要載於第 4 頁。

物業、廠房及設備

本集團於二零二零財年之物業、廠房及設備變動詳情載於綜合財務報表附註 19。

持作投資之物業

於二零二零年十二月三十一日，本集團擁有位於中國江蘇省蘇州市蘇州工業園區東平街 288 號盈聯國際外包中心之投資物業。該等投資物業乃持作商業用途並以中期租約持有。該等投資物業之詳情載於綜合財務報表附註 20。

本年度已發行股份

二零二零財年之已發行股份詳情載於綜合財務報表附註 38。

儲備

本集團於二零二零財年之儲備變動詳情載於第 60 頁之綜合權益變動表。

DISTRIBUTABLE RESERVES

Pursuant to the Companies Law of the Cayman Islands and the Company's articles of association, in addition to the retained profits of the Company, the ordinary share premium account of the Company is also available for distribution to shareholders provided that the Company will be able to pay its debts as they fall due in the ordinary course of business immediately following the date on which any such distribution is proposed to be paid. Accordingly, the Company's reserves available for distribution to shareholders as at 31 December 2020 amounted to nil (2019: RMB44,418,000).

DIRECTORS

The Directors who held office during FY2020 and as at the date of this report are shown below. Their biographies are set out on pages 16 to 18.

Executive Directors

Mr. Yang Xin Min, *Chairman and CEO*
(re-designated as executive Director on 17 December 2020
and appointed as CEO on 23 April 2021)

Mr. Ho Chi Kin (resigned on 23 April 2021)

Independent Non-Executive Directors

Dr. Cheng Faat Ting Gary
Mr. Poon Lai Yin Michael
Mr. Peng Bobo
Mr. Tsui Francis King Chung (resigned on 29 April 2021)
Mr. Tang Yat Ming Edward (resigned on 29 April 2021)

Each of the above Directors has entered into a service contract with the Company for a term of one to two years. Each service contract will continue thereafter unless terminated by either party thereto giving to the other at least one to three months' notice in writing.

The Company has received from each independent non-executive Director a written annual confirmation letter of his independence pursuant to paragraph 12B of Appendix 16 of the Listing Rules and considers each of the independent non-executive Directors is independent.

可分派儲備

根據開曼群島公司法及本公司之組織章程細則，除本公司之保留溢利外，本公司之普通股溢價賬亦可分派予股東，惟前提是本公司將有能力支付其於緊隨擬支付任何有關分派當日後到期之日常業務債項。因此，於二零二零年十二月三十一日，本公司可分派予股東之儲備為零元(二零一九年：人民幣44,418,000元)。

董事

於二零二零財年及於本報告日期之在任董事列示如下。彼等之簡歷載於第16至18頁。

執行董事

楊新民先生，*主席及首席執行官*
(於二零二零年十二月十七日調任為
執行董事及於二零二一年四月二十三日
獲委任為首席執行官)
何致堅先生(於二零二一年四月二十三日辭任)

獨立非執行董事

鄭發丁博士
潘禮賢先生
彭波波先生
崔勁中先生(於二零二一年四月二十九日辭任)
鄧日明先生(於二零二一年四月二十九日辭任)

上述各董事均與本公司訂立任期一至兩年之服務合約。各服務合約均將於其後繼續生效，除非其中一方向另一方發出最少一至三個月書面通知予以終止。

本公司已接獲各獨立非執行董事根據上市規則附錄16第12B段就其獨立身份發出之書面年度確認函件，並認為各獨立非執行董事均為獨立人士。

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

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 associated corporations (within the meaning of the Securities and Futures Ordinance ("SFO")) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Director is taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code to be notified to the Company and the Stock Exchange were as follows:

Long positions in the shares

Name of Director	Capacity	Number and Class of Shares 股份數目及類別	Approximate Percentage of Total Share Capital 佔股本總額概約百分比
Yang Xin Min 楊新民	Beneficial owner 實益擁有人	592,573,880 ordinary shares 普通股	10.51%

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

As at 31 December 2020, so far as was known to the Directors and the chief executive of the Company, the following persons had an interest or short position in the shares and underlying shares in would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who were, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other member of the Group.

Long positions in the shares

Name of Shareholder	Capacity	Number and Class of Shares 股份數目及類別	Approximate Percentage of Total Share Capital 佔股本總額概約百分比
Yang Xin Min 楊新民	Beneficial owner 實益擁有人	592,573,880 ordinary shares 普通股	10.51%

董事及最高行政人員於本公司及其相聯法團之股份、相關股份及債權證中之權益及淡倉

於二零二零年十二月三十一日，本公司董事及最高行政人員於本公司或任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」))之股份、相關股份及債權證中擁有(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之權益及淡倉(包括根據證券及期貨條例有關條文董事被視為或當作擁有之權益及淡倉)；或(b)根據證券及期貨條例第352條須登記於該條文所指登記冊之權益及淡倉；或(c)根據標準守則須知會本公司及聯交所之權益及淡倉如下：

股份之好倉

主要股東於本公司股份及相關股份中之權益及淡倉

於二零二零年十二月三十一日，就本公司董事及最高行政人員所知，以下人士於股份及相關股份中擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露之權益或淡倉；或直接或間接擁有附帶權利可於任何情況下在本公司或本集團任何其他成員公司之股東大會上投票之任何類別股本面值5%或以上之權益。

股份之好倉

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the Directors had any interest, either direct or indirect, in any business, which may compete or constitute a competition with the business of the Group.

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS THAT ARE SIGNIFICANT IN RELATION TO THE GROUP'S BUSINESS

Details of the connected transactions and related party transactions are disclosed in this report and in note 45 to the consolidated financial statements respectively.

Save for the above, no other transactions, arrangements or contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a Director of the Company or his connected entity had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during FY2020.

At no time during FY2020 was the Company or any of its subsidiaries, a party to any arrangements to enable the Directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company or its subsidiaries were entered into or existed during FY2020.

PERMITTED INDEMNITY PROVISION

A permitted indemnity provision for the benefit of the Directors is currently in force and was in force throughout FY2020. The Company has taken out and maintained appropriate insurance cover in respect of potential legal actions against its Directors and officers.

董事於競爭業務之權益

概無董事於任何可能與本集團業務競爭或構成競爭之業務中擁有任何直接或間接權益。

董事於與本集團業務有關之重大交易、安排或合約中之重大權益

有關關連交易及關聯方交易之詳情分別於本報告及綜合財務報表附註45中披露。

除上文所述外，概無其他由本公司或其任何附屬公司訂立與本集團業務有關之重大交易、安排或合約於本年度結束時或於二零二零財年任何時間仍然存續，而本公司董事或與其有關連之實體於當中直接或間接擁有重大權益。

於二零二零財年任何時間，本公司或其任何附屬公司概無訂立任何安排致使本公司董事可透過購入本公司或任何其他法人團體之股份或債權證而獲益。

管理合約

於二零二零財年概無訂立或存有與本公司或其附屬公司全部或任何重大部分業務之管理及行政有關之合約。

獲准許彌償條文

一項以董事利益訂立之獲准許彌償條文現正生效並於整個二零二零財年維持有效。本公司已就其董事及高級職員可能面對之法律行動辦理及投購適當保險。

SHARE OPTIONS GRANTED PURSUANT TO THE SHARE OPTION SCHEME

Pursuant to the written resolution by the shareholders of the Company on 24 September 2002, the Share Option Scheme (the "Old Scheme") was approved and adopted. The Old Scheme was terminated by a resolution passed by the shareholders in the Company's annual general meeting held on 27 May 2011. No further options can be granted under the Old Scheme but in all other respects the provisions of the Old Scheme shall remain in full force and effect.

On 27 May 2011, the shareholders passed a resolution in the annual general meeting to approve and adopt a new Share Option Scheme (the "New Scheme") and the Board may, at its discretion, grant options ("Options") to eligible participants as defined in (ii) below.

(i) Purpose

The purpose of the New Scheme is to enable the Company to grant Options to eligible participants as incentives or rewards for their contribution to the Company and/or any of its subsidiaries. Through the New Scheme, the Company can motivate and reward the Eligible Participants who have contributed to the Company by enhancing its performance, improving its management and operation, and providing it with good advice and ideas.

(ii) Eligible participants

The eligible participants of the New Scheme to whom Option(s) may be granted by the Board shall include any employees, directors, advisors, consultants, and any shareholders of any members of the Group or any invested entities or any holders of any securities issued by any members of the Group or any invested entities.

根據購股權計劃授出購股權

根據本公司股東於二零零二年九月二十四日之書面決議案，購股權計劃（「舊計劃」）已獲批准及採納。在二零一一年五月二十七日舉行之本公司股東周年大會上，股東通過一項決議案以終止舊計劃。此後不可再根據舊計劃授出購股權，惟舊計劃之條文於所有其他方面將繼續全面生效及具有效力。

於二零一一年五月二十七日，股東在股東周年大會上通過一項決議案，以批准及採納一項新購股權計劃（「新計劃」），據此，董事會可酌情向合資格參與者（定義見下文(ii)）授予購股權（「購股權」）。

(i) 目的

新計劃之目的為讓本公司可向合資格參與者授出購股權，作為鼓勵或獎勵彼等對本公司及／或其任何附屬公司作出貢獻。本公司通過新計劃，可激勵並獎勵透過提升本公司表現、改善其管理營運並向其提供可取建議及意見對本公司作出貢獻之合資格參與者。

(ii) 合資格參與者

可獲董事會授予購股權之新計劃合資格參與者包括本集團任何成員公司或任何被投資實體之僱員、董事、諮詢人、顧問及任何股東或本集團任何成員公司或任何被投資實體所發行任何證券之任何持有人。

(iii) Maximum number of shares

- (a) The total number of shares which may be issued upon exercise of all Options which may be granted under the New Scheme and any other share option schemes of the Company ("**Scheme Mandate Limit**") shall not exceed 10% of the total number of shares in issue as at the date on which the New Scheme will be approved and adopted by the shareholders, unless the Company obtains a refresh approval from the shareholders pursuant to paragraph (b) below. Options lapsed in accordance with the terms of the New Scheme shall not be counted for the purpose of calculating whether the Scheme Mandate Limit has been exceeded.
- (b) The Company may seek approval of the shareholders in general meetings to renew the Scheme Mandate Limit provided that the Scheme Mandate Limit so renewed must not exceed 10% of the shares in issue as at the date of the approval of the renewal by the shareholders. Upon any such renewal, all Options granted under the New Scheme and any other share option schemes of the Company (including those outstanding, cancelled, lapsed in accordance with the New Scheme and any other share option schemes of the Company and exercised options) prior to the approval of such renewal shall not be counted for the purpose of calculating whether the renewed Scheme Mandate Limit has been exceeded. In seeking the approval, the Company shall send a circular to the shareholders.
- (c) The Company may grant Options to the eligible participant(s) beyond the Scheme Mandate Limit if the grant of such Options is specifically approved by the shareholders in general meeting. In seeking such approval, a circular must be sent to the shareholders containing a generic description of the identified eligible participant(s), the number and terms of the Options to be granted, the purpose of granting Options to the identified eligible participant(s), and how the terms of these Options serve such purpose.

Notwithstanding the above, the maximum number of shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the New Scheme and options which may be granted under any other share option schemes of the Company shall not exceed 30% of the total number of shares in issue from time to time.

(iii) 股份數目上限

- (a) 根據新計劃及本公司任何其他購股權計劃可能授出之所有購股權獲行使時，可予發行之股份總數（「**計劃授權上限**」）不得超過股東將予批准及採納新計劃當日已發行股份總數之10%，惟本公司根據下文第(b)段獲得股東之更新批准者除外。計算是否超逾計劃授權上限時，根據新計劃條款已失效之購股權將不予計算。
- (b) 本公司可於股東大會上尋求股東批准以更新計劃授權上限，惟以此方式更新之計劃授權上限不得超過股東批准更新當日已發行股份之10%。經任何有關更新後，計算是否超逾經更新計劃授權上限時，於批准有關更新前根據新計劃及本公司任何其他購股權計劃授出之所有購股權（包括根據新計劃及本公司任何其他購股權計劃尚未行使、已註銷、已失效之購股權及已行使之購股權）將不予計算。為尋求批准，本公司應向股東寄發一份通函。
- (c) 本公司可向合資格參與者授出超逾計劃授權上限之購股權，惟該等購股權之授出須經股東於股東大會上明確批准。為尋求有關批准，本公司須向股東寄發一份通函，當中總體說明已確定合資格參與者、將授出購股權之數目及條款、向已確定合資格參與者授出購股權之目的，以及該等購股權之條款如何達致有關目的。

儘管上文已有所規定，所有根據新計劃已授出但尚未行使之未行使購股權及根據本公司任何其他購股權計劃可能授出之購股權獲行使時，可予發行之股份數目上限不得超過不時已發行股份總數30%。

(iv) Maximum entitlement of each eligible participant

- (a) The total number of shares issued and to be issued upon exercise of the Options granted under the New Scheme and any other share option schemes of the Company (including exercised, cancelled and outstanding Options) to each eligible participant in any 12-month period must not exceed 1% of the then total issued share capital of the Company (the **"Individual Limit"**).
- (b) Any further grant of Options to an eligible participant in excess of the Individual Limit (including exercised, cancelled and outstanding Options) in any 12-month period up to and including the date of such further grant must be subject to the shareholders' approval in general meeting of the Company with such eligible participant and his associates abstaining from voting. A circular must be sent to the shareholders disclosing the identity of the identified eligible participant(s), the number and terms of the Options granted and to be granted, the number and terms of the Options to be granted to such identified eligible participant(s) must be fixed before the shareholders' approval and the date of meeting of the Board for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price.

(v) Offer acceptance period and option price

An offer of grant of an Option may be accepted by an eligible participant within 28 days from the date of the offer of grant of the Option. A consideration of HK\$1.00 is payable on acceptance of the offer of grant of an Option. To the extent that the offer of grant of an Option is not accepted within twenty-eight (28) days from the date on which the offer for the grant of Options is made in the manner indicated herein, it will be deemed to have been irrevocably declined and lapsed automatically.

(vi) Timing for exercise of Options

An Option shall be exercisable in whole or in part and in accordance with the terms of the New Scheme at any time during a period to be determined and notified by the Directors to each Grantee, which period may commence on the day on which the offer for the grant of Options is made but shall end in any event not later than 10 years commencing from the date the Board makes an offer of the grant of an Option subject to the provisions for early termination thereof. The Directors have the discretion to impose a minimum period for which an Option has to be held before the exercise of the subscription rights attaching thereto on case by case basis.

(iv) 每名合資格參與者之配額上限

- (a) 在任何12個月期間內每名合資格參與者根據新計劃及本公司任何其他購股權計劃獲授之購股權(包括已行使、已註銷及尚未行使之購股權)獲行使時，已發行及將予發行之股份總數不得超過本公司當時已發行股本總額之1%(「**個別上限**」)。
- (b) 若向合資格參與者進一步授出購股權會導致在截至再授出購股權日期(包括該日)止任何12個月期間內超出個別上限(包括已行使、已註銷及尚未行使之購股權)，均須經股東於本公司股東大會上批准(該合資格參與者及其聯繫人必須放棄表決)。本公司須向股東寄發一份通函，當中披露已確定合資格參與者之身份、已授出及將予授出購股權之數目及條款，該等已確定合資格參與者獲授購股權之數目及條款須於股東批准前釐定，而計算行使價時，提呈進一步授出購股權之董事會會議日期應被視為授出日期。

(v) 接納提呈之時間及購股權價格

合資格參與者可於獲授購股權要約當日起計28日內接納獲授購股權要約。接納獲授購股權要約時須支付代價港幣1.00元。倘獲授之購股權要約未有於獲授購股權要約日期起計二十八(28)日內按本條款所示方式接納，其將視為已被不可撤回地拒絕並自動失效。

(vi) 行使購股權之時間

購股權可按照新計劃之條款於董事決定並已知會各承授人之期間內任何時間全部或部分行使，該期間可自獲授購股權要約當日開始，惟在任何情況下不得遲於董事會授出購股權要約當日起計10年(惟可根據該計劃條文提早終止)。董事可按個別情況酌情釐定須於行使購股權所附帶認購權前持有購股權之最短期限。

(vii) Subscription price

Subject to the adjustment made in accordance with the terms of the New Scheme, the exercise price in respect of any particular Option shall be such price as determined by the Board in its absolute discretion at the time of making the offer of grant of an option (which shall be stated in the letter containing the offer of grant of an option) but in any case the exercise price must be at least the highest of (i) the closing price of shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer of grant, which must be a trading day; (ii) the average closing price of shares as stated in the Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the date of the offer of grant; and (iii) the nominal value of the shares.

For the year ended 31 December 2020 and 2019, there were no Options granted, exercised, cancelled or lapsed under the Old Scheme and the New Scheme.

As the New Scheme had expired on 26 May 2021, there were no Shares available for issue under the New Scheme as at the date of this annual report.

CONTINUING CONNECTED TRANSACTION

During FY2020, the Group had the following continuing connected transactions which were required to be disclosed (the **"Disclosed Continuing Connected Transactions"**) in compliance with the requirements of Chapter 14A of the Listing Rules.

On 10 September 2020, Smartronic Limited (**"Smartronic"**, an indirect non-wholly owned subsidiary of the Company), Nutronic Healthcare Company Limited (**"Nutronic Healthcare"**) and Nutronic Biomedical Group Limited (**"Nutronic Biomedical"**) entered into a distribution agreement (the **"Distribution Agreement"**), pursuant to which, (i) Nutronic Healthcare has conditionally agreed to grant the exclusive right to Smartronic to sell, market and distribute certain products series including but not limited to FertiCare series, ConcepCare series and NatalCare series, being male and female fertility supplements within the PRC and Hong Kong; and (ii) Nutronic Biomedical has conditionally agreed to authorise and grant Smartronic the right to use the Nutronic trademarks in relation to the Distribution Agreement, from 10 September 2020 to 31 December 2022.

(vii) 認購價

受按新計劃條款作出調整規限，任何特定購股權之行使價應為董事會於授出購股權要約時全權酌情釐定之價格（其須於載有授出購股權要約之函件內訂明），惟在任何情況下行使價必須最少為下列各項中之最高者：(i) 股份於授出購股權要約日期（須為交易日）於聯交所每日報價表所示收市價；(ii) 股份於緊接授出購股權要約日期前5個營業日於聯交所每日報價表所示平均收市價；及(iii) 股份面值。

截至二零二零年及二零一九年十二月三十一日止年度，概無購股權根據舊計劃及新計劃獲授出、行使、註銷或失效。

由於新計劃已於二零二一年五月二十六日屆滿，於本年報日期，新計劃下並無可供發行之股份。

持續關連交易

於二零二零財年，本集團訂有以下須遵照上市規則第14A章之規定予以披露之持續關連交易（「已披露持續關連交易」）。

於二零二零年九月十日，智能創力有限公司（「智能創力」，本公司之間接非全資附屬公司）、Nutronic Healthcare Company Limited（「Nutronic Healthcare」）及 Nutronic Biomedical Group Limited（「Nutronic Biomedical」）訂立分銷協議（「分銷協議」），據此，(i) Nutronic Healthcare 已有條件同意向智能創力授予獨家權，以於中國及香港銷售、營銷及分銷若干產品系列，包括但不限於 FertiCare 系列、ConcepCare 系列及 NatalCare 系列（即男女性生育補充品）；及(ii) Nutronic Biomedical 已有條件同意向智能創力授權並授予其權利使用有關分銷協議之 Nutronic 商標，年期為自二零二零年九月十日起至二零二二年十二月三十一日。

Smartronic is held as to 51% by Forever Triumph Holdings Limited, a wholly owned subsidiary of the Company, and as to 49% by Nutronic Biomedical. Nutronic Healthcare is a direct wholly-owned subsidiary of Nutronic Biomedical. By virtue of such 49% equity interest in Smartronic by Nutronic Biomedical, Nutronic Biomedical and Nutronic Healthcare are connected persons of the Company. Accordingly, the transactions contemplated under the Distribution Agreement constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

According to the announcement of the Company dated 10 September 2020, the proposed annual caps for the transactions contemplated under the Distribution Agreement for the financial years ended/ending 31 December 2020, 31 December 2021 and 31 December 2022 are RMB3,900,000, RMB6,400,000 and RMB6,400,000 respectively.

The aggregate transaction amount charged by Nutronic Healthcare to Smartronic for the year ended 31 December 2020 was RMB764,128.

The independent non-executive Directors have reviewed the Disclosed Continuing Connected Transactions set out above, and are of the view that the Disclosed Continuing Connected Transactions have been entered into under the following circumstances:

- (i) in the ordinary and usual course of business of the Group;
- (ii) on normal commercial terms or better; and
- (iii) in accordance with the relevant agreement governing each of the Disclosed Continuing Connected Transactions on terms that are fair and reasonable and in the interest of the shareholders of the Company as a whole.

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

Smartronic由本公司之全資附屬公司Forever Triumph Holdings Limited及Nutronic Biomedical分別持有51%及49%權益。Nutronic Healthcare為Nutronic Biomedical之直接全資附屬公司。根據Nutronic Biomedical於智能創力持有之有關49%股權，Nutronic Biomedical及Nutronic Healthcare為本公司之關連人士。因此，分銷協議項下擬進行之交易構成上市規則第14A章項下本公司之持續關連交易。

根據本公司日期為二零二零年九月十日之公告，分銷協議項下擬進行交易於截至二零二零年十二月三十一日、二零二一年十二月三十一日及二零二二年十二月三十一日止財政年度之建議年度上限分別為人民幣3,900,000元、人民幣6,400,000元及人民幣6,400,000元。

截至二零二零年十二月三十一日止年度，Nutronic Healthcare向Smartronic收取之交易總額為人民幣764,128元。

獨立非執行董事已審閱上文所載之已披露持續關連交易，並認為已披露持續關連交易已在以下情況下訂立：

- (i) 在本集團之日常及一般業務過程中訂立；
- (ii) 以一般或更佳之商業條款訂立；及
- (iii) 根據規管各已披露持續關連交易之相關協議按公平合理之條款訂立且符合本公司股東整體利益之方式訂立。

根據香港會計師公會頒佈之香港核證委聘準則第3000號(修訂本)「審核或審閱過往財務資料以外之核證委聘」及參考應用指引第740號「核數師根據香港上市規則就持續關連交易發出之函件」，羅申美會計師事務所已獲委聘就本集團之已披露持續關連交易作出報告。羅申美會計師事務所已根據上市規則第14A.56條就已披露持續關連交易發出載有其結果及結論之無保留意見函件。本公司已向聯交所提供獨立核數師有關持續關連交易之核證報告副本。

In respect of the Disclosed Continuing Connected Transactions, RSM Hong Kong concluded that:

- (i) nothing has come to their attention that causes them to believe that the Disclosed Continuing Connected Transactions have not been approved by the Board.
- (ii) for transactions involving the provision of goods or services by the Group, nothing has come to their attention that causes them to believe that the Disclosed Continuing Connected Transactions were not, in all material respects, in accordance with the pricing policies of the Group.
- (iii) nothing has come to their attention that causes them to believe that the Disclosed Continuing Connected Transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions.
- (iv) with respect to the aggregate amount of the Disclosed Continuing Connected Transactions, nothing has come to their attention that causes them to believe that the Disclosed Continuing Connected Transactions have exceeded the annual cap disclosed in the Company's announcement dated 10 September 2020.

RELATED PARTY TRANSACTIONS

During FY2020, the Group entered into transactions with related parties as set out in note 45 to the consolidated financial statements. Apart from the items disclosed in the section "Continuing Connected Transactions", all other material related party transactions did not constitute non-exempt connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

CORPORATE GOVERNANCE

The Company is committed to maintaining the highest standard of corporate governance practices. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 19 to 33.

就已披露持續關連交易而言，羅申美會計師事務所已得出結論，認為：

- (i) 彼等並無注意到任何事項致使彼等相信已披露持續關連交易未經董事會批准。
- (ii) 就涉及本集團提供貨品或服務之交易而言，彼等並無注意到任何事項致使彼等相信已披露持續關連交易在所有重大方面並無根據本集團之定價政策進行。
- (iii) 彼等並無注意到任何事項致使彼等相信已披露持續關連交易在所有重大方面並無根據規管有關交易之相關協議訂立。
- (iv) 就已披露持續關連交易總額而言，彼等並無注意到任何事項致使彼等相信已披露持續關連交易已超出本公司日期為二零二零年九月十日之公告所披露之年度上限。

關聯方交易

於二零二零財年，本集團與關聯方訂立交易（誠如綜合財務報表附註45所載）。除「持續關連交易」一節所披露項目外，所有其他重大關聯方交易並無構成上市規則第14A章所界定不可豁免關連交易或持續關連交易。

企業管治

本公司致力維持最高標準之企業管治常規。有關本公司所採納企業管治常規之資料，載於第19至33頁之企業管治報告內。

MAJOR CUSTOMERS AND SUPPLIERS

For FY2020, the aggregate revenue attributable to the largest customer and the five largest customers of the Group accounted for approximately 12.0% and 43.0% of the Group's total revenue for the year respectively; and the aggregate purchases from the largest and the five largest suppliers of the Group accounted for approximately 18.6% and 43.1% of the Group's total purchases for the year, respectively.

As far as the Directors are aware, none of the Directors of the Company, their respective associates (as defined in the Listing Rules), and the existing shareholders of the Company who own more than 5% of the Company's issued share capital, had any interests in the Group's five largest customers or suppliers at any time during the year.

RESPONSIBILITIES OF DIRECTORS 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 International Financial Reporting Standards issued by the International Accounting Standards Board 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. Details of responsibilities of Directors for the consolidated financial statements are set out in the Independent Auditor's Report on page 52. The Directors are responsible for the proper keeping of accounting record in order to secure assets of the Company and the Group.

The Directors are also responsible for adopting reasonable measures to prevent and check any fraudulences and irregularities.

BUSINESS REVIEW

The business review of the Group for FY2020 is set out in the section headed "Management Discussion and Analysis" on pages 7 to 8 of this annual report which forms part of this report.

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors are aware that the Group is exposed to various risks, including some which are specific to the Group or the industries in which the Group operates as well as others that are common to most businesses. The Group's major risks are summarised below.

主要客戶及供應商

於二零二零財年，本集團最大客戶及五大客戶之收入總額分別佔本集團本年度之收入總額約12.0%及43.0%；本集團向其最大及五大供應商之採購總額分別佔本集團本年度之採購總額約18.6%及43.1%。

據董事所知，於本年度任何時間，本公司董事、其各自之聯繫人（定義見上市規則）及擁有本公司已發行股本5%以上之本公司現有股東，概無在本集團五大客戶或供應商中擁有任何權益。

董事就綜合財務報表須承擔之責任

董事須負責根據國際會計準則委員會頒佈之國際財務報告準則及香港公司條例之披露規定編製真實及公允之綜合財務報表，並對其認為編製不存在由於欺詐或錯誤而導致之重大錯誤陳述之綜合財務報表所需必要內部監控負責。有關董事就綜合財務報表須承擔之責任詳情載於第52頁之獨立核數師報告。董事須負責妥當存置會計記錄，以保障本公司及本集團資產。

董事亦須負責採取合理措施防止及查察有否任何欺詐及不合常規之情況。

業務回顧

本集團於二零二零財年之業務回顧載於本年報第7至8頁「管理層討論及分析」一節，並構成本報告其中一部分。

主要風險及不明朗因素

董事知悉本集團面對各種風險，包括若干為本集團或本集團所經營行業特有之風險以及其他為大多數業務面對之常見風險。本集團之主要風險於下文概述。

Financial risk

The Group's activities expose it to a variety of financial risks including foreign currency risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management procedures covers the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Details about the Group's financial risk management are set out in note 6 to the consolidated financial statements.

Manpower and retention risk

The Group may face the risk of not being able to attract and retain key personnel and talents with appropriate and required skills, experience and competence which would meet the business objectives of the Group. The Group will provide attractive remuneration package to suitable candidates and personnel, propose incentives to retain talents and optimise internal training and promotion mechanism.

Risk of rapid technological change

The industry development of the segments engaged by the Group changes rapidly. If the Group fails to promptly react to the change in technologies to satisfy customers' demands, it might result in an adverse impact on the financial status and operating results of the Group. The Group, therefore, strives to response swiftly to the market to provide more comprehensive product solutions and services to customers.

Risk of change in economy, politics and government policies

Most assets of the Group were located in Hong Kong and the PRC and approximately 95% of the income was from the business in Hong Kong and the PRC in 2020. Therefore, the operating results, financial status and prospects of the Group are influenced by the changes in economy, politics and government policies in Hong Kong and the PRC. Hence, the Company will reinforce the communications with business partners, enhance the innovation on technology, strengthen the aftersales maintenance market, consolidate and ensure stable and healthy development of Hong Kong and the PRC market.

Risk of data loss or operation interruption

The Group is dependent on information technology systems and networks. Any material disruption or slowdown of the information technology systems could cause loss of the intellectual property rights of customers, suppliers and the Group. Therefore, the Group established internal policy on source code management, data security, regular system checks and data backup to safeguard data security and integrity.

財務風險

本集團業務承受各種財務風險，包括外幣風險、信貸風險、流動資金風險及利率風險。本集團整體風險管理程序涵蓋金融市場之難以預測性，並尋求盡量降低可能對本集團財務表現造成之不利影響。有關本集團財務風險管理之詳情載於綜合財務報表附註6。

人力供應及留聘人才之風險

本集團可能面對無法吸引及留聘具備為達致本集團業務目標所需適當及必要技能、經驗及才能之主要人員及人才之風險。本集團將向合適人選及人員提供具吸引力之薪酬待遇，提出激勵措施留聘人才及優化內部培訓及晉升機制。

技術急速轉變之風險

本集團所從事分部之行業發展變化迅速。倘本集團未能及時應對技術變革以滿足客戶需求，將可能對本集團之財務狀況及經營業績造成不利影響。因此，本集團努力迅速回應市場，為客戶提供更全面之產品解決方案及服務。

經濟、政治及政府政策變動之風險

於二零二零年，本集團大部分資產位於香港及中國，且收入約95%乃源自香港及中國業務。因此，本集團之經營業績、財務狀況及前景均受香港及中國經濟、政治及政府政策變動影響。為此，本公司將加強與業務合作夥伴溝通，促進技術創新，增強售後維護市場，鞏固並確保香港及中國市場穩健發展。

數據遺失或運作中斷之風險

本集團依賴資訊科技系統及網絡。任何資訊科技系統之嚴重中斷或減速均可能導致客戶、供應商及本集團遺失知識產權。因此，本集團制定有關源代碼管理、數據保安、定期系統檢查及數據備份之內部政策，以保障數據安全及完整。

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group committed to implement various ways to encourage in compliance with environmental legislation and promote awareness towards environmental protection to the employees. It implements green office practices such as setting default double-sided printing, promoting to reuse single-side printed papers, encouraging staff to maintain electronic records in order to reduce paper consumption, reducing energy consumption by switching off idle lightings and electrical appliances and setting optimal temperature on the air conditioning. The Group will continuously review its environmental practices and consider implementing further measures in its operation.

For details, please refer to the "Environmental, Social and Governance Report" available on the websites of the Company and the Stock Exchange.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

The Group's business is mainly operated by its subsidiaries in Hong Kong and the PRC. The Company was incorporated in the Cayman Islands and is listed on the Main Board of the Stock Exchange. The Group accordingly shall comply with relevant laws and regulations in the operating regions. During FY2020 and up to the date of this annual report, as far as the Company is aware, there was no material breach or non-compliance with applicable laws and regulations by the Group that has a significant impact on the business and operations of the Group. The Group will seek for professional legal opinions from legal advisors when necessary to ensure that the Group's transactions and business are in conformity with all applicable laws and regulations.

KEY RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group recognises that employees are the valuable assets and regards the personal development of its employees as highly important. The Group wants to continue to be an attractive employer for committed employees. During FY2020, there was no dispute on salary payments and all accrued remunerations, in all kinds, were settled on or before their respective due dates, as stipulated under individual employee's employment contract. The Group also ensures that all the employees are reasonably remunerated by regular review and the policies on salary increment, promotion, bonus, allowances and all other related benefits are updated from time to time. Being people-oriented, the Group is committed to provide a safe and healthy workplace for its employees and encourage them to have a work-life balance. For details of employment and labour practices, please refer to the "Environmental, Social and Governance Report" available on the websites of the Company and the Stock Exchange.

