



# 中國誠通發展集團有限公司 China Chengtong Development Group Limited

(於香港註冊成立之有限公司)  
(Incorporated in Hong Kong with limited liability)  
股份代號 Stock Code: 217





# CONTENTS 目錄

Corporate Information 公司資料	2
Chairman's Statement 主席致辭	4
Management Discussion and Analysis 管理層討論與分析	6
Biographies of Directors and Senior Management 董事及高級管理層履歷	23
Corporate Governance Report 企業管治報告	27
Environmental, Social and Governance Report 環境、社會及管治報告	44
Directors' Report 董事會報告	75
Independent Auditor's Report 獨立核數師報告	97
Consolidated Income Statement 綜合收益表	102
Consolidated Statement of Comprehensive Income 綜合全面收益表	103
Consolidated Statement of Financial Position 綜合財務狀況表	104
Consolidated Statement of Changes in Equity 綜合權益變動表	106
Consolidated Statement of Cash Flows 綜合現金流量表	108
Notes to the Financial Statements 財務報表附註	110
Principal Properties 主要物業	213
Financial Summary 財務概要	215



# Corporate Information 公司資料

## BOARD OF DIRECTORS

### Executive Directors

Zhang Bin (*Chairman*)  
Yang Tianzhou (*Managing Director*)  
Wang Tianlin  
Li Shufang

### Independent Non-Executive Directors

Chang Qing  
Lee Man Chun, Tony  
He Jia

## AUDIT COMMITTEE

Lee Man Chun, Tony (*Chairman*)  
Chang Qing  
He Jia

## REMUNERATION COMMITTEE

He Jia (*Chairman*)  
Lee Man Chun, Tony  
Zhang Bin

## NOMINATION COMMITTEE

Chang Qing (*Chairman*)  
Lee Man Chun, Tony  
Zhang Bin

## COMPANY SECRETARY

Poon Tsz Kin

## AUDITOR

BDO Limited  
*Certified Public Accountants*

## 董事會

### 執行董事

張 斌(*主席*)  
楊田洲(*董事總經理*)  
王天霖  
李舒放

### 獨立非執行董事

常 清  
李萬全  
何 佳

## 審核委員會

李萬全(*主席*)  
常 清  
何 佳

## 薪酬委員會

何 佳(*主席*)  
李萬全  
張 斌

## 提名委員會

常 清(*主席*)  
李萬全  
張 斌

## 公司秘書

潘子健

## 核數師

香港立信德豪會計師事務所有限公司  
*執業會計師*

## **PRINCIPAL BANKERS**

Agricultural Bank of China Limited  
Bank of China (Hong Kong) Limited  
The Hongkong and Shanghai Banking Corporation Limited  
Dah Sing Bank, Limited  
Luso International Banking Limited  
Morgan Stanley Asia International Limited

## **REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG**

Suite 6406, 64/F,  
Central Plaza,  
18 Harbour Road,  
Wanchai, Hong Kong  
Tel: (852) 2160-1600  
Fax: (852) 2160-1608

## **WEBSITE AND E-MAIL ADDRESS**

Website: [www.irasia.com/listco/hk/chengtong](http://www.irasia.com/listco/hk/chengtong)  
[www.hk217.com](http://www.hk217.com)  
E-mail: [public@hk217.com](mailto:public@hk217.com)

## **SHARE REGISTRAR & TRANSFER OFFICE**

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716, 17/F., Hopewell Centre,  
183 Queen's Road East,  
Wanchai, Hong Kong  
Tel: (852) 2862-8628  
Fax: (852) 2865-0990

## **STOCK CODE**

217

## **主要往來銀行**

中國農業銀行股份有限公司  
中國銀行(香港)有限公司  
香港上海滙豐銀行有限公司  
大新銀行有限公司  
澳門國際銀行股份有限公司  
摩根士丹利亞洲國際有限公司

## **註冊辦事處及香港主要營業地點**

香港灣仔  
港灣道18號  
中環廣場  
64樓6406室  
電話：(852) 2160-1600  
傳真：(852) 2160-1608

## **網址及電郵地址**

網址：[www.irasia.com/listco/hk/chengtong](http://www.irasia.com/listco/hk/chengtong)  
[www.hk217.com](http://www.hk217.com)  
電子郵件：[public@hk217.com](mailto:public@hk217.com)

## **股份過戶登記處**

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  
電話：(852) 2862-8628  
傳真：(852) 2865-0990

## **股份代號**

217

## Chairman's Statement 主席致辭

On behalf of the board of directors (“**Board**”) of China Chengtong Development Group Limited (“**Company**”, together with its subsidiaries, the “**Group**”), I hereby present to all shareholders the annual report of the Company for the year ended 31 December 2019 (“**Year**”).

During the Year, the Group continued to gather resources to expand its principal business of finance leasing. As a result, the finance leasing business achieved record high in both scale and profitability. During the Year, the Group recorded a turnover of approximately HK\$1,110.60 million (2018: approximately HK\$1,020.89 million), representing an increase of approximately 9% as compared with that of last year. Profit before tax for the Year amounted to approximately HK\$90.01 million (2018: approximately HK\$168.91 million). Excluding the income from the disposal of Haikou Cuidao Hotspring Resort Hotel Company Limited (“**Cuidao Hotspring Hotel**”) in last year, the profit before tax for the Year increased by approximately HK\$31.89 million as compared with that of last year.

The Group is currently principally engaged in finance leasing, bulk commodity trade, property development and property investment, and marine recreation services and hotel. For finance leasing, the Group has confirmed finance leasing to be the prime focus of its future business development. During the Year, loans receivable and the related profit before taxation from finance leasing exceeded HK\$1,000 million and HK\$60 million respectively for the first time. These have assured the development strategy and approaches of finance leasing adopted, laying a solid foundation for the rapid development of the business in the years ahead. With regard to bulk commodity trade, the Group is gradually withdrawing from the domestic coal trading business. With stringent risk management, the Group will continue to prudently carry out bulk commodity trade business, and has formed a joint venture with Chengtong International Limited on cross border and international bulk commodity trade. In relation to property development and property investment, it is the Group's strategy to gradually exit from the current property development projects. During the Year, the Group has stepped up the selling of CCT-Champs-Elysees in Zhucheng City, Shangdong Province, the People's Republic of China (“**PRC**”) and actively expedited the restructuring of the property development project in Dafeng City, Jiangsu Province, the PRC. Regarding marine recreation services and hotel, Underwater World Hotel has completed its reconstruction works and is in trial operations since August 2019. These will bring positive economic impact and good public profile to the operation.

Looking forward, the Group will further leverage and integrate the resources advantages of its controlling shareholder and, under stringent risk management, expedite the expansion of the scale of its finance leasing business in a prudent and professional manner with a view to building its brand in the industry.

本人謹代表中國誠通發展集團有限公司(「**本公司**」，連同其附屬公司，統稱「**本集團**」)董事會(「**董事會**」)向全體股東提呈本公司截至二零一九年十二月三十一日止(「**本年度**」)的年度報告。

本年度，本集團繼續聚集資源拓展融資租賃主業，融資租賃業務規模和盈利能力均創歷史新高。本年度本集團共錄得營業額約港幣11億1,060萬元(二零一八年：約港幣10億2,089萬元)，較上年度增長約9%；年內錄得除稅前溢利約為港幣9,001萬元(二零一八年：約港幣1億6,891萬元)，在扣除去年出售海口翠島溫泉度假酒店有限公司(「**翠島溫泉酒店**」)的收益，本年度除稅前收益較去年度增加約為港幣3,189萬元。

本集團目前從事的主營業務為融資租賃、大宗商品貿易、物業發展及物業投資、海上旅遊服務和酒店。關於融資租賃，本集團確定了以融資租賃作為未來業務發展的主要方向。本年度融資租賃的應收貸款首次突破約港幣10億元，相關除稅前盈利首次突破約港幣6,000萬元，確定了融資租賃所採用的發展戰略和方向，為未來數年業務的快速發展奠定了良好基礎。關於大宗商品貿易，本集團正逐步退出境內的煤炭貿易業務，在嚴格控制風險的前提下，繼續審慎開展大宗商品貿易業務，並與誠通國際貿易有限公司合作組成了合營公司，開展跨境和國際大宗商品貿易業務。關於物業發展及物業投資，本集團的策略是逐步退出現有的物業發展項目。本年度在加大中華人民共和國(「**中國**」)山東省諸城市誠通香榭里項目物業銷售的同時，積極推進對中國江蘇省大豐市物業發展項目的重組。關於海上旅遊服務和酒店，海底世界酒店的改建項目已完成並於二零一九年八月份對外試營業，在提高經濟效益的同時改善了對外形象。

展望未來，本集團將進一步依託和結合本集團之控股股東的資源優勢，在嚴控風險的基礎上，以審慎專業化發展為特色，快速做大做強融資租賃業務規模，儘快樹立行業品牌影響力。

## Chairman's Statement 主席致辭

Lastly, I, on behalf of the Board, would like to express my sincere gratitude to our shareholders, business partners and communities for their continuous support and care to the Group. We would also like to express our gratitude to the management and employees of the Group for their hard work during the Year.

**Zhang Bin**  
*Chairman*

Hong Kong, 24 February 2020

最後，本人謹代表董事會衷心感謝全體股東、業務夥伴及社會各界人士對本集團一直以來的支持和關心，及感謝本集團管理層及員工在本年度的辛勤工作。

主席  
**張斌**

香港，二零二零年二月二十四日



# Management Discussion and Analysis

## 管理層討論與分析

### I. RESULTS AND DIVIDEND

The Group has confirmed that expanding the business scale of finance leasing business and the speeding up of the exit from the existing property development projects will be our future business development strategies. These strategies began to show effects on the results of the Year. For the year ended 31 December 2019, the Group recorded a turnover of approximately HK\$1,110.60 million (2018: approximately HK\$1,020.89 million), representing a year-on-year increase of approximately 9%. The increase in turnover was mainly due to: (i) the substantial increase in turnover from property development by approximately 116% from last year to approximately HK\$131.93 million (2018: approximately HK\$60.99 million); and (ii) the year-on-year increase in revenue from finance leasing business by approximately 40% to approximately HK\$74.47 million (2018: approximately HK\$53.26 million).

For the year ended 31 December 2019, the Group recorded consolidated profit before income tax of approximately HK\$90.01 million (2018: approximately HK\$168.91 million), representing a year-on-year decrease of approximately 47%. In 2018, the Group completed the transfer of interest in Cuidao Hotspring Hotel, resulting in the recognition of a non-recurring gain of approximately HK\$110.80 million. Excluding the said non-recurring income, the profit before income tax for the year ended 31 December 2019 increased year-on-year by approximately 55% to approximately HK\$90.01 million (2018: approximately HK\$58.12 million), mainly due to the year-on-year increase in turnover from property development business and revenue from finance leasing business by approximately 116% and approximately 40% respectively. As a result, the consolidated gross profit increased year-on-year by approximately 42% to approximately HK\$154.66 million (2018: approximately HK\$108.90 million). However, as the selling expenses increased year-on-year by approximately 46% to approximately HK\$20.52 million (2018: approximately HK\$14.06 million); and the fair value of investment properties changed from a gain of approximately HK\$3.54 million as at 31 December 2018 to a loss of approximately HK\$5.05 million as at 31 December 2019, which partially offset the positive effect on profit derived from the increase in consolidated gross profit over last year.

The profit attributable to owners of the Company for the Year amounted to approximately HK\$47.54 million (2018: approximately HK\$113.44 million), representing a year-on-year decrease of approximately 58%.

The Board did not recommend the declaration of any final dividend for the year ended 31 December 2019 (2018: nil).

### 一. 業績及股息

本集團已確定擴展融資租賃業務規模和加快退出現有物業發展項目為未來發展策略。該策略已開始在本年度業績反映成效。截至二零一九年十二月三十一日止年度，本集團錄得營業額約港幣11億1,060萬元(二零一八年：約港幣10億2,089萬元)，同比增加約9%。營業額增加主要原因包括：(i)物業發展的營業額較去年大幅上升約116%至約港幣1億3,193萬元(二零一八年：約港幣6,099萬元)；及(ii)融資租賃業務收入按年增加約40%至約港幣7,447萬元(二零一八年：約港幣5,326萬元)。

截至二零一九年十二月三十一日止年度，本集團錄得綜合除所得稅前溢利約港幣9,001萬元(二零一八年：約港幣1億6,891萬元)，按年減少約47%。於二零一八年年內，本集團完成轉讓翠島溫泉酒店權益，錄得非經常性收益約港幣1億1,080萬元。撇除上述非經常性收入後，本年度除所得稅前溢利按年增加約55%至約港幣9,001萬元(二零一八年：約港幣5,812萬元)，主要原因是物業發展業務的營業額及融資租賃業務收入較去年分別增加約116%及約40%，導致綜合毛利同比增加約42%至約港幣1億5,466萬元(二零一八年：約港幣1億890萬元)。但由於銷售費用按年增加約46%至約港幣2,052萬元(二零一八年：約港幣1,406萬元)；及投資物業之公平值由二零一八年十二月三十一日錄得收益約港幣354萬元轉為於二零一九年十二月三十一日錄得虧損約港幣505萬元，部份抵消綜合毛利較去年增加對溢利的正面影響。

本公司擁有人應佔年內溢利約港幣4,754萬元(二零一八年：約港幣1億1,344萬元)，同比減少約58%。

董事會不建議就截至二零一九年十二月三十一日止年度宣派任何末期股息(二零一八年：無)。

## II. BUSINESS REVIEW

### Segment Revenue and Results

The revenue of the Group was mainly derived from the five business segments in the PRC, including finance leasing, bulk commodity trade, property development, property investment and marine recreation services and hotel. The details of segment revenue and results are as follows:

#### (1) Finance Leasing

During the year under review, through own development and acquisition of new projects, the Group's loans receivable from new finance leasing during the Year increased substantially. As at 31 December 2019, the loans receivable from finance leasing amounted to HK\$1,126.82 million, representing an increase of approximately 69% from such receivables of approximately HK\$666.94 million as at 31 December 2018. Coupled with the completion of a number of finance consultancy projects during the Year, the turnover from finance leasing business increased by approximately 40% year-on-year to approximately HK\$74.47 million (2018: approximately HK\$53.26 million). The profit before tax was approximately HK\$66.77 million (2018: approximately HK\$44.14 million), representing a year-on-year increase of approximately 51%, which was mainly due to the year-on-year increase in turnover of approximately HK\$21.20 million, which was primarily benefiting from the revenue from finance consultancy service of approximately HK\$23.56 million (2018: approximately HK\$8.93 million) for the Year, representing a year-on-year increase of approximately 164%; and the year-on-year increase in interest income from finance leasing arrangements by approximately HK\$6.57 million to approximately HK\$50.91 million (2018: approximately HK\$44.34 million).

## 二. 業務回顧

### 分類收益及業績

本集團業務收入主要來自於中國境內的五項分類業務包括：融資租賃、大宗商品貿易、物業發展、物業投資及海上旅遊服務和酒店。分類收益及業績詳情如下：

#### (1) 融資租賃

於回顧年內，本集團透過自有發展及收購項目，令本年度內新增融資租賃應收款大幅增加。於二零一九年十二月三十一日，融資租賃應收款約港幣11億2,682萬元，較於二零一八年十二月三十一日的應收款約港幣6億6,694萬元增加約69%，加上年內完成多項融資諮詢項目，令融資租賃業務的營業收入較去年增加約40%至約港幣7,447萬元(二零一八年：約港幣5,326萬元)，除稅前溢利約港幣6,677萬元(二零一八年：約港幣4,414萬元)，按年上升約51%。營業收入按年增加約港幣2,120萬元，主要受惠於年內錄得融資諮詢服務收入約港幣2,356萬元(二零一八年：約港幣893萬元)，同比增加約164%；及來自融資租賃安排的利息收入按年增加約港幣657萬元至約5,091萬元(二零一八年：約港幣4,434萬元)。



# Management Discussion and Analysis

## 管理層討論與分析

### (2) Bulk Commodity Trade

During the year under review, the turnover from bulk commodity trade business segment was approximately HK\$870.15 million (2018: approximately HK\$865.24 million), which was similar to that of last year. Segment profit before tax was approximately HK\$3.51 million (2018: approximately HK\$4.34 million), representing a year-on-year decrease of approximately 19%. The details of the trading of coal and steel under bulk commodity trade operated by the Group are as follows:

#### (i) Trading of Coal

In 2019, the demand for coal remained sluggish due to the economic downturn despite the increase in domestic supply of coal. As a result, the coal price was under gradual pressure. During the year under review, the sales volume of coal trading was approximately 0.71 million tons (2018: approximately 0.86 million tons), representing a year-on-year decrease of approximately 17%. Turnover was approximately HK\$467.82 million (2018: approximately HK\$614.72 million), representing a year-on-year decrease of approximately 24%. The average unit selling price decreased by approximately 3% from approximately RMB600 per ton last year to approximately RMB580 per ton during the Year. As a result, the gross profit decreased by approximately 76% year-on-year to approximately HK\$1.43 million (2018: approximately HK\$5.92 million). There was a turnaround from profit before tax of approximately HK\$1.75 million last year to loss before tax of approximately HK\$2.67 million. The Group has entered into an agreement with China Chengtong International Co. Ltd. ("**China Chengtong International**") for the disposal of controlling equity interest in Chengtong Energy Guangdong Company Limited ("**Chengtong Energy**") and gradually exited from the domestic trading of coal business.

### (2) 大宗商品貿易

於回顧年內，大宗商品貿易之營業額約港幣8億7,015萬元(二零一八年：約港幣8億6,524萬元)，與去年相若。分類除稅前溢利約港幣351萬元(二零一八年：約港幣434萬元)，同比減少約19%。本集團經營的大宗商品貿易項下之煤炭貿易及鋼材貿易業務詳情如下：

#### (i) 煤炭貿易

二零一九年國內煤炭產地供應增加，但需求方面受經濟轉趨下行影響，需求持續低迷，煤炭價格逐步受壓。於回顧年內，煤炭貿易銷售量約71萬噸(二零一八年：約86萬噸)，同比減少約17%。營業額約港幣4億6,782萬元(二零一八年：約港幣6億1,472萬元)，按年減少約24%，加上銷售平均單價由去年每噸約人民幣600元減少約3%至年內的每噸約人民幣580元，令毛利按年減少約76%至約港幣143萬元(二零一八年：約港幣592萬元)。除稅前虧損約港幣267萬元，而去年除稅前溢利約港幣175萬元，轉盈為虧。本集團已與中國誠通國際貿易有限公司(「**中國誠通國際**」)訂立合約出售誠通能源廣東有限公司(「**誠通能源**」)的控股權，逐步退出境內煤炭貿易業務。

## Management Discussion and Analysis 管理層討論與分析

### (ii) Trading of Steel

In 2019, driven by the growth of property development and investment in the PRC, the demand for steel grew substantially. The sales volume of steel experienced significant growth. During the year under review, the sales volume of steel trading was approximately 111,602 tons (2018: approximately 60,745 tons), representing a year-on-year increase of approximately 84%. The turnover amounted to approximately HK\$402.33 million (2018: approximately HK\$250.52 million), representing a year-on-year increase of approximately 61%. Despite the average unit selling price of steel decreased by approximately 7% from approximately RMB3,404 per ton last year to approximately RMB3,190 per ton, since the sales volume increased from last year, the gross profit increased by approximately 193% year-on-year to approximately HK\$14.09 million (2018: approximately HK\$4.81 million). The selling expenses increased by approximately HK\$5.73 million year-on-year to approximately HK\$7.95 million (2018: approximately HK\$2.22 million). The profit before tax was approximately HK\$6.18 million (2018: approximately HK\$2.59 million), representing a year-on-year increase of approximately 139%.

### (ii) 鋼材貿易

二零一九年國內鋼鐵市場在房地產開發投資增長推動下，鋼鐵需求實現高增長，鋼材銷售量出現明顯上漲走勢。於回顧年內，鋼材貿易的銷售量約111,602噸(二零一八年：約60,745噸)，同比增加約84%，營業額約港幣4億233萬元(二零一八年：約港幣2億5,052萬元)，按年增加約61%。雖然鋼材銷售平均單價由去年平均每噸約人民幣3,404元下跌約7%至於年內的平均單價每噸約人民幣3,190元，但由於銷售量較去年上升，令毛利同比增加約193%至約港幣1,409萬元(二零一八年：約港幣481萬元)。銷售費用較去年增加約港幣573萬元至約港幣795萬元(二零一八年：約港幣222萬元)。除稅前溢利約港幣618萬元(二零一八年：約港幣259萬元)，按年增加約139%。

## Management Discussion and Analysis 管理層討論與分析

### (3) Property Development

During the year under review, the Group had two property development projects, namely, the “CCT-Champs-Elysees” and “Chengtong International City” located in Zhucheng City of Shandong Province and in Dafeng City of Jiangsu Province of the PRC respectively. The turnover for the Group’s property development segment was approximately HK\$131.93 million (2018: approximately HK\$60.99 million), representing a substantial year-on-year increase of approximately 116%, and the segment profit before tax increased year-on-year by approximately 104% to approximately HK\$41.82 million (2018: approximately HK\$20.48 million). Details of the two aforementioned projects are as follows:

(i) *Zhucheng City of Shandong Province – CCT-Champs-Elysees*

The CCT-Champs-Elysees project, which is wholly owned by the Group, is located at the northern side of Eastern Section of No. 1 Mizhou West Road, Zhucheng City, Shandong Province, the PRC (Lot No. 01213003). The project has a total site area of approximately 146,006 square metres and was developed in three phases. The project is located in a county level city. During the year under review, the Group strengthened the development and marketing of the CCT-Champs-Elysees project, resulting in a substantial increase in sales revenue of the project. During the Year, the residential area sold for the project was approximately 20,329 square metres (2018: approximately 8,928 square metres), representing a year-on-year increase of approximately 128%. The average unit selling price per square metre for residential apartments of the project was approximately RMB5,866, which was in line with the average unit selling price per square metre for residential apartments of the project of approximately RMB5,833 last year. Mainly because of the substantial increase of areas sold as compared to that of last year, the sales revenue from the project was approximately HK\$131.93 million (2018: approximately HK\$60.61 million), representing a year-on-year increase of approximately 118%. The profit before tax amounted to approximately HK\$44.38 million (2018: approximately HK\$23.38 million), representing a year-on-year increase of approximately 90%.

### (3) 物業發展

於回顧年內，本集團的兩個物業發展項目分別位於中國山東省諸城市之「誠通香榭里」及中國江蘇省大豐市之「誠通國際城」。本集團物業發展的分類營業額約港幣1億3,193萬元(二零一八年：約港幣6,099萬元)，按年大幅增加約116%，分類除稅前溢利較去年增加約104%至約港幣4,182萬元(二零一八年：約港幣2,048萬元)。上述兩個項目的業務詳情如下：

(i) *山東省諸城市 – 誠通香榭里*

本集團全資持有的誠通香榭里項目位於中國山東省諸城市密州西路1號東段北側(地段編號為第01213003號)，總地盤面積約146,006平方米，項目分三期發展，項目所在地是縣級市。回顧年內，本集團加大誠通香榭里項目的建設和營銷，導致該項目銷售收入大幅上升。本年度該項目售出之住宅面積約20,329平方米(二零一八年：約8,928平方米)，按年增加約128%。項目住宅的每平方米平均銷售單價約人民幣5,866元，較去年的每平方米平均銷售單價約人民幣5,833元相若。主要由於售出之面積按年大幅增加，項目銷售收入約港幣1億3,193萬元(二零一八年：約港幣6,061萬元)，同比增加約118%。除稅前溢利約港幣4,438萬元(二零一八年：約港幣2,338萬元)，按年增加約90%。

## Management Discussion and Analysis 管理層討論與分析

As at 31 December 2019, the completed and unsold area of the CCT-Champs-Elysees project included residential area of approximately 10,483 square metres (as at 31 December 2018: approximately 29,392 square metres) and commercial spaces of approximately 1,410 square metres (as at 31 December 2018: approximately 1,410 square metres) (excluding the leasable area of approximately 7,565 square metres (as at 31 December 2018: approximately 7,565 square metres)).

The Group will strengthen the development and marketing of the CCT-Champs-Elysees project according to the plan. It is expected that the entire project will be completed and delivered in 2023.

(ii) *Dafeng City of Jiangsu Province – Chengtong International City*

The Group holds 66.67% equity interest in “Chengtong International City”, which is located at North Portion of Lot No. 2, Port Serviced Area, Dafeng Ocean Economic Development Area, Dafeng City, Jiangsu Province, the PRC. The total site area is approximately 118,974 square metres. Dafeng City is a third/fourth-tier city of the PRC. Given that the project is situated far from major cities and the real estate market in the region remains stagnant, no sales revenue (2018: approximately HK\$380,000) was recorded for the project for the year under review. The loss before tax amounted to approximately HK\$2.56 million (2018: loss before tax of approximately HK\$2.91 million), representing a year-on-year decrease of approximately 12%.

As at 31 December 2019, the completed and unsold area of Chengtong International City project included residential area of approximately 10,930 square metres (as at 31 December 2018: approximately 10,930 square metres) and commercial spaces of approximately 9,540 square metres (as at 31 December 2018: approximately 9,540 square metres).

於二零一九年十二月三十一日，誠通香榭里項目已建成及未售出之住宅面積約10,483平方米(於二零一八年十二月三十一日：約29,392平方米)及商業面積約1,410平方米(於二零一八年十二月三十一日：約1,410平方米)(不包括可出租面積約7,565平方米(於二零一八年十二月三十一日：約7,565平方米))。

本集團當按計劃加強誠通香榭里項目建設及營銷，預計整體項目將於二零二三年期全數竣工交房。

(ii) *江蘇省大豐市 – 誠通國際城*

本集團持有位於中國江蘇省大豐市大豐海洋經濟開發區口岸服務區2號地塊北側之「誠通國際城」66.67%股權，總地盤面積約118,974平方米。大豐市屬於中國境內三、四線城市，由於項目距離大城市較為偏遠及區內房地產市場持續低迷，本年度內該項目沒有錄得銷售收入(二零一八年：約港幣38萬元)，除稅前虧損約港幣256萬元(二零一八年：除稅前虧損約港幣291萬元)，虧損按年減少約12%。

於二零一九年十二月三十一日，誠通國際城項目已建成及未售出之住宅面積約10,930平方米(於二零一八年十二月三十一日：約10,930平方米)及商業面積約9,540平方米(於二零一八年十二月三十一日：約9,540平方米)。



# Management Discussion and Analysis

## 管理層討論與分析

### Land Resources Development

誠通大豐海港開發有限公司(unofficial English translation being Chengtong Dafeng Harbour Development Limited) (“**Dafeng Development**”), a subsidiary owned as to 66.67% by the Company, holds a parcel of industrial land situated in the south of Shugang Highway, Dafeng City, Jiangsu Province, the PRC and three parcels of residential and commercial land situated at lot number 1 to 3 in the Port Serviced Area, Ocean Economic Development Zone, Dafeng City, Jiangsu Province.

It remains the Group’s plan to withdraw from land development in Dafeng City, Jiangsu Province. On 3 July 2014, the Group entered into two resumption agreements with Dafeng Land Reserve Center and Management Committee of the Jiangsu Dafeng Harbour Economic Development Zone (“**Dafeng Harbour Committee**”) and two compensation agreements with the Dafeng Harbour Committee and 江蘇大豐海港控股集團有限公司(unofficial English translation being Jiangsu Dafeng Harbour Holdings Group Limited). Details of the relevant agreements related to the resumption of land were set out in the Company’s announcement dated 3 July 2014. However, the relevant land has not been resumed as of 31 December 2019 and the date of this annual report. The Group is actively stepping up the reorganisation of Dafeng project.

#### (4) Property Investment

The rental income from property investment of the Group was generated from the commercial properties of the CCT-Champs-Elysees project in Zhucheng City, Shandong Province, the PRC. The leasable area of the property was approximately 7,565 square metres. The actual leased area as at 31 December 2019 was approximately 6,680 square metres (as at 31 December 2018: approximately 6,680 square metres), which was in line with last year. The rental of new leases during the Year decreased as compared to the original leases, resulting in a decrease in rental income by approximately 25% year-on-year to approximately HK\$1.97 million (2018: approximately HK\$2.64 million). The profit before tax amounted to approximately HK\$1.70 million (2018: approximately HK\$2.29 million), representing a year-on-year decrease of approximately 26%.

### 土地資源開發

本公司持有66.67%權益之附屬公司誠通大豐海港開發有限公司(「**大豐開發**」)，持有一塊位於中國江蘇省大豐市疏港公路南側的工業用地，及三塊位於江蘇省大豐市海洋經濟開發區口岸服務區一標至三標段地塊的商住用地。

本集團仍維持退出江蘇省大豐市土地發展的計劃。於二零一四年七月三日，本集團與大豐市土地儲備中心及江蘇大豐港經濟開發區管理委員會(「**大豐港委員會**」)訂立兩份收回協議，並與大豐港委員會及江蘇大豐海港控股集團有限公司訂立兩份補償協議，土地收回有關協議詳情載於本公司日期為二零一四年七月三日的公告。然而，截至二零一九年十二月三十一日及本年度報告日期止，有關土地尚未被收回。本集團正積極推進大豐市項目的重組。

#### (4) 物業投資

本集團物業投資的租金收入乃來自於中國山東省諸城市的誠通香榭里項目的商業物業，該物業可出租面積約為7,565平方米。於二零一九年十二月三十一日實際已經出租面積約6,680平方米(於二零一八年十二月三十一日：約6,680平方米)，與去年同日相若。由於本年度新簽租約的租金較原租約的租金下跌，令租金收入按年減少約25%至約港幣197萬元(二零一八年：約港幣264萬元)。除稅前溢利約港幣170萬元(二零一八年：約港幣229萬元)，按年減少約26%。

## Management Discussion and Analysis 管理層討論與分析

### (5) Marine Recreation Services and Hotel

The marine recreation services and hotel in Hainan Province, the PRC mainly consist of: (i) marine recreation services; (ii) hotel operation; and (iii) travelling agency business. The turnover and results of these businesses are set out below:

#### (i) Marine Recreation Services

As a result of the negative impacts caused by factors including the implementation of the property purchase restriction policies in Hainan and diversion of tourists to other cities and counties in Hainan and the emergence of new tourist areas in Sanya, the number of tourists travelling to Yalong Bay, Sanya decreased substantially throughout the Year. As a result, the turnover from marine recreation services decreased by approximately 19% from approximately HK\$36.30 million last year to approximately HK\$29.32 million. Due to the decrease in turnover, the gross profit decreased by approximately 31% from approximately HK\$19.02 million last year to approximately HK\$13.05 million. Accordingly, the loss before tax of approximately HK\$3.92 million was recorded in the year under review, as compared to the profit before tax of approximately HK\$2.27 million recorded last year.

#### (ii) Hotel Operation

Since the completion of renovation and trial operation in August 2019, the revenue from hotel room sales amounted to approximately HK\$1.57 million (2018: approximately HK\$1.56 million), which was in line with last year. The loss before tax was approximately HK\$9.04 million (2018: loss before tax of approximately HK\$6.86 million), representing a year-on-year increase of approximately 32%, which was mainly due to the fact that the number of tourists did not increase for the time being and the significant increase in labour costs and depreciation.

### (5) 海上旅遊服務和酒店

海上旅遊服務和酒店主要在中國海南省從事包括：(i)海上旅遊服務；(ii)酒店經營；及(iii)旅行社業務。三類業務的營業額和業績分述如下：

#### (i) 海上旅遊服務

由於海南房地產受限購政策，及海南其他市縣、三亞新發展旅遊區對遊客的分流等原因的負面影響，全年三亞龍灣遊客數量大幅下降，令海上旅遊服務的營業額由去年約港幣3,630萬元減少約19%至約港幣2,932萬元。由於營業額減少，毛利從去年約港幣1,902萬元減少約31%至約港幣1,305萬元，導致除稅前虧損約港幣392萬元，而去年除稅前盈利約港幣227萬元。

#### (ii) 酒店業務

酒店客房自二零一九年八月已完成裝修及試營業，營業收入約港幣157萬元(二零一八年：約港幣156萬元)，與去年相若。除稅前虧損至約港幣904萬元(二零一八年：除稅前虧損約港幣686萬元)，虧損按年增加約32%，主要原因是遊客數量暫時未有提升，同時人工成本及折舊等大幅增加，導致虧損增加。

# Management Discussion and Analysis

## 管理層討論與分析

### (iii) Travelling Agency Business

During the year under review, the turnover of the travelling agency business was approximately HK\$1.19 million (2018: approximately HK\$0.90 million), representing a year-on-year increase of approximately 32%. The loss before tax for the Year was approximately HK\$0.08 million, as compared to the profit before tax of approximately HK\$0.48 million last year. The turnaround was mainly due to the year-on-year decrease in interest and other income by approximately HK\$1.18 million to approximately HK\$0.13 million, which offset the positive impact of the increase in turnover on results which increased the gross profit year-on-year by approximately HK\$0.28 million to approximately HK\$0.44 million and the year-on-year decrease in administrative expenses by approximately HK\$0.34 million to approximately HK\$0.63 million.

The above three businesses contributed a total segment turnover of approximately HK\$32.08 million (2018: approximately HK\$38.76 million) to the Group, representing a year-on-year decrease of 17%. The segment loss before tax amounted to approximately HK\$13.04 million (2018: loss before tax of approximately HK\$4.11 million), representing a year-on-year increase of approximately HK\$8.93 million.

### Other Income

Other income amounted to approximately HK\$59.01 million (2018: approximately HK\$58.58 million) in aggregate, which was in line with last year. It mainly included the interest income from deposits and other financial assets of approximately HK\$52.75 million (2018: approximately HK\$45.84 million).

### Selling and administrative expenses

During the year under review, the selling expenses amounted to approximately HK\$20.52 million (2018: approximately HK\$14.06 million), representing a year-on-year increase of approximately 46%, which was mainly due to the year-on-year increase in the turnover from steel trading under bulk commodity trade of approximately 61%. As a result, the storage fee and freight expenses increased by approximately HK\$5.89 million year-on-year. The administrative expenses amounted to approximately HK\$92.08 million, which was in line with last year (2018: approximately HK\$92.34 million).

### (iii) 旅行社業務

於回顧年內，旅行社業務的營業額約港幣119萬元(二零一八年：約港幣90萬元)，同比增加約32%，除稅前虧損約港幣8萬元，而去年除稅前盈利約港幣48萬元，轉盈為虧的主要原因是利息及其他收入按年減少約118萬元至約13萬元，抵消了營業額增加令毛利按年上升約28萬元至約44萬元及行政費用按年減少約34萬元至約63萬元對業績的正面影響。

綜合上述三項業務共為本集團帶來分類營業額約港幣3,208萬元(二零一八年：約港幣3,876萬元)，同比下降17%。分類除稅前虧損約港幣1,304萬元(二零一八年：除稅前虧損約港幣411萬元)，虧損按年增加約港幣893萬元。

### 其他收入

其他收入總金額約港幣5,901萬元(二零一八年：約港幣5,858萬元)，與去年相若，主要包括存款及其他金融資產之利息收入約港幣5,275萬元(二零一八年：約港幣4,584萬元)。

### 銷售及行政費用

於回顧年內，銷售費用約港幣2,052萬元(二零一八年：約港幣1,406萬元)，按年增加約46%，主要原因是大宗商品的鋼材貿易的營業額按年增加約61%，導致倉儲費及運雜費按年增加約港幣589萬元。行政費用約港幣9,208萬元，與去年相若(二零一八年：約港幣9,234萬元)。

## Management Discussion and Analysis 管理層討論與分析

### Finance Costs

During the year under review, the finance costs mainly composed of the interest on bank borrowings. The interest on bank borrowings was approximately HK\$10.09 million (2018: approximately HK\$9.04 million), representing a year-on-year increase of approximately 12%, which was mainly due to the fact that the bank borrowings as at 31 December 2019 increased by approximately HK\$3.60 million from that as at 31 December 2018 and the effective borrowing rate per annum increased as compared with last year. After deducting the finance costs of approximately HK\$4.52 million (2018: approximately HK\$2.53 million) which were capitalised during the year under review and recognising the interests on lease liabilities of approximately HK\$0.44 million (2018: nil), the net finance costs were approximately HK\$6.01 million (2018: approximately HK\$6.51 million), representing a year-on-year decrease of approximately 8%.

### III. DISPOSAL OF SUBSIDIARY AND FORMATION OF JOINT VENTURE

During the year under review, the Group had the following material disposal of subsidiary and formation of a joint venture:

- (1) On 25 October 2019, the Group entered into an investment agreement with the Company's related party, Chengtong International Limited ("**Chengtong International**"), pursuant to which a joint venture is formed. The joint venture is owned as to 51% by the Group and 49% by Chengtong International. Through the formation of the joint venture, the Group can leverage on the operational expertise of the shareholder of Chengtong International, and benefit from its international procurement and sales network as well as its established customer base. These will facilitate the continuous development of the international bulk commodity trade businesses of the Group abroad. For further details, please refer to the announcement of the Company dated 25 October 2019.

### 融資成本

於回顧年內，融資成本主要為銀行借款利息。銀行借貸之利息約港幣1,009萬元(二零一八年：約港幣904萬元)，同比增加約12%，主要原因是於二零一九年十二月三十一日的銀行借款較於二零一八年十二月三十一日的銀行借款增加約港幣360萬元及實際借款利率按年增加所導致。扣除於回顧年內資本化融資成本約港幣452萬元(二零一八年：約港幣253萬元)，及加上租賃負債之利息約港幣44萬元(二零一八年：港幣0元)，融資淨成本約港幣601萬元(二零一八年：約港幣651萬元)，同比下降約8%。

### 三. 出售附屬公司及成立合營企業

於回顧年度，本集團曾進行以下重大出售附屬公司及成立合營公司：

- (1) 於二零一九年十月二十五日，本集團與關連方誠通國際貿易有限公司(「**誠通國際**」)訂立投資協議成立合營公司，雙方分別持有合營公司51%及49%股權。通過合營公司，本集團可利用誠通國際其股東的營運專長，並可受益於其國際採購及銷售網絡及已建立的客戶群，有利於本集團大宗商品貿易業務的持續發展至國外市場。有關進一步詳情，請參閱本公司日期為二零一九年十月二十五日的公告。



## Management Discussion and Analysis 管理層討論與分析

- (2) On 12 November 2019, the Group entered into an equity transfer agreement with the Company's related party, China Chengtong International, pursuant to which China Chengtong International conditionally agreed to acquire 41% of the equity interest of Chengtong Energy at the consideration of approximately HK\$27.38 million. Upon completion of the equity transfer, the Group will only retain 10% equity interest in Chengtong Energy and Chengtong Energy will cease to be a subsidiary of the Company. The Group will gradually exit from its business of coal trading in the PRC through the disposal of Chengtong Energy. For further details, please refer to the announcement of the Company dated 12 November 2019 and the circular of the Company dated 6 December 2019. As at the date of this annual report, the equity transfer is still pending the completion of the registration formalities at the relevant PRC registration authority and therefore, completion of the equity transfer had not yet taken place.

Save as disclosed in the above, during the year under review, the Group did not have any other material acquisition or disposal of subsidiaries, associates or joint ventures.

### IV. OUTLOOK

Since the outbreak of the novel coronavirus pneumonia epidemic at the beginning of the year, the Group has taken a proactive approach and adopted various anti-epidemic measures to protect the safety and health of employees as top priority. At the same time, the postponed resumption of production and related epidemic control have adversely affected the Group's business. The Group is taking proactive measures and making active responses in an effort to minimise the losses caused by the epidemic.

From an international perspective, the prevailing global economy will continue to slow down and remain in profound adjustment period after the international financial crisis. The global economy is characterised by "three lows and two highs" namely low growth, low inflation, low interest rates, high debt, and high risk. Initiatives such as co-building the "Belt and Road" have provided a broad arena for the internationalised operation of enterprises in China. From a domestic perspective, China is going through a critical period of changing model of development, optimisation of economic structure and changing growth drivers. Although recently the novel coronavirus pneumonia epidemic has brought certain pressure to bear on the economic development, as the prevention and control measures strengthen and the enterprises resume production, the general trend of steady, positive growth long-term improvement of the economy in China should be able to sustain.

- (2) 於二零一九年十一月十二日，本集團與關連方中國誠通國際訂立股權轉讓協議，據此，中國誠通國際以代價約為港幣2,738萬元有條件收購誠通能源41%股權，於股權轉讓完成後，本集團於誠通能源將僅保留10%權益，誠通能源將不再為本公司的附屬公司。本集團透過出售誠通能源，逐步退出境內煤炭貿易業務。有關進一步詳情，請參閱本公司日期為二零一九年十一月十二日的公告及本公司日期為二零一九年十二月六日的通函。至本年度報告日期止，股權轉讓仍在辦理相關中國註冊機關的登記手續，因此，股權轉讓尚未完成。

除上文所披露者外，於回顧年度，本集團並無任何其他附屬公司、聯營公司或合營公司的重大收購或出售。

### 四. 前景展望

年初新型冠狀病毒肺炎疫情爆發，本集團以保護員工身體健康為首要職責，採取了多種防疫措施積極應對。同時，延期復工及相關疫情防護也對本集團的業務產生一定的不利影響，本集團正在採取積極措施主動應對，力爭將疫情造成的影響降到最低。

在國際層面，當前全球經濟增長持續放緩，仍處於國際金融危機後的深度調整期，全球經濟呈現低增長、低通脹、低利率、高債務、高風險的「三低兩高」特徵。共建「一帶一路」等倡議為中國企業國際化經營提供了廣闊舞臺。從國內看，中國正處於轉變發展模式、優化經濟結構和轉換增長動力的攻關期，雖然近日新型冠狀病毒肺炎疫情給經濟發展造成一定的壓力，隨著防控措施的加強和企業的復工復產，中國經濟穩中向好、長期向好的基本趨勢應可持續。

## Management Discussion and Analysis 管理層討論與分析

Looking forward, as China and the United States of America enters into the first stage trade deal, the economic and trade relations have eased to a certain extent, thus stabilising the international macroeconomic conditions. However, the global economy continues to face uncertainties such as geopolitical conflicts, escalated trade frictions and etc. In the short term, China's economy will still be under downward pressures, and China will further the supply-side structural reform to drive the economy to its high quality betterment. In the medium-long term, the strong domestic market demands will provide enormous development potentials for corporate transformation and development and structural adjustment.

The Group will closely monitor the complex and changing business landscape where both opportunities and challenges exist, while seizing market opportunities and striving to make innovation, with a view to maximising the values for the shareholders.

In respect of finance leasing, the Group will increase the business synergy between its controlling shareholder and other central enterprises and accelerate the introduction of market-oriented professional teams. Adhering to the management philosophy of "serving the strategy, generating synergies, strictly managing risks and creating niche features", the Group will step up its efforts to expand into areas including central enterprises and overseas leasing, and expand the business scale with focus on stringent risk management to provide customers with professional comprehensive finance leasing solutions. Leverage on its synergies with the Company's controlling shareholder, the Group strives to build its brand and industry influence. With respect to bulk commodity trading, under strict risk management, the Group will continue to cautiously carry out bulk commodity trading related business. In relation to property development and property investment, the Group's overall strategy is to gradually withdraw from the existing property development project business and integrate the resources by strengthening the development and marketing of Zhucheng project and expediting the restructuring of Dafeng project. Regarding marine recreation services and hotel, on one hand, the Group will strengthen its marketing efforts on existing marine recreation services and hotel businesses, and on the other hand, make use of the strategic opportunities brought by the establishment of free trade zone (port) to set foot in Hainan, thus further expanding new travelling resources.

At present, the Group has gradually defined the development strategy, development goals and implementation approaches. In the future, it will further gather resources to push ahead the expansion of the business scale of finance leasing. The Board has full confidence in the future development of the Group.

展望未來，隨著中美達成第一階段貿易協定，一定程度上緩和了經貿關係，穩定國際經濟大環境，但全球經濟增長仍面臨地緣政治衝突、貿易摩擦升級等諸多不確定性。短期內，中國經濟仍面臨著下行的壓力，中國將堅持深化供給側結構性改革，推動經濟轉向高品質發展。從中長期看，強大的國內市場需求為企業轉型發展和結構調整提供了巨大的發展空間。

本集團將密切關注複雜多變、機遇與挑戰並存的形勢，掌握市場機遇，開拓創新，為股東創造更大價值。

關於融資租賃，本集團將加大與控股股東及其他中央企業的業務協同，加快市場化專業團隊的引進力度，堅持「服務戰略，發揮協同，嚴控風險，做出特色」的經營方針，大力開拓中央企業和海外租賃等領域的業務，以嚴控風險為基礎，拓展業務規模，為客戶提供專業化的融資租賃綜合解決方案，與本公司控股股東發揮協同作用，建立品牌和行業影響力；關於大宗商品貿易，本集團在嚴格控制風險的前提下，繼續審慎開展大宗商品貿易相關業務；關於物業發展及物業投資，本集團的總體策略是逐步退出現有物業發展項目，整合資源，一方面進一步加強諸城項目的建設及營銷，另一方面加快推進對大豐項目的重組；關於海上旅遊服務和酒店業務，將一方面加強現有業務的營銷力度；另一方面，利用海南建設自貿區(港)的戰略機遇，立足海南，進一步開拓新的旅遊資源。

目前，本集團的發展戰略、發展目標和實施路徑逐步清晰，未來將進一步聚焦資源快速做大融資租賃業務規模。董事會對本集團之未來發展充滿信心。

# Management Discussion and Analysis

## 管理層討論與分析

### V. ASSET STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

The Group continues to maintain a sound financial position. As at 31 December 2019, equity attributable to owners of the Company amounted to approximately HK\$2,780.84 million (as at 31 December 2018: approximately HK\$2,761.71 million), representing an increase of approximately 1% as compared with the equity attributable to owners of the Company as at 31 December 2018.

As at 31 December 2019, the total assets of the Group amounted to approximately HK\$3,600.66 million, representing an increase of approximately 0.3% as compared to the total assets as at 31 December 2018. The amount of total current assets of the Group was approximately HK\$2,575.93 million, accounting for approximately 72% of the total assets and representing a decrease by approximately 14% as compared to the total current assets as at 31 December 2018, which was mainly due to the Group's utilisation of part of the cash and deposits and the increase in loans receivable of approximately HK\$438.99 million from non-current finance leasing business during the year under review. The total non-current assets of the Group amounted to approximately HK\$1,024.73 million, accounting for approximately 28% of the total assets and representing an increase by approximately 77% as compared to the total non-current assets as at 31 December 2018, which was mainly due to the increase in loans receivable from finance leasing business.

As at 31 December 2019, total liabilities of the Group amounted to approximately HK\$686.45 million, representing a decrease of approximately 1% as compared with that as at the same date of last year. The total non-current liabilities of the Group amounted to approximately HK\$50.41 million and accounted for approximately 7% of the total liabilities and represented a decrease of approximately 3% as compared with that as at the same date of last year. The total current liabilities of the Group amounted to approximately HK\$636.04 million and accounted for approximately 93% of the total liabilities, representing a decrease of approximately 1% as compared with that as at the same date of last year. The current ratio (calculated as total current assets over total current liabilities) was approximately 4.0 times, representing a decrease of approximately 0.7 time as compared to the current ratio of approximately 4.7 times as at 31 December 2018. The liquidity of the assets of the Group remained sound.