環境政策及表現

本集團致力推行各項措施，鼓勵遵守環境法例及向僱員推廣環保意識。本集團推行環保辦公室措施，例如預設雙面列印、提倡重用單面印刷紙張、鼓勵員工使用電子記錄以減少用紙、關掉閒置照明設備及電器，並將空調設定於合適之溫度，從而達致節約能源。本集團將不斷檢討其環保常規，並考慮於業務營運中進一步推行環保措施。

詳情請參閱本公司及聯交所網站所登載「環境、社會及管治報告」。

遵守相關法律及法規

本集團主要透過其香港及中國附屬公司經營業務。本公司於開曼群島註冊成立並於聯交所主板上市。因此，本集團須遵守營運地區之相關法律及法規。於二零二零財年及直至本年報日期止，就本公司所知，本集團並無嚴重違反或不遵守適用法律及法規，以致對本集團業務及營運造成重大影響。本集團將於必要時向法律顧問徵求專業法律意見，以確保本集團之交易及業務遵守所有適用法律及法規。

與僱員、客戶及供應商之重要關係

本集團深明僱員為寶貴資產，並高度重視僱員之個人發展。本集團有意繼續成為能吸引忠誠僱員之僱主。於二零二零財年，概無有關薪金付款之糾紛，且所有形式之應計薪酬均於僱員個人聘用合約所訂明各自到期日或之前結付。本集團亦定期檢討以確保全體僱員獲合理報酬，並不時更新有關加薪、晉升、花紅、津貼及所有其他相關福利之政策。本集團以人為本，致力為僱員提供安全及健康之工作環境，鼓勵僱員在工作與生活中取得平衡。有關僱傭及勞工常規之詳情，請參閱本公司及聯交所網站所登載「環境、社會及管治報告」。

The Group appreciates the importance of maintaining good relationship with customers and suppliers to meet its immediate and long-term business goals. The Group values the feedback from customers through regular communication to provide customers with enhanced services and address their concerns in a timely manner. For suppliers, the Group assures their performance for the quality of delivered products.

During FY2020, there is no circumstance of any event between the Group and its employees, customers and suppliers which will have a significant impact on the Group's business and on which the Group's success depends.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during FY2020.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's articles of association or Companies Law of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of its Directors as at the latest practicable date prior to the issue of this report, the Company has maintained sufficient public float as required under the Listing Rules during FY2020.

NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

On 7 May 2021, the Company has withdrawn its request for the Listing Committee of the Stock Exchange's decision to uphold the decision of the Stock Exchange to suspend trading in the Shares under Rule 6.01(3) of the Listing Rules for failure to maintain a sufficient level of operations as required under Rule 13.24 of the Listing Rules to warrant the continued listing of the Shares and to proceed with cancellation of the listing of the Shares under Rule 6.01A(1) of the Listing Rules if trading remains suspended for a continuous period of 18 months to be referred to the Listing Review Committee of the Stock Exchange for review. Pursuant to Rule 6.01A of the Listing Rules, the Company shall have a period of 18 months from 1 April 2021 (being the date from which trading in the Shares on the Stock Exchange has been suspended), expiring on 30 September 2022 to take appropriate actions to demonstrate its compliance with Rule 13.24 of the Listing Rules, failing which the Stock Exchange may cancel the listing of the Shares. Further announcements will be made by the Company in respect of this matter as and when appropriate and in accordance with the Listing Rules.

本集團重視與客戶及供應商維持良好關係，以達致其當前及長期業務目標。本集團重視客戶之意見反饋，通過定期溝通向客戶提供增值服務及適時處理客戶所關注事宜。就供應商而言，本集團對供應商交付產品品質之表現作出肯定。

於二零二零財年，本集團與其僱員、客戶及供應商之間概無發生任何事件而將對本集團業務及本集團成功要素構成重大影響之情況。

購買、出售或贖回上市證券

本公司或其任何附屬公司於二零二零財年概無購買、出售或贖回本公司任何上市證券。

優先購買權

根據本公司組織章程細則或開曼群島公司法，概無任何有關本公司須按比例向現有股東呈呈發售新股份之優先購買權規定。

足夠公眾持股量

根據本公司從公開途徑獲得之資料及根據董事於本報告刊發前最後實際可行日期所知，本公司已於二零二零財年維持上市規則規定之足夠公眾持股量。

報告期後之非調整事項

於二零二一年五月七日，本公司已撤銷將聯交所上市委員會決定轉交聯交所上市覆核委員會覆核之要求，以維持聯交所就本公司未能維持上市規則第13.24條所規定的足夠營運水平以保證股份繼續上市而根據上市規則第6.01(3)條暫停股份買賣的決定，及在股份買賣持續暫停18個月的情況下根據上市規則第6.01A(1)條取消股份的上市地位的決定。根據上市規則第6.01A條，本公司須自二零二一年四月一日（即股份於聯交所暫停買賣當日）起至二零二二年九月三十日止18個月期限內採取適當行動證明其遵守上市規則第13.24條，否則聯交所可能會取消股份上市。本公司將於適當時候根據上市規則就該事項另行刊發公告。

Directors' Report 董事會報告

AUDITOR

The consolidated financial statements have been audited by RSM Hong Kong who retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of RSM Hong Kong will be put at the forthcoming annual general meeting.

By order of the Board

Yang Xin Min
Chairman

31 May 2021

核數師

綜合財務報表已由羅申美會計師事務所審核，而羅申美會計師事務所會退任並符合資格及願意獲續聘。有關續聘羅申美會計師事務所之決議案將於應屆股東周年大會提呈。

承董事會命

楊新民
主席

二零二一年五月三十一日

Independent Auditor's Report 獨立核數師報告

**TO THE SHAREHOLDERS OF
SMARTAC INTERNATIONAL HOLDINGS LIMITED
(FORMERLY KNOWN AS SMARTAC GROUP CHINA HOLDINGS LIMITED)**
(Incorporated in the Cayman Islands with limited liability)

致環球智能控股有限公司
(前稱中國智能集團控股有限公司)
之股東
(於開曼群島註冊成立之有限公司)



RSM

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QUALIFIED OPINION

We have audited the consolidated financial statements of Smartac International Holdings Limited (formerly known as Smartac Group China Holdings Limited) (the “Company”) and its subsidiaries (the “Group”) set out on pages 56 to 176, 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 then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the basis for qualified opinion paragraphs set out below, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (“IFRSs”) issued by the International Accounting Standards Board (the “IASB”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

保留意見

我們已審核載列於第56頁至176頁環球智能控股有限公司(前稱中國智能集團控股有限公司)(「貴公司」)及其附屬公司(「貴集團」)之綜合財務報表，該等綜合財務報表包括於二零二零年十二月三十一日之綜合財務狀況表、截至該日止年度之綜合損益與其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括重要會計政策概要。

我們認為，除下文所載保留意見基礎段落所述事項的影響外，綜合財務報表已根據國際會計準則委員會(「國際會計準則委員會」)頒佈的國際財務報告準則(「國際財務報告準則」)真實而中肯地反映 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截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例的披露要求妥為擬備。

BASIS FOR QUALIFIED OPINION

(a) Recoverability of trade receivables

As set out in note 29 to the consolidated financial statements, the carrying amount of trade receivables as at 31 December 2020 was RMB61,387,000 net of allowances of RMB1,299,000. Allowance for impairment of trade receivables charged to profit or loss for the year ended 31 December 2020 was RMB936,000. Up to the date of approval of these consolidated financial statements, trade receivables of RMB42,586,000 as at 31 December 2020 have not been settled. The Group has issued legal demand letters to a number of customers in respect of overdue amounts. In addition, we have not been provided with customer specific credit information in respect of new customers during the year ended 31 December 2020 with no prior credit history with the Group or existing customers who were in default of payment. As a result, we were unable to obtain sufficient appropriate audit evidence to satisfy ourselves that the allowance for impairment of trade receivables was properly stated as at 31 December 2020.

(b) Net realisable value of inventories

As set out in note 28 to the consolidated financial statements, the carrying amount of inventories as at 31 December 2020 was RMB22,349,000 net of allowance of RMB9,873,000. Allowance for inventories charged to profit or loss for the year ended 31 December 2020 was RMB8,356,000. Up to the date of approval of these consolidated financial statements, inventories of approximately RMB2.5 million have been realised through sales. The sales forecast prepared by the management for the period to 31 December 2021 shows that realisation of inventories will continue to be slow due to the uncertain market conditions. As a result, we were unable to obtain sufficient appropriate audit evidence to satisfy ourselves that the allowance for net realisable value of the inventories was properly stated as at 31 December 2020.

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the Hong Kong Institute of Certified Public Accountants (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.

保留意見基礎

(a) 應收賬款之可收回性

誠如綜合財務報表附註29所載，於二零二零年十二月三十一日之應收賬款賬面值為人民幣61,387,000元(扣除撥備人民幣1,299,000元)。截至二零二零年十二月三十一日止年度，自損益扣除之應收賬款減值撥備為人民幣936,000元。截至該等綜合財務報表批准日期，於二零二零年十二月三十一日之應收賬款人民幣42,586,000元尚未結清。貴集團已就逾期款項向多名客戶發出法律催款函。此外，我們未獲提供有關截至二零二零年十二月三十一日止年度新客戶(與貴集團並無過往信貸記錄)或拖欠付款之現有客戶之客戶具體信貸資料。因此，我們無法獲取充足適當之審核憑證，以信納應收賬款減值撥備已於二零二零年十二月三十一日妥為列示。

(b) 存貨之可變現淨值

誠如綜合財務報表附註28所載，於二零二零年十二月三十一日之存貨賬面值為人民幣22,349,000元(扣除撥備人民幣9,873,000元)。截至二零二零年十二月三十一日止年度，自損益扣除之存貨撥備為人民幣8,356,000元。截至該等綜合財務報表批准日期，存貨約人民幣2.5百萬元已通過銷售變現。管理層所編製至二零二一年十二月三十一日期間之銷售預測顯示，由於市況尚不明確，存貨變現將繼續放緩。因此，我們無法獲取充足適當之審核憑證，以信納存貨之可變現淨值撥備已於二零二零年十二月三十一日妥為列示。

我們乃根據香港會計師公會(「香港會計師公會」)頒佈之香港核數準則(「香港核數準則」)進行審核。我們在該等準則下之責任詳述於本報告核數師就審核綜合財務報表須承擔之責任一節。根據香港會計師公會之職業會計師道德守則(「守則」)，我們獨立於貴集團，且我們已按照守則履行其他道德責任。我們相信，我們所獲得之審核憑證可充分恰當地為我們之意見提供基礎。

KEY AUDIT MATTERS

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

Key Audit Matter 關鍵審核事項

Going concern assessment 持續經營評估

Refer to note 2 to the consolidated financial statements, the Group incurred a net loss of RMB56,950,000 and had net cash outflow from its operating activities of RMB142,022,000 for the year ended 31 December 2020. These conditions indicated that there is uncertainty about the Group's ability to continue as a going concern as the Group's cash flows from operations was not sufficient to cover its operating costs and working capital requirements.

請提述綜合財務報表附註2，貴集團截至二零二零年十二月三十一日止年度產生虧損淨額人民幣56,950,000元及經營活動所得現金流出淨額人民幣142,022,000元。由於貴集團的經營所得現金流量不足以應付其營運成本及營運資金需求，故該等狀況顯示對貴集團的持續經營能力存在不確定性。

Notwithstanding the above, the Group's management considered that it was appropriate to prepare the consolidated financial statements on a going concern basis. Management also considered that there was not a material uncertainty in relation to going concern based on their assessment of the Group's cash position and expected liquidity requirements for the foreseeable future.

儘管如上文所述，貴集團管理層認為，按持續經營基準編製綜合財務報表屬適當。管理層亦認為，根據其對貴集團現金狀況及可見未來之預期流動資金需要之評估，並不存在有關持續經營之重大不確定性。

關鍵審核事項

關鍵審核事項是根據我們的專業判斷，認為對本期綜合財務報表之審核最為重要之事項。該等事項乃於我們審核整體綜合財務報表及出具意見時進行處理，且我們不會就該等事項提供單獨之意見。我們已識別之關鍵審核事項為持續經營評估。

How our audit addressed the Key Audit Matter 我們的審核如何處理關鍵審核事項

Our procedures in relation to management assessment of going concern included:

我們就有關管理層持續經營評估之程序包括：

- Assessing the reasonableness of the key inputs and the assumptions adopted by management in the preparation of the cash flow forecasts based on the historical performance of the Group's operations and our knowledge of the business;
根據貴集團業務之過往表現及我們對該業務之知識，評估管理層於編製現金流量預測時採納之主要輸入數據及假設之合理性；
- Discussing with management their plans for the development of the Online to Offline commerce business, Electronic payment solutions business and other operations, and their plans to control costs, and evaluating the reasonableness of the cash flow forecasts based on those plans;
與管理層討論其有關發展線上線下商務業務、電子支付解決方案業務及其他業務之計劃，以及其有關控制成本之計劃，並根據該等計劃評估現金流量預測之合理性；
- Considering the impact of reasonably possible downside changes in the assumptions underlying the cash flow forecasts and assessing the possible mitigating actions identified by management.
考慮現金流量預測之相關假設合理可能不利變動之影響，並評估管理層識別之可能緩解行動。

Independent Auditor's Report 獨立核數師報告

OTHER INFORMATION

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

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

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

RESPONSIBILITIES OF DIRECTORS 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 IFRSs issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

The Audit Committee assists the directors in discharging their responsibilities for overseeing the Group's financial reporting process.

其他資料

董事須對其他資料負責。其他資料包括年度報告內之所有資料，但不包括綜合財務報表及我們就此發出之核數師報告。

我們對綜合財務報表之意見並不涵蓋其他資料，且我們亦不對其他資料發表任何形式之保證結論。

就我們審核綜合財務報表而言，我們的責任是閱讀其他資料，並在此過程中，考慮其他資料是否與綜合財務報表或我們在審核過程中所了解之情況有重大不一致，或者似乎有重大錯誤陳述。基於我們審核執行之工作，倘我們認為其他資料存在重大錯誤陳述，我們必須報告該事實。在這方面，我們沒有任何報告。

董事就綜合財務報表須承擔之責任

董事須負責根據國際會計準則委員會頒佈之國際財務報告準則及香港公司條例之披露規定編製綜合財務報表，以令綜合財務報表真實及公允地反映及落實董事認為編製綜合財務報表所必要之內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述。

在編製綜合財務報表時，董事須負責評估貴集團持續經營之能力，並在適用情況下披露與持續經營有關之事項，以及採用持續經營會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際之替代方案。

審核委員會協助董事履行監督貴集團財務匯報過程之責任。

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, 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.

核數師就審核綜合財務報表須承擔之責任

我們的目標是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致之重大錯誤陳述取得合理保證，並出具包括我們意見之核數師報告。我們僅向整體股東報告我們的意見，除此以外，我們的報告不可用作其他用途。我們概不就本報告之內容，對任何其他人士負責或承擔法律責任。

合理保證是高水平之保證，但不能保證按照香港核數準則進行之審核，總能發現某一重大錯誤陳述存在。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者所作出之經濟決定，則有關錯誤陳述可被視作為重大。

在根據香港核數準則進行審核的過程中，我們運用了專業判斷及保持了專業懷疑態度。我們亦：

- 識別及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之風險，設計及執行審核程序以應對該等風險，以及獲取充足及適當之審核憑證，作為我們意見之基礎。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之重大錯誤陳述之風險高於未能發現因錯誤而導致之重大錯誤陳述之風險。
- 了解與審核相關之內部監控，以設計適當之審核程序，但目的並非對貴集團內部監控之有效性發表意見。
- 評估董事所採用會計政策之恰當性及所作會計估計及相關披露之合理性。

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

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

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

核數師就審核綜合財務報表須承擔之責任(續)

- 對董事採用持續經營會計基礎之恰當性作出結論。根據所獲取之審核憑證，確定是否存在與事件或情況有關之重大不確定性，從而可能導致對 貴集團之持續經營能力產生重大疑慮。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注意綜合財務報表內之相關披露。倘有關披露不足，則我們須修改我們的意見。我們的結論是基於截至核數師報告日止所取得之審核憑證。然而，未來事件或情況可能導致 貴集團不能繼續持續經營。
- 評價綜合財務報表之整體列報方式、結構及內容(包括披露)，以及綜合財務報表是否公允反映相關交易及事件。
- 就 貴集團內實體或業務活動之財務資料獲取充足、適當之審核憑證，以便對綜合財務報表發表意見。我們須負責 貴集團審核之方向、監督及執行。我們對審核意見承擔全部責任。

我們與審核委員會溝通了計劃的審核範圍、時間安排、重大審核發現等事項，包括我們在審核中識別出內部監控之任何重大缺陷。

我們亦向審核委員會提交聲明，說明我們已符合有關獨立身份之相關道德要求，並與彼等溝通有可能合理地被認為會影響我們獨立身份之所有關係及其他事項，以及在適用的情況下，為消除威脅而採取的行動或適用的防範措施。

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

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

The engagement partner on the audit resulting in this independent auditor's report is Mr. Liu Eugene.

核數師就審核綜合財務報表須承擔之責任(續)

從與審核委員會溝通之事項中，我們決定哪些事項對本期綜合財務報表之審核最為重要，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，除非法律及法規不允許對某件事項作出公開披露，或在極端罕見之情況下，倘合理預期在我們報告中溝通某事項而造成之負面後果將會超過其產生之公眾利益，我們將不會在此等情況下在報告中溝通該事項。

本獨立核數師報告的審核項目合夥人為廖於勤先生。

RSM Hong Kong

Certified Public Accountants

Hong Kong

31 May 2021

羅申美會計師事務所

執業會計師

香港

二零二一年五月三十一日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益與其他全面收益表

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

	Note 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元 (Re-presented) (重新呈列)
Revenue			
Revenue	8	191,648	25,797
Cost of sales and services		(169,551)	(12,182)
Gross profit		22,097	13,615
Fair value gain on investment properties	20	800	1,200
Other income	9	7,982	9,044
Selling expenses		(27,565)	(8,933)
Administrative expenses		(45,084)	(36,097)
Other operating expenses		(10,043)	(1,718)
(Allowance for)/reversal of allowance for trade receivables		(936)	150
Allowance for deposits and other receivables		(3,876)	(4)
Reversal of impairment loss on other receivables		18	190
Impairment loss on goodwill	23	–	(11,451)
Impairment loss on intangible assets	23(a)	–	(26,962)
Loss from operations		(56,607)	(60,966)
Finance costs	11	(1,201)	(597)
Share of result of an associate	26	1,090	1,063
Loss before tax		(56,718)	(60,500)
Income tax (expense)/credit	12	(232)	8,100
Loss for the year	13	(56,950)	(52,400)
Other comprehensive income for the year:			
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translating foreign operations		(7,319)	3,756
Exchange differences reclassified to profit or loss on de-registration of a subsidiary		(1)	–
Other comprehensive income for the year, net of tax		(7,320)	3,756
Total comprehensive income for the year		(64,270)	(48,644)

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益與其他全面收益表

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

	Note 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元 (Re-presented) (重新呈列)
Loss for the year attributable to:	以下人士應佔本年度虧損：		
Owners of the Company	本公司股東	(49,408)	(37,926)
Non-controlling interests	非控股權益	(7,542)	(14,474)
		(56,950)	(52,400)
Total comprehensive income for the year attributable to:	以下人士應佔本年度全面收益總額：		
Owners of the Company	本公司股東	(57,329)	(34,129)
Non-controlling interests	非控股權益	(6,941)	(14,515)
		(64,270)	(48,644)
LOSS PER SHARE	每股虧損		
Basic (RMB cents)	基本(人民幣分)	18(a) (0.88)	(0.67)
Diluted (RMB cents)	攤薄(人民幣分)	18(b) (0.88)	(0.67)

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2020 於二零二零年十二月三十一日

	Note	2020	2019
	附註	二零二零年 RMB'000 人民幣千元	二零一九年 RMB'000 人民幣千元
Non-current assets			
Property, plant and equipment	19	9,096	7,077
Investment properties	20	57,800	57,000
Right-of-use assets	21	8,136	4,096
Construction in progress	22	–	320
Goodwill	23	–	–
Intangible assets	24	433	459
Deposit for acquisition of intangible assets		2,800	–
Investment in an associate	26	5,024	3,934
Financial assets at fair value through other comprehensive income ("FVTOCI")	27	–	–
		83,289	72,886
Current assets			
Inventories	28	22,349	3,310
Trade receivables	29	61,387	5,863
Prepayments, deposits and other receivables	30	27,886	13,661
Due from related parties	45(a)	–	200
Current tax assets		139	139
Cash and cash equivalents	31	60,469	226,374
		172,230	249,547
Current liabilities			
Trade payables	32	2,505	1,590
Accruals and other payables	33	25,540	21,381
Contract liabilities		156	107
Due to a director	34	–	896
Due to related parties	45(a)	–	5,949
Bank loans	35	8,000	9,000
Lease liabilities	36	3,393	1,330
Current tax liabilities		189	119
		39,783	40,372
Net current assets		132,447	209,175
Total assets less current liabilities		215,736	282,061

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2020 於二零二零年十二月三十一日

			2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債	36	3,012	675
Deferred tax liabilities	遞延稅項負債	37	13,119	12,970
			16,131	13,645
NET ASSETS	淨資產		199,605	268,416
Capital and reserves	資本及儲備			
Share capital	股本	38	252,439	252,439
Reserves	儲備	40(a)	(74,325)	(10,850)
Equity attributable to owners of the Company	本公司股東應佔權益		178,114	241,589
Non-controlling interests	非控股權益		21,491	26,827
TOTAL EQUITY	總權益		199,605	268,416

Approved by the Board of Directors on 31 May 2021 and are signed on its behalf by:

董事會於二零二一年五月三十一日批准及由下列人士代表簽署：

Yang Xin Min

楊新民

Director

董事

Cheng Faat Ting Gary

鄭發丁

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 owners of the Company 本公司股東應佔										
		Share capital	Share premium account	Statutory reserve	Foreign currency translation reserve	Capital reserve	Other reserve	Financial assets at FVTOCI reserve	Accumulated losses	Total	Non-controlling interests	Total
		股本	股份溢價賬	法定儲備	匯兌儲備	資本儲備	其他儲備	金融資產儲備	累計虧損	總計	非控股權益	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(note 38)	(note 40(b)(i))	(note 40(b)(ii))	(note 40(b)(iii))	(note 40(b)(iv))	(note 40(b)(v))	(note 40(b)(vi))	(note 40(b)(vii))			
		(附註38)	(附註40(b)(i))	(附註40(b)(ii))	(附註40(b)(iii))	(附註40(b)(iv))	(附註40(b)(v))	(附註40(b)(vi))	(附註40(b)(vii))			
At 1 January 2019	於二零一九年一月一日	252,439	1,269,192	172	(101,271)	(9,619)	(8,385)	(2,000)	(1,124,810)	275,718	41,342	317,060
Total comprehensive income for the year	本年度全面收益總額	-	-	-	3,797	-	-	-	(37,926)	(34,129)	(14,515)	(48,644)
Changes in equity for the year	本年度權益變動	-	-	-	3,797	-	-	-	(37,926)	(34,129)	(14,515)	(48,644)
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	252,439	1,269,192	172	(97,474)	(9,619)	(8,385)	(2,000)	(1,162,736)	241,589	26,827	268,416
Total comprehensive income for the year	本年度全面收益總額	-	-	-	(7,921)	-	-	-	(49,408)	(57,329)	(6,941)	(64,270)
De-registration of a subsidiary	撤銷一間附屬公司註冊	-	-	-	-	-	-	-	-	-	(86)	(86)
Disposal of subsidiary without loss of control	出售附屬公司而並無失去控制權	-	-	-	(23)	-	-	-	(704)	(727)	899	172
Acquisition of non-controlling interest	收購非控股權益	-	-	-	(63)	(4,568)	-	-	(788)	(5,419)	743	(4,676)
Capital contribution from non-controlling interests	非控股權益注資	-	-	-	-	-	-	-	-	-	49	49
Changes in equity for the year	本年度權益變動	-	-	-	(8,007)	(4,568)	-	-	(50,900)	(63,475)	(5,336)	(68,811)
At 31 December 2020	於二零二零年十二月三十一日	252,439	1,269,192	172	(105,481)	(14,187)	(8,385)	(2,000)	(1,213,636)	178,114	21,491	199,605

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

	Note 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動產生之現金流量		
Loss before tax	除稅前虧損	(56,718)	(60,500)
Adjustments for:	經調整：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	1,821	1,448
Depreciation of right-of-use assets	使用權資產折舊	3,250	1,594
Amortisation of intangible assets	無形資產攤銷	116	6,783
Interest income	利息收入	(1,179)	(2,714)
Finance costs	財務成本	1,201	597
Allowance for inventories	存貨撥備	8,356	1,718
Allowance for/(reversal of allowance for) trade receivables	應收賬款撥備/(撥備撥回)	936	(150)
Allowance for deposits and other receivables	按金及其他應收款撥備	3,876	4
Bad debts written-off	已撇銷壞賬	14	-
Impairment loss on property, plant and equipment	物業、廠房及設備減值虧損	1,550	-
Impairment loss on goodwill	商譽減值虧損	-	11,451
Impairment loss on intangible assets	無形資產減值虧損	-	26,962
Reversal of impairment loss on other receivables	其他應收款減值虧損撥回	(18)	(190)
Change in fair value of investment properties	投資物業之公允值變動	(800)	(1,200)
Share of result of an associate	應佔一間聯營公司業績	(1,090)	(1,063)
Loss/(gain) on disposal of property, plant and equipment	出售物業、廠房及設備虧損/(收益)	8	(5)
Written-off of inventories	撇銷存貨	19	-
Written-off of property, plant and equipment	撇銷物業、廠房及設備	115	-
Gain on de-registration of a subsidiary	撤銷一間附屬公司註冊之收益	(11)	-
Gain on disposal of a subsidiary	出售一間附屬公司之收益	(3)	-
Gain on early termination of a lease	提早終止租賃之收益	(48)	-
Rent concession	租金寬免	(32)	-

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

	Note	2020	2019
	附註	二零二零年 RMB'000 人民幣千元	二零一九年 RMB'000 人民幣千元
Operating loss before working capital changes	營運資金變動前之經營虧損	(38,637)	(15,265)
Increase in inventories	存貨增加	(27,310)	(3,196)
Increase in trade receivables	應收賬款增加	(56,426)	(3,620)
Increase in prepayments, deposits and other receivables	預付款、按金及其他 應收款增加	(18,073)	(5,375)
Decrease in due from non-controlling interest	應收非控股權益款項減少	-	33
Decrease/(increase) in due from related parties	應收關聯方款項減少/ (增加)	200	(114)
Increase in trade payables	應付賬款增加	915	521
Decrease in accruals and other payables	應計費用及其他應付款減少	(1,094)	(906)
Increase/(decrease) in contract liabilities	合約負債增加/(減少)	49	(135)
(Decrease)/increase in due to a director	應付董事款項(減少)/增加	(896)	863
Decrease in due to related parties	應付關聯方款項減少	-	(121)
Cash used in from operations	經營活動耗用之現金	(141,272)	(27,315)
Income taxes paid	已付所得稅	(8)	(623)
Interest on lease liabilities	租賃負債利息	(742)	(119)
Net cash used in operating activities	經營活動耗用之淨現金	(142,022)	(28,057)

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

	Note 附註	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動產生之現金流量		
Purchases of property, plant and equipment	購買物業、廠房及設備	(5,322)	(1,465)
Deposit for acquisition of intangible assets	收購無形資產按金	(2,800)	–
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得 款項	5	8
Payment for construction in progress	支付在建工程款項	–	(320)
Purchase of intangible assets	購買無形資產	(90)	(743)
Proceeds from disposal of a subsidiary	出售一間附屬公司所得款項	3	–
Bank interests received	已收銀行利息	1,179	2,714
Net cash (used in)/generated from investing activities	投資活動(耗用)/產生之 淨現金	(7,025)	194
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動產生之現金流量		
Principal elements of lease payments	租賃付款本金部分	(2,797)	(1,623)
Repayment of bank loans	償還銀行貸款	(9,000)	(9,000)
Bank loans raised	籌集銀行貸款	8,000	9,000
Repayment to related parties	償還關聯方款項	(362)	–
Acquisition of non-controlling interest	收購非控股權益	(4,676)	–
Disposal of interest to non-controlling interest without loss of control	向非控股權益出售權益而並 無失去控制權	172	–
Contribution from non-controlling interest	非控股權益注資	49	–
Interests on bank loans and other finance cost paid	銀行貸款利息及其他已付 財務成本	(459)	(478)
Net cash used in financing activities	融資活動耗用之淨現金	(9,073)	(2,101)

Consolidated Statement of Cash Flows

綜合現金流量表

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

			2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
		Note 附註		
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物減少淨額		(158,120)	(29,964)
Effect of foreign exchange rate changes	匯率變動影響額		(7,785)	3,879
CASH AND CASH EQUIVALENTS AT 1 JANUARY	於一月一日之現金及現金等價物		226,374	252,459
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	於十二月三十一日之現金及現金等價物		60,469	226,374
ANALYSIS OF CASH AND CASH EQUIVALENTS	現金及現金等價物分析			
Cash and cash equivalents	現金及現金等價物	31	60,469	226,374

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

1. GENERAL INFORMATION

Smartac International Holdings Limited (formerly known as Smartac Group China Holdings Limited) (the “**Company**”) was incorporated on 18 July 2000 in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The address of its principal place of business is Room 2101, 21st Floor, COFCO Tower, 262 Gloucester Road, Causeway Bay, Hong Kong. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 25 to the consolidated financial statements.

In the opinion of the directors of the Company, as at 31 December 2020, Mr. Yang Xin Min is the ultimate controlling party of the Company.

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with all applicable International Financial Reporting Standards (“**IFRSs**”) issued by the International Accounting Standards Board (the “**IASB**”). IFRSs comprise International Financial Reporting Standards (“**IFRS**”); International Accounting Standards (“**IAS**”); and Interpretations. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) and the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). Significant accounting policies adopted by the Group are disclosed below.

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

1. 一般資料

環球智能控股有限公司(前稱中國智能集團控股有限公司)(「**本公司**」)於二零零零年七月十八日根據開曼群島公司法在開曼群島註冊成立為獲豁免有限公司。本公司註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。其主要營業地址為香港銅鑼灣告士打道262號中糧大廈21樓2101室。本公司之股份在香港聯合交易所有限公司(「**聯交所**」)主板上市。

本公司為投資控股公司。其附屬公司主要業務載於綜合財務報表附註25。

本公司董事認為，於二零二零年十二月三十一日，楊新民先生為本公司最終控制方。

2. 編製基準

該等綜合財務報表已根據國際會計準則委員會(「**國際會計準則委員會**」)頒佈之所有適用國際財務報告準則(「**國際財務報告準則**」)編製。國際財務報告準則包括國際財務報告準則(「**國際財務報告準則**」); 國際會計準則(「**國際會計準則**」); 及詮釋。該等綜合財務報表亦符合聯交所證券上市規則(「**上市規則**」)之適用披露條文及香港公司條例(第622章)之披露規定。本集團所採納重要會計政策於下文披露。

國際會計準則委員會已頒佈若干新訂及經修訂國際財務報告準則，該等準則於本集團當前會計期間首次生效或可供提早採納。附註3提供該等綜合財務報表內所反映於當前及過往會計期間因首次應用該等與本集團有關之新訂及經修訂準則而引致之任何會計政策變動之資料。

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. BASIS OF PREPARATION (Continued)

The directors have given careful consideration to the going concern of the Group in light of the fact that the Group incurred a net loss of RMB56,950,000 and had net cash outflow from its operating activities of RMB142,022,000 for the year ended 31 December 2020.

In addition, the Company announced on 8 November 2020 that the Stock Exchange has decided that the Company has failed to maintain a sufficient level of operations as required under Rule 13.24 of the Listing Rules to warrant the continued listing of the shares of the Company (the "Shares"), and that trading in the Shares shall be suspended under Rule 6.01(3) of the Listing Rules which would limit the Company's ability to raise funds through equity financing.