### 五. 資產結構、資本流動性及財政資源

本集團繼續維持良好的財務狀況。於二零一九年十二月三十一日，本公司擁有人應佔之權益約港幣27億8,084萬元（於二零一八年十二月三十一日：約港幣27億6,171萬元），較於二零一八年十二月三十一日的本公司擁有人應佔之權益增加約1%。

於二零一九年十二月三十一日，本集團的總資產值約港幣36億66萬元，較於二零一八年十二月三十一日的總資產值增加約0.3%。本集團的流動資產總值約港幣25億7,593萬元，佔總資產值約72%，較於二零一八年十二月三十一日的流動資產總值減少約14%，主要原因是於回顧年內本集團使用部份現金及存款，增加非流動融資租賃業務的應收貸款約4億3,899萬元。本集團的非流動資產總值約港幣10億2,473萬元，佔總資產值約28%，較於二零一八年十二月三十一日的非流動資產總值增加約77%，主要原因是租賃業務的應收貸款增加。

於二零一九年十二月三十一日，本集團的負債總值約港幣6億8,645萬元，較去年同日的負債總值減少約1%。本集團的非流動負債總值約港幣5,041萬元，佔負債總值約7%，較去年同日的非流動負債總值減少約3%。本集團的流動負債總值約港幣6億3,604萬元，佔負債總值約93%，較去年同日的流動負債總值減少約1%。流動比率（其計算方式為流動資產總值除以流動負債總值）約4.0倍，較於二零一八年十二月三十一日的流動比率約4.7倍減少約0.7倍。反映本集團資產流動性維持良好。

## Management Discussion and Analysis 管理層討論與分析

As at 31 December 2019, the Group had cash and deposits (including pledged bank deposits, deposits in other financial institution and bank balances and cash) of approximately HK\$738.98 million, accounting for approximately 21% and approximately 25% of the total assets and the net assets respectively, and representing a decrease of approximately HK\$168.44 million as compared with that as at the same date of last year, which was mainly due to the Group's utilisation of cash and deposits and the increase in loans receivable from non-current finance leasing business. As at 31 December 2019, the bank borrowings of the Group amounted to approximately HK\$277.70 million, representing an increase of approximately HK\$3.60 million as compared with the bank borrowings as at 31 December 2018 of approximately HK\$274.10 million. Bank borrowings of approximately HK\$77.70 million was of one-year term and the remaining balance of HK\$200 million was a revolving loan with the final repayment date to be due in the year of 2020. The effective interest rates of the bank borrowings ranged from approximately 3.04% to approximately 5.66% per annum. It is expected that the Group will have sufficient financial resources to cope with the commitments and liabilities for the coming year.

於二零一九年十二月三十一日，本集團持有現金及存款(包括已抵押銀行存款、於其他金融機構存款及銀行結存及現金)約港幣7億3,898萬元，分別佔總資產值及資產淨值約21%及約25%，較去年同日的現金及存款減少約港幣1億6,844萬元，主要原因是本集團使用現金及存款，增加非流動融資租賃業務的應收貸款。於二零一九年十二月三十一日，本集團的銀行借款約港幣2億7,770萬元，較二零一八年十二月三十一日的銀行借款約港幣2億7,410萬元增加約港幣360萬元。銀行借款中約港幣7,770萬元為一年期貸款，餘額港幣2億元為循環貸款，最後到期還款日在二零二零年，銀行借款實際年利率介乎約3.04%至約5.66%。本集團預期具備足夠財務資源以應付來年之承擔及負債。

### VI. SIGNIFICANT INVESTMENTS

Details of the significant investments in the portfolio under other financial assets as at 31 December 2019 are as follows:

### 六. 重大投資

於二零一九年十二月三十一日，其他金融資產內之重大投資詳情如下：

Description of investment	Approximate interest rate per annum	Approximate investment amount as at 31 December 2019	Fair value as at 31 December 2019	Approximate percentage to the Group's audited total assets as at 31 December 2019	Changes in fair value during the year 2019
投資概述	概約年利率	於二零一九年十二月三十一日的概約投資金額	於二零一九年十二月三十一日的公平值 (HK\$'000) (港幣千元)	佔於二零一九年十二月三十一日本集團經審核總資產的概約百分比	二零一九年年度的公平值變動 (HK\$'000) (港幣千元)
Honghua Group Limited (Stock code: 196) (Note 1) 宏華集團有限公司(股份代號: 196) (附註1)	N/A 不適用	HK\$195,580,000 港幣195,580,000元	134,620	3.7%	30,480 (Note 2) 30,480 (附註2)
Unlisted trust schemes and wealth management products managed by PRC banks 由中國的銀行管理的非上市信託計劃及理財產品	5.0%-9.5%	RMB183,075,000	204,139	5.7% (Note 4)	942 (Note 3)
	5.0%-9.5%	人民幣183,075,000元		5.7% (附註4)	942 (附註3)
Interest bearing structured bank deposits with PRC banks 中國的付息結構性銀行存款	3.5%-3.9%	RMB184,700,000	205,017	5.7% (Note 5)	-
	3.5%-3.9%	人民幣184,700,000元		5.7% (附註5)	-



# Management Discussion and Analysis

## 管理層討論與分析

Note 1: The principal businesses of Honghua Group Limited and its subsidiaries are manufacturing of drilling rigs, offshore engineering, manufacturing of oil & gas exploitation equipment and provision of drilling services. The Group held 254,000,000 shares of Honghua Group Limited, representing approximately 4.7% of the total issued shares of Honghua Group Limited as at the date of this annual report. During the Year, the Group did not receive any dividend income from Honghua Group Limited.

Note 2: This financial asset is measured at FVOCI (non-recycling).

Note 3: This financial asset is measured at fair value through profit or loss.

Note 4: This includes a total of four unlisted trust schemes and wealth management products managed by PRC banks and the value of each product accounts for no more than 5% of the audited total assets of the Group as at 31 December 2019.

Note 5: This includes a total of three interest-bearing structural bank deposits in the PRC and the value of each product accounts for no more than 5% of the audited total assets of the Group as at 31 December 2019.

For more details of the Group's other financial assets, please refer to note 25 in this annual report. Looking ahead, the Group anticipates to receive investment income from these investments and we intend to actively explore other potential investment opportunities to maximise shareholders' value.

附註1：宏華集團有限公司及其附屬公司的主要業務為製造鑽機、離岸工程、製造油氣開採設備及提供鑽探服務。本集團持有宏華集團有限公司股份數目為254,000,000股，相當於宏華集團有限公司於本年度報告日期已發行股份總數約4.7%。於年內，本集團沒有收取宏華集團有限公司任何股息收益。

附註2：本金融資產乃按公平值計入其他全面收益(不可轉入損益)之方法計量。

附註3：本金融資產乃按公平值計入損益之方法計量。

附註4：中國的銀行管理的非上市信託計劃及理財產品內共有4個產品，而每個產品價值佔於二零一九年十二月三十一日本集團經審核總資產的百分比不超過5%。

附註5：中國的附息結構性銀行存款內共有3個產品，而每個產品價值佔於二零一九年十二月三十一日本集團經審核總資產的百分比不超過5%。

有關本集團其他金融資產的詳情請參閱本年度報告內附註25。展望未來，本集團預期自該等投資取得投資收入，且我們有意積極探求其他具潛力的投資機遇，將股東價值最大化。

## VII. DEBT TO EQUITY RATIO

The debt to equity ratio (calculated by dividing total interest-bearing borrowings by total equity) as at 31 December 2019 was approximately 10%, representing an increase by approximately 1% as compared with the debt to equity ratio of approximately 9% as at 31 December 2018, which indicated a stable financial position and a low gearing level of the Group.

## VIII. TREASURY POLICIES

The business activities and operation of the Group are mainly carried out in Mainland China and Hong Kong, with transactions denominated in RMB, HKD and United States dollars, which exposes the Group to foreign currency risks. The HKD-denominated bank borrowings of the Group of approximately HK\$200 million were based on floating interest rates, which exposed the Group to interest rate risks. The Group will use interest rate and foreign currency swaps and forward foreign exchange contracts as and when appropriate for risk management and hedging purposes with a view to managing the Group's exposure to interest rate and foreign exchange rate fluctuations. It is the Group's policy not to enter into derivative financing transactions for speculative purposes. It is also the Group's policy not to invest in financial products with significant underlying leverage or derivative exposure including hedge funds or similar instruments.

## 七. 負債與權益比率

於二零一九年十二月三十一日之負債權益比率(其計算方式為附息貸款總和除以總權益)約10%，較於二零一八年十二月三十一日之負債權益比率約9%，增加約1%，反映本集團財政狀況穩健，負債仍然維持在低水平。

## 八. 理財政策

本集團之業務活動及營運所在地主要在中國內地及香港，交易以人民幣、港幣及美元計值，令本集團承受外匯風險。本集團之港幣銀行借款約2億元以浮息為基礎，令本集團承受利率風險。本集團將在適當時候以利率與外匯掉期及遠期外匯合約用作風險管理、對沖交易，以及調控本集團面對之利率與匯率波動風險。本集團之政策是不參與投機性之衍生融資交易，亦不會投資於具有重大相關槓桿效應或衍生風險之金融產品上，包括對沖基金或類似之工具。

# Management Discussion and Analysis

## 管理層討論與分析

### IX. INTEREST RATE RISK

As at 31 December 2019, the Group's bank borrowings were denominated in HKD and RMB, of which the RMB-denominated bank borrowings of approximately RMB70 million were based on fixed interest rates, and the HKD-denominated borrowings of approximately HK\$200 million were based on floating interest rates. The floating interest rates are stabilised at a low level because the banks in Hong Kong have sufficient capital and strong liquidity and there is no urgent need to increase the interest rates. Although the Group does not have any hedging measures against such interest rate risks, the Group will continue to closely monitor the risks arising from such interest rate fluctuation. When interest rate rises, hedging instruments will be used in due course against the interest rate risks caused by the HKD-denominated bank borrowings which are based on floating interest rates.

### X. FOREIGN EXCHANGE RISK

During the year under review, the Group's businesses were principally conducted in RMB, while most of the Group's assets and liabilities were denominated in HKD and RMB. Any fluctuation in the exchange rate of HKD against RMB may have an impact on the Group's results. As at 31 December 2019, the net assets of the Group's business within the territory of the PRC were approximately RMB1,936.24 million. According to HKASs, such amount of net assets denominated in RMB should be converted at the exchange rate applicable as at the end of the reporting period. Due to the decrease in foreign exchange reserve by approximately HK\$58.30 million as a result of the depreciation of RMB during the Year, there had been a decrease in net assets of the Group. Although foreign currency fluctuations did not pose significant risks to the Group during the Year and the Group does not have any hedging measures against such exchange risks currently, the Group will continue to closely monitor the risks arising from such currency fluctuations.

### XI. PLEDGE OF ASSETS

As at 31 December 2019, pledged bank deposits of the Group in the sum of approximately HK\$4.19 million were pledged as security for banking facilities granted to mortgagors (as at 31 December 2018: approximately HK\$1.26 million). The remaining balance of approximately HK\$0.27 million of the Group's pledged bank deposit (as at 31 December 2018: approximately HK\$2.56 million) was guaranteed deposits.

### 九. 利率風險

於二零一九年十二月三十一日，本集團之銀行借款以港幣及人民幣計值，其中人民幣銀行借款約7,000萬元是以固定息率為基礎，港幣銀行借款約2億元是以浮息為基礎，由於香港銀行資金充裕流動性強而無需急於加息，浮息利率處於穩定低水平。儘管本集團現時並無就該等利率風險採取任何對沖措施，本集團將會密切監控有關利率波動產生的風險，在利率趨升時，適時採用利率對沖工具，以減少港幣銀行借款以浮息為基礎產生的利率風險。

### 十. 外匯風險

於回顧年內，本集團主要以人民幣進行業務，而本集團的大部分資產及負債以港幣及人民幣計值，港幣兌人民幣的匯率波動可能對本集團的業績產生影響。於二零一九年十二月三十一日，本集團位於中國境內業務之資產淨值約人民幣19億3,624萬元，遵照香港會計準則，該等人民幣資產淨值應按本公告期間結算日之適用匯率換算。由於本年度人民幣貶值，減少本集團外匯儲備約港幣5,830萬元，導致本集團資產淨值減少。儘管本年度外匯波動並無使本集團面對重大風險且我們現時並無就該等外匯風險採取任何對沖措施，本集團也將會密切監控有關貨幣波動可能產生的風險。

### 十一. 資產抵押

於二零一九年十二月三十一日，本集團的已抵押銀行存款中約港幣419萬元(於二零一八年十二月三十一日：約港幣126萬元)為授予按揭人之銀行融資的抵押。餘下約港幣27萬元的本集團之已抵押銀行存款(二零一八年十二月三十一日：約港幣256萬元)為保證存款。

# Management Discussion and Analysis

## 管理層討論與分析

### XII. COMMITMENTS AND CONTINGENT LIABILITIES

As at 31 December 2019, the capital commitments of the Group included the purchase of property, plant and equipment. The purchase was funded by internal resources of the Group. Please refer to notes 43 and 44 to this annual report for details of the contingent liabilities and capital commitments.

### XIII. FUTURE PLANS OF MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this annual report, the Group does not have any future plans for other material investments or capital assets in the coming year.

### 十二. 資本承擔及或有負債

於二零一九年十二月三十一日，本集團的資本承擔為購置物業、廠房及設備。有關採購由本集團內部資源撥資。有關本集團或有負債及資本承擔之詳情請參閱本年度報告內附註43及44。

### 十三. 重大投資或資本資產之未來計劃

除本年度報告內所披露者外，本集團於來年並無任何其他重大投資或資本資產之未來計劃。

## Biographies of Directors and Senior Management 董事及高級管理層履歷

### DIRECTORS

#### Mr. Zhang Bin

Mr. Zhang, aged 51, is an executive Director and Chairman of the Board of the Company. Mr. Zhang joined the Group in July 2010. He was appointed as an executive Director with effect from 30 January 2014 and served as Acting Chairman of the Board with effect from 1 December 2018 until he was appointed as Chairman of the Board on 26 June 2019. Mr. Zhang served as the Managing Director of the Company from 15 June 2017 to 22 October 2019. He is also a director of several subsidiaries of the Company. Mr. Zhang holds an EMBA degree from China Europe International Business School and a Doctorate degree from Peking University. He also undertook postdoctoral research in Rutgers University and North Carolina State University in the United States. Mr. Zhang has rich experience in corporate management. Mr. Zhang is currently a director of China Chengtong Hong Kong Company Limited (“**CCHK**”), which has an interest in the shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“**SFO**”) and is a wholly-owned subsidiary of China Chengtong Holdings Group Limited (“**CCHG**”), the ultimate holding company of the Company.

#### Mr. Yang Tianzhou

Mr. Yang, aged 47, joined the Group in October 2019 as an executive Director and Managing Director of the Company and acted as a director of several subsidiaries of the Company. Mr. Yang obtained a bachelor’s degree in economics and a master’s degree in business administration from Peking University. In September 2009, he was accredited as a chartered financial analyst by CFA Institute. Mr. Yang worked in various departments and affiliated institutions of the State Administration of Foreign Exchange (“**SAFE**”) of the PRC. He worked as the deputy director of the Business Supervision Division of SAFE and the Strategic Research Division of the Reserve Management Department of SAFE, as the vice-representative of the Representative Office of the People’s Bank of China in America and the chief dealer of the New York Trading Office of SAFE, and as the director of the General Affairs Division of the SAFE Investment Centre respectively. Mr. Yang also served as the deputy mayor of Dezhou City, Shandong Province, the PRC and worked as the vice-president of the Hunan Branch of the Export-Import Bank of China. From July 2017 to May 2019, he worked as the general manager of Polaris Bay Group Company Limited, whose shares are listed on the Shanghai Stock Exchange. Since September 2019, Mr. Yang has been working as the deputy general manager of CCHK, which has an interest in the shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO. In addition, Mr. Yang is currently a director of several Hong Kong subsidiaries of CCHK.

### 董事

#### 張斌先生

張先生，51歲，本公司執行董事及董事會主席。張先生於二零一零年七月加入本集團，彼於二零一四年一月三十日獲委任為執行董事，於二零一八年十二月一日出任董事會代理主席，直至二零一九年六月二十六日獲委任為董事會主席為止。張先生於二零一七年六月十五日至二零一九年十月二十二日期間擔任本公司董事總經理。張先生同時為本公司若干附屬公司之董事。張先生持有中歐國際商學院高級工商管理碩士學位及北京大學博士學位。彼亦曾於美國羅格斯大學及美國北卡羅萊納州立大學從事博士後研究工作。張先生具有豐富的企業管理經驗。現時張先生為本公司最終控股公司中國誠通控股集團有限公司（「**誠通控股**」）之全資附屬公司中國誠通香港有限公司（「**誠通香港**」）的董事，而誠通香港擁有根據證券及期貨條例（香港法例第571章）（「**證券及期貨條例**」）第XV部第2及第3分部之條文須向本公司披露之本公司股份權益。

#### 楊田洲先生

楊先生，47歲，於二零一九年十月加入本集團為本公司執行董事及董事總經理，並擔任本公司若干附屬公司之董事。楊先生於北京大學取得經濟學學士學位及工商管理碩士學位。於二零零九年九月，彼獲特許金融分析師協會認可為特許金融分析師。楊先生曾於中國國家外匯管理局（「**國家外匯管理局**」）多個部門及聯屬機構工作，分別先後出任國家外匯管理局業務監管處副處長、國家外匯管理局儲備管理司戰略研究處副處長、中國人民銀行駐美洲代表處副代表、國家外匯管理局紐約交易室首席交易員及國家外匯管理局中央外匯業務中心綜合處處長。彼亦曾擔任中國山東省德州市副市長及擔任中國進出口銀行湖南省分行副行長。彼自二零一七年七月至二零一九年五月擔任華創陽安股份有限公司（其股份於上海證券交易所上市）總經理。自二零一九年九月起，楊先生擔任誠通香港的副總經理，誠通香港於本公司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的股份權益。此外，楊先生現時亦擔任誠通香港旗下若干附屬公司之董事。



## Biographies of Directors and Senior Management 董事及高級管理層履歷

### Mr. Wang Tianlin

Mr. Wang, aged 47, is an executive Director and a director of several subsidiaries of the Company. Mr. Wang joined the Group in February 2007. Mr. Wang obtained his bachelor's and master's degrees from Beijing Institute of Technology and in 2003, he obtained his master's degree in Business Administration in Finance from The Chinese University of Hong Kong. Mr. Wang was previously the secretary to the board of directors of Sihuan Pharmaceutical Company Limited, the shares of which are listed on the Shenzhen Stock Exchange and also was the assistant to the president of CCHK, which has an interest in the shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO. He is currently the deputy general manager of CCHK and an executive director and general manager of China Huandao Group Limited (formerly known as China Huandao Group Co.), a subsidiary of CCHG. Mr. Wang has extensive experience in corporate governance, capital management and business administration.

### Mr. Li Shufang

Mr. Li, aged 52, is an executive Director, the deputy general manager of the Company and a director of a number of subsidiaries of the Company. Mr. Li joined the Company in January 2005, and worked as senior manager and the assistant to general manager of the Company. He obtained his bachelor's degree in investment economics management from Dongbei University of Finance and Economics, and a master's degree in business administration from Tsinghua University. Mr. Li has worked in various departments (including the finance department and the investment department) of 中國物資開發投資總公司 (unofficial English translation being China Materials Development and Investment Corporation) (currently known as 中國紙業投資有限公司 (unofficial English translation being China Paper Investment Corporation Limited)), which is a wholly-owned subsidiary of CCHG. And he worked as deputy general manager or business manager in various private companies in the PRC. Mr. Li has also been working as the deputy general manager of CCHK, which has an interest in the shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, since September 2019.

### Professor Chang Qing

Professor Chang, aged 62, is an independent non-executive Director. Professor Chang joined the Group in January 2013. Professor Chang studied Economics at Jilin University and obtained his master's degree in Economics from Jilin University in 1985 and PhD degree from Chinese Academy of Social Sciences. He has over 30 years of experience in economic and financial field. He is currently the chairman of Jinpeng International Futures Co., Ltd., a professor of College of Economics and Management of China Agricultural University, supervisor of Futures and Financial Derivatives Association of China Agricultural University and a member of the expert committee of China Securities Journal. Professor Chang is now acting as an independent non-executive director of Kangda International Environmental Company Limited and Honghua Group Limited (both companies' shares are listed on the Main Board of the Stock Exchange). He also previously served as independent directors of Tibet Summit Resources Co., Ltd. (formerly known as Tibet Summit Industry Co. Ltd) and TBEA Co., Ltd. (both companies' shares are listed on the Shanghai Stock Exchange) as well as Yuan Long Ping High-Tech Agriculture Co., Ltd., Rongfeng Holding Group Co., Ltd. and Shenwu Environmental Technology Co., Ltd. (all three companies' shares are listed on the Shenzhen Stock Exchange). Professor Chang was a council member of the Shanghai Futures Exchange and the vice president of the expert committee of China Futures Association.

### 王天霖先生

王先生，47歲，執行董事及本公司若干附屬公司之董事。王先生於二零零七年二月加入本集團。王先生自北京理工大學取得學士及碩士學位，並於二零零三年取得香港中文大學工商管理碩士學位，主修金融。王先生曾於深圳證券交易所上市之四環藥業股份有限公司擔任董事會秘書，亦曾於誠通香港（於本公司擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露之本公司股份權益）擔任總裁助理，現為副總經理，及誠通控股附屬公司中國寰島集團有限公司（前稱中國寰島（集團）公司）執行董事及總經理。王先生具備豐富的公司治理、資本運作及企業管理經驗。

### 李舒放先生

李先生，52歲，執行董事、本公司副總經理及本公司若干附屬公司之董事。李先生於二零零五年一月加入本集團，曾擔任本公司高級經理及總經理助理。李先生於東北財經大學取得投資經濟管理學士學位及於清華大學取得工商管理碩士學位。李先生曾於誠通控股全資附屬公司中國物資開發投資總公司（現稱為中國紙業投資有限公司）的多個部門（包括財務部及投資部）工作。彼亦曾於中國多間私人公司擔任副總經理或業務經理。自二零一九年九月起，李先生亦擔任誠通香港的副總經理，誠通香港於本公司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的股份權益。

### 常清教授

常教授，62歲，獨立非執行董事。常教授於二零一三年一月加入本集團。常教授在吉林大學修讀經濟，於一九八五年獲吉林大學頒發經濟學碩士學位，並自中國社會科學院取得博士學位。彼在經濟及財經領域超過30年經驗。常教授現為金鵬期貨經紀有限公司的董事長、中國農業大學經濟管理學院教授、中國農業大學期貨與金融衍生品研究中心主任及中國證券報專家委員會委員。常教授現擔任康達國際環保有限公司和宏華集團有限公司（兩間公司的股份均於聯交所主板上市）的獨立非執行董事。彼也曾擔任西藏珠峰資源股份有限公司（前稱為西藏珠峰工業股份有限公司）、特變電工股份有限公司（兩間公司的股份均於上海證券交易所上市）、袁隆平農業高科技股份有限公司、榮豐控股集團股份有限公司及神霧環保技術股份有限公司（三間公司的股份均於深圳證券交易所上市）的獨立董事。常教授曾擔任上海期貨交易所理事及中國期貨業協會副會長。

## Biographies of Directors and Senior Management 董事及高級管理層履歷

### Mr. Lee Man Chun, Tony

Mr. Lee, aged 66, is an independent non-executive Director. Mr. Lee joined the Group in November 2013. Mr. Lee obtained a master's degree in Business Administration from Chu Hai College of Higher Education in 1981. He is a member of the Hong Kong Institute of Certified Public Accountants. He has over 40 years of experience in accounting, capital markets, corporate management, finance and banking. Previously, he worked for and held senior positions with Standard Chartered Bank (Hong Kong) Limited and Sanwa International Finance Ltd. Mr. Lee was an executive director of Shenwan Hongyuan (H.K.) Limited (formerly known as Shenyin Wanguo (H.K.) Limited) (the shares of which are listed on the Main Board of the Stock Exchange) from June 2000 to June 2017, and served as its chief executive officer during the period from July 2000 to March 2012.

### Professor He Jia

Professor He, aged 65, is an independent non-executive Director. Professor He joined the Group in September 2015. He holds a PhD degree in Finance from the Wharton School of University of Pennsylvania, the United States. Currently, he is the leading professor of the Faculty of Financial Mathematics and Engineering at the South University of Science and Technology of China, a jointly-appointed professor at the Tsinghua University, a member of 深圳市金融發展決策諮詢委員會 (unofficial English translation being Finance Development Decision-making Consultation Committee of Shenzhen), Cheung Kong Visiting Chair Professor of the Ministry of Education and an executive director and academic member of the China Society for Finance and Banking. Professor He currently acts as a financial consultant for the Chengdu and Quanzhou municipal governments. He is also an editor of China Financial Economics Review, and is serving as a member of the editorial boards of a number of journals, including China Accounting and Finance Review and Research in Banking and Finance. Professor He is currently an independent non-executive director of Bank of Tianjin Co., Ltd., OP Financial Limited, CITIC Securities Company Limited and Shanghai Junshi Biosciences Co., Ltd. (the shares of which are listed on the Main Board of the Stock Exchange) and an independent director of Norinco International Cooperation Ltd. and Xinlong Holding (Group) Co., Ltd. (the shares of both companies are listed on the Shenzhen Stock Exchange). He previously served as an independent director of Tibet Huayu Mining Co., Ltd., Tsinghua Tongfang Co., Ltd. (the shares of both companies are listed on the Shanghai Stock Exchange), Shenzhen Xinguodu Technology Co., Ltd. (the shares of which are listed on ChiNext of Shenzhen Stock Exchange), Shenzhen Soling Industrial Co., Ltd. (a company listed on Small and Medium Enterprises Board of Shenzhen Stock Exchange) and China Investment Securities Co., Ltd. He was also a professor of the Department of Finance and a director of the MBA program in Finance at the Chinese University of Hong Kong. Professor He was a commissioner of the Planning and Development Committee of China Securities Regulatory Commission from June 2001 to August 2002, and a director of integrated research institute of the Shenzhen Stock Exchange from June 2001 to October 2002.

### 李萬全先生

李先生，66歲，獨立非執行董事。李先生於二零一三年十一月加入本集團。李先生於一九八一年獲珠海學院頒發工商管理碩士學位。李先生為香港會計師公會會員，彼於會計、資本市場、企業管理、財務及銀行業累積逾40年經驗。彼曾於渣打銀行(香港)有限公司及三和國際財務有限公司擔任要職。李先生曾於二零零零年六月至二零一七年六月期間擔任申萬宏源(香港)有限公司(前稱為申銀萬國(香港)有限公司)(其股份於聯交所主板上市)的執行董事，並於二零零零年七月至二零一二年三月期間擔任其行政總裁。

### 何佳教授

何教授，65歲，獨立非執行董事。何教授於二零一五年九月加入本集團。彼持有美國賓夕法尼亞大學沃頓商學院金融哲學博士學位。彼現為南方科技大學金融數學與金融工程系領軍教授、清華大學雙聘教授、深圳市金融發展決策諮詢委員會委員、教育部長江學者講座教授及中國金融學會常務理事兼學術委員。何教授現任職成都及泉州市政府金融顧問。彼亦為《中國金融經濟評論》(China Financial Economics Review)之編輯，並任多家期刊編輯委員會委員，其中包括《中國會計及金融評論》(China Accounting and Finance Review)及《銀行及金融研究》(Research in Banking and Finance)。何教授現為天津銀行股份有限公司、東英金融有限公司、中信証券股份有限公司及上海君實生物醫藥科技股份有限公司(其股份均於聯交所主板上市)的獨立非執行董事，亦是北方國際合作股份有限公司及欣龍控股(集團)股份有限公司(兩間公司的股份均於深圳證券交易所上市)的獨立董事。彼曾為西藏華鈺礦業股份有限公司和同方股份有限公司(兩間公司的股份均於上海證券交易所上市)、深圳市新國都技術股份有限公司(其股份於深圳證券交易所中國創業板上市)、深圳市索菱實業股份有限公司(其股份於深圳證券交易所中小企業板上市)及中國中投證券有限責任公司的獨立董事。彼亦曾為香港中文大學金融學系教授及金融財務MBA課程主任。何教授曾於二零零一年六月至二零零二年八月任職中國證券監督管理委員會規劃發展委員會委員，於二零零一年六月至二零零二年十月任職深圳證券交易所綜合研究所所長。

# Biographies of Directors and Senior Management

## 董事及高級管理層履歷

### SENIOR MANAGEMENT

#### Mr. Chan Siu Kay

Mr. Chan, aged 60, is the financial controller of the Company and a director of several subsidiaries of the Company. He joined the Company in May 2014. Mr. Chan holds a master's degree in Business Administration from the University of Strathclyde in the United Kingdom and a master's degree in Corporate Finance from The Hong Kong Polytechnic University. He is a fellow member of the Association of Chartered Certified Accountants and a Certified Public Accountant of The Hong Kong Institute of Certified Public Accountants. He is also an associate member of The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators. He is also a Fellow Certified Professional Economist of The Hong Kong Society of Economists Limited. Mr. Chan has gained over 26 years of experience in audit, accounting, taxation, corporate finance and initial public offering from working in an international audit firm and a number of listed companies.

### COMPANY SECRETARY

#### Mr. Poon Tsz Kin

Mr. Poon, aged 54, joined the Company in May 2019, he holds a professional diploma in accountancy from the Hong Kong Polytechnic University. He is a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants and a fellow member of Association of Chartered Certified Accountants. Mr. Poon previously worked for an international audit firm and a number of public companies in Hong Kong, Singapore and Canada respectively. He has more than 20 years' experience in auditing, accounting and finance, internal control and corporate management.

### 高級管理層

#### 陳紹基先生

陳先生，60歲，為本公司之財務總監及本公司若干附屬公司之董事。陳先生於二零一四年五月加入本公司。陳先生持有英國斯特拉斯克萊德大學工商管理碩士學位及香港理工大學企業融資碩士學位。彼為英國特許公認會計師公會資深會員及香港會計師公會之註冊會計師。彼亦為香港特許秘書公會會員及英國特許秘書及行政人員公會會員，同時亦為香港經濟師學會有限公司之註冊專業經濟師。陳先生曾在一家國際會計師事務所及多家上市公司工作，於審計、會計、稅務、企業融資及安排公司上市集資累積超過26年經驗。

### 公司秘書

#### 潘子健先生

潘先生，54歲，於二零一九年五月加入本公司，彼持有香港理工大學會計學專業文憑，為香港會計師公會註冊會計師及英國特許公認會計師資深會員。潘先生曾於一家國際會計師事務所及多家分別於香港、新加坡及加拿大的上市公司工作，對審計、會計及財務、內部監控及企業管理等擁有超過20年的工作經驗。

## Corporate Governance Report 企業管治報告

The Board is pleased to present the corporate governance report of the Group for the Year.

The Group considers that good corporate governance is vital to the healthy and sustainable development of the Group and the Group strives to uphold high standard of corporate governance continuously.

In the opinion of the Directors, the Company had complied with all the code provisions of the Corporate Governance Code (“**CG Code**”) as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (“**Listing Rules**”) for the Year, save as disclosed below:

During the period from 1 December 2018 to 22 October 2019, Mr. Zhang Bin performed both the roles of the Acting Chairman/Chairman of the Board and the Managing Director which constituted a deviation from Code Provision A.2.1 of the CG Code, which provides that the roles of chairman and chief executive should not be performed by the same individual.

Mr. Zhang Bin, who had been the then Managing Director of the Company, was appointed as the Acting Chairman of the Board on 1 December 2018 upon the resignation of the former Chairman of the Board, Mr. Yuan Shaoli. Mr. Zhang was subsequently appointed as the Chairman of the Board with effect from 26 June 2019 and continued to act as the Managing Director of the Company. On 22 October 2019, Mr. Zhang resigned as the Managing Director upon the appointment of Mr. Yang Tianzhou as an executive Director, who replaced Mr. Zhang as the new Managing Director of the Company on the same date.

The Board believed that it was in the best interest of the Company to have Mr. Zhang Bin taking up both the roles of the Acting Chairman/Chairman and the Managing Director as an interim measure to maintain effective management and business development of the Group before the Company could identify a suitable candidate for the position of Managing Director. Since 22 October 2019, the Company has re-complied with Code Provision A.2.1 of the CG Code by having the roles of Chairman and Managing Director separated and performed by different individuals.

The Company periodically reviews its corporate governance practices to ensure those continue to meet the requirements of the CG Code, and acknowledges the important role of the Board in providing effective leadership and direction to the Group’s business, and ensuring operational transparency and accountability.

董事會欣然呈報本集團本年度之企業管治報告。

本集團認為良好的企業管治對本集團持續健康發展十分重要。本集團致力於持續提高企業管治水平。

董事認為，於本年度，除下文所披露外，本公司已遵守聯交所證券上市規則（「**上市規則**」）附錄14所載的企業管治守則（「**企業管治守則**」）的所有守則條文：

於二零一八年十二月一日至二零一九年十月二十二日期間，張斌先生同時出任董事會代理主席／主席及董事總經理的職位，構成偏離企業管治守則第A.2.1條守則條文規定，該條文規定主席與行政總裁的角色不應由同一人士擔任。

張斌先生一直擔任本公司當時的董事總經理，於二零一八年十二月一日前董事會主席袁紹理先生辭任後獲委任為董事會代理主席。張先生其後獲委任為董事會主席，自二零一九年六月二十六日起生效，並繼續出任本公司董事總經理。於二零一九年十月二十二日，張先生於楊田洲先生獲委任為執行董事後辭任董事總經理，楊田洲先生於同日取代張先生為本公司的新董事總經理。

董事會相信，於本公司物色到合適候選人擔任董事總經理職位之前，由張斌先生同時擔任代理主席／主席兼董事總經理職務作為有效地維持本集團的管理及業務發展的臨時措施符合本公司最佳利益。自二零一九年十月二十二日起，由於主席及董事總經理職務由不同人士擔任，故本公司經已重新遵守企業管治守則第A.2.1條守則條文規定。

本公司會定期檢討其企業管治常規，以確保該等常規持續符合企業管治守則之要求，本公司亦明白董事會在提供有效領導及指引本集團業務，以及確保本集團運作之透明度及問責性方面扮演著重要角色。



# Corporate Governance Report

## 企業管治報告

The key corporate governance principles and practices of the Company during the Year are summarised as follows:

### THE BOARD

#### Responsibilities

The Board provides leadership for the Company in the interests of the shareholders, approves policies, strategies and plans, and oversees their implementation to sustain the healthy growth of the Company.

The Board is responsible for all major matters of the Group, and the approval and monitoring of all material changes in policies, including risk management strategies, dividend policy, appointment of directors and other significant financial and operational matters.

All Directors have full and timely access to all relevant information as well as the advice and services of the company secretary of the Company, with a view to ensure that the Board's procedures and all applicable rules and regulations are followed. In general, each Director can seek independent professional advices in appropriate circumstances at the Company's expenses, upon making request to the Board.

The day-to-day management, administration and operation of the Company are delegated to the Managing Director, executive Directors and senior management. Approval from the Board has to be obtained prior to entering into any significant transactions by the aforementioned personnel.

#### Composition

The composition of the Board encompasses the necessary balance of skills and experiences desirable for effective leadership of the Group and reflects the independence in decision-making of the Board.

As at the date of this report, the Board comprised the following Directors:

#### Executive Directors

ZHANG Bin (Chairman of the Board)  
YANG Tianzhou (Managing Director, appointed with effect from 22 October 2019)  
WANG Tianlin  
LI Shufang (Appointed with effect from 22 October 2019)

#### Independent Non-executive Directors

CHANG Qing  
LEE Man Chun, Tony  
HE Jia

The list of Directors (by category) is disclosed in all corporate communications issued by the Company and on the websites of the Company and the Stock Exchange pursuant to the Listing Rules.

本公司於本年度主要企業管治原則及慣例概述如下：

### 董事會

#### 職責

董事會負責帶領本公司，以股東之利益為依歸，通過審批本公司之政策、策略及計劃，審視其落實情況，以確保本公司持續健康發展。

董事會負責處理本集團之所有重大事宜，審批及監察重大政策變化，包括風險管理策略、股息政策、委任董事及其他重大財務及運營事宜。

所有董事均有權於適當時候取閱所有相關資料，以及獲得本公司公司秘書之意見及服務，以確保董事會制定的程序及所有適用規則及規例均獲遵從。在一般情況下，各董事在向董事會提出要求後，均可於適當的時候尋求獨立專業意見，費用由本公司支付。

本公司之日常管理、行政及運作均已委派董事總經理、執行董事及高級管理層負責。上述人員在訂立任何重大交易前，必須先取得董事會的批准。

#### 組織

董事會的組合體現了有效領導本集團之決策所需的領導技能與經驗，亦反映了董事會決策的獨立性。

於本報告日期，組成董事會之董事如下：

#### 執行董事

張斌 (董事會主席)  
楊田洲 (董事總經理，自二零一九年十月二十二日獲委任)  
王天霖  
李舒放 (自二零一九年十月二十二日獲委任)

#### 獨立非執行董事

常清  
李萬全  
何佳

董事名單(按類別)亦根據上市規則要求於本公司刊發之所有公司通訊內及本公司和聯交所的網頁上披露。

During the Year, the Company has at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive directors representing not less than one-third of the Board, with at least one independent non-executive director possessing appropriate professional qualifications, or accounting or related financial management expertise.

The Company has received written annual confirmation from each of the existing independent non-executive Directors of his independence pursuant to the requirements of Rule 3.13 of the Listing Rules. The Company considers all independent non-executive Directors to be independent in accordance with the independence guidelines set out in the Listing Rules.

The independent non-executive Directors bring a wide range of business and financial expertise and relevant experience to the Board and provide independent opinions for decision-making of the Board. Through active participation in Board meetings, taking the lead in issues involving potential conflicts of interest and serving on committees of the Board, all independent non-executive Directors make positive contributions to the orderly management and effective operation of the Company.

### Appointment and Succession Planning of Directors

The Board has established the nomination committee (“**Nomination Committee**”) and adopted formal, considered and transparent procedures for the appointment and succession planning of Directors. Appropriate candidates for directorship as properly selected by the Nomination Committee will be proposed to the Board for approval.

The Board and the Nomination Committee as a whole are responsible for reviewing the Board composition, developing and formulating the relevant procedures for nomination and appointment of Directors, monitoring the appointment and succession planning of Directors and assessing the independence of independent non-executive Directors. The Board reviews its own structure, size and composition regularly to ensure that it has a balance of expertise, skills and experience appropriate to the requirements of the business of the Group.

During the Year, the Nomination Committee recommended to the Board for the appointment of Mr. Yang Tianzhou and Mr. Li Shufang as the executive Directors and also recommended to the Board for the appointment of Mr. Yang Tianzhou as the new Managing Director of the Company in replacement of Mr. Zhang Bin.

In accordance with the Articles of Association of the Company, one-third of the Directors are subject to retirement by rotation every year and any new Director appointed to fill a causal vacancy or as an addition to the Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at such meeting.

於本年度，本公司均遵守上市規則中須委任最少三名獨立非執行董事，佔董事會成員人數不少於三分之一的規定，而當中最少須有一名獨立非執行董事具備合適之專業資格，或會計或相關財務管理專業知識。

本公司已接獲現有各獨立非執行董事根據上市規則第3.13條之規定就其獨立性發出彼等各自之年度書面確認。根據上市規則所列表載之獨立性指引，本公司認為所有獨立非執行董事均為獨立人士。

獨立非執行董事為董事會帶來廣泛的業務及財務專才知識及相關經驗，也為董事會決策提供了獨立意見。通過積極參與董事會會議，處理涉及潛在利益衝突等之事宜，以及出任董事會委員會，所有獨立非執行董事為本公司規範管理及有效運作作出了正面之貢獻。

### 董事之委任及續任計劃

董事會已成立提名委員會（「**提名委員會**」）並就董事的委任及繼任計劃制訂正式、經周詳考慮及透明的程序。經提名委員會挑選考慮合適董事候選人，再向董事會提名、通過落實。

董事會及提名委員會整體上負責審核董事會的組成、確立及制訂提名及委任董事的有關程序、監察董事的委任及繼任計劃，並評估獨立非執行董事的獨立性。董事會會定期檢討其本身架構、成員人數及組成，確保其具備適合本集團業務需求的專業知識、技能及經驗並取得平衡。

於本年度，提名委員會向董事會建議委任楊田洲先生及李舒放先生為執行董事，亦向董事會建議委任楊田洲先生為本公司新的董事總經理以代替張斌先生。

根據本公司的章程細則，三分之一董事每年均須輪流退任，而獲委任填補臨時空缺或新增董事會職位的任何董事，僅留任至本公司下屆股東週年大會為止，屆時彼等將符合資格於該大會上膺選連任。

## Corporate Governance Report 企業管治報告

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

All independent non-executive Directors were appointed for a fixed term expiring on 30 June 2020.

### Board Diversity Policy

The Board has adopted a Board Diversity Policy and the Company continuously seeks to enhance the effectiveness of the Board and to maintain the highest standards of corporate governance and recognises and embraces the benefits of diversity in the Board. In August 2013, the Board adopted a Board Diversity Policy.

The Company believes that diversity of the Board can be achieved through consideration of a number of factors when deciding on appointments of Directors, including but not limited to skills, regional and industrial experience, cultural and educational background, race, gender, age, length of service and any other factors that the Board deems appropriate from time to time. In implementing its perspectives on Board diversity, the Company will also take into account factors based on its own business model and specific needs from time to time.

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

The Board will review the Board Diversity Policy on a regular basis to ensure its ongoing effectiveness. The Nomination Committee will also assess the merits and contribution of any Director that brings to the Board against the objective criteria, with due regard for the benefits of diversity on the Board that would complement the Company's corporate strategy.

### Board Meetings

#### Number of Meetings and Directors' Attendance

Regular Board meetings are held at least four times a year at approximately quarterly intervals for reviewing and approving the Group's financial and operating performance, discussing annual and interim results and considering and approving the overall strategies of the Company.

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

所委任的全體獨立非執行董事之任期為固定，於二零二零年六月三十日屆滿。

### 董事會多元化政策

董事會已採納董事會多元化政策，而本公司一直務求提升董事會效率及維持最高水平之企業管治，認同並確信董事會多元化之好處。於二零一三年八月，董事會採納董事會多元化政策。

在決定任命董事時，本公司相信要獲得董事會多元化，可以從多方面的因素考慮，包括(但不限於)技能、地區與行業經驗、文化與教育背景、種族、性別、年齡、服務任期及董事會不時認為適用的其他因素。在實行董事會多元化方面，本公司亦將根據其本身的業務模式及不時之特定需要考慮各種因素。

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

董事會將定期檢討董事會多元化政策，以確保其持續有效。提名委員會經考慮對董事會成員多元化的裨益與本公司的企業策略相輔相成後，亦將評估董事的優點及貢獻是否能讓董事會達致該等目標要求。

### 董事會會議

#### 會議次數及董事出席次數

本公司每年至少舉行四次董事會例行會議，約為每季度舉行一次，以審議及批准集團的財務及經營表現，商討全年及中期業績以及審議及審批本公司的整體策略。

# Corporate Governance Report

## 企業管治報告

During the Year, eleven Board meetings were held, including four regular Board meetings.

於本年度，本公司已舉行十一次董事會會議，其中包括四次董事會例行會議。

The individual attendance record of each Director at the Board meetings held during the Year is set out below:

各董事於本年度內舉行之董事會會議之個別出席記錄載列如下：

Name of Directors	Number of Attendance/ Number of Board Meetings Held 出席次數／舉行 董事會議次數
ZHANG Bin 張 斌	11/11
YANG Tianzhou <i>(Note)</i> 楊田洲 <i>(附註)</i>	6/6
WANG Tianlin 王天霖	11/11
LI Shufang <i>(Note)</i> 李舒放 <i>(附註)</i>	6/6
CHANG Qing 常 清	11/11
LEE Man Chun, Tony 李萬全	11/11
HE Jia 何 佳	11/11

*Note:* Mr. Yang Tianzhou and Mr. Li Shufang were appointed as the executive Directors with effect from 22 October 2019. During their tenure in the Year, six Board meetings were held.

*附註：* 楊田洲先生及李舒放先生自二零一九年十月二十二日獲委任為執行董事。於本年度彼等之任期內，已舉行6次董事會會議。

### Practices and Conduct of Meetings

Meeting schedules and agenda of each meeting are normally made available to the Directors in advance. Notices of regular Board meetings are served to all Directors at least 14 days before the meetings. For other Board and committee meetings, reasonable notice is generally given.

### 會議常規及方式

會議時間表及每次會議的會議議程通常會預先提供予董事。董事會例行會議通知會於會議舉行前至少14天送呈所有董事。至於其他董事會及委員會會議，一般會發出合理通知。

Board papers together with all appropriate, complete and reliable information are sent to all Directors in a timely manner before each Board meeting or committee meeting to keep the Directors apprised of the latest development and financial position of the Company and to enable them to make informed decisions. The Board and each Director also have separate and independent access to the senior management whenever necessary.

董事會文件連同一切適當、完備及可靠的資料，會於各董事會會議或委員會會議舉行前及時送交所有董事，使董事得知本公司的最新發展及財政狀況，讓彼等可作出知情的決定。董事會及每名董事亦可於有需要時自行以獨立途徑接觸高級管理層。

The company secretary of the Company assists the Chairman of the Board to prepare the agenda for the Board meetings and ensures that all applicable rules and regulations are followed in each meeting. Draft agenda is sent to all Directors in advance to allow Directors to include any matter they would like to discuss in the meeting. Draft minutes are circulated to all Directors for review and amendment as soon as practicable after the meeting is held. All Board members will be given a copy of the finalised minutes approved by Directors who attended the meeting.

本公司公司秘書協助董事會主席準備董事會會議議程，及確保每次會議均按照所有適用規則及法規進行。議程草稿會提前送交予全體董事，以便將董事提出有意討論的任何事項列入會議內。會議記錄初稿將於會後在切實可行的情況下盡快分發給全體董事以供彼等審閱及修改，經與會董事批准的會議記錄的定稿將分發予全體董事會成員。



# Corporate Governance Report

## 企業管治報告

Should a Director have any conflict of interest in any proposed transactions, the Director concerned will not participate in the discussion and will abstain from voting on related resolutions. Directors without any conflict of interest will be present at meetings to vote and resolve on such issues.

### Chairman and Managing Director

The Chairman of the Board provides leadership and is responsible for ensuring that relevant duties and responsibilities have been fully and appropriately executed by the Directors in accordance with good corporate governance practice. With the support of the senior management, the Chairman of the Board is also responsible for ensuring that each of the Directors can timely receive adequate, complete and reliable information and appropriate briefing on issues arising at Board meetings.

The Managing Director is responsible for leading the management to implement policies, strategies as well as all goals and plans adopted and approved by the Board, and is in charge of the Company's day-to-day operations.

During the Year, Mr. Zhang Bin performed both the roles of the Acting Chairman/Chairman of the Board and the Managing Director until he resigned from the position of Managing Director on 22 October 2019. Mr. Yang Tianzhou was appointed as an executive Director and has replaced Mr. Zhang Bin as the new Managing Director of the Company on the same date, while Mr. Zhang Bin continues to remain as the Chairman of the Board.