In view of these circumstances, the board of directors (the "Board") has estimated the Group's cash requirements by the preparation of a Group cashflow forecast for the next twelve months and the Board is of the opinion that, together with the internal financial resources of the Group, the Group has sufficient working capital for its present requirements, that is for at least the next twelve months commencing from the date of the consolidated financial statements. Hence, the consolidated financial statements have been prepared on a going concern basis.

2. 編製基準(續)

鑒於本集團於截至二零二零年十二月三十一日止年度產生虧損淨額人民幣56,950,000元及經營活動現金流出淨額人民幣142,022,000元，董事已仔細考慮本集團之持續經營。

此外，本公司宣佈，於二零二零年十一月八日，聯交所已決定本公司未能按上市規則第13.24條之要求維持足夠營運水平以保證本公司股份(「股份」)繼續上市，且股份須根據上市規則第6.01(3)條暫停買賣，這將限制本公司通過股本融資籌集資金之能力。

鑒於該等情況，董事會(「董事會」)已透過編製本集團未來十二個月之現金流量預測估計本集團之現金需求，而董事會認為，連同本集團之內部財務資源，本集團有足夠營運資金應付其由綜合財務報表日期起計至少未來十二個月之現時需求。因此，綜合財務報表乃按持續經營基準編製。

3. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

(a) Application of new and revised IFRSs

The Group has applied the Amendments to Reference to the Conceptual Framework in IFRS Standards and the following amendments to IFRSs issued by the IASB for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2020 for the preparation of the consolidated financial statements:

Amendments to IAS 1 and IAS 8	Definition of Material
Amendments to IFRS 9, IAS 39 and IFRS 7	Interest Rate Benchmark Reform

In addition, the Group has early applied the Amendments to IFRS 16 COVID-19 Related Rent Concessions.

Except as described below, the application of the Amendments to References to the Conceptual Framework in IFRS Standards and the amendments to IFRSs in the current year had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Amendments to IAS 1 and IAS 8 Definition of Material

The amendments provide a new definition of material that states "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments also clarify that materiality depends on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements taken as a whole.

The application of the amendments had no impact on the consolidated financial statements.

3. 採納新訂及經修訂國際財務報告準則

(a) 應用新訂及經修訂國際財務報告準則

本集團已首次應用提述國際財務報告準則概念框架之修訂及以下由國際會計準則委員會頒佈之國際財務報告準則之修訂，該等修訂於二零二零年一月一日或之後開始之年度期間強制生效，以編製綜合財務報表：

國際會計準則第1號及 國際會計準則第8號 之修訂	重大之定義
國際財務報告準則 第9號、國際會計 準則第39號及國際 財務報告準則第7號 之修訂	利率基準改革

此外，本集團已提早應用國際財務報告準則第16號之修訂2019冠狀病毒病相關租金寬免。

除下文所述者外，於本年度應用提述國際財務報告準則概念框架之修訂及國際財務報告準則之修訂對本集團於本年度及過往年度之財務狀況及表現及／或該等綜合財務報表所載披露並無重大影響。

國際會計準則第1號及國際會計準則第8號之修訂重大之定義

該等修訂提供重大之新定義，列明「倘資料之遺漏、錯誤陳述或模糊不清可合理預期影響一般用途財務報表之主要使用者根據該等財務報表（其提供有關特定申報實體之財務資料）作出之決定，則有關資料屬重大」。該等修訂亦澄清，重大性取決於資料（單獨或與其他資料結合使用）在整體財務報表之性質或程度。

應用該等修訂對綜合財務報表並無影響。

3. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

(a) Application of new and revised IFRSs (Continued)

Amendments to IFRS 9, IAS 39 and IFRS 7 Interest Rate Benchmark Reform

The amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments affected by the current interest rate benchmarks are amended as a result of the on-going interest rate benchmark reform.

The amendments had no impact on the consolidated financial statements of the Group as the Group is not affected by the interest rate benchmark reform.

Amendment to IFRS 16 COVID-19-Related Rent Concessions

The amendment provides a practical expedient that allows a lessee to by-pass the need to evaluate whether certain qualifying rent concessions occurring as a direct consequence of the COVID-19 pandemic ("**COVID-19 Related Rent Concessions**") are lease modifications and, instead, account for those rent concessions as if they were not lease modifications.

The Group has elected to early adopt the amendments and applies the practical expedient to all qualifying COVID-19 Related Rent Concessions granted to the Group during the year. Consequently, rent concessions received have been accounted for as negative variable lease payments recognised in profit or loss in the period in which the event or condition that triggers those payments occurred (see note 21). There is no impact on the opening balance of equity at 1 January 2020.

3. 採納新訂及經修訂國際財務報告準則(續)

(a) 應用新訂及經修訂國際財務報告準則(續)

國際財務報告準則第9號、國際會計準則第39號及國際財務報告準則第7號之修訂利率基準改革

該等修訂修改特定對沖會計規定，允許於受當前利率基準影響之被對沖項目或對沖工具因持續之利率基準改革而予以修訂前之不確定期間繼續對受影響之對沖進行對沖會計處理。

由於本集團不受利率基準改革影響，故該等修訂對本集團之綜合財務報表並無影響。

國際財務報告準則第16號之修訂2019冠狀病毒病相關租金寬免

該修訂提供可行權宜方法，允許承租人豁免評估2019冠狀病毒病疫情直接產生之若干合資格租金寬免（「**2019冠狀病毒病相關租金寬免**」）是否屬租賃修訂之需要，而是將該等租金寬免入賬，猶如其並非租賃修訂。

本集團已選擇提早採納該等修訂，並對本集團於年內獲授之所有合資格2019冠狀病毒病相關租金寬免應用可行權宜方法。因此，已收取之租金寬免已於觸發該等付款之事件或條件發生之期間作為負可變租賃付款入賬並於損益確認（見附註21）。二零二零年一月一日之期初權益結存並無受到影響。

3. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (Continued)

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

Other than the amendments to IFRS 16 COVID-19 Related Rent Concessions, the Group has not early applied any new and revised IFRSs that have been issued but are not yet effective for the financial year beginning 1 January 2020. These new and revised IFRSs include the following which may be relevant to the Group.

3. 採納新訂及經修訂國際財務報告準則(續)

(b) 已頒佈但尚未生效之新訂及經修訂國際財務報告準則

除國際財務報告準則第16號之修訂2019冠狀病毒病相關租金寬免外，本集團並無提早應用任何已頒佈但於二零二零年一月一日開始之財政年度尚未生效之新訂及經修訂國際財務報告準則。該等新訂及經修訂國際財務報告準則包括以下可能與本集團有關之準則。

	Effective for accounting periods beginning on or after 於以下日期或之後開始之會計期間生效
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform — Phase 2 國際財務報告準則第9號、國際會計準則第39號、國際財務報告準則第7號、國際財務報告準則第4號及國際財務報告準則第16號之修訂利率基準改革—第2階段	1 January 2021 二零二一年一月一日
Amendments to IFRS 3 Reference to the Conceptual Framework 國際財務報告準則第3號之修訂對概念框架之提述	1 January 2022 二零二二年一月一日
Amendments to IAS 16 Property, plant and equipment: proceeds before intended use 國際會計準則第16號之修訂物業、廠房及設備：作擬定用途前之所得款項	1 January 2022 二零二二年一月一日
Amendments to IAS 37 Onerous contracts — cost of fulfilling a contract 國際會計準則第37號之修訂虧損性合約—履行合約之成本	1 January 2022 二零二二年一月一日
Annual Improvements to IFRSs 2018–2020 Cycle 國際財務報告準則二零一八年至二零二零年週期之年度改進	1 January 2022 二零二二年一月一日
Amendments to IAS 1 Classification of liabilities as current or non-current 國際會計準則第1號之修訂將負債分類為流動或非流動	1 January 2023 二零二三年一月一日

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

本集團正評估該等修訂及新訂準則預期於首次應用期間引致之影響。迄今為止，本集團認為採納該等修訂及準則不大可能對綜合財務報表造成重大影響。

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

4. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared under the historical cost convention, unless mentioned otherwise in the accounting policies below (e.g. investment properties and certain financial instruments that are measured at fair value).

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

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

(a) Consolidation

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

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

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

4. 重要會計政策

除下文會計政策另有所述者(如投資物業及若干按公允值計量之金融工具)外,該等綜合財務報表已按歷史成本準則編製。

編製符合國際財務報告準則的綜合財務報表需要使用若干主要會計估計,亦需要管理層在應用本集團會計政策過程中作出其判斷。倘涉及高度的判斷及高度複雜性,或對綜合財務報表而言屬重大假設及估計之範疇,乃於附註5披露。

於編製該等綜合財務報表時採用之重要會計政策載列如下。

(a) 綜合賬目

綜合財務報表包括本公司及其附屬公司直至十二月三十一日止的財務報表。附屬公司乃指本集團具有控制權的實體。當本集團有權從實體參與活動中獲得可變回報並且能夠利用權利支配回報時,表明本集團對實體具有控制權。當本集團有權引導相關活動(比如對實體收益有重大影響的活動)時,亦說明本集團對實體具有控制權。

在評估控制權時,本集團會考慮其潛在投票權以及其他方擁有的潛在投票權。僅當持有者有實際能力執行該權利時,方會考慮潛在投票權。

附屬公司乃自控制權轉讓予本集團當日起綜合入賬,並自控制權終止當日起不再綜合入賬。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(a) Consolidation (Continued)**

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

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

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

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

4. 重要會計政策(續)**(a) 綜合賬目(續)**

出售附屬公司而導致失去控制權之損益乃指(i)出售代價公允值連同於該附屬公司任何保留投資公允值與(ii)本公司分佔該附屬公司資產淨值連同與該附屬公司有關之任何餘下商譽以及任何累計匯兌儲備兩者間之差額。

本集團內公司間之交易、結存及未變現溢利已對銷。未變現之虧損亦對銷，除非有關交易證明資產之轉讓出現減值。附屬公司之會計政策在需要時已作修改，以確保其與本集團採納之政策一致。

非控股權益指並非直接或間接歸屬於本公司之附屬公司權益。非控股權益於綜合財務狀況表及綜合權益變動表之權益內列賬。於綜合損益與其他全面收益表內，非控股權益呈列為年度損益及全面收益總額在非控股股東與本公司擁有人之間的分配。

即使導致非控股權益結存出現虧絀，損益及其他全面收益各項目歸屬於本公司擁有人及非控股股東。

Notes to the Consolidated Financial Statements

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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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Consolidation (Continued)

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

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

(b) Business combination and goodwill

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

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

4. 重要會計政策(續)

(a) 綜合賬目(續)

本公司於附屬公司之所有權權益之變動(不會導致失去控制權)作為權益交易入賬(即與擁有人(以彼等之擁有人身份)進行交易)。控股及非控股權益之賬面值經調整以反映其於附屬公司相關權益之變動。非控股權益被調整之金額與已付或已收代價公允值之間之任何差額直接於權益內確認並歸屬於本公司擁有人。

於本公司綜合財務狀況表內，於一間附屬公司之投資以成本扣除減值虧損入賬，除非有關投資被分類為持作出售(或計入分類為持作出售之出售組別)。

(b) 業務合併及商譽

本集團採用收購法為業務合併中所收購之附屬公司列賬。業務合併時轉讓之代價乃按於收購日期所付出資產之公允值、所發行之股本工具、所產生之負債以及任何或然代價計量。收購相關成本於有關成本產生及接獲服務期間確認為支出。於收購時附屬公司之可識別資產及負債按其於收購日期之公允值計量。

該轉讓代價總額超出本集團應佔附屬公司可識別資產及負債之公允淨值之差額乃列作商譽。本集團應佔可識別資產及負債之公允淨值超出轉讓代價總額之任何差額乃於綜合損益內確認為本集團應佔議價收購收益。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(b) Business combination and goodwill (Continued)**

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

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

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

4. 重要會計政策(續)**(b) 業務合併及商譽(續)**

對於分段進行之業務合併，先前已持有之附屬公司股權乃按收購日期之公允值重新計量，而由此產生之損益於綜合損益內確認。公允值會加入至業務合併轉讓代價總額以計算商譽。

於附屬公司之非控股權益初步按非控股股東應佔該附屬公司於收購當日之可識別資產及負債之公允淨值比例計量。

於初步確認後，商譽按成本減累計減值虧損計量。就減值測試而言，因業務合併而購入之商譽乃分配至預期從合併協同效應中獲利之各個現金產生單位（「現金產生單位」）或各組現金產生單位。各獲分配商譽之各個或各組單位指就內部管理而言本集團監察商譽之最低層面。商譽每年進行減值檢討，或當有事件出現或情況改變顯示可能出現減值時作更頻密檢討。包含商譽之現金產生單位賬面值與其可收回金額比較，可收回金額為使用價值與公允值減出售成本兩者中之較高者。任何減值即時確認為支出，且其後不會回撥。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Associates

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

Investment in an associate is accounted for in the consolidated financial statements by the equity method and is initially recognised at cost. Identifiable assets and liabilities of the associate in an acquisition are measured at their fair values at the acquisition date. The excess of the cost of the investment over the Group's share of the net fair value of the associate's identifiable assets and liabilities is recorded as goodwill which is included in 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 acquisition is recognised in consolidated profit or loss.

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 (including goodwill) is tested for impairment in accordance with HKAS 36 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 is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

4. 重要會計政策(續)

(c) 聯營公司

聯營公司為本集團對其擁有重大影響力之實體。重大影響力乃指有權參與相關實體之財務及經營政策決定，而非控制或共同控制相關政策之能力。現時可行使或可兌換之潛在投票權(包括其他實體持有之潛在投票權)之存在及影響於評估本集團是否具有重大影響力時予以考慮。於評估潛在投票權是否構成重大影響力時，持有人行使或兌換該權利之意向及財務能力不予考慮。

於聯營公司投資於綜合財務報表按權益法列賬並初步按成本確認。於收購當中聯營公司之可識別資產及負債乃按其於收購日期之公允值進行計量。投資成本超出本集團應佔該聯營公司之可識別資產及負債之公允淨值部分列賬作為計入投資賬面值之商譽。本集團應佔可識別資產及負債之公允淨值超出收購成本之任何部分於綜合損益中確認。

本集團評估是否有客觀證據顯示於聯營公司之權益可能出現減值。倘存在任何客觀證據，該項投資之全部賬面值(包括商譽)會根據香港會計準則第36號以單一資產之方式進行減值測試，方式為比較其可收回金額(即使用價值與公允值減出售成本之較高者)與其賬面值。任何已確認之減值虧損不會分配至構成投資賬面值一部分之任何資產(包括商譽)。該減值虧損之任何撥回乃於該項投資之可收回金額其後增加時根據香港會計準則第36號確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(c) Associates (Continued)**

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

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

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

4. 重要會計政策(續)**(c) 聯營公司(續)**

本集團應佔聯營公司之收購後損益及其他全面收益於綜合損益與其他全面收益表確認。當本集團應佔聯營公司之虧損等於或超過其於聯營公司之權益(包括任何長期權益實質上構成本集團於聯營公司投資淨額)時,本集團於代表聯營公司產生責任或作出付款前不會確認進一步虧損。倘若聯營公司其後錄報溢利,本集團僅於其應佔溢利等於未確認之應佔虧損時恢復確認其應佔溢利。

因出售聯營公司導致失去重大影響力之損益乃指(i)出售代價公允值加於聯營公司保留任何投資公允值與(ii)本集團於聯營公司之全部賬面值(包括商譽)及任何相關累計匯兌儲備之差額。倘若於聯營公司投資成為合營企業投資,則本集團持續應用權益法且並無就保留權益重新計量。

本集團與其聯營公司交易之未變現溢利乃以本集團於聯營公司之權益為限進行抵銷。除非交易提供所轉讓資產之減值憑證,否則未變現虧損亦予以抵銷。聯營公司之會計政策於必要時作出變更以確保與本集團所採納政策一致。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Renminbi ("RMB") which is the Company's presentation currency and the functional currency of the principal operating subsidiaries of the Group. The functional currency of the Company is Hong Kong dollars ("HK\$"). The directors consider that choosing RMB as the presentation currency best suits the need of shareholders and investors.

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

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

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

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

4. 重要會計政策(續)

(d) 外幣換算

(i) 功能及呈報貨幣

本集團各實體之財務報表所包括之項目，均以該實體營運之主要經濟環境之貨幣(「功能貨幣」)計量。綜合財務報表乃以人民幣(「人民幣」)呈報，人民幣為本公司之呈報貨幣及本集團主要營運附屬公司之功能貨幣。本公司功能貨幣為港幣(「港幣」)。董事認為選擇人民幣作為呈報貨幣最為符合股東及投資者需求。

(ii) 各實體財務報表中的交易及結存

外幣交易於初步確認時均採用交易當日之匯率換算為功能貨幣。外幣之貨幣性資產及負債均按各報告期末之匯率換算。按此換算政策產生之盈虧均於損益內確認。

按公允值及以外幣計量的非貨幣項目乃按釐定公允值當日的匯率換算。

當非貨幣項目之盈虧於其他全面收益確認時，該盈虧的任何匯兌部份於其他全面收益確認。當非貨幣項目之盈虧於損益確認時，該盈虧的任何匯兌部份於損益確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(d) Foreign currency translation (Continued)****(iii) Translation on consolidation**

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

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

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

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

4. 重要會計政策(續)**(d) 外幣換算(續)****(iii) 綜合賬目之換算**

本集團旗下所有實體如擁有與本公司之呈報貨幣不一致之功能貨幣，則其業績及財務狀況均按以下方式換算為本公司之呈報貨幣：

- 各財務狀況表呈報之資產及負債均按照該財務狀況表結算日之收市匯率換算；
- 收入及支出均按該期間的平均匯率換算(若此平均匯率未能合理反映交易日匯率所帶來之累計影響，在此情況下，收入及支出則按交易當日之匯率換算)；及
- 所有匯兌差額均於其他全面收益中確認，並累計於匯兌儲備中。

於綜合賬目時，因換算組成於境外實體之淨投資的貨幣部分及借款而產生之匯兌差額於其他全面收益中確認並於匯兌儲備中累計。出售境外經營業務時，該等匯兌差額乃重新分類至綜合損益內作為出售損益之一部份。

收購境外實體所產生之商譽及公允值調整均列為境外實體之資產及負債，並按收市匯率換算。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Property, plant and equipment

Property, plant and equipment, are held for use in the supply of goods or services, or for administrative purposes (other than properties under construction as described below). Property, plant and equipment are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

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

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

Buildings and leasehold improvement	3.33%–33.33%, over the lease term
Office equipment and fixtures	12.5%–33.33%, over the lease term
Motor vehicles	20%–25%

The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Construction in progress represents buildings under construction and plant and equipment pending installation and is stated at cost less impairment losses. Depreciation begins when the relevant assets are available for use.

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

4. 重要會計政策(續)

(e) 物業、廠房及設備

物業、廠房及設備乃持作用於供應貨品或服務或用作行政用於(惟下述之在建物業除外)。物業、廠房及設備以按成本減隨後累計折舊及其後累計減值虧損(如有)於綜合財務狀況表入賬。

其後成本乃納入資產賬面值或確認為個別資產(如適用)，但只有在該項目有可能為本集團流入未來經濟利益，以及能可靠計量該項目之成本情況下才以此方式處理。所有其他維修及保養費用於其所產生之期間在損益確認。

物業、廠房及設備乃以直線法於估計可使用年期內，按足以撇銷其成本減去其殘值計算折舊。主要年率如下：

樓宇及租賃翻新	3.33%–33.33%， 按租賃期限計
辦公室設備及裝置	12.5%–33.33%， 按租賃期限計
汽車	20%–25%

殘值、可使用年期及折舊方法會於各報告期末予以審閱及調整(如適用)，而任何估計變動之影響按未來基準入賬。

在建工程指正在興建中的樓宇以及待安裝的廠房及設備，以成本扣除減值虧損入賬。折舊於有關資產可供使用時開始計提。

出售物業、廠房及設備之損益指出售相關資產所得款項淨額與賬面值兩者之差額，並於損益中確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(f) Investment properties**

Investment properties are land and/or buildings which are owned or held under a leasehold interest to earn rentals and/or for capital appreciation. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment property.

Investment properties are stated at fair value, unless they are still in the course of construction or development at the end of the reporting period and their fair value cannot be reliably measured at that time.

Gains or losses arising from changes in the fair value of investment properties are recognised in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is withdrawn from use. Any gain or loss on disposal of an investment property is the difference between the net sales proceeds and the carrying amount of the property, and is recognised in profit or loss. Rental income from investment properties is accounted for as described in note 4(t).

(g) Leases

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

4. 重要會計政策(續)**(f) 投資物業**

投資物業乃指為賺取租金及／或為資本增值而以租賃權益擁有或持有之土地及／或樓宇。該等物業包括就目前尚未確定未來用途持有之土地及正在建造或開發以供未來用作投資物業之物業。

投資物業按公允值列賬，除非該等物業於報告期末仍在建造或開發中及其公允值於當時無法可靠計量。

投資物業公允值變動產生的損益於該等變動產生期間的損益中確認。

投資物業乃於出售時或於投資物業永久不再使用時終止確認。出售投資物業之任何損益指出售物業所得款項淨額與賬面值之間的差額，並在損益中確認。投資物業租金收入乃採用附註4(t)所述的會計法。

(g) 租賃

本集團於合約起始時評估合約是否屬於或包含租賃。倘合約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。當客戶有權指示已識別資產的用途並從該用途中獲得絕大部份經濟利益時，即表示擁有控制權。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Leases (Continued)

(i) The Group as a lessee

Where the contract contains lease component(s) and non-lease component(s), the Group has elected not to separate non-lease components and accounts for each lease component and any associated non-lease components as a single lease component for all leases.

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets.

When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

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

4. 重要會計政策(續)

(g) 租賃(續)

(i) 本集團作為承租人

倘合約包含租賃部分及非租賃部分，則本集團已選擇不區分非租賃部分，並將各租賃部分及任何相關非租賃部分入賬列作所有租賃的單一租賃部分。

本集團於租賃開始日期確認使用權資產及租賃負債，惟租期為12個月或更短的短期租賃及低價值資產租賃除外。

當本集團就低價值資產訂立租賃時，本公司決定是否按個別租賃基準將該租賃資本化。與並無資本化的租賃相關的租賃付款於租期內按系統化基準確認為開支。

倘租賃已資本化，有關租賃負債按租期內應付租賃付款的現值進行初步確認，並採用租賃中隱含的利率貼現或，倘該利率無法即時釐定，則採用有關增量借款利率。於初步確認後，租賃負債以攤銷成本計量，而利息支出則採用實際利率法計算。不取決於指數或比率的可變租賃付款不納入租賃負債的計量，因此該等可變租賃付款於其產生的會計期間於損益內扣除。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(g) Leases (Continued)****(i) The Group as a lessee (Continued)**

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses, except for the right-of-use assets that meet the definition of investment properties are carried at fair value in accordance with note 4(f).

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.

Refundable rental deposits paid are accounted under IFRS 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.

4. 重要會計政策(續)**(g) 租賃(續)****(i) 本集團作為承租人(續)**

於資本化租賃時確認的使用權資產初步按成本計量，其成本包括租賃負債的初始金額，加上於開始日期或之前作出的任何租賃付款及所產生的任何初始直接成本。在適用的情況下，使用權資產的成本亦包括拆卸及移除相關資產，或還原相關資產或其所在地產生的估計成本，並貼現至其現值及扣減收到的任何租賃獎勵。使用權資產其後按成本減累計折舊及減值虧損列賬，惟符合投資物業定義的使用權資產會根據附註4(f)按公允值列賬。

對於本集團可合理確定在租期結束時取得相關租賃資產所有權的使用權資產，自開始日期至可使用年期結束的期間內折舊。否則，使用權資產應按估計可使用年期及租期(以較短者為準)以直線法折舊。

已付可退還租賃按金乃根據國際財務報告準則第9號進行會計處理，並初步按公允值計量。初步確認時的公允值調整被視為額外租賃付款並計入使用權資產成本。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Leases (Continued)

(i) The Group as a lessee (Continued)

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

The lease liability is also remeasured when there is a change in the scope of a lease or the consideration for a lease that is not originally provided for in the lease contract ("**lease modification**") that is not accounted for as a separate lease. In this case the lease liability is remeasured based on the revised lease payments and lease term using a revised discount rate at the effective date of the modification. The only exceptions are any rent concessions which arose as a direct consequence of the COVID-19 pandemic and which satisfied the conditions set out in paragraph 46B of IFRS 16. In such cases, the group took advantage of the practical expedient set out in paragraph 46A of IFRS 16 and recognised the change in consideration as if it were not a lease modification.

(ii) The Group as a lessor

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

4. 重要會計政策(續)

(g) 租賃(續)

(i) 本集團作為承租人(續)

當指數或利率變動引致未來租賃付款變動，或本集團根據殘值擔保預期應付款項的估計有變，或當重新評估本集團是否將合理確定行使購買、延期或終止選擇權而產生變動，則會重新計量租賃負債。當租賃負債以此方式重新計量時，就使用權資產的賬面值作出相應調整，倘使用權資產的賬面值減至零，則於損益入賬。

租賃負債亦於租賃範圍或租賃代價(並非原先於租賃合約中撥備)(「租賃修訂」)出現變動(並非作為一項單獨租賃入賬)時重新計量。在此情況下，租賃負債於修訂生效日期根據經修訂租賃付款及租期使用經修訂貼現率重新計量。唯一例外為因2019冠狀病毒病疫情直接導致並符合國際財務報告準則第16號第46B段所載條件之任何租金寬免。在該等情況下，本集團利用國際財務報告準則第16號第46A段所載之可行權宜方法確認代價變動，猶如其並非租賃修訂。

(ii) 本集團作為出租人

當本集團作為出租人，其於租賃開始時釐定各租賃屬融資租賃或經營租賃。倘租賃將相關資產所有權附帶的絕大部分風險及回報轉移至承租人，則該租賃分類為融資租賃。若並非如此，則租賃分類為經營租賃。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(h) Research and development expenditure**

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from the Group's software development is recognised only if all of the following conditions are met:

- An asset is created that can be identified (such as software and new processes);
- It is probable that the asset created will generate future economic benefits; and
- The development cost of the asset can be measured reliably.

Internally generated intangible assets are stated at cost less accumulated amortisation and impairment losses. Amortisation is calculated on a straight-line basis over their estimated useful lives of 5 years. Where no internally generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

(i) Intangible assets acquired in a business combination and acquired separately

Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair values can be measured reliably. The cost of such intangible assets is their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

4. 重要會計政策(續)**(h) 研發支出**

研究活動支出在其產生之期間被確認為支出。只有在以下所有條件均獲滿足時，有關本集團軟件開發之內部產生的無形資產方予確認：

- 創建的資產可予識別(比如軟件與新程式)；
- 創建的資產可能會產生未來經濟收益；及
- 資產的開發成本能夠可靠計量。

內部產生的無形資產乃以其成本減去累計攤銷與減值虧損列賬。攤銷乃按照直線法於其估計使用年限(5年)內計算。當內部產生的無形資產不能被確認時，開發支出在其產生的期間內於損益中確認。

(i) 業務合併中收購及單獨收購的無形資產

倘於業務合併所收購之無形資產符合無形資產之定義，且其公允值能可靠計量，則有關無形資產會與商譽分開識別及確認。該等無形資產之成本為於收購當日之公允值。

於初始確認後，於業務合併所收購之無形資產乃按與分開收購的無形資產相同的基準，按成本扣除累計攤銷及累計減值虧損列賬。

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

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Intangible assets acquired in a business combination and acquired separately (Continued)

Amortisation of intangible assets is charged to profit or loss on a straight line basis over their estimated useful lives as follows:

Software development costs	5 years
Customers relationship	6 years
Computer software	5 years
Trademark	9 years

Both the period and method of amortisation are reviewed annually.

(j) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using weighted-average basis. The cost of finished goods comprises all cost of purchase and other cost incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(k) Contract liabilities

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

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For, multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method.

4. 重要會計政策(續)

(i) 業務合併中收購及單獨收購的無形資產(續)

無形資產之攤銷乃以直線法按其如下估計可使用年期於損益內扣除：

軟件開發成本	5年
客戶關係	6年
電腦軟件	5年
商標	9年

攤銷年期及方法均每年審閱一次。

(j) 存貨

存貨按成本及可變現淨值兩者中較低者呈列。成本乃按加權平均法釐定。製成品之成本包括所有採購成本及將存貨運至現行地點及狀況所產生之其他成本。可變現淨值乃指於日常業務過程中之估計售價減估計完成成本及估計出售時將產生之必要成本計算。

(k) 合約負債

本集團確認相關收益前，合約負債在客戶支代價時確認。如本集團有無條件權利在本集團確認相關收益前收取代價，則合約負債亦會獲確認。在相關情況下，相應收款項亦會獲確認。

就與客戶訂立之單一合約而言，合約資產淨值或合約負債淨額會予以呈列。就多份合約而言，無關合約之合約資產及合約負債不會按淨額基準予以呈列。

合約計及重大融資成分時，合約結存計入按實際利率法累計的利息。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(I) Recognition and derecognition of financial instruments**

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at 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 FVTPL are recognised immediately in profit or loss.

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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

4. 重要會計政策(續)**(I) 確認及終止確認金融工具**

當本集團實體成為工具合同條文的一方時，金融資產及金融負債於綜合財務狀況表確認。

金融資產及金融負債初步按公允值計量。收購或發行金融資產及金融負債直接應佔之交易成本(除按公允價計入損益(「按公允值計入損益」)之金融資產及金融負債外)於初步確認時加入或扣除自金融資產及金融負債(如適用)之賬面值。收購按公允值計入損益之金融資產及金融負債直接應佔之交易成本即時於損益確認。

本集團僅於自資產收取現金流量之合約權利屆滿時，或將金融資產及資產擁有權絕大部分風險及回報轉讓予另一實體時，方會終止確認金融資產。倘本集團既未轉讓亦無保留所有權絕大部分風險及回報並繼續控制已轉讓資產，本集團則於該資產確認其保留之權利，以及須支付相關之負債金額。倘本集團保留已轉讓金融資產所有權絕大部分風險及回報，本集團則繼續確認金融資產，並就已收取所得款項確認已抵押借款。

本集團僅於本集團之責任獲解除、註銷或已屆滿時取消確認金融負債。取消確認金融負債之賬面值與已付及應付代價(包括任何已轉讓非現金資產或所承擔負債)之差額於損益確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Financial assets

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

Equity investments

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

(n) Trade and other receivables

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

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

4. 重要會計政策(續)

(m) 金融資產

所有以正常方式買賣的金融資產按交易日基準確認及終止確認。以正常方式買賣指需要按市場規則或慣例在設定之時限內交付資產之金融資產買賣。所有已確認金融資產其後全數按攤銷成本或公允值計量，視乎金融資產分類而定。

股本投資

於股本證券之投資被分類為按公允值計入損益，除非該等股權投資並非以買賣目的而持有且於初始確認投資時，本集團選擇指定投資於按公允值計入其他全面收損(不可劃轉)，因此，其後公允值變動於其他全面收益確認。該等選擇以個別工具基準作出，並僅於本集團認為投資符合從發行人角度之股本定義時方可能作出。作出該選擇後，於其他全面收益累計之金額仍將保留在公允值儲備(不可劃轉)直至出售投資為止。於出售時，於公允值儲備(不可劃轉)累計之金額轉入保留盈利，且不會轉入損益。股本證券投資之股息(不論分類為按公允值計入損益或按公允值計入其他全面收益)作為其他收入於損益確認。

(n) 應收賬款及其他應收款

應收款項於本集團有無條件權利收取代價時方會確認。在該代價到期應付前，收取代價的權利僅隨時間推移即會成為無條件。倘收益於本集團有無條件權利收取代價前已經確認，則有關金額呈列為合約資產。

應收款項按攤銷成本採用實際利率法減信貸虧損撥備列賬。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(o) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Cash and cash equivalents are assessed for expected credit losses ("ECLS").

(p) Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under IFRSs. The accounting policies adopted for specific financial liabilities and equity instruments are set out in (q) to (s) below.

(q) Borrowings

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

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

(r) Trade and other payables

Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

(s) 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 recorded at the proceeds received, net of direct issue costs.