## BOARD COMMITTEES

The Board has established four committees, namely, the executive committee ("**Executive Committee**"), audit committee ("**Audit Committee**"), remuneration committee ("**Remuneration Committee**") and Nomination Committee, each overseeing and being responsible for affairs in different aspects of the Company. All Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expenses.

### Executive Committee

The Executive Committee comprises all executive Directors. The Executive Committee is responsible for the daily business operations and management of the Company, the execution of decisions and strategies of the Board within the scope of authorization granted by the Board. The Executive Committee regularly reports to the Board regarding the Group's business operations and seeks its advice and approval on matters involving material decision-making.

如有董事於任何建議交易項目中涉及任何利益衝突，則有關董事不參與討論及就有關決議案的表決放棄投票，並由沒有涉及任何利益衝突的董事於會上就有關事宜進行表決及決議。

### 主席及董事總經理

董事會主席負責領導工作，並負責按照良好企業管治常規確保董事充分、恰當地行使相關職責。在高級管理層之支持下，董事會主席亦負責確保各董事可及時獲取充份、完備及可靠的資料，並就董事會會議上提呈之事宜得到適當介紹。

董事總經理負責領導管理層執行經董事會採納及批准的政策、策略以及所有目標及計劃，並負責本公司的日常營運。

於本年度期間，張斌先生曾同時擔任董事會代理主席／主席兼董事總經理，直至二零一九年十月二十二日辭任董事總經理為止。楊田洲先生已於同日獲委任為執行董事，並接任張斌先生為本公司新的董事總經理，而張斌先生繼續出任董事會主席。

## 董事委員會

董事會已設立四個委員會，即執行委員會（「**執行委員會**」）、審核委員會（「**審核委員會**」）、薪酬委員會（「**薪酬委員會**」）及提名委員會，分別監察及負責本公司不同範疇的事務。所有董事委員會均獲提供足夠資源履行其職務，如提出的要求合理，可於適當情況下尋求獨立專業意見，費用概由本公司負責。

### 執行委員會

執行委員會由所有執行董事組成。執行委員會在董事會授予的權限範圍內負責本公司的日常業務營運及管理，並負責執行董事會的決策和策略。執行委員會定期向董事會報告本集團的業務運營狀況，並會在涉及重大決策之事項上，尋求董事會的意見及批准。

As at the date of this report, the Executive Committee comprised Mr. Zhang Bin (chairman of the Executive Committee), Mr. Yang Tianzhou, Mr. Wang Tianlin and Mr. Li Shufang.

### Audit Committee

During the Year, the Audit Committee comprised three independent non-executive Directors, namely, Mr. Lee Man Chun, Tony (chairman of the Audit Committee), Professor Chang Qing and Professor He Jia. Mr. Lee Man Chun, Tony is an independent non-executive Director who possesses the appropriate professional accounting qualifications and financial management expertise. None of the members of the Audit Committee is a former partner of the Company's existing external auditor.

The main duties of the Audit Committee include the following:

- (a) to review the financial statements and reports of the Company and consider any significant or unusual items raised by the internal auditor or external auditor before submission to the Board;
- (b) to review the relationship with the external auditor by reference to the work performed by the auditor, its fees and terms of engagement, and make recommendation to the Board on the appointment, re-appointment and removal of external auditor; and
- (c) to review the adequacy and effectiveness of the Company's financial reporting system, internal control system and risk management system and associated procedures.

The Audit Committee has held three meetings during the Year to review the audit plan, financial results and reports, capital management system, internal control system and the re-appointment of the external auditor.

During the Year, there were no material uncertainties or events or conditions that might cast significant doubt on the Company's ability to continue as a going concern.

There was no disagreement between the Audit Committee and the Board in respect of matters about selection, appointment, resignation or dismissal of an external auditor.

During the Year, the Company's annual results for the year ended 31 December 2018 and the interim results for the six months ended 30 June 2019 have been reviewed by the Audit Committee.

### Remuneration Committee

As at the date of this report, the Remuneration Committee comprised two independent non-executive Directors, namely Professor He Jia (chairman of the Remuneration Committee) and Mr. Lee Man Chun, Tony and an executive Director, namely Mr. Zhang Bin.

於本報告日期，執行委員會包括張斌先生(執行委員會主席)、楊田洲先生、王天霖先生及李舒放先生。

### 審核委員會

本年度，審核委員會包括三名獨立非執行董事，即李萬全先生(審核委員會主席)、常清教授及何佳教授。李萬全先生為具備合適專業會計資格及財務管理專業知識的獨立非執行董事。概無審核委員會的成員為本公司現任外聘核數師的前合夥人。

審核委員會的主要職務包括以下各項：

- (a) 審閱本公司財務報表及報告，並於向董事會提交有關文件前，考慮內部核數師或外聘核數師所提出的任何重大或不尋常項目；
- (b) 按照核數師履行的工作、其收費及聘用條款檢討與外聘核數師的關係，並就委聘、續聘及撤換外聘核數師向董事會提出建議；及
- (c) 檢討本公司的財務匯報制度、內部監控制度、風險管理制度及相關程序是否足夠及有效。

於本年度審核委員會共舉行三次會議，以審閱審計計劃、財務業績及報告、資金管理制度、內部監控制度以及續聘外聘核數師。

於本年度內，概無存在任何重大不明朗因素或可導致嚴重質疑本公司持續經營能力的事件或情況。

審核委員會於遴選、委聘、辭任或罷免外聘核數師的事宜上，與董事會並無意見分歧。

於本年度內，審核委員會已審閱本公司截至二零一八年十二月三十一日止年度的年度業績及截至二零一九年六月三十日止六個月的中期業績。

### 薪酬委員會

於本報告日期，薪酬委員會包括兩名獨立非執行董事，即何佳教授(薪酬委員會主席)、李萬全先生及一名執行董事張斌先生。

## Corporate Governance Report 企業管治報告

The primary duties of the Remuneration Committee include making recommendations to the Board on the remuneration policy and structure of the Company as well as on the remuneration packages of individual executive Directors and the senior management. The human resources department of the Group is responsible for the collection and administration of the human resources data and making recommendations to the Remuneration Committee for consideration. The Remuneration Committee is also responsible for establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his associates will participate in deciding on his own remuneration. The remuneration of the Directors and the senior management will be determined by reference to the performance of the individual and the Company as well as market conditions.

The Remuneration Committee held two meetings during the Year to review the remuneration policy and structure of the Company and the remuneration packages of the executive Directors and the senior management. At the meetings, the Remuneration Committee discussed the performance of executive Directors, reviewed their service contracts, considered salaries paid by comparable companies and general employment conditions before making recommendations to the Board regarding the remuneration packages of the executive Directors and senior management.

### Nomination Committee

As at the date of this report, the Nomination Committee comprised two independent non-executive Directors, namely Professor Chang Qing (chairman of the Nomination Committee) and Mr. Lee Man Chun, Tony, and an executive Director, namely Mr. Zhang Bin.

The Nomination Committee is responsible for nominating candidates for directorship appointment and succession, reviewing the composition and structure of the Board from time to time and making recommendations to the Board in order to ensure the balance of expertise, skills and experience among the members of the Board.

According to the Nomination Policy adopted by the Company, appointments of Board members will be made on a merit basis and candidates will be considered against objective criteria. The selection criteria used in assessing the suitability of a candidate include:

- the candidate's academic background and qualifications (including professional qualifications, skills and knowledge which are relevant to the Company's business and corporate strategy);
- the candidate's relevant experience in the industry;
- the candidate's character and integrity;
- the candidate's willingness and capacity to devote adequate time in discharge of a director's duties;

薪酬委員會的主要職責包括就本公司的薪酬政策及架構，以及個別執行董事及高級管理層的薪酬組合向董事會作出建議。本集團人力資源部負責收集及管理人力資源資料，並提出建議供薪酬委員會考慮。薪酬委員會亦負責設立具有透明度的程序，以制定該薪酬政策及架構，從而確保董事或其任何聯繫人概無參與釐定其本身薪酬的決策過程。董事及高級管理層的薪酬將參考個人表現、本公司業績表現及市況釐定。

於本年度內，薪酬委員會共舉行兩次會議，以檢討本公司的薪酬政策與架構以及執行董事與高級管理層的薪酬組合。會上，薪酬委員會先討論執行董事的表現、審閱董事的服務合約、考慮可比公司支付的薪金及整體僱傭狀況，才向董事會作出有關執行董事及高級管理層薪酬待遇的建議。

### 提名委員會

於本報告日期，提名委員會成員包括兩名獨立非執行董事，即常清教授(提名委員會主席)及李萬全先生，以及一名執行董事張斌先生。

提名委員會負責為董事的委任與繼任提名候選人、不時檢討董事會之組成及架構及向董事會提出建議，以確保董事會成員之專業知識、技能與經驗得以均衡。

根據本公司採納的提名政策，董事會成員的委任將以用人唯賢的準則，根據客觀標準考慮可擔任董事會成員的人選。用以評估候選人是否適合的甄選準則包括：

- 候選人的學歷背景及資格(包括與本公司業務及企業策略有關之專業資格、技能及知識)；
- 候選人與行業有關之經驗；
- 候選人的品格及誠信；
- 候選人是否願意及能夠投入足夠時間以履行董事之職責；

- whether the candidate can contribute to the Board a diversity of perspectives, including but not limited to gender, age, race, cultural and educational background, professional experience, skills, knowledge and length of service;
  - (where the candidate is proposed to be appointed as an independent non-executive Director) whether the candidate is in compliance with the criteria of independence under the Listing Rules; and
  - any other factors as may be determined by the Board from time to time.
- 候選人是否能為董事會貢獻不同方面之多樣性，包括但不限於性別、年齡、種族、文化及教育背景、專業經驗、技能、知識及服務任期；
  - (若候選人被建議委任為獨立非執行董事) 其是否符合上市規則項下之獨立準則；及
  - 由董事會不時釐定的任何其他條件。

In terms of nomination procedures, any Board member may nominate or invite a candidate for appointment as a Director to be considered by the Nomination Committee. The Nomination Committee will then evaluate the personal profile of the candidate based on the selection criteria set out above, undertake due diligence in respect of such candidate and make recommendation for the Board's consideration and approval. For nomination of independent non-executive Director, the Nomination Committee will also assess the candidate's independence in accordance with the CG Code and the Listing Rules. For re-appointment of retiring Directors, the Nomination Committee will review the candidate's overall contribution and performance (including the candidate's attendance at Board committee meetings, Board meetings and general meetings, his/her level of participation and performance on the Board), and make recommendations to the Board and shareholders for re-election at general meetings.

During the Year, the Nomination Committee held two meetings to review the Nomination Policy and the terms of reference of the Nomination Committee as well as the matters relating to appointment of new Directors and re-election of retiring Directors. The Nomination Committee reviewed the detailed resumes of Mr. Yang Tianzhou and Mr. Li Shufang and having made due regard to the Nomination Policy and the Board Diversity Policy, recommended to the Board for their appointment as the executive Directors. The Nomination Committee also recommended to the Board for the appointment of Mr. Yang Tianzhou as the Managing Director of the Company after the resignation of Mr. Zhang Bin as the Managing Director of the Company.

就提名程序而言，任何董事會成員可提名或邀請候選人擔任董事，以供提名委員會審議。提名委員會將根據上述甄選標準評估候選人的個人資料，對該候選人進行盡職調查，並提出董事會審議及批准的建議。就提名獨立非執行董事而言，提名委員會亦將根據企業管治守則及上市規則評估候選人的獨立性。就重新委任退任董事而言，提名委員會將檢討候選人的整體貢獻及表現(包括候選人出席董事會委員會會議、董事會會議及股東大會、其參與程度及於董事會表現)，以及就股東大會上重選連任向董事會及股東提出建議。

於本年度內，提名委員會共舉行兩次會議以審閱提名政策及提名委員會的職權範圍以及與委任新董事及重選退任董事相關的事宜。提名委員會審閱了楊田洲先生及李舒放先生的詳細履歷，並基於提名政策及董事會多元化政策向董事會建議其委任為執行董事。提名委員會亦向董事會建議於張斌先生辭去本公司董事總經理職務後委任楊田洲先生為本公司董事總經理。



# Corporate Governance Report

## 企業管治報告

### Board Committee Meetings

### 董事委員會會議

#### Number of Meetings and Directors' Attendance

#### 會議次數及董事出席次數

The individual attendance record of each Director at the meetings of the Audit Committee, Remuneration Committee and Nomination Committee held during the Year is set out below:

各董事於本年度內舉行之審核委員會、薪酬委員會及提名委員會會議之個別出席記錄載列如下：

Name of Directors 董事姓名	Number of Attendance/ Number of Board Committee Meetings Held 出席次數／舉行董事委員會會議次數		
	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
ZHANG Bin 張 斌	Not applicable 不適用	2/2	2/2
CHANG Qing 常 清	3/3	Not applicable 不適用	2/2
LEE Man Chun, Tony 李萬全	3/3	2/2	2/2
HE Jia 何 佳	3/3	2/2	Not applicable 不適用

### MODEL CODE FOR SECURITIES TRANSACTIONS

### 進行證券交易的標準守則

The Company has adopted its own code of conduct regarding Directors' securities transactions ("**Code of Conduct**") on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers ("**Model Code**") as set out in Appendix 10 to the Listing Rules. Specific enquiry has been made of all the Directors and the Directors have confirmed that they had complied with the requirements of the Code of Conduct and the Model Code during the Year. No incident of non-compliance of the Code of Conduct or the Model Code by the Directors was noted by the Board during the Year.

本公司已採納其本身有關董事進行證券交易的操守守則(「**操守守則**」)，其條款的嚴謹程度不低於上市規則附錄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**」)所規定的標準。經向所有董事作出特定查詢後，董事已確認，彼等於本年度內，一直遵守操守守則及標準守則所載的規定。董事會於本年度內並無知悉董事有任何違反操守守則或標準守則之事宜。

The Company has also set out written guidelines on terms no less exacting than the Model Code for securities transactions by the employees who are likely to be in possession of unpublished inside information of the Company due to their responsibilities and duties. No incident of non-compliance of the written guidelines by the employees was noted by the Board during the Year.

本公司亦對由於職責需要而可能會擁有本公司未發佈內幕資料的僱員設立了買賣證券的書面指引，而有關指引之條款不比標準守則寬鬆。本年度內，董事會並不知悉有關僱員違反書面指引的事宜。

## CORPORATE GOVERNANCE FUNCTIONS

The Board has not established a corporate governance committee. Instead, the full Board is responsible for performing the corporate governance functions such as developing and reviewing the Company's policies and practices on corporate governance, reviewing and monitoring the training and continuous professional development of the Directors and senior management, reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements, etc. The Board is also responsible for reviewing and has during the Year reviewed the Company's compliance with the CG Code and disclosure in this corporate governance report.

Every Board member has full access to the advice and services of the company secretary of the Company with a view to ensuring that the Board procedures, and all applicable rules and regulations are followed. They are also entitled to have full access to Board papers and related materials so that they are able to make an informed decision and to discharge their duties and responsibilities.

## SUPPORT AND PROFESSIONAL DEVELOPMENT OF DIRECTORS

All Directors have been given relevant guideline materials regarding the duties and responsibilities of being a director, the relevant laws and regulations applicable to directors, duty of disclosure of interest and business of the Group and the Directors have been updated by the Company on the latest development regarding the Listing Rules and other applicable regulatory requirements to ensure compliance and enhance their awareness of good corporate governance practices. There is a procedure agreed by the Board to ensure that the Directors, upon reasonable request, are able to seek independent professional advice in appropriate circumstance, at the Company's expenses.

## 企業管治職能

董事會並未設立企業管治委員會，而是由全體董事會負責履行企業管治職能，例如制定及檢討本公司的企業管治政策及常規、審查及監督董事及高級管理層的培訓及持續專業發展、審查及監督本公司在遵守法律及監管規定方面的政策及常規等。董事會亦負責審視並已於本年度內審視本公司遵守企業管治守則之情況及於本企業管治報告所作出之披露。

董事會各成員均可自由接觸本公司公司秘書獲取意見及服務，以確保遵守董事會程序以及所有適用法律及規例。彼等亦有權自由取閱董事會文件及相關資料，以便能夠作出知情決定及履行彼等之職責。

## 董事支援及專業發展

全體董事均獲提供有關擔任董事之職責、適用於董事之相關法例及規例、權益披露之責任及本集團業務之相關指引資料。本公司已向全體董事匯報有關上市規則及其他適用監管規定之最新發展情況，以確保彼等遵從及知悉良好的企業管治常規。董事會已商定程序，以確保董事可於提出合理要求後，在適當的情況下尋求獨立專業意見，費用由本公司支付。

## Corporate Governance Report 企業管治報告

According to the training records provided by the Directors to the Company, each of the existing and former Directors has participated in continuous professional development during the Year by attending seminars/in-house briefing/reading materials on the following topics to develop and refresh their knowledge and skills:

根據董事向本公司提供之培訓記錄，各現任及前任董事已於本年度內通過出席有關下列主題之座談會／內部簡報／閱讀材料等方式參與持續專業發展，以發展及更新彼等之知識及技能：

Name of Directors 董事姓名	Topics on training covered 所涵蓋之培訓主題 (Note) (附註)
ZHANG Bin 張 斌	a, b
YANG Tianzhou 楊田州	a, b
WANG Tianlin 王天霖	a, b
LI Shufang 李舒放	a, b
CHANG Qing 常 清	a, b
LEE Man Chun, Tony 李萬全	a, b, c, d
HE Jia 何 佳	a, b

Notes:

- (a) Director's responsibilities
- (b) Regulatory matters for listed companies and amendments to Listing Rules
- (c) International law, accounting and taxation
- (d) Global economic studies and capital market studies

附註：

- (a) 董事責任
- (b) 上市公司的監管事宜及上市規則之修訂
- (c) 國際法、會計及稅務
- (d) 環球經濟研究及資本市場研究

### RESPONSIBILITIES IN RESPECT OF THE PREPARATION OF THE FINANCIAL STATEMENTS AND AUDITOR'S REMUNERATION

The Board is responsible for presenting a fair, true and clear annual and interim reports, inside information announcements and other disclosures required under the Listing Rules and other regulatory requirements. The Directors acknowledge their responsibility for preparing the financial statements of the Company for the Year.

The statement of the external auditor of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report on pages 97 to 101 of the annual report of the Company for the year ended 31 December 2019.

### 對編製財務報表承擔的責任及核數師 薪酬

董事會負責根據上市規則及其他監管規定呈報公平、真實及清楚的年度及中期報告、內幕消息公告及其他須予披露資料。董事知悉彼等須編製本公司本年度的財務報表的職責。

有關本公司外聘核數師對於其就財務報表申報職責所作的聲明載於本公司截至二零一九年十二月三十一日止年度之年度報告第97至101頁之獨立核數師報告。

## Corporate Governance Report 企業管治報告

The remuneration of the external auditor of the Company in respect of audit services and non-audit services for the Year amounted to approximately HK\$1,070,000 and HK\$510,000 respectively. An analysis of the remuneration of the external auditor of the Company is set out below:

本公司已就外聘核數師於本年度提供審核服務及非審核服務，向其支付酬金分別約為港幣1,070,000元及港幣510,000元。本公司外聘核數師的酬金分析載列如下：

		<b>Amount of Fee 費用</b> (HK\$'000) (港幣千元)
Audit services	審核服務	1,070
Non-audit services:	非審核服務：	
- Review of interim results	- 中期業績審閱	180
- Services in relation to the disposal of 41% equity interest in a subsidiary company	- 提供關於出售一間附屬公司41%股權之服務	330
Total	總計	<u>1,580</u>

### RISK MANAGEMENT AND INTERNAL CONTROL

### 風險管理及內部監控

The organization structure of the Company has defined lines of responsibilities and appropriate responsibilities and authority were delegated to senior management. The Board is responsible for the establishment and effective operation of the risk management and internal control system. The Company has also established a risk management department, of which one of the executive Directors serves as the general manager, to be responsible for the internal audit function and to assist the Board to review the risk management and internal control system of the Group on an ongoing basis. However, such system aims at limiting the risks of the Group to an acceptable level but not at eliminating all risks. Hence, such system can only provide reasonable assurance that there will not be any error in financial information and record, and there will not be any fraud. The system can only provide reasonable but not absolute assurance against material misstatement or loss.

本公司的組織架構具備明確責任之分，高級管理層均獲授適當的責任及授權。董事會負責風險管理及內部監控系統之建立及其有效運作。本公司亦已設立風險管理部門，由其中一名執行董事擔任部門總經理，負責內部審核功能及協助董事會持續檢討本集團的風險管理及內部監控系統。然而，該系統旨在限制本集團之風險至可接受水平但並不能消除所有風險。因此，該系統僅提供合理保證財務資料及記錄上不會出現任何錯誤及舞弊，並只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

The Board has established effective and operational procedures to identify, assess and manage major risks faced by the Group. Such procedures will be updated from time to time to reflect the changes in rules and regulations, and serve as a guideline for updating the risk management and internal control system in a timely manner. The Board considers that as at the date of this report, the risk management and internal control system is adequate and effective in safeguarding the assets of the Group and protecting the interests of shareholders, customers and employees of the Group.

董事會已建立確認、評估及管理本集團面臨的主要風險的有效及可運作程序。該程序須不時更新，以反映規則與規例的更改，並用作及時更新風險管理及內部監控系統之指引。董事會認為於本報告日期，風險管理及內部監控系統充份及有效地維護本集團的資產及保障本集團股東、客戶及僱員的利益。

## Corporate Governance Report 企業管治報告

The Executive Committee is responsible for implementing the procedures approved by the Board to identify, assess and manage major risks faced by the Group. Such procedures include the design, operation and supervision of suitable risk management and internal control system to mitigate and control risks. Major procedures established for reviewing the suitability and compliance of the risk management and internal control system are as follows:

- the Board is responsible for the supervision of all business activities of the Group and the implementation of strategic plans and policy. The Executive Committee is responsible for the effective daily operation of the Group and for ensuring that the Group operates in accordance with the objectives, strategy and budget of the Group;
  - the Audit Committee periodically reviews the work of the risk management department, external auditor, regulatory bodies and the Executive Committee in respect of the risk management and internal control system, and assesses the feasibility and effectiveness of the risk management and internal control system; and
  - the risk management department also formulates the annual internal audit plan and procedures, conducts periodic independent reviews on the operations of individual divisions and subsidiaries to identify any irregularities and risks, develops action plans and makes recommendations to address the identified risks, and reports to the Audit Committee on any key findings and progress of the internal audit process. The Audit Committee, in turn, reports to the Board on any material issues and makes recommendations to the Board.
- 董事會負責監管本集團的所有業務活動及策略性計劃及政策的執行。執行委員會負責本集團日常業務的有效運作及確保按本集團的目標、策略及預算運作；
  - 審核委員會定期檢討風險管理部門、外聘核數師、規管機構及執行委員會就有關風險管理及內部監控系統的工作，並評估風險管理及內部監控系統的可行性及效能；及
  - 風險管理部門亦制定年度內部審核計劃及程序，對個別部門及附屬公司進行定期獨立檢討以確定任何不規則事宜及風險，開展行動計劃及就處理已確定的風險作出建議，並將內部審核過程中的重大發現及進展向審核委員會報告。審核委員會則向董事會匯報任何重大事宜，並向董事會提出建議。

In strict compliance with the requirements of Code Provision C.2.1 of the CG Code, the Board conducts a comprehensive review of the risk management and internal control system on an annual basis. The review includes an assessment of the prevailing internal control and risk management practices of the Group and covers various aspects including financial control, operational control, compliance control and risk management.

During the Year, the Board has reviewed the review report of the risk management department in respect of the Group's resources, staff qualifications and experience in accounting, internal audit and financial reporting functions as well as training courses and budgets, and had conducted a comprehensive review of the risk management and internal control system of the Company covering the period from 1 January 2019 to 31 December 2019. Compared with 2018, there has been no significant or major change in the nature and extent of the risks faced by the Group as well as the ability of the Company to cope with the changes in business and external environment. The Board considered that the internal control and risk management system of the Company is adequate and effective and the Company has complied with the code provisions on internal control and risk management of the CG Code.

執行委員會負責執行由董事會批准的程序以確認、評估及管理本集團面臨的主要風險。該程序包括設計、運作及監察適當風險管理及內部監控系統以減輕及控制風險。檢討風險管理及內部監控系統的適合性及合規情況的主要程序如下：

董事會嚴格遵守企業管治守則守則條文C.2.1條的規定每年對風險管理及內部監控系統進行全面檢討。有關檢討包括對本集團內部監控及風險管理慣例進行的評估，涵蓋財務監控、營運監控、合規監控及風險管理等方面。

於本年度內，董事會已審閱風險管理部門就本集團在會計、內部審核及財務匯報職能方面的資源、員工資歷及經驗，以及培訓課程及預算等方面的檢討報告，並對本公司的風險管理及內部監控系統進行全面檢討，涵蓋期間由二零一九年一月一日至二零一九年十二月三十一日。與二零一八年度相比，本集團所面對的風險性質及程度、以及本公司在應對業務及外在環境轉變的能力，並沒有發生顯著或重大的變化。董事會認為本公司的內部監控及風險管理制度乃充足及有效，而本公司亦已遵守企業管治守則有關內部監控及風險管理的守則條文。



## Corporate Governance Report 企業管治報告

In addition, the Company has formulated policies on information disclosure and regularly reminded Directors and employees to properly comply with relevant policies on inside information while notifying the Directors, senior management and employees the latest guidance announced by the regulatory body on such information disclosure from time to time to keep all of them abreast of the latest information.

### COMPANY SECRETARY

Mr. Poon Tsz Kin, was appointed as the company secretary of the Company with effect from 5 August 2019 following the resignation of Mr. Chan Siu Kay as the company secretary of the Company on the same date. Mr. Poon is a full-time employee of the Company and has day-to-day knowledge of the Company's affairs. In delivering his service as company secretary of the Company, Mr. Poon has direct contact with the Chairman of the Board, the Managing Director and other senior management of the Company to ensure that good information flows among the Directors and that Board policy, procedures and all applicable laws, rules and regulations are followed. He is also responsible for facilitating professional development training of the Directors.

Mr. Poon has confirmed that during the Year, he had taken no less than 15 hours of relevant professional training.

### INVESTOR RELATIONS

Pursuant to the Listing Rules, all the resolutions of general meetings are conducted by way of poll.

Poll results will be posted on the websites of the Stock Exchange and the Company on the day of the relevant general meeting.

The general meetings of the Company provide a forum for communication between the shareholders and the Board. The Chairman of the Board as well as the chairman of each of the Audit Committee, the Remuneration Committee and Nomination Committee or in their absence, other members of the Board or the respective committees, and where applicable, the independent Board committee, are available to answer questions at the general meetings.

此外，本公司已制定資料披露政策，並定期提醒董事及員工妥善遵守有關內幕消息的政策。同時，不時向董事、高級管理層及員工傳達監管機構就有關資料披露發佈的最新指引，讓各位董事、高級管理層及員工掌握最新資料。

### 公司秘書

繼陳紹基先生於二零一九年八月五日辭任本公司之公司秘書職務後，潘子健先生已於同日獲委任為本公司之公司秘書。潘先生為本公司全職員工，了解本公司日常事務。於作為本公司之公司秘書提供服務時，潘先生直接與本公司董事會主席及董事總經理以及其他高級管理層接觸，以確保各董事之間資訊傳達通暢以及董事會政策、程序及所有適用法律、規則及規例獲妥為遵從。彼亦負責協助各董事的專業發展培訓。

潘先生已確認，於本年度，彼已經參加不少於15小時之相關專業培訓。

### 投資者關係

根據上市規則，所有股東大會的決議案均以票選形式進行。

投票之結果會在相關股東大會舉行當天登載於聯交所及本公司網站。

本公司股東大會為股東與董事會之間提供了一個溝通的平台。董事會主席、審核委員會主席、薪酬委員會主席及提名委員會主席均會出席股東大會，如彼等缺席，則由董事會或個別委員會及(倘適用)獨立董事委員會之其他成員在股東大會上解答提問。

# Corporate Governance Report

## 企業管治報告

During the Year, the Company had held two general meetings (being the annual general meeting held on 21 June 2019 and the extraordinary general meeting held on 23 December 2019). The attendance records of the Directors in the general meetings are as follows:

於本年度內，本公司共舉行兩次股東大會（即於二零一九年六月二十一日舉行的股東週年大會及於二零一九年十二月二十三日舉行的股東特別大會）。董事於股東大會之出席記錄如下：

Name of Directors 董事姓名	Number of Attendance/ Number of General Meetings Held 出席次數／舉行股東大會次數
ZHANG Bin 張 斌	1/2
YANG Tianzhou <i>(Note)</i> 楊田州 <i>(附註)</i>	1/1
WANG Tianlin 王天霖	1/2
LI Shufang <i>(Note)</i> 李舒放 <i>(附註)</i>	1/1
CHANG Qing 常 清	2/2
LEE Man Chun, Tony 李萬全	1/2
HE Jia 何 佳	2/2

Note: Mr. Yang Tianzhou and Mr. Li Shufang were appointed as the executive Directors with effect from 22 October 2019 and only one extraordinary general meeting ("EGM") was held during their tenure.

附註：楊田洲先生及李舒放先生自二零一九年十月二十二日已獲委任為執行董事，任期內僅舉行一次股東特別大會（「股東特別大會」）。

The Company will continue to enhance communications and relationships with its shareholders and investors to keep them abreast of the Company's developments. Enquiries from investors are dealt with timely.

本公司會繼續加強與其股東及投資者之間的溝通和關係，以使彼等得悉本公司之最新發展。投資者之查詢亦會盡快獲得解答。

Currently, investors can access the Company's information through the website of the Stock Exchange and the Company's website at [www.irasia.com/listco/hk/chengtong](http://www.irasia.com/listco/hk/chengtong).

目前，投資者可以透過聯交所網站及本公司網站 [www.irasia.com/listco/hk/chengtong](http://www.irasia.com/listco/hk/chengtong) 閱覽本公司之資料。

## SHAREHOLDERS' RIGHTS

## 股東權利

### (1) Procedures for Shareholders to Convene an EGM

### (1) 股東召開股東特別大會的程序

In accordance with sections 566 to 568 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) ("**Companies Ordinance**"), shareholder(s) of the Company representing at least 5% of the total voting rights of all the shareholders having a right to vote at general meetings of the Company may require the Directors to convene an EGM. The written requisition must state the general nature of the business to be dealt with at the EGM and must be signed by the shareholder(s) concerned and deposited at the principal office of the Company for the attention of the company secretary in hard copy form or sent to the Company in electronic form. The requisition may consist of several documents in like form, each signed by one or more of the shareholders concerned.

根據香港法例第622章《公司條例》（「《公司條例》」）第566至第568條，在全體有權於本公司股東大會上表決的股東的總表決權中佔至少5%的本公司股東，可要求董事召開股東特別大會。該書面請求必須述明於股東特別大會上將予處理事項的一般性質，並由有關的股東簽署，以印刷文本方式存放於本公司的主要辦事處，並註明致公司秘書，或以電子形式發送至本公司。請求書可包含數份同樣格式的文件，而每份文件均由一名或多於一名有關的股東簽署。

If the Directors do not, within 21 days after the date on which the written requisition is received by the Company, proceed duly to convene an EGM on a date not more than 28 days after the date of the notice convening the EGM, the shareholder(s) who requested the meeting, or any of them representing more than one-half of the total voting rights of all of them, may themselves convene an EGM, provided that the EGM so convened shall not be held after the expiration of 3 months from the said date.

The EGM convened by shareholders shall be convened in the same manner, as nearly as possible, as that in which general meetings are to be convened by the Directors.

### (2) Shareholders' Enquiries

Shareholders' enquiries about their shareholdings can be directed to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited. Other shareholders' enquiries can be directed to the Company Secretarial Department of the Company or the company secretary of the Company by post to the principal office of the Company at Suite 6406, 64/F., Central Plaza, 18 Harbour Road, Wanchai, Hong Kong or by e-mail to public@hk217.com.

### (3) Procedures for Putting Forward Resolutions at General Meetings

Shareholders are requested to follow sections 615 and 616 of the Companies Ordinance for including a resolution at an annual general meeting ("**AGM**"). The requirements and procedures are set out below:

- (i) Any number of shareholders representing at least 2.5% of the total voting rights of all shareholders having a right to vote on the resolution at an AGM to which the requisition relates, or at least 50 shareholders having a right to vote on the resolution at an AGM to which the requisition relates, may submit a requisition in writing to put forward a resolution which may properly be moved and is intended to be moved at an AGM.
- (ii) The Company shall not be bound by the Companies Ordinance to give notice of the proposed resolution or to circulate a statement of not more than 1,000 words with respect to the matter referred to in the proposed resolution to shareholders of the Company entitled to receive notice of an AGM unless a copy of the requisition specifying the resolution of which notice is to be given and signed by the shareholders concerned (or 2 or more copies which contain the signatures of all the shareholders concerned) is deposited at the principal office of the Company for the attention of the company secretary in hard copy form or is sent to the Company in electronic form not later than (i) 6 weeks before an AGM to which the requisition relates; or (ii) if later, the time at which notice is given of that AGM.

如董事在本公司收到該書面請求當日後21天內，未有妥為安排在股東特別大會通知發出日期後不多於28天內召開股東特別大會，則要求召開該大會的股東或佔該等全體股東的總表決權過半數的股東，可自行召開股東特別大會，但如此召開的股東特別大會不得在上述日期起計三個月屆滿後舉行。

由股東召開的股東特別大會，須盡可能以接近董事召開股東大會的方式召開。

### (2) 股東查詢

股東可向本公司香港股份過戶登記分處香港中央證券登記有限公司查詢其股權資料。股東如有其他查詢可將信件寄至本公司位於香港灣仔港灣道18號中環廣場64樓6406室的主要辦事處或發送電子郵件至 public@hk217.com，聯繫本公司公司秘書部或公司秘書。

### (3) 在股東大會上提出議案的程序

當股東擬於股東週年大會（「**股東週年大會**」）上提呈一項決議，須依照《公司條例》第615及第616條，其要求及程序載列如下：

- (i) 任何在全體有權在該請求所關乎的股東週年大會上就該決議表決的股東的總表決權佔至少2.5%的股東人數，或至少50名有權在該請求所關乎的股東週年大會上就該決議表決的股東，可提交一份書面請求，以便於股東週年大會上恰當地動議一項建議決議。
- (ii) 本公司毋須根據《公司條例》發出建議決議的通知或傳閱一份字數不多於1,000字的陳述書，內容有關在建議決議內所提述的事宜向有權接收股東週年大會通知的本公司的股東發出通知，除非不遲於(i)有關請求所關乎的股東週年大會舉行前六個星期；或(ii)(倘為較遲者)就該股東週年大會發出通知當時，有關股東將一份註明有關通知所涉及的決議且由有關股東簽署的請求書(或兩份或多於兩份載有全體有關股東簽署的請求書)以印刷文本方式存放於本公司的主要辦事處及註明致公司秘書，或以電子形式發送至本公司則除外。

## CONSTITUTIONAL DOCUMENTS

The Company has not amended its constitutional documents during the Year.

## 憲章文件

於本年度內，本公司並無修訂其憲章文件。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 1. ABOUT THIS REPORT

#### 1.1 Reporting Guidelines

This Environmental, Social and Governance Report (“**Report**”) aims to provide information on the performance in the environmental and social aspects of China Chengtong Development Group Limited (“**Company**”) and its subsidiaries (collectively with the Company, the “**Group**”) during the year of 2019, which focuses on the environmental and social issues which concerned the stakeholders and those related to the sustainable development of the Group, so as to enable the major stakeholders to better understand the philosophy, measures and relevant performances in relation to the sustainable development of the Group. This Report should be read in conjunction with the section headed “Corporate Governance Report” on pages 27 to 43 of the annual report of the Company for the year ended 31 December 2019 for a comprehensive understanding on the Company’s relevant performances.

#### 1.2 Scope of This Report

Unless otherwise indicated, the reporting scope of this Report covers the principal businesses of the Group, including finance leasing, bulk commodity trade, property development and investment and marine recreation services and hotel which were managed and/or operated by the Group’s headquarters in Hong Kong and the Company’s subsidiaries, including: (i) 誠通發展貿易有限公司(unofficial English translation being Chengtong Development Trading Company Limited) (“**Chengtong Development Trading**”); (ii) 誠通融資租賃有限公司(unofficial English translation being Chengtong Financial Leasing Company Limited) (“**Chengtong Financial Leasing**”); (iii) 誠通能源廣東有限公司(unofficial English translation being Chengtong Energy Guangdong Company Limited) (“**Chengtong Energy**”); (iv) 諸城鳳凰置地有限公司(unofficial English translation being Zhucheng Phoenix Landmark Company Limited) (“**Zhucheng Phoenix**”); (v) 誠通大豐海港開發有限公司(unofficial English translation being Chengtong Dafeng Harbour Development Limited) (“**Dafeng Development**”); and (vi) 海南寰島酒店旅游投資有限公司(unofficial English translation being Hainan Huandao Hotel and Travel Investment Co., Limited) (“**Huandao Hotel Investment**”) and its subsidiaries.

Unless otherwise specified, the time scope of this Report is from 1 January 2019 to 31 December 2019 (“**Reporting Period**”).

### 1. 關於本報告

#### 1.1 報告指南

本《環境、社會及管治報告》(下稱「**本報告**」)旨在提供中國誠通發展集團有限公司(下稱「**本公司**」)及旗下主要子公司(連同本公司統稱「**本集團**」)於2019年度內的環境表現和社會表現，主要包括權益人所關注並與本集團可持續發展有關的環境及社會議題，以便各主要權益人更加了解本集團可持續發展的理念、措施及相關表現等。本報告應與本公司截至2019年12月31日止之年度報告由第27頁至43頁「企業管治報告」章節一併閱覽，以便全面了解本公司的相關表現。

#### 1.2 本報告範圍

除非另有說明，本報告範圍涵蓋本集團的主營業務，包括融資租賃、大宗商品貿易、物業發展及投資和海上旅遊服務及酒店，該等業務由本集團香港總部及本公司附屬公司管理及／或經營，包括：(i) 誠通發展貿易有限公司(「**誠通發展貿易**」)、(ii) 誠通融資租賃有限公司(「**誠通融資**」)、(iii) 誠通能源廣東有限公司(「**誠通能源**」)、(iv) 諸城鳳凰置地有限公司(「**諸城鳳凰**」)、(v) 誠通大豐海港開發有限公司(「**大豐開發**」)和(vi) 海南寰島酒店旅游投資有限公司(「**寰島酒店投資**」)及其附屬公司。

除非另有說明，本報告的時間範圍為2019年1月1日至2019年12月31日(「**本報告期**」)。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 1.3 Basis of Preparation

This Report is prepared by the Company in accordance with the Environmental, Social and Governance Reporting Guide (“**ESG Guide**”) in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”).

### 1.4 Declaration on Reporting

This Report is prepared in accordance with the four reporting principles of the ESG Guide, which are materiality, quantitative, balance and consistency. The Group determines the key disclosures of this Report through an analysis of materiality and conducts meaningful comparisons of quantifiable environmental and social performances in a consistent disclosure statistical approach as applied in its 2018 Environmental, Social and Governance Report. Furthermore, the Group has disclosed information in this Report in compliance with all the “comply or explain” provisions in the ESG Guide.

The board of directors of the Company (“**Board**”) assumes full responsibility of the Company’s environmental, social and governance (“**ESG**”) strategies and reporting. The Board is responsible for assessing and determining ESG risks in the scope of the Group’s operation, and ensures the establishment of a suitable and effective ESG risk management and internal control system. The Group’s ESG approach, strategies and relevant materiality will be disclosed in the various chapters of this Report.

### 1.5 Feedback to This Report

Should you have any comments concerning the content of this Report, please feel free to contact the Secretarial Department or the company secretary of the Company by post to the principal office of the Company in Hong Kong at Suite 6406, 64/F, Central Plaza, 18 Harbour Road, Wanchai, Hong Kong or by e-mail to [public@hk217.com](mailto:public@hk217.com).

### 1.3 編製基準

本公司按照《香港聯合交易所有限公司證券上市規則》(「**上市規則**」)附錄二十七《環境、社會及管治報告指引》(下稱「**ESG指引**」)編製本報告。

### 1.4 報告聲明

本報告乃按照ESG指引的四項匯報原則，即重要性、量化、平衡及一致性進行編製。本集團透過重要性分析確定本報告的重點披露內容，並使用與2018年度《環境、社會及管治報告》一致的披露統計方法將量化的環境及社會績效作出有意義的比較。另外，本集團已就ESG指引中所有「不遵守就解釋」條文於本報告作信息披露。

本公司董事會(「**董事會**」)對本公司環境、社會及管治(「**ESG**」)策略及匯報承擔全部責任。董事會負責評估及釐定本集團運營範圍的ESG風險、並確保設立合適及有效的ESG風險管理及內部監控系統。本集團的ESG方針、策略及相關重要性將在本報告的各章節作出披露。

### 1.5 對本報告的回應

如讀者對本報告的內容有任何意見，歡迎反饋意見至本公司在香港的主要辦事處：香港灣仔港灣道18號中環廣場64樓6406室，或發送電子郵件至：[public@hk217.com](mailto:public@hk217.com)，聯繫本公司秘書部或公司秘書。

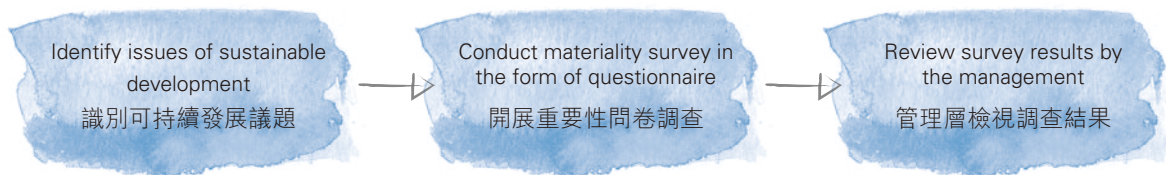


# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 2. LISTEN TO OPINIONS OF DIFFERENT PARTIES

Through this Report, the Group would like to respond to the concerns of different stakeholders on its performance of environmental and social responsibilities and to consider opinions of stakeholders in its corporate sustainability management work. During the Reporting Period, the Group conducted materiality analysis with regard to different environmental and social issues, and conducted a survey of stakeholders in the form of questionnaire to understand their opinion on the sustainable development work of the Group. The following shows the procedures of the Group's materiality assessment:



The Group considers each issue at the environmental and social levels in a comprehensive manner and demonstrates the materiality of different issues to its stakeholders and the Group respectively in a matrix diagram. In particular, issues near the top right hand corner in the diagram are of the highest materiality to both the stakeholders and the Group. Disclosures of these 6 issues will be highlighted in subsequent chapters in response to the expectations and concerns of stakeholders. In addition to their application in the preparation of this Report, results of the materiality analysis are also referred to by the Group when planning for its sustainable development work, with a view to reviewing and managing the relevant issues specifically, thereby effectively promoting the sustainable development of the Company.

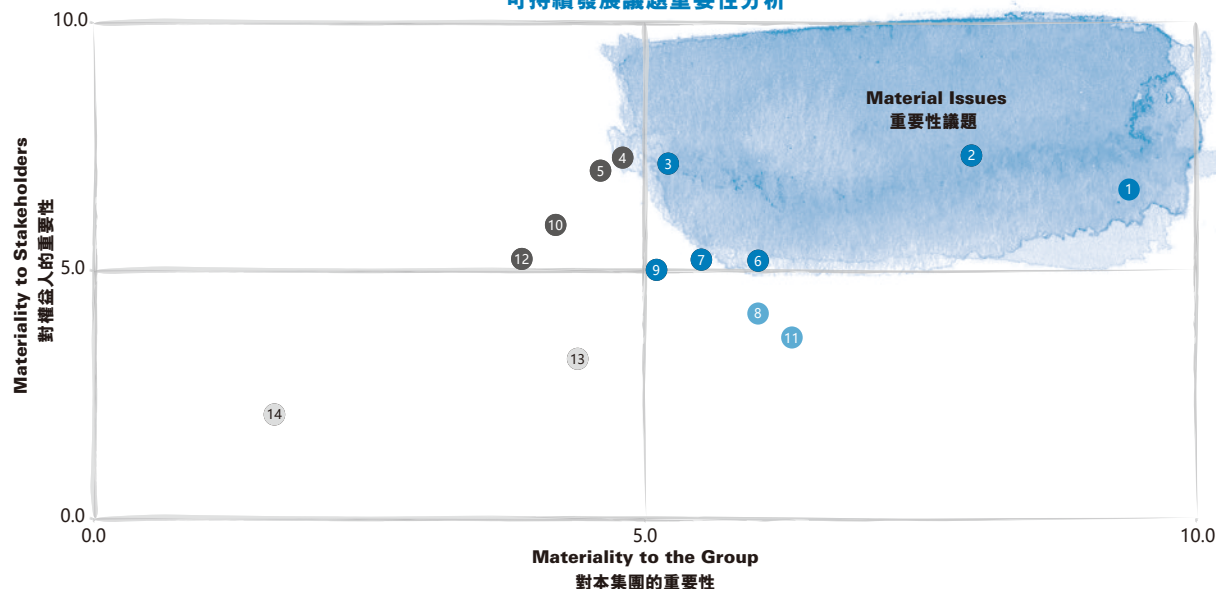
### 2. 聆聽各方聲音

本集團期望透過本報告回應不同權益人對本集團履行環境和社會責任的關注，並將各權益人意見納入企業可持續發展管理工作當中。於本報告期，本集團針對不同環境及社會議題展開了重要性分析，以問卷形式向權益人進行調查，了解他們對本集團可持續發展工作的意見。以下為本集團的重要性評估流程：

本集團綜合考慮環境和社會層面下的各議題，以矩陣圖展示不同議題對權益人和對本集團的重要程度。其中，本集團視圖中右上角為對權益人和本集團重要性均最高的議題，該6項議題將於隨後各章節內進行重點披露，以回應各權益人的期望與關注。重要性分析結果除了用於本報告編製之外，亦將用於參考規劃本集團的可持續發展工作，針對性地審視和管理相關議題，有效推進企業可持續發展。

# Environmental, Social and Governance Report 環境、社會及管治報告

## Materiality Analysis of Sustainable Development Issues 可持續發展議題重要性分析



- 1. Operation Compliance 經營合規性
- 2. Employment and Interests of the Employees 僱傭與員工權益
- 3. Employee Development and Training 員工發展與培訓
- 4. Employee Benefits 員工福利
- 5. Occupational Health and Safety 職業健康與安全
- 6. Pollutant Emission and Management 污染物排放與管理
- 7. Ecological Environment Protection 生態環境保護
- 8. Anti-Corruption 反貪污
- 9. Labour Standards 勞工準則
- 10. Green Office Management 綠色辦公室管理
- 11. Product Liability 產品責任
- 12. Resource Utilisation 資源利用
- 13. Supply Chain Management 供應鏈管理
- 14. Community Involvement and Contribution 社區參與及貢獻

### Material issues (ranked by materiality, from the highest to the lowest) 重要性議題(重要性按高至低排序)

### Responding chapters 回應章節

1. Operation Compliance 經營合規性	Various chapters of this Report 報告中各章節
2. Employment and Interests of the Employees 僱傭與員工權益	Employment Practices 僱傭實務
3. Employee Development and Training 員工發展與培訓	Employee Development and Training 員工發展與培訓
4. Pollutant Emission and Management 污染物排放與管理	Exhaust Gas and Sewage Management 廢棄及污水管理 Waste Management 廢棄物管理
5. Ecological Environment Protection 生態環境保護	Environmental Protection 環境保護
6. Labour Standards 勞工準則	Employment Practices 僱傭實務

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 3. CARING FOR EMPLOYEES

Employees are important assets to the Group. Well-established human resources management helps attract and retain outstanding talents. The Group has established and implemented a series of standardised human resources management policies to systematically manage human resources, laying a solid foundation for the Group's sustainable development.