4. 重要會計政策(續)**(o) 現金及現金等價物**

現金及現金等價物包括銀行及手頭現金、存放在銀行及其他金融機構之活期存款，以及可隨時兌換作確定數目現金之短期高流通投資，該等投資之到期日為獲得日期起三個月內，且價值變動風險不大。現金及現金等價物已評估預期信貸虧損（「預期信貸虧損」）。

(p) 金融負債及股本工具

金融負債及股本工具乃根據所訂立合約安排的內容及國際財務報告準則有關金融負債及股本工具之定義進行分類。就特定金融負債及股本工具採納之會計政策載列於下文(q)至(s)段。

(q) 借款

借款初始按公允值確認並扣除所涉交易成本，其後以實際利率法按攤銷成本計量。

借款分類為流動負債，除非本集團可無條件推遲結算負債至呈報期後最少12個月。

(r) 應付賬款及其他應付款

應付賬款及其他應付款初始按公允值確認，其後以實際利率法按攤銷成本計量，除非貼現影響並不重大，在此情況下，則按成本入賬。

(s) 股本工具

股本工具為證明實體於扣除其所有負債後之剩餘資產權益之任何合約。本公司發行的股本工具按已收款項扣除直接發行成本入賬。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Revenue and other income

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

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

Commission income is recognised when the services are delivered.

Revenue from sales of hardware and software and installation service is recognised when the control of goods and services have been transferred to customer upon completion of installation. A receivable is recognised by the Group when the hardware being delivered or/and software being installed at customers' location as this presents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Other IT support service and other service income is recognised when the services are rendered.

4. 重要會計政策(續)

(t) 收入及其他收入

當產品或服務的控制權按本集團預期有權獲取的承諾代價數額(不包括代表第三方收取的金額)轉移至客戶時,方會確認收入。收入不包括增值稅或其他銷售稅,並經扣除任何貿易折扣。

當貨品控制權已轉移(即貨品已交付予客戶目的地(交貨)時,方會確認銷售商品收入。交貨後,客戶可全權酌情決定發貨方式及商品售價,並承擔轉售商品之主要責任及商品報廢及損失之風險。本集團於貨品交付至客戶時確認應收款,原因是此乃代表收取代價之權利成為無條件之某個時間點,猶如僅須待時間過去便可收取到期之付款。

佣金收入於提供服務時確認。

當貨品及服務之控制權已於完成安裝時轉移至客戶時,方會確認銷售硬件及軟件以及安裝服務收入。本集團於客戶地點交付硬件或/及安裝軟件時確認應收款,原因是此乃代表收取代價之權利成為無條件之某個時間點,猶如僅須待時間過去便可收取到期之付款。

其他資訊科技支援服務及其他服務收入於提供服務時確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(t) Revenue and other income (Continued)**

Interest income is recognised as it accrues using the effective interest method. For financial assets measured at amortised cost or FVTOCI (recycling) that are not credit-impaired, the effective interest rate is applied to the gross carrying amount of the asset. For credit-impaired financial assets, the effective interest rate is applied to the amortised cost (i.e. gross carrying amount net of loss allowance) of the asset.

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset.

(u) Employee benefits**(i) Employee leave entitlements**

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

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

(ii) Pension obligations

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

Obligation for contributions to the local government of the People's Republic of China (the "PRC") defined contribution retirement schemes pursuant to the relevant labour rules and regulations in the PRC are recognised as an expense in profit or loss as incurred.

4. 重要會計政策(續)**(t) 收入及其他收入(續)**

利息收入於產生時按實際利率法確認。就按攤銷成本或按公允值計入損益(可劃轉)計量且並無出現信貸減值的金融資產而言,按資產的總賬面值採用實際利率。就出現信貸減值的金融資產而言,資產的攤銷成本(即扣除虧損撥備的總賬面值)採用實際利率。

經營租賃的應收租金收入於租期所涵蓋的期間內按分期等額於損益確認,惟出現另一個能更清楚地反映租賃資產所得利益之基準除外。

(u) 僱員福利**(i) 僱員應享假期**

僱員應享年假及長期服務假期於賦予僱員時確認。截至報告期末已就僱員因所提供服務享有的年假及長期服務假期的估計負債作出撥備。

僱員應享之病假及產假將於正式休假時方可確認。

(ii) 退休金承擔

本集團向所有僱員適用之定額供款退休計劃供款。本集團及僱員向有關計劃作出之供款乃根據僱員之基本薪金的百分比計算。扣除損益之退休福利計劃成本乃指本集團應付予基金之供款。

根據中華人民共和國(「中國」)有關勞動規則和法規對中國地方政府界定供款退休計劃供款的承擔,於產生時在損益中確認作支出。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Employee benefits (Continued)

(iii) Termination benefits

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

(v) Borrowing costs

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

(w) Government grants

A government grant is recognised when there is reasonable assurance that the Group will comply with the conditions attaching to it and that the grant will be received.

Government grants relating to income are deferred and recognised in profit or loss over the period to match them with the costs they are intended to compensate.

Government grants that become 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.

(x) Taxation

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

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

4. 重要會計政策(續)

(u) 僱員福利(續)

(iii) 解僱補償

解僱補償在以下兩種情況中以較早發生的日期時確認：當本集團不可撤回該等補償的要約，及當本集團確認重組成本並涉及支付解僱補償時。

(v) 借款成本

所有借款成本乃於其產生期間在損益中確認。

(w) 政府補助

當合理保證本集團將遵守政府補助的附帶條件及將接獲補助時確認政府補助。

有關收入的政府補助將予以遞延，並將於須配合擬補助的成本的期間內在損益中確認。

用作補償本集團已產生支出或虧損或旨在為本集團提供即時財務資助而無未來相關成本之應收政府補助於應收期間在損益中確認。

(x) 稅項

所得稅是指即期稅項及遞延稅項之總額。

即期應付稅項乃根據本年度之應課稅溢利計算。應課稅溢利與於損益確認之溢利淨額有所不同，原因是應課稅溢利不包括其他年度之應課稅或可予扣稅之收入或支出項目，及免稅或不可扣稅之項目。本集團有關即期稅項之負債乃採用於報告期末已實行或實質已實行之稅率計算。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(x) Taxation (Continued)**

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

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

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

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

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

4. 重要會計政策(續)**(x) 稅項(續)**

遞延稅項乃就綜合財務報表內資產及負債之賬面值與採用應課稅溢利計算之相應稅基之差額予以確認。遞延稅項負債一般按所有應課稅暫時差額確認入賬，而遞延稅項資產則會在預期應課稅溢利可供作抵銷可予扣減暫時差額、未動用稅項虧損或未動用稅項抵免時確認入賬。倘暫時差額乃因商譽或初始確認一項既不影響應課稅溢利亦不影響會計溢利之交易(業務合併除外)中之其他資產及負債而產生，則不會確認有關資產及負債。

遞延稅項負債乃按於附屬公司及一間聯營公司投資而產生之應課稅暫時差額確認入賬，惟倘本集團可控制暫時差額之撥回，並預期該暫時差額將不會在可見將來撥回者除外。

遞延稅項資產之賬面值乃於各報告期末進行檢討，並調低至預期將不可能有充裕之應課稅溢利以收回所有或部份資產。

遞延稅項乃根據於報告期末已實行或實質實行之稅率，按預期在負債償還或資產變現期間適用之稅率計算。遞延稅項乃於損益中確認，惟倘遞延稅項與其他全面收益確認或直接於權益確認的項目有關時，則在此情況下亦會於其他全面收益或直接於權益確認。

遞延稅項資產與負債計量反映了於報表期末按本集團期望遵循的方式進行的稅收結果，從而收回或支付資產及負債之賬面價值。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) Taxation (Continued)

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

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

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

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

In assessing any uncertainty over income tax treatments, the Group considers whether it is probable that the relevant tax authority will accept the uncertain tax treatment used, or proposed to be used by individual group entities in their income tax filings. If it is probable, the current and deferred taxes are determined consistently with the tax treatment in the income tax filings. If it is not probable that the relevant taxation authority will accept an uncertain tax treatment, the effect of each uncertainty is reflected by using either the most likely amount or the expected value.

4. 重要會計政策(續)

(x) 稅項(續)

在計量以公允價值模式計量的投資物業遞延稅項時，假定該等物業的賬面值將透過出售來收回，除非該假設不成立。當投資物業可折舊並在本集團經營模式內（其營業目標是隨著時間消耗投資物業包含的絕大部分經濟效益，而不是透過出售方式）被持有時，該假設不成立。倘該假設不成立，該等投資物業的遞延稅項則按物業預期之收回方式計量。

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

就稅項扣減歸因於租賃負債之租賃交易而言，本集團將國際會計準則第12號分別應用於使用權資產及租賃負債。由於應用初步確認豁免，有關使用權資產及租賃負債之暫時差額並未於初步確認時於租期內確認。

當可合法執行權利許可即期稅項資產與即期稅項負債抵銷，以及當有關之所得稅是由同一稅務機構所徵收，並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抵銷。

在評估所得稅處理方法的任何不確定性時，本集團考慮相關稅務機構是否可能接受獨立組別實體於其所得稅備案內所使用或擬使用的不確定稅項處理方法。若屬可能，即期及延遞稅項會按與所得稅備案一致的稅項處理方法釐定。若相關稅務機構不可能接受不確定稅項處理方法，各不確定性的影響會使用最近似金額或預期價值反映。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(y) Impairment of non-financial assets**

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

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

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

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

4. 重要會計政策(續)**(y) 非金融資產減值**

具有無限使用年期或尚未可供使用的無形資產每年及每當有事件發生或環境出現變化顯示賬面值可能不可收回時檢討有否減值。

其他非金融資產之賬面值於各報告日期評估有無減值跡象，倘資產已減值，則作為支出透過綜合損益表撇減至其估計可收回金額。可收回金額就個別資產釐定，惟倘資產並無產生大部分獨立於其他資產或資產組合之現金流入除外。在此種情況下，可收回金額就資產所屬之現金產生單位釐定。可收回金額按個別資產或現金產生單位之使用價值與其公允值減出售成本兩者中之較高者計算。

使用價值為資產／現金產生單位估計未來現金流量之現值。現值按反映貨幣時間價值及資產／現金產生單位(已計量減值)之特有風險之稅前貼現率計算。

現金產生單位減值虧損首先就該單位之商譽進行分配，然後按比例在現金產生單位其他資產間進行分配。因估計變動而造成其後可收回金額增加將撥回減值計入損益。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(z) Impairment of financial assets

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

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

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

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

4. 重要會計政策(續)

(z) 金融資產減值

本集團就應收賬款應收款之預期信貸虧損確認虧損撥備。預期信貸虧損金額於各報告日期更新，以反映自各金融工具初步確認時起的信貸風險變動。

本集團一直就應收賬款確認全期預期信貸虧損。該等金融資產之預期信貸虧損基於本集團過往信貸虧損經驗、根據債務人特定因素、整體經濟狀況及於報告日期對當前狀況及未來狀況預測評估(包括金錢時間值，倘適用)調整之撥備矩陣進行估計。

就所有其他金融工具而言，本集團於初步確認以來信貸風險大幅增加時確認全期預期信貸虧損。然而，倘金融工具信貸風險自初步確認以來並無大幅增加，本集團按相等於12個月預期信貸虧損之金額計量金融工具之虧損撥備。

全期預期信貸虧損指於金融工具的預期可使用年期內由所有可能違約事件造成的預期信貸虧損。相反，12個月預期信貸虧損指於報告日期後12個月內可能發生的金融工具違約事件預期會造成的全期預期信貸虧損部分。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(z) Impairment of financial assets (Continued)****Significant increase in credit risk**

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- 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.

4. 重要會計政策(續)**(z) 金融資產減值(續)****信貸風險顯著增加**

於評估金融工具的信貸風險自初步確認以來是否大幅增加時，本集團比較於報告日期就金融工具發生違約的風險與於初步確認日期就金融工具發生違約的風險。於作出此評估時，本集團考慮屬合理及可支持的定量及定性資料，包括過往經驗及在並無不必要成本或努力下可得的前瞻性資料。所考慮的前瞻性資料包括本集團債務人所處行業的未來前景資料(來自經濟專家報告、財經分析員、政府機構、相關智庫和其他類似組織)，以及與本集團核心業務相關實際及預測經濟資料之多個外部來源的考慮因素。

尤其是，於評估信貸風險是否自初步確認以來已顯著增加時已計及下列資料：

- 金融工具的外部(如有)或內部信貸評級在實際或預期上嚴重轉差；
- 特定金融工具的信貸風險的外部市場指標嚴重轉差；
- 預期導致債務人履行其債務責任的能力大幅下降的業務、財務或經濟狀況的現有或預測不利變動；
- 債務人的經營業績實際或預期嚴重轉差；
- 同一債務人其他金融工具之信貸風險大幅增加；
- 債務人的監管、經濟或科技環境在實際或預期上出現重大不利變動，導致債務人履行其債務責任的能力大幅下降。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(z) Impairment of financial assets (Continued)

Significant increase in credit risk (Continued)

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

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

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

The Group considers a financial asset to have low credit risk when the asset has external credit rating of "investment grade" in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of "performing". Performing means that the counterparty has a strong financial position and there is no past due amounts.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

4. 重要會計政策(續)

(z) 金融資產減值(續)

信貸風險重大增加(續)

不論上述評估結果如何，本集團假定當合約付款逾期超過30天時，金融資產的信貸風險自初步確認以來已大幅增加，除非本集團有合理及可支持的資料證明情況並非如此則另作別論。

儘管上文所述，倘金融工具的信貸風險於報告日期被釐定為較低，本集團假定金融工具的信貸風險自初步確認起並無大幅增加。在下列情況下，金融工具被釐定為信貸風險較低：

- (i) 其違約風險較低；
- (ii) 借款人有強大能力於短期履行其合約現金流量責任；及
- (iii) 較長期的經濟及業務狀況存在不利變動，惟將未必削弱借款人達成其合約現金流量責任的能力。

當根據全球理解的定義資產之外部信貸評級為「投資級別」或在外部評級並不適用的情況下資產之內部評級為「表現良好」，本集團認為金融資產之信貸風險甚低。表現良好指交易對手具備穩健的財務狀況及並無逾期款項。

本集團定期監察用作識別信貸風險是否大幅增加的準則之效力，並於適當時作出修改，以確保有關準則能於有關金額逾期前識別信貸風險是否大幅增加。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(z) Impairment of financial assets (Continued)****Definition of default**

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the counterparty;
- a breach of contract, such as a default or past due event;
- the lender(s) of the counterparty, for economic or contractual reasons relating to the counterparty's financial difficulty, having granted to the counterparty a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the counterparty will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

4. 重要會計政策(續)**(z) 金融資產減值(續)****違約之定義**

本集團認為以下情況就內部信貸風險管理目的而言構成違約事件，原因為過往經驗顯示符合以下任何一項條件之應收款項一般無法收回。

- 交易對手違反財務契諾；或
- 內部產生或獲取自外部來源之資料顯示，債務人不太可能向債權人(包括本集團)全額還款(不計及本集團持有之任何抵押品)。

不論上述分析如何，本集團認為，倘金融資產逾期超過90天，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。

信貸減值金融資產

當一項或多項對金融資產估計未來現金流量有負面影響之事件發生時，金融資產會被視為出現信貸減值。金融資產出現信貸減值之證據包括以下可觀察事件：

- 發行人或交易對手面對重大財務困難；
- 違反合約，如拖欠或逾期還款事件；
- 由於與交易對手財困相關的經濟或合約原因，交易對手的貸款人已向交易對手授予貸款人原本不會考慮的特許權；
- 交易對手可能破產或進行其他財務重組；或
- 該金融資產因財困而失去活躍市場。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(z) Impairment of financial assets (Continued)

Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, including when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flow used for determining the ECLs is consistent with the cash flows used in measuring the lease receivables accordance with IFRS 16.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

4. 重要會計政策(續)

(z) 金融資產減值(續)

撇銷政策

當有資料顯示債權人陷入嚴重財困，且並無實際收回資產之可能性之時(例如債權人已被清盤或進入破產程序)，或就應收賬款而言，當有關金額逾期超過兩年(以較早者發生為準)，本集團將撇銷金融資產。已撇銷之金融資產仍可根據本集團之收回程序並在適當情況下考慮法律意見後實施強制執行活動。任何收回之資產會於損益中確認。

預期信貸虧損之計量及確認

計量預期信貸虧損時，會綜合考慮違約概率、違約損失率(即倘違約時的損失程度)及違約風險的函數。評估違約概率及違約損失率的依據是過往數據，並按前瞻性資料調整。至於違約風險的函數，就金融資產而言，其於資產於報告日期之賬面總值中反映。

就金融資產而言，預期信貸虧損按根據合約應付本集團之所有合約現金流量與本集團預期可收取之所有現金流量(按原定實際利率貼現)之間的差額估算。就應收租賃而言，用於釐定預期信貸虧損之現金流量與用於根據國際財務報告準則第16號計量應收租賃之現金流量一致。

倘本集團於上個報告期間以相等於全期預期信貸虧損的金額計量一項金融工具的虧損撥備，但於本報告日期釐定該全期預期信貸虧損的條件不再符合，則本集團於本報告日期按相等於12個月預期信貸虧損的金額計量虧損撥備，惟使用簡單法計算之資產除外。

本集團通過調整所有金融工具的賬面值於損益確認彼等之減值收益或虧損，此種情況下透過虧損撥備賬確認相應調整。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)**(aa) Provisions and contingent liabilities**

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow is remote.

(ab) Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period are adjusting events and are reflected in the consolidated financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

4. 重要會計政策(續)**(aa) 撥備及或然負債**

如果本集團目前須就已發生的事件承擔法定或推定責任，並可能需要流出經濟利益以清償有關責任，且可作出可靠估計，本集團便會就不確定時間或金額之負債確認撥備。如果貨幣時間價值重大，有關撥備則按預計清償責任所需支出的現值列賬。

倘經濟效益流出之可能情況較低，或無法可靠估計有關金額，則披露該責任為或然負債，惟經濟利益流出之機會極微者除外。可能責任須視乎一宗或多宗日後事件是否發生方可確認及披露為或然負債，惟經濟利益流出之機會極微者除外。

(ab) 報告期後事項

為本集團於報告期末之狀況提供額外資料之報告期後事項均屬於調整事項，並於綜合財務報表內反映。倘並非調整事項的報告期後事項屬重大時，則於綜合財務報表附註中披露。

5. CRITICAL JUDGEMENT AND KEY ESTIMATES

(i) Critical judgement in applying accounting policies

In the process of applying the accounting policies, the directors have made the following judgement that has the most significant effect on the amounts recognised in the consolidated financial statements (apart from those involving estimations, which are dealt with below).

(a) Contingent Liabilities

The Company acquired 51% equity interest in LCE Group Limited ("LCE Group") and its subsidiaries (the "LCE Group") in 2017. Neither the Company nor the vendor has reported the transaction to the relevant PRC tax authorities. The PRC tax authorities however could impose penalty on unpaid enterprise income tax ("EIT") according to the relevant PRC laws and regulations. The directors, after consulting the Group's PRC legal counsel, are of opinion that a provision of RMB6,180,000 (2019: RMB6,602,000) had been adequately made, and considered that the risk of having a penalty imposed by the PRC tax authorities is reasonably low. The penalty is disclosed under contingent liabilities.

(b) Deferred tax for investment properties

For the purpose of measuring deferred tax for investment properties that are measured using the fair value model, the directors have reviewed the Group's investment properties 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 determining the Group's deferred tax for investment properties, the directors have adopted the presumption that investment properties measured using the fair value model is recovered through sale is rebutted.

5. 重要判斷及主要估計

(i) 應用會計政策之重要判斷

在應用會計政策之過程中，董事已作出以下對綜合財務報表內所確認數額具重大影響之判斷（惟在下文處理涉及估計之該等判斷除外）。

(a) 或然負債

本公司於二零一七年收購LCE Group Limited（「LCE Group」）及其附屬公司（「LCE集團」）之51%股權。本公司及賣方均無就交易向相關中國稅務機構呈報。而根據相關中國法律及法規，中國稅務機構可就未繳企業所得稅（「企業所得稅」）施加滯納金。董事於諮詢本集團之中國法律顧問後認為，人民幣6,180,000元（二零一九年：人民幣6,602,000元）的撥備屬充分，並認為受中國稅務機構施加滯納金之風險合理偏低。滯納金於或然負債下披露。

(b) 投資物業之遞延稅項

就計量以公允值模式計量之投資物業遞延稅項而言，董事已檢討本集團投資物業組合並得出結論認為，本集團之投資物業乃根據旨在隨著時間（而不是通過出售）消耗有關投資物業所包含之絕大部分經濟利益的商業模式持有。因此，於釐定本集團投資物業之遞延稅項時，董事採納的假設為投資物業使用公允值計量之模式可通過出售收回不成立。

5. CRITICAL JUDGEMENT AND KEY ESTIMATES (Continued)

(i) Critical judgement in applying accounting policies (Continued)

(c) Significant increase in credit risk

As explained in accounting policy disclosed in note 4(z), ECLs are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased, the Group takes into account qualitative and quantitative reasonable and supportable forward-looking information.

(d) Determining the lease term

In determining the lease term at the commencement date for leases that include renewal options exercisable by the Group, the Group evaluates the likelihood of exercising the renewal options taking into account all relevant facts and circumstances that create an economic incentive for the Group to exercise the option, including favourable terms, leasehold improvements undertaken and the importance of that underlying asset to the Group's operation.

Generally, periods covered by an extension option in other properties leases have not been included in the lease liability because the Group could replace the assets without significant cost or business disruption. See note 21 to the consolidated financial statements for further information.

The lease term is reassessed when there is a significant event or significant change in circumstance that is within the Group's control. During the current financial year, no lease term has been reassessed.

5. 重要判斷及主要估計(續)

(i) 應用會計政策之重要判斷(續)

(c) 信貸風險顯著上升

誠如附註4(z)披露的會計政策所述，預期信貸虧損就第1階段資產按等於12個月預期信貸虧損的撥備計量，就第2階段或第3階段資產按等於全期預期信貸虧損的撥備計量。資產在其信貸風險自初步確認後顯著增加時轉入第2階段。國際財務報告準則第9號並無界定如何構成信貸風險顯著上升。在評估資產的信貸風險是否已顯著增加時，本集團考慮定性及定量的合理且有依據的前瞻性信息。

(d) 釐定租期

於包括本集團可行使的續期選擇權的租約的開始日期釐定租期時，本集團考慮為本集團行使選擇權創造經濟誘因的所有相關因素及情況(包括有利條款、進行的租賃裝修及相關資產對本集團經營的重要性)，評估行使續期選擇權的可能性。

一般而言，續期選擇權於其他物業租賃所涵蓋的期間並無計入租賃負債，乃由於本集團可在無重大成本或業務干擾下取代資產。進一步資料見綜合財務報表附註21。

當在本集團控制範圍內的情況下發生重大事件或重大變化，則租期會被重新評估。於本財政年度，並無租期被重新評估。

5. CRITICAL JUDGEMENT AND KEY ESTIMATES (Continued)

(ii) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(a) 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.

During the year, income tax expense of RMB232,000 (2019: income tax credit of RMB8,100,000) was recognised to profit or loss based on the estimated profits after adjusting relevant items according to applicable tax rules.

5. 重要判斷及主要估計(續)

(ii) 估計不確定因素之主要來源

下文載述於報告期末存在重大風險可能導致須對下一財政年度資產及負債賬面值作出重大調整之未來主要假設及其他估計不確定因素之主要來源。

(a) 所得稅

本集團須繳納數個司法管轄權區的所得稅。在釐定所得稅撥備時，須作出重大估計。在日常業務過程中有許多交易及計算不確定最終稅項。倘該等事項的最終稅務結果與初步入賬金額不同，該等差額將影響稅務釐定期內所得稅及遞延稅項撥備。

於本年度，所得稅開支人民幣232,000元(二零一九年：所得稅抵免人民幣8,100,000元)已根據估計溢利經按照適用稅務規則調整相關項目後確認至損益。

5. CRITICAL JUDGEMENT AND KEY ESTIMATES (Continued)

(ii) Key sources of estimation uncertainty (Continued)

(b) Impairment of property, plant and equipment, construction in progress and right-of-use assets

Property, plant and equipment, construction in progress and right-of-use assets are stated at costs less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgment and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset (including right-of-use assets), the Group estimates the recoverable amount of the CGU to which the assets belongs. Changing the assumptions and estimates, including the discount rates or the growth rate in the cash flow projections, could materially affect the recoverable amounts.

The carrying amount of property, plant and equipment, construction in progress and right-of-use assets as at 31 December 2020 were RMB9,096,000 (2019: RMB7,077,000), Nil (2019: RMB320,000) and RMB8,136,000 (2019: RMB4,096,000) respectively.

5. 重要判斷及主要估計(續)

(ii) 估計不確定因素之主要來源(續)

(b) 物業、廠房及設備、在建工程及使用權資產之減值

物業、廠房及設備、在建工程及使用權資產乃按成本減累計折舊及減值列賬(如有)。在釐定資產是否減值時，本集團須行使判斷及作出估計，特別是評估：(1) 是否有事件已發生或有任何指標可能影響資產淨值；(2) 資產賬面值是否能夠以可收回金額(如為使用價值)支持，即按照持續使用資產估計的未來現金流量的淨現值；及(3) 將應用於估計可收回金額的適當關鍵假設(包括現金流量預測及適當的貼現率)。當無法估計個別資產(包括使用權資產)的可收回金額時，本集團估計資產所屬現金產生單位的可收回金額。假設及估計(包括現金流量預測之貼現率或增長率)變動，會對可收回金額造成重大影響。

於二零二零年十二月三十一日，物業、廠房及設備、在建工程及使用權資產的賬面值分別為人民幣9,096,000元(二零一九年：人民幣7,077,000元)、無(二零一九年：人民幣320,000元)及人民幣8,136,000元(二零一九年：人民幣4,096,000元)。

**5. CRITICAL JUDGEMENT AND KEY ESTIMATES
(Continued)**

(ii) Key sources of estimation uncertainty (Continued)

(c) Amortisation and impairment on intangible assets

The Group determines the estimated useful lives and related amortisation for the Group's intangible assets. The useful lives of intangible assets are assessed to be either finite or indefinite, based on the expected usage and technical obsolescence from the changes in the market demands or services output from the assets. Intangible assets with finite useful lives are amortised over the expected useful economic lives and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method for the intangible assets with a finite useful life are reviewed by the management at least at the end of each reporting period. The Group assesses whether any indication of impairment in accordance with the accounting policy. The recoverable amounts of intangible assets have been determined based on value in use calculations of each CGU the intangible assets belonged which requires the Group to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate the present value.

No impairment loss of was recognised for the year ended 31 December 2020 (2019: RMB26,962,000). The carrying amount of intangible assets as at 31 December 2020 was RMB433,000 (2019: RMB459,000).

5. 重要判斷及主要估計(續)

(ii) 估計不確定因素之主要來源(續)

(c) 無形資產之攤銷及減值

本集團決定無形資產的預計可用年期及有關攤銷。無形資產之可用年期基於資產預期用途及市場需求或服務產出變動導致的技術過時而評估為固定期限或無固定期限。固定可用年期之無形資產於預計可用經濟年期內攤銷，並於有跡象顯示無形資產可能減值時評估減值。管理層至少於各報告期末評估固定可使用年期之無形資產之攤銷期及攤銷方法。本集團根據會計政策評估是否存在任何減值跡象。無形資產之可收回金額乃根據無形資產所歸屬之各現金產生單位的使用價值計算。為計算現值，本集團須估計該現金產生單位可能產生之未來預期現金流及適當的貼現率。

截至二零二零年十二月三十一日止年度概無確認減值虧損(二零一九年：人民幣26,962,000元)。於二零二零年十二月三十一日，無形資產的賬面值為人民幣433,000元(二零一九年：人民幣459,000元)。

5. CRITICAL JUDGEMENT AND KEY ESTIMATES (Continued)

(ii) Key sources of estimation uncertainty (Continued)

(d) Fair values of investment properties

The Group appointed an independent professional valuer to assess the fair values of the investment properties. In determining the fair values, the valuer has utilised a method of valuation which involves certain estimates. The directors have exercised their judgement and are satisfied that the method of valuation and inputs used are reflective of the current market conditions.

Whilst the Group considers valuations of the Group's investment properties are the best estimates, the ongoing COVID-19 pandemic has resulted in greater market volatility depending on how the COVID-19 pandemic may progress and evolve, which have led to high degree of uncertainties in respect of the valuations in the current year.

The carrying amount of investment properties as at 31 December 2020 was RMB57,800,000 (2019: RMB57,000,000) after recognition of the fair value gain of RMB800,000 (2019: RMB1,200,000) in the profit or loss during the year.

(e) Impairment of trade receivables, deposits and other receivables

The management of the Group estimates the amount of impairment loss for ECL on trade receivables, deposits and other receivables based on the credit risk of these receivables. The amount of the impairment loss based on ECL model is measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. Where the future cash flows are less than expected, or being revised downward due to changes in facts and circumstances, a material impairment loss may arise.

5. 重要判斷及主要估計(續)

(ii) 估計不確定因素之主要來源(續)

(d) 投資物業的公允值

本集團委任一名獨立專業估值師來評估投資物業的公允值。在確定其公允值時，估值師採用涉及若干估計的估值方法。董事判斷並確認所使用的估值方法及參數能反映當前市場情況。

儘管本集團認為本集團投資物業之估值為最佳估計，惟持續之2019冠狀病毒病疫情已導致更大之市場波動，視乎2019冠狀病毒病疫情之進展及演變而定，導致本年度估值存在高度不確定性。

於年內在損益中確認公允值收益人民幣800,000元(二零一九年：人民幣1,200,000元)後，投資物業於二零二零年十二月三十一日的賬面值為人民幣57,800,000元(二零一九年：人民幣57,000,000元)。

(e) 應收賬款、按金及其他應收款減值

本集團管理層根據應收賬款、按金及其他應收款之信貸風險，估計該等應收款預期信貸虧損之減值虧損金額。基於預期信貸虧損模式之減值虧損金額乃按根據合約應付本集團之所有合約現金流量與本集團預期收取的所有現金流量之間的差額計算，當中已按初步確認時釐定之實際利率貼現。倘未來現金流量少於預期，或因事實及情況有變而將有關金額向下調整，則可能會出現重大減值虧損。

5. CRITICAL JUDGEMENT AND KEY ESTIMATES (Continued)

(ii) Key sources of estimation uncertainty (Continued)

(e) Impairment of trade receivables, deposits and other receivables (Continued)

Due to greater financial uncertainty triggered by the COVID-19 pandemic, the Group has increased the expected loss rates in the current year as there is higher risk that a prolonged pandemic could lead to increased credit default rates. The information about the ECL and the Group's trade receivables are disclosed in note 6(b).

As at 31 December 2020, the carrying amount of trade receivables is RMB61,387,000 (net of allowance for doubtful debts of RMB1,299,000) (2019: RMB5,863,000 (net of allowance for doubtful debts of RMB410,000)).

As at 31 December 2020, the carrying amount of deposits and other receivables is RMB14,084,000 (net of allowance for doubtful debts of RMB3,944,000) (2019: RMB11,872,000 (net of allowance for doubtful debts of RMB78,000)).

(f) Allowance for slow-moving inventories

Allowance for slow-moving inventories is made based on the ageing and estimated net realisable value of inventories. The assessment of the allowance amount involves judgement and estimates. Where the actual outcome in future is different from the original estimate, such difference will impact the carrying value of inventories and allowance charge/write-back in the period in which such estimate has been changed.

For the year ended 31 December 2020, RMB8,356,000 (2019: RMB1,718,000) of allowance for slow-moving inventories was recognised in profit or loss.