#### 3.1 Employment Practices

The Group attaches great importance to compliance. The Group complies in all material respects with national and regional laws and regulations including the Labour Contract Law of the People's Republic of China (《中華人民共和國勞動合同法》) and the Employment Ordinance of Hong Kong, and adopt a fair and open employment management policy. Due to the difference in business nature and operating locations, the subsidiaries of the Group have adopted their respective employment policies applicable to their operations. For instance, the Group's headquarters in Hong Kong have formulated the "Human Resources Management System" and the "Employees' Code of Conduct", which regulate its employment policies. The Group's employment policies comprise clear recruitment and dismissal policies, working hour policy, remuneration and benefit system, leave system, attendance system, performance management and appraisal systems and code of conduct, etc.

#### **Recruitment and Dismissal**

As to staff recruitment, the Group has established a set of standardised recruitment procedures. First, a department expresses its demand for staff recruitment. Subject to approval by the management and the human resources department, recruitment information will then be published. After preliminary screenings by the human resources department, candidates will then be invited to attend written tests, interviews and aptitude tests. Thereafter, candidates will be invited to attend professional tests conducted by relevant departments and final interview by the Company's management, after which suitable candidates will be selected for employment. The Group treats people of different ages, genders, races, nations, religions, or with physical disabilities equally and offers them equal job opportunities so that all employees are treated with respect.

### 3. 關愛員工

員工為本集團的重要資產，完善的人力資源管理有助吸納和保留優秀人才。本集團建立和執行一系列規範的人事管理制度，系統性地管理人力資源，為本集團的持續發展打下堅實基礎。

#### 3.1 僱傭實務

本集團重視合規經營，於所有重大方面遵守《中華人民共和國勞動合同法》、香港《僱傭條例》等國家及地區法律法規，採取公平、公開的僱傭管理政策。由於業務性質和營運地點的不同，本集團旗下各子公司均設有適用於其運作的僱傭政策。例如，本集團香港本部設有《人事管理制度》和《員工守則》，對僱傭政策進行規範。本集團的僱傭政策包含清晰的招聘及解僱政策、工時政策、薪酬福利制度、假期制度、考勤制度及績效管理考核制度和行為守則等。

#### **招聘及解僱**

在人員招聘方面，本集團制定了規範的招聘流程。首先，由需要招聘人員的部門提出需求，經過管理層及人力資源部審批後發佈招聘信息。應徵者經人力資源部初步篩選後，將參加筆試、面試及技能測試等，再經相關部門進行專業測試，最後由本公司管理層進行面試，並選出適當人選聘用。本集團平等對待不同年齡、性別、種族、民族、宗教，或有無身體缺陷的人士，保障平等就業機會，讓所有員工都能獲得尊重。

## Environmental, Social and Governance Report 環境、社會及管治報告

The Group has also established standardised dismissal terms. For instance, the “Human Resources Management System” stipulates that an employee with misconduct, fraud, habitual negligence, etc. within his/her employment period will be subject to termination of his/her employment contract in accordance with local laws and regulations of the Company’s place of operation. Departing employees are also required to hand over their work-related documents and properties, etc. to staff designated by the Group, and complete handover of job to ensure work continuity. For termination of employee contracts, the Group has stipulated detailed provisions regarding the establishment, termination and compensation of contract in the labour contracts signed with employees.

### **Remuneration Packages**

In order to attract and retain talents, the Group provides competitive remuneration packages. Employees’ remuneration is reasonably determined by the human resources department with reference to their duties, performance, individual qualifications, etc. Furthermore, the Group also provides comprehensive employee benefits, including social insurance, medical insurance, Mandatory Provident Fund, study allowances, transportation subsidies, etc. The Group also offers paid leaves for employees in accordance with national or regional regulations, including casual leaves, sick leaves, marriage leaves and maternity leaves, etc. The application procedures and arrangements of different types of leaves are clearly stated in the employment policies.

### **Working Hour Policy**

Working hours of employees are determined by the Group according to the nature of their jobs. Five-day week with an average of eight working hours per day is generally implemented.

### **Labour Rights**

The Group respects and upholds various internationally recognised human rights and consciously resists any actions disregarding human rights. The Group complies in all material respects with laws and regulations of Mainland China and Hong Kong such as the Labour Law of the People’s Republic of China (《中華人民共和國勞動法》), the Law of the People’s Republic of China on the Protection of Rights and Interests of Women and Children (《中華人民共和國婦女兒童權益保護法》), the Law of the People’s Republic of China on the Protection of Minors (《中華人民共和國未成年人保護法》), the Provisions on Prohibition of Child Labour (《禁止使用童工規定》) and the Employment Ordinance of Hong Kong, etc. The Group strictly prohibits the use of child labour and forced labour under any circumstances. The human resources department of the Group will check information such as the identity and age of the new employees before they commence work. During daily operation, the Group implements standardised working hour policy and prohibits the use of child labour and forced labour so as to ensure the protection of rights and interests of its employees. During the Reporting Period, the Group complied in all material respects with national and regional laws and regulations which had significant influence on the Group and no violation of relevant laws and regulations was reported.

本集團亦制定了規範的解僱章程。例如，《人事管理制度》指出員工若在受僱期內發生行為不當、欺詐、慣常疏忽職責等情況，公司將按營運所在地法律法規終止其僱傭合約。離職員工亦需要將其工作、相關文件和公物等移交本集團指定員工，完成工作交接，確保工作得以繼續進行。針對解除員工合約事宜，本集團在與員工簽訂的勞動合同中，對合同的訂立、解除、賠償進行了詳細的規定。

### **薪酬和待遇**

為吸納和挽留人才，本集團提供具有市場競爭力的薪酬待遇。人力資源部門按照員工的工作職責、工作績效表現、個人資歷條件等合理地釐定員工薪酬。此外，本集團亦提供完善的員工福利，包括社會保險、醫療保險、強積金、進修津貼、交通補貼等。本集團亦按國家或地區法規提供有薪假期給員工，包括事假、病假、婚假和產假等，並在僱傭政策中清晰列明各類假期的申請程序及安排。

### **工時制度**

本集團根據工作性質規定員工的工作時間，一般實行五天工作制，每天平均工作八小時。

### **勞工權益**

本集團尊重和維護國際公認的各項人權，自覺抵制任何漠視人權的行為。本集團於所有重大方面遵守《中華人民共和國勞動法》、《中華人民共和國婦女兒童權益保護法》、《中華人民共和國未成年人保護法》、《禁止使用童工規定》和香港《僱傭條例》等中國內地及香港法律法規，嚴禁在任何情況下使用童工和強制勞工。新員工入職前，本集團人力資源部對其進行身份、年齡等信息的核查工作；於日常營運中，本集團亦執行規範的工時制度，杜絕童工及強制勞工的情況發生，確保員工的權益得到保障。於本報告期內，本集團於所有重大相關方面遵守對本集團有重大影響的國家及地區法律法規，亦無接獲違反相關法律法規事宜的報告。

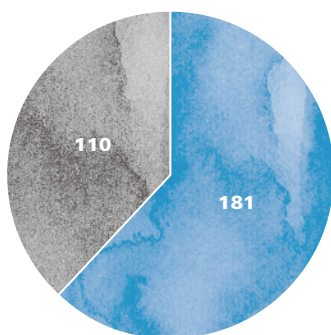
# Environmental, Social and Governance Report

## 環境、社會及管治報告

At the end of the Reporting Period, the Group had a total of 291 employees. The following shows the employee structure by gender, employment type, age group and region:

截至本報告期末，本集團共有291名員工。以下為按照性別、僱傭類型、年齡組別及地區劃分的員工結構：

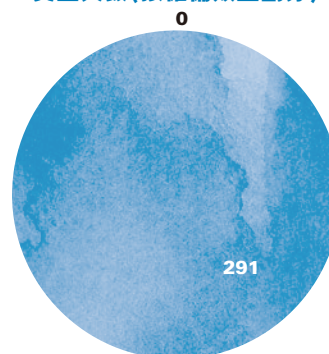
**Number of employees (by gender)**  
員工人數(按性別劃分)



Male  
男性員工

Female  
女性員工

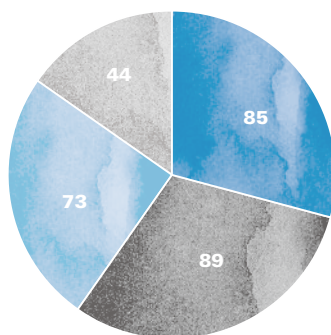
**Number of employees (by employment type)**  
員工人數(按僱傭類型劃分)



Full-time  
全職

Part-time  
兼職

**Number of employees (by age group)**  
員工人數(按年齡組別劃分)



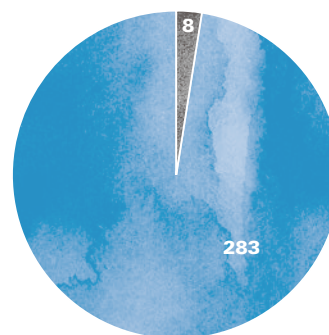
16-30  
16-30歲

30-40  
30-40歲

40-50  
40-50歲

Over 50  
50歲以上

**Number of employees (by region)**  
員工人數(按地區劃分)



Hong Kong  
香港

Mainland  
內地

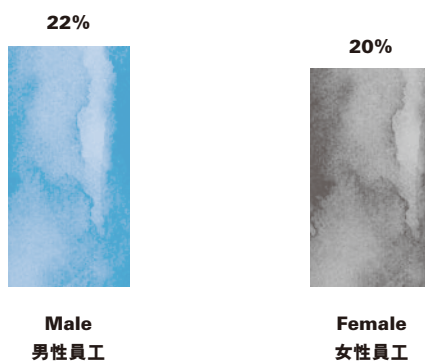


# Environmental, Social and Governance Report 環境、社會及管治報告

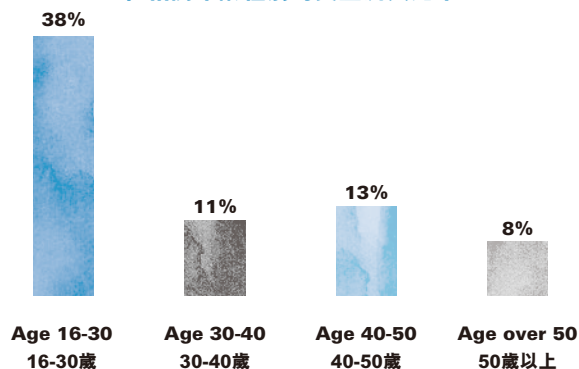
During the Reporting Period, a total of 77 employees ceased to be employed by the Group, with a total employee turnover percentage of approximately 21%. The following shows the statistics of employee turnover percentages by gender, age group and region.

於本報告期內，本集團的離職員工共77人，總員工流失比率約為21%。以下為按照性別、年齡組別及地區劃分的員工流失比率統計。

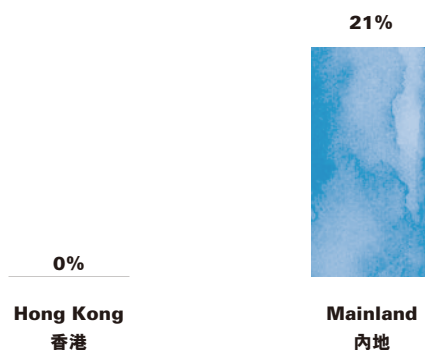
## Employee turnover percentage in the relevant gender group 在相關性別組別的員工流失比率



## Employee turnover percentage in the relevant age group 在相關年齡組別的員工流失比率



## Employee turnover percentage in the relevant region 在相關地區的員工流失比率



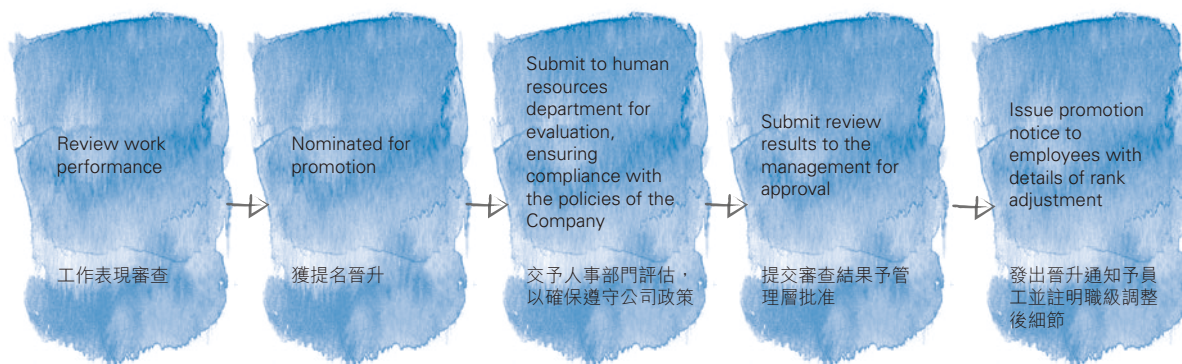
# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 3.2 Employee Development and Training

The Group has established a broad career development platform for its employees and provided them with diverse development opportunities. The Group optimises employees' career development based on the characteristics of different positions. With regard to promotion and position development opportunities, the Group provides optimised ranking solutions to achieve same remuneration for same position, and refines the duties and qualification requirements. Employees can pursue a managerial or professional career at their own choices. Annual performance appraisals are conducted to understand the daily work performance of employees and expectations of both parties of the employment, which is one of the effective ways to select competent employees for promotion.

The Group implements a systematic employee promotion system. The "Employees' Code of Conduct" regulates the employee promotion system and procedures:



In order to enhance employees' expertise and managerial level of managers, the Group has formulated internal policies such as the "Human Resources Management System", the "Nurturing and Training for Corporate Managers", etc., and arranged employees to participate in both internal and external training sessions with a view to ensuring sustainable development of the Group. At the same time, to fulfill the Group's development requirement in various businesses, each of the Group's subsidiaries has formulated its employee training scheme suitable for its business condition, which improves the required job-related skills of employees in a flexible manner.

### 3.2 員工發展與培訓

本集團為員工建立廣闊的事業發展平台，提供多元的發展機會，針對不同職位特點優化員工事業發展路徑。關於晉升及職位發展機會，本集團提供職位體系優化方案，實現同職同酬，並對職責及任職資格要求進行了細化，員工可自行選擇往管理或專業路線發展。本集團每年進行員工績效評核，了解他們的日常工作表現及溝通僱傭雙方的期望，作為甄選人才並予以晉升的有效方式之一。

本集團執行系統化的員工晉升制度，於《員工守則》內對員工晉升制度及流程進行了規範：

為了提高本集團員工的專業能力以及管理人員的管理水平，本集團制定了《人事管理制度》、《企業管理人員培養鍛煉》等內部政策，並組織員工參與內部和外部培訓，保證本集團的持續發展。同時，為滿足本集團各項業務的發展需求，本集團各子公司制定適用於業務情況的員工培訓計劃，靈活地提升員工所需工作技能。

## Environmental, Social and Governance Report 環境、社會及管治報告

For instance, Chengtong Development Trading has set up the “Employee Training Scheme 2019”. During the Reporting Period, professional training was organised and employees were selected to join external study and training which improved the overall quality and expertise of employees, thereby enabling them to adapt to business development need.

例如，誠通發展貿易制定了「2019年度員工培訓計劃」，在本報告期內組織專業化培訓及選派員工參加外部學習培訓，提升員工的整體素質及專業能力，以適應業務發展需求。

### Chengtong Development Trading “Employee Training Scheme 2019” 誠通發展貿易「2019年度員工培訓計劃」

Types of training 培訓類別	Training courses 培訓課程	Training targets 培訓對象	Trainers 培訓教師
Professional training 專業化培訓	Listing Rules of Hong Kong/Management philosophy of a listed company 香港上市公司規則／上市公司管理之道	Mid and senior-level management and relevant staff members 中高層管理及相關業務人員	External 外聘
	Corporate capital operation and application of financial instruments 企業資本運作與金融工具應用	Mid and senior-level management and relevant staff members 中高層管理及相關業務人員	External 外聘
	Capital operation and mergers and acquisitions 資本運營與兼併收購	Mid and senior-level management and relevant staff members 中高層管理及相關業務人員	External 外聘
	Industry development 行業發展	Mid and senior-level management and relevant staff members 中高層管理及相關業務人員	External 外聘
	Personal career planning 個人職業規劃	All employees 全體員工	External 外聘
External training and exchange for selected employees 選派員工參加外部培訓交流	Mainly targeting mid and senior-level management, training in the forms of participating in industry forums, public classes, visits to renowned enterprises, etc. 主要針對公司中高層管理者，培訓方式為參加行業內論壇、公開課、到知名企業考察等。		

# Environmental, Social and Governance Report

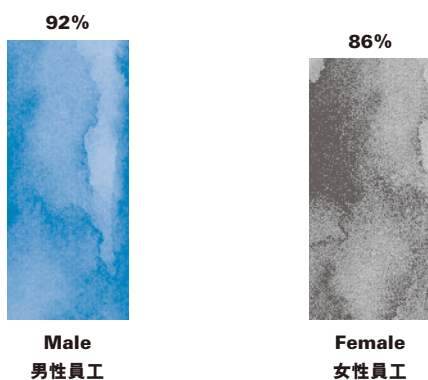
## 環境、社會及管治報告

During the Reporting Period, the Group has arranged training joined by a total of 262 employees, with a total of 9,978 training hours. The following shows the employee training statistics by gender and employment type during the Reporting Period:

於本報告期，本集團一共組織262人次參與培訓，總培訓時數達9,978小時。以下為本報告期內分別按照性別及僱傭類型統計的員工受訓情況：

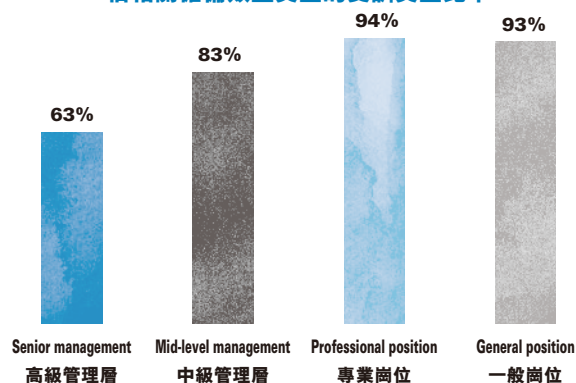
### Employee training percentage for the relevant gender

佔相關性別員工的受訓員工比率



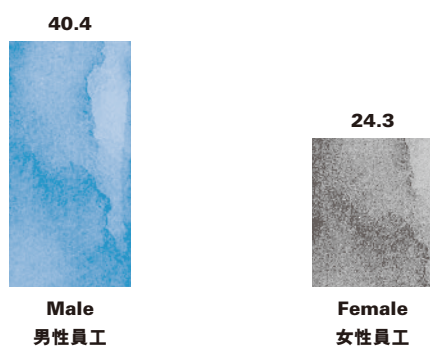
### Employee training percentage for the relevant employment type

佔相關僱傭類型員工的受訓員工比率



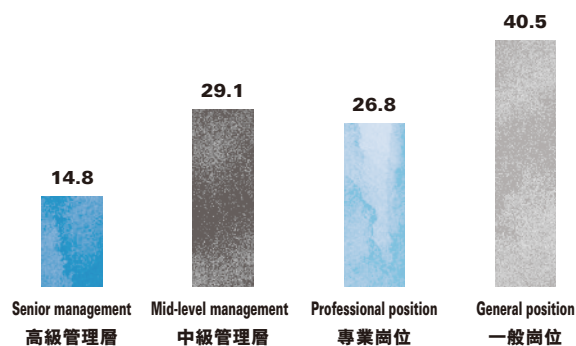
### Average hours of employee training (by gender)

員工受訓平均時數(按性別劃分)



### Average hours of employee training (by employment type)

員工受訓平均時數(按僱傭類型劃分)



(Hour)  
(小時)

(Hour)  
(小時)

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 3.3 Safety First

The Group has always attached great importance to health and safety of our employees, and is committed to providing employees with a safe working environment to avoid occupational hazards. The Group has always complied in all material respects with relevant laws and regulations of Mainland China and Hong Kong, including the Production Safety Law of the People's Republic of China (《中華人民共和國安全生產法》), the Regulations of Insurance for Employment Injury (《工傷保險條例》), the Occupational Safety and Health Ordinance of the Laws of Hong Kong, etc. and has formulated the "Production Safety Management Measures" to stipulate and implement major responsibility for production safety with a view to preventing safety incidents.

The Group's Production Safety and Management Committee is responsible for monitoring all safety matters of the Group by ensuring the effective implementation of various safety management measures as stipulated in the "Production Safety Management Measures". The Group has clearly set out relevant requirements in six aspects, namely education and training, troubleshooting, safety works cost management, emergency rescue, information delivery, and incident investigation and handling. Furthermore, safety management is included in the annual performance appraisals of General Managers of each subsidiary and is linked to their performance bonuses to ensure the implementation of various rules and regulations. These systems have also clearly defined the structure of the Company's safety management organisation, duties of the safety management units, safety meetings and training, safety management inspections, safety measures for operating premises and equipment, protective measures for construction safety and hygiene, casualty management, and other aspects, safeguarding the health and safety of employees in various areas.

### 3.3 安全至上

本集團一向高度重視員工的健康與安全，致力為員工提供安全的工作環境，避免他們受到職業性危害。本集團一直於所有重大相關方面遵守《中華人民共和國安全生產法》、《工傷保險條例》、香港法例《職業安全及健康條例》等中國內地及香港相關法律法規，並制定了《安全生產管理辦法》，明確和落實安全生產主體責任，防止發生安全事故。

本集團的安全生產管理委員會負責監察本集團內的各項安全事宜，確保《安全生產管理辦法》中各項安全管理措施得到有效落實。本集團從教育培訓、隱患排查、安全工作費用管理、應急救援、信息報送、事故調查和處理六方面清晰定明相關要求，並將安全管理工作納入各附屬公司總經理的年度績效評核中，與其績效獎金掛鉤，以確保各規章制度得以落實。該等制度亦明確了公司的安全管理組織架構、安全管理崗位職責、安全會議及培訓、安全管理檢查、營運場所及設備安全措施、施工安全衛生保護措施以及傷亡事故管理等範疇，使員工的健康與安全在各個環節得到保障。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Safety management organisational structure

#### 安全管理組織架構



The Group conducts analyses of sources of risks according to characteristics of various businesses, and classifies potential incidents into categories including construction work incidents, specialised equipment incidents, marine travelling incidents, fire incidents, public health, transport incidents and public emergency incidents. In this regard, the Group has formulated the “General Contingency Plans in respect of Production Safety Incidents”, which regularly arranges training and drills of contingency plans for employees, with a view to enhancing their quick response ability to handle different types of production safety incidents, thereby preventing and minimising the damages caused by these incidents and protecting the life and property safety for the Group and its employees. During the Reporting Period, the Group arranged a total number of 259 employees to participate in occupational health and safety training.

For instance, with regard to fire safety, Zhucheng Phoenix, a subsidiary of the Company, has formulated the “Fire-fighting and Evacuation Emergency Drill Plan” to provide clear guidelines on its fire drill procedures. Its employees carry out fire drill and training regularly in accordance with the plan to promote fire safety awareness and self-help skills, thereby minimising harm, loss and impact caused by fire.

本集團根據各項業務特性對危險源進行分析，並對潛在事故進行分類，包括建築施工事故、特種設備事故、海上旅遊事故、火災事故、公共衛生事故、交通事故及特發公共事件。針對以上潛在事故，本集團制定了《安全生產事故總體應急預案》，安排員工定期進行應急預案培訓及演練，以提高員工處置各種安全生產事故的快速反應能力，最大程度地預防和減少事故及其造成的損害，保障本集團和員工的生命財產安全。於本報告期內，本集團共組織了259人次參與職業健康與安全培訓。

例如針對消防安全，本公司子公司諸城鳳凰制定了《消防滅火和疏散應急演練方案》，為公司的消防演練程序作出明確指引。公司員工根據該方案定期進行消防演習和培訓，以提高員工的消防安全意識和自救能力，將火災造成的危害、損失和影響降至最低程度。

## Environmental, Social and Governance Report 環境、社會及管治報告

With regard to marine recreation services, Huandao Hotel Investment, a subsidiary of the Company, has formulated the "Health Protection and Safety Management Regulations for Crews" along with other policies to enhance health and safety protection for crews onboard, safety inspections of workplace as well as contingency plans for safety incidents. Regular emergency drills on vessel and hotel fire and rescue, etc. are arranged by Huandao Hotel Investment for its employees at hotels and marine travelling facilities to ensure safety of employees and tourists.

在海上旅遊服務方面，本公司子公司寰島酒店投資制定了《船員健康保護與安全管理規定》等政策，加強船上工作人員的健康與安全保護工作、勞動場所的安全檢查以及安全事件的處理應變。寰島酒店投資定期組織酒店及海上旅遊設施的員工參與海上船舶及酒店消防及救生等各項緊急演習，保障員工和遊客的安全。

### Case study: Marine fire, rescue and vessel abandonment integrated emergency drill

案例：海上船舶消防、救生、棄船綜合應急演練



During the Reporting Period, Huandao Hotel Investment organised an integrated emergency drill on marine fire, rescue and vessel abandonment for the crew whereas their knowledge on marine work safety and emergency response was strengthened through the lecturer's guidance and simulation practice so as to protect the safety of the crew and passengers more effectively.

在本報告期，寰島酒店投資組織船上工作人員參與海上消防、救生及棄船綜合應急演練。員工們透過講師的指導和模擬實踐，加深了海上工作的安全意識和應急知識，更加有效保障自己及遊客的安全。

## Environmental, Social and Governance Report 環境、社會及管治報告

### Case study: Fire drill of production safety month 案例：安全生產月消防演練



On 19 June 2019, Dafeng Development launched fire safety and knowledge training and a fire drill during its production safety month. The Group trained its employees on usage of fire extinguishers, fire escape, first-aid knowledge and injury treatment, etc., thus raising their response ability and awareness on fire safety.  
2019年6月19日，大豐開發於安全生產月活動期間開展了消防安全知識培訓和消防演練。本集團針對滅火器的使用方法、火災時的逃生方法、急救常識及意外傷害救治等對員工進行培訓，增強大家的消防應對能力和安全意識。

During the Reporting Period, the Group always observed the relevant national or regional regulations in all material respects and did not report any deaths or work-related injuries resulting from safety-related incidents or major incidents.

於本報告期內，本集團一直於所有重大相關方面遵守相關國家或地區法規，未發生任何與安全相關的事務或因重大事故而導致的工傷或死亡個案。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 4. ENVIRONMENTAL PROTECTION

With the growing attention on global climate change and environmental issues, the Group truly understands the importance of sound environmental management for promoting sustainable development of the enterprise. During the Reporting Period, the Group's business premises are mainly offices, hotels and marine recreation services facilities, of which the main potential environmental impacts include greenhouse gases and air pollutant emissions from the electricity and fuel usage, discharge into water and land during the operations of hotels and vessels, solid waste generation as well as energy consumption. The Group has formulated targeted environmental management policies based on the characteristics of different businesses with reference to national and local environmental laws and regulations, and proactively implemented various environmental measures in an effort to reduce the environmental impacts during its business operations.

During the Reporting Period, the Group observed in all material respects the national and local environmental related laws and regulations in the places where the Group operates, and managed air pollutants, greenhouse gases, discharge into ocean and land, hazardous and non-hazardous wastes, and energy consumption, etc. No incident report of violation of relevant laws and regulations was identified, and no event has occurred that would have a material impact on the environment and natural resources.

#### Environmental related laws and regulations applicable to the Group (including but not limited to)

- Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》)
- Energy Conservation Law of the People's Republic of China (《中華人民共和國節約能源法》)
- Law of the People's Republic of China on Prevention and Control of Pollution from Environmental Noise (《中華人民共和國環境噪聲污染防治法》)
- Law of the People's Republic of China on Prevention and Control of Atmospheric Pollution (《中華人民共和國大氣污染防治法》)
- Water Law of the People's Republic of China (《中華人民共和國水法》)
- Marine Environmental Protection Law of the People's Republic of China (《中華人民共和國海洋環境保護法》)
- Solid Waste Pollution Prevention and Control Law of the People's Republic of China (《中華人民共和國固體廢物污染環境防治法》)
- Law on Environmental Impact Evaluations of the People's Republic of China (《中華人民共和國環境影響評價法》)

### 4. 環境保護

在全球氣候變化及環保問題備受重視的背景下，本集團深明良好的環境管理對推動企業可持續發展的重要性。於本報告期內，本集團的業務場所以辦公室、酒店、海上旅遊服務設施為主，可能產生的主要環境影響包括使用電力和燃料造成的溫室氣體及空氣污染物排放、酒店和船舶營運時向水及土地的排放、固體廢棄物的產生、能源消耗等。針對不同業務特性，本集團參考國家及地區性環保法律法規制定了具針對性的環境管理政策，並積極實施多種環保措施，努力降低業務營運所帶來的環境影響。

於本報告期內，本集團已於所有重大方面遵守國家及營運所在地區的環境相關法律法規，針對空氣污染物、溫室氣體、向海洋及土地排放、有害及無害廢棄物，及能源消耗等作出管理，並無接獲違反相關法律法規的個案報告，亦沒有涉及對環境和天然資源造成重大影響的事件。

#### 適用於本集團的環境相關法律法規(包括但不限於)

- 《中華人民共和國環境保護法》
- 《中華人民共和國節約能源法》
- 《中華人民共和國環境噪聲污染防治法》
- 《中華人民共和國大氣污染防治法》
- 《中華人民共和國水法》
- 《中華人民共和國海洋環境保護法》
- 《中華人民共和國固體廢物污染環境防治法》
- 《中華人民共和國環境影響評價法》



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 4.1 Exhaust Gas and Sewage Management

The exhaust gas of the Group mainly comes from the fuel combustion in transportation vehicles by land and water, whereas the sewage mainly comes from the emissions during vessel operation and the domestic sewage during office and hotel operation. The Group exerted management and control on the emission of air pollutants and sewage discharge in compliance with national and local laws and regulations where the Group operates as well as internal environmental protection policy.

Vessels are the main offshore facilities for the Group's marine recreation services. In order to minimise air pollutant emission and sewage discharge caused by the use of vessels, the Group's subsidiary, Huandao Hotel Investment, has formulated the "Notice on Environmental Protection for Workers" (《工作人員環保須知》) to set out operational and maintenance management measures on vessels. As to operational management, Huandao Hotel Investment requires that engines should be switched off when vessels are at berth and not in use. It has also strengthened vessel travelling route planning and shortened vessel berth waiting time to avoid unnecessary fuel consumption and the resulting air pollutant emissions. In terms of fuel selection, Huandao Hotel Investment comprehensively uses gasoline and diesel as the fuel for vessels. Fuel oil is no longer used so as to reduce part of the air pollutant emissions. In terms of vessel maintenance and management, Huandao Hotel Investment regularly arranges for vessel body cleaning as well as inspection and maintenance on slipway to ensure normal operation, thereby reducing fuel consumption and air pollutant emissions. Huandao Hotel Investment collects waste oil on the vessels and sewage from the vessel engine room in accordance with its "Measures on Vessel Pollution Protection" (《船舶防污染保障措施》) for recycling and treatment by entities possessing waste oil and sewage recycling license to prevent destruction of marine ecosystem.

### 4.1 廢氣及污水管理

本集團的廢氣排放主要來自水陸交通工具的燃油燃燒所產生，而污水則主要來源於船舶營運過程中的排放，以及辦公室和酒店營運過程中產生的生活污水。本集團結合國家及營運地區的相關法律法規及內部制定的環保政策對空氣污染物及污水排放進行了管控及處理。

船舶為本集團海上旅遊服務的主要海上設施。為了盡量減少船舶使用造成的空氣污染物及污水排放，本集團子公司寰島酒店投資制定了《工作人員環保須知》對船舶實施操作及保養管理措施。在操作管理方面，寰島酒店投資規定船舶泊岸及待用時需要關閉引擎，亦加強船舶遊覽路線規劃和縮短船舶泊岸等候時間，避免不必要的燃料消耗及其導致的空氣污染物排放。在燃料選擇方面，寰島酒店投資全面使用汽油和柴油作為船舶的燃料，不再使用燃料油，減少了一部分的空氣污染物排放。在保養管理方面，寰島酒店投資定期安排船舶上船排進行船身清理及檢查保養，確保正常運作，從而減少燃料消耗和空氣污染物排放。寰島酒店投資亦根據其《船舶防污染保障措施》，收集船上產生的油污及機艙污水，交予具備油污水回收執照的機構回收處理，避免對海洋生態造成破壞。



## Environmental, Social and Governance Report 環境、社會及管治報告

In order to minimise air pollutant emissions arising from the use of vehicles by employees during their attendance, the Group's Beijing office has formulated the "Administrative Regulations on Business Vehicles" (《公務車輛管理規定》) providing that the Group should take into consideration of factors such as emission reduction and energy conservation when purchasing vehicles and that regular thorough examination and maintenance are required for all vehicles to keep them in good operation and to ensure that their emissions are in compliance with statutory requirements. Meanwhile, the Group's Beijing office strictly controls the frequency of employees' use of vehicles and encourages the sharing of vehicles among several employees when going out to reduce the frequency of use of vehicles. In addition, the domestic sewage arising from the Group's office and hotel operation is directed to the municipal sewage pipeline for centralised treatment under the municipal sewage facilities.

In order to reduce the impact of projects during the construction phase on the surrounding environment, the Group has formulated comprehensive policies to oversee and manage the waste gas and sewage generated during the construction process. The subsidiaries of the Company, Zhucheng Phoenix and Dafeng Development, have established an accountability system on the prevention and control of dust pollution, and have adopted dust prevention measures such as covering, hoarding, enclosing, spraying, washing and greening during the construction period pursuant to the local environmental protection regulations of the construction sites to reduce the impact of dust generated from the construction process on the surrounding air quality. The sewage treatment facilities at the construction sites and the main constructions of the projects of Zhucheng Phoenix and Dafeng Development were designed, constructed and put into use at the same time, and are connected to municipal pipeline to ensure proper treatment of sewage.

為了盡量減少員工出勤時因使用汽車產生空氣污染物排放，本集團北京辦公室已經制訂《公務車輛管理規定》，規定於購買車輛時需充分考慮減低排放量及節能等因素，所有車輛需定期進行詳細檢查和保養，以保持車輛運作良好和排放符合法例要求。同時，本集團北京辦公室嚴格控制員工使用車輛的頻率，員工外出時應盡量共用車輛，減少車輛使用的頻次。另外，關於本集團辦公室及酒店營運時產生的生活污水，則接入至市政污水管道，由市政污水設施統一處理。

為了減少處於施工階段的項目對週圍環境造成影響，本集團已制定完善的政策對施工過程中所產生的廢氣及廢水進行監管及處理。本集團子公司諸城鳳凰及大豐開發建立了揚塵污染防治責任制，並根據施工所在地的環保規例於施工期間採取遮蓋、圍擋、密閉、噴灑、沖洗、綠化等防塵措施，減低施工過程產生的揚塵對週邊空氣質素的影響。諸城鳳凰及大豐開發的工地污水處理設施與項目主體工程同時設計、施工及投入使用，並接入市政管道，確保妥善處理污水。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

During the Reporting Period, the volume of air pollutant emission and sewage discharge generated by the Group due to the business operation and the comparative figures for the year ended 31 December 2018 are as follows:

於本報告期內，本集團因業務營運而產生的空氣污染物排放量和污水產生量及截至二零一八年十二月三十一日止年度之比較數據如下：

	<b>2019</b> 2019年	<b>2018</b> 2018年	<b>Unit</b> 單位
<b>Emission of Air Pollutant by Vessels<sup>1</sup></b>			
<b>船舶空氣污染物排放<sup>1</sup></b>			
Emission of CO CO排放量	5,838	4,686	Kg 千克
Emission of NO <sub>x</sub> NO <sub>x</sub> 排放量	9,870	18,172	Kg 千克
Emission of SO <sub>x</sub> SO <sub>x</sub> 排放量	178	449	Kg 千克
Emission of PM <sub>2.5</sub> PM <sub>2.5</sub> 排放量	864	1,328	Kg 千克
Emission of PM <sub>10</sub> PM <sub>10</sub> 排放量	905	1,434	Kg 千克
<b>Emissions of Air Pollutant by Vehicles</b>			
<b>汽車空氣污染物排放</b>			
Emission of CO CO排放量	727	1,223	Kg 千克
Emission of NO <sub>x</sub> NO <sub>x</sub> 排放量	421	399	Kg 千克
Emission of SO <sub>x</sub> SO <sub>x</sub> 排放量	1	1	Kg 千克
Emission of PM <sub>2.5</sub> PM <sub>2.5</sub> 排放量	15	15	Kg 千克
Emission of PM <sub>10</sub> PM <sub>10</sub> 排放量	17	16	Kg 千克
<b>Sewage Discharge</b>			
<b>廢水產生</b>			
Total Volume of Sewage Discharge 污水產生總量	40,537	60,821	Tonne 公噸

Note: 1. Only Huandao Hotel Investment, a subsidiary of the Group, is engaged in vessel operation and a total of 16 vessels are included in the statistics and calculations during the Reporting Period.

註：1. 本集團只有子公司寰島酒店投資涉及船舶營運，共16艘船舶納入本報告期的統計及計算範圍。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 4.2 Energy Saving and Consumption Reduction

The main environmental impacts caused by the operation of the Group's offices are energy, water resource and office supply consumption as well as carbon emission resulted from energy usage. In order to reduce the use of natural resources and lower carbon emission, the Group has formulated and implemented related environmental protection measures focusing on daily operation of the offices in accordance with national laws and regulations such as the Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》) and the Energy Conservation Law of the People's Republic of China (《中華人民共和國節約能源法》).

To reduce energy consumption, the Group has formulated environmental protection measures applicable to the offices which are thoroughly implemented. Specific measures formulated by the Group's Beijing office are set out below:

#### Saving Electricity 節約用電

- Only turn on necessary lighting during day time
- 白天只開啓部分必要照明燈
- Maintain the temperature of air-conditioning to not lower than 26°C during summer time
- 夏天空調控制在不低於攝氏26度
- Replace with LED lighting system and energy-saving light tubes in offices
- 辦公室改用LED照明系統和節能燈管
- Turn off the monitor and power of the computers, or set to energy saving/ hibernation mode when they are not in use
- 電腦用品不使用時應關閉顯示器和電源，或設置為節能／休眠模式
- Post labels to remind for energy saving
- 張貼提示標籤，提醒節約能源
- Switch off all the lights, computers, printers, etc. after work and designate persons to confirm
- 下班前關閉所有照明電燈、電腦、打印機等，並由專人確認
- Use office equipment with Grade 1 energy efficiency standard
- 使用一級能源效益辦公設備

#### Saving Water 節約用水

- Promote water conservation among employees on their own initiative
- 提倡員工自覺節約用水
- Install water-saving toilets and water tap
- 安裝節水座廁和節水水龍頭
- Use residue water resources to clean and irrigate plants
- 使用剩餘水資源進行清潔和澆灌植物

#### Reducing usage of office supplies 節約辦公用品

- Promote paperless office through office automation system
- 通過辦公自動化系統，推行無紙化辦公
- Adopt double-sided printing, reuse used paper, communicate through emails more frequently and minimise paper usage
- 採用雙面打印，廢紙再利用，多用電子郵件，盡量減少紙張使用
- Recycle used paper and conduct garbage sorting and recycling
- 廢紙回收，垃圾分類回收

### 4.2 節能降耗

本集團的辦公地點在營運過程中主要產生的環境影響為能源消耗、水資源消耗、辦公用品消耗和因使用能源所造成的碳排放。為減少使用天然資源和降低碳排放，本集團根據《中華人民共和國環境保護法》和《中華人民共和國節約能源法》等國家法規，針對辦公室的日常營運制定並實施了相關環保措施。

本集團為減低能源消耗，制訂了適用於辦公室的環保措施，並落實執行。以下為本集團北京辦公室具體措施內容：

## Environmental, Social and Governance Report 環境、社會及管治報告

The Group has also installed video conference system and encouraged subsidiaries to use video conferences in substitution of business travelling, which could not only enhance work efficiencies of the Group but also reduce carbon footprint and emission of greenhouse gases. In addition, the Group's subsidiary, Zhucheng Phoenix, has introduced various green construction designs in proactive response to the Implementation Opinion on the Promotion of Green Construction of Shandong Provincial People's Government (《山東省人民政府關於大力推進綠色建築行動的實施意見》) promulgated by the local government, such as the installation of solar panels in compliance with the requirements.

With the effective implementation of various energy saving measures, during the Reporting Period, the Group's density of electric power consumption was 49Kwh/m<sup>2</sup> floor area, representing a decrease of approximately 1 Kwh/m<sup>2</sup> floor area as compared to that in 2018.

With respect to the acquisition of water resources, all of the Group's operating locations acquire water resources through the municipal water supply network. Accordingly, the Group does not face any difficulty in the access to water. The Group endeavours to implement water conservation measures to avoid wastage. Compared to 2018, the Group's total density of water consumption was 0.7 tonne/m<sup>2</sup> of the floor area during the Reporting Period, representing a decrease of approximately 0.5 tonne/m<sup>2</sup> of the floor area as compared to that in 2018.

The volume of resource consumption and greenhouse gas emission generated by the Group due to the business operation during the Reporting Period and the comparative data for the year ended 31 December 2018 are as follows:

本集團亦設有視頻會議系統，並鼓勵各子公司利用視頻會議代替外遊公幹，既可提高本集團的工作效率，也可減少碳足跡、降低溫室氣體排放量。另外，本集團子公司諸城鳳凰積極響應當地政府發佈的《山東省人民政府關於大力推進綠色建築行動的實施意見》，引入多項綠色建築設計。例如，為符合要求的建築安裝太陽能板。

在多項節能措施的有效實施下，本集團於本報告期的電力消耗密度為49千瓦時／平方米建築面積，相較2018年度節能約1千瓦時／平方米建築面積。

關於水資源的獲取，本集團所有營運場所均透過市政管網獲取水資源，因此並不存在求取使用水源的困難。本集團努力落實節水措施，避免造成浪費。相比2018年，本集團於本報告期的總耗水密度為0.7公噸／平方米建築面積，相較2018年度降低約0.5公噸／平方米建築面積。

本集團於本報告期內因業務營運而產生的資源消耗量及溫室氣體排放量及截至二零一八年十二月三十一日止年度之比較數據如下：

Usage of Resource 資源消耗量	Unit 單位	2019 <sup>2</sup> 2019年 <sup>2</sup>	2018 2018年
Total Electric Power Consumption 電力消耗總量	Kwh 千瓦時	2,745,322	2,835,607
Density of Electric Power Consumption 電力消耗密度	Kwh/m <sup>2</sup> of the floor area <sup>3</sup> 千瓦時／平方米建築面積 <sup>3</sup>	49	50
Total Gasoline Consumption (Vehicle) 汽油消耗總量(汽車)	Litre 升	28,880	50,205
Density of Gasoline Consumption (Vehicle) 汽油消耗密度(汽車)	Litre/vehicle <sup>4</sup> 升／每輛汽車 <sup>4</sup>	1,111	1,859
Total Diesel Oil Consumption (Vehicle) 柴油消耗總量(汽車)	Litre 升	6,074	5,548
Density of Diesel Oil Consumption (Vehicle) 柴油消耗密度(汽車)	Litre/vehicle 升／每輛汽車	3,037	1,387
Total Gasoline Consumption (Vessel) 汽油消耗總量(船舶)	Tonne 噸	82	38

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Usage of Resource 資源消耗量	Unit 單位	2019 <sup>2</sup> 2019年 <sup>2</sup>	2018 2018年
Density of Gasoline Consumption (Vessel) 汽油消耗密度(船舶)	Tonne/vessel <sup>5</sup> 公噸／每艘船 <sup>5</sup>	10	4
Total Diesel Oil Consumption (Vessel) 柴油消耗總量(船舶)	Tonne 公噸	156	154
Density of Diesel Oil Consumption (Vessel) 柴油消耗密度(船舶)	Tonne/vessel <sup>4</sup> 公噸／每艘船 <sup>4</sup>	19	19
Total Natural Gas Consumption <sup>6</sup> 天然氣消耗總量 <sup>6</sup>	M <sup>3</sup> 立方米	9,230	32,211
Density of Natural Gas Consumption 天然氣消耗密度	M <sup>3</sup> /m <sup>2</sup> of the floor area <sup>2</sup> 立方米／平方米建築面積 <sup>2</sup>	0.2	0.6
Total Purchased Steam Consumption 外購蒸汽熱力消耗總量	GJ 吉焦	31,313	29,607
Density of Purchased Steam Consumption 外購蒸汽熱力消耗密度	GJ/m <sup>2</sup> of the floor area <sup>2</sup> 吉焦／平方米建築面積 <sup>2</sup>	0.6	0.5
Total Water Consumption <sup>7</sup> 總耗水量 <sup>7</sup>	Tonne 公噸	38,067	69,978
Total Density of Water Consumption 總耗水密度	Tonne/m <sup>2</sup> of the floor area <sup>2</sup> 公噸／平方米建築面積 <sup>2</sup>	0.7	1.2
<b>Greenhouse Gas Emission (Scope 1 and Scope 2)</b>			
<b>溫室氣體排放(範圍1和範圍2)</b>			
Emission by Vehicles (Scope 1) 汽車排放(範圍1)	Tonne 公噸	86	130
Emission by Vessels (Scope 1) 船隻排放(範圍1)	Tonne 公噸	739	901
Greenhouse Gas Offset by the Group's Owned Trees (Scope 1) 擁有樹木的溫室氣體抵消量(範圍1)	Tonne 公噸	1	11
Emission by Energy Consumption (Scope 2) 電力使用排放(範圍2)	Tonne 公噸	2,295	2,346
Emission by Purchased Steam Consumption (Scope 2) 外購蒸汽熱力使用排放(範圍2)	Tonne 公噸	3,444	3,257
Total Emission of Greenhouse Gas 總溫室氣體排放量	Tonne 公噸	6,563	6,623
Total Density of Emission of Greenhouse Gas 總溫室氣體排放密度	Tonne/m <sup>2</sup> of the floor area 公噸／平方米建築面積	0.1	0.1

Notes: 2. During the Reporting Period, the Group's subsidiary, Huandao Hotel Investment, had been sharing office premises with a connected person of the Company which beared all the electricity and water expenses and therefore its electric power consumption and water consumption data during the Reporting Period could not be segregated from those of the connected person for disclosure in the Group's statistics. Accordingly, the statistics and disclosure of electric power and water resources for the Reporting Period differ from the other environmental data for the year as well as from the environmental data in 2018.