5. 重要判斷及主要估計(續)

(ii) 估計不確定因素之主要來源(續)

(e) 應收賬款、按金及其他應收款減值(續)

由於2019冠狀病毒病疫情引發更大之財務不確定性，本集團已增加本年度之預期虧損率，原因為長期疫情可能導致信貸違約率增加之風險更高。有關預期信貸虧損及本集團應收賬款之資料於附註6(b)披露。

於二零二零年十二月三十一日，應收賬款之賬面值為人民幣61,387,000元(扣除呆賬撥備人民幣1,299,000元)(二零一九年：人民幣5,863,000元(扣除呆賬撥備人民幣410,000元))。

於二零二零年十二月三十一日，按金及其他應收款之賬面值為人民幣14,084,000元(扣除呆賬撥備人民幣3,944,000元)(二零一九年：人民幣11,872,000元(扣除呆賬撥備人民幣78,000元))。

(f) 滯銷存貨撥備

滯銷存貨撥備乃根據存貨賬齡及估計可變現淨值作出撥備。撥備金額的評估涉及判斷及估計。倘日後實際結果有別於原來估計，該等差額將影響估計變動的期間內存貨的賬面值及撥備支出／撥回。

截至二零二零年十二月三十一日止年度，於損益確認滯銷存貨撥備人民幣8,356,000元(二零一九年：人民幣1,718,000元)。

6. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Foreign currency risk

The Group has certain exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in HK\$, RMB, Euro ("EUR") and United States dollars ("US\$"), of which some currencies are the functional currencies of the Group's entities. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group monitors its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

The Group does not expect any significant exposure to foreign currency risk on US\$ as HK\$ is pegged to US\$ and it is not considered likely that there will be a material fluctuation in US\$/HK\$ exchange rate.

At 31 December 2020, if the RMB had weakened 5 per cent against the HK\$ with all other variables held constant, consolidated loss after tax for the year would have been RMB195,000 lower (2019: RMB377,000 lower), arising mainly as a result of the foreign exchange difference on cash and cash equivalents and trade receivables (2019: cash and cash equivalents and accruals and other payables) denominated in HK\$/RMB. If the RMB had strengthened 5 per cent against the HK\$ with all other variables held constant, consolidated loss after tax for the year would have been RMB195,000 higher (2019: RMB377,000 higher), arising mainly as a result of the foreign exchange difference on cash and cash equivalents and trade receivables (2019: cash and cash equivalents and accruals and other payables) denominated in HK\$/RMB.

6. 財務風險管理

本集團之業務承受各種財務風險：外幣風險、信貸風險、流動資金風險及利率風險。本集團之整體風險管理計劃針對金融市場之難以預測性，並尋求將對本集團財務表現造成之潛在不利影響減至最低。

(a) 外幣風險

本集團大部分業務交易、資產及負債主要以港幣、人民幣、歐元（「歐元」）及美金（「美金」）（其中部分貨幣為本集團實體之功能貨幣）計值，因而承受若干外幣風險。本集團目前並無就外幣交易、資產及負債制定外幣對沖政策。本集團密切監察其外幣風險，並將於需要時考慮對沖重大外幣風險。

由於港幣與美金掛鈎，且認為美金兌港幣之匯率不大可能出現重大波動，故本集團預期不會就美金面臨任何重大外幣風險。

於二零二零年十二月三十一日，倘人民幣兌港幣貶值5%，而所有其他變量維持不變，則年內除稅後綜合虧損將減少人民幣195,000元（二零一九年：減少人民幣377,000元），主要由於以港幣／人民幣計值之現金及現金等價物及應收賬款（二零一九年：現金及現金等價物及應計費用及其他應付款）之外匯差額所致。倘人民幣兌港幣升值5%，而所有其他變量維持不變，則年內除稅後綜合虧損將增加人民幣195,000元（二零一九年：增加人民幣377,000元），主要由於以港幣／人民幣計值之現金及現金等價物及應收賬款（二零一九年：現金及現金等價物及應計費用及其他應付款）之外匯差額所致。

6. FINANCIAL RISK MANAGEMENT (Continued)

(a) Foreign currency risk (Continued)

At 31 December 2020, if the EUR had weakened 5 per cent against the HK\$ with all other variables held constant, consolidated loss after tax for the year would have been RMB96,000 lower, arising mainly as a result of the foreign exchange difference on trade receivables denominated in HK\$/EUR. If the EUR had strengthened 5 per cent against the HK\$ with all other variables held constant, consolidated loss after tax for the year would have been RMB96,000 higher, arising mainly as a result of the foreign exchange difference on trade receivables denominated in HK\$/EUR.

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including foreign exchange transactions and other financial instruments. The Group's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks and financial institutions with high credit-rating assigned by international credit-rating agencies, for which the Group considers to have low credit risk.

Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Normally, the Group does not obtain collateral from customers.

The Group has concentration of credit risk as 60% (2019: 53%) of the total gross carrying amount of trade receivables were due from the Group's five largest customers as at 31 December 2020 and all of the customers are located in Hong Kong, the PRC or the United States (the "US").

6. 財務風險管理(續)

(a) 外幣風險(續)

於二零二零年十二月三十一日，倘歐元兌港幣貶值5%，而所有其他變量維持不變，則年內除稅後綜合虧損將減少人民幣96,000元，主要由於以港幣／歐元計值之應收賬款之外匯差額所致。倘歐元兌港幣升值5%，而所有其他變量維持不變，則年內除稅後綜合虧損將增加人民幣96,000元，主要由於以港幣／歐元計值之應收賬款之外匯差額所致。

(b) 信貸風險

信貸風險為交易對手將無法履行其於金融工具或客戶合約項下責任而導致財務虧損之風險。本集團面對其經營活動(主要為應收賬款)及其融資活動(包括外匯交易及其他金融工具)產生之信貸風險。本集團所面對現金及現金等價物產生之信貸風險有限，原因為交易對手為獲國際信貸評級機構評為高信貸評級之銀行及金融機構，就此，本集團認為信貸風險屬低。

應收賬款

客戶信貸風險由各業務單位管理，並須受本集團所制定有關管理客戶信貸風險之政策、程序及監控規限。就所有要求信貸超過某特定金額之客戶進行個別信貸評估。該等評估專注於客戶過往支付到期款項之記錄及目前付款之能力，並會考慮客戶特定相關資料及客戶營運所在經濟環境相關資料。一般而言，本集團並無自客戶取得抵押品。

於二零二零年十二月三十一日，本集團具有信貸集中風險，乃由於應收賬款賬面總值60%(二零一九年：53%)為應收本集團五大客戶，而所有客戶位於香港、中國或美國(「美國」)。

6. FINANCIAL RISK MANAGEMENT (Continued)**(b) Credit risk (Continued)****Trade receivables (Continued)**

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using provisional matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables as at 31 December 2020:

		Expected loss rate		Gross carrying amount		Loss allowance	
		預期虧損率		賬面總值		虧損撥備	
		2020	2019	2020	2019	2020	2019
		二零二零年	二零一九年	二零二零年	二零一九年	二零二零年	二零一九年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Current (not past due)	即期(並未逾期)	0.78%	2.54%	57,126	5,668	(448)	(144)
Up to 3 months past due	逾期3個月內	7.73%	16.96%	4,960	336	(383)	(57)
3 to 6 months past due	逾期3至6個月	78.00%	60.71%	66	28	(51)	(17)
6 months to 1 year past due	逾期6個月至1年	78.00%	72.73%	192	143	(150)	(104)
Over 1 year past due	逾期1年以上	78.00%	89.80%	342	98	(267)	(88)
				62,686	6,273	(1,299)	(410)

Expected loss rates are estimated based on actual loss experience over the past few years. These rates are adjusted to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

6. 財務風險管理(續)**(b) 信貸風險(續)****應收賬款(續)**

本集團採用撥備矩陣計算全期預期信貸虧損之金額計量應收賬款之虧損撥備。由於本集團過往信貸虧損經驗並無顯示不同客戶分類有顯著不同之虧損模式，故基於過往逾期狀況之虧損撥備無再進一步區分本集團不同客戶基礎。

下表提供有關本集團於二零二零年十二月三十一日所面對應收賬款之信貸風險及預期信貸虧損之資料：

預期虧損率乃基於過往數年之實際虧損經驗估計。該等比率已經調整以反映所收集過往數據涉及之期間之經濟狀況差異、當前狀況及本集團對應收款預計年期之經濟狀況之見解。

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6. FINANCIAL RISK MANAGEMENT (Continued)

(b) Credit risk (Continued)

Trade receivables (Continued)

Movement in the loss allowance account in respect of trade receivables during the year is as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
At 1 January	於一月一日	410	560
Impairment losses recognised for the year	本年度確認之減值虧損	936	–
Reversals	撥回	–	(150)
Exchange differences	匯兌差額	(47)	–
At 31 December	於十二月三十一日	1,299	410

The following significant changes in the gross carrying amounts of trade receivables contributed to the increase in the loss allowance during 2020:

- origination of new trade receivables net of these settled resulted in an increase in loss allowance of RMB1,006,000; and
- settlement made by trade receivables recognised as at 31 December 2019 resulted in an decrease in loss allowance of RMB112,000.

6. 財務風險管理(續)

(b) 信貸風險(續)

應收賬款(續)

本年度應收賬款之虧損撥備賬變動如下：

於二零二零年，以下應收賬款賬面總值之重大變動導致虧損撥備增加：

- 產生新應收賬款(扣除該等已結算賬款)導致虧損撥備增加人民幣1,006,000元；及
- 於二零一九年十二月三十一日已確認應收賬款作出之結算導致虧損撥備減少人民幣112,000元。

6. FINANCIAL RISK MANAGEMENT (Continued)**(b) Credit risk (Continued)****Financial assets at amortised cost**

All of the Group's financial assets at amortised cost are considered to have low credit risk, and the loss allowance recognised during the year was therefore limited to 12-month expected losses. Instruments are considered to be low credit risk when they have a low of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

Financial assets at amortised cost include the Group's deposits and other receivables.

Movement in the loss allowance account in respect of financial assets at amortised cost during the year is as follows:

		Deposits 按金 RMB'000 人民幣千元	Other receivables 其他應收款 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2019	於二零一九年一月一日	42	32	74
Impairment loss/(reversal of impairment loss) recognised for the year	本年度確認之減值虧損/(減值虧損撥回)	5	(1)	4
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	47	31	78
Impairment loss recognised for the year	本年度確認之減值虧損	143	3,733	3,876
Exchange differences	匯兌差額	(8)	(2)	(10)
At 31 December 2020	於二零二零年十二月三十一日	182	3,762	3,944

6. 財務風險管理(續)**(b) 信貸風險(續)****按攤銷成本列賬之金融資產**

本集團所有按攤銷成本列賬之金融資產之信貸風險均被視為偏低，故於年內確認之虧損撥備限於12個月預期虧損。倘工具違約率低，且發行人有強大能力於短期內履行其合約現金流量責任，則該等工具被視為具有低信貸風險。

按攤銷成本列賬之金融資產包括本集團按金及其他應收款。

於本年度，按攤銷成本列賬之金融資產虧損撥備賬變動如下：

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6. FINANCIAL RISK MANAGEMENT (Continued)

(c) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The maturity analysis based on contractual undiscounted cash flows of the Group's non-derivative of financial liabilities is as follows:

6. 財務風險管理(續)

(c) 流動資金風險

本集團之政策為定期監察目前及預期之流動資金需要，從而確保本集團維持足夠現金儲備以應付其短期及較長期的流動資金需要。

根據本集團非衍生金融負債之合約未貼現現金流量作出到期分析如下：

		The Group 本集團			
		Less than 1 year 一年內 RMB'000 人民幣千元	Between 1 and 2 years 一至兩年 RMB'000 人民幣千元	Between 2 and 5 years 兩至五年 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 31 December 2020	於二零二零年 十二月三十一日				
Trade payables	應付賬款	2,505	-	-	2,505
Accruals and other payables	應計費用及其他應付款	25,540	-	-	25,540
Lease liabilities	租賃負債	4,013	2,971	248	7,232
Bank loans	銀行貸款	8,159	-	-	8,159
At 31 December 2019	於二零一九年 十二月三十一日				
Trade payables	應付賬款	1,590	-	-	1,590
Accruals and other payables	應計費用及其他應付款	21,381	-	-	21,381
Lease liabilities	租賃負債	1,451	709	-	2,160
Due to a director	應付董事款項	896	-	-	896
Due to related parties	應付關聯方款項	5,984	-	-	5,984
Bank loans	銀行貸款	9,255	-	-	9,255

6. FINANCIAL RISK MANAGEMENT (Continued)**(d) Interest rate risk**

The Group's exposure to interest rate risk arises from its bank balances. These balances bear interests at variable rates that vary with the then prevailing market condition.

At 31 December 2020, if interest rates at that date had been 25 basis points higher/lower with all other variables held constant, consolidated loss after tax for the year would have been RMB70,000 lower/higher (2019: RMB73,000 lower/higher), arising mainly as a result of higher/lower interest income on bank interest-bearing deposits (2019: bank interest-bearing deposits).

Other than the bank balances as mentioned above, the Group's deposits at current accounts, fixed time deposits, other payables (2019: due to a related party) and short-term bank loans bear interest at fixed interest rates and therefore are subject to fair value interest rate risks.

(e) Categories of financial instruments at 31 December:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Financial assets:	金融資產：		
Financial assets measured at amortised cost	按攤銷成本計量之金融資產	134,228	243,521
Financial liabilities:	金融負債：		
Financial liabilities at amortised cost	按攤銷成本列賬之金融負債	36,045	38,816

(f) Fair values

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair values.

6. 財務風險管理(續)**(d) 利率風險**

本集團所面對利率風險源自其銀行結存。該等結存按視乎當時市況而定之浮動利率計息。

於二零二零年十二月三十一日，倘當日利率上升／下降25個基點，而所有其他變數保持不變，則本年度除稅後綜合虧損將減少／增加人民幣70,000元(二零一九年：減少／增加人民幣73,000元)，主要由於計息銀行存款(二零一九年：計息銀行存款)之利息收入增加／減少所致。

除上述銀行結存外，本集團之往來賬戶存款、定期存款、其他應付款(二零一九年：應付一名關聯方款項)及短期銀行貸款按固定利率計息，故須承受公允值利率風險。

(e) 於十二月三十一日之金融工具類別：**(f) 公允值**

本集團於綜合財務狀況表內反映之金融資產及金融負債賬面值與其各自公允值相若。

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7. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

(a) Disclosure of level in fair value hierarchy:

7. 公允價值計量

公允價值指市場參與者之間於計量日，在有序交易中出售資產將收取或轉讓負債將支付的價格。下文公允價值計量之披露資料使用將計量公允價值所用估值方法之參數歸類為三個層級之公允價值層級架構：

第一層參數：本集團可於計量日獲得之相同資產或負債於活躍市場之報價（未經調整）。

第二層參數：第一層所包括報價以外，資產或負債可直接或間接觀察得出之參數。

第三層參數：資產或負債不可觀察得出之參數。

本集團之政策乃確認三個層級中截至引致轉撥之事件或情況變動當日之轉入及轉出。

(a) 公允價值層級架構之披露資料：

Description 描述	Fair value measurements as at 31 December using level 3 hierarchy: 於十二月三十一日之公允價值 計量採用第三層級：	
	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Recurring fair value measurement: Investment properties — Commercial PRC (note 20)	經常性公允價值計量： 投資物業 — 中國商業 (附註20) 57,800	57,000

7. FAIR VALUE MEASUREMENTS (Continued)**(b) Reconciliation of assets measured at fair value based on level 3:**

Description 描述	Investment properties 投資物業 RMB'000 人民幣千元
At 1 January 2020 Total gains or losses recognised in profit or loss (#)	於二零二零年一月一日 於損益確認之收益或虧損總額 (#) 57,000 800
At 31 December 2020 Total gains or losses recognised in profit or loss (#)	於二零二零年十二月三十一日 於損益確認之收益或虧損總額 (#) 57,800 800
(#) Include gains or losses for assets held at end of reporting period	(#) 包括於報告期末所持資產之收益或虧損 800
At 1 January 2019 Total gains or losses recognised in profit or loss (#)	於二零一九年一月一日 於損益確認之收益或虧損總額 (#) 55,800 1,200
At 31 December 2019 Total gains or losses recognised in profit or loss (#)	於二零一九年十二月三十一日 於損益確認之收益或虧損總額 (#) 57,000 1,200
(#) Include gains or losses for assets held at end of reporting period	(#) 包括於報告期末所持資產之收益或虧損 1,200

The total gains or losses recognised in profit or loss including those for assets held at end of reporting period are presented in the face (2019: face) of the consolidated statement of profit or loss and other comprehensive income.

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 December 2020:

The Group's chief financial officer ("CFO") is responsible for the fair value measurements of assets and liabilities required for financial reporting purposes, including level 3 fair value measurements. The CFO reports directly to the Board for these fair value measurements. Discussions of valuation processes and results are held between the financial controller and the Board at least once a year.

For level 3 fair value measurements, the Group will normally engage external valuation experts with the recognised professional qualifications and recent experience to perform the valuations.

7. 公允值計量(續)**(b) 根據第三層按公允值計量之資產對賬：**

於損益確認之收益或虧損總額(包括該等於報告期末所持之資產)在綜合損益與其他全面收益表中獨立呈列(二零一九年：獨立呈列)。

(c) 有關本集團所採用估值程序以及於二零二零年十二月三十一日之公允值計量所使用估值方法及參數之披露資料：

本集團之首席財務官(「首席財務官」)負責財務申報所需資產與負債之公允值計量，包括第三層公允值計量。首席財務官直接向董事會匯報該等公允值計量。財務總監與董事會每年最少一次討論估值程序與有關結果。

就第三層公允值計量而言，本集團一般會外聘具認可專業資格並有近期估值經驗之估值專家進行。

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7. FAIR VALUE MEASUREMENTS (Continued)

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 December 2020: (Continued)

Level 3 fair value measurements

Description 描述	Valuation technique 估值方法	Unobservable inputs 不可觀察參數	Range 範圍	Effect on fair value for increase of inputs 參數增加對公允價值之影響	Fair value 公允價值	
					2020 二零二零年 RMB'000 人民幣千元 asset 資產	2019 二零一九年 RMB'000 人民幣千元 asset 資產
Investment properties — Commercial PRC 投資物業 — 中國商業	Income capitalisation approach 收入資本化法	Yield 收益率	4%–6% (2019: 4%–6%) (二零一九年：4%–6%)	Higher of the yield, lower of fair value 收益率增加，公允價值減少	57,800	57,000
		Market rent 市場租金	Monthly office rental RMB42–43.05/sq.m. (2019: RMB41–42/sq.m.) 辦公室每月租金每平方米人民幣42元至人民幣43.05元 (二零一九年：每平方米人民幣41元至人民幣42元)	Higher of the market rent, higher of fair value 市場租金增加，公允價值增加		
			Monthly car-park space RMB156–260/unit (2019: RMB156–260/unit) 停車位每月單位 人民幣156元至人民幣260元 (二零一九年：每單位人民幣156元至人民幣260元)			
Financial assets at FVTOCI 按公允價值計入其他全面收益之金融資產	Guideline public company method 指標公眾公司法	Discount for Lack of Marketability ("DLOM") 缺乏市場流通性折讓(「缺乏市場流通性折讓」)	15.8% (2019: 13%) (二零一九年：13%)	Higher of DLOM, lower of fair value 缺乏市場流通性折讓增加，公允價值減少	-	-

7. 公允價值計量(續)

(c) 有關本集團所採用估值程序以及於二零二零年十二月三十一日之公允價值計量所使用估值方法及參數之披露資料：(續)

第三層公允價值計量

8. REVENUE**Disaggregation of revenue**

Disaggregation of revenue from contracts with customers by major products or service line for the year is as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Revenue from contracts with customers within the scope of IFRS 15	於國際財務報告準則第15號範圍內來自客戶合約之收入		
Disaggregated by major service line	按主要服務線分類		
Sale of merchandises	商品銷售	184,799	12,705
Commission income	佣金收入	5,889	10,390
Sales of hardware and software and installation service	銷售硬件及軟件以及安裝服務	285	1,740
Other IT support service	其他資訊科技支援服務	651	962
Other service income	其他服務收入	24	-
		191,648	25,797

**8. 收入
收入分類**

本年度按主要產品或服務線劃分來自客戶合約之收入分類如下：

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8. REVENUE (Continued)

Disaggregation of revenue (Continued)

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major products or service lines and geographical regions:

8. 收入(續)

收入分類(續)

本集團於下列主要產品或服務線及地區隨時間及於某個時間點轉移貨品及服務所得收入：

For the year ended 31 December 截至十二月三十一日止年度	Sales of merchandises		Commission income		Sales of hardware and software and installation service 銷售硬件及軟件以及安裝服務		Other IT support service 其他資訊科技支援服務		Other service income 其他服務收入		Total 總計	
	商品銷售		佣金收入									
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Primary geographical markets	主要地區市場											
Hong Kong	146,116	-	1,944	3,423	-	-	169	-	24	-	148,253	3,423
PRC except Hong Kong	28,168	10,503	3,945	6,967	285	1,740	482	962	-	-	32,880	20,172
The US	10,165	2,202	-	-	-	-	-	-	-	-	10,165	2,202
Others	350	-	-	-	-	-	-	-	-	-	350	-
Revenue from external customers	184,799	12,705	5,889	10,390	285	1,740	651	962	24	-	191,648	25,797
Timing of revenue recognition	確認收入之時間											
Goods and services transferred at a point in time	184,799	12,705	-	-	285	1,740	-	-	-	-	185,084	14,445
Services transferred over time	-	-	5,889	10,390	-	-	651	962	24	-	6,564	11,352
Total	184,799	12,705	5,889	10,390	285	1,740	651	962	24	-	191,648	25,797

9. OTHER INCOME

9. 其他收入

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Bank interest income	銀行利息收入	1,179	2,714
Government grants*	政府補助*	1,390	702
Net foreign exchange gain	外匯收益淨額	-	395
Gross rental income from investment properties	投資物業之租金收入總額	3,011	2,973
Property management fee and related income	物業管理費及相關收入	1,917	1,867
Value added tax refund	增值稅退款	75	120
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	-	5
Gain on de-registration of a subsidiary	撤銷一間附屬公司註冊之收益	11	-
Gain on early termination of a lease	提早終止租賃之收益	48	-
Gain on disposal of a subsidiary	出售一間附屬公司之收益	3	-
Rent concession	租金寬免	32	-
Others	其他	316	268
		7,982	9,044

* During the year, the Group recognised government grants of approximately HK\$768,000 (equivalent to RMB683,000) in respect of COVID-19 related subsidies, of which HK\$754,000 (equivalent to RMB670,000) relates to Employment Support Scheme provided by the Hong Kong government. The remaining government grants represented government subsidy granted to enterprise, who had fulfilled certain requirements such as engaging in research and development activities, duly paid taxes in previous years, by the local government that the subsidiaries operate and the use of IT to support its business.

* 年內，本集團就2019冠狀病毒病相關補貼確認政府補助約港幣768,000元(相等於人民幣683,000元)，其中港幣754,000元(相等於人民幣670,000元)與香港政府提供之「保就業」計劃有關。餘下政府補助指附屬公司營運所在地之當地政府向符合若干規定(例如於過往年度參與研發活動、依時繳稅及使用資訊科技支援其業務)之企業授出之政府補貼。

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10. SEGMENT INFORMATION

The Group has three (2019: three) reportable segments as follows:

- | | | | |
|-------|---|---|--|
| (i) | Online to Offline (“O2O”) commerce segment [#]
線上線下(「O2O」)商務分部 [#] | – | Management, operation and provision of market strategy of online and offline operations
線上線下業務之管理、營運及提供營銷策略 |
| (ii) | Electronic payment solutions segment*
電子支付解決方案分部* | – | Provision of electronic payment solutions and related services
提供電子支付解決方案及相關服務 |
| (iii) | Others ^Δ
其他 ^Δ | – | Provision of IT system development and support services
提供資訊科技系統開發及支援服務 |

[#] The name of this segment was “e-commerce solutions segment” prior to 2020. The name was changed as the Group considered it represents the business nature of this segment and its recent development more specifically.

^{*} The name of this segment was “integrated digital marketing solutions segment” prior to 2020. The name was changed as the Group considered it represents the business nature of this segment more specifically.

^Δ The Group’s other reportable segment mainly represented O2O solutions segment prior to 2020. The chief operating decision maker considered this segment does not meet quantitative thresholds for determining a reportable segment.

The Group’s reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies. Each of the above operating segments corresponds to related subsidiaries engaging in the respective segment activities.

The accounting policies of the operating segments are the same as those described in note 4 to the consolidated financial statements. Segment profits or losses do not include corporate income and expenses and fair value change of the investment properties held and related tax impact. Segment assets do not include corporate assets and investment properties held. Segment liabilities do not include corporate liabilities and deferred tax liability relating to the investment properties.

10. 分部資料

本集團有以下三個(二零一九年：三個)呈報分部：

[#] 於二零二零年前，該分部之名稱為「電子商務解決方案分部」。由於本集團認為其可更具體地代表該分部之業務性質及其近期發展，故已對該名稱作出更改。

^{*} 於二零二零年前，該分部之名稱為「綜合電子推廣解決方案分部」。由於本集團認為其可更具體地代表該分部之業務性質，故已對該名稱作出更改。

^Δ 於二零二零年前，本集團其他呈報分部主要指 O2O 解決方案分部。主要經營決策者認為該分部不符合用作釐定呈報分部之定量門檻。

本集團之呈報分部是提供不同產品和服務之策略業務單位。由於各業務需要不同技術及營銷策略，故彼等乃分開進行管理。以上各經營分部對應從事相關分部活動之有關附屬公司。

經營分部之會計政策與綜合財務報表附註4所述者一致。分部損益不包括企業收入及支出以及所持投資物業之公允值變動及有關稅項影響。分部資產不包括企業資產及所持投資物業。分部負債不包括企業負債以及有關投資物業之遞延稅項負債。

10. SEGMENT INFORMATION (Continued)

(i) Information about reportable segments profit or loss, assets and liabilities:

10. 分部資料(續)

(i) 呈報分部之損益、資產及負債資料：

		O2O commerce segment O2O 商務分部		Electronic payment solutions segment 電子支付解決方案分部		Others 其他		Total 總計	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元 (Re-presented) (重新呈列)	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元 (Re-presented) (重新呈列)	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元 (Re-presented) (重新呈列)
Year ended 31 December	截至十二月三十一日止年度								
Revenue from external customers	來自外部客戶之收入	188,916	19,672	1,950	3,424	782	2,701	191,648	25,797
Segment (loss)/profit	分部(虧損)/溢利	(36,983)	(43,535)	(475)	(1,150)	1,436	861	(36,022)	(43,824)
Interest revenue	利息收入	43	64	-	-	3	5	46	69
Interest expense	利息支出	735	53	7	66	459	478	1,201	597
Depreciation and amortisation	折舊及攤銷	4,238	8,062	454	1,048	474	715	5,166	9,825
Share of result of an associate	應佔一間聯營公司業績	-	-	-	-	1,090	1,063	1,090	1,063
Income tax expense/(credit)	所得稅費用/(抵免)	83	(8,349)	-	-	(51)	(51)	32	(8,400)
(Allowance for)/reversal of allowance for trade receivables	應收賬款(撥備)/撥備撥回	(923)	(7)	8	(8)	(21)	165	(936)	150
(Allowance for)/reversal of allowance for deposits and other receivables	按金及其他應收款(撥備)/撥備撥回	(3,585)	(17)	(11)	20	(199)	(7)	(3,795)	(4)
Impairment loss on goodwill	商譽減值虧損	-	11,451	-	-	-	-	-	11,451
Reversal of impairment loss on other receivables	其他應收款減值虧損撥回	18	190	-	-	-	-	18	190
Allowance for inventories	存貨撥備	8,356	1,718	-	-	-	-	8,356	1,718
Impairment loss on non-current assets	非流動資產減值虧損	1,550	26,962	-	-	-	-	1,550	26,962
Additions to segment non-current assets	分部非流動資產添置	13,384	3,831	3	41	125	38	13,512	3,910
At 31 December	於十二月三十一日								
Segment assets	分部資產	157,647	54,753	2,570	9,395	15,226	14,624	175,443	78,772
Segment liabilities	分部負債	(21,150)	(14,747)	(1,703)	(3,938)	(11,644)	(12,449)	(34,497)	(31,134)
Investment in an associate [#]	於一間聯營公司投資 [#]	-	-	-	-	5,024	3,934	5,024	3,934

[#] The investment in an associate is classified under others segment as the management considered the business that the associate engaged was related to the business of that segment.

[#] 於一間聯營公司投資獲分類於其他分部項下，原因為管理層認為該聯營公司從事之業務與該分部之業務有關。

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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)

(ii) Reconciliations of reportable segments:

Revenue and profit or loss:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Revenue	收入		
Consolidated revenue	綜合收入	191,648	25,797
Profit or loss	損益		
Total loss of reportable segments	呈報分部虧損總額	(36,022)	(43,824)
Unallocated amounts:	未分配金額：		
Fair value gain on investment properties	投資物業之公允值收益	800	1,200
Deferred tax relating to fair value gain on investment properties	有關投資物業公允值收益之遞延稅項	(200)	(300)
Unallocated head office and corporate expenses	未分配總辦事處及企業費用	(21,528)	(9,476)
Consolidated loss for the year	本年度綜合虧損	(56,950)	(52,400)

Assets and liabilities:

資產與負債：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Assets	資產		
Total assets of reportable segments	呈報分部總資產	175,443	78,772
Unallocated amounts:	未分配金額：		
Investment properties	投資物業	57,800	57,000
Unallocated head office and corporate assets	未分配總辦事處及企業資產	22,276	186,661
Consolidated total assets	綜合總資產	255,519	322,433
Liabilities	負債		
Total liabilities of reportable segments	呈報分部總負債	34,497	31,134
Unallocated amounts:	未分配金額：		
Deferred tax liabilities relating to investment properties	有關投資物業之遞延稅項負債	12,683	12,483
Unallocated head office and corporate liabilities	未分配總辦事處及企業負債	8,734	10,400
Consolidated total liabilities	綜合總負債	55,914	54,017

10. SEGMENT INFORMATION (Continued)**(iii) Geographical information:**

The Group's revenue from external customers by location of operations was disclosed in note 8 to the consolidated financial statements.

The majority of the Group's non-current assets are located in the PRC. Accordingly, no geographical analysis is presented.

(iv) Revenue from major customers:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Customer A	客戶 A	23,053	-
Customer B	客戶 B	20,430	-

Each of the major customers represents a single external customer whose sale transaction is generated from O2O commerce segment of the Group.

10. 分部資料(續)**(iii) 地理資料：**

本集團來自外部客戶之收入(按營運地點劃分)於綜合財務報表附註8披露。

本集團之非流動資產大部分位於中國。因此，概無呈列地理分析。

(iv) 來自主要客戶之收入：

各主要客戶為銷售交易來自本集團O2O商務分部之單一外部客戶。

11. FINANCE COSTS

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Interest expenses on lease liabilities (note 21)	租賃負債利息支出(附註21)	742	119
Interest expenses on bank loans	銀行貸款利息支出	459	478
		1,201	597

11. 財務成本

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12. INCOME TAX EXPENSE/(CREDIT)

Income tax has been recognised in profit or loss as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Current tax — Hong Kong Profits Tax Provision for the year	本期稅項 — 香港利得稅 年內撥備	83	—
Deferred tax (note 37) Provision for the year	遞延稅項(附註37) 年內撥備	149	(8,100)
Income tax expense/(credit)	所得稅費用/(抵免)	232	(8,100)

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands ("BVI"), the Group is not subject to any income tax in the Cayman Islands and the BVI.

Under the two-tiered Profits Tax regime, the first HK\$2 million of profits of the qualifying group entity established in Hong Kong will be charged at 8.25%, and profits above that amount will be subject to the tax rate of 16.5%.

PRC EIT has been provided at a rate of 25% (2019:25%).

No provision for PRC EIT has been made in the consolidated financial statements since certain subsidiaries of the Group have sufficient tax loss brought forward to set off against the assessable profit for the years ended 31 December 2020 and 2019.

Tax charge on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group's subsidiaries operate, based on existing legislation, interpretation and practices in respect thereof.

One of the Group's subsidiaries operating in Suzhou, the PRC, was recognised as an advance technology enterprise (高新技術企業) in 2019 and was entitled to enjoy an income tax concession at preferential rate of 15% effective from 1 January 2019. In order to enjoy the preferential rate of 15%, the subsidiary is required to apply for renewal every three years from first year of approval.

12. 所得稅費用/(抵免)

已於損益確認之所得稅如下：

根據開曼群島及英屬處女群島(「英屬處女群島」)之規則及規例，本集團毋須繳納開曼群島及英屬處女群島之任何所得稅。

在利得稅兩級制下，於香港成立之合資格集團實體之港幣首2百萬元溢利將按8.25%之稅率徵收，而超過該金額之溢利則將按16.5%之稅率繳納。

中國企業所得稅已按25%(二零一九年：25%)之稅率計提撥備。

截至二零二零年及二零一九年十二月三十一日止年度，由於本集團若干附屬公司有充足稅項虧損可供撥作抵銷應課稅溢利，故並無於綜合財務報表就中國企業所得稅計提撥備。

本集團已就其他地區所產生應課稅溢利根據旗下附屬公司營運所在司法管轄區之現有相關法例、詮釋及慣例，按其適用現行稅率計算稅項支出。

本集團其中一間於中國蘇州經營業務之附屬公司於二零一九年獲認可為高新技術企業，並自二零一九年一月一日起有權享有15%所得稅優惠稅率。為享有15%優惠稅率，該附屬公司須自獲審批後首年起計每三年申請重續有關資格。

12. INCOME TAX EXPENSE/(CREDIT) (Continued)

The reconciliation between the income tax expense/(credit) and the product of loss before tax multiplied by the PRC EIT rate is as follows:

12. 所得稅費用／(抵免)(續)

所得稅費用／(抵免)與除稅前虧損乘以中國企業所得稅稅率之結果對賬如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Loss before tax	除稅前虧損	(56,718)	(60,500)
Tax at the PRC EIT rate of 25% (2019: 25%)	按中國企業所得稅稅率 25% (二零一九年：25%)計算之稅項	(14,179)	(15,125)
Tax effect of income that is not taxable	毋須課稅收入之稅務影響	(1,252)	(843)
Tax effect of expenses that are not deductible	不可扣稅支出之稅務影響	7,255	5,679
Tax effect of temporary differences and tax losses not recognised	未確認暫時差額及稅項虧損之稅務影響	6,152	1,489
Tax effect of utilisation of tax losses not previously recognised	動用先前未確認稅項虧損之稅務影響	(300)	(317)
Tax effect of tax concession	稅項優惠之稅務影響	(83)	(8)
Tax effect of different tax rates of subsidiaries	附屬公司不同稅率之稅務影響	2,639	1,025
Income tax expense/(credit)	所得稅費用／(抵免)	232	(8,100)

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13. LOSS FOR THE YEAR

The Group's loss for the year is stated after charging/(crediting) the following:

13. 本年度虧損

本集團本年度虧損已扣除/(計入)下列各項：

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Allowance for inventories *	8,356	1,718
Amortisation on intangible assets #	116	6,783
Auditor's remuneration #		
— Audit services		
— Current year	1,520	1,128
— Other services	293	261
	1,813	1,389
Bad debts written-off *	14	-
Cost of inventories sold	167,277	9,251
Depreciation on property, plant and equipment #	1,821	1,448
Depreciation on right-of-use assets #	3,250	1,594
	5,071	3,042
Direct operating expenses of investment properties that generate rental income #	657	612
Net foreign exchange loss/(gain) #	524	(395)
Impairment loss on property, plant and equipment *	1,550	-
Loss/(gain) on disposal of property, plant and equipment *	8	(5)
Written-off of inventories #	19	-
Written-off of property, plant and equipment *	115	-

* Included in other operating expenses.

Included in administrative expenses.

* 包括在其他經營費用。

包括在行政開支。

14. EMPLOYEE BENEFITS EXPENSES

14. 員工福利費用

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Staff costs (including directors' emoluments)	員工成本(包括董事酬金)		
— Salaries, bonus and allowance	— 薪金、花紅及津貼	32,254	21,924
— Retirement benefit scheme contributions	— 退休福利計劃供款	499	1,766
— Severance payment	— 遣散費	81	58
		32,834	23,748

The five highest paid individuals in the Group during the year included two (2019: two) directors whose emoluments are reflected in the analysis presented in note 15 to the consolidated financial statements. The emoluments of the remaining three (2019: three) individuals are set out below:

本集團本年度五名最高薪酬人士包括兩名(二零一九年：兩名)董事，其酬金已於綜合財務報表附註15所列分析內反映。其餘三名(二零一九年：三名)人士之酬金如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Salaries and allowances	薪金及津貼	2,920	2,808
Retirement benefit scheme contributions	退休福利計劃供款	32	86
		2,952	2,894

The emoluments fell within the following band:

其酬金組別如下：

		Number of individuals 人數	
		2020 二零二零年	2019 二零一九年
Nil to HK\$1,000,000 (equivalent to Nil to RMB889,000 (2019: Nil to RMB882,000))	港幣零元至港幣1,000,000元(相等於人民幣零元至人民幣889,000元(二零一九年：人民幣零元至人民幣882,000元))	1	1
HK\$1,000,001 to HK\$1,500,000 (equivalent to RMB889,001 to RMB1,333,000 (2019: RMB882,001 to RMB1,322,000))	港幣1,000,001元至港幣1,500,000元(相等於人民幣889,001元至人民幣1,333,000元(二零一九年：人民幣882,001元至人民幣1,322,000元))	2	2

During the year, no amount was paid or payable by the Group to the directors or any of the five highest paid individuals set out below as an inducement to join or upon joining the Group or as compensation for loss of office.

於本年度，本集團並無支付或應付下文所載董事或任何五名最高薪酬人士之款項，作為吸引彼等加盟或於加盟本集團時之獎勵，或作為離職時之補償。

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15. BENEFITS AND INTERESTS OF DIRECTORS

(a) Directors' emoluments

The remuneration of each director is set out below:

15. 董事福利及權益

(a) 董事酬金

各董事之薪酬載述如下：

		For the year ended 31 December 2020 截至二零二零年十二月三十一日止年度				
		Fees	Salaries and allowances	Discretionary bonus	Retirement benefit contributions	Total
		袍金	薪金及津貼	酌情花紅	退休福利計劃供款	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Name of director	董事名稱					
Executive director	執行董事					
Mr. Ho Chi Kin (resigned on 23 April 2021)	何致堅先生 (於二零二一年 四月二十三日辭任)	-	2,578	267	16	2,861
Mr. Yang Xin Min (re-designated from non-executive director on 17 December 2020)	楊新民先生 (於二零二零年 十二月十七日由 非執行董事調任)	-	1,052	89	-	1,141
		-	3,630	356	16	4,002
Independent non-executive directors	獨立非執行董事					
Dr. Cheng Faat Ting Gary	鄭發丁博士	267	-	-	-	267
Mr. Poon Lai Yin Michael	潘禮賢先生	267	-	-	-	267
Mr. Peng Bobo	彭波波先生	212	-	-	-	212
Mr. Tsui Francis King Chung (resigned on 29 April 2021)	崔勁中先生 (於二零二一年 四月二十九日辭任)	267	-	-	-	267
Mr. Tang Yat Ming Edward (resigned on 29 April 2021)	鄧日明先生 (於二零二一年 四月二十九日辭任)	267	-	-	-	267
		1,280	-	-	-	1,280
Total for 2020	於二零二零年總計	1,280	3,630	356	16	5,282

15. BENEFITS AND INTERESTS OF DIRECTORS
(Continued)

(a) Directors' emoluments (Continued)

15. 董事福利及權益(續)

(a) 董事酬金(續)

		For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度				
		Fees	Salaries and allowances	Discretionary bonus	Retirement benefit scheme contributions	Total
		袍金	薪金及津貼	酌情花紅	退休福利計劃供款	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Name of director	董事名稱					
Executive directors	執行董事					
Mr. Yang Xin Min (re-designated as a non-executive director on 16 December 2019)	楊新民先生 (於二零一九年十二月十六日調任為非執行董事)	-	1,413	881	-	2,294
Mr. Yang Zhen (resigned on 16 December 2019)	楊震先生 (於二零一九年十二月十六日辭任)	-	842	882	39	1,763
Mr. Ho Chi Kin (appointed on 16 December 2019)	何致堅先生 (於二零一九年十二月十六日獲委任)	-	131	-	1	132
		-	2,386	1,763	40	4,189
Independent non-executive directors	獨立非執行董事					
Dr. Cheng Faat Ting Gary	鄭發丁博士	223	2	-	-	225
Mr. Poon Lai Yin Michael	潘禮賢先生	223	2	-	-	225
Mr. Peng Bobo	彭波波先生	181	2	-	-	183
Mr. Tsui Francis King Chung (appointed on 16 December 2019)	崔勁中先生 (於二零一九年十二月十六日獲委任)	12	-	-	-	12
Mr. Tang Yat Ming Edward (appointed on 16 December 2019)	鄧日明先生 (於二零一九年十二月十六日獲委任)	12	-	-	-	12
		651	6	-	-	657
Total for 2019	於二零一九年總計	651	2,392	1,763	40	4,846

Neither the chief executive nor any of the directors waived any emoluments during the year (2019: Nil).

年內，主要行政人員及任何董事概無豁免收取任何酬金(二零一九年：無)。

15. BENEFITS AND INTERESTS OF DIRECTORS (Continued)

(b) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company and the director's connected party had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

16. DEFINED CONTRIBUTION RETIREMENT PLAN

The Group operates a mandatory provident fund scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for all qualifying employees in Hong Kong. The Group's contributions to the MPF Scheme are calculated at 5% of the salaries and wages subject to a monthly maximum amount of contribution of HK\$1,500 per employee and vest fully with employees when contributed into the MPF Scheme.

The employees of the Group's subsidiaries established in the PRC are members of a central pension scheme (the "Scheme") operated by the local municipal government. These subsidiaries are required to contribute certain percentage of the employees' basic salaries and wages to the central pension scheme to fund the retirement benefits. The local municipal government undertakes to assume the retirement benefits obligations of all existing and future retired employees of these subsidiaries. The only obligation of this subsidiary with respect to the central pension scheme is to meet the required contributions under the Scheme.

The Group's total contributions to these schemes charged to the profit or loss during the year ended 31 December 2020 amounted to RMB499,000 (2019: RMB1,766,000) representing contributions paid and payable by the Group to the schemes at the appropriate rates set by the local government where the subsidiaries operate.

15. 董事福利及權益(續)

(b) 董事於交易、安排或合約之重大權益

於年末或年內任何時間並無存續任何由本公司訂立而本公司董事及其關連人士直接或間接擁有重大權益且與本集團業務有關之重大交易、安排及合約。

16. 定額供款退休計劃

本集團根據香港強制性公積金計劃條例為香港之所有合資格僱員設立一項強制性公積金計劃(「強積金計劃」)。本集團乃以僱員薪金及工資的5%計算強積金計劃供款，惟每名僱員之每月最高供款額為港幣1,500元。向強積金計劃供款後，供款即歸僱員所有。

本集團中國附屬公司的員工為當地市政府運作的中央退休基金計劃(「該計劃」)的成員。該等附屬公司須按員工的基本薪金及工資支付一定比例的金額至中央退休基金計劃以資助退休金。當地市政府履行承擔該等附屬公司所有現在已退休或將來會退休的員工的退休金的義務。就中央退休基金計劃，該附屬公司僅須達到該計劃中的供款要求。

截至二零二零年十二月三十一日止年度，本集團於損益中扣除向該等計劃繳納之供款總額約為人民幣499,000元(二零一九年：人民幣1,766,000元)，即本集團按附屬公司營運所在地之當地政府設定之適用費率向該等計劃已繳納及應繳納之供款數額。

17. DIVIDENDS

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

18. LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share attributable to owners of the Company is based on the loss for the year attributable to owners of the Company of RMB49,408,000 (2019: RMB37,926,000) and the weighted average number of ordinary shares of 5,635,970,924 (2019: 5,635,970,924) in issue during the year.

(b) Diluted loss per share

No diluted loss per share for the year ended 31 December 2020 and 2019 is presented as the Company had no potential ordinary shares outstanding.

17. 股息

董事不建議就截至二零二零年十二月三十一日止年度派付任何股息(二零一九年：無)。

18. 每股虧損

(a) 每股基本虧損

本公司股東應佔每股基本虧損乃根據本公司股東應佔本年度虧損人民幣49,408,000元(二零一九年：人民幣37,926,000元)及年內已發行普通股之加權平均數5,635,970,924股(二零一九年：5,635,970,924股)計算。

(b) 每股攤薄虧損

截至二零二零年及二零一九年十二月三十一日止年度，由於本公司並無發行在外之潛在普通股，故並無呈列每股攤薄虧損。

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19. PROPERTY, PLANT AND EQUIPMENT

19. 物業、廠房及設備

		Buildings and leasehold improvement 樓宇及 租賃翻新 RMB'000 人民幣千元	Office equipment and fixtures 辦公室 設備與裝置 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost	成本				
At 1 January 2019	於二零一九年一月一日	8,130	4,632	2,383	15,145
Additions	添置	177	185	1,103	1,465
Disposals	出售	-	(44)	-	(44)
Exchange differences	匯兌差額	4	11	-	15
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	8,311	4,784	3,486	16,581
Additions	添置	2,823	1,479	1,020	5,322
Transfer from construction in progress	自在建工程轉撥	320	-	-	320
Disposals	出售	-	(265)	-	(265)
Write-off	撇銷	(130)	(2,347)	-	(2,477)
Exchange differences	匯兌差額	(142)	(63)	(38)	(243)
At 31 December 2020	於二零二零年十二月三十一日	11,182	3,588	4,468	19,238
Accumulated depreciation and impairment	累計折舊及減值				
At 1 January 2019	於二零一九年一月一日	2,587	3,955	1,543	8,085
Charge for the year	年內支出	733	228	487	1,448
Disposals	出售	-	(41)	-	(41)
Exchange differences	匯兌差額	3	9	-	12
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	3,323	4,151	2,030	9,504
Charge for the year	年內支出	968	368	485	1,821
Disposals	出售	-	(252)	-	(252)
Write-off	撇銷	(123)	(2,239)	-	(2,362)
Impairment loss	減值虧損	1,232	318	-	1,550
Exchange differences	匯兌差額	(83)	(33)	(3)	(119)
At 31 December 2020	於二零二零年十二月三十一日	5,317	2,313	2,512	10,142
Carrying amount	賬面值				
At 31 December 2020	於二零二零年十二月三十一日	5,865	1,275	1,956	9,096
At 31 December 2019	於二零一九年十二月三十一日	4,988	633	1,456	7,077

Notes:

At 31 December 2020, the carrying amount of the Group's property, plant and equipment pledged as security for the Group's bank loans of RMB8,000,000 (2019: RMB9,000,000) (note 35) amounted to RMB4,542,000 (2019: RMB4,812,000).

附註：

於二零二零年十二月三十一日，本集團質押作為本集團銀行貸款人民幣8,000,000元(二零一九年：人民幣9,000,000元)(附註35)之抵押品之物業、廠房及設備之賬面值為人民幣4,542,000元(二零一九年：人民幣4,812,000元)。

19. PROPERTY, PLANT AND EQUIPMENT (Continued)

During the year, the Group assessed the recoverable amount of the CGU under O2O commerce segment due to unsatisfactory performance and as a result recognised impairment loss of RMB1,550,000 in respect of leasehold improvement and office equipment and fixtures attributable to that CGU.

The recoverable amount of the CGU has been determined on the basis of its value in use using discounted cash flow method. The key assumptions for the discounted cash flow method are those regarding the discount rates, growth rates and budgeted gross margin and turnover during the period. The Group estimates discount rates that reflect current market assessments of the time value of money and the risks specific to the CGU. The growth rate is based on long-term average economic growth rate of the geographical area in which the businesses of the CGU operates. Budgeted gross margin and turnover are based on past practices and expectations on market development.

The Group prepares cash flow forecasts derived from the most recent financial budgets approved by the directors for the next five years with the residual period using the growth rate of 0%. This rate does not exceed the average long-term growth rate for the relevant markets.

The rate used to discount the forecast cash flows is 8.65%.

19. 物業、廠房及設備(續)

年內，由於表現欠佳，本集團評估O2O商務分部下現金產生單位之可收回金額，因此，已就該現金產生單位應佔之租賃翻新以及辦公室設備及裝置確認減值虧損人民幣1,550,000元。

現金產生單位的可收回金額乃根據其使用價值採用貼現現金流量法釐定。貼現現金流量法之主要假設乃與期內之貼現率、增長率及預算毛利率及營業額有關。本集團估計可反映現金產生單位之貨幣時值及特定風險之現時市場評估之貼現率。增長率乃根據現金產生單位業務經營所在地區之長期平均經濟增長率計算。預算毛利率及營業額乃基於過去慣例及市場發展預期計算。

本集團編製之現金流量預測，乃源自經董事通過未來五年及剩餘期間的增長率為0%之最近期財務預算。該增長率不超過有關市場的平均長期增長率。

預測現金流量所採用的貼現率為8.65%。

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20. INVESTMENT PROPERTIES

The Group leases out the investment properties under operating leases with rentals payable monthly. The leases typically run for an initial period of one to five years, with unilateral rights to extend the lease beyond initial period held by lessees only.

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in the respective functional currencies of group entities. The lease contracts do not contain residual value guarantee and/or lessee's option to purchase the property at the end of lease term.

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
At 1 January	於一月一日	57,000	55,800
Fair value gain	公允值收益	800	1,200
At 31 December	於十二月三十一日	57,800	57,000

The fair value of the Group's investment properties at 31 December 2020 and 2019 was valued on income capitalisation approach by taking into account the net rental income of the existing lease and achievable in the existing market with due allowance for the reversionary income potential of the lease. The valuation was performed by Graval Consulting Limited in 2020 while valuation was performed by Grant Sherman Appraisal Limited in 2019. Both parties were independent firms of chartered surveyors.

There was no change in the valuation approach adopted by the two surveyors for the years ended 31 December 2020 and 2019. The fair value of the Group's investment properties is within level 3 of the fair value hierarchy.

At 31 December 2020, the investment properties were pledged as security for the Group's bank loans (note 35).

20. 投資物業

本集團根據經營租賃出租投資物業，按月繳付租金。租賃初步租期一般為一至五年，僅承租人擁有在初步租期後單方面續租權利。

在租賃安排下，由於所有租賃均以集團實體之相應功能貨幣計值，故本集團並無承受外幣風險。租賃合約並不包含殘值擔保及／或承租人於租期完結時購買物業之選擇權。

於二零二零年及二零一九年十二月三十一日，本集團投資物業之公允值乃採用收入資本化法估值，已計及現有租賃及可於現有市場取得之租金收入淨額，並就租賃可復歸潛在收入作出適當考慮。二零二零年之估值乃由博浩企業顧問有限公司進行，而二零一九年之估值則由中證評估有限公司進行。雙方均為獨立特許測量師行。

截至二零二零年及二零一九年十二月三十一日止年度兩名測量師所採納之估值方法並無變動。本集團投資物業之公允值在公允值層級第三層範圍內。

於二零二零年十二月三十一日，投資物業已質押作為本集團銀行貸款之抵押品（附註35）。

21. RIGHT-OF-USE ASSETS

21. 使用權資產

		Leasehold lands 租賃土地 RMB'000 人民幣千元	Leased properties 租賃物業 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2019	於二零一九年一月一日	2,062	2,235	4,297
Additions	添置	-	1,382	1,382
Depreciation	折舊	(56)	(1,538)	(1,594)
Exchange differences	匯兌差額	-	11	11
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	2,006	2,090	4,096
Additions	添置	-	8,231	8,231
Depreciation	折舊	(56)	(3,194)	(3,250)
Gain on early termination of a lease	提早終止租賃之收益	-	(726)	(726)
Exchange differences	匯兌差額	-	(215)	(215)
At 31 December 2020	於二零二零年 十二月三十一日	1,950	6,186	8,136

Lease liabilities of RMB6,405,000 (2019: RMB2,005,000) are recognised with related right-of-use assets of RMB6,186,000 as at 31 December 2020 (2019: RMB2,090,000). The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

於二零二零年十二月三十一日，租賃負債人民幣6,405,000元(二零一九年：人民幣2,005,000元)與有關使用權資產人民幣6,186,000元(二零一九年：人民幣2,090,000元)一同確認。除出租人持有的租賃資產之擔保權益外，租賃協議不施加任何契約。租賃資產不得用作借貸擔保。

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Depreciation on right-of-use assets	使用權資產折舊	3,250	1,594
Interest expense on lease liabilities (included in finance costs) (note 11)	租賃負債利息支出(計入財務成本) (附註11)	742	119
Expenses relating to short-term lease (included in selling expenses and administrative expenses)	有關短期租賃支出 (計入銷售開支及行政開支)	1,079	716
COVID-19 Related Rent Concessions received (note 9)	已收取2019冠狀病毒病相關 租金寬免(附註9)	32	-

Details of total cash outflow for leases is set out in note 41(b).

租賃現金流量總額詳情載於附註41(b)。

As disclosed in note 3(a), the Group has early adopted the Amendments to IFRS 16 COVID-19 Related Rent Concessions, and applied the practical expedient introduced by the Amendments to all eligible rent concessions received by the Group during the period.

誠如附註3(a)所披露，本集團已提早採納國際財務報告準則第16號之修訂2019冠狀病毒病相關租金寬免，並將該等修訂引入之可行權宜方法應用於本集團於期內收取之所有合資格租金寬免。

21. RIGHT-OF-USE ASSETS (Continued)

For both years, the Group leases offices and land for its operations. Lease contracts are entered into for fixed term of one to three years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

In addition, the Group owns an office building located in the PRC. The Group is the registered owner of this property interest, including the underlying leasehold lands. Lump sum payments were made upfront to acquire the land interest. The leasehold land components of this owned property is presented separately only if the payments made can be allocated reliably.

At 31 December 2020, the carrying amount of the Group's right-of-use assets related to leasehold lands of RMB1,950,000 (2019: RMB2,006,000) were pledged as security for the Group's bank loans (note 35).

21. 使用權資產(續)

於兩個年度，本集團均就其營運租賃辦公室及土地。所訂立之租賃合約為期一至三年。租賃條款按個別基準進行磋商，並包含多種不同的條款及條件。於釐定租期及評估不可撤回期間之長度時，本集團應用合約定義並釐定合約可強制執行的期間。

此外，本集團擁有一幢位於中國的辦公室大樓。本集團為此物業權益(包括相關租賃土地)之註冊擁有人。已作出一次性付款以取得土地權益。此自有物業之租賃土地組成部分僅在能可靠分配所作出之付款時單獨呈列。

於二零二零年十二月三十一日，本集團有關租賃土地賬面值為人民幣1,950,000元(二零一九年：人民幣2,006,000元)之使用權資產已質押作為本集團銀行貸款之抵押品(附註35)。

22. CONSTRUCTION IN PROGRESS

22. 在建工程

		RMB'000 人民幣千元
Cost	成本	
At 1 January 2019	於二零一九年一月一日	977
Additions	添置	320
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	1,297
Transfer out to property, plant and equipment	自物業、廠房及設備轉撥	(320)
Write-off	撇銷	(977)
At 31 December 2020	於二零二零年十二月三十一日	-
Accumulated impairment	累計減值	
At 1 January 2019, 31 December 2019 and 1 January 2020	於二零一九年一月一日、二零一九年 十二月三十一日及二零二零年一月一日	(977)
Release upon write-off	於撇銷時解除	977
At 31 December 2020	於二零二零年十二月三十一日	-
Carrying amount	賬面值	
At 31 December 2020	於二零二零年十二月三十一日	-
At 31 December 2019	於二零一九年十二月三十一日	320

The Group's construction in progress as at 31 December 2019 comprised costs incurred on computer hardware, machinery, equipment pending installation and leasehold improvement of an office in the PRC.

本集團於二零一九年十二月三十一日之在建工程包括尚待安裝之電腦硬件、機器及設備及一個位於中國的辦公室租賃翻新所產生成本。

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23. GOODWILL

23. 商譽

		Others segment [#]			Total
		O2O commerce segment*	Software development	Hardware installation	
		O2O 商務分部*	軟件開發	硬件安裝	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(note (a))	(note (b))	(note (b))	
		(附註(a))	(附註(b))	(附註(b))	
Cost	成本				
At 1 January 2019,	於二零一九年一月一日、				
31 December 2019,	二零一九年				
1 January 2020 and	十二月三十一日、				
31 December 2020	二零二零年一月一日				
	及二零二零年				
	十二月三十一日	59,883	56,093	1,246	117,222
Accumulated impairment losses	累計減值虧損				
At 1 January 2019	於二零一九年一月一日	48,432	56,093	1,246	105,771
Impairment loss	減值虧損	11,451	-	-	11,451
At 31 December 2019,	於二零一九年				
1 January 2020 and	十二月三十一日、				
31 December 2020	二零二零年一月一日				
	及二零二零年				
	十二月三十一日	59,883	56,093	1,246	117,222
Carrying amount	賬面值				
At 31 December 2020	於二零二零年	-	-	-	-
	十二月三十一日				
At 31 December 2019	於二零一九年	-	-	-	-
	十二月三十一日				

Goodwill acquired in a business combination is allocated, at acquisition, to the CGUs that are expected to benefit from that business combination.

於業務合併時收購之商譽乃於收購時分配至預期可受惠於業務合併之現金產生單位。

* The name of segment changed from e-commerce solutions segment to O2O commerce segment during the year.

* 年內，分部名稱已由電子商務解決方案分部改為O2O商務分部。

O2O solutions segment was included in others segment during the year.

年內，O2O解決方案分部已被納入其他分部。

23. GOODWILL (Continued)

Notes:

- (a) The Group acquired 51% of the equity interest in LCE Group in 2017. The goodwill arising from the acquisition is wholly allocated to CGU of O2O commerce operations.

The recoverable amount of the CGU has been determined on the basis of its value in use calculations using discounted cash flow method. The key assumptions for the discounted cash flow method are those regarding the discount rates, growth rates and budgeted gross margin and turnover during the period. The Group estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU. The growth rate is based on long-term average economic growth rate of the geographical area in which the business of the CGU operates. Budgeted gross margin and turnover are based on past practices and expectations on market development.

The Group prepared cash flow forecasts derived from the most recent financial budgets approved by the directors for the next five years with the residual period using the growth rate of 3% in 2019. This rate did not exceed the average long-term growth rate for the relevant markets. The pre-tax rates used to discount the forecast cash flows was 22.5% for the year ended 31 December 2019. The amount was fully impaired in 2019.

Before impairment testing conducted in 2019, the carrying amount of goodwill allocated to CGU of O2O commerce operations was RMB11,451,000. This CGU of O2O commerce operations did not perform as expected because of:

- (i) the decrease in commission rate offered by brand partners due to the change of e-commerce channel;
- (ii) some brand partners turndown the engagement with the LCE Group due to the economic uncertainty in local market; and

23. 商譽(續)

附註：

- (a) 於二零一七年，本集團收購LCE Group之51%股權。該收購所產生商譽全數分配至O2O商務營運現金產生單位。

現金產生單位的可收回金額乃根據其使用價值採用貼現現金流量法釐定。貼現現金流量法之主要假設乃與期內之貼現率、增長率及預算毛利率及營業額有關。本集團採用除稅前比率估計貼現率，有關除稅前比率反映現金產生單位之貨幣時值及特定風險之現時市場評估。增長率乃根據現金產生單位業務經營所在地區之長期平均經濟增長率計算。預算毛利率及營業額乃基於過去慣例及市場發展預期計算。

本集團編製之現金流量預測，乃源自經董事通過未來五年及剩餘期間的二零一九年增長率為3%之最近期財務預算。該增長率不超過有關市場的平均長期增長率。截至二零一九年十二月三十一日止年度，預測現金流量所採用的除稅前貼現率為22.5%。該金額於二零一九年悉數減值。

於二零一九年進行減值測試前，分配至O2O商務營運現金產生單位之商譽之賬面值為人民幣11,451,000元。O2O商務營運現金產生單位表現未如預期，乃由於：

- (i) 因電子商務渠道出現變動，故品牌合作夥伴提供之佣金費率下降；
- (ii) 因本地市場存在經濟方面的不確定性，故若干品牌合作夥伴拒絕LCE集團之參與；及

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23. GOODWILL (Continued)

Notes: (Continued)

(a) (Continued)

- (iii) certain brand partners did not renew their agency agreements with the LCE Group due to the poor sales performance from the e-commerce platform management by the LCE Group.

Accordingly, the Group had revised its cash flow forecasts for this CGU. The recoverable amount of the CGU had been substantially reduced to zero in 2019. Therefore, impairment losses of RMB11,451,000 and RMB26,962,000 were recognised on goodwill and non-current assets (note 24) in profit or loss for the year ended 31 December 2019. The situation in 2020 has still not yet been improved although COVID-19 pandemic did not bring much impact on the industry it operated. Hence, the recoverable amount of the CGU was still below the carrying amount of the assets belong. No reversal of impairment on non-current assets was required in 2020.

- (b) The Group acquired 51% of the equity interest in Virtual City Limited ("VCL") in 2013. The goodwill arising from the acquisition is allocated to CGU of software development and CGU of hardware installation respectively under the others segment. Due to the decrease in customers' demand was attributable to the keen competition in the market, the PRC's economic downturn as well as technology obsolescence threatened the revenue generated from the CGU of software development, the amount had been fully impaired since 2017. The situation has still not yet been improved since 2018. Hence, the recoverable amount of the CGU of software development was still below the carrying amount of the assets belong. No reversal of impairment on software development cost was required in 2020.

23. 商譽(續)

附註：(續)

(a) (續)

- (iii) 因由LCE集團管理之電子商務平台之銷售表現欠佳，故若干品牌合作夥伴並無與LCE集團重續代理商協議。

據此，本集團修訂其就此現金產生單位之現金流量預測。於二零一九年，現金產生單位之可回收金額大幅降至零。因此，於截至二零一九年十二月三十一日止年度之損益中就商譽及非流動資產(附註24)確認減值虧損人民幣11,451,000元及人民幣26,962,000元。儘管2019冠狀病毒病疫情並未對其經營之行業產生重大影響，惟二零二零年之情況仍未改善。因此，現金產生單位之可收回金額仍低於資產所屬現金產生單位之賬面值，故於二零二零年毋須撥回非流動資產之減值。

- (b) 本集團於二零一三年收購Virtual City Limited("VCL")之51%股權。該收購所產生商譽分別分配至其他分部下軟件開發及硬件安裝的兩個現金產生單位。鑒於客戶需求下跌乃由於市場激烈競爭、中國經濟衰退及技術過時威脅軟件開發現金產生單位所產生之收入，該金額已自二零一七年起悉數減值。有關情況自二零一八年起仍未見改善。因此，軟件開發現金產生單位之可收回金額仍低於資產所屬現金產生單位之賬面值，故於二零二零年毋須撥回軟件開發成本之減值。

24. INTANGIBLE ASSETS

24. 無形資產

		Software development costs 軟件開發成本 RMB'000 人民幣千元 (note (a)) (附註(a))	Customer relationship 客戶關係 RMB'000 人民幣千元 (note (b)) (附註(b))	Computer Software 電腦軟件 RMB'000 人民幣千元 (note (c)) (附註(c))	Trademark 商標 RMB'000 人民幣千元 (note (d)) (附註(d))	Total 總計 RMB'000 人民幣千元
Cost	成本					
At 1 January 2019	於二零一九年一月一日	55,752	40,076	90	-	95,918
Additions	添置	-	-	283	460	743
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	55,752	40,076	373	460	96,661
Additions	添置	-	-	90	-	90
At 31 December 2020	於二零二零年十二月三十一日	55,752	40,076	463	460	96,751
Accumulated amortisation and impairment losses	累計攤銷及減值虧損					
At 1 January 2019	於二零一九年一月一日	55,752	6,679	26	-	62,457
Amortisation for the year	年內攤銷	-	6,679	77	27	6,783
Impairment loss (note 23(a))	減值虧損(附註23(a))	-	26,718	244	-	26,962
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	55,752	40,076	347	27	96,202
Amortisation for the year	年內攤銷	-	-	63	53	116
At 31 December 2020	於二零二零年十二月三十一日	55,752	40,076	410	80	96,318
Carrying amount	賬面值					
At 31 December 2020	於二零二零年十二月三十一日	-	-	53	380	433
At 31 December 2019	於二零一九年十二月三十一日	-	-	26	433	459

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24. INTANGIBLE ASSETS (Continued)

Notes:

- Software development costs represent the self-developed software for sales and are amortised over the estimated useful life of 5 years. Software development costs belong to the CGU of software development under others segment, details of the impairment testing are set out in note 23(b).
- Customer relationship represents the customer base and other business relationships built up in O2O commerce operations and is amortised over the estimated useful life of 6 years. Customer relationship belongs to the CGU of O2O commerce operations, details of impairment testing are set out in note 23(a).
- Computer software represents software acquired from third party and is amortised over the useful life of 5 years.
- Trademark represents trademark acquired from a third party and is amortised over the useful life of 9 years.