註：2. 於本報告期內，由於本集團子公司寰島酒店投資與本公司關連人士共用辦公場所，電費與水費均由關連人士承擔，因此無法將其耗電量和耗水量的數據與關連人士的耗量數據分開，從而在本集團的統計中披露，故此本報告中電力和水資源上的統計和披露範圍與本年度其他環境數據以及2018年度環境數據有所差異。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

3. For all environmental data in this Report using m<sup>2</sup> of the floor area as the denominator for density calculation, the calculation of m<sup>2</sup> of the floor area includes the area of all operating premises of the organisations covered by this Report (other than the head office of Huandao Hotel Investment) with a total gross floor area of 55,878 m<sup>2</sup>.
  4. The vehicle fuel consumption density is calculated with reference to the respective number of gasoline vehicles and diesel vehicles, i.e. 26 gasoline vehicles and 2 diesel vehicles.
  5. The vessel fuel consumption density is calculated with reference to the respective number of gasoline vessels and diesel vessels, i.e. 8 gasoline vessels and 8 diesel vessels.
  6. The hotel under the Group's subsidiary, Huandao Hotel Investment, had been closed for renovation since March 2018 and it was re-opened in August 2019. As there are less facilities using natural gas after the renovation, the natural gas consumption decreased as compared to 2018.
  7. The hotel under the Group's subsidiary, Huandao Hotel Investment, was under renovation for most of the time in 2018. Water consumption increased as more water resources were consumed during the renovation. However, water consumption was relatively low upon re-opening of the hotel in 2019 since it was not a peak season for tourism.
3. 本報告中所有以平方米建築面積為分母作密度計算的環境數據，平方米建築面積的計算包含除了寰島酒店投資的本部辦公室以外所有在本報告中涵蓋的組織範圍營運場所，總建築面積為55,878平方米。
  4. 汽車燃料消耗密度以汽油和柴油汽車各自數量分別計算。其中汽油汽車共26輛，柴油汽車共2輛。
  5. 船舶燃料消耗密度以汽油和柴油船舶各自數量分別計算。其中汽油船舶共8艘，柴油船舶共8艘。
  6. 本集團子公司寰島酒店投資所屬酒店於2018年3月起暫停營業及進行裝修，2019年8月重開。因酒店裝修後減少了消耗天然氣的設施，因此天然氣的消耗量相較2018年度有所下降。
  7. 本集團子公司寰島酒店投資所屬酒店於2018年度大部份時間處於裝修施工階段，施工過程中消耗額外的水資源，用水量因而較多；2019年度酒店重開後因不屬於旅遊旺季，故用水量相對較低。

### 4.3 Waste Management

With respect to the wastes generated during the operation of different businesses, the Group has formulated a number of waste management policies to reduce the emissions of both hazardous and non-hazardous wastes and minimise their impacts on the environment. The Group is in compliance in all material respects with the relevant national and regional laws and regulations in relation to waste management, including the Solid Waste Pollution Prevention and Control Law of the People's Republic of China (《中華人民共和國固體廢物污染環境防治法》), the Regulation on the Administration of the Recycling and Disposal of Electrical and Electronic Products Waste (《廢棄電器電子產品回收處理管理條例》), the Provisions of the People's Republic of China on the Administration of the Prevention and Control of Vessel-Induced Pollution to Inland Water Environment (《中華人民共和國防治船舶污染內河水域環境管理規定》), the Administrative Measures for the Disposal of Kitchen Wastes of Sanya (《三亞市餐廚垃圾管理辦法》) and, the Waste Disposal Ordinance of Hong Kong, etc., and proactively implemented the requirements of the relevant laws and regulations by establishing internal management policies.

### 4.3 廢棄物管理

針對不同業務營運過程中產生的廢棄物，本集團制訂了多項廢棄物管理政策，以減少有害廢棄物和無害廢棄物的排放，盡量減低對環境所造成的影響。本集團於所有重大方面遵守國家及地區性與廢棄物管理相關法律法規，包括《中華人民共和國固體廢物污染環境防治法》、《廢棄電器電子產品回收處理管理條例》、《中華人民共和國防治船舶污染內河水域環境管理規定》、《三亞市餐廚垃圾管理辦法》及香港《廢物處置條例》等，並通過制定內部管理政策積極將法律法規要求落實。

## Environmental, Social and Governance Report 環境、社會及管治報告

The Group's marine recreation services and hotel businesses involve the use of excursion vessels. The Group has formulated the vessel pollutant management policies to regulate the disposal or discharge of wastes on the vessels. Huandao Hotel Investment abides by the "Preventive Measures for Pollution from Vessels" (《船舶防污染保障措施》) under the Group's internal policy, strictly prohibiting the direct discharge of hazardous wastes and non-hazardous wastes into the sea. Meanwhile, the Group educates its crew and tourists about ocean protection through staff training and notice to tourists, and requires them to conduct sorting and collecting of hazardous and non-hazardous wastes on the ships which are then handed to government-approved waste recycling entities for disposal when vessels are at berth. In the event of a marine traffic accident or a water contamination accident, the Group will immediately report to the maritime department and take emergency measures to prevent expansion of the negative impacts on the environment.

In addition, as to the marine recreation services business, Huandao Hotel Investment has also formulated the "Management Policy for Environmental Hygiene and Cleaning for Coastal Area and Beach" (《近海沙灘環境衛生保潔管理制度》) to regulate the management of environmental hygiene and waste treatment in the beach areas under its operation. In accordance with this policy, the Group has set up an environmental hygiene leadership team to take charge of the supervision and management of environmental hygiene in the entire beach area. The beach areas are divided into several areas, and each area has its designated cleaners to handle the environmental hygiene and cleaning work. The cleaners should properly clean the beach, and dispose of all kinds of wastes at designated waste station, where such wastes will be transported to government-designated waste yard by garden landscape companies for disposal, such that all wastes are disposed on daily basis.

With respect to the wastes generated in the course of office operation, the Group starts from the source by adopting measures for reducing the use of disposable products such as disposable tableware and plastic bottled waters, and implementing measures of reusing and recycling wastes and wastes sorting. Consumable materials of the photocopiers and printers such as ink boxes and toners cartridges, non-reusable waste paper and discarded computers will be separated from other daily solid wastes and recyclers will be arranged to recycle them. With the effective implementation of the Group's waste management policies, during the Reporting Period, the volume of hazardous and non-hazardous wastes generated by the Group continued to remain at a relatively low level. Based on the Group's business characteristics, coupled with the corresponding management policies, the wastes generated by the Group did not have a material impact on the environment. In addition, as its business nature does not involve the use of packaging materials, there is no relevant information for disclosure.

本集團的海上旅遊服務及酒店業務涉及遊覽船的使用，本集團制定了船舶污染物管理政策來規範船上廢棄物的處置。寰島酒店投資執行本集團內部政策《船舶防污染保障措施》，嚴禁船上的有害及無害廢棄物直接進行海上排放或傾倒。同時，通過員工培訓及遊客告示，教育船員及遊客海洋保護知識，並要求對船上各類有害及無害廢物進行分類收集，在船舶靠岸時將廢棄物交由政府認可的廢物回收機構進行處理。一旦發生海上交通事故和污染水域事故，本集團將立即向海事部門報告，並採取應急措施，防止對環境負面影響擴大。

同時，針對海上旅遊服務業務，寰島酒店投資亦制訂了《近海沙灘環境衛生保潔管理制度》，對沙灘經營區域的環境衛生和廢物處理進行規範管理。根據此政策，本集團成立了環境衛生領導小組負責整個沙灘區域環境衛生的監督管理。海灘各區域劃分為若干個環境衛生清掃保潔責任區，由固定的清潔人員負責不同區域的環境衛生工作。清潔人員需妥善清理海灘上所產生的垃圾，並放置到指定垃圾站內，由園林公司運送到政府指定垃圾場處理，確保垃圾每天清理。

針對辦公室營運所產生的廢棄物，本集團從源頭做起，採取減少使用即棄用品（如即棄餐具及膠樽裝水）的措施，並推行可再用及可回收廢棄物分類的措施。複印機、打印機使用完的若干耗材（如墨盒及碳粉匣）、不能再重用的廢紙及廢棄的電腦等均與其他日常固體廢棄物進行分類，並安排回收商進行回收。由於本集團廢棄物管理政策的有效落實，本集團於本報告期內的有害及無害廢棄物產生量依然維持在較低水平。基於本集團的業務特性，配合相應的管理政策，本集團所產生的廢棄物並未對環境造成重大影響。另外，本集團由於業務性質並不涉及包裝材料的使用，故此沒有相關信息可予披露。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

The volume and density of waste generated by the Group due to the business operation during the Reporting Period and the comparative data for the year ended 31 December 2018 are as follows:

本集團於本報告期內因業務營運而產生的廢棄物數量及密度及截至二零一八年十二月三十一日止年度之比較數據如下：

	Unit 單位	2019 2019年	2018 2018年
<b>Discharge Volume of Hazardous Waste</b>			
<b>有害廢物產生量</b>			
Fluorescent Tube 熒光燈管	Piece(s) 個	23	41
Density of Wasted Fluorescent Tube 廢熒光燈管產生密度	Piece(s)/m <sup>2</sup> of the floor area 個/平方米建築面積	0.0004	0.0007
Used Batteries <sup>8</sup> 廢電池 <sup>8</sup>	Kg 千克	1.4	-
Density of Used Batteries 廢電池產生密度	Kg/m <sup>2</sup> of the floor area 千克/平方米建築面積	0.00002	-
Cartridge 墨盒	Piece(s) 個	51	78
Density of Wasted Cartridges 廢墨盒產生密度	Piece(s)/m <sup>2</sup> of the floor area 個/平方米建築面積	0.0009	0.0014
<b>Discharge Volume of Non-hazardous Waste</b>			
<b>無害廢物產生量</b>			
Wasted Paper 紙張棄置量	Kg 千克	392	202
Density of Wasted Paper 廢棄紙張產生密度	Kg/m <sup>2</sup> of the floor area 千克/平方米建築面積	0.007	0.004
Paper Recycled 紙張回收量	Kg 千克	268	137

Note: 8. As the used batteries generated by the Group may involve various models, during the Reporting Period, the Group began to use weight as a measurement of the generation of used batteries for better comparison in the future. In 2018, the generation of used batteries was measured by pieces.

註：8. 由於本集團所產生的廢電池或涉及多種型號，本集團於本報告期開始以重量來統計廢電池產生量，使數據在將來作更有效的比較。本集團在2018年度以「個」為單位統計廢電池產生量。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 5. FULFILLING SOCIAL RESPONSIBILITY

#### 5.1 Supply Chain Management

The Group strives to develop and maintain a long-term and close relationship with upstream and downstream customers and suppliers. Each of the Group's subsidiaries has established a bidding management system and supplier evaluation system with standardised tender and bidding procedures to ensure that the process of selection of contractors and suppliers is fair and transparent. According to the supplier evaluation system, apart from the competitiveness of quotation, the Group also evaluates the standard of the products and services provided by the contractors and suppliers on a regular basis and assesses the quality of the relevant products and services to ensure the contractors and/or the suppliers are in compliance with the relevant standards. For example, Chengtong Development Trading has formulated the "Management Method of Credit Evaluation on Upstream Suppliers/Downstream Customers", which adopts qualitative indicators to evaluate suppliers. Regular and occasional evaluations are conducted against social, economic and governance risks, mainly with reference to the enterprise qualification, reputation in the industry, financial condition, actual performance of the contract, administrative penalty, litigation involved etc. The above policies aim to enhance the operation quality and overall efficiency of the Group, as well as to strengthen and improve risk management, so as to ensure fund security.

Besides, the Group also procures materials in compliance with national safety requirements and environmental standards for its development projects as applicable. Clauses relating to environmental protection are incorporated into contracts, requesting the contractors and suppliers to strictly observe the requirements of environmental protection when performing their contractual obligations so as to procure the supply chain to jointly assume the responsibility of sustainable development.

### 5. 踐行社會責任

#### 5.1 供應鏈管理

本集團致力與上下游客戶及供應商建立並維持長久、緊密的聯繫。本集團各子公司設有招標管理制度和供應商評估制度，通過標準化的招投標流程，確保甄選承包商及供應商的過程公正透明。根據供應商評估制度，本集團除考慮報價的競爭性，還會定期對承包商及供應商的產品及服務表現進行評估，評審相關產品及服務的質素，以確保承包商或供應商符合標準。例如誠通發展貿易制訂了《上游供應商／下游客戶信用評估管理辦法》，對供應商採取定性指標評估，主要從企業資質證書、行業商譽、財務情況、實際履約情況、行政處罰、涉訴情況等社會、經濟及管治風險方面進行定期和不定期指標評估。以上政策旨在提高本集團經營質量和整體工作效率，同時加強和完善風險管理，以確保資金安全。

此外，本集團亦會於適用情況下選擇採購符合國家安全規定以及環保標準的材料用於發展項目中，於合同內附設環保條款，要求承建商及供應商在履行合同責任的同時也嚴格遵守相關的環保要求，推動供應鏈共同承擔可持續發展責任。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 5.2 Product Responsibility

The Group is committed to providing customers with quality products and services in compliance in all material respects with the Law of the People's Republic of China on the Protection of Consumer Rights and Interests (《中華人民共和國消費者權益保護法》). It implements effective product and service quality control measures in each business area to attract new customers and strengthen relationship with existing customers.

#### *Quality and Safety of Products and Services*

In respect of property development business, the Group abides by the national laws and regulations in relation to production safety of construction projects, such as the Measures for Quality Repair of Housing Construction Project(《房屋建築工程質量保修辦法》) in all material respects, regulates construction procedures and techniques, and requires those who are in specialised positions and those who operate specialised equipment to possess relevant qualifications and operation certificates. Zhucheng Phoenix has also formulated the "Project Completion Inspection Plan" (《竣工驗收備案》) and various tests and inspection are arranged before delivery of the project. Rectification measures are also carried out timely when quality problems are found to ensure the safety and quality of the construction work.

Ensuring the health and safety of the tourists is crucial to the Group's marine recreation services and hotel business. The Undersea World Hotel of the Group has security staff in charge of inspection of hotel safety, kitchen and firefighting equipment. The hotel operation team also frequently communicates with local police and firefighting departments and updates security information of the surrounding area of the hotel. In respect of hotel management on food safety and hygiene, the Group strictly manages and controls food purchase channels, and sets up the food safety and supervisory department to arrange regular inspections for all food processing plants and kitchens. With regard to the safety of recreational services facilities on vessels, comprehensive inspection for all recreational services facilities is conducted every day before setting sail. Fire safety measures are adopted on all operating vessels and crews are required to participate in emergency drills on a regular basis and understand clearly the escape routes and locations of the safety device in order to ensure that a quick response can be made in case of incidents.

### 5.2 產品責任

本集團致力向客戶提供優質的產品及服務，於所有重大方面遵守《中華人民共和國消費者權益保護法》，在各業務領域實施有效的產品及服務質量管理措施，吸引新客戶並強化與現有客戶的關係。

#### *產品及服務質量和安全性*

在物業發展業務方面，本集團一直於所有重大方面遵守國家有關建設工程安全生產的法律法規，如《房屋建築工程質量保修辦法》，規範施工流程，並要求特殊崗位和特種設備操作人員具備相關資格和設備操作證。諸城鳳凰制定了《竣工驗收備案》，在工程交付前安排多項驗收及巡檢，對於發現的質量問題及時修正，確保建築的安全性及質量。

在海上旅遊服務及酒店業務方面，保障遊客的健康與安全至關重要。本集團的海底世界酒店設有安全人員編製，負責對酒店安全、廚房及消防設備進行檢查；酒店營運團隊亦時常與當地警方及消防部門保持交流，更新酒店附近地區的保安消息。針對酒店食品安全衛生管理，本集團嚴格管控採購食品的進貨渠道，同時設有食品安全監管部門，定期安排巡查各食品製造工場和廚房。針對海上遊樂服務設施安全，在每日起航前均對所有遊樂服務設施進行全面檢查。營運船舶均設有消防安全措施，船員需定期參與各項緊急演習，清楚了解逃生路線及安全裝置的位置，以確保在發生事故時能迅速作出應變。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Customer Services and Customer Interests

To continuously provide quality customer services, the Group establishes various communication channels including telephone hotlines, website and social media platform to strengthen its communication with customers. With respect to the owners of the development projects of the Group, Zhucheng Phoenix has formulated the “Procedures for Handling Owners’ Compliants” (《業主投訴處理流程》) to actively solve various issues of owners identified in the area of the development projects, thus enhancing the owners’ satisfaction and the Group’s brand reputation. Zhucheng Phoenix has a complaint hotline in place which primarily takes in complaints regarding the project quality, sales management, property management and owners’ services and handles them in a responsible manner. In addition, the Group’s subsidiary, Huandao Hotel Investment, has established the “Administrative Measures on Handling Complaints from Guests” (《賓客投訴處理管理辦法》) and “System of Handling Complaints from Visitors” (《遊客投訴處理制度》) to standardise the handling arrangements of various types of complaints from customers, and to classify and analyse the types of complaints, so as to enable front-line staff to help resolve visitor’s dissatisfaction and needs in a more effective manner. During the Reporting Period, the Group received no complaint in respect of the relevant products and services for its marine recreation services and hotel business.

According to the national regulations, ID document-based real-name registration is required when tourists check in at hotel. The operation of the Group’s marine recreation services and hotel business therefore involves the maintenance of a large amount of information with personal privacy. To safeguard data privacy of the Group and its customers, the headquarters in Hong Kong and Huandao Hotel Investment have formulated the “Employee’s Code of Conduct” (《員工守則》) and “File Management System” (《檔案管理制度》) respectively, requiring its staff to safeguard the confidentiality of information. The Group also incorporates confidentiality provisions in employment contracts to avoid information leakage and safeguard customers’ privacy. In addition, the Group strictly abides by the administrative requirements which are applicable to the industry in its business location and has enhanced the security management of the personal information of the customers. If the employees require access to customers’ personal information, they must receive approval from their respective supervisors or managers so as to avoid unauthorised or improper use of customers’ confidential information. The Group complied in all material respects with the relevant national and regional laws and regulations on privacy matters, including the Law of the People’s Republic of China on the Identity Card of Residents (《中華人民共和國居民身份證法》).

### 客戶服務及客戶權益

另一方面，為了持續提供優質的客戶服務，本集團設立電話熱線、網站和社交媒體平台等不同的溝通途徑，加強與客戶之間的溝通。針對本集團發展項目的業主，諸城鳳凰制定了《業主投訴處理流程》，積極為業主解決發展項目區域中的各項問題，提升業主滿意度和本集團的品牌聲譽。諸城鳳凰設有投訴熱線，主要接收有關工程質量、銷售管理、物業管理及業主服務等方面的投訴，並秉持負責任的態度進行處理。另外，本集團子公司寰島酒店投資針對酒店及海上旅遊業務制定了《賓客投訴處理管理辦法》及《遊客投訴處理制度》，規範各類客人投訴的處理安排、投訴分類及分析，使前線員工能更有效地協助解決遊客的不滿和需要。於本報告期內，本集團就其海上旅遊服務及酒店業務並沒有接獲有關產品及服務的投訴。

根據國家規定，旅客入住酒店時需要以身份證明文件進行實名登記，本集團的海上旅遊服務及酒店業務因而涉及大量個人私隱的保存工作。針對本集團及客戶資料私隱保護，香港本部和寰島酒店投資分別制定了《員工守則》和《檔案管理制度》，要求員工做好保密工作，並於僱傭合同中加入有關保密的條款，禁止資料泄露，保障客戶私隱。此外，本集團嚴格按照營業所在地的行業適用管理要求，加強客戶個人資料的安全管理，員工若需查閱客戶的個人資料，必須經由各自的主管或經理批准，避免未經授權或不恰當地使用客戶機密資料的情況發生。本集團一直於所有重大方面遵守國家及地區與私隱事宜相關的法律法規，包括《中華人民共和國居民身份證法》。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### **Intellectual Property Rights Protection and Advertising Promotion**

With regard to protection of intellectual property rights, the Group also complies strictly with relevant regulations and insists to purchase and use licensed computer software to avoid infringement of intellectual property rights. With regard to advertising promotion, the relevant national and regional laws and regulations that the Group abides by include the Advertising Law of the People's Republic of China (《中華人民共和國廣告法》), the Tourism Law of the People's Republic of China (《中華人民共和國旅遊法》), the Interim Rules on Advertisement for Real Estate (《房地產廣告發佈暫行規定》) and the Announcement of the State Administration for Industry and Commerce and Ministry of Construction on Further Strengthening the Administration of Real Estate Advertising (《國家工商行政管理總局、建設部關於進一步加強房地產廣告管理的通知》), etc. to ensure that the advertisements released comply with the requirements of the government and the industry and are not misleading to the general public. In addition, the industry nature of the Group does not involve issues relating to labelling of products and services. During the Reporting Period, the Group was in compliance in all material respects with the national and regional laws and regulations that have a material impact on the Group with respect to matters on intellectual property rights and advertising and did not receive any reports on violation of relevant laws and regulations, nor receive any punishments from relevant authorities.

### **5.3 Anti-Corruption**

The Group takes operation compliance as top priority material issue which is one of the solid foundation rocks of the Group's sustainable development. The Group has no tolerance for any form of corruption such as bribery, blackmail, fraud and money laundering. A number of anti-corruption policies are in place to protect the image of its brand and manage operational risks. During the Reporting Period, the Group strictly complied with the national and local laws and regulations on anti-corruption, including the Criminal Law of the People's Republic of China (《中華人民共和國刑法》), the Anti-Unfair Competition Law of the People's Republic of China (《中華人民共和國反不正當競爭法》), the Anti-Money Laundering Law of the People's Republic of China (《中華人民共和國反洗錢法》), the Regulations on Practice Integrity of Management of the State-owned Enterprises (《國有企業領導人員廉潔從業若干規定》) and the Prevention of Bribery Ordinance (《防止賄賂條例》) of Hong Kong, etc., and was not involved in any litigation with respect to corruption.

### **知識產權保護與廣告宣傳**

在保護知識產權方面，本集團亦嚴格遵守有關條例，堅持購買並使用正版的電腦軟件，避免侵犯版權。關於廣告宣傳，本集團所遵守的國家及地區有關法律法規包括《中華人民共和國廣告法》、《中華人民共和國旅遊法》、《房地產廣告發佈暫行規定》和《國家工商行政管理總局、建設部關於進一步加強房地產廣告管理的通知》等，保證所發佈的廣告能符合政府和行業的要求，不誤導大眾。另外，本集團由於行業特性關係並不涉及關於產品及服務標籤事宜。於本報告期內，本集團於知識產權與廣告宣傳事項均於所有重大方面遵守對本集團有重大影響的國家及地區法律法規，並未接到違反相關法律法規事宜的報告，也未受到相關部門的任何處罰。

### **5.3 反貪污**

本集團視經營合規性為首要的重要性議題，是本集團得以持續發展的堅實基礎之一。本集團絕不姑息任何形式的貪污行徑，包括賄賂、勒索、欺詐及洗黑錢等，實施多項反貪污政策來保護品牌形象免於受損及控制營運風險。於本報告期內，本集團嚴格遵守國家及營運地區有關反貪污的法律法規，包括《中華人民共和國刑法》、《中華人民共和國反不正當競爭法》、《中華人民共和國反洗錢法》、《國有企業領導人員廉潔從業若干規定》及香港《防止賄賂條例》等，並無涉及任何與貪污訴訟有關的案件。

## Environmental, Social and Governance Report 環境、社會及管治報告

The “Employee’s Code of Conduct” (《員工守則》) of the Group clearly specifies that staff should have strict integrity and shall not engage in malpractices such as corruption or bribery, secretly accept any commission and gifts from customers, or embezzle funds. Approvals shall be obtained before dealing with matters beyond the staff authority. All staff of the Group are requested to uphold integrity and behave honestly, and anyone who violates the code of conduct of the Group shall be given a warning, demotion or dismissal depending on the severity of the matter. In the event that any staff is suspected of involving in corruption or other criminal acts, the Group is obliged to report to the Independent Commission Against Corruption (ICAC) or the relevant government authorities. As to the Group’s internal reporting procedures for corruption, an anti-corruption reporting hotline and email box have been set up. Staff may report corruption cases via various channels. The Group will forward such cases to the disciplinary and inspection authorities, judicial authorities or other related government departments for processing, so as to enhance the efficiency of anti-corruption work.

本集團《員工守則》中清楚列明員工必須嚴謹操守，不得貪污受賄、私自收受佣金及客戶饋贈、挪用公款等營私舞弊行為。凡超越員工權限事項，須先按規定請示批准，方可辦理。本集團所有員工應自覺廉潔，如有違犯守則，根據情節嚴重程度，可予以警告、降職或解僱處分。若懷疑員工涉及貪污或其他刑事罪行，本集團有義務向廉政公署或有關政府部門舉報。有關本集團的貪污舉報程序，本集團設有反腐倡廉舉報電話和電子郵件，員工可以透過不同渠道進行舉報，本集團會將有關案件移送紀檢監察機構、司法機關或其他相關政府部門處理，有效提高反貪污工作的效率。

### Case study: Promotion of anti-corruption and integrity building month 案例：反腐倡廉宣傳教育月活動



During the Reporting Period, the Group’s subsidiary, Zhucheng Phoenix, formulated the “Proposal on Promotion of Zhucheng Phoenix’s Anti-Corruption and Integrity Building Month” (《諸城公司反腐倡廉宣傳教育月活動方案》). During April and May 2019, it rolled out a series of anti-corruption promotion activities, including feature lectures, viewing of anti-corruption educational videos, visiting anti-corruption and integrity education base, etc. Through carrying out targeted anti-corruption and clean governance promotional and educational activities, the philosophy of anti-corruption education was thoroughly upheld among the employees, thus creating a long-term and effective mechanism on anti-corruption operations.

於本報告期內，本集團子公司諸城鳳凰制定了《諸城公司反腐倡廉宣傳教育月活動方案》，於2019年4月至5月期間開展了一系列反腐宣教活動，包括專題課堂、觀看反貪污教育影片及參觀反腐倡廉教育基地等。透過開展有針對性的反腐倡廉宣傳教育，使反腐敗教育的思想和理念深入人心，形成廉潔營運的長效機制。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### 5.4 Give Back to Society

In addition to its commitment of business operation, the Group endeavours to make use of its capacity as an enterprise to help those in need through giving back to society. Over the past year, the Group mainly provided assistance to the underprivileged in Mainland China. From November to December 2019, the Group made contribution by arranging a donation campaign of warm clothing, which were sent to the remote and poor areas in Western China through China Charities Aid Foundation for Children.

### 5.4 回饋社區

本集團在致力於業務經營的同時，亦希望透過企業的影響力回饋社會，幫助有需要人士。在過去的一年裏，本集團主要幫助中國內地貧困人士，於2019年11至12月期間組織禦寒衣物捐贈活動，透過中華少年兒童慈善救助基金會寄往中國西部的偏遠艱苦地區，向有需要人士獻出一分綿薄之力。

The Directors present the annual report and the audited consolidated financial statements of the Company for the Year.

## PRINCIPAL BUSINESS

The principal business of the Company is investment holding. The principal activities of its principal subsidiaries are set out in note 18 to the financial statements.

## RESULTS AND DIVIDENDS

The results of the Group for the Year are set out in the consolidated income statement on page 102 of this annual report.

The Board did not recommend the declaration of any final dividend for the year ended 31 December 2019 (2018: nil).

In order to enhance transparency of the Company and facilitate the shareholders of the Company and investors to make informed investment decisions relating to the Company, the Board adopted a dividend policy on 25 February 2019 ("**Dividend Policy**").

According to the Dividend Policy, when determining whether to declare any dividend in the future and the amount of dividend to be declared, the Company shall consider a number of factors, including but not limited to:

- the Group's actual and expected financial results;
- the general economic conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Company;
- the Company's business operation strategy, including expected working capital requirements, capital expenditure requirements and future expansion plans;
- the Company's liquidity position;
- retained earnings and distributable profit reserves of the Company;
- the contractual restrictions on the payment of dividends imposed by the Company's lenders and other institutions; and
- any other factors that the Board considers to be applicable from time to time.

The Company does not have any pre-determined dividend distribution proportion or distribution ratio. The declaration, payment and amount of dividends will be subject to the Board's discretion. The Board will review the Dividend Policy on a regular basis.

董事茲提呈本公司本年度之年度報告及經審核綜合財務報表。

## 主要業務

本公司之主要業務為投資控股。其主要附屬公司之主要業務載於財務報表附註18。

## 業績及股息

本集團本年度之業績載於本年度報告第102頁之綜合收益表中。

董事會不建議宣派截至二零一九年十二月三十一日止年度的末期股息(於二零一八年：無)。

為提升本公司之透明度及協助本公司股東及投資者作出有關本公司之知情投資決定，董事會於二零一九年二月二十五日採納一項股息政策(「**股息政策**」)。

根據股息政策，當未來決定是否宣派任何股息及宣佈股息金額時，本公司將考慮多項因素，包括但不限於：

- 本集團之實際及預期財務業績；
- 可能影響本公司業務或財務表現及財務狀況之整體經濟狀況及其他內在或外在因素；
- 本公司之業務經營策略，包括預期營運資金需求、資本開支需求及未來擴展計劃；
- 本公司之流動資金狀況；
- 本公司之留存收益和可分配利潤儲備；
- 由本公司貸款人及其他機構施加有關派發股息的合約規限；及
- 董事會不時認為適用之任何其他因素。

本公司沒有任何預定的股息分配比例或分配比率。股息之宣派、派付及金額將由董事會酌情決定。董事會將定期檢討股息政策。



# Directors' Report 董事會報告

## PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

Details of movements in property, plant and equipment and investment properties for the Year are set out in notes 15 and 17 to the financial statements respectively.

## SHARE CAPITAL

Details of share capital of the Company are set out in note 34 to the financial statements.

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

## DISTRIBUTABLE RESERVES

Details of the movements in the reserves of the Group for the Year are set out in the consolidated statement of changes in equity on pages 106 to 107 of this annual report.

Details of the movements in the reserves of the Company for the Year are set out in note 36 to the financial statements.

As at 31 December 2019, the Company had approximately HK\$66,430,000 distributable reserve as calculated under Sections 291, 297 and 299 of the Companies Ordinance (as at 31 December 2018: HK\$86,028,000).

## DONATIONS

The Group's donation for charitable purpose during the Year was approximately HK\$193,000 (2018: nil).

## 物業、廠房及設備以及投資物業

物業、廠房及設備以及投資物業於本年度之變動詳情分別載於財務報表附註15及17。

## 股本

本公司股本之詳情載於財務報表附註34。

本公司或其任何附屬公司於本年度內概無購買、出售或贖回本公司任何上市證券。

## 可供分派儲備

本集團於本年度內的儲備變動詳情載於本年度報告第106頁至107頁之綜合權益變動表。

本公司於本年度內的儲備變動詳情載於財務報表附註36。

於二零一九年十二月三十一日，按《公司條例》第291、297及299條計算，本公司可供分派儲備約港幣66,430,000元(於二零一八年十二月三十一日：港幣86,028,000元)。

## 捐款

於本年度內，本集團就慈善目的所作的捐款約港幣193,000元(二零一八年：無)。

## BUSINESS REVIEW

During the Year, the Group is principally engaged in finance leasing, bulk commodity trade, property development and property investment and marine recreation services and hotel in the PRC.

### Major Risks and Uncertainties

The results and business operations of the Group may be affected by various factors. The major risks and uncertainties are summarized as follows:

#### I. Finance Leasing

The finance leasing projects of the Group mainly focus on the sales and lease back of local government infrastructure and public utilities related items. Business and client types are relatively homogeneous and such concentration of business risks may affect the profitability of the Group. In the future, the Group will continue to seek opportunities to work with other state-owned enterprises and actively explore a wider range of business models, business streams and new customer base so as to diversify risks.

#### II. Bulk Commodity Trade

Bulk commodity trading prices are affected by international and domestic markets. Once there is volatility in price, the profitability of the Group would easily be affected. In the future, the Group will strengthen the management and operation of bulk commodity trade to mitigate the risks.

#### III. Property Development and Property Investment

The property development projects held by the Group, namely CCT-Champs-Elysees and Chengtong International City are situated in the third- and fourth-tier cities in the PRC. CCT-Champs-Elysees project has established a positive local brand image in Zhucheng City, Shandong Province, the PRC, steady sales have been recorded during the Year. The sales of Chengtong International City project in Dafeng City, Jiangsu Province, the PRC, were still affected by a number of factors, including a high level of inventory, relatively low foreign population, and downturn in the regional market. The Group will expedite the withdrawal from the existing property development projects. Therefore, the overall risks associated are manageable.

## 業務回顧

本年度，本集團主要於中國境內從事融資租賃、大宗商品貿易、物業發展及物業投資及海上旅遊服務和酒店。

### 主要風險及不確定因素

本集團的業績及業務營運或受多項因素影響，主要風險及不確定性概述如下：

#### 一. 融資租賃

本集團的融資租賃項目主要集中在地方政府基礎設施及公用事業相關項目的售後回租，業務及客戶類型較單一，業務風險相對集中或對本集團的盈利能力產生影響。未來，本集團將繼續尋求與其他國有企業合作機會並積極探索多種業務模式、拓展業務渠道及新客戶群，以達到分散風險的目的。

#### 二. 大宗商品貿易

大宗商品貿易價格受國際及國內市場影響，一旦價格出現劇烈波動，容易對本集團的盈利能力產生影響。未來，本集團將加強對大宗商品貿易的管理及操作，以減低風險。

#### 三. 物業發展及物業投資

本集團持有的物業發展項目誠通香榭里及誠通國際城均位於中國三、四線市。誠通香榭里項目在中國山東省諸城市已建立良好品牌形象，年內銷售穩定。位於中國江蘇省大豐市的誠通國際城項目銷售則仍受到庫存高、外來人口少、區域市場低迷等因素影響。本集團將加快退出現有物業發展項目。相關業務整體風險可控。

# Directors' Report

## 董事會報告

### IV. Marine Recreation Services and Hotel

The operation of the marine recreation services is subject to the environmental protection policies, weather conditions and public hygiene condition. Adverse weather conditions may affect the number of business days of tourism activities and hence the profitability of the Group. An outbreak of epidemic will also lead to a decrease in the number of tourists. The Group will timely optimize the tourism projects and renew facilities from time to time to cope with the market changes in order to maintain the market competitiveness of its marine recreation services and hotel business.

### V. Economy

The businesses of the Group focus in the PRC, and therefore, the Group would expose to foreign currency exchange risk, mainly due to its holding of assets and liabilities which are denominated in RMB. Notwithstanding that the PRC loan interest rates remained stable during the Year and had a slight impact on the Group's interest expenses of loans, the fluctuation of exchange rate and the adjustment of loan interest rate in the future may have an impact on the results of the Group. Although foreign currency and interest rate has not posed significant risks to the Group, and the Group does not currently have any hedging measures against such exchange and interest rate risks, the Group will continue to closely monitor the risks which may arise from such currency and interest rate fluctuation.

### Compliance with Laws and Regulations

The Group constantly monitored the operation of its core businesses in the PRC to ensure the compliance with the relevant PRC laws and regulations.

#### I. Finance Leasing

During the Year and up to the date of this directors' report, the Group has been in compliance in all material respects with the laws and regulations in the PRC that have a significant impact on its finance leasing business, including: the Contract Law of the People's Republic of China (Order No. 15 of the President of the People's Republic of China)(《中華人民共和國合同法》(中華人民共和國主席令第15號)), the Interpretations of the Supreme People's Court on Issues relating to the Application of Laws in the Trial of Disputes over Finance Lease (Court Interpretation [2014] No. 3) (《最高人民法院關於審理融資租賃合同糾紛案件適用法律問題的解釋》(法釋[2014]3號)), and judicial interpretations, other regulations, local regulations and regulatory documents issued or promulgated according to or in relation to these laws and regulations. These laws and regulations aim to protect the legitimate rights and interests of the contractual parties, maintain social and economic order, guide the business activities of the finance leasing industry, promote the economic development of the finance leasing services, and guide the judicial authorities on hearing the contractual disputes in respect of finance leasing.

### 四. 海上旅遊服務和酒店

海上旅遊服務的經營受環保政策、天氣及公共衛生狀況影響。惡劣天氣狀況將可能影響旅遊活動的營運天數及盈利狀況，突發傳染病疫情亦會令旅客數字減少。本集團將不時根據市場變化及時進行旅遊項目優化及設備更新，以保持其海上旅遊服務和酒店的市場競爭力。

### 五. 經濟

本集團的業務集中在中國，因此，本集團主要因其持有之人民幣資產及負債而承受外幣兌付風險，雖然年內國內貸款利率持平而影響本集團的貸款利息支出輕微，但匯率波動及未來貸款利息調整將可能對本集團的業績產生影響。儘管外匯及利率並無使本集團面對重大風險，且本集團現時並無就該等外匯及利率風險採取任何對沖措施，本集團將繼續密切監控有關貨幣及利率波動可能產生的風險。

### 遵守法律及規例

本集團持續監察其在中國的各主營業務的經營情況，確保其遵守相關的中國法律及法規。

#### 一. 融資租賃

於本年度內及截至本董事會報告日期，本集團已於所有重大方面遵守對其融資租賃業務具有重大影響的中國法律及法規，包括：《中華人民共和國合同法》(中華人民共和國主席令第15號)、《最高人民法院關於審理融資租賃合同糾紛案件適用法律問題的解釋》(法釋[2014]3號)以及根據或有關該等法律法規所發出或頒佈的司法解釋、其他規章、地方性法規、規範性文件，該等法律及法規旨在保護合同當事人的合法權益，維護社會經濟秩序，指導融資租賃行業的經濟活動，促進融資租賃服務實體經濟發展，以及指引司法機關審理融資租賃合同糾紛。

### II. Bulk Commodity Trade

During the Year, the bulk commodity trade business of the Group mainly comprises trading of steel, non-ferrous metals and coal. During the Year and up to the date of this directors' report, the Group has been in compliance in all material respects with the laws and regulations in the PRC that have a significant impact on its bulk commodity trade business, including: the Contract Law of the People's Republic of China (Order No. 15 of the President of the People's Republic of China)(《中華人民共和國合同法》(中華人民共和國主席令第15號)), the Property Right Law of the People's Republic of China (Order No. 62 of the President of the People's Republic of China)(《中華人民共和國物權法》(中華人民共和國主席令第62號)), the Negotiable Instruments Law of the People's Republic of China (Order No. 22 of the President of the People's Republic of China)(《中華人民共和國票據法》(中華人民共和國主席令第22號)), Special Provisions on Trading in Commodities on the Spot Market (for Trial Implementation) (Order 2013 No. 3 of the Ministry of Commerce of the People's Republic of China, the People's Bank of China and the China Securities Regulatory Commission) (《商品現貨市場交易特別規定(試行)》(中華人民共和國商務部、中國人民銀行、中國證券監督管理委員會令2013第3號)), and judicial interpretations, other regulations, local regulations and regulatory documents issued or promulgated according to or in relation to those laws and regulations. These laws and regulations are applicable to the production and business activities in relation to steel, non-ferrous metals and coal which are conducted in the territory of the PRC and other sea territory under the jurisdiction of the PRC, as well as to regulate the national and industrial standards of the quality of the above commodities, the supervision and management of the industry and the standards of punishment for violation of relevant laws.

### 二. 大宗商品貿易

於本年度內，本集團的大宗商品貿易業務主要來自鋼材、有色金屬貿易及煤炭貿易。於本年度內及截至本董事會報告日期，本集團已於所有重大方面遵守對大宗商品貿易業務具有重大影響的中國法律及法規，包括：《中華人民共和國合同法》(中華人民共和國主席令第15號)、《中華人民共和國物權法》(中華人民共和國主席令第62號)、《中華人民共和國票據法》(中華人民共和國主席令第22號)、《商品現貨市場交易特別規定(試行)》(中華人民共和國商務部、中國人民銀行、中國證券監督管理委員會令2013第3號)以及根據或有關該等法律法規所發出或頒佈的司法解釋，其他規章、地方性法規、規範性文件。該等法律及法規適用於中國領域和中國管轄的其他海域從事鋼材、有色金屬及煤炭的生產及經營活動，以及規範上述商品品質之國家、行業標準、行業的監督管理及違反相關法律的處罰標準。

# Directors' Report

## 董事會報告

### III. Property Development and Property Investment

Zhucheng Phoenix and Dafeng Development, the subsidiaries of the Company, are principally engaged in property development and property investment businesses. During the Year and up to the date of this directors' report, the Group has been in compliance in all material respects with the laws and regulations in the PRC that have a significant impact on its property development and property investment businesses, including: the Law on the Administration of Urban Real Estate of the People's Republic of China (Order No. 32 of the President of the People's Republic of China) (《中華人民共和國城市房地產管理法》(中華人民共和國主席令第32號)), the Law on Land Administration of the People's Republic of China (Order No. 32 of the President of the People's Republic of China) (《中華人民共和國土地管理法》(中華人民共和國主席令第32號)), the Law on Urban and Rural Planning of the People's Republic of China (Order No. 29 of the President of the People's Republic of China) (《中華人民共和國城鄉規劃法》(中華人民共和國主席令第29號)), the Administrative Regulations on Development and Operation of Urban Real Estate (Order No. 710 of the State Council of the People's Republic of China) (《城市房地產開發經營管理條例》(中華人民共和國國務院令第710號)), and judicial interpretations, other regulations, local regulations and regulatory documents issued or promulgated according to or in relation to these laws and regulations. These laws and regulations aim to strengthen the management of urban real estate, maintain the order of real estate market, protect the legitimate rights and interests of the parties interested in the real estate, and regulate the construction of infrastructure and housing on the state-owned land within the urban planning area as well as the transfer of real estate development projects or the sale or leasing of commercial housing conducted by real estate development enterprises.

### 三. 物業發展及物業投資

本公司附屬公司諸城鳳凰及大豐開發主要從事物業發展及物業投資業務。於本年度內及截至本董事會報告日期，本集團已於所有重大方面遵守對其物業發展及物業投資業務具有重大影響的中國法律及法規，包括：《中華人民共和國城市房地產管理法》(中華人民共和國主席令第32號)、《中華人民共和國土地管理法》(中華人民共和國主席令第32號)、《中華人民共和國城鄉規劃法》(中華人民共和國主席令第29號)、《城市房地產開發經營管理條例》(中華人民共和國國務院令第710號)以及根據或有關該等法律法規所發出或頒佈的司法解釋、其他規章、地方性法規、規範性文件，該等法律及法規旨在加強對城市房地產的管理，維護房地產市場秩序，保障房地產權利人的合法權益，以及規範房地產開發企業在城市規劃區內國有土地上進行基礎設施建設、房屋建設，並轉讓房地產開發項目或者銷售、出租商品房的行為。



#### IV. Marine Recreation Services and Hotel

The Group is also engaged in marine recreation services and hotel business in Hainan Province, the PRC. During the Year and up to the date of this directors' report, the Group has been in compliance in all material respects with the laws and regulations in the PRC that have a significant impact on its marine recreation services and hotel business, including: the Tourism Law of the People's Republic of China (Order No. 16 of the President of the People's Republic of China)(《中華人民共和國旅遊法》(中華人民共和國主席令第16號)), the Law on Maritime Traffic Safety of the People's Republic of China (Order No. 57 of the President of the People's Republic of China)(《中華人民共和國海上交通安全法》(中華人民共和國主席令第57號)), the Administrative Measures for Public Security in the Hotel Industry (Order No. 588 of the State Council of the People's Republic of China)(《旅館業治安管理辦法》(中華人民共和國國務院令第588號)), and judicial interpretations, other regulations, local regulations and regulatory documents issued or promulgated according to or in relation to these laws and regulations. These laws and regulations aim to protect the legitimate rights and interests of the tourists and the operators of the travelling activities, maintain the order of the tourism market, and specify the rules governing operators of the hotel industry, vessels, seamen and operators that sail, berth and operate in coastal area of the PRC, and the relevant supervision and management system and the standards of punishment.

The Group has established various management systems and measures such as internal control and staff training to ensure the compliance with laws and regulations applicable to the Group's businesses and operations. As at 31 December 2019 and the date of this directors' report, no material breach of laws and regulations that has a material impact on the Group's business and operation was noted by the Group.

#### Major Customers and Suppliers

The Group understands that it is important to maintain good relationship with customers and provide them with quality products and services. The Group enhances the relationship through continuous interaction with customers to gain insight on the changing market demand so that the Group can respond proactively.

#### 四. 海上旅遊服務和酒店

本集團亦於中國海南省從事海上旅遊服務和酒店。於本年度內及截至本董事會報告日期，本集團已於所有重大方面遵守對其海上旅遊業務和酒店具有重大影響的中國法律及法規，包括：《中華人民共和國旅遊法》(中華人民共和國主席令第16號)、《中華人民共和國海上交通安全法》(中華人民共和國主席令第57號)、《旅館業治安管理辦法》(中華人民共和國國務院令第588號)以及根據或有關該等法律法規所發出或頒佈的司法解釋、其他規章、地方性法規、規範性文件，該等法律法規主要旨在保護旅遊者和旅遊活動經營者的合法權益、維護旅遊業市場秩序，並明確說明旅館業的經營人、在中國沿海水域航行、停泊和作業的船舶、人員和經營人須遵守的規則，以及相關監督管理制度和處罰標準。

本集團已建立各項管理制度，並通過內部監控、員工培訓等多項措施，確保遵守與本集團業務及營運相關的法律及法規。截至二零一九年十二月三十一日及本董事會報告日期，本集團並不知悉任何法律及法規的重大違反事項會對本集團的業務及營運造成重大影響。

#### 主要客戶及供應商

本集團明白與客戶維持良好關係，以及向客戶提供優質的產品及服務的重要性。本集團通過與客戶的持續互動，積極了解市場需求，迅速應對市場變化。

## Directors' Report 董事會報告

During the Year, the aggregate amount of turnover attributable to the five largest customers represented approximately 42% of the Group's total turnover. Sales to the largest customer accounted for approximately 21% of the Group's total turnover. The five largest customers come from the bulk commodity trade business and one out of the five largest customers commenced trading with the Group since the year 2017, two out of the five largest customers commenced trading with the Group since the year 2018 and the remaining two commenced trading with the Group during the Year. The Directors consider that there is no significant risk associated with reliance on major customers. No credit period was granted to customers of bulk commodity trade business (2018: Nil). As at 31 December 2019, trade receivables of the Group was approximately HK\$0.71 million. The Group has not provided for impairment loss on trade receivables as the Directors are of the view that those trade receivables can be fully recovered. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are regularly reviewed by senior management.

The Group is also dedicated to maintaining good relationship with suppliers and contractors as long-term business partners to ensure stability of the Group's business.

During the Year, the aggregate amount of purchases (which means the amount of purchases included in the costs of sale but does not include purchases of items which are of a capital nature) attributable to the five largest suppliers represented approximately 86% of the Group's total purchases. Purchases from the largest supplier accounted for approximately 45% of the Group's total purchases. The five largest suppliers mainly came from the bulk commodity trade business and they have established trading relationship with the Group for a period ranging from 1 to 3 years. As at 31 December 2019, trade payables of the Group was approximately HK\$14.15 million, of which approximately HK\$11.31 million will be due within one year. The Group has established a supplier evaluation system with standardized tender and bidding procedures for the selection of suppliers. The Directors consider that there is no significant risk associated with reliance on major suppliers.

None of the Directors, their close associates (as defined in the Listing Rules) and any shareholders which to the best knowledge of the Directors owned more than 5% of the Company's issued share capital had any interest in the Group's five largest customers or suppliers during the Year.

於本年度，五大客戶合共所佔之營業額佔本集團營業總額約42%，其中最大客戶之銷售額佔本集團營業總額約21%。該五大客戶主要來自大宗商品貿易業務且其中一位自二零一七年度起與本集團展開貿易，五大客戶其中兩位自二零一八年起與本集團展開貿易，餘下兩位於本年度起與本集團展開貿易。董事認為本集團沒有依賴主要客戶的相關重大風險。本集團並無給予大宗商品貿易業務客戶賒賬期(二零一八年：無)。截至二零一九年十二月三十一日，本集團的貿易應收款項為約港幣71萬元。董事認為該等貿易應收款項可全數收回，因此並無對貿易應收款項計提減值虧損撥備。本集團將對未償還應收款項保持嚴格控制，高級管理層亦定期審閱逾期款項。

供應商及承建商作為本集團的長期業務合作夥伴，本集團亦致力與他們維持良好關係，以確保本集團業務的穩定性。

於本年度，五大供應商合共所佔之採購額(指計入銷售成本之採購額，但不包括資本性質之採購項目)佔本集團採購總額約86%。最大供應商之採購額佔本集團採購總額約45%。該五大供應商主要來自大宗商品貿易業務，並已與本集團建立貿易關係，年期介乎一至三年。截至二零一九年十二月三十一日，本集團的貿易應付款項為約港幣1,415萬元，其中約港幣1,131萬元將於一年內到期。本集團設有供應商評估制度，以標準化的招標及投標流程甄選供應商。董事認為本集團沒有依賴主要供應商的相關重大風險。

於本年度內概無任何董事、彼等之緊密聯繫人(定義見上市規則)或任何據董事所知擁有本公司已發行股本5%以上的股東於本集團之五大客戶或供應商中擁有任何權益。

### Human Resources and Emolument Policy

As at 31 December 2019, the Group employed a total of 291 employees (as at 31 December 2018: 267), of which 12 (as at 31 December 2018: 11) were based in Hong Kong and 279 (as at 31 December 2018: 256) were based in the PRC. During the Year, the total staff costs of the Group (including directors emoluments and provident funds) were approximately HK\$59.06 million. Employee's remunerations are determined in accordance with their experiences, competence, qualifications, nature of duties, and current market trend. Apart from basic salary, discretionary bonus and other incentives are offered to employees of the Group to reward their performance and contributions. The emoluments of the Directors are determined having regard to the Company's corporate goals and the individual performance of the Directors.

The Company has adopted a share option scheme ("**Share Option Scheme**") under which the Company may grant options to Directors and eligible employees to subscribe for shares of the Company. The Company has also adopted a share award scheme ("**Share Award Scheme**"), under which shares of the Company will be awarded, with the approval of the Board, to selected employees to recognise their contribution and to give them incentives thereto in order to retain them for the continual operation and development of the Group, as well as to attract suitable personnel for the growth and further development of the Group. Details of the Share Option Scheme and the Share Award Scheme of the Company are set out in the section headed "Equity-linked Agreements" in this directors' report.

Further discussion and analysis of the other aspects of the business review as required by Schedule 5 to the Companies Ordinance, including but not limited to the key relationships of the Group with its employees, customers and suppliers, and the Group's environmental policies and performance, is set out in the environment, social and governance report of the Company on pages 44 to 74 and the section headed "Management Discussion and Analysis" set out on pages 6 to 22 of this annual report. Such discussion forms part of this directors' report.

### 人力資源及薪酬政策

於二零一九年十二月三十一日，本集團共僱用291名僱員(於二零一八年十二月三十一日：267名)，其中12名(於二零一八年十二月三十一日：11名)受僱於香港，279名(於二零一八年十二月三十一日：256名)受僱於中國。於本年度，本集團之員工成本總額(包括董事酬金及強積金)約為港幣5,906萬元。員工薪酬乃根據彼等經驗、技能、資格、職責性質及當前市場趨勢釐定。除基本薪酬外，本集團向僱員發放酌情花紅等獎勵以表揚彼等之表現及貢獻。本公司董事之薪酬經參考本公司企業目標及個別董事之表現釐定。

本公司採納一項購股權計劃(「**購股權計劃**」)，據此可向董事及合資格僱員授出購股權以認購本公司股份。本公司亦已採納一項股份獎勵計劃(「**股份獎勵計劃**」)，據此，經董事會批准，可向經甄選僱員授出本公司股份，作為認同彼等的貢獻並予以獎勵之措施，以留聘彼等為本集團之持續經營及發展以及吸引合適人才為本集團之成長及進一步發展效力。有關本公司購股權計劃及股份獎勵計劃的詳細資料載於本董事會報告標題為「股票掛鈎協議」一節。

按照《公司條例》附表5要求對業務回顧之其他方面的進一步討論及分析，包括但不限於本集團與僱員、顧客及供應商的重要關係，及本集團的環境政策及表現，載於本年度報告第44頁至74頁本公司的「環境、社會及管治報告」及第6頁至22頁「管理層討論與分析」一節中。該討論為本「董事會報告」的一部分。

# Directors' Report 董事會報告

## DIRECTORS

The Directors during the Year and as at the date of this directors' report are as follows:

### Executive Directors

Mr. ZHANG Bin	<i>(Chairman of the Board with effect from 26 June 2019; and Managing Director until 21 October 2019)</i>
Mr. Yang Tianzhou	<i>(appointed as executive Director and Managing Director with effect from 22 October 2019)</i>
Mr. WANG Tianlin	
Mr. Li Shufang	<i>(appointed as executive Director with effect from 22 October 2019)</i>

### Independent Non-executive Directors

Professor CHANG Qing  
Mr. LEE Man Chun, Tony  
Professor HE Jia

The biographies of the Directors are set out on pages 23 to 25 of this annual report.

Detailed information of the Directors standing for re-election at the forthcoming AGM of the Company will be set out in the circular in relation to the forthcoming AGM to be despatched to the shareholders. No Director proposed for re-election at the forthcoming AGM has an unexpired service contract which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

The Company has received from each of the existing independent non-executive Directors an annual confirmation of his independence pursuant to the Listing Rules and considers that each independent non-executive Director is independent of the Company.

Four executive Directors have waived their directors' emoluments during the Year.

Mr. Zhang Bin and Mr. Wang Tianlin have agreed to waive their directors' emoluments from 1 January 2019 until further notice and they have waived an aggregate amount of approximately HK\$1,160,000 and approximately HK\$736,000 respectively during the Year. For further details, please refer to note 11(a) to the consolidated financial statements.

Subsequent to the appointment of Mr. Yang Tianzhou and Mr. Li Shufang as executive Directors with effect from 22 October 2019, it was determined that they would be entitled to a monthly directors' fee of HK\$20,000. Mr. Yang Tianzhou and Mr. Li Shufang have agreed to waive their directors' fees for the period from 22 October 2019 to 30 June 2020. During the Year, each of Mr. Yang Tianzhou and Mr. Li Shufang have waived directors' fees in the amount of approximately HK\$46,000.

## 董事

於本年度期間及截至本董事會報告日期之董事如下：

### 執行董事

張斌先生	<i>(董事會主席，於二零一九年六月二十六日出任；及於二零一九年十月二十一日辭任董事總經理)</i>
楊田洲先生	<i>(於二零一九年十月二十二日起獲委任為執行董事兼董事總經理)</i>
王天霖先生	
李舒放先生	<i>(自二零一九年十月二十二日起獲委任為執行董事)</i>

### 獨立非執行董事

常清教授  
李萬全先生  
何佳教授

董事履歷載於本年度報告第23頁至25頁。

刊發予股東的本公司應屆股東週年大會通函將載有接受重選董事的詳細資料。概無任何於應屆股東週年大會上獲建議重選的董事與本公司已訂立且未屆滿之服務合約，而不可於一年內終止並毋須作出賠償(法定補償除外)。

本公司已收到現任每位獨立非執行董事根據上市規則就其獨立性作出的年度確認函，並認為各位獨立非執行董事乃獨立於本公司。

四位執行董事已放棄本年度的董事酬金。

張斌先生及王天霖先生同意自二零一九年一月一日起放棄收取彼等的董事酬金，直至另行通知為止，於本年度所放棄酬金總額分別約為港幣1,160,000元及港幣736,000元。有關進一步詳情，請參閱綜合財務報表附註11(a)。

於二零一九年十月二十二日楊田洲先生及李舒放先生獲委任為執行董事後，已釐定彼等將享有每月董事袍金港幣20,000元。楊田洲先生及李舒放先生同意放棄於二零一九年十月二十二日至二零二零年六月三十日的董事袍金。於本年度楊田洲先生及李舒放先生各自已放棄董事袍金為數約港幣46,000元。

## DIRECTORS OF SUBSIDIARIES

During the Year and up to the date of this directors' report, each of the executive Directors named above holds directorship in certain of the Company's subsidiaries. Other directors of the Company's subsidiaries incorporated in Hong Kong and British Virgin Islands include Zhang Yongqing, Chan Siu Kay, Liu Wendong and Li Rui. Other directors of the Company's subsidiaries incorporated in the PRC include Yan Ning, Liu Peihong, Jiang Wenjie, Tao Ying, Zhang Yongqing, Xia Aigen, Jiao Zhonglin, Yao Yanli, Li Rui, Zhang Chuanyi, Li Liangbin and Huang Wenfeng.

## PERMITTED INDEMNITY PROVISION

Subject to the applicable laws, every Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in the execution of his duties or otherwise in relation thereto pursuant to the Articles of Association of the Company. Such provisions were in force during the course of the Year and remained in force as of the date of this directors' report.

## DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

No transaction, arrangement or contract of significance to which the Company, or any of its holding company, subsidiaries or fellow subsidiaries was a party, and in which a Director (including any person who at any time during the Year was a Director) or an entity connected with a Director had material interest (whether directly or indirectly), was subsisted at the end of the Year or at any time during the Year.

## COMPETING INTEREST

During the Year, none of the Directors and their respective close associates had any business or interests in business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

## MANAGEMENT CONTRACTS

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

## 附屬公司的董事

於本年度及截至本董事會報告日期，上述提及執行董事各自在部分本公司的附屬公司中擔任董事職務。在香港及英屬維爾京群島註冊成立的本公司附屬公司的其他董事包括張永青、陳紹基、劉文東及李銳。在中國註冊成立的本公司附屬公司的其他董事包括閻寧、劉培鴻、姜文傑、陶瑩、張永青、夏愛根、焦中林、姚豔麗、李銳、張傳義、利良斌及黃文豐。

## 獲准許的彌償條文

在受限於適用法律的前提下，根據本公司的章程細則，每名董事如因執行其職務或其他有關行動而承受或招致任何損失或法律責任，均有權獲得以本公司資產作出的彌償。有關條款於本年度整年有效，截至本董事會報告日期仍然有效。

## 董事之交易、安排及合約權益

本公司、或其任何控股公司、附屬公司或旗下附屬公司並無訂立董事(包括本年度任何時候身為董事的任何人士)或與董事相關的實體擁有重大權益(不論直接或間接)且於本年度末或本年度期間內任何時間仍然存續之交易、安排或重大合約。

## 競爭權益

於本年度內，概無董事及其各自的緊密聯繫人參與正與或可能與本集團業務直接或間接構成競爭的任何業務或於該業務中擁有權益。

## 管理合約

本年度內概無訂立或存在與本公司全部或任何重大部分業務有關的管理及行政合約。



# Directors' Report

## 董事會報告

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

As at 31 December 2019, the Directors and chief executive of the Company who had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code are as follows:

#### Long Position

Name of Director	Interest in the Company or its associated corporation	Nature of interest	Class of shares	Number of shares	Approximate percentage of issued share capital
董事姓名	於本公司或其相關法團的權益	權益性質	股份類別	股份數目	約佔已發行股本百分比
Zhang Bin 張斌	The Company 本公司	Beneficial owner 實益擁有人	Ordinary 普通	300,000	0.0052%
Wang Tianlin 王天霖	The Company 本公司	Beneficial owner 實益擁有人	Ordinary 普通	400,000	0.0069%
Li Shufang 李舒放	The Company 本公司	Beneficial owner 實益擁有人	Ordinary 普通	200,000	0.0034%

Apart from the foregoing, as at 31 December 2019, none of the Directors nor the chief executive of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) that was required to be recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

### 董事及行政總裁持有股份、相關股份及債券之權益及淡倉

於二零一九年十二月三十一日，本公司各董事及主要行政人員於本公司或其相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債券擁有根據證券及期貨條例第352條須予存置之登記冊記錄；或根據標準守則已另行知會本公司及聯交所之權益或淡倉如下：

#### 好倉

除上文所披露者外，於二零一九年十二月三十一日，概無本公司董事及主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債券中擁有任何須記錄於根據證券及期貨條例第352條須存置之登記冊內之權益或淡倉，或根據標準守則已另行知會本公司及聯交所之權益或淡倉。

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 December 2019, the following persons, other than a Director or chief executive of the Company, had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

### Long Position

Name of shareholder 股東名稱	Nature of interest 權益性質	Class of shares 股份類別	Number of shares 股份數目	Approximate percentage of issued share capital of the Company 約佔本公司已發行股本百分比
World Gain Holdings Limited ("World Gain")	Beneficial owner (Note) 實益擁有人(附註)	Ordinary 普通	3,022,154,119	52.03%
CCHK	Interest in controlled corporation (Note)	Ordinary	3,022,154,119	52.03%
誠通香港	受控制法團權益(附註)	普通		
CCHG	Interest in controlled corporation (Note)	Ordinary	3,022,154,119	52.03%
誠通控股	受控制法團權益(附註)	普通		

Note: The entire issued share capital of World Gain is beneficially owned by CCHK, which is in turn wholly owned by CCHG. Both CCHK and CCHG are deemed to be interested in all the shares of the Company held by World Gain under the SFO.

Save as disclosed above, as at 31 December 2019, no other person, other than a Director or chief executive of the Company, had any interest or short position in the shares or underlying shares of the Company which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

## 主要股東持有股份及相關股份之權益及淡倉

於二零一九年十二月三十一日，根據本公司按照證券及期貨條例第336條或須存置之主要股東登記冊記錄，以下人士(本公司董事或行政總裁除外)於本公司股份或相關股份中擁有權益或淡倉：

### 好倉

附註：World Gain之全部已發行股本由誠通香港實益擁有，而誠通香港則由誠通控股全資擁有。根據證券及期貨條例，誠通香港及誠通控股均被視為於World Gain持有之所有本公司股份中擁有權益。

除上文所披露外，於二零一九年十二月三十一日，概無任何其他人士(本公司董事或行政總裁除外)於本公司的股份或相關股份中擁有記錄於本公司根據證券及期貨條例第336條須存置之登記冊的權益或淡倉。

# Directors' Report

## 董事會報告

### EQUITY-LINKED AGREEMENTS

Details of the equity-linked agreements entered into by the Company during the Year or subsisting at the end of the Year are set out below:

#### Share Option Scheme

Pursuant to an ordinary resolution passed at the AGM of the Company held on 27 June 2013, the Company has adopted the Share Option Scheme which shall be valid and effective for a period of 10 years commencing on the date it was adopted and will end on 26 June 2023. The purpose of the Share Option Scheme is to provide incentives or rewards to participants thereunder for their contribution to the Group and/or to enable the Group to recruit and retain high-caliber employees and attract human resources that are valuable to the Group and any invested entity.

Eligible participants of the Share Option Scheme include (a) any employee (whether full time or part time, including any executive director but excluding any non-executive director) of, or any individual for the time being seconded to work for, the Company, any subsidiary or any entity in which any member of the Group holds any equity interest (“**Invested Entity**”) or any employee or officer of the controlling shareholder of the Company; (b) any non-executive director (including independent non-executive directors) of the Company, any subsidiary of the Company or any Invested Entity; (c) any suppliers of goods or services to any member of the Group or any Invested Entity; (d) any customer of the Group or any Invested Entity; (e) any person or entity that provides research, development or other technological support to the Group or any Invested Entity; (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued or proposed to be issued by any member of the Group or any Invested Entity; (g) any adviser (professional or otherwise) or consultant to the Group relating to any area of business or business development of any member of the Group or any Invested Entity; and (h) any joint venture or business partner of the Group who have contributed or may contribute to the development and growth of the Group.

Ordinary shares of the Company may be allotted and issued upon the exercise of the options granted under the Share Option Scheme. The total number of shares of the Company which may be allotted and issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed 10% of the shares of the Company in issue as at the date on which the Share Option Scheme was adopted, which was 484,073,477 ordinary shares, representing approximately 8.33% of the issued share capital of the Company as at the date of this annual report. The maximum number of shares which may be allotted and issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme of the Group must not in aggregate exceed 30% of the issued share capital of the Company (or the subsidiaries) from time to time.

### 股票掛鈎協議

本公司於本年度內訂立或於本年度末有效的股票掛鈎協議詳情載列如下：

#### 購股權計劃

根據二零一三年六月二十七日舉行的本公司股東週年大會上通過的普通決議案，本公司採納了購股權計劃。購股權計劃自其被採納之日起生效，有效期為10年直至二零二三年六月二十三日止。購股權計劃旨在鼓勵或獎賞對本集團作出貢獻的參與者及／或使本集團能招攬及挽留高質素僱員，以及吸納對本集團及任何投資實體而言屬寶貴之人力資源。

購股權計劃的合資格參與者包括：(a)本公司、本集團的任何附屬公司或任何本集團成員持有任何股權的實體(「**投資實體**」)的任何僱員(全職或兼職，包括任何執行董事，但不包括任何非執行董事)或暫時被調派到本公司、本集團的任何附屬公司或投資實體的人士，或任何本公司控股股東的僱員或高級人員；(b)本公司、其附屬公司或任何投資實體的任何非執行董事(包括獨立非執行董事)；(c)本集團任何成員公司或任何投資實體的任何貨物或服務供應商；(d)本集團或任何投資實體的任何客戶；(e)向本集團或任何投資實體提供研發或其他技術支援的任何個人或實體；(f)本集團任何成員公司或任何投資實體的任何股東或本集團任何成員公司或任何投資實體發行或擬發行的任何證券的任何持有人；(g)本集團任何成員公司或任何投資實體有關本集團業務範疇或業務發展的任何專家顧問(專業或其他)或顧問；及(h)為本集團的發展與成長作出貢獻或可能作出貢獻的本集團之任何合營企業或商業夥伴。

在行使根據購股權計劃授出之購股權後，本公司普通股可被配發及發行。所有根據購股權計劃及本集團任何其他購股權計劃，將授出的購股權獲行使後可供配發及發行的本公司股份總數合共不得超過本公司於購股權計劃獲採納當日已發行股份10%，即是484,073,477股普通股，佔本公司於本年報日期已發行股本約8.33%。根據購股權計劃及本集團任何其他購股權計劃所有已授出而尚未行使的未兌現購股權獲行使後可供配發及發行的股份最大數額不得超過本公司(或附屬公司)不時發行的已發行股本總額的30%。

The total number of shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option scheme of the Group (including both exercised, cancelled or outstanding options) to each participant in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being. Any further grant of options in excess of such limit in any 12-month period up to and including the date of such further grant shall be subject to shareholders' approval in general meeting of the Company with such participant and his/her associates abstaining from voting.

An offer of the grant of an option under the Share Option Scheme may be accepted within 21 days from the date of grant together with a remittance of HK\$1.00 by way of consideration for the grant thereof. An option may be exercised during such period as the Board may in its absolute discretion determine, save that such period shall not be more than 10 years from the date of grant.

Unless the Directors otherwise determine and state in the offer to a grantee, a grantee is not required to hold an option for any minimum period nor achieve any performance targets before any options granted under the Share Option Scheme can be exercised.

The subscription price for the shares of the Company on the exercise of the option shall be determined at the discretion of the Board which shall not be less than the higher of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheet on the date of grant; (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of grant; and (iii) the nominal value of the Company's shares<sup>(note)</sup>. Holding period will be determined by the Directors upon granting.

Please refer to the circular of the Company dated 28 May 2013 for more details of the Share Option Scheme.

During the Year, no option was granted, exercised, cancelled or lapsed under the Share Option Scheme. There was no option outstanding at the beginning and at the end of the Year.

*Note:* Pursuant to the Companies Ordinance, which came into operation on 3 March 2014, the shares of the Company have ceased to have nominal value.

已發行股份總數，以及因於任何十二個月內根據購股權計劃及本集團任何其他購股權計劃授予各參與者的購股權(包括已行使、已取消或未兌現的購股權)獲行使而需發行的股份，暫時不得超過本公司的已發行股本的1%。任何進一步授出多於任何十二個月期限直至及包括該作出進一步授出日期的購股權須待股東於本公司股東大會(該等參與者及其聯繫人放棄於會上投票)上批准方可作實。

購股權計劃項下授出的購股權可於授出之日起21日內於接受所授出的購股權後匯款支付港幣1.00元作為授出購股權的代價而被接納。此期間內，董事會可按其絕對酌情權決定行使購股權，惟該期間不得超過授出日期10年。

除非董事另行決定及於向承授人授出購股權時表明，否則承授人毋須按任何最短期間持有購股權，亦毋須於行使按購股權計劃獲授的購股權前達致任何表現目標。

本公司股份行使購股權的認購價應由董事會酌情釐定，且不得低於下列三者之最高者：(i)本公司股份於授出購股權日期在聯交所每日報價表所報之收市價；(ii)本公司股份於緊接授出購股權日期前五個交易日在聯交所每日報價表所報之平均收市價；及(iii)本公司股份之面值<sup>(附註)</sup>。董事將於授出後釐定持有期間。

有關購股權計劃的更多詳情，請參閱本公司日期為二零一三年五月二十八日的通函。

於本年度，根據購股權計劃概無任何已授出、行使、撤銷或失效之購股權。於本年度初及本年度末均無任何尚未行使之購股權。

*附註：*根據二零一四年三月三日生效的《公司條例》，本公司股份已不再有賬面值。

# Directors' Report

## 董事會報告

### Share Award Scheme

The Company adopted the Share Award Scheme which became effective on 1 July 2017, for a term of five years. The purpose of the Share Award Scheme is to provide a means to (i) recognise the contributions by certain selected employees and to give incentives to them for the continual operation and development of the Group; and (ii) attract suitable personnel for the growth and further development of the Group.

Pursuant to the Share Award Scheme, ordinary shares of the Company will be awarded, with the approval of the Board, to selected employees based on, inter alia, the employee's work performance and such other matters that the Board considers relevant. Shares awarded under the Share Award Scheme will be offered to the selected employees for no consideration but subject to certain conditions (including vesting conditions) to be decided by the Board at the time of grant of the shares awarded under the Share Award Scheme. A selected employee shall be entitled to receive the awarded shares in accordance with the vesting schedule upon the selected employee having satisfied all vesting conditions specified by the Board at the time of making the award. Vesting of the shares will be conditional on the selected employee remaining an employee on the relevant vesting date and his/her execution of the relevant documents to effect the transfer from the trustee of the Share Award Scheme.

The Board shall not make any further award which will result in the total number of ordinary shares awarded by the Board under the Share Award Scheme representing in excess of 1% of the issued shares of the Company as at 1 July 2017 (being 58,087,347 ordinary shares, representing approximately 1% of the issued shares of the Company as at the date of this annual report) unless the Board otherwise decides. Unless terminated earlier or extended by the Board in accordance with the Share Award Scheme rules, the Share Award Scheme operates for five years commencing on 1 July 2017.

No shares were awarded by the Company under the Share Award Scheme during the Year.

Please refer to the announcement of the Company dated 30 June 2017 for more details of the Share Award Scheme.

Apart from the foregoing, at no time during the Year was the Company, or any of its holding company, subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### 股份獎勵計劃

本公司已採納股份獎勵計劃，並於二零一七年七月一日生效，為期五年。股份獎勵計劃的目的旨在提供方法以(i)表揚若干經甄選僱員的貢獻並給予他們獎勵以促進本集團持續經營及發展；及(ii)吸引合適人才為本集團成長及進一步發展效力。

根據股份獎勵計劃，按照包括僱員工作表現及其他董事會認為相關的事項等條件而獲選的僱員將在得到董事會批准後獲得本公司普通股份。根據股份獎勵計劃的獲獎股份將以無代價形式授予獲選僱員，惟須受董事會根據股份獎勵計劃授予獲獎股份時所決定的若干條件(包括行權條件)所規限。獲選僱員達成董事會於作出獎勵時訂明的所有歸屬條件後，即有權根據歸屬時間表領取獎勵股份。股份歸屬以獲選僱員於相關歸屬日期仍為僱員並簽署相關文件令股份獎勵計劃的受託人轉讓生效為條件。

除董事會另行決定者外，董事會不得作出將會導致董事會根據股份獎勵計劃所獎勵普通股總數超過本公司於二零一七年七月一日已發行股本之1%(即58,087,347普通股股份，佔本公司於本年度報告日期已發行股份約1%)的任何進一步獎勵。除非董事會根據股份獎勵計劃規則提前終止或延續，否則股份獎勵計劃自二零一七年七月一日起計運作五年。

於本年度，本公司概無根據股份獎勵計劃授出股份獎勵。

有關股份獎勵計劃的進一步詳情，請參閱本公司日期為二零一七年六月三十日的公告。

除上述者外，本公司或任何其控股公司、附屬公司或同系附屬公司於本年度任何時間概無訂立任何安排，致使董事能透過購買本公司或任何其他法人團體之股份或債券而獲利。



## CONTINUING CONNECTED TRANSACTIONS AND CONNECTED TRANSACTIONS

### Continuing Connected Transactions

On 29 December 2017, the Company and 誠通財務有限責任公司 (unofficial English translation being China Chengtong Finance Corporation Ltd.) ("**Chengtong Finance**") entered into a financial services agreement ("**Financial Services Agreement**"), pursuant to which Chengtong Finance agreed to provide the Group with a range of financial services (including deposit services, loan services and other financial services) for a term from 1 January 2018 to 31 December 2020.

According to the terms of the Financial Services Agreement, the daily balance of the Group's deposits (including any interest accrued therefrom) with Chengtong Finance for each of the three years ending 31 December 2018, 31 December 2019 and 31 December 2020 shall not exceed an amount equivalent to RMB116 million. Such maximum daily balance of deposits had not been exceeded during the Year.

The interest rates payable by Chengtong Finance to the Group for any deposits made with Chengtong Finance shall (i) be 20%–50% higher than the deposit interest rate prescribed by the People's Bank of China for deposits with the same term and of the same type; (ii) not be lower than the interest rates offered to the Group by the major commercial banks in the PRC for deposits with the same term and of the same type; and (iii) not be lower than the interest rates offered by Chengtong Finance to any third party for deposits with the same term and of the same type. Further details of the Financial Services Agreement are set out in the Company's announcement dated 29 December 2017.

As Chengtong Finance is a subsidiary of CCHG, which is the ultimate holding company of the Company, Chengtong Finance is therefore a connected person of the Company within the meaning of the Listing Rules and the transactions contemplated under the Financial Services Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As at 31 December 2019, the deposits placed with Chengtong Finance amounted to approximately RMB1,943,000 (equivalent to approximately HK\$2,157,000).

## 持續關連交易及關連交易

### 持續關連交易

於二零一七年十二月二十九日，本公司與誠通財務有限責任公司(「誠通財務」)訂立金融服務協議(「金融服務協議」)，據此，誠通財務同意按協議之條款及條件向本集團提供多種金融服務(包括存款服務、貸款服務及其他金融服務)，期限自二零一八年一月一日起至二零二零年十二月三十一日止。

根據金融服務協議之條款，截至二零一八年十二月三十一日、二零一九年十二月三十一日及二零二零年十二月三十一日止三個年度各年，本集團在誠通財務的每日存款結餘(包括任何應計利息)不應超過等值人民幣1.16億元。於本年度並無超過有關最高每日存款結餘。

誠通財務就任何存放於誠通財務的存款應向本集團支付的利率須(i)比中國人民銀行頒佈的相同期限及同一類型存款之存款利率高20%–50%；(ii)不低於中國主要商業銀行就相同期限及就同一類型存款向本集團提供的利率；及(iii)不低於誠通財務就相同期限及就同一類型存款向任何第三方提供的利率。金融服務協議的進一步詳情載於本公司日期為二零一七年十二月二十九日的公告。

由於誠通財務為本公司最終控股公司誠通控股的附屬公司，因此，誠通財務為上市規則項下本公司之關連人士，且金融服務協議項下擬進行之交易構成上市規則第十四A章項下本公司之持續關連交易。

於二零一九年十二月三十一日，存置於誠通財務的存款約為人民幣1,943,000元(相等約港幣2,157,000元)。

## Directors' Report 董事會報告

The Company has established certain internal control procedures to ensure that the transactions with Chengtong Finance were conducted in accordance with the terms and conditions of the Financial Services Agreement. For example, before entering into individual transaction for the deposit services with Chengtong Finance, the finance department of the Group will compare the interest rate offered by Chengtong Finance to the Group with the corresponding deposit benchmark interest rates prescribed by the People's Bank of China and the interest rates offered by leading independent commercial banks in the PRC. The Company has followed the above policies and guidelines when determining whether to enter into individual transaction for the deposit services with Chengtong Finance during the Year.

The Group's risk management department has conducted reviews on the above continuing connected transactions during the Year and issued an internal control review report in relation to the Group's continuing connected transactions. All independent non-executive Directors have also reviewed the internal control review report of the risk management department and confirmed that the above continuing connected transactions have been entered into:

- (a) in the ordinary and usual course of business of the Group;
- (b) on normal commercial terms or better; and
- (c) in accordance with the relevant agreement governing them, and on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Directors also confirm that the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

The Company's auditor, BDO Limited, was engaged to report on the Group's 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. BDO Limited has issued an unqualified letter containing its findings and conclusions in respect of the abovementioned continuing connected transactions in accordance with Rule 14A.56 of the Listing Rules and confirmed that:

- (a) nothing has come to their attention that causes them to believe that the above continuing connected transactions have not been approved by the Board;
- (b) nothing has come to their attention that causes them to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions;

本公司已制訂若干內部監控程序，以確保與誠通財務進行的交易乃按照金融服務協議的條款進行。例如，與誠通財務就存款服務進行個別交易前，本集團財務部會將誠通財務向本集團提供的利率與中國人民銀行規定的相應存款基準利率及中國主要獨立商業銀行提供的利率作比較。於本年度，本公司在決定是否與誠通財務就存款服務進行單獨交易時已遵循上述政策及指引。

於本年度內，本集團風險管理部門已審閱上述持續關連交易，並就本集團持續關連交易出具內控評價報告，所有獨立非執行董事亦已審閱風險管理部門的內控評價報告，並確認上述持續關連交易為：

- (a) 於本集團的日常及一般業務過程中訂立；
- (b) 按一般商業條款或更佳的條款訂立；及
- (c) 根據有關協議的規定而進行，交易條款乃公平合理，並且符合本公司股東的整體利益。

董事亦確認本公司已遵守上市規則第14A章的披露規定。

本公司核數師香港立信德豪會計師事務所有限公司獲委聘根據香港會計師公會頒佈的香港鑒證業務準則第3000號(修訂)「歷史財務資料審核或審閱以外之鑒證工作」並參照《實務說明》第740號「關於香港《上市規則》所述持續關連交易的核數師函件」，就本集團持續關連交易出具報告。香港立信德豪會計師事務所有限公司已根據上市規則14A.56條就上述持續關連交易發表其調查結果及結論並出具無保留意見的函件且確認：

- (a) 彼等並無發現有任何事項令彼等相信上述該等持續關連交易未獲董事會批准；
- (b) 彼等並無發現有任何事項令彼等相信該等交易在所有重大方面未有按照規管該等交易的相關協議進行；

(c) with respect to the aggregate amount of the above 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 as set by the Company.

A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

### Connected Transactions

(1) On 8 August 2019, Huandao Hotel Investment, a wholly-owned subsidiary of the Company, entered into a loan agreement with China Huandao Group Limited ("**Borrower**"), pursuant to which Huandao Hotel Investment agreed to provide a loan in the principal amount of RMB30,000,000 to the Borrower for a term of one year at an interest rate of 9% per annum ("**Loan Arrangement**"). The Borrower is a wholly-owned subsidiary of CCHG, the ultimate holding company of the Company, and is therefore a connected person of the Company and the Loan Arrangement constituted a connected transaction for the Company under the Listing Rules. Further details of the Loan Arrangement are set out in the announcement of the Company dated 8 August 2019.

(2) On 25 October 2019, Galactic Investment Limited ("**Galactic Investment**"), a wholly-owned subsidiary of the Company, and Chengtong International Limited ("**Chengtong International**") entered into an investment agreement ("**Investment Agreement**") with World Asia Properties Limited (currently known as Chengtong World Trade Limited) ("**World Asia**"), which was then wholly-owned by Galactic Investment, for the formation of a joint venture through World Asia ("**Joint Venture Arrangement**") for the purpose of furthering the cross border and international bulk commodity trade business of the Group. Pursuant to the Investment Agreement, (i) Galactic Investment transferred 49 ordinary shares of World Asia, representing 49% of its then total issued share capital, to Chengtong International at a cash consideration of HK\$49 ("**Share Transfer**"); and (ii) at the same time, Galactic Investment and Chengtong International subscribed for 5,099,949 new shares and 4,899,951 new shares of World Asia at an aggregate subscription price of HK\$5,099,949 and HK\$4,899,951 respectively (collectively, the "**Subscriptions**").

Upon completion of the Share Transfer and the Subscriptions, World Asia became a joint venture which is owned as to 51% by Galactic Investment and 49% by Chengtong International and therefore became an indirect non-wholly owned subsidiary of the Company. Chengtong International is a non-wholly owned subsidiary of CCHG, the ultimate holding company of the Company, and is therefore a connected person of the Company and the Joint Venture Arrangement constituted a connected transaction of the Company under the Listing Rules. Further details of the Joint Venture Arrangement are set out in the announcement of the Company dated 25 October 2019.

(c) 就上述該等已披露的持續關連交易的總金額而言，彼等並無發現有任何事項令彼等相信該等已披露的持續關連交易之金額已超出本公司設定的年度上限。

本公司已向聯交所提供核數師函件的副本。

### 關連交易

(1) 於二零一九年八月八日，本公司全資附屬公司寰島酒店投資與寰島集團有限公司（「**借款人**」）訂立貸款協議，據此，寰島酒店投資同意向借款人提供本金額為人民幣30,000,000元的貸款，為期一年，年利率為9%（「**貸款安排**」）。借款人乃誠通控股（本公司的最終控股公司）的全資附屬公司，故為本公司關連人士，根據上市規則，貸款安排構成本公司的關連交易。貸款安排進一步詳情載列於本公司日期為二零一九年八月八日的公告。

(2) 於二零一九年十月二十五日，銀河投資有限公司（「**銀河投資**」，本公司全資附屬公司）及誠通國際有限公司（「**誠通國際**」）與世亞置業有限公司（當時由銀河投資全資擁有，現稱為誠通世亞有限公司）（「**世亞**」）訂立投資協議（「**投資協議**」），透過世亞成立合營公司（「**合營安排**」），旨在伸延本集團的跨境及國際大宗商品貿易業務。根據投資協議，(i)銀河投資向誠通國際轉讓世亞49股普通股，佔其當時已發行股本總數的49%，現金代價港幣49元（「**股份轉讓**」）；及(ii)同時銀行投資及誠通國際分別認購世亞5,099,949股新股及4,899,951股新股，總認購價分別為港幣5,099,949元及港幣4,899,951元（「**認購事項**」）。

於股份轉讓及認購事項完成後，世亞成為由銀河投資及誠通國際分別持有51%及49%股權的合營公司，因此成為本公司的間接非全資附屬公司。誠通國際由誠通香港（本公司的最終控股公司）非全資擁有，故為本公司的關連人士，根據上市規則，合營公司安排構成本公司的關連交易。合營安排的進一步詳情載列於本公司日期為二零一九年十月二十五日的公告。

## Directors' Report 董事會報告

(3) On 12 November 2019, Chengtong Development Trading, a wholly-owned subsidiary of the Company, and China Chengtong International entered into an equity transfer agreement, pursuant to which China Chengtong International conditionally agreed to acquire 41% of the equity interest of Chengtong Energy (“Disposal”), which was then owned as to 51% by Chengtong Development Trading, at the consideration of RMB24,664,100, which shall be paid as to approximately 10% within 5 working days after the fulfillment of all the conditions precedent as set out in the equity transfer agreement and as to approximately 90% on the completion date. Through the Disposal, the Group is able to realise its investment in the existing coal trading business at an optimal price and divert its investment to the bulk commodity trading of steel and non-ferrous metals with a view to expanding such business into the international market. The Disposal was approved by the Company’s shareholders at an extraordinary general meeting of the Company held on 23 December 2019. Upon completion of the Disposal, the Group will only retain 10% of the equity interest in Chengtong Energy, which will cease to be a subsidiary of the Company.

As China Chengtong International is a non-wholly owned subsidiary of CCHG, the ultimate holding company of the Company, China Chengtong International is therefore a connected person of the Company and the Disposal constituted a connected transaction of the Company under the Listing Rules. Further details of the Disposal are set out in the announcement of the Company dated 12 November 2019 and the circular of the Company dated 6 December 2019.

The Directors confirm that the related party transactions during the Year as disclosed in notes 39(a) and 39(d) to the financial statements fall under the definition of “connected transaction” or “continuing connected transaction” (as the case may be) in Chapter 14A of the Listing Rules. The Directors confirm that the Company has, where applicable, complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

The Directors confirm that the related party transactions during the Year as disclosed in notes 39(b) and 39(c) to the financial statements do not fall under the definition of “connected transaction” or “continuing connected transaction” (as the case may be) in Chapter 14A of the Listing Rules.

Save as disclosed above, (i) no contract of significance was entered into by, and/or subsisted between the Company or any of its subsidiaries with the controlling shareholder or any of its subsidiaries during the Year; and (ii) no contract of significance in relation to provision of services by the controlling shareholder or any of its subsidiaries to the Group was entered into and/or subsisted during the Year.

(3) 於二零一九年十一月十二日，誠通發展貿易(本公司全資附屬公司)與中國誠通國際訂立股權轉讓協議，據此中國誠通國際有條件同意收購誠通能源41%股權(「出售事項」)，當時由誠通發展貿易擁有51%權益，代價為人民幣24,664,100元，須於股權轉讓協議所載之所有先決條件獲達成後5個工作天內支付約10%，另外約90%於完成日期支付。透過出售事項，本集團能夠以理想價格將現有煤炭貿易業務的投資變現並投資鋼材及有色金屬大宗商品貿易，以將有關業務擴大至國際市場。出售事項已於二零一九年十二月二十三日本公司舉行的股東特別大會上獲本公司股東批准。完成出售事項後，本集團將僅保留誠通能源10%股權，誠通能源將不再為本公司的附屬公司。

由於中國誠通國際為誠通香港(本公司最終控股公司)的非全資附屬公司，故中國誠通國際為本公司的關連人士，根據上市規則，出售事項構成本公司的關連交易。出售事項的進一步詳情載列於本公司日期為二零一九年十一月十二日的公告及本公司日期為二零一九年十二月六日的通函。

董事確認，於財務報表附註39(a)及39(d)披露的本年度的關連方交易屬於上市規則第14A章內「關連交易」或「持續關連交易」(視情況而定)定義的範圍。董事確認本公司已遵守上市規則第14A章的披露規定(如適用)。

董事確認，根據財務報表附註39(b)及39(c)披露的本年度的關連方交易不屬於上市規則第14A章內「關連交易」或「持續關連交易」(視情況而定)定義的範圍。

除上述披露者外，(i)於本年度本公司或其任何附屬公司與控股股東或其任何附屬公司之間概無訂立及／或存在任何重大合約；及(ii)概無有關由控股股東或其任何附屬公司向本集團提供服務的重大合約於本年度內訂立及／或仍然存續。



## LOAN AGREEMENT WITH COVENANTS RELATING TO SPECIFIC PERFORMANCE OF THE CONTROLLING SHAREHOLDER

On 23 March 2017, the Company, as borrower, entered into a facility agreement (“**Facility Agreement**”) with a licensed bank in Hong Kong in respect of a revolving loan facility granted to the Company up to a principal amount of HK\$200 million (“**Commitment**”). Save as otherwise provided in the Facility Agreement, all outstanding principal of the loan granted thereunder and the interest accrued thereon would become due and payable on the date falling three years from the date of the Facility Agreement. Pursuant to the Facility Agreement, the Company has undertaken that it shall, amongst other matters, ensure that there shall be no concentrative or dilutive corporate event or circumstance (including subdivision, consolidation or re-classification of the Company’s shares, bonus or rights issue but excluding any cash dividends) which will directly or indirectly result in CCHG, which is the controlling shareholder of the Company, (a) holding less than 40% of the Company’s shares after such event, or (b) ceasing to be the single largest shareholder of the Company or ceasing to have the management control on the Company (“**Control Event**”). Upon the occurrence of a Control Event or if, at any time, there exist an event or circumstance that can result or has already resulted in a Control Event, the bank may immediately cancel the Commitment, and all loans together with accrued interest and all other amounts accrued under the Facility Agreement and other related finance documents may become immediately due and payable by the Company.

## SUFFICIENCY OF PUBLIC FLOAT

At the latest practicable date prior to the issue of this annual report, based on information that was publicly available to the Company and to the best knowledge of the Directors, the Directors confirmed that the Company had maintained sufficient public float as required under the Listing Rules.

## FINANCIAL SUMMARY

A summary of the Group’s results and its assets and liabilities for the Year and the past four financial years is set out on pages 215 to 216 of this annual report.

## AUDITOR

The consolidated financial statements of the Company for the Year have been audited by BDO Limited.

A resolution will be proposed at the forthcoming AGM of the Company to re-appoint BDO Limited as auditor of the Company.

By order of the Board

**Zhang Bin**  
Chairman

Hong Kong, 24 February 2020

## 控股股東須履行特定責任相關契約的 貸款協議

於二零一七年三月二十三日，本公司(作為借方)與香港一間持牌銀行訂立融資協議(「**融資協議**」)，內容有關向本公司授出本金最多為港幣2億元的循環貸款融資(「**承擔**」)。除融資協議另行規定者外，根據融資協議授出的貸款的所有未償還本金及就其所產生的應計利息將於融資協議日期起計三年之日到期應付。根據融資協議，本公司已承諾，其應(其中包括)確保並無任何集中或攤薄企業事件或情況(包括拆細、合併或重新分類本公司股份、發行紅股或供股(但不包括任何現金股息))將直接或間接導致誠通控股(本公司的控股股東)(a)於該企業事件後，持有少於本公司40%的股份；或(b)不再為本公司的單一最大股東或不再對本公司有管理控制權(「**控制權事件**」)。發生控制權事件後，或如於任何時間存在可導致或已經導致控制權事件的事件或情況，銀行可立即撤回承擔，而融資協議及其他相關融資文件項下的所有貸款連同應計利息以及全部其他應計金額可立即到期並應由本公司支付。

## 足夠公眾持股量

於發佈本年度報告前之最後實際可行日期，根據公開途徑所得的資料及就董事所知，董事確認本公司一直維持上市規則所規定的足夠公眾持股量。

## 財務概要

本集團本年度及過去四個財政年度之業績以及其資產及負債之概要已載於本年度報告第215頁至216頁。

## 核數師

本年度之本公司綜合財務報表經香港立信德豪會計師事務所有限公司審核。

於即將召開的本公司股東週年大會上將提呈一項決議，以重新委任香港立信德豪會計師事務所有限公司為本公司核數師。

承董事會命

主席  
**張斌**

香港，二零二零年二月二十四日



# FINANCIAL STATEMENTS

## 財務報告



## Independent Auditor's Report 獨立核數師報告



Tel : +852 2218 8288  
Fax : +852 2815 2239  
www.bdo.com.hk

25<sup>th</sup> Floor Wing On Centre  
111 Connaught Road Central  
Hong Kong

電話 : +852 2218 8288  
傳真 : +852 2815 2239  
www.bdo.com.hk

香港干諾道中111號  
永安中心25樓

### TO THE MEMBERS OF CHINA CHENGTONG DEVELOPMENT GROUP LIMITED

(incorporated in Hong Kong with limited liability)

### 致中國誠通發展集團有限公司列位股東

(於香港註冊成立之有限公司)

## OPINION

We have audited the consolidated financial statements of China Chengtong Development Group Limited (“**the Company**”) and its subsidiaries (together “**the Group**”) set out on pages 102 to 212, which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

## BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“**HKSAs**”) issued by the HKICPA. Our responsibilities under those standards are further described in the “Auditor’s responsibilities for the audit of the consolidated financial statements” section of our report. We are independent of the Group in accordance with the HKICPA’s “Code of Ethics for Professional Accountants” (“**the Code**”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## 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.

## 意見

我們已審計中國誠通發展集團有限公司(「**貴公司**」)及其附屬公司(統稱「**貴集團**」)載列於第102頁至212頁之綜合財務報表，該等綜合財務報表包括於二零一九年十二月三十一日之綜合財務狀況表與截至該日止年度之綜合收益表、綜合全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表之附註，包括主要會計政策概要。

我們認為，綜合財務報表已根據香港會計師公會(「**香港會計師公會**」)頒佈之香港財務報告準則(「**香港財務報告準則**」)真實而公平地反映 貴集團於二零一九年十二月三十一日之綜合財務狀況以及其截至該日止年度之綜合財務表現及綜合現金流量，並已遵照香港公司條例妥為編製。

## 意見之基礎

我們根據香港會計師公會頒佈之香港審計準則(「**香港審計準則**」)進行審計。在該等準則下，我們之責任已在本報告內「核數師就審計綜合財務報表須承擔之責任」一節進一步闡述。根據香港會計師公會之「專業會計師道德守則」(「**守則**」)，我們獨立於 貴集團，並已遵循守則履行其他道德責任。我們相信，我們所獲得之審計憑證能充足及適當地為我們之審計意見提供基礎。

## 關鍵審計事項

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

## Independent Auditor's Report 獨立核數師報告

### Impairment assessment of loans receivable

Refer to note 23 to the consolidated financial statements and the accounting policies on note 4.10.

As at 31 December 2019, the Group had gross loans receivable of approximately HK\$1,126,898,000 and impairment loss allowance of approximately HK\$74,000.

Management performed periodic assessment on the recoverability of the loans receivable and the sufficiency of impairment loss allowance based on information including credit profile of the borrowers, historical settlement records, subsequent settlement status, ageing of the loans receivable, value of the collaterals and expected timing and amount of realisation of outstanding balances. Management also considered forward-looking information that may impact the ability of the borrowers to repay the outstanding balances in order to estimate the expected credit losses for the impairment assessment.

Due to the significance of loans receivable to the consolidated financial statements as a whole and the use of judgement and estimates by management in assessing the recoverability of loans receivable, we considered this as a key audit matter.

### Our response

Our key procedures in relation to the management's impairment assessment on loans receivable included:

- Obtaining an understanding of the Group's expected credit loss policy and methodology for impairment assessment;
- Reviewing the reasonableness of management's estimation in expected timing of collection and the credit quality of individual borrowers, including the background of the borrowers and their credit worthiness, collection history and value of collaterals;
- Checking the accuracy of the ageing classification of the loans receivable balances on a sample basis; and
- Assessing the sufficiency of the disclosures.