25. INVESTMENTS IN SUBSIDIARIES

Particulars of the subsidiaries as at 31 December 2020 are as follows:

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment and operation 註冊成立/ 成立地點 及經營地	Issued capital/ registered capital 已發行股本/ 註冊資本	Percentage of ownership interest		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Virtual City Limited	BVI 英屬處女群島	US\$11,000 美金 11,000 元	55.45%	-	Investment holding 投資控股
Smartac Group Limited 盈聯智能集團有限公司	HK 香港	HK\$14,450,001 港幣 14,450,001 元	-	100%	Investment holding 投資控股
Smartac International Limited 盈聯智能國際有限公司	HK 香港	HK\$1 港幣 1 元	-	100%	Investment holding 投資控股
Smartac Asia Limited 盈聯智能亞洲有限公司	HK 香港	HK\$1,000 港幣 1,000 元	-	100%	Inactive 暫不活躍
Smartac Intelligent Systems Macau Limited 盈聯智能系統(澳門)有限公司	Macau 澳門	MOP100,000 澳門幣 100,000 元	-	100%	Inactive 暫不活躍

24. 無形資產(續)

附註：

- 軟件開發成本指自主開發以供出售之軟件，並於5年預計可用年期內攤銷。軟件開發成本屬其他分部下軟件開發之現金產生單位，其減值測試詳情載於附註23(b)。
- 客戶關係指客戶基礎及在O2O商務營運建立之其他業務關係，並於6年預計可用年期內攤銷。客戶關係屬O2O商務營運現金產生單位，其減值測試詳情載於附註23(a)。
- 電腦軟件指自第三方購入之軟件，並於5年可用年期內攤銷。
- 商標指自第三方取得之商標，並於9年可使用年期內攤銷。

25. 於附屬公司之投資

於二零二零年十二月三十一日之附屬公司詳情如下：

25. INVESTMENTS IN SUBSIDIARIES (Continued)

25. 於附屬公司之投資(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment and operation 註冊成立/ 成立地點 及經營地	Issued capital/ registered capital 已發行股本/ 註冊資本	Percentage of ownership interest 擁有權益之比例		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Korea Accelerator Incorporated	Korea 韓國	KRW500,000,000 500,000,000 韓圓	-	100%	Inactive 暫不活躍
Smartac China Limited 盈聯智能中國有限公司	HK 香港	HK\$15,612,500 港幣 15,612,500 元	-	100%	Investment holding 投資控股
盈聯卡內基信息科技(蘇州)有限公司* (PCS Carnegie Technology (Suzhou) Ltd.)#	The PRC 中國	US\$3,310,000 美金 3,310,000 元	-	100%	Investment holding 投資控股
蘇州盈聯智能科技股份有限公司^ (Smartac Solutions (Suzhou) Ltd.)#	The PRC 中國	RMB34,800,000 人民幣 34,800,000 元	-	97.27%	Software development and IT support services 軟件開發及資訊科技 支援服務
蘇州樂逛智能科技有限公司^ (ShopperConnect (Suzhou) Limited)#	The PRC 中國	RMB2,000,000 人民幣 2,000,000 元	-	85%	Software development and IT support services 軟件開發及資訊科技 支援服務
Tosun Limited 騰信有限公司	BVI 英屬處女群島	US\$1 美金 1 元	100%	-	Investment holding 投資控股
Cosmartec Limited 環宇智能技術有限公司	HK 香港	HK\$30,000,000 港幣 30,000,000 元	-	100%	Investment holding and provision of electronic payment related services 投資控股及提供電子支付 相關服務

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25. INVESTMENTS IN SUBSIDIARIES (Continued)

25. 於附屬公司之投資(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment and operation 註冊成立/ 成立地點 及經營地	Issued capital/ registered capital 已發行股本/ 註冊資本	Percentage of ownership interest 擁有權益之比例		Principal activities 主要業務
			Direct 直接	Indirect 間接	
上海簡而秀網絡科技有限公司* (Shanghai Jianerxiu Network Technology Co., Limited) #	The PRC 中國	RMB20,000,000 人民幣 20,000,000 元	-	100%	Management, operation and provision of market strategy of online shops and e-commerce platforms 線上店舖及電子商務 平台的管理、營運及 提供營銷策略
上海視界線網絡科技有限公司* (Shanghai Shijixian Network Technology Co., Limited) #	The PRC 中國	RMB10,000,000 人民幣 10,000,000 元	-	100%	Trading of goods 銷售貨品
Haihai Limited (formerly known as Haihai Travel Cloud Limited) (note (b)) 嗨嗨有限公司(前稱嗨嗨旅遊雲 有限公司)(附註(b))	HK 香港	HK\$21,400,000 港幣 21,400,000 元	-	100%	Provision of electronic payment solutions and services 提供電子支付解決方案及 服務
Select Sky Limited 華唯有限公司	HK 香港	HK\$50,000,000 港幣 50,000,000 元	-	100%	Investment holding 投資控股
鴿子數碼科技(宜興)有限公司* (Solomedia (Yixing) Limited)#	The PRC 中國	HK\$50,000,000 港幣 50,000,000 元	-	100%	Trading of goods 銷售貨品
Great Sino Technology Development Limited ("GSTD") 華誠科技發展有限公司(「華誠」)	HK 香港	HK\$240,000,000 港幣 240,000,000 元	-	100%	Investment holding 投資控股
鴿子數碼科技(上海)有限公司* (Solomedia Digital (Shanghai) Limited)#	The PRC 中國	HK\$240,000,000 港幣 240,000,000 元	-	100%	Trading of goods 銷售貨品

25. INVESTMENTS IN SUBSIDIARIES (Continued)

25. 於附屬公司之投資(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment and operation 註冊成立/ 成立地點 及經營地	Issued capital/ registered capital 已發行股本/ 註冊資本	Percentage of ownership interest 擁有權益之比例		Principal activities 主要業務
			Direct 直接	Indirect 間接	
宜興鴿子廣告傳媒有限公司^ (Yixing Solomedia Advertising Media Limited)*	The PRC 中國	RMB1,000,000 人民幣 1,000,000 元	-	100%	Inactive 暫不活躍
Fame Top Corporation Limited 名創有限公司	HK 香港	HK\$10,000 港幣 10,000 元	-	100%	Investment holding and trading of goods 投資控股及銷售貨品
Fame Top US Inc.	The US 美國	US\$1,000,000 美金 1,000,000 元	-	100%	Trading of goods 銷售貨品
Winning Grace Limited 雋榮有限公司	HK 香港	HK\$10,000 港幣 10,000 元	-	100%	Trading of goods 銷售貨品
Smartac Holdings Limited (formerly known as Cosmos Base Technology Limited) Smartac Holdings Limited (前稱鴻基科技有限公司)	HK 香港	HK\$1 港幣 1 元	-	100%	Trading of goods and provision of beauty services 銷售貨品及提供美容服務
Hihi Beauty Limited	HK 香港	HK\$1 港幣 1 元	-	100%	Trading of goods 銷售貨品
LCE Group Limited	BVI 英屬處女群島	US\$10,000 美金 10,000 元	51%	-	Investment holding 投資控股
LCE HK Limited	HK 香港	HK\$10,000 港幣 10,000 元	-	100%	Investment holding 投資控股
上海朔泓信息技術有限公司* (Shanghai Shouhong Information Technology Limited)*	The PRC 中國	RMB5,000,000 人民幣 5,000,000 元	-	100%	Trading of goods and provision of marketing strategy 銷售貨品及提供營銷策略

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25. INVESTMENTS IN SUBSIDIARIES (Continued)

25. 於附屬公司之投資(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment and operation 註冊成立/ 成立地點 及經營地	Issued capital/ registered capital 已發行股本/ 註冊資本	Percentage of ownership interest		Principal activities 主要業務
			Direct 直接	Indirect 間接	
上海建運信息技術有限公司 [^] (Lucky Creation Enterprise (Shanghai) Limited) [#]	The PRC 中國	RMB5,000,000 人民幣 5,000,000 元	–	100%	Trading of goods and provision of marketing strategy, management of operation of online shop on e-commerce platforms 銷售貨品及提供電子商務平台線上店舖營銷策略及營運管理
建宜信息技術(上海)有限公司 [^] (Jianyi Information Technology (Shanghai) Limited) [#]	The PRC 中國	RMB1,467,259 人民幣 1,467,259 元	–	100%	Provision of marketing strategy, management of operation of online shop on e-commerce platforms 提供電子商務平台線上店舖營銷策略及營運管理
Upfront Success Limited	BVI 英屬處女群島	US\$1 美金 1 元	100%	–	Investment holding 投資控股
Value Top Group Limited (note (c)) Value Top Group Limited (附註(c))	BVI 英屬處女群島	US\$50,000 美金 50,000 元	–	51%	Investment holding 投資控股
World Gold Technology Limited	HK 香港	HK\$1 港幣 1 元	–	100%	Investment holding 投資控股
錦辰(上海)國際貿易有限公司* (Prospect Delight (Shanghai) Limited) [#]	The PRC 中國	RMB20,000,000 人民幣 20,000,000 元	–	100%	Trading of goods 銷售貨品
Prospect Delight (HK) Inc. Limited 錦鑫(香港)有限公司	HK 香港	HK\$1,000,000 港幣 1,000,000 元	–	100%	Investment holding and trading of goods 投資控股及銷售貨品

25. INVESTMENTS IN SUBSIDIARIES (Continued)

25. 於附屬公司之投資(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment and operation 註冊成立/ 成立地點 及經營地	Issued capital/ registered capital 已發行股本/ 註冊資本	Percentage of ownership interest 擁有權益之比例		Principal activities 主要業務
			Direct 直接	Indirect 間接	
日本錦合貿易株式會社 (Japan Nishiki Trading Co., Ltd.)*	Japan 日本	JPY1,000,000 1,000,000 日圓	-	100%	Not yet commenced business 尚未開展業務
Forever Triumph Holdings Limited	BVI 英屬處女群島	US\$1 美金 1 元	100%	-	Investment holding 投資控股
Smartronic Limited (formerly known as Worth Access Limited) 智能創力有限公司(前稱百爾有限公司)	HK 香港	HK\$100,000 港幣 100,000 元	-	51%	Trading of goods 銷售貨品
A-List Holdings Limited	BVI 英屬處女群島	US\$1 美金 1 元	100%	-	Not yet commenced business 尚未開展業務
Eminent Noble Holdings Limited	BVI 英屬處女群島	US\$1 美金 1 元	100%	-	Investment holding 投資控股
Denny International Limited 德賢國際有限公司	HK 香港	HK\$10,000 港幣 10,000 元	-	51%	Trading of goods 銷售貨品
Excel Classic Holdings Limited	BVI 英屬處女群島	US\$1 美金 1 元	100%	-	Not yet commenced business 尚未開展業務
Smartac Hong Kong Limited	HK 香港	HK\$10,000 港幣 10,000 元	100%	-	Provision of Group's administrative services 提供集團行政服務

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25. INVESTMENTS IN SUBSIDIARIES (Continued)

25. 於附屬公司之投資(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment and operation 註冊成立/ 成立地點 及經營地	Issued capital/ registered capital 已發行股本/ 註冊資本	Percentage of ownership interest		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Smartac Secretaries Limited	HK 香港	HK\$10,000 港幣 10,000 元	100%	-	Not yet commenced business 尚未開展業務
Treasure Beam Holdings Limited	BVI 英屬處女群島	US\$1 美金 1 元	100%	-	Not yet commenced business 尚未開展業務
Novel Edge Holdings Limited	BVI 英屬處女群島	US\$1 美金 1 元	100%	-	Inactive 暫不活躍
Radiant Wave International Limited	BVI 英屬處女群島	US\$50,000 美金 50,000 元	100%	-	Inactive 暫不活躍
Sky Oasis Holdings Limited	BVI 英屬處女群島	US\$1 美金 1 元	100%	-	Inactive 暫不活躍

* These subsidiaries are foreign investment enterprises established pursuant to the law of the PRC.

* 該等附屬公司乃根據中國法律成立的外商投資企業。

^ These subsidiaries are registered with limited liability under the law of the PRC.

^ 該等附屬公司乃根據中國法律註冊之有限責任公司。

Being English translated names.

英文翻譯名稱。

25. INVESTMENTS IN SUBSIDIARIES (Continued)

Notes:

- (a) The following table shows information on the subsidiaries that have non-controlling interests material to the Group. The financial information represents amounts before inter-company eliminations.

	VCL	LCE Group
Date of incorporation 註冊成立日期	28 August 2013 二零一三年八月二十八日	27 March 2017 二零一七年三月二十七日
Place of incorporation 註冊成立地點	BVI 英屬處女群島	BVI 英屬處女群島
Principal place of business 主要營業地點	HK and the PRC 香港及中國	The PRC 中國
% of ownership interests/voting rights held by non-controlling interests 非控股權益持有擁有權權益/投票權比例	44.55%	49%

25. 於附屬公司之投資(續)

附註：

- (a) 下表載列擁有對本集團而言屬重大非控股權益的附屬公司資料。財務資料代表集團內公司間對銷前之金額。

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
At 31 December:				
Non-current assets 非流動資產	64,604	64,381	119	227
Current assets 流動資產	11,169	11,278	10,343	21,325
Current liabilities 流動負債	(16,099)	(16,981)	(11,692)	(12,260)
Non-current liabilities 非流動負債	(13,118)	(13,099)	-	-
Net assets/(liabilities) 淨資產/(負債)	46,556	45,579	(1,230)	9,292
Accumulated non-controlling interests 累計非控股權益	20,741	20,305	(603)	4,553
Year ended 31 December:				
Profit/(loss) and total comprehensive income 溢利/(虧損)與全面收益總額	1,063	677	(10,523)	(30,339)
Profit/(loss) allocated to non-controlling interests 分配至非控股權益之溢利/(虧損)	525	337	(5,156)	(14,866)
Net cash generated from/ (used in) operating activities 經營活動產生/(耗用)之淨現金	1,140	-	(5,860)	(8,365)
Net cash (used in)/generated from investing activities 投資活動(耗用)/產生之淨現金	(119)	(25)	5	(502)
Net cash used in financing activities 融資活動耗用之淨現金	(1,000)	(478)	-	-
Exchange reserves 匯兌儲備	10	(16)	(212)	70
Net increase/(decrease) in cash and cash equivalents 現金及現金等價物增加/(減少)淨額	31	(519)	(6,067)	(8,797)

- (b) During the year, the Group acquired entire 30% equity interest of Haihai Limited from the non-controlling interest. Hence, Haihai Limited becomes the wholly-owned subsidiary of the Group thereof.

- (c) During the year, the Group disposed of 49% equity interest in a wholly-owned subsidiary, Value Top Group Limited without loss of control.

- (b) 年內，本集團向非控股權益收購嗨嗨有限公司全部30%股權。因此，嗨嗨有限公司成為本集團之全資附屬公司。

- (c) 年內，本集團在並無失去控制權之情況下出售全資附屬公司 Value Top Group Limited 之49%股權。

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26. INVESTMENT IN AN ASSOCIATE

26. 於一間聯營公司投資

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Unlisted investment:	非上市投資：		
Share of net assets	應佔淨資產	5,024	3,934
Goodwill	商譽	7,224	7,224
		12,248	11,158
Less: Accumulated impairment loss	減：累計減值虧損	(7,224)	(7,224)
		5,024	3,934

Note:

(a) Details of the Group's associate at 31 December 2020 are as follows:

附註：

(a) 本集團於二零二零年十二月三十一日之聯營公司詳情如下：

Name	Place of establishment and operation	Registered capital	Percentage of ownership interest	Principal activities
名稱	成立地點及經營地	註冊資本	權益百分比	主要業務
上海澤維信息技術有限公司 ("Zewei") 上海澤維信息技術有限公司(「澤維」)	The PRC 中國	RMB6,060,606 人民幣 6,060,606 元	27.4%	Provision of information inquiries and sharing services 提供資訊查詢及分享服務

The following table shows information on the associate that is material to the Group. This associate is accounted for in the consolidated financial statements using the equity method. The summarised financial information presented is based on the associate's adjusted management financial statements prepared under IFRS.

下表載列一間對本集團而言屬重大的聯營公司資料。該聯營公司採用權益法計入綜合財務報表。所呈列財務資料概要乃基於該聯營公司按國際財務報告準則編製之經調整管理財務報表。

26. INVESTMENT IN AN ASSOCIATE (Continued)

Notes: (Continued)

(a) (Continued)

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
At 31 December:	於十二月三十一日：		
Non-current assets	非流動資產	155	310
Current assets	流動資產	22,768	16,608
Non-current liabilities	非流動負債	(206)	(206)
Current liabilities	流動負債	(4,382)	(2,356)
Net assets	淨資產	18,335	14,356
Group's share of net assets	本集團應佔淨資產	5,024	3,934
Goodwill	商譽	7,224	7,224
Group's share of carrying amount of interests	本集團應佔權益賬面值	12,248	11,158
Year ended 31 December:	截至十二月三十一日止年度：		
Revenue	收入	84,523	32,953
Profit for the year and total comprehensive income	年內溢利及全面收益總額	3,980	3,879

(b) The recoverable amount of the investment in Zewei in 2019 was determined from the value in use calculations. The key assumptions for the value in use calculations were those regarding the discount rate, growth rate and budgeted revenue. The Group estimated discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the investment in Zewei. The growth rate was based on long-term average economic growth rate of the geographical area in which Zewei operates. Budgeted revenue was based on expectations on market development of related operations.

The cash flow forecasts of Zewei were derived from the most recent financial budgets approved by the directors covering a five-year period using a growth rate of 3%. The pre-tax rate used to discount the forecast cash flow was 23.5%. Since the recoverable amount of Zewei was approximate to its carrying amount, no impairment loss was recognised in 2019.

After consideration of recent financial performance of Zewei these two years due to the change of Zewei's business strategy, the directors did not consider any indication of impairment existed in 2020. Hence, no impairment test was performed in 2020.

As at 31 December 2020, the bank and cash balances of the Group's associate in the PRC denominated in RMB amounted to RMB17,476,000 (2019: RMB13,234,000). Conversion of RMB into foreign currencies and remittance of RMB out of the PRC are subject to the foreign exchange control regulations imposed by the PRC government.

26. 於一間聯營公司之投資(續)

附註：(續)

(a) (續)

(b) 於二零一九年，投資澤維之可收回金額乃按使用價值計算釐定。使用價值計算所涉及主要假設乃與貼現率、增長率及預算營業額相關者。本集團使用反映當前市場之貨幣時間價值評估及投資澤維之特定風險之除稅前比率估計貼現率。增長率乃基於澤維營運所在地區之長期平均經濟增長率。預算營業額乃基於相關營運之預期市場發展。

澤維之現金流量預測乃源自董事所批准採用增長率3%計算涵蓋五年期之最近期財務預算。用以貼現預測現金流量之除稅前比率為23.5%。由於澤維之可收回金額與其賬面值相若，故並無於二零一九年確認減值虧損。

經考慮澤維之業務策略變動導致澤維於該兩個年度之近期財務表現後，董事認為於二零二零年並無任何減值跡象。因此，於二零二零年並無進行減值測試。

於二零二零年十二月三十一日，本集團之中國聯營公司以人民幣計值之銀行及現金結存為人民幣17,476,000元(二零一九年：人民幣13,234,000元)。將人民幣兌換為外幣及匯出中國境外須遵守中國政府實施之外匯管制規定。

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27. FINANCIAL ASSETS AT FVTOCI

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Non-current assets	非流動資產		
Unlisted equity securities	非上市股本證券	-	-

The unlisted equity securities represented an investment of 1.81% equity interest in a private company established in the PRC.

The fair value of this investment at 31 December 2020 and 2019 was valued on market comparison approach with reference to market comparable ratio of listed companies engaging in similar business of the investee. The valuation was performed by Valtech Valuation Advisory Limited ("Valtech") in 2020 while valuation was performed by AVISTA Valuation Advisory Limited ("AVISTA") in 2019. Both Valtech and AVISTA are independent valuation firms. By taking into account of the valuation prepared by Valtech, the management considered the fair value of the financial assets at FVTOCI at 31 December 2020 was still immaterial. There was no change of valuation methodology for both years.

The above financial assets at FVTOCI are denominated in RMB.

27. 按公允值計入其他全面收益之金融資產

非上市股本證券指於一間在中國成立之私人公司之 1.81% 股權投資。

此投資於二零二零年及二零一九年十二月三十一日之公允值乃以市場比較法並參照從事與投資對象相近業務之上市公司之市場可比率進行估值。二零二零年之估值乃由方程評估有限公司(「方程」)進行，而二零一九年之估值則由艾華迪評估諮詢有限公司(「艾華迪」)進行。方程及艾華迪均為獨立估值公司。考慮方程所編製之估值後，管理層認為按公允值計入其他全面收益之金融資產於二零二零年十二月三十一日之公允值仍為並不重大。於兩個年度之估值方法均無變動。

上述按公允值計入其他全面收益之金融資產以人民幣計值。

28. INVENTORIES

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Finished goods	製成品	32,222	5,991
Less: Allowance	減：撥備	(9,873)	(2,681)
		22,349	3,310

28. 存貨

28. INVENTORIES (Continued)

Reconciliation of allowance for inventories:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
At 1 January	於一月一日	2,681	948
Write-off	撤銷	(1,060)	-
Allowance for the year	年內撥備	8,356	1,718
Exchange differences	匯兌差額	(104)	15
At 31 December	於十二月三十一日	9,873	2,681

28. 存貨(續)

存貨撥備對賬：

29. TRADE RECEIVABLES

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Trade receivables (note)	應收賬款(附註)	62,686	6,273
Less: Allowance (note 6(b))	減：撥備(附註6(b))	(1,299)	(410)
		61,387	5,863

29. 應收賬款

Note:

The Group's trading terms with customers are mainly on credit. The credit terms generally range from cash on delivery to 180 days. The Group seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly by senior management.

附註：

本集團與客戶之貿易條款以信貸方式為主。信貸期限一般介乎貨到付款至180天。本集團力求保持嚴格控制未結清應收款，而高級管理人員會定期審閱逾期餘額。

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29. TRADE RECEIVABLES (Continued)

The ageing analysis of the Group's trade receivables, based on the invoice date, and net of allowance, is as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Up to 3 months	3個月內	55,904	5,799
3 to 6 months	3至6個月	5,369	10
6 months to 1 year	6個月至1年	31	46
Over 1 year	1年以上	83	8
		61,387	5,863

The carrying amounts of the Group's net trade receivables are denominated in the following currencies:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
HK\$	港幣	45,031	61
RMB	人民幣	6,021	3,585
US\$	美金	8,050	2,217
EUR	歐元	2,285	—
		61,387	5,863

29. 應收賬款(續)

根據發票日期，本集團應收賬款(經扣除撥備)之賬齡分析如下：

本集團應收賬款淨額之賬面值以下列貨幣計值：

30. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Advance payments to suppliers (note (a))	向供應商作出之墊款付款(附註(a))	10,673	—
Deposits (note (b) and (e))	按金(附註(b)及(e))	6,472	7,578
Prepayments	預付款	3,129	1,789
Other receivables	其他應收款		
— Settlement obligation receivable (note (c))	— 清算責任應收款(附註(c))	857	1,553
— Others (note (b))	— 其他(附註(b))	5,043	1,953
VAT recoverable (note (d))	可收回增值稅(附註(d))	1,712	788
		27,886	13,661

30. 預付款、按金及其他應收款

30. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (Continued)

- (a) Included in advance payments to suppliers of HK\$2,159,000 (equivalent to RMB1,812,000) (2019: Nil) paid to a company controlled by a non-controlling interest of the Group, representing 50% of the total amount of the accepted purchase order of goods.
- (b) Included amounts of RMB4,863,000 represented guarantee deposits paid to suppliers to ensure the stability of goods supply in 2019. The amounts of RMB2,806,000 were included in other receivables upon expiry of supplier contracts in 2020.
- (c) The amount as at 31 December 2020 was received after year end from an e-commerce partner for settlement of the obligations as disclosed in note 33(a).
- (d) Reversal of impairment loss of RMB18,000 (2019: RMB190,000 impairment loss) on VAT recoverable was recognised for the year ended 31 December 2020 due to utilisation of VAT recoverable during the year.
- (e) Included in amount of HK\$2,908,000 (equivalent to RMB2,441,000) deposit for acquisition of 24.81% equity interest in a private company, such amount carried interest of 5% per annum. The amount shall be repaid together with the interest accrued to the Group if no definitive sales and purchase agreement has been signed on or before 3 March 2021. Subsequently on 12 March 2021, the Group and the vendor of the investee agreed to extend the repayment date to six months from 1 March 2021 by way of signing a loan agreement. The amount bears interest of 5% per annum.

The carrying amounts of the Group's deposits and other receivables are denominated in the following currencies:

30. 預付款、按金及其他應收款(續)

- (a) 向供應商作出之墊款付款包括支付予本集團非控股權益控制之公司港幣2,159,000元(相當於人民幣1,812,000元)(二零一九年:無),佔已接受貨品採購訂單總額之50%。
- (b) 人民幣4,863,000元之款項包括於二零一九年為確保貨品供應穩定而向供應商支付之保證金。人民幣2,806,000元之款項於二零二零年供應商合約屆滿後計入其他應收款。
- (c) 誠如附註33(a)所披露,於二零二零年十二月三十一日之款項乃於年末後從電子商務夥伴就清算責任收取。
- (d) 可收回增值稅減值虧損撥回人民幣18,000元(二零一九年:減值虧損人民幣190,000元)於截至二零二零年十二月三十一日止年度確認,乃由於年內動用可收回增值稅。
- (e) 計入收購一間私人公司24.81%股權之按金港幣2,908,000元(相當於人民幣2,441,000元),該款項按5%之年利率計息。倘於二零二一年三月三日或之前並無簽訂正式買賣協議,該金額應連同應計利息一併償還予本集團。其後於二零二一年三月十二日,本集團與投資對象之賣方同意透過簽訂貸款協議將還款日期延長至二零二一年三月一日起計六個月。該款項按5%之年利率計息。

本集團按金及其他應收款之賬面值以下列貨幣計值:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
HK\$	港幣	4,430	2,065
RMB	人民幣	7,538	9,019
US\$	美金	404	-
		12,372	11,084

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31. CASH AND CASH EQUIVALENTS

31. 現金及現金等價物

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Bank and cash balances (note (b))	銀行及現金結存(附註(b))	43,668	85,931
Time deposits mature within three months (note (a))	三個月內到期之定期存款(附註(a))	16,801	140,443
		60,469	226,374

Note:

- (a) The Group placed time deposits with banks with high credit-rating assigned by international credit-rating agencies in Hong Kong, with fixed maturities and fixed interest rate which expose the Group to fair value interest rate risk.

The interest rate on short-term bank deposit was 0.01% (2019: ranging from 2.08% to 2.45% per annum).

The balances were denominated in HK\$.

- (b) As at 31 December 2020, bank balance of RMB707,000 (2019: RMB1,636,000) was restricted for the purpose of settlement obligations as set out in note 33(a).

The carrying amounts of the Group's cash and cash equivalents are denominated in the following currencies:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
US\$	美金	1,964	51
HK\$	港幣	43,048	212,664
RMB	人民幣	15,419	13,652
Others	其他	38	7
		60,469	226,374

As at 31 December 2020, the Group's bank and cash balances held by the PRC subsidiaries denominated in RMB amounted to RMB18,328,000 (2019: RMB13,367,000). Conversion of RMB out of the PRC are subject to the foreign exchange control regulations imposed by the PRC government.

附註：

- (a) 本集團將定期存款存於獲國際信貸評級機構評為高信貸評級之香港銀行，其有固定到期日及按固定利率計息，令本集團承受公允值利率風險。

短期銀行存款之利率為0.01%（二零一九年：每年介乎2.08%至2.45%）。

結存均以港幣計值。

- (b) 於二零二零年十二月三十一日，人民幣707,000元（二零一九年：人民幣1,636,000元）銀行結存限於用作附註33(a)所載清算責任。

本集團現金及現金等價物之賬面值以下列貨幣計值：

於二零二零年十二月三十一日，本集團中國附屬公司所持以人民幣計值之銀行及現金結存為人民幣18,328,000元（二零一九年：人民幣13,367,000元）。將人民幣兌換為外幣並匯出中國境外須遵守中國政府實施之外匯管制規定。

32. TRADE PAYABLES

The ageing analysis of the Group's trade payables, based on the date of receipt of goods or service consumed, is as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Up to 3 months	3個月內	1,768	882
3 to 6 months	3至6個月	29	—
6 months to 1 year	6個月至1年	—	—
Over 1 year	1年以上	708	708
		2,505	1,590

The carrying amounts of the Group's trade payables are denominated in the following currencies:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
RMB	人民幣	803	1,350
HK\$	港幣	1,684	240
US\$	美金	18	—
		2,505	1,590

32. 應付賬款

根據收貨或享用服務日期，本集團應付賬款之賬齡分析如下：

本集團應付賬款之賬面值以下列貨幣計值：

33. ACCRUALS AND OTHER PAYABLES

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Other payables	其他應付款		
— Settlement obligation (note (a))	— 清算責任(附註(a))	1,564	3,190
— Other tax payables	— 其他應付稅項	192	301
— Rental deposits from tenants	— 自租戶收取之租約按金	1,312	1,159
— Others (noted (b))	— 其他(附註(b))	2,492	2,175
Capital gain tax payable (note (c))	資本增值稅應付款(附註(c))	6,180	6,602
Loan from non-controlling interest (note (d))	非控股權益貸款(附註(d))	4,897	—
Provision for social security costs	社會保障費用撥備	5,098	4,987
Accrued expenses	應計費用	3,805	2,967
		25,540	21,381

33. 應計費用及其他應付款

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33. ACCRUALS AND OTHER PAYABLES (Continued)

- (a) The settlement obligations are recognised upon receipt of fund mainly from the end user customers of WeChat Pay service. The balance represents the Group's obligations to remit the same amount to designated contracted merchants. The settlement is normally done in the next two business day of the transaction date.
- (b) Included an amount of RMB355,000 loan from a related party of a subsidiary, which bearing interest of 10% p.a. and repayable on or before 30 June 2021.
- (c) As at 31 December 2020, the Group had provision of capital gain tax of RMB6,180,000 (2019: RMB6,602,000) relating to the acquisition of LCE Group in 2017.
- (d) The loan from non-controlling interest is unsecured, interest-free and has no fixed term of repayment.

34. DUE TO A DIRECTOR

The amounts due to a director are unsecured, interest-free and have no fixed term of repayment.

35. BANK LOANS AND BANKING FACILITIES

The analysis of the Group's bank loans is as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Secured bank loans repayable within one year	須於一年內償還之 已抵押銀行貸款	8,000	9,000

The carrying amounts of the Group's bank loans are denominated in RMB.

33. 應計費用及其他應付款(續)

- (a) 清算責任乃於收取主要來自微信支付服務之終端客戶款項時確認。該結存指於本集團匯出同等金額至指定合約商戶之責任。一般而言，清算將於交易日期後兩個營業日內完成。
- (b) 包括來自一間附屬公司關聯方之貸款人民幣355,000元，按10%年利率計息及須於二零二一年六月三十日或之前償還。
- (c) 於二零二零年十二月三十一日，本集團就於二零一七年收購LCE Group計提資本增值稅撥備人民幣6,180,000元(二零一九年：人民幣6,602,000元)。
- (d) 非控股權益貸款為無抵押、免息及無固定還款期。

34. 應付董事款項

應付董事款項為無抵押、免息及並無固定償還期。

35. 銀行貸款及銀行融資

本集團銀行貸款分析如下：

本集團銀行貸款之賬面值以人民幣計值。

35. BANK LOANS AND BANKING FACILITIES (Continued) 35. 銀行貸款及銀行融資(續)

The Group's bank loans are arranged at the following interest rates:

本集團之銀行貸款按下列利率計息：

		2020 二零二零年	2019 二零一九年
Bank loan at fixed rate of RMB8,000,000 (2019: RMB9,000,000)	按固定利率計息之銀行貸款 人民幣8,000,000元 (二零一九年： 人民幣9,000,000元)	4.55% to 至 5.50%	5.44%

The Group's bank loans are repayable within one year. Bank loan of RMB8,000,000 (2019: RMB9,000,000) is arranged at fixed interest rate and expose the Group to fair value interest rate risk.