### OTHER INFORMATION IN THE ANNUAL REPORT

The directors are responsible for the other information. The other information comprises all the information included in the Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

### 應收貸款之評估減值

請參閱綜合財務報表附註23及附註4.10內之會計政策。

於二零一九年十二月三十一日，貴集團之應收貸款總額約港幣1,126,898,000元及減值虧損撥備約港幣74,000元。

管理層已根據借款人之信貸資料、過往還款紀錄、其後還款狀況、應收貸款之賬齡、抵押品價值以及變現未償還結餘之預期時間及金額定期評估應收貸款是否可收回及減值虧損撥備是否足夠。管理層亦考慮可能影響借款人償還未償還結餘之能力之前瞻性資料，以估計減值評估之預期信貸虧損。

由於應收貸款整體上對綜合財務報表之重要性，加上管理層於評估應收貸款是否可收回時利用判斷及估計，我們認為此屬關鍵審計事項。

### 我們的回應

我們就管理層對應收貸款之減值評估進行之程序包括：

- 了解 貴集團之預期信貸虧損政策及有關的減值評估方法；
- 檢討管理層對預期收款時間及個別借款人之信貸質素之估計(包括借款人之背景及信譽、收款紀錄及抵押品價值)是否合理；
- 抽樣核實應收貸款結餘之賬齡分類是否準確；及
- 評估披露是否足夠。

### 本年度報告之其他信息

董事須對其他信息承擔責任。其他信息包括載於 貴公司年度報告之信息，惟不包括綜合財務報表及我們之核數師報告。

我們對綜合財務報表作出之意見並無涵蓋其他信息，而我們不會對其他信息發表任何形式之核證結論。



## Independent Auditor's Report 獨立核數師報告

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.

### DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the 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 of the Company 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 of the Company in discharging their responsibilities for overseeing the Group's financial reporting process.

### AUDITOR'S RESPONSIBILITY 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. This report is made solely to you, as a body, in accordance with Section 405 of the Hong Kong Companies Ordinance, 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.

就我們審計綜合財務報表而言，我們之責任為閱讀其他信息，從而考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大不符，或似乎存在重大錯誤陳述。倘若我們基於已進行之工作認為其他信息出現重大錯誤陳述，我們須報告有關事實。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

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例，編製真實公平之綜合財務報表，及董事釐定對編製綜合財務報表屬必要之有關內部監控，以使該等綜合財務報表不會存在由於欺詐或錯誤而導致之重大錯誤陳述。

在編製綜合財務報表時，貴公司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。除非董事擬將貴集團清盤或停止營運，或除此之外並無其他實際可行之辦法，否則須採用以持續經營為基礎之會計基礎。

審核委員會協助貴公司董事履行其監督貴集團財務報告流程之職責。

### 核數師就審計綜合財務報表須承擔之責任

我們之目標為合理確定此等綜合財務報表整體而言不會存在由於欺詐或錯誤而導致之重大錯誤陳述，並發出載有我們意見之核數師報告。根據香港公司條例第405條，此報告僅向閣下(作為整體)作出，不作其他用途。我們概不就本報告之內容對任何其他人士負責或承擔任何責任。

合理確定屬高層次之核證，惟根據香港審計準則進行之審計工作不能保證總能察覺所存在之重大錯誤陳述。錯誤陳述可因欺詐或錯誤產生，倘個別或整體在合理預期情況下可影響使用者根據綜合財務報表作出之經濟決定時，則被視為重大錯誤陳述。

## Independent Auditor's Report 獨立核數師報告

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

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
  - evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
  - conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
  - 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.
- 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、設計及執行審計程序以應對該等風險，以及獲取充足及適當之審計憑證，作為我們的意見之基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控之情況，因此未能發現因欺詐而導致之重大錯誤陳述風險高於未能發現因錯誤而導致之重大錯誤陳述風險。
  - 了解與審計相關之內部監控，以設計適當之審計程序，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作出會計估計和相關披露之合理性。
  - 對董事採用持續經營會計基礎之恰當性作出結論，並根據所獲取之審計憑證，確定是否存在與可能導致對 貴集團之持續經營能力產生重大疑慮之事項或情況有關之重大不確定性。倘我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中之相關披露。倘有關披露不足，則修訂我們的意見。我們的結論乃基於截至核數師報告日期止所取得之審計憑證。然而，未來事項或情況可能導致 貴集團無法持續經營。
  - 評估綜合財務報表之整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否中肯反映相關交易及事項。
  - 就 貴集團內實體或業務活動之財務信息獲取充足及適當之審計憑證，以便對綜合財務報表發表意見。我們負責集團審計之方向、監督及執行。我們為審計意見承擔全部責任。

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.

在根據香港審計準則進行審計之過程中，我們運用專業判斷，保持專業懷疑態度。我們亦：

除其他事項外，我們與審核委員會就計劃的審計之範圍、時間安排及重大審計發現進行溝通，該等發現包括我們在審計過程中識別之內部監控之任何重大缺失。



## Independent Auditor's Report 獨立核數師報告

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

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

**BDO Limited**

*Certified Public Accountants*

**Lui Chi Kin**

Practising Certificate Number: P06162

Hong Kong, 24 February 2020

我們亦向審核委員會作出聲明，指出我們已符合有關獨立性之相關道德要求，並與彼等溝通可能被合理認為會影響我們的獨立性之所有關係及其他事宜，以及相關防範措施(如適用)。

從與審核委員會溝通之事項中，我們釐定對本期間綜合財務報表之審計至關重要之事項，因而構成關鍵審計事項。我們在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見之情況下，倘合理預期在我們的報告中溝通某事項造成之負面後果超出產生之公眾利益，則我們決定不應在報告中傳達該事項。

**香港立信德豪會計師事務所有限公司**

*執業會計師*

**呂智健**

執業證書編號：P06162

香港，二零二零年二月二十四日

## Consolidated Income Statement

### 綜合收益表

		Notes	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
		附註		
<b>Turnover</b>	<b>營業額</b>	6	<b>1,110,598</b>	1,020,892
Cost of sales	銷售成本		<b>(955,942)</b>	(911,992)
<b>Gross profit</b>	<b>毛利</b>		<b>154,656</b>	108,900
Other income	其他收入	7	<b>59,006</b>	58,579
Selling expenses	銷售費用		<b>(20,519)</b>	(14,057)
Administrative expenses	行政費用		<b>(92,076)</b>	(92,337)
Gain on disposal of a subsidiary	出售一間附屬公司之收益	38	-	110,799
Fair value (loss)/gain on investment properties	投資物業之公平值(虧損)/收益	17	<b>(5,051)</b>	3,535
Finance costs	融資成本	8	<b>(6,007)</b>	(6,505)
<b>Profit before income tax</b>	<b>除所得稅前溢利</b>		<b>90,009</b>	168,914
Income tax expense	所得稅開支	9	<b>(45,909)</b>	(57,499)
<b>Profit for the year</b>	<b>年內溢利</b>	10	<b>44,100</b>	111,415
<b>Profit/(loss) for the year attributable to:</b>	<b>應佔年內溢利/(虧損)：</b>			
Owners of the Company	本公司擁有人		<b>47,539</b>	113,440
Non-controlling interests	非控股權益		<b>(3,439)</b>	(2,025)
			<b>44,100</b>	111,415
<b>Earnings per share</b>	<b>每股盈利</b>	13		
- Basic	- 基本		<b>HK0.82 cent 港仙</b>	HK1.96 cents 港仙
- Diluted	- 攤薄		<b>HK0.82 cent 港仙</b>	HK1.96 cents 港仙

## Consolidated Statement of Comprehensive Income

### 綜合全面收益表

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
<b>Profit for the year</b>	<b>年內溢利</b>	<b>44,100</b>	111,415
<b>Other comprehensive income</b>	<b>其他全面收益</b>		
Items that will not be reclassified subsequently to profit or loss:	其後將不可重新分類至損益之項目：		
Net change in fair value of equity investments at fair value through other comprehensive income	按公平值計入其他全面收益的權益投資的公平值淨變動	<b>29,893</b>	(66,040)
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益之項目：		
Exchange differences arising on translation to presentation currency	折算呈列貨幣產生的匯兌差額	<b>(61,823)</b>	(141,787)
Exchange differences reclassified to profit or loss on disposal of a subsidiary	出售一間附屬公司時重新分類至損益的匯兌差額	-	486
Transfer to profit or loss upon disposal of debt investments measured at fair value through other comprehensive income	出售按公平值計入其他全面收益計量的債務投資時轉撥至損益	-	1,746
Net change in fair value of debt investments measured at fair value through other comprehensive income	按公平值計入其他全面收益計量的債務投資之公平值淨變動	-	7,421
<b>Total comprehensive income for the year</b>	<b>年內全面收益總額</b>	<b>12,170</b>	(86,759)
<b>Total comprehensive income attributable to:</b>	<b>應佔全面收益總額：</b>		
Owners of the Company	本公司擁有人	<b>19,134</b>	(77,969)
Non-controlling interests	非控股權益	<b>(6,964)</b>	(8,790)
		<b>12,170</b>	(86,759)

## Consolidated Statement of Financial Position

### 綜合財務狀況表

			2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
	Notes 附註			
<b>ASSETS AND LIABILITIES</b>				
<b>Non-current assets</b>				
Property, plant and equipment		物業、廠房及設備	241,834	187,803
Prepaid land lease payments		預付土地租賃付款	-	38,592
Investment properties		投資物業	93,939	101,528
Loans receivable		應收貸款	684,689	245,700
Other financial assets		其他金融資產	4,267	4,984
			<b>1,024,729</b>	<b>578,607</b>
<b>Current assets</b>				
Properties held for sale		持作出售物業	128,655	202,005
Properties under development		發展中物業	205,688	152,233
Properties held for development		持作發展物業	260,661	281,386
Inventories		存貨	4,036	15,970
Trade and other receivables		貿易及其他應收款項	136,054	186,706
Loans receivable		應收貸款	442,135	421,236
Amount due from a related party		應收一名關連方款項	34,431	-
Prepaid land lease payments		預付土地租賃付款	-	2,011
Other financial assets		其他金融資產	544,816	840,612
Taxation recoverable		可收回稅項	1,846	2,119
Pledged bank deposits		已抵押銀行存款	4,462	3,815
Deposits in other financial institution		於其他金融機構存款	2,157	112,338
Bank balances and cash		銀行結存及現金	732,356	791,265
			<b>2,497,297</b>	<b>3,011,696</b>
Assets classified as held for sale		分類為持作出售之資產	78,635	-
			<b>2,575,932</b>	<b>3,011,696</b>
<b>Current liabilities</b>				
Trade and other payables		貿易及其他應付款項	173,648	120,726
Contract liabilities		合約負債	134,637	207,096
Lease liabilities		租賃負債	3,528	-
Taxation payable		應付稅項	25,877	38,843
Bank borrowings		銀行借貸	277,700	274,100
Unsecured other loan		無抵押其他貸款	600	600
			<b>615,990</b>	<b>641,365</b>
Liabilities associated with assets classified as held for sale		分類為持作出售資產有關之負債	20,049	-
			<b>636,039</b>	<b>641,365</b>
<b>Net current assets</b>		<b>流動資產淨值</b>	<b>1,939,893</b>	<b>2,370,331</b>
<b>Total assets less current liabilities</b>		<b>總資產減流動負債</b>	<b>2,964,622</b>	<b>2,948,938</b>

## Consolidated Statement of Financial Position 綜合財務狀況表

		Notes 附註	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
<b>Non-current liabilities</b>	<b>非流動負債</b>			
Lease liabilities	租賃負債	30	7,353	-
Deferred tax liabilities	遞延稅項負債	33	43,053	51,794
			<u>50,406</u>	<u>51,794</u>
<b>Net assets</b>	<b>資產淨值</b>		<u>2,914,216</u>	<u>2,897,144</u>
<b>EQUITY</b>	<b>權益</b>			
<b>Equity attributable to owners of the Company</b>	<b>本公司擁有人應佔之權益</b>			
Share capital	股本	34	2,185,876	2,185,876
Reserves	儲備		594,963	575,829
			<u>2,780,839</u>	<u>2,761,705</u>
<b>Non-controlling interests</b>	<b>非控股權益</b>		<u>133,377</u>	<u>135,439</u>
<b>Total equity</b>	<b>總權益</b>		<u>2,914,216</u>	<u>2,897,144</u>

The consolidated financial statements on pages 102 to 212 were approved and authorised for issue by the board of directors on 24 February 2020 and are signed on its behalf by:

第102至212頁之綜合財務報表已於二零二零年二月二十四日由董事會批准及授權發行，並由以下董事代表董事會簽署：

**Zhang Bin**  
張斌  
Director  
董事

**Yang Tianzhou**  
楊田洲  
Director  
董事



# Consolidated Statement of Changes in Equity

## 綜合權益變動表

Equity attributable to owners of the Company 本公司擁有人應佔之權益		Financial assets at fair value through other comprehensive income reserve 按公平值計入其他全面收益儲備										Non-controlling interests		Total
Share capital	Capital reserve	Statutory reserve	Shares for share award scheme	Employee share-based compensation reserve	Financial assets at fair value through other comprehensive income reserve	Available-for-sale financial assets revaluation reserve	Other reserve	Exchange reserve	Accumulated profits	Total	Non-controlling interests	Total		
股本	資本儲備	法定儲備	為股份獎勵計劃持有之股份	以股份支付之僱員酬金儲備	可供出售金融資產重估儲備	其他儲備	匯兌儲備	累計溢利	總計	非控股權益	合計			
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000		
港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元		
2,185,876	2,814	43,771	(6,494)	702	-	(34,585)	296	(3,826)	650,060	2,838,614	147,833	2,986,447		
-	-	-	-	-	(34,777)	34,585	-	-	1,252	1,060	-	1,060		
2,185,876	2,814	43,771	(6,494)	702	(34,777)	-	296	(3,826)	651,312	2,839,674	147,833	2,987,507		
-	-	-	-	-	-	-	-	-	113,440	113,440	(2,025)	111,415		
<p>Other comprehensive income:                      Exchange differences arising on translation to presentation currency                      Disposal of a subsidiary (note 38)                      Net changes in fair value of financial assets at fair value through other comprehensive income                      Transfer to profit or loss upon disposal of debt investments measured at fair value through other comprehensive income</p>														
<p>其他全面收益：                      折算呈列貨幣產生的匯兌差額                      出售一間附屬公司(附註38)                      按公平值變動計入其他全面收益的金額                      確之公平值變動                      於出售公平值計入其他全面收益計量的債務投資時轉撥至損益</p>														
<b>Total comprehensive income for the year</b>														
<p>年內全面收益總額</p>														
<p>Dividend to non-controlling interests</p>														
<p>派付予非控股權益的股息</p>														
<p>Appropriation to statutory reserve</p>														
<p>轉撥至法定儲備</p>														
2,185,876	2,814	59,248	(6,494)	702	(91,650)	-	296	(138,382)	749,275	2,761,705	135,439	2,897,144		
<p>於二零一八年十二月三十一日</p>														

At 31 December 2017 as originally presented  
原先呈列於二零一七年十二月三十一日

Effect of adjustment on adoption of HKFRS 9  
採納香港財務報告準則第9號的影響

At 1 January 2018 (restated)  
於二零一八年一月一日(經重列)

Profit/(loss) for the year  
年內溢利/(虧損)

Other comprehensive income:  
 Exchange differences arising on translation to presentation currency  
 Disposal of a subsidiary (note 38)  
 Net changes in fair value of financial assets at fair value through other comprehensive income  
 Transfer to profit or loss upon disposal of debt investments measured at fair value through other comprehensive income

Total comprehensive income for the year  
年內全面收益總額

Dividend to non-controlling interests  
派付予非控股權益的股息

Appropriation to statutory reserve  
轉撥至法定儲備

At 31 December 2018  
於二零一八年十二月三十一日

## Consolidated Statement of Changes in Equity

### 綜合權益變動表

		Equity attributable to owners of the Company 本公司到歸有人應佔之權益											
		Share capital	Capital reserve	Statutory reserve	Shares held for share award scheme	Employee share-based compensation reserve	Financial assets at fair value through other comprehensive income reserve	Other reserve	Exchange reserve	Accumulated profits	Total	Non-controlling interests	Total
		股本	資本儲備	法定儲備	專設股份獎勵計劃持有之股份	以股份支付之僱員酬金儲備	按公平值計入其他全面收益之金融資產	其他儲備	匯兌儲備	累計溢利	總計	非控股權益	合計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	2,185,876	2,814	59,248	(6,494)	702	(91,650)	296	(138,362)	749,275	2,761,705	135,439	2,897,144
	Profit/(loss) for the year	-	-	-	-	-	-	-	-	47,539	47,539	(3,439)	44,100
	Other comprehensive income:	-	-	-	-	-	-	-	-	-	-	-	-
	Exchange differences arising on translation to presentation currency	-	-	-	-	-	-	-	(58,298)	-	(58,298)	(3,525)	(61,823)
	Net change in fair value of financial assets at fair value through other comprehensive income	-	-	-	-	-	29,893	-	-	-	29,893	-	29,893
	Total comprehensive income for the year	-	-	-	-	-	29,893	-	(58,298)	47,539	19,134	(6,964)	12,170
	<b>Capital injection by non-controlling interests</b>	-	-	-	-	-	-	-	-	-	-	4,902	4,902
	<b>Appropriation to statutory reserve</b>	-	-	29,583	-	-	-	-	-	(29,583)	-	-	-
	<b>At 31 December 2019</b>	2,185,876	2,814	88,831	(6,494)	702	(61,757)	296	(198,660)	767,231	2,780,839	133,377	2,914,216

## Consolidated Statement of Cash Flows

### 綜合現金流量表

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
<b>Cash flows from operating activities</b>	<b>經營活動產生之現金流量</b>		
Profit before income tax	除所得稅前溢利	90,009	168,914
Adjustments for:	就以下項目調整：		
Interest income	利息收入	(53,903)	(46,034)
Interest expense	利息開支	5,570	6,505
Interest on lease liabilities	租賃負債利息	437	-
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	19,631	14,735
Amortisation of prepaid land lease payments	預付土地租賃付款攤銷	-	5,471
Fair value loss/(gain) on investment properties	投資物業之公平值虧損/(收益)	5,051	(3,535)
Fair value gain on other financial assets measured at profit or loss	計入損益的其他金融資產之公平值收益	(858)	(4,005)
(Gain)/loss on disposal of property, plant and equipment	出售物業、廠房及設備之(收益)/虧損	(684)	275
Gain on disposal of a subsidiary	出售一間附屬公司之收益	-	(110,799)
Loss on disposal of debt investments measured at fair value through other comprehensive income	出售按公平值計入其他全面收益計量之債務投資之虧損	-	1,746
Written off of property, plant and equipment	撇銷物業、廠房及設備	-	303
Reversal of other payables	撥回其他應付款項	-	(326)
(Reversal of impairment loss)/impairment loss on financial assets	金融資產(減值虧損撥回)/減值虧損	(46)	55
Operating profit before working capital changes	未計營運資金變動前經營溢利	65,207	33,305
Increase in properties under development	發展中物業增加	(54,492)	(46,872)
Decrease in properties held for sale	持作出售物業減少	84,290	42,261
Decrease/(increase) in inventories	存貨減少/(增加)	11,934	(11,689)
Decrease/(increase) in trade and other receivables	貿易及其他應收款項減少/(增加)	29,444	(64,361)
(Increase)/decrease in loans receivable	應收貸款(增加)/減少	(483,931)	55,232
Increase in trade and other payables	貿易及其他應付款項增加	65,063	48,954
(Decrease)/increase in contract liabilities	合約負債(減少)/增加	(57,722)	22,308
Cash (used in)/generated from operations	經營業務(所用)/產生之現金	(340,207)	79,138
PRC enterprise income tax paid	已支付之中國企業所得稅	(63,526)	(25,603)
PRC land appreciation tax paid	已支付之中國土地增值稅	(2,008)	(2,111)
<b>Net cash (used in)/generated from operating activities</b>	<b>經營活動(所用)/產生之現金淨額</b>	<b>(405,741)</b>	<b>51,424</b>

## Consolidated Statement of Cash Flows

### 綜合現金流量表

	Note 附註	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
<b>Cash flows from investing activities</b>			
Interest received		50,138	45,838
Disposal of a subsidiary, net of cash disposed of		-	231,783
Purchase of other financial assets		(255,784)	(715,686)
Settlement of other financial assets		563,870	480,959
Settlement of amount due from a non-controlling shareholder of a subsidiary		-	18,196
Purchase of property, plant and equipment		(25,918)	(30,857)
Purchase of investment property		-	(39,162)
Proceeds from disposal of property, plant and equipment		1,102	250
Loan to a related party		(33,300)	-
Decrease in pledged bank deposits		(761)	(134)
Decrease in short-term time deposits with maturity beyond three months but within one year		-	12,000
<b>Net cash generated from investing activities</b>		<b>299,347</b>	<b>3,187</b>
<b>Cash flows from financing activities</b>			
Interest paid		(9,729)	(9,039)
New bank loans raised		79,100	77,350
Repayment of bank loans		(73,450)	(14,280)
Capital element of lease rentals paid		(2,846)	-
Interest element of lease rentals paid		(437)	-
Capital injection by non-controlling interests		4,902	-
Dividend paid to non-controlling interests		-	(3,604)
<b>Net cash (used in)/generated from financing activities</b>		<b>(2,460)</b>	<b>50,427</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(108,854)</b>	<b>105,038</b>
<b>Cash and cash equivalents at beginning of year</b>		<b>903,603</b>	<b>823,908</b>
<b>Effect of foreign exchange rate changes</b>		<b>(2,919)</b>	<b>(25,343)</b>
<b>Cash and cash equivalents at end of year</b>		<b>791,830</b>	<b>903,603</b>
<b>Analysis of cash and cash equivalents:</b>			
Bank balances and cash		789,673	791,265
Less: included in the assets classified as held for sale	37	(57,317)	-
Bank balances and cash as presented in the consolidated statement of financial position		732,356	791,265
Deposits in other financial institution		2,157	112,338
<b>Cash and cash equivalents at end of year as presented in the consolidated statement of cash flows</b>		<b>734,513</b>	<b>903,603</b>

# Notes to the Financial Statements

## 財務報表附註

### 1. GENERAL

China Chengtong Development Group Limited (the “**Company**”) is a limited company incorporated in Hong Kong. The address of its registered office and its principal place of business is Suite 6406, 64/F., Central Plaza, 18 Harbour Road, Wanchai, Hong Kong. The Company is an investment holding company. The Company and its subsidiaries (collectively known as the “**Group**”) are principally engaged in investment holdings, finance leasing, bulk commodity trading, property development, property investment and marine recreation and hotel services.

The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). As at 31 December 2019, the Company’s immediate holding company is World Gain Holdings Limited, which is incorporated in the British Virgin Islands and the directors of the Company consider the Group’s ultimate holding company to be China Chengtong Holdings Group Limited (“**CCHG**”), a company incorporated in the People’s Republic of China (the “**PRC**”).

The consolidated financial statements are presented in Hong Kong Dollar (“**HK\$**”) and the functional currency of the Company is Hong Kong Dollar. The directors consider that HK\$ is the appropriate presentation currency since the Company is incorporated in Hong Kong with its shares listed on the Stock Exchange.

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

#### 2.1 Adoption of new and revised HKFRSs

In the current year, the Group has applied for the first time the following new standards, amendments and interpretations (“**the new HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), which are relevant to and effective for the Group’s financial statements for the annual period beginning on 1 January 2019:

HKFRS 16	Leases
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features and Negative Compensation
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015–2017 Cycle

Other than as noted below, the adoption of the new HKFRSs has no material impact on the Group’s financial statements.

### 1. 一般資料

中國誠通發展集團有限公司(「**本公司**」)乃於香港註冊成立之有限公司。其註冊辦事處及主要營業地點位於香港灣仔港灣道18號中環廣場64樓6406室。本公司為一間投資控股公司。本公司及其附屬公司(統稱為「**本集團**」)主要從事投資控股、融資租賃、大宗商品貿易、物業發展、物業投資及海上旅遊服務和酒店。

本公司之股份於香港聯合交易所有限公司(「**聯交所**」)主板上市。於二零一九年十二月三十一日，本公司之直接控股公司為World Gain Holdings Limited(於英屬維爾京群島註冊成立)，本公司董事認為本集團之最終控股公司為中國誠通控股集團有限公司(「**誠通控股**」)(一間於中華人民共和國(「**中國**」)註冊成立的公司)。

綜合財務報表以港幣(「**港幣**」)呈列且本公司的功能貨幣為港幣。由於本公司於香港註冊成立，而其股份於聯交所上市，故董事認為港幣為合適的呈列貨幣。

### 2. 採納香港財務報告準則(「**香港財務報告準則**」)

#### 2.1 採納新訂及經修訂之香港財務報告準則

於本年度，本集團首次應用由香港會計師公會(「**香港會計師公會**」)頒佈之下列新訂準則、修訂及詮釋(「**新訂香港財務報告準則**」)，該等準則與本集團於二零一九年一月一日開始之年度期間之財務報表相關並已生效：

香港財務報告準則第16號	租賃
香港(國際財務報告詮釋委員會) – 詮釋第23號	所得稅處理之不确定性
香港財務報告準則第9號之修訂	具有負補償之提早還款特性
香港會計準則第19號之修訂	計劃修訂、縮減或結算
香港會計準則第28號之修訂	於聯營公司及合營公司的長期權益
香港財務報告準則之修訂	香港財務報告準則二零一五年至二零一七年週期之年度改進

除下文所述者外，採納新訂香港財務報告準則對本集團的財務報表並無重大影響。



## Notes to the Financial Statements

### 財務報表附註

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

(Continued)

### 2.1 Adoption of new and revised HKFRSs (Continued)

#### HKFRS 16 – Leases (“HKFRS 16”)

HKFRS 16 brings significant changes in accounting treatment for lease accounting, primarily for accounting for lessees. It replaces HKAS 17 Leases (“**HKAS 17**”), HK(IFRIC) – Int 4 Determining whether an Arrangement contains a Lease, HK(SIC) – Int 15 Operating Leases-Incentives and HK(SIC) – Int 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. From a lessee’s perspective, almost all leases are recognised in the statement of financial position as a right-of-use asset and a lease liability, with the narrow exception to this principle for leases which the underlying assets are of low-value or are determined as short-term leases. From a lessor’s perspective, the accounting treatment is substantially unchanged from HKAS 17.

Details of the nature and effect of the changes in accounting policies and the transition options applied are set out below:

(i) *New definition of a lease*

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

(ii) *Lessee accounting*

HKFRS 16 eliminates the requirement for a lessee to classify leases as either operating leases or finance leases, as was previously required by HKAS 17. Instead, the Group is required to capitalise all leases when it is the lessee, including leases previously classified as operating leases under HKAS 17.

## 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

### 2.1 採納新訂及經修訂之香港財務報告準則(續)

#### 香港財務報告準則第16號 – 租賃 (「香港財務報告準則第16號」)

香港財務報告準則第16號對租賃之會計處理作出重大更改，主要是承租人之會計處理方面。其取代香港會計準則第17號「租賃」(「**香港會計準則第17號**」)、香港(國際財務報告詮釋委員會)詮釋第4號「確定一項安排是否包含租賃」、香港(常設詮釋委員會)詮釋第15號「營運租賃 – 激勵措施」及香港(常設詮釋委員會)詮釋第27號「評價涉及租賃法律形式交易的實質」。從承租人角度來看，絕大部分租賃於財務狀況表確認為使用權資產及租賃負債，此原則中少數例外情況為相關資產為低價值或被釐定為短期租賃的該等租賃。從出租人的角度來看，會計處理大致上與香港會計準則第17號一致。

有關會計政策變動的性質及影響以及所應用的過渡選項的詳情載列下文：

(i) *新的租賃定義*

租賃定義的改變主要涉及控制權的概念。香港財務報告準則第16號根據客戶是否在一段時間內控制已識別資產的使用而定義租約，該期限可由確定的使用量釐定。在客戶既有權主導使用已識別資產又有權從該用途獲得實質上所有經濟利益的情況下，控制權即賦予客戶。

(ii) *承租人會計處理*

香港財務報告準則第16號取消先前根據香港會計準則第17號中承租人須將租賃分類為營運租賃或融資租賃的要求。相反，本集團須在其作為承租人時將所有租賃資本化，包括先前根據香港會計準則第17號分類為營運租賃的租賃。

## Notes to the Financial Statements 財務報表附註

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

(Continued)

#### 2.1 Adoption of new and revised HKFRSs (Continued)

##### HKFRS 16 (Continued)

##### (ii) Lessee accounting (Continued)

##### Right-of-use asset

Right-of-use assets are measured at cost comprising the following:

- the amount of initial measurement of lease liabilities;
- any lease payment made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

The Group measures the right-of-use assets applying a cost model. Under the cost model, the Group measures the right-to-use at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liability.

The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

### 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

#### 2.1 採納新訂及經修訂之香港財務報告準則(續)

##### 香港財務報告準則第16號(續)

##### (ii) 承租人會計處理(續)

##### 使用權資產

使用權資產按成本計量，包括以下各項：

- 租賃負債的初步計量金額；
- 於開始日期或之前所作出的任何租賃付款，減去已收取的任何租賃優惠；
- 任何初始直接成本；及
- 承租人根據租賃條款及條件規定的情況下分解及移除相關資產時將產生的估計成本，惟該等成本乃為生產存貨而產生除外。

本集團採用成本模式計量使用權資產。根據成本模式，本集團按成本減任何累計折舊及任何減值虧損計量使用權資產，並就租賃負債的任何重新計量作出調整。

使用權資產乃按資產可使用年期及租期(以較短者為準)以直線法折舊。

## Notes to the Financial Statements

### 財務報表附註

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

(Continued)

### 2.1 Adoption of new and revised HKFRSs (Continued)

#### HKFRS 16 (Continued)

##### (ii) Lessee accounting (Continued)

##### Right-of-use asset (Continued)

The Group’s leasehold land and buildings that were held for rental or capital appreciation purpose would continue to be accounted for under HKAS 40 and would be carried at fair value. The leasehold land and buildings which are held for own use would continue to be accounted for under HKAS 16 and would be carried at depreciated cost. The adoption of HKFRS 16 therefore does not have any significant impact on these right-of-use assets. Other than the above right-of-use assets, the Group also has leased a number of properties under tenancy agreements which the Group exercises its judgement and determines that it is a separate class of asset apart from the leasehold land and buildings which are held for own use. As a result, the right-of-use asset arising from the properties under tenancy agreements are carried at depreciated cost.

##### Lease liability

The lease liability should be recognised at the present value of the lease payments that are not paid at the date of commencement of the lease. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group shall use the Group’s incremental borrowing rate. Incremental borrowing rate is the rate of interest that a lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

## 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

### 2.1 採納新訂及經修訂之香港財務報告準則(續)

#### 香港財務報告準則第16號(續)

##### (ii) 承租人會計處理(續)

##### 使用權資產(續)

本集團持作出租或資本增值用途的租賃土地及樓宇將繼續根據香港會計準則第40號入賬並將按公平值列賬。持作自用的租賃土地及樓宇將繼續根據香港會計準則第16號入賬並將按折舊成本列賬。因此，採納香港財務報告準則第16號不會對該等使用權資產構成任何重大影響。除上述使用權資產外，本集團亦已根據租賃協議出租多項物業，其中經本集團判斷後，釐定其屬持作自用租賃土地及樓宇以外的獨立資產類別。因此，租賃協議項下物業產生的使用權資產按折舊成本列賬。

##### 租賃負債

租賃負債應按於租賃開始日期未付之租賃付款的現值確認。租賃付款將以租賃隱含的利率(倘該利率可輕易釐定)貼現。倘該利率無法輕易釐定，本集團將採用本集團的增量借款利率。增量借款利率是承租人在類似期限、類似抵押條件、及在類似經濟環境下，就獲得與使用權資產類似價值的資產，借入所需資金而必須支付的利率。

## Notes to the Financial Statements 財務報表附註

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

(Continued)

#### 2.1 Adoption of new and revised HKFRSs (Continued)

##### HKFRS 16 (Continued)

##### (ii) Lessee accounting (Continued)

##### Lease liability (Continued)

The following payments for the right-to-use the underlying asset during the lease term that are not paid at the commencement date of the lease are considered to be lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivables;
- variable lease payments that are based on an index or a rate;
- amounts expected to be payable under residual value guarantees;
- the exercise price of purchase option if it is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease reflecting the lessee exercising an option to terminate the lease.

Lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payment made.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

There are recognition exemptions for short-term leases. Short-term leases are leases with a lease term of 12 months or less at the commencement date. Payments associated with short-term leases are recognised on a straight-line basis as expenses in profit or loss.

### 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

#### 2.1 採納新訂及經修訂之香港財務報告準則(續)

##### 香港財務報告準則第16號(續)

##### (ii) 承租人會計處理(續)

##### 租賃負債(續)

下列於租賃開始日期未付的租期內就相關資產使用權支付的款項被視為租賃付款：

- 固定付款(包括實質性固定付款)，減任何應收租賃優惠；
- 基於指數或利率的可變租賃付款；
- 根據餘值擔保預期將支付的金額；
- 倘合理地肯定行使購買權，該購買權的行使價；及
- 反映承租人於行使終止租賃的選擇權時所需支付的終止租賃罰款。

租賃負債其後透過增加賬面值計量以反映租賃負債的利息及透過削減賬面值計量以反映已作出的租賃付款。

各項租賃付款於負債及融資成本間分配。融資成本於租賃期間在損益中扣除，以制定出各期間負債剩餘結餘的固定定期利率。

就短期租賃設有確認豁免。短期租賃指於開始日期租期為12個月或少於12個月的租賃。與短期租賃有關的付款按直線法於損益中確認為開支。

## Notes to the Financial Statements

### 財務報表附註

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

(Continued)

### 2.1 Adoption of new and revised HKFRSs (Continued)

#### HKFRS 16 (Continued)

##### (ii) Lessee accounting (Continued)

##### Lease liability (Continued)

In prior years, rental payable under operating leases were charged to profit or loss on a straight-line basis over the lease term.

##### (iii) Lessor accounting

The Group has leased out its investment properties to a number of tenants. As the accounting under HKFRS 16 for a lessor is substantially unchanged from the requirements under HKAS 17, the adoption of HKFRS 16 does not have significant impact on the Group's financial statements.

##### (iv) Transitional impact and practical expedients applied

The Group has transitioned to HKFRS 16 in accordance with the modified retrospective approach and, therefore, the information presented for 2018 has not been restated. The right-of-use asset for property lease was measured at the amount equal to the lease liability, adjusted by the amount of any prepayments relating to that lease recognised in the consolidated statement of financial position as at 31 December 2018.

For all these right-of-use assets, the Group has applied HKAS 36 Impairment of Assets at 1 January 2019 to assess if there was any impairment as on that date.

The Group has recognised the lease liabilities at 1 January 2019 for leases previously classified as operating leases applying HKAS 17 and measured those lease liabilities at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at 1 January 2019.

## 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

### 2.1 採納新訂及經修訂之香港財務報告準則(續)

#### 香港財務報告準則第16號(續)

##### (ii) 承租人會計處理(續)

##### 租賃負債(續)

於過往年度，來自營運租賃的應付租金按直線法在該租期自損益中扣除。

##### (iii) 出租人會計處理

本集團已向多名承租人出租其投資物業。由於香港財務報告準則第16號項下的會計處理與香港會計準則第17號項下的規定大致上相同，故採納香港財務報告準則第16號對本集團之財務報表並無重大影響。

##### (iv) 過渡影響及所採用的可行權宜方法

本集團已根據經修訂追溯法過渡至香港財務報告準則第16號，因此，就二零一八年呈報的資料並未獲重列。物業租賃的使用權資產按相等於租賃負債的金額計量，並按與於二零一八年十二月三十一日的綜合財務狀況表確認的與該租賃相關的任何預付款項金額進行調整。

就所有該等使用權資產而言，本集團已採用於二零一九年一月一日之香港會計準則第36號「資產減值」以評估於該日是否出現任何評估。

本集團已於二零一九年一月一日就先前應用香港會計準則第17號分類為營運租賃的租賃確認租賃負債，並按餘下租賃付款的現值(按於二零一九年一月一日的承租人增量借款利率貼現)計量該等租賃負債。



## Notes to the Financial Statements 財務報表附註

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

(Continued)

#### 2.1 Adoption of new and revised HKFRSs (Continued)

##### HKFRS 16 (Continued)

(iv) *Transitional impact and practical expedients applied*  
(Continued)

The following reconciliation explains how the operating lease commitments disclosed applying HKAS 17 at the end of 31 December 2018 could be reconciled to the lease liabilities at the date of initial application of HKFRS 16 recognised in the consolidated statement of financial position as at 1 January 2019:

		HK\$'000 港幣千元
Operating lease commitment at 31 December 2018	於二零一八年十二月三十一日的營運租賃承擔	8,685
Less: short-term leases with remaining lease term ended on or before 31 December 2019	減：截至二零一九年十二月三十一日或之前餘下租期的短期租賃	(2,979)
Gross lease liabilities at 1 January 2019	於二零一九年一月一日的租賃負債總額	5,706
Less: total future interest expenses	減：未來利息開支總額	(666)
Lease liabilities at 1 January 2019	於二零一九年一月一日的租賃負債	5,040
Of which are:	當中包括：	
– Current lease liabilities	– 即期租賃負債	1,428
– Non-current lease liabilities	– 非即期租賃負債	3,612
		5,040

The lessee's weighted average incremental borrowing rates applied to the lease liabilities on 1 January 2019 was 7.2%.

### 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

#### 2.1 採納新訂及經修訂之香港財務報告準則(續)

##### 香港財務報告準則第16號(續)

(iv) 過渡影響及所採用的可行權宜方法(續)

以下對賬闡釋於二零一八年十二月三十一日未應用香港會計準則第17號披露的營運租賃承擔如何與於二零一九年一月一日之綜合財務狀況表中確認於首次應用香港財務報告準則第16號之日期之租賃負債進行對賬：

於二零一九年一月一日，適用於租賃負債的承租人加權平均增量借款率為7.2%。

## Notes to the Financial Statements

### 財務報表附註

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

(Continued)

### 2.1 Adoption of new and revised HKFRSs (Continued)

#### HKFRS 16 (Continued)

(iv) *Transitional impact and practical expedients applied*  
(Continued)

Prepaid lease payments in respect of the land use right in the PRC is currently reclassified and recognised as right-of-use assets upon application of HKFRS 16 and are included in the same line item as property, plant and equipment as that within which the corresponding assets.

Right-of-use assets related to interests in leasehold land where the interest in the land is held for development as inventories are included in the same line item as property held for development as that within which the corresponding assets.

The following table summarises the impact of the adoption of HKFRS 16 on the Group’s consolidated statement of financial position as at 1 January 2019. The information presented for 2018 has not been restated.

## 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

### 2.1 採納新訂及經修訂之香港財務報告準則(續)

#### 香港財務報告準則第16號(續)

(iv) *過渡影響及所採用的可行權宜方法*(續)

於採用香港財務報告準則第16號後，就中國土地使用權的預付租賃付款現已重新分類及確認為使用權資產，並計入相應資產屬於的同一項目內，列作物業、廠房及設備。

若土地權益持作發展存貨，則與租賃土地權益相關的使用權資產計入相應資產所屬的同一項目內，列作持作發展物業。

下表概述採納香港財務報告準則第16號對本集團於二零一九年一月一日的綜合財務狀況表的影響。就二零一八年呈列的資料不予重列。

	As at 31 December 2018	HKFRS 16 Reclassification 香港財務報告 準則第16號 重新分類	HKFRS 16 Contract capitalisation 香港財務報告 準則第16號 合約資本化	As at 1 January 2019
	於二零一八年 十二月三十一日 HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	於二零一九年 一月一日 HK\$'000 港幣千元
<b>Assets:</b>				
Property, plant and equipment	187,803	41,090	5,040	233,933
Prepaid land lease payments	40,603	(40,603)	-	-
Trade and other receivables	186,706	(487)	-	186,219
<b>Liabilities:</b>				
Lease liabilities	-	-	(5,040)	(5,040)

## Notes to the Financial Statements 財務報表附註

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

(Continued)

#### 2.1 Adoption of new and revised HKFRSs (Continued)

##### HKFRS 16 (Continued)

(iv) *Transitional impact and practical expedients applied*  
(Continued)

As allowed by HKFRS 16, the Group has used the practical expedient to grandfather the previous assessment of which existing arrangements are, or contain, leases. The Group has therefore applied the new definition of a lease in HKFRS 16 only to contracts that are entered into on or after the date of initial application. In addition, the Group has also elected the practical expedient for not applying the new accounting model to short-term leases (i.e. lease term of 12 months or less).

#### 2.2 New/revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, potentially relevant to the Group’s financial statements, have been issued, but are not yet effective and have not been early adopted by the Group.

Amendments to HKFRS 3	Definition of a business <sup>1</sup>
Amendments to HKAS 1 and HKAS 8	Definition of material <sup>1</sup>
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2020

<sup>2</sup> The amendments were originally intended to be effective for periods beginning on or after 1 January 2018. The effective date has now been deferred/removed. Early application of the amendments continue to be permitted.

### 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

#### 2.1 採納新訂及經修訂之香港財務報告準則(續)

##### 香港財務報告準則第16號(續)

(iv) *過渡影響及所採用的可行權宜方法*(續)

按香港財務報告準則第16號允許，本集團已採用實際權宜方法以豁免屬租賃或包含租賃的現有安排的過往評估。因此，本集團僅將香港財務報告準則第16號租賃之新定義應用於初步採納日期或之後訂立的合約。此外，本集團選擇採用實際權宜方法不對短期租賃(即租期為12個月或以下)應用新會計模式。

#### 2.2 已頒佈但尚未生效的新訂／經修訂香港財務報告準則

下列已頒佈但尚未生效之新訂／經修訂香港財務報告準則與本集團之財務報表潛在相關，惟尚未由本集團提早採納。

香港財務報告準則第3號之修訂	業務定義 <sup>1</sup>
香港會計準則第1號及香港會計準則第8號之修訂	重大定義 <sup>1</sup>
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號之修訂	利率基準改革 <sup>1</sup>
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業之間的資產出售或注資 <sup>2</sup>

<sup>1</sup> 二零二一年一月一日或之後開始的年度期間生效

<sup>2</sup> 該等修訂原訂於二零一八年一月一日或之後開始之期間生效。生效日期現已押後／撤銷。有關修訂繼續允許提前應用。

## Notes to the Financial Statements

### 財務報表附註

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

(Continued)

### 2.2 New/revised HKFRSs that have been issued but are not yet effective (Continued)

The Group is in the process of making an assessment of what the impact of these new/revised HKFRSs is expected to be in the period of initial application. So far the Group did not aware any aspect of the new standards which are likely to have significant impact on the consolidated financial statements.

## 3. BASIS OF PREPARATION

### 3.1 Statement of compliance

The financial statements have been prepared in accordance with all applicable HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations (hereinafter collectively referred to as the “HKFRS”) issued by the HKICPA and the provisions of the Hong Kong Companies Ordinance which concern the preparation of financial statements. In addition, the financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange.

### 3.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain properties and financial instruments that are measured at fair value, as explained in the accounting policies set out in note 4 below.

## 4. SIGNIFICANT ACCOUNTING POLICIES

### 4.1 Business combination and basis of consolidation

The consolidated financial statements comprise the financial statements of the Group. Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective dates of acquisition or up to the effective dates of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

## 2. 採納香港財務報告準則(「香港財務報告準則」)(續)

### 2.2 已頒佈但尚未生效的新訂／經修訂香港財務報告準則(續)

本集團正評估該等新訂／經修訂香港財務報告準則於初始採納期間之預期影響。目前，本集團並無獲悉該等新訂準則之任何方面可能對綜合財務報表造成重大影響。

## 3. 編製基準

### 3.1 遵例聲明

財務報表已根據香港會計師公會頒佈的所有適用之香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋(統稱為「香港財務報告準則」)及香港公司條例有關編製財務報表之條文而編製。此外，財務報表包括聯交所證券上市規則規定之適用披露資料。

### 3.2 計量基準

誠如下文附註4所載會計政策所述，除若干物業及金融工具以公平值計量外，財務報表已按歷史成本基準編製。

## 4. 主要會計政策

### 4.1 業務合併及綜合賬目基準

綜合財務報表包括本集團之財務報表。集團內公司間之交易及結餘連同未變現溢利均於編製綜合財務報表時全數對銷。除非有關交易提供所轉讓資產減值之證據，否則未變現虧損亦予以對銷，在此情況下，虧損於損益中確認。

於年內購入或售出之附屬公司之業績由收購生效日起計或計至出售生效日止(視情況而定)，列入綜合全面收益表內。必要時，附屬公司之財務報表將予調整以使其會計政策與本集團其他成員公司所使用者一致。

## Notes to the Financial Statements 財務報表附註

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.1 Business combination and basis of consolidation (Continued)

Acquisition of subsidiaries or businesses is accounted for using the acquisition method. The cost of an acquisition is measured at the aggregate of the acquisition-date fair value of assets transferred, liabilities incurred and equity interests issued by the Group, as the acquirer. The identifiable assets acquired and liabilities assumed are principally measured at acquisition-date fair value. The Group's previously held equity interest in the acquiree is re-measured at acquisition-date fair value and the resulting gains or losses are recognised in profit or loss. The Group may elect, on a transaction-by-transaction basis, to measure the non-controlling interests that represent present ownership interests in the subsidiary either at fair value or at the proportionate share of the acquiree's identifiable net assets. All other non-controlling interests are measured at fair value unless another measurement basis is required by HKFRSs. Acquisition-related costs incurred are expensed.

Any contingent consideration to be transferred by the acquirer is recognised at acquisition-date fair value. Subsequent adjustments to consideration are recognised against goodwill only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. All other subsequent adjustments to contingent consideration classified as an asset or a liability are recognised in profit or loss.

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

### 4. 主要會計政策(續)

#### 4.1 業務合併及綜合賬目基準(續)

收購附屬公司或業務採用收購法入賬。收購成本乃按所轉讓資產、所產生負債及本集團(作為收購方)發行之股權於收購當日之公平值總額計量。所收購之可識別資產及所承擔負債則主要按收購當日之公平值計量。本集團先前所持被收購方之股權以收購當日公平值重新計量，而所產生之收益或虧損則於損益中確認。本集團可按每宗交易選擇按公平值或按應佔被收購方可識別資產淨值中所佔份額計量代表目前於附屬公司擁有權益之非控股股東權益。所有其他非控股權益乃以公平值計量，惟香港財務報告準則規定其他計量基準則除外。所產生之收購相關成本列作開支。

由收購方將予轉讓之任何或然代價按收購日期之公平值確認。其後對代價之調整僅於調整源自於計量期(最長為收購日期起12個月)內所取得有關於收購日期之公平值之新資料時方與商譽確認。分類為資產或負債之或然代價之所有其他其後調整均於損益中確認。

本集團於附屬公司權益的變動並無導致本集團對附屬公司失去控制權，會作為股權交易入賬。本集團的權益及非控股權益的賬面值經調整以反映彼等於附屬公司的有關權益變動。非控股權益的經調整金額與已付或已收代價的公平值間任何差額直接於權益中確認並歸屬於本公司的擁有人。



## Notes to the Financial Statements

### 財務報表附註

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 4.1 Business combination and basis of consolidation (Continued)

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of.

Subsequent to acquisition, the carrying amount of non-controlling interests that represent present ownership interests in the subsidiary is the amount of those interests at initial recognition plus such non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to such non-controlling interests even if this results in those non-controlling interests having a deficit balance.