本集團之銀行貸款須於一年內償還。銀行貸款人民幣8,000,000元(二零一九年：人民幣9,000,000元)按固定利率計息及本集團承受公允值利率風險。

As at 31 December 2020, the Group's banking facilities and bank loans totalling RMB8,000,000 (2019: RMB9,000,000) are secured by:

於二零二零年十二月三十一日，本集團銀行融資及銀行貸款合共人民幣8,000,000元(二零一九年：人民幣9,000,000元)乃以下列項目抵押：

- Charge over the Group's building located in the PRC (note 19);
- Charge over the Group's investment properties (note 20);
- Charge over the Group's right-of-use assets related to leasehold lands in the PRC (note 21); and
- Personal guarantee from a director of the Company's subsidiaries.

- 本集團位於中國之樓宇(附註19)；
- 本集團投資物業(附註20)；
- 本集團位於中國之租賃土地使用權資產(附註21)；及
- 本公司附屬公司一名董事之個人擔保。

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36. LEASE LIABILITIES

36. 租賃負債

		Minimum lease payments 最低租賃付款		Present value of minimum lease payments 最低租賃付款現值	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Within one year	一年內	4,013	1,451	3,393	1,330
More than one year, but not exceeding two years	超過一年，但不超過兩年	2,971	709	2,765	675
More than two years, but not exceeding five years	超過兩年，但不超過五年	248	-	247	-
		7,232	2,160	6,405	2,005
Less: Future finance charges	減：日後財務費用	(827)	(155)	N/A 不適用	N/A 不適用
Present value of lease obligations	租賃責任現值	6,405	2,005	6,405	2,005
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：12個月內到期應付款項(於流動負債列示)			(3,393)	(1,330)
Amount due for settlement after 12 months	12個月後到期應付款項			3,012	675

The weighted average incremental borrowing rates applied to lease liabilities range from 8.43% to 17.06% (2019: from 8.43% to 8.67%).

應用於租賃負債之加權平均增量借款利率介乎8.43%至17.06%(二零一九年：8.43%至8.67%)。

The carrying amounts of the Group's lease liabilities are denominated in the following currencies:

本集團租賃負債之賬面值以下列貨幣計值：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
RMB	人民幣	2,589	1,588
HK\$	港幣	3,816	417
		6,405	2,005

37. DEFERRED TAX

The following are the deferred tax liabilities recognised by the Group.

37. 遞延稅項

本集團確認之遞延稅項負債如下。

		Property, plant and equipment and other assets 物業、廠房 及設備以及 其他資產 RMB'000 人民幣千元	Investment properties 投資物業 RMB'000 人民幣千元	Customer relationship 客戶關係 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2019	於二零一九年一月一日	(538)	(12,183)	(8,349)	(21,070)
Credited/(charged) to profit or loss (note 12)	計入/(扣除)損益 (附註12)	51	(300)	8,349	8,100
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	(487)	(12,483)	-	(12,970)
Credited/(charged) to profit or loss (note 12)	計入/(扣除)損益 (附註12)	51	(200)	-	(149)
At 31 December 2020	於二零二零年 十二月三十一日	(436)	(12,683)	-	(13,119)

At 31 December 2020, the Group has unused tax losses of RMB101,587,000 (2019: RMB153,257,000) available for offset against future profits. No deferred tax asset has been recognised in respect of the tax losses of RMB101,587,000 (2019: RMB153,257,000) due to the unpredictability of future profit streams.

於二零二零年十二月三十一日，本集團有未使用之稅項虧損人民幣101,587,000元(二零一九年：人民幣153,257,000元)可供用作抵銷未來溢利。由於無法預測未來溢利來源，故並無就稅項虧損人民幣101,587,000元(二零一九年：人民幣153,257,000元)確認遞延稅項資產。

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37. DEFERRED TAX (Continued)

The unused tax losses of RMB80,860,000 (2019: RMB137,868,000) will expire as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Year 2020	二零二零年	-	74,500
Year 2021	二零二一年	27,174	27,737
Year 2022	二零二二年	22,721	23,104
Year 2023	二零二三年	7,862	8,118
Year 2024	二零二四年	4,409	4,409
Year 2025	二零二五年	18,694	-
		80,860	137,868

Apart from the tax losses as disclosed above, the remaining tax losses may be carried forward indefinitely.

37. 遞延稅項(續)

未使用之稅項虧損人民幣80,860,000元(二零一九年：人民幣137,868,000元)到期時間如下：

除上述披露之稅項虧損外，餘下稅項虧損可無限期結轉。

38. SHARE CAPITAL

38. 股本

		The Company 本公司	
		Number of shares 股份數目	Nominal value of shares 股份面值 HK\$'000 港幣千元
Authorised:	法定：		
Ordinary shares of HK\$0.05 each	每股面值港幣0.05元之普通股		
At 1 January 2019, 31 December 2019, 1 January 2020 and 31 December 2020	於二零一九年一月一日、 二零一九年十二月三十一日、 二零二零年一月一日及 二零二零年十二月三十一日	8,000,000,000	400,000

		Number of shares 股份數目	Nominal value of shares 股份面值 HK\$'000 港幣千元	Nominal value of shares 股份面值 RMB'000 人民幣千元
Issued and fully paid:	已發行及繳足：			
At 1 January 2019, 31 December 2019, 1 January 2020 and 31 December 2020	於二零一九年一月一日、 二零一九年 十二月三十一日、 二零二零年一月一日 及二零二零年 十二月三十一日	5,635,970,924	281,798	252,439

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders.

The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, if any, return capital to shareholders, issue new shares, or sell assets to reduce debt. No changes were made in the objectives, policies and processes during the years ended 31 December 2019 and 2020.

本集團資本管理之目的是為了保障本集團持續經營之能力，以持續向股東提供回報及為其他權益相關者帶來得益。

本集團根據經濟環境及相關資產風險特徵的變動管理資本架構並對其作出調整。為維持或調整資本架構，本集團或會調整支付予股東之股息款額（如有）、向股東返還資本、發行新股份、或出售資產以減低債務。於截至二零一九年及二零二零年十二月三十一日止年度有關目的、政策及流程並無變動。

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38. SHARE CAPITAL (Continued)

The Group monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt divided by adjusted capital. Net debt is calculated as total debts less cash and cash equivalents. Adjusted capital comprises all components of equity (i.e. share capital, share premium, accumulated losses and other reserves).

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Debt (a)	債務 (a)	42,450	40,821
Less: Cash and cash equivalents	減：現金及現金等價物	(60,469)	(226,374)
Net debt	債務淨額	N/A 不適用	N/A 不適用
Equity (b)	權益 (b)	178,114	241,589
Net debt-to-adjusted capital ratio	債務淨額對經調整資本比率	N/A 不適用	N/A 不適用

(a) Debt is defined as trade payables, accruals and other payables, due to a director, due to related parties, bank loans and lease liabilities as detailed in notes 32, 33, 34, 35, 36 and 45(a) to the consolidated financial statements.

(b) Equity includes all capital and reserves attributable to the owners of the Company.

It is the Group's strategy to keep the debt-to-adjusted capital ratio as low as feasible. Net debt-to-adjusted capital ratio was not applicable for the year ended 31 December 2020 because the Group had RMB60,469,000 (2019: RMB226,374,000) bank and cash balances arising from the share placement held near the year ended 31 December 2018 which can be sufficient to repay all the debts of the Group.

The only externally imposed capital requirement is that for the Group to maintain its listing on the Stock Exchange it has to have a public float of at least 25% of the shares.

The Group checks the substantial share interests showing the non-public float through the Stock Exchange's website and it demonstrates continuing compliance with the 25% limit throughout the year. At 31 December 2020, 89.47% (2019: 89.47%) of shares were in public hands.

38. 股本(續)

本集團基於債務對經調整資本比率監察資本。該比率以債務淨額除以經調整資本計算。債務淨額以債務總額減現金及現金等價物計算。經調整資本包括權益的全部組成部分(即股本、股份溢價、累計虧損及其他儲備)。

(a) 債務界定為應付賬款、應計費用及其他應付款、應付董事款項、應付關聯方款項、銀行貸款及租賃負債，詳情見綜合財務報表附註32、33、34、35、36及45(a)。

(b) 權益包括本公司擁有人應佔所有資本及儲備。

本集團的策略是盡可能將債務對經調整資本比率維持在低水平。截至二零二零年十二月三十一日止年度，債務淨額對經調整資本比率並不適用，原因為本集團於接近截至二零一八年十二月三十一日止年度持有因股份配售產生之銀行及現金結存人民幣60,469,000元(二零一九年：人民幣226,374,000元)，足以用作償還本集團所有債務。

唯一外部實施的資本要求是本集團為維持在聯交所上市而必須有至少25%股份由公眾持有。

本集團透過聯交所網站查詢顯示非公眾持股量之主要股份權益，其顯示於本年度一直持續符合25%限額之規定。於二零二零年十二月三十一日，89.47%(二零一九年：89.47%)股份由公眾持有。

39. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY 39. 本公司財務狀況表及儲備變動

(a) Statement of financial position of the Company

(a) 本公司財務狀況表

		At 31 December 於十二月三十一日	
		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及投資	8	–
Investments in subsidiaries	於附屬公司投資	30,820	30,726
		30,828	30,726
Current assets	流動資產		
Prepayment and other receivables	預付款及其他應收款	3,043	1,046
Due from subsidiaries	應收附屬公司款項	60,407	6,229
Cash and cash equivalents	現金及現金等價物	18,747	185,495
		82,197	192,770
Current liabilities	流動負債		
Accruals and other payables	應計費用及其他應付款	8,610	9,446
Due to subsidiaries	應付附屬公司款項	1,799	–
Due to a director	應付董事款項	–	896
		10,409	10,342
Net current assets	流動資產淨額	71,788	182,428
NET ASSETS	淨資產	102,616	213,154
Capital and reserves	資本及儲備		
Share capital	股本	252,439	252,439
Reserves	儲備	(149,823)	(39,285)
TOTAL EQUITY	總權益	102,616	213,154

Approved by the Board of Directors on 31 May 2021 and are signed on its behalf by:

董事會於二零二一年五月三十一日批准及由下列人士代表簽署：

Yang Xin Min
楊新民
Director
董事

Cheng Faat Ting Gary
鄭發丁
Director
董事

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39. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (Continued)

(b) Reserve movement of the Company

		Share premium account 股份溢價賬 RMB'000 人民幣千元 (note 40(b)(i)) (附註 40(b)(i))	Foreign currency translation reserve 匯兌儲備 RMB'000 人民幣千元 (note 40(b)(iii)) (附註 40(b)(iii))	Accumulated losses 累計虧損 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2019	於二零一九年一月一日	1,269,192	(98,560)	(1,152,799)	17,833
Total comprehensive income for the year	本年度全面收益總額	-	14,857	(71,975)	(57,118)
Changes in equity for the year	本年度權益變動	-	14,857	(71,975)	(57,118)
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	1,269,192	(83,703)	(1,224,774)	(39,285)
Total comprehensive income for the year	本年度全面收益總額	-	(7,875)	(102,663)	(110,538)
Changes in equity for the year	本年度權益變動	-	(7,875)	(102,663)	(110,538)
At 31 December 2020	於二零二零年十二月三十一日	1,269,192	(91,578)	(1,327,437)	(149,823)

39. 本公司財務狀況表及儲備變動(續)

(b) 本公司儲備變動

40. RESERVES

(a) The Group

The amounts of the Group's reserves and movements therein are presented in the Group's consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity.

(b) Nature and purpose of reserves

(i) Share premium account

Share premium represents premium arising from the issue of shares at a price in excess of their par value. Under the Companies Law of the Cayman Islands, the funds in the share premium account of the Company are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

40. 儲備

(a) 本集團

本集團之儲備金額及其變動於本集團之綜合損益與其他全面收益表以及綜合權益變動表呈列。

(b) 儲備性質及目的

(i) 股份溢價賬

股份溢價賬乃指因按高於每股面值之價格發行股份而產生之溢價。根據開曼群島公司法，本公司股份溢價賬之資金可供分派予本公司股東，惟緊隨建議分派股息日期後，本公司須有能力償還其於日常業務過程中到期之債務。

40. RESERVES (Continued)**(b) Nature and purpose of reserves (Continued)****(ii) Statutory reserve**

The statutory reserve, which is non-distributable, is appropriated from the profit after taxation of the Group's PRC subsidiaries under the applicable laws and regulations in the PRC.

(iii) Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 4(d) to the consolidated financial statements.

(iv) Capital reserve

The capital reserve represents the premium arising from further acquisition of the equity interest up to 100% in GSTD and Haihai Limited during the year ended 31 December 2015 and 2020 respectively.

(v) Other reserve

Other reserve represents the non-distributable reserves regarding the disposal of discontinued operations during the year ended 31 December 2015.

(vi) Financial assets at FVTOCI reserve

The financial assets at FVTOCI reserve comprises the cumulative net change in the fair value of financial assets at FVTOCI held at the end of the reporting period and is dealt with in accordance with the accounting policy in note 4(m) to the consolidated financial statements.

40. 儲備(續)**(b) 儲備性質及目的(續)****(ii) 法定儲備**

法定儲備為不可分派，乃根據中國適用法律及法規自本集團中國附屬公司除稅後溢利中劃撥。

(iii) 匯兌儲備

匯兌儲備包括換算境外業務的財務報表所產生的所有外匯差額。本公司根據綜合財務報表附註4(d)所載會計政策處理該儲備。

(iv) 資本儲備

資本儲備指截至二零一五年及二零二零年十二月三十一日止年度分別自進一步收購華誠及嗨嗨有限公司之100%股權產生之溢價。

(v) 其他儲備

其他儲備指截至二零一五年十二月三十一日止年度出售已終止經營業務相關不可分派儲備。

(vi) 按公允值計入其他全面收益之金融資產儲備

按公允值計入其他全面收益之金融資產儲備包括於報告期末持有之按公允值計入其他全面收益之金融資產之公允值累計變動淨額，並根據綜合財務報表附註4(m)所載會計政策處理。

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41. NOTE TO CASH FLOW STATEMENT

(a) 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 Group's consolidated statement of cash flows as cash flows from financing activities.

		Additions		Cash flows	Interest expenses	Gain on early termination of a lease	Rent concession	Exchange difference	31 December 2020
		1 January 2020	of new leases						
2020	二零二零年	二零二零年一月一日	添置新租賃	現金流量	利息支出	提早終止租賃之收益	租金寬免	匯兌差額	二零二零年十二月三十一日
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Bank loans (note 35)	銀行貸款(附註35)	9,000	-	(1,459)	459	-	-	-	8,000
Lease liabilities (note 36)	租賃負債(附註36)	2,005	8,231	(3,539)	742	(774)	(32)	(228)	6,405
Due to related parties/ other payables*	應付關聯方款項/ 其他應付款*	700	-	(345)	-	-	-	-	355
		11,705	8,231	(5,343)	1,201	(774)	(32)	(228)	14,760

		1 January 2019	Impact on initial application of IFRS 16	Restated balance at 1 January 2019	Additions of new leases	Cash flows	Interest expenses	Exchange difference	31 December 2019
2019	二零一九年	二零一九年一月一日	之影響	經重列結存	添置新租賃	現金流量	利息支出	匯兌差額	二零一九年十二月三十一日
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Bank loans (note 35)	銀行貸款(附註35)	9,000	-	9,000	-	(478)	478	-	9,000
Lease liabilities (note 36)	租賃負債(附註36)	-	2,235	2,235	1,382	(1,742)	119	11	2,005
Due to related parties	應付關聯方款項	700	-	700	-	-	-	-	700
		9,700	2,235	11,935	1,382	(2,220)	597	11	11,705

* The amount was grouped in other payables as the party was not regarded as senior management personnel by the senior management of the Company in 2020.

41. 現金流量表附註

(a) 融資活動產生之負債對賬

下表顯示本集團融資活動產生之負債變動詳情(包括現金及非現金變動)。融資活動產生之負債為現金流量已於或未來現金流量將於本集團綜合現金流量表內分類為融資活動產生之現金流量之負債。

* 由於該人士於二零二零年並不被本公司高級管理層視為高級管理人員，故該金額歸納於其他應付款。

41. NOTE TO CASH FLOW STATEMENT (Continued)**(b) Total cash outflow for leases**

Amounts included in the cash flow statements for leases comprise the following:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Within operating cash flows	計入經營現金流量	1,821	835
Within financing cash flows	計入融資現金流量	2,797	1,623
		4,618	2,458

These amounts relate to the following:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Lease rental paid	已付租賃租金	4,618	2,458

(c) Disposal of interest in a subsidiary without loss of control

During the year, the Group disposed of 49% interests in a wholly owned subsidiary at a cash consideration of US\$24,500. The effect of the disposal on the equity attributable to the owners of the Company is as follows:

		RMB'000 人民幣千元
Carrying amount of non-controlling interest disposed	已出售非控股權益之賬面值	(899)
Consideration received from non-controlling interest	自非控股權益之已收代價	172
Gain on disposal recognised directly in equity	直接於權益確認之出售收益	(727)

41. 現金流量表附註(續)**(b) 租賃之現金流出總額**

就租賃計入現金流量表之金額包括以下項目：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Within operating cash flows	計入經營現金流量	1,821	835
Within financing cash flows	計入融資現金流量	2,797	1,623
		4,618	2,458

該等金額與以下項目有關：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Lease rental paid	已付租賃租金	4,618	2,458

(c) 出售一間附屬公司之權益而並無失去控制權

年內，本集團以現金代價美金24,500元出售全資附屬公司之49%權益。出售事項對本公司擁有人應佔權益之影響如下：

		RMB'000 人民幣千元
Carrying amount of non-controlling interest disposed	已出售非控股權益之賬面值	(899)
Consideration received from non-controlling interest	自非控股權益之已收代價	172
Gain on disposal recognised directly in equity	直接於權益確認之出售收益	(727)

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41. NOTE TO CASH FLOW STATEMENT (Continued)

(d) Acquisition of interest in a subsidiary

During the year, the Group acquired the entire 30% equity interest in Haihai Limited, at a consideration of HK\$8,100,000 from its non-controlling interest. The consideration was divided into two parts: (i) HK\$5,100,000 payable to non-controlling interest; and (ii) HK\$3,000,000 to Haihai Limited for capital contribution commitment of non-controlling shareholder. The effect of the acquisition on the equity attributable to the owners of the Company is as follows:

	RMB'000 人民幣千元
Carrying amount of non-controlling interests acquired	(743)
Consideration paid to non-controlling interest	(4,676)
Surplus from acquisition recognised directly in equity	(5,419)

42. OPERATING LEASE ARRANGEMENTS

The Group as lessee

The Group regularly entered into short-term leases for offices. As at 31 December 2020, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense disclosed in note 21.

As at 31 December 2020, the outstanding lease commitments relating to leasing of office under short-term leases is RMB377,000 (2019: RMB112,000).

The Group as lessor

Operating leases relate to investment properties owned by the Group with lease terms of one to three years, with an option to renew the lease after the date at which time all terms are negotiated. All operating lease contracts contain market review clauses in the vent that the lessee exercises its options to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.

The unguaranteed residual values do not represent a significant risk for the Group, as they relate to property which is located in a location with a constant increase in value over the least four years. The Group did not identify any indications that this situation will change.

41. 現金流量表附註(續)

(d) 收購一間附屬公司之權益

年內，本集團向非控股權益收購嗨嗨有限公司全部30%股權，代價為港幣8,100,000元。有關代價分為兩個部分：(i)應付予非控股權益之港幣5,100,000元；及(ii)就非控股股東注資承擔應付予嗨嗨有限公司之港幣3,000,000元。收購事項對本公司擁有人應佔權益之影響如下：

42. 經營租賃安排

本集團作為承租人

本集團定時就辦公室訂立短期租賃。於二零二零年十二月三十一日，短期租賃組合與附註21所披露之短期租賃支出之短期租賃組合相若。

於二零二零年十二月三十一日，有關短期租賃下之辦公室租賃之未償還租賃承擔為人民幣377,000元(二零一九年：人民幣112,000元)。

本集團作為出租人

本集團所擁有與投資物業有關之經營租賃租期為一至三年，且可選擇於續約時重新磋商一切條款。所有經營租賃合約均包含承租人可選擇按照市場條件進行續租的條款。租期屆滿時，承租人並無購買物業的選擇權。

未擔保殘值並不會為本集團造成重大風險，乃由於與其有關之物業位於在最少四年內價值將持續增加的地點。本集團並未識別出任何跡象顯示此狀況將會變動。

42. OPERATING LEASE ARRANGEMENTS (Continued)

Minimum lease payments receivable on leases are as follows:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Within the first year	第一年內	2,394	2,775
In the second year	第二年	1,451	1,843
In the third year	第三年	663	1,225
In the fourth year	第四年	-	730
Total	合計	4,508	6,573

42. 經營租賃安排(續)

租賃之最低應收租賃付款如下：

The following table presents the amounts reported in profit or loss:

下表呈列呈報於損益之金額：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Lease income on operating leases	經營租賃之租賃收入	3,011	2,973

43. CAPITAL COMMITMENT

Capital commitment contracted for at the end of the reporting period but not yet incurred are as follows:

43. 資本承擔

於報告期末已訂約但尚未產生之資本承擔如下：

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Intangible assets	無形資產	1,800	-

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44. OTHER COMMITMENTS

At 31 December 2020, the Group had certain commitments in respect of the outstanding capital contribution of the following associated company and subsidiaries:

		2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Cloutac Networks Limited*	踏雲網絡有限公司*	-	439
Shanghai Jianerxiu Network Technology Co., Limited	上海簡而秀網絡科技有限公司	10,000	10,000
Haihai Limited (formerly known as Haihai Travel Cloud Limited)	嗨嗨有限公司(前稱嗨嗨旅遊雲有限公司)	2,854	4,465
Cosmartec Limited	環宇智能技術有限公司	10,911	26,896
Shanghai Shijie Network Technology Co., Limited	上海視界綫網絡科技有限公司	5,000	-
Prospect Delight (Shanghai) Limited	錦辰(上海)國際貿易有限公司	7,000	-
Japan Nishiki Trading Co., Ltd.	日本錦合貿易株式會社	63	-

* The subsidiary was de-registered in 2019.

* 附屬公司於二零一九年撤銷註冊。

45. RELATED PARTIES TRANSACTIONS

In addition to those related party transactions and balances disclosed elsewhere in the consolidated financial statements, the Group had entered into the following transactions with its related parties during the year.

(a) Amounts due from/(to) related parties

Name of related parties 關聯方名稱	Relationship 關係	Terms 條款	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Lucky Creation Enterprise Limited [#]	Non-controlling interest of the Group 本集團非控股權益	Unsecured, interest-free and have no fixed term of repayment 無抵押、免息及並無固定償還期	-	(5,232)
Singutac Group Holdings Limited* 奇點勢能控股有限公司*	Controlled by a senior management personnel of the Group 受本集團一名高級管理人員控制	Unsecured, interest-free and have no fixed term of repayment 無抵押、免息及並無固定償還期	-	77

44. 其他承擔

於二零二零年十二月三十一日，本集團就以下聯營公司及附屬公司的未完成出資金額有若干承擔：

45. 關聯方交易

除綜合財務報表其他部分披露的關聯方交易及結存外，本集團亦曾於年內與其關聯方訂立以下交易。

(a) 應收/(應付)關聯方款項

45. RELATED PARTIES TRANSACTIONS (Continued)

(a) Amounts due from/(to) related parties (Continued)

45. 關聯方交易(續)

(a) 應收/(應付)關聯方款項(續)

Name of related parties 關聯方名稱	Relationship 關係	Terms 條款	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Evolve Consulting Limited*	Controlled by a senior management personnel of the Group 受本集團一名高級管理人員控制	Unsecured, interest-free and have no fixed term of repayment 無抵押、免息及並無固定償還期	-	1
Kwan Che Ho, Jacky# 關志豪#	A senior management personnel of the Group 本集團高級管理人員	Unsecured, interest-bearing of 10% per annum and repayable on or before 30 June 2021 (2019: repayable on or before 15 June 2020) 無抵押、按10%之年利率計息及須於二零二一年六月三十日或之前償還(二零一九年：須於二零二零年六月十五日或之前償還)	-	(700)
蘇州小璚機器人有限公司*	Controlled by a senior management personnel of the Group 受本集團一名高級管理人員控制	Unsecured, interest-free and have no fixed term of repayment 無抵押、免息及並無固定償還期	-	121
Kwan Che Hang, Jason* 關志恒*	A senior management personnel of the Group 本集團高級管理人員	Unsecured, interest-free and have no fixed term of repayment 無抵押、免息及並無固定償還期	-	1

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45. RELATED PARTIES TRANSACTIONS (Continued)

(a) Amounts due from/(to) related parties (Continued)

45. 關聯方交易(續)

(a) 應收/(應付)關聯方款項(續)

Name of related parties 關聯方名稱	Relationship 關係	Terms 條款	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Zhang Fang [#] 張放 [#]	A senior management personnel of the Group 本集團高級管理人員	Unsecured, interest-free and have no fixed term of repayment 無抵押、免息及並無固定償還期	-	(17)
Yang Xin Min 楊新民	A director of the Company 本公司董事	Unsecured, interest-free and have no fixed term of repayment 無抵押、免息及並無固定償還期	-	(896)
Yang Zhen [△] 楊震 [△]	A former director and son of a director of the Company 本公司前董事及本公司一名董事之兒子	Unsecured, interest-free and have no fixed term of repayment 無抵押、免息及並無固定償還期	-	(896)

* Included in other receivables as at 31 December 2020.

* 於二零二零年十二月三十一日計入其他應收款。

Included in other payables as at 31 December 2020.

於二零二零年十二月三十一日計入其他應付款。

△ Included in other payables as at 31 December 2019.

△ 於二零一九年十二月三十一日計入其他應付款。

45. RELATED PARTIES TRANSACTIONS (Continued)

- (b) The compensation to the Group's key management personnel, including amounts paid to the Company's directors and certain of the highest paid employees, is disclosed in note 15 to the consolidated financial statements.

The remuneration of directors and other members of key management during the year was as follows:

	2020 二零二零年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元
Short-term benefits 短期利益	6,411	8,421

46. CONTINGENT LIABILITIES

The Company acquired 51% equity interests in LCE Group from the vendor (a BVI company) in 2017. This transaction is regarded as indirect transfer of the PRC subsidiaries of LCE Group by non-tax residents and fall within the scope as described in the Public Notice [2015] No. 7 ("Public Notice 7") issued by the State Administration of Taxation (the "SAT").

The capital gain derived from such indirect transfer will be subject to EIT and the withholding agent should withhold the EIT amount for settlement with the PRC tax authorities pursuant to the Public Notice [2017] No. 37 and Public Notice 7 issued by the SAT. The PRC tax authorities would demand from the withholding agent for the payment of EIT and impose penalty of 50% to 3 times of the unpaid EIT. The penalty may be relieved if the share transfer transaction has been voluntarily reported to the PRC tax authorities.

45. 關聯方交易 (續)

- (b) 本集團主要管理人員之酬金(包括支付予本公司董事及若干最高薪酬僱員之款項)於綜合財務報表附註15中披露。

年內董事及主要管理層其他成員之薪酬如下：

46. 或然負債

本公司於二零一七年向賣方(一間英屬處女群島公司)收購LCE Group之51%股權。是項交易被視為由非稅務居民間接轉讓LCE Group之中國附屬公司，且屬國家稅務總局(「國家稅務總局」)頒佈之公告[2015]7號(「7號公告」)所述範圍內。

該間接轉讓所得資本收益將須繳納企業所得稅，且扣繳義務人須根據國家稅務總局頒佈之公告[2017]37號及7號公告向中國稅務機構代扣代繳企業所得稅。中國稅務機構將要求扣繳義務人繳納企業所得稅，並徵收相當於未繳企業所得稅50%至三倍之滯納金。倘本集團主動向中國稅務機構呈報該股份轉讓交易，則上述滯納金或將予解除。

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46. CONTINGENT LIABILITIES (Continued)

On 28 December 2017, the Group paid RMB58,358,000 (equivalent to HK\$70,000,000) to the vendor. On 25 June 2018, the Company issued consideration shares of RMB5,414,000 (equivalent to HK\$6,541,000) to the vendor as part of the consideration. Neither the Group nor the vendor has reported the share transfer transaction or has settled the EIT to the PRC tax authorities upon consideration being partially settled according to the Agreement. The directors, after consulting the Group's PRC legal counsel, were of opinion that a provision of RMB5,581,000 calculated based on the cash consideration paid to the vendor as of 31 December 2017 and further provision of RMB566,000 regarding the shares granted during 2018 were sufficiently made. They considered that the risk of having a penalty imposed by the PRC tax authorities arising from non-compliance was reasonably low.

Apart from above, the Group has no other material contingent liabilities as at 31 December 2019 and 2020.

47. EVENTS AFTER THE REPORTING PERIOD

On 7 May 2021, the Company has withdrawn its request for the Listing Committee of the Stock Exchange's decision to uphold the decision of the Stock Exchange to suspend trading in the Shares under Rule 6.01(3) of the Listing Rules for failure to maintain a sufficient level of operations as required under Rule 13.24 of the Listing Rules to warrant the continued listing of the Shares and to proceed with cancellation of the listing of the Shares under Rule 6.01A(1) of the Listing Rules if trading remains suspended for a continuous period of 18 months to be referred to the Listing Review Committee of the Stock Exchange for review. Pursuant to Rule 6.01A of the Listing Rules, the Company shall have a period of 18 months from 1 April 2021 (being the date from which trading in the Shares on the Stock Exchange has been suspended), expiring on 30 September 2022 to take appropriate actions to demonstrate its compliance with Rule 13.24 of the Listing Rules, failing which the Stock Exchange may cancel the listing of the Shares. Further announcements will be made by the Company in respect of this matter as and when appropriate and in accordance with the Listing Rules.

48. COMPARATIVE FIGURES

The expenses presented in the consolidated statement of profit or loss and other comprehensive income have been changed from the classification by nature to classification by function as the directors consider that the new presentation is more appropriate to the financial statements following the diversification of the Group's business during the year.

46. 或然負債(續)

於二零一七年十二月二十八日，本集團向賣方支付人民幣58,358,000元(相等於港幣70,000,000元)。於二零一八年六月二十五日，本公司向賣方發行為數人民幣5,414,000元(相等於港幣6,541,000元)之代價股份作為部分代價。根據該協議結付部分代價後，本集團或賣方概無向中國稅務機構呈報股份轉讓交易或繳納企業所得稅。董事諮詢本集團之中國法律顧問後，認為按截至二零一七年十二月三十一日已付賣方之現金代價計提撥備人民幣5,581,000元及就於二零一八年授出之股份計提額外撥備人民幣566,000元已充分作出。且認為因不合規而遭中國稅務機構徵收滯納金之風險屬合理偏低。

除上述者外，於二零一九年及二零二零年十二月三十一日，本集團並無其他重大或然負債。

47. 報告期後事項

於二零二一年五月七日，本公司已撤銷將聯交所上市委員會決定轉交聯交所上市覆核委員會覆核之要求，以維持聯交所就本公司未能維持上市規則第13.24條所規定的足夠營運水平以保證股份繼續上市而根據上市規則第6.01(3)條暫停股份買賣的決定，及在股份買賣持續暫停18個月的情況下根據上市規則第6.01A(1)條取消股份的上市地位的決定。根據上市規則第6.01A條，本公司須自二零二一年四月一日(即股份於聯交所暫停買賣當日)起至二零二二年九月三十日止18個月期限內採取適當行動證明其遵守上市規則第13.24條，否則聯交所可能會取消股份上市。本公司將於適當時候根據上市規則就該事項另行刊發公告。

48. 比較數字

於綜合損益與其他全面收益表呈列之開支已由按性質分類改為按功能分類，原因為董事認為新呈列方式更適合本集團於年內多元化發展業務後之財務報表。



SMARTAC INTERNATIONAL HOLDINGS LIMITED

環球智能控股有限公司

(Formerly known as Smartac Group China Holdings Limited)

(前稱中國智能集團控股有限公司)

Incorporated in the Cayman Islands with limited liability

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