##### 4.2 Subsidiaries

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

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

#### 4. 主要會計政策(續)

##### 4.1 業務合併及綜合賬目基準(續)

當本集團失去附屬公司控制權時，出售所產生溢利或虧損為以下兩者之差額(i)已收代價之公平值與任何保留權益之公平值之總額及(ii)該附屬公司之資產(包括商譽)及負債與任何非控股權益之過往賬面值。以往於其他全面收益確認與附屬公司有關之金額乃按相同方式入賬，猶如相關資產或負債已經出售而將需要如此。

收購後，代表目前於附屬公司擁有權益之非控股權益之賬面值為該等權益於初步確認時之金額加上非控股權益應佔權益其後權益變動之部分。即使會導致非控股權益產生負值結餘，全面收益總額仍屬於該非控股權益。

##### 4.2 附屬公司

附屬公司指本公司能對其行使控制權之被投資方。倘下列三項因素全部出現時，本公司可控制被投資方：可對被投資方行使權力；承擔來自被投資方之風險或有權獲得來自被投資方之可變動回報；及能夠運用其權力來影響有關可變動回報。當事實及情況顯示該等控制權的任何因素可能發生變動，控制權將會進行重新評估。

在本公司之財務狀況表中，於附屬公司之投資按成本扣除減值虧損(如有)列賬。附屬公司之業績由本公司按已收或應收股息基準列賬。

## Notes to the Financial Statements 財務報表附註

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.3 Foreign currencies translation

Transactions entered into by the consolidated entities in currencies other than the currency of the primary economic environment in which they operate (the “**functional currency**”) are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the end of reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income, in which case, the exchange differences are also recognised in other comprehensive income.

On consolidation, income and expense items of foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the rates approximating to those ruling when the transactions took place are used. All assets and liabilities of foreign operations are translated at the rate ruling at the end of reporting period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity as foreign exchange reserve (attributed to minority interests as appropriate). Exchange differences recognised in profit or loss of group entities’ separate financial statements on the translation of long-term monetary items forming part of the Group’s net investment in the foreign operation concerned are reclassified to other comprehensive income and accumulated in equity as foreign exchange reserve.

On disposal of a foreign operation, the cumulative exchange differences recognised in the foreign exchange reserve relating to that operation up to the date of disposal are reclassified to profit or loss as part of the profit or loss on disposal.

### 4. 主要會計政策(續)

#### 4.3 外幣換算

綜合實體以實體經營所在的主要經濟環境的貨幣(「**功能貨幣**」)以外之貨幣進行交易，乃以進行交易時適用之匯率記賬。外幣貨幣資產及負債按報告期末之適用匯率換算。按公平值以外幣入賬之非貨幣項目按釐定公平值當日之現行匯率重新換算。按歷史成本以外幣計算之非貨幣項目不作重新換算。

貨幣項目結算及換算貨幣項目所產生之匯兌差額於其產生的期間在損益中確認。重新換算非貨幣項目所產生之匯兌差額按公平值計入期間的損益，惟重新換算有關盈虧在其他全面收益確認之非貨幣項目所產生之差額除外，在此情況下，匯兌差額在其他全面收益確認。

於綜合賬目時，海外業務之收支項目乃按年度平均匯率換算為本集團之呈列貨幣(即港幣)，惟倘匯率於有關期間內大幅波動則除外，在此情況下，則按交易進行時採用之概約匯率換算。海外業務之所有資產及負債乃按於報告期末之適用匯率換算。由此產生之匯兌差額(如有)則於其他全面收益確認，並於權益累計為外匯儲備(歸屬於少數股東權益，如適用)。於集團實體之獨立財務報表中就換算組成本集團海外業務投資淨額一部分之長期貨幣項目而於損益確認之匯兌差額，重新分類至其他全面收益，並於權益累計為外匯儲備。

在出售海外業務時，截至出售日期在該業務外匯儲備確認之累計匯兌差額重新分類至損益，作為出售時溢利或虧損一部分。

## Notes to the Financial Statements

### 財務報表附註

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 4.3 Foreign currencies translation (Continued)

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of reporting period. Exchange differences arising are recognised in the foreign exchange reserve.

##### 4.4 Investment properties

Investment properties are land and/or buildings which are owned or held under a leasehold interest to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use.

When the Group holds a property interest under an operating lease to earn rental income and/or for capital appreciation, the interest is classified and accounted for as an investment property on a property-by-property basis. Any such property interest which has been classified as an investment property is accounted for as if it were held under a finance lease.

On initial recognition, investment property is measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment property is stated at fair value, unless it is still in the course of construction or development at the reporting date and its fair value cannot be reliably determined at that time. Fair value is determined by independent professional valuers, with sufficient experience with respect to both the location and the nature of the investment property. The carrying amounts recognised at the reporting date reflect the prevailing market conditions at the reporting date.

Gains or losses arising from either changes in the fair value or the sale of an investment property are included in profit or loss in the period in which they arise.

#### 4. 主要會計政策(續)

##### 4.3 外幣換算(續)

於二零零五年一月一日或之後因收購海外業務而產生之可識別資產之商譽及公平值調整，被視作該海外業務之資產與負債，並按報告期末適用之現行匯率重新換算。由此產生之匯兌差額於外匯儲備確認。

##### 4.4 投資物業

投資物業是指為賺取租金收入及／或為資本增值而以租賃權益擁有或持有的土地及／或樓宇，當中包括就尚未確定未來用途持有的土地。

當本集團以經營租賃持有物業權益以賺取租金收入及／或為資本增值，有關的權益會按每項物業的基準劃歸為投資物業。劃歸為投資物業的任何有關物業權益的入賬方式與以融資租賃持有的權益一樣。

初步確認時，投資物業以成本計量，包括任何直接應佔開支。初步確認後，除非投資物業在報告日期仍然在興建或開發過程中，而當時其公平值不能可靠地確定，否則投資物業按公平值列賬。公平值由對投資物業地點及性質具足夠經驗的獨立專業估值師釐定。於報告日期確認的賬面值，反映於報告日期的當時市況。

因投資物業公平值變動或出售投資物業所產生的任何盈虧於產生期間計入損益。

## Notes to the Financial Statements

### 財務報表附註

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 4.5 Property, plant and equipment

Property, plant and equipment, other than construction-in-progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of property, plant and equipment includes its purchase price and any directly attributable cost of bringing the asset to its working condition and location for its intended use.

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 as expense in profit or loss during the year in which they are incurred.

Depreciation on the following property, plant and equipment is calculated using the straight-line method to allocate their costs less their residual values over their estimated useful lives, as follows:

Buildings	4%
Furniture and equipment	10% to 33%
Motor vehicles and vessels	6.67% to 33%
Facilities	5%
Marine travel facilities and equipment	6.67% to 20%
Right-of-use assets	Shorter of the assets' useful life and the lease term

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

The gain or loss arising from retirement or disposal of an item of property, plant and equipment is determined as the difference between the net sales proceeds and the carrying amount of the item and is recognised in the profit or loss.

Construction in progress is stated at cost less any impairment losses, and is not depreciated. Construction in progress is reclassified to appropriate category of property, plant and equipment when the construction works complete and ready for use.

#### 4. 主要會計政策(續)

##### 4.5 物業、廠房及設備

物業、廠房及設備(在建工程除外)乃按照成本減累計折舊及任何減值虧損列賬。物業、廠房及設備之成本包括其購買價及令資產達致符合預計用途之操作狀況及運到使用地點之任何直接應計費用。

如項目相關之未來經濟利益可能歸入本集團，而項目成本可妥為計量，則項目之其後成本方會計入資產之賬面值或確認為獨立資產(倘適用)。所有其他維修保養費用於損益中確認為產生之年內的開支。

下列物業、廠房及設備折舊乃採用直線法計算，於其估計可使用年期內以其成本減其剩餘價值：

樓宇	4%
傢俬及設備	10%至33%
汽車及船舶	6.67%至33%
設施	5%
海上旅遊設施及設備	6.67%至20%
使用權資產	資產可使用年期及租期(以較短者為準)

資產之剩餘價值、折舊方法及可使用年期於各報告日期已作出檢討，並作出調整(倘適用)。

因報廢或出售物業、廠房及設備項目所產生的收益或虧損被釐定為項目出售所得款項淨額及其賬面值兩者之差額並於損益中確認。

在建工程乃按成本減任何減值虧損列賬，且並無折舊。在建工程於完成及可供使用時重新分類至適當之物業、廠房及設備類別。

## Notes to the Financial Statements

### 財務報表附註

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 4.6 Prepaid land lease payments

###### **Accounting policies applied until 31 December 2018**

Prepaid land lease payments represent up-front payments to acquire the land use rights/leasehold land. They are stated at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is calculated on a straight-line basis over the term of the lease/right of use except where an alternative basis is more representative of the time pattern of benefits to be derived by the Group from use of the land.

The determination if an arrangement is or contains a lease and the lease is an operating lease is detailed in note 4.14(B).

##### 4.7 Properties held for sale and properties under development

Properties held for sale and properties under development are stated at the lower of cost and net realisable value. Cost comprises the leasehold land (note 4.14(A)) together with direct costs attributable to the development of the properties and borrowing costs capitalised during the period of development.

Properties held for development represented properties which has not yet commenced development and mainly comprises of leasehold land (note 4.14(A)) before commencement of construction.

Properties held under development for future sale in the ordinary course of business are included in current assets and stated at the lower of cost and net realisable value. Cost comprises the acquisition cost of land, aggregate cost of development, materials and supplies, wages and other direct expenses and an appropriate proportion of overheads. On completion, the properties are transferred to properties held for sale.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated selling expenses.

##### 4.8 Inventories

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using first-in first-out method, weighted average and actual cost basis. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

#### 4. 主要會計政策(續)

##### 4.6 預付土地租賃付款

###### **應用至二零一八年十二月三十一日之會計政策**

預付土地租賃付款指購入土地使用權／租賃土地之預付款，按成本減累計攤銷及任何累計減值虧損列賬。攤銷乃以直線法按租約／使用權年期計算，惟倘若有另一種更能反映本集團於土地使用衍生之利益時間模式之基準則除外。

釐定一項安排是否屬於或包含租賃以及該租賃是否屬於經營租賃，乃於附註4.14(B)詳述。

##### 4.7 持作出售物業及發展中物業

持作出售及發展中之物業以成本與可變現淨值之較低者列賬。成本包括租賃土地成本(附註4.14(A))、開發物業之直接成本及開發期內已資本化之借貸成本。

持作發展物業指尚未展開發展之物業，主要包括施工前之租賃土地(附註4.14(A))。

在日常業務過程中，持作日後出售之發展中物業計入流動資產，並以成本及可變現淨值之較低者入賬。成本包括土地收購成本、開發總成本、材料及物料、薪金、其他直接開支及適當比例之管理費用。完成後，物業轉為持作出售物業。

可變現淨值為日常業務過程之估計售價減去完成之估計成本及估計銷售開支。

##### 4.8 存貨

存貨最初以成本確認，其後以成本及可變現淨額之較低者入賬。成本包括所有採購成本、轉換成本及將存貨運至目前地點及使其達到現時狀況所產生的其他相關成本。成本乃按先入先出法、加權平均及實際成本釐定。可變現淨值指日常業務過程中之估計售價減估計銷售所需成本。



## Notes to the Financial Statements 財務報表附註

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.9 Cash and cash equivalents

For the purpose of the consolidated statement of cash flows presentation, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, bank and cash balances comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

#### 4.10 Financial instruments

##### (i) Financial assets

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

##### *Debt instruments*

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

### 4. 主要會計政策(續)

#### 4.9 現金及現金等價物

就綜合現金流量表呈列而言，現金及現金等價物包括手頭現金及活期存款，以及可轉換為已知金額現金且無重大價值變動風險之短期高流動投資，並於購置後三個月內到期，扣除須於要求時償還之銀行透支，並構成本集團現金管理之一部分。

就綜合財務狀況表呈列而言，銀行及現金結存包括手頭及銀行現金，包括不限制使用的定期存款。

#### 4.10 金融工具

##### (i) 金融資產

金融資產(並無重大融資部分的貿易應收款項除外)初步按公平值加上與其收購或發行直接相關的交易成本，而非按公平值計入損益(「按公平值計入損益」)計量。並無重大融資部分的貿易應收款項初步按交易價格計量。

所有常規買賣的金融資產乃於交易日(即本集團承諾購買或出售該資產之日)確認。常規買賣乃指按市場規定或慣例普遍確立的期間內交收資產的金融資產買賣。

附帶嵌入衍生工具的金融資產於釐定其現金流量是否純粹為支付本金及利息時以整體作出考慮。

##### *債務工具*

其後計量債務工具視乎本集團管理資產的業務模式及資產的現金流量特徵。本集團將其債務工具分類為三個計量分類：

## Notes to the Financial Statements

### 財務報表附註

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 4.10 Financial instruments (Continued)

###### (i) Financial assets (Continued)

###### Debt instruments (Continued)

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

Fair value through other comprehensive income (“**FVOCI**”): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets’ cash flows represent solely payments of principal and interest, are measured at FVOCI. Debt investments at FVOCI are subsequently measured at fair value. Interest income calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

FVPL: Financial assets at FVPL include financial assets held for trading, financial assets designated upon initial recognition at FVPL, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVPL, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at FVPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

#### 4. 主要會計政策 (續)

##### 4.10 金融工具 (續)

###### (i) 金融資產 (續)

###### 債務工具 (續)

攤銷成本：持作收取合約現金流量的資產按攤銷成本計量，其中有關現金流量純粹指本金及利息付款。按攤銷成本入賬的金融資產其後使用實際利率法計量。利息收入、外匯收益及虧損以及減值於損益確認。終止確認的任何收益乃於損益確認。

按公平值計入其他全面收益 (「**按公平值計入其他全面收益**」)：倘持有資產目的為收取合約現金流量及銷售金融資產，且資產的現金流量純粹為本金及利息付款，則按公平值計入其他全面收益計量。按公平值計入其他全面收益的債務投資其後按公平值計量。採用實際利率法計算的利息收入、匯兌收益及虧損以及減值於損益確認。其他收益及虧損淨額於其他全面收益確認。於其他全面收益累計的收益及虧損在終止確認時重新分類至損益。

按公平值計入損益：按公平值計入損益之金融資產包括持作買賣的金融資產、於初步確認時指定按公平值計入損益之金融資產或強制要求按公平值計量的金融資產。倘為於近期出售或購回而收購金融資產，則該等金融資產分類為持作買賣。衍生工具(包括獨立嵌入式衍生工具)亦分類為持作買賣，除非彼等被指定為有效對沖工具則除外。現金流量並非純粹本金及利息付款的金融資產，不論其業務模式如何，均按公平值計入損益分類及計量。儘管如上文所述債務工具可按攤銷成本或按公平值計入其他全面收益分類，但於初步確認時，倘能夠消除或顯著減少會計錯配，則債務工具可指定為按公平值計入損益。

## Notes to the Financial Statements 財務報表附註

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.10 Financial instruments (Continued)

##### (i) Financial assets (Continued)

###### Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Equity investments at FVOCI are measured at fair value. Dividend income are recognised in profit or loss unless the dividend income clearly represents a recovery of part of the cost of the investments. Other net gains and losses are recognised in other comprehensive income and are not reclassified to profit or loss. All other equity instruments are classified as FVPL, whereby changes in fair value, dividends and interest income are recognised in profit or loss.

##### (ii) Impairment loss on financial assets

The Group recognises loss allowances for expected credit loss ("ECL") on financial assets measured at amortised cost and debt investments measured at FVOCI. The ECL are measured on either of the following bases: (1) 12 months ECL: these are the ECL that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECL: these are ECL that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECL is the maximum contractual period over which the Group is exposed to credit risk.

ECL are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

### 4. 主要會計政策(續)

#### 4.10 金融工具(續)

##### (i) 金融資產(續)

###### 股本工具

於初次確認並非持作買賣用途的股本投資時，本集團可不可撤回地選擇於其他全面收益中呈列投資公平值的後續變動。該選擇乃按投資逐項作出。按公平值計入其他全面收益的股本投資按公平值計量。股息收入於損益內確認，除非股息收入明確表示收回部分投資成本。其他收益及虧損淨額於其他全面收益確認且不會重新分類至損益。所有其他股本工具乃分類為按公平值計入損益，而公平值、股息及利息收入的變動乃於損益確認。

##### (ii) 金融資產減值虧損

本集團就按攤銷成本計量的金融資產及按公平值計入其他全面收益計量的債務投資確認預期信貸虧損(「預期信貸虧損」)的虧損撥備。預期信貸虧損乃按以下任何一項基準計量：(1)12個月預期信貸虧損：指報告日期後12個月內發生可能違約事件而產生的預期信貸虧損；及(2)賬齡預期信貸虧損：指金融工具預期賬齡內發生所有可能違約事件而產生的預期信貸虧損。於估計預期信貸虧損時所考慮的最長期間為本集團面臨信貸風險的最長合約期間。

預期信貸虧損乃信貸虧損的概率加權估計。信貸虧損乃按根據合約應付本集團的所有合約現金流量與本集團預期收取的現金流量之間的差額計量。其後差額按資產原實際利率的相若金額貼現。

## Notes to the Financial Statements

### 財務報表附註

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 4.10 Financial instruments (Continued)

###### (ii) Impairment loss on financial assets (Continued)

The Group has elected to measure loss allowances for trade receivables using HKFRS 9 simplified approach and has calculated ECL based on lifetime ECL. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other debt financial assets, the ECL are based on the 12 months ECL. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be credit-impaired when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 90 days past due.

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For non credit-impaired financial assets interest income is calculated based on the gross carrying amount.

#### 4. 主要會計政策(續)

##### 4.10 金融工具(續)

###### (ii) 金融資產減值虧損(續)

本集團已選擇使用香港財務報告準則第9號簡化法計量貿易應收款項的虧損撥備，並已根據賬齡預期信貸虧損計算預期信貸虧損。本集團已設立基於本集團過往信貸虧損經驗的撥備矩陣，並按有關債務人的特定前瞻性因素及經濟環境調整。

就其他債務金融資產而言，預期信貸虧損按12個月預期信貸虧損釐定。然而，倘自發生以來信貸風險顯著增加，則撥備將以賬齡預期信貸虧損為基準。

於釐定金融資產信貸風險是否自初步確認以來大幅增加及估計預期信貸虧損時，本集團在避免不當成本或努力的前提下考慮相關可得的合理可靠資料，包括根據本集團過往經驗及已知信貸評估得出的定量及定性資料分析，以及前瞻性資料。

本集團假設，倘一項金融資產逾期超過30日，則其信貸風險會大幅增加。

本集團於下列情況下將金融資產視為信用減值：(1) 借款人不可能在本集團對如變現抵押(如持有)等行為無追索權的情況下向本集團悉數支付其信貸義務；或(2) 該金融資產逾期超過90日。

信用減值金融資產的利息收入乃按金融資產的攤銷成本(即賬面總額減虧損撥備)計算。非信用減值金融資產的利息收入乃按賬面總額計算。

## Notes to the Financial Statements 財務報表附註

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.10 Financial instruments (Continued)

##### (iii) Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

##### *Financial liabilities at amortised cost*

Financial liabilities at amortised cost including trade and other payables and borrowings are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

##### (iv) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

##### (v) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

### 4. 主要會計政策(續)

#### 4.10 金融工具(續)

##### (iii) 金融負債

本集團視乎負債產生之目的，將其金融負債分類。按攤銷成本入賬之金融負債初步按公平值扣除直接應佔所產生之成本計量。

##### *按攤銷成本入賬之金融負債*

按攤銷成本入賬之金融負債(包括貿易及其他應付款項及借貸)，隨後按攤銷成本採用實際利息法計量。相關利息開支於損益中確認。

當負債終止確認時，以及在攤銷過程中，收益或虧損於損益中確認。

##### (iv) 實際利息法

實際利息法乃計算金融資產或金融負債及按有關期間分配利息收入或利息開支之攤銷成本計算方法。實際利率乃透過金融資產或負債之預期年期或(如適用)較短期間準確貼現估計未來現金收款或付款之利率。

##### (v) 股本工具

股本工具為見證於本集團資產之餘額權益經扣除其所有負債後之任何合約。本公司發行之股本工具確認為扣除直接發行成本後收取之所得款項。

購回本公司自身股本工具直接於權益確認及扣除。概無就購買、出售、發行或註銷本公司自身股本工具而於損益中確認收益或虧損。



## Notes to the Financial Statements

### 財務報表附註

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 4.10 Financial instruments (Continued)

###### (vi) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. A financial guarantee contract issued by the Group and not designated as at FVPL is recognised initially at its fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the loss allowance, being the ECL provision measured in accordance with principles of the accounting policy set out in note 4.10(ii); and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the principles of HKFRS 15.

###### (vii) Derecognition

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKFRS 9.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

Where the Group issues its own equity instruments to a creditor to settle a financial liability in whole or in part as a result of renegotiating the terms of that liability, the equity instruments issued are the consideration paid and are recognised initially and measured at their fair value on the date the financial liability or part thereof is extinguished. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments are measured to reflect the fair value of the financial liability extinguished. The difference between the carrying amount of the financial liability or part thereof extinguished and the consideration paid is recognised in profit or loss for the year.

#### 4. 主要會計政策 (續)

##### 4.10 金融工具 (續)

###### (vi) 金融擔保合約

金融擔保合約規定發行人向持有人支付指定金額，以補償持有人由於指定欠債人未能根據債務工具原訂或經修訂條款於到期時付款而蒙受的損失。由本集團發出的並非指定為按公平值計入損益的金融擔保合約初步按公平值減發出金融擔保合約直接產生的交易成本予以確認。初步確認後，本集團按以下各項較高者計量金融擔保合約：(i)虧損撥備金額，即根據載於附註4.10(ii)之會計政策之原則計量之預期信貸虧損撥備；及(ii)初步確認金額減(如適當)根據香港財務報告準則第15號之原則確認之累計攤銷。

###### (vii) 終止確認

當與金融資產相關之未來現金流量合約權利屆滿，或當金融資產已按照符合香港財務報告準則第9號終止確認之條件轉讓，則本集團終止確認該項金融資產。

當於相關合約之特定責任被解除、取消或屆滿時，即終止確認金融負債。

倘本集團因重新磋商負債條款而向債權人發行本身的權益工具以償付全部或部分金融負債，所發行的權益工具即所付代價，乃初步按有關金融負債(或當中部分)註銷當日的公平值確認及計量。倘已發行權益工具的公平值無法可靠計量，則權益工具按已註銷金融負債的公平值計量。已註銷金融負債(或當中部分)的賬面值與所付代價間的差額乃於年內在損益內確認。

## Notes to the Financial Statements 財務報表附註

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.11 Revenue recognition

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

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

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

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

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

### 4. 主要會計政策(續)

#### 4.11 收益確認

來自與客戶合約之收益乃於貨品或服務之控制權按反映本集團預期有權交換該等貨品或服務代價之金額(不包括代表第三方收取之該等金額)轉移至客戶時確認。收益不包括增值稅或其他銷售稅項且經扣除任何貿易賬款。

視乎合約條款及適用於合約之法律，貨品或服務之控制權可能隨時間或於某一時點轉移。倘本集團之履約屬以下情況，則貨品或服務之控制權可隨時間轉移：

- 提供客戶同時收取及消耗的所有利益；
- 隨本集團履約而創建或改良客戶控制的資產；或
- 並無創建對本集團具有替代用途之資產，並且本集團就迄今已完成之履約擁有可強制執行之收取付款之權利。

倘貨品或服務之控制權隨時間轉移，收益會於合約期間經參考完成履約責任之進度確認。否則，收益會在客戶獲得貨品或服務之控制權時確認。

倘合約中包含向客戶轉移貨品或服務時為客戶提供超過一年的重大融資利益的融資成分，則收益按應收金額的現值計量，並使用與本集團與客戶於合約訂立時的單獨融資交易中反映的貼現率貼現。倘合約中包含為本集團提供重大融資利益的融資成分，則根據該合約確認的收益包括按實際利率法計算的合約負債所產生的利息開支。就許諾貨品或服務的付款至轉移期間為一年或以下的合約而言，交易價格不會使用香港財務報告準則第15號中的實際權宜方法就重大融資成分之影響作出調整。

## Notes to the Financial Statements

### 財務報表附註

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 4.11 Revenue recognition (Continued)

###### (i) Sales of properties

Revenue is recognised when or as the control of the asset is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may be transferred over time or at a point in time. If properties have no alternative use to the Group contractually and the Group has an enforceable right to payment from the customers for performance completed to date, the Group satisfies the performance obligation over time and therefore, recognises revenue over time in accordance with the input method for measuring progress. Otherwise, revenue is recognised at a point in time when the customer obtains control of the completed property.

The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation, by reference to the contract costs incurred up to the end of reporting period as a percentage of total estimated costs for each contract.

For property development and sales contract for which the control of the property is transferred at a point in time, revenue is recognised when the customer obtains the physical possession or the legal title of the completed property and the Group has present right to payment and the collection of the consideration is probable.

In determining the transaction price, the Group adjusts the promised amount of consideration for the effect of a financing component if it is significant.

###### (ii) Rental

Rental is recognised in the consolidated income statement on a straight-line basis over the lease term.

###### (iii) Sales of goods

Income from sales of goods is recognised at a point in time when the goods are delivered to customers and title has passed.

#### 4. 主要會計政策(續)

##### 4.11 收益確認(續)

###### (i) 銷售物業

當資產的控制權轉移至客戶時，方可確認收益。視乎合約條款及適用於合約之法例，資產控制權可隨時間或於某一時點轉移。倘物業在本集團履約過程中並無其他用途，並且本集團就迄今已完成之履約擁有可強制執行之收取客戶付款之權利，本集團根據滿足在一段時間內履行義務的條件，按計量進度的輸入法確認收入。否則，收入會在當客戶獲得已完成物業的控制權時在某一時點確認。

完成履約責任的進度乃基於本集團完成履約責任的付出或投入計量，並參考截至報告期末產生的合約成本作為各合約的總估計成本的一定百分比。

對於在某一時點轉移物業控制權的物業開發及銷售合約，收益於客戶獲得實物所有權或已完工物業的合法業權且本集團現時擁有收取付款的權利並很可能收回代價時確認。

於釐定交易價格時，若融資成分的影響重大，本集團將調整代價的許諾金額。

###### (ii) 租金

租金乃於綜合收益表內按直線法在租期內確認。

###### (iii) 銷售貨品

銷售貨品的收入乃於貨品交付客戶及業權轉移時的時間點確認。

## Notes to the Financial Statements 財務報表附註

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.11 Revenue recognition (Continued)

##### (iv) Service fees

Revenue from hotel operation and marine travelling services fees are recognised when services are rendered.

##### (v) Interest

Interest is recognised on a time proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired receivables is recognised using the original effective interest rate.

##### (vi) Dividend

Dividend is recognised when the right to receive payment is established.

##### *Contract assets and liabilities*

A contract asset represents the Group's right to consideration in exchange for services that the Group has transferred to a customer that is not yet unconditional. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

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

Contract asset is recognised when the customers retain retention money to secure the due performance of the contracts. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. If the considerations (including advances received from customers) exceeds the revenue recognised to date under the output method then the Group recognises a contract liability for the difference.

### 4. 主要會計政策(續)

#### 4.11 收益確認(續)

##### (iv) 服務費

酒店經營的收益及海上旅遊服務費乃於提供服務時確認。

##### (v) 利息

利息採用實際利息法按時間比例基準確認。當應收款項出現減值，本集團會按工具的原實際利率貼現的估計未來現金流量將賬面值撇減至其可收回金額，並繼續計算貼現率作為利息收入。已減值應收款項的利息收入以原實際利率確認。

##### (vi) 股息

股息在收取付款之權利確立時確認。

##### *合約資產及負債*

合約資產指本集團尚未擁有向客戶轉移服務而收取代價之無條件權利。相反，應收款項指本集團收取代價之無條件權利，即代價付款僅需隨時間流逝到期收回。

合約負債指本集團向客戶轉移本集團已自客戶收取代價(或應收代價金額)的服務的責任。

當客戶保留保固金以確保妥當履行合約時確認合約資產。先前確認為合約資產的任何款項於向客戶開具發票的時間點分類為貿易應收款項。倘代價(包括已收客戶墊款)超過迄今根據產出法確認的收益，則本集團就差額確認合約負債。

## Notes to the Financial Statements

### 財務報表附註

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 4.12 Capitalisation of borrowing costs

Borrowing costs attributable directly to the acquisition, construction or production of qualifying assets which require a substantial period of time to be ready for their intended use or sale, are capitalised as part of the cost of those assets. Income earned on temporary investments of specific borrowings pending their expenditure on those assets is deducted from borrowing costs capitalised. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

##### 4.13 Income taxes

Income taxes for the year comprise current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Except for goodwill and recognised assets and liabilities that affect neither accounting nor taxable profits, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates appropriate to the expected manner in which the carrying amount of the asset or liability is realised or settled and that have been enacted or substantively enacted at the end of reporting period.

An exception to the general requirement on determining the appropriate tax rate used in measuring deferred tax amount is when an investment property is carried at fair value under HKAS 40 "Investment Property". Unless the presumption is rebutted, the deferred tax amounts on these investment properties are measured using the tax rates that would apply on sale of these investment properties at their carrying amounts at the reporting date. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all the economic benefits embodied in the property over time, rather than through sale.

#### 4. 主要會計政策(續)

##### 4.12 資本化借貸成本

收購、建造或生產須耗用較長時間方可作擬定用途或銷售之合資格資產直接產生之借貸成本均撥充資本，作為該等資產成本之一部分。特定借款撥作該等資產支出前暫時用作投資所賺取之收入須自資本化之借貸成本中扣除。所有其他借貸成本於產生期間於損益中確認。

##### 4.13 所得稅

年內所得稅包括即期稅項及遞延稅項。

即期稅項乃根據日常業務之溢利或虧損，就所得稅而言毋須課稅或不可扣減之項目作出調整，按報告期末已制定或大致上制定之稅率計算。

遞延稅項乃以就財務報告而言資產與負債之賬面值與就稅務而言之相關數值間之暫時差額確認。除不影響會計或應課稅溢利之商譽及已確認資產與負債外，遞延稅項負債均會就所有應課稅暫時差額確認。遞延稅項資產乃在可運用可扣稅暫時差額抵銷應課稅溢利之情況下確認。遞延稅項乃按適用於預期變現資產或清償負債賬面值的方式以及於報告期末已實施或大致上已實施之稅率計算。

對於計量遞延稅項金額時用於釐定適合稅率的一般規定而言，有一個例外情況，即投資物業是根據香港會計準則第40號「投資物業」而按公平值列賬。除非該假定被推翻，否則此等投資物業的遞延稅項金額是以出售此等投資物業時所適用的稅率以及按其於報告日期的賬面值而計量。若投資物業是可計提折舊並根據一個商業模式而持有，而該商業模式的目的是隨著時間推移而消耗該物業所體現的絕大部分經濟利益(而不是通過出售)時，該假定即被推翻。



## Notes to the Financial Statements 財務報表附註

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.13 Income taxes (Continued)

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, 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.

Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in other comprehensive income.

Current tax assets and current tax liabilities are presented in net if, and only if,

- (a) the Group has the legally enforceable right to set off the recognised amounts; and
- (b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Group presents deferred tax assets and deferred tax liabilities in net if, and only if,

- (a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
  - (i) the same taxable entity; or
  - (ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

### 4. 主要會計政策(續)

#### 4.13 所得稅(續)

遞延稅項負債乃就與於附屬公司投資產生之應課稅暫時差額而確認，惟本集團可控制暫時差額之撥回及暫時差額可能不會於可見將來撥回時除外。

所得稅乃於損益中確認，除非該等稅項與於其他全面收益確認之項目有關，在此情況下，該等稅項亦於其他全面收益確認。

即期稅項資產與即期稅項負債只會於以下情況以淨額呈列：

- (a) 本集團依法有強制執行權可以將已確認金額對銷；及
- (b) 計劃以淨額基準結算或同時變現資產及結清負債。

本集團只會於以下情況以淨額呈列遞延稅項資產與遞延稅項負債：

- (a) 該實體依法有強制執行權可以將即期稅項資產與即期稅項負債對銷；及
- (b) 遞延稅項資產與遞延稅項負債是關於同一稅務機關就以下任何一項所徵收的所得稅：
  - (i) 同一應課稅實體；或
  - (ii) 計劃於各段未來期間(而預期在有關期間內將結清或收回大額的遞延稅項負債或資產)以淨額基準結算即期稅項負債與資產或同時實現資產及結清負債的不同應課稅實體。

## Notes to the Financial Statements

### 財務報表附註

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 4.14 Leasing

##### (A) Accounting policies applied from 1 January 2019

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

##### *Right-of-use asset*

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

The Group accounts for leasehold land and buildings that are held for rental or capital appreciation purpose under HKAS 40 and are carried at fair value. The Group accounts for leasehold land and buildings which is held for own use under HKAS 16 and are carried at depreciated cost. Other than the above right-of-use assets, the Group also has leased a number of properties under tenancy agreements which the Group exercises its judgement and determines that it is a separate class of asset apart from the leasehold land and buildings which is held for own use. As a result, the right-of-use asset arising from the properties under tenancy agreements are carried at depreciated cost.

#### 4. 主要會計政策(續)

##### 4.14 租約

##### (A) 自二零一九年一月一日起應用之會計政策

所有租賃(不論為營運租賃或融資租賃)須於財務狀況表資本化為使用權資產及租賃負債,惟實體可選擇會計政策,選擇不將(i)屬短期租賃的租賃及/或(ii)相關資產為低價值的租賃進行資本化。本集團已選擇不就於開始日期租期少於12個月的租賃確認使用權資產及租賃負債。與該等租賃相關的租賃付款已於租期內按直線法支銷。

##### *使用權資產*

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

本集團持作出租或資本增值用途的租賃土地及樓宇會繼續根據香港會計準則第40號入賬並會按公平值列賬。本集團持作自用的租賃土地及樓宇會繼續根據香港會計準則第16號入賬並會按折舊成本列賬。因此,採用香港財務報告準則第16號對該等使用權資產並無任何重大影響。除上述使用權資產外,本集團亦已根據租賃協議出租多項物業,其中經本集團判斷後,釐定其屬持作自用租賃土地及樓宇以外的獨立資產類別。因此,租賃協議項下物業產生的使用權資產按折舊成本列賬。

## Notes to the Financial Statements 財務報表附註

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.14 Leasing (Continued)

##### (A) Accounting policies applied from 1 January 2019 (Continued)

###### *Lease liability*

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

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

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

### 4. 主要會計政策(續)

#### 4.14 租約(續)

##### (A) 自二零一九年一月一日起應用之會計政策(續)

###### *租賃負債*

租賃負債按於租賃開始日期未付之租賃付款的現值確認。租賃付款以租賃隱含的利率(倘該利率可輕易釐定)貼現。倘該利率無法輕易釐定，本集團應採用本集團的增量借款利率。

下列於租賃開始日期未付的租期內就相關資產使用權支付的款項被視為租賃付款：(i)固定付款減任何應收租賃優惠；(ii)基於指數或利率的可變租賃付款，於開始日期初步採用指數或利率計量；(iii)根據餘值擔保預期承租人將須支付的金額；(iv)倘承租人合理地肯定行使購買權，該購買權的行使價；及(v)於承租人行使終止租賃的選擇權的租期內所需支付的終止租賃罰款。

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

## Notes to the Financial Statements

### 財務報表附註

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 4.14 Leasing (Continued)

##### (A) Accounting policies applied from 1 January 2019 (Continued)

###### Accounting as a lessor

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

##### (B) Accounting policies applied until 31 December 2018

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

###### The Group as lessor

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

###### The Group as lessee

Where the Group has the right to use of assets held under operating leases, payments made under the leases are charged to profit or loss on a straight line basis over the lease terms except where an alternative basis is more representative of the pattern of benefits to be derived from the leased assets. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rental are charged to profit or loss in the accounting period in which they are incurred.

#### 4. 主要會計政策 (續)

##### 4.14 租約 (續)

##### (A) 自二零一九年一月一日起應用之會計政策 (續)

###### 作為出租人的會計處理

本集團已向多項承租人出租其投資物業。營運租賃之租金收入乃按相關租約年期以直線法於損益中確認。於磋商及安排營運租賃時所產生之初步直接成本添加於租賃資產之賬面值，並以直線法於租期內確認為開支。

##### (B) 應用至二零一八年十二月三十一日之會計政策

倘租約條款將所有權絕大部分風險及回報轉讓予承租人，則租賃被分類為融資租約。所有其他租約被分類為營運租賃。

###### 本集團作為出租人

營運租賃之租金收入乃按相關租約年期以直線法於損益中確認。於磋商及安排營運租賃時所產生之初步直接成本添加於租賃資產之賬面值，並以直線法於租期內確認為開支。

###### 本集團作為承租人

倘本集團持有按營運租賃持有之資產之使用權，根據租約所付出款項會按租期以直線法自損益中扣除，惟倘另一基準更能代表租賃資產所產生利益之模式則除外。所獲租約優惠於損益中確認為所付總租金淨額之一部分。或有租金於產生之會計期間自損益中扣除。

## Notes to the Financial Statements 財務報表附註

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.15 Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, which will probably result in an outflow of economic benefits that can be reasonably estimated.

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 of economic benefits is remote. Possible obligations, the existence of which 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 of economic benefits is remote.

#### 4.16 Employee benefits

Payments to the defined contribution retirement benefits schemes are charged as an expense when employees have rendered services entitling them to the contributions.

##### **Retirement benefits**

Retirement benefits to employees are provided through defined contribution plans.

The Group operates the Mandatory Provident Fund Scheme (the “**MPF Scheme**”) under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. The MPF Scheme is a defined contribution retirement benefit plan and contributions to the scheme are made based on a percentage of the employees’ relevant income.

The employees of the Company’s subsidiaries which operate in the PRC are required to participate in a central pension scheme operated by the local municipal government. The subsidiaries are required to contribute certain percentage of their payroll costs to the central pension scheme.

### 4. 主要會計政策(續)

#### 4.15 撥備及或然負債

因過去某一事件以致本集團出現可能導致可合理估計之經濟利益流出之法律或推定責任時，就時間或金額不明確之負債計提撥備。

倘若經濟利益不大可能需要流出，或倘若有關金額不能可靠估計時，則有關責任將獲披露為或然負債，除非經濟利益流出之可能性極微。有可能之責任(其存在僅由一項或多項未來事件之出現與否確定)亦披露為或然負債，除非經濟利益流出之可能性極微。

#### 4.16 僱員福利

向定額供款退休福利計劃所作出之付款於僱員提供可獲取該等供款之服務時作為開支扣除。

##### **退休福利**

僱員之退休福利乃透過定額供款計劃提供。

本集團根據強制性公積金計劃條例為該等合資格參與強積金計劃之僱員設立強制性公積金計劃(「**強積金計劃**」)。強積金計劃為定額供款退休福利計劃，而計劃供款乃按僱員相關收入之百分比作出。

本公司於中國經營之附屬公司之僱員須參加由地方市政府設立之中央退休金計劃。該等附屬公司須按其薪資成本之若干比例向中央退休金計劃供款。



## Notes to the Financial Statements

### 財務報表附註

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 4.17 Share-based payment transactions

###### *Equity-settled share-based payment transactions*

###### *Share options granted to employees*

The fair value of services received determined by reference to the fair value of share options granted at the grant date is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (the employee share-based compensation reserve).

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates during the vesting period, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the employee share-based compensation reserve.

When share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in the employee share-based compensation reserve will be transferred to accumulated profits.

###### *Share award scheme*

The cost of equity-settled transactions is recognised, together with a corresponding increase in the employee share-based compensation reserves in equity, over the period in which the granted conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The income statement expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

When the share award is cancelled, it is treated as if it vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately.

#### 4. 主要會計政策(續)

##### 4.17 以股份為基礎之付款交易

###### *按權益結算以股份為基礎之付款交易*

###### *授予僱員之購股權*

所獲服務之公平值乃參考購股權於授出當日之公平值釐定，並於歸屬期間以直線法支銷，並於權益中作相應增加(以股份支付的僱員酬金儲備)。

於報告期末，本集團會修訂其對預計最終歸屬購股權數目之估計。於歸屬期內修訂初始估計所帶來之影響(如有)在損益中確認，以使累計費用反應經修訂之估計，並對以股份支付的僱員酬金儲備作出相應調整。

購股權獲行使時，過往於購股權儲備中確認之數額將轉移至股份溢價。當購股權於歸屬日期後被沒收或於屆滿日仍未獲行使，過往確認於以股份支付的僱員酬金儲備之數額將轉移至累計溢利。

###### *股份獎勵計劃*

權益結算交易之成本，連同以股份支付的僱員酬金之相應增加在批約條件得到履行期間內確認。在賦權日之前每個報告日期，對於權益結算交易所確認之累計費用乃反映賦權期屆滿之程度及本集團對於最終賦權之權益工具數量之最佳估計。期內收益表費用或計入之金額乃代表該期期初及期末所確認累計費用之變動及於員工福利費用內確認。

倘股份獎勵取消，將其視為已於取消日賦權，並立即確認獎勵未確認之任何費用。

## Notes to the Financial Statements 財務報表附註

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.18 Impairment losses of non-financial assets

Property, plant and equipment, prepaid land lease payments and interests in subsidiaries are subject to impairment testing.

All non-financial assets are tested for impairment whenever there are indications that the asset's carrying amount may not be recoverable.

An impairment loss is recognised as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of fair value, reflecting market conditions less costs of disposal, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of time value of money and the risk specific to the asset.

For the purposes of assessing impairment, where an asset does not generate cash inflows largely independent from those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e. a cash-generating unit). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

#### 4.19 Non-current assets held for sale and disposal groups

A non-current asset (or disposal group) is classified as held for sale if it is highly probable that its carrying amount will be recovered through a sale transaction rather than through continuing use and the asset (or disposal group) is available for sale in its present condition. A disposal group is a group of assets to be disposed of together as a group in a single transaction, and liabilities directly associated with those assets that will be transferred in the transaction.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all the assets and liabilities of that subsidiary are classified as held for sale when the above criteria for classification as held for sale are met, regardless of whether the Group will retain a non-controlling interest in the subsidiary after the sale.

### 4. 主要會計政策(續)

#### 4.18 非金融資產減值虧損

物業、廠房及設備、預付土地租約付款及於附屬公司之權益均須進行減值測試。

所有非金融資產在出現未必能收回賬面值之跡象時進行減值測試。

減值虧損乃按資產之賬面值超出其可收回數額之差額即時確認為支出。可收回數額為反映市況之公平值減銷售成本與使用價值兩者之較高者。評估使用價值時，估計未來現金流量採用稅前折現率折現至其現值，以反映現時市場對金錢時間值及有關資產特有風險之評估。

就評估減值而言，倘資產產生之現金流入大部分並不獨立於其他資產，可收回數額則按可獨立產生現金流入之最小資產組合(即現金產生單位)釐定。因此，部分資產乃個別進行減值測試，另有部分按現金產生單位進行測試。

#### 4.19 持作出售之非流動資產及出售組別

倘非流動資產(或出售組別)的賬面值很有可能將透過出售交易而非透過持續使用而收回，則會獲分類為持作出售，而該資產(或出售組別)於其現況下可供出售。出售組別指一組資產將於同一交易中被一併出售，而與該等資產有直接關連的負債將於該交易中轉移。

當本集團承諾的出售計劃涉及失去某附屬公司的控制權時，不論本集團是否將於出售後保留該附屬公司的非控股權益，該附屬公司的所有資產及負債於符合上述分類為持作出售之條件時會分類為持作出售。

## Notes to the Financial Statements

### 財務報表附註

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 4.19 Non-current assets held for sale and disposal groups (Continued)

Immediately before classification as held for sale, the measurement of the non-current assets (and all individual assets and liabilities in a disposal group) is brought up-to-date in accordance with the accounting policies before the classification. Then, on initial classification as held for sale and until disposal, the non-current assets (except for certain assets as explained below), or disposal groups, are recognised at the lower of their carrying amount and fair value less costs to sell. The principal exceptions to this measurement policy so far as the financial statements of the Group are concerned are deferred tax assets, assets arising from employee benefits, financial assets (other than investments in subsidiaries, associates and joint ventures) and investment properties. These assets, even if held for sale, would continue to be measured in accordance with the policies set out elsewhere in note 4.

Impairment losses on initial classification as held for sale, and on subsequent remeasurement while held for sale, are recognised in profit or loss. As long as a non-current asset is classified as held for sale, or is included in a disposal group that is classified as held for sale, the non-current asset is not depreciated or amortised.

##### 4.20 Segment reporting

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors are determined following the Group's major products and service lines.

#### 4. 主要會計政策 (續)

##### 4.19 持作出售之非流動資產及出售組別 (續)

於緊接分類為持作出售前，非流動資產(及於出售組別內的所有個別資產及負債)之計量根據分類前之會計政策作出更新。其後於首次分類為持作出售及直至出售期間，非流動資產(不包括下列所闡釋之若干資產)或出售組別按其賬面值及公平值減出售成本之較低者列賬。就本集團之財務報表而言，此計量政策之主要例外為遞延稅項資產、僱員福利產生之資產、金融資產(不包括於附屬公司、聯營公司及合營企業之投資)及投資物業。該等資產，倘列為持作出售，將繼續根據附註4其他部分所載之政策予以計量。

於首次分類為持作出售及其後在持作出售期間重新計量之減值虧損於損益中確認。只要非流動資產獲分類為持作出售，或獲納入分類為持作出售之出售組別，則該非流動資產即不予折舊或攤銷。

##### 4.20 分類報告

本集團根據向執行董事呈報以供彼等就分配資源至本集團業務部分及檢討該等部分表現作出決定之定期內部財務資料識別經營分類及編製分類資料。向執行董事呈報之內部財務資料內之業務部分乃按本集團主要產品及服務線釐定。

## Notes to the Financial Statements 財務報表附註

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.20 Segment reporting (Continued)

The Group has identified the following reportable segments:

- Finance leasing – providing finance leasing services including arranging sale and leaseback transactions;
- Bulk commodity trade – trading of coal, steel and non-ferrous metal;
- Property development – holding land for property development projects;
- Property investment – providing rental services and holding investment properties for appreciation; and
- Marine recreation services and hotel – providing marine recreation and hotel services.

Each of these operating segments is managed separately as each of the products and service lines requires different resources as well as marketing approaches.

The measurement policies the Group uses for reporting segment results under HKFRS 8 are the same as those used in its financial statements prepared under HKFRSs. Segment results represent the results from each segment without allocation of results generated by head office and the inactive subsidiaries, directors' emoluments and fair value changes of investment properties. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

Segment assets include all assets other than assets held by head office and the inactive subsidiaries (mainly include other financial assets and bank balances and cash) and other unallocated assets that are not directly attributable to reportable segments. Segment liabilities exclude borrowings and liabilities incurred by head office and the inactive subsidiaries (mainly include other payables and deferred tax liabilities) and other unallocated liabilities that are not directly attributable to reportable segments.

Segment assets of property investment segment include investment properties but segment results exclude the related fair value changes for the years.

Save as the aforementioned, no asymmetrical allocations have been applied to reportable segments.

### 4. 主要會計政策(續)

#### 4.20 分類報告(續)

本集團已識別以下可呈報分類：

- 融資租賃 – 提供融資租賃服務 (包括安排售後回租交易)；
- 大宗商品貿易 – 煤炭、鋼材及有色金屬貿易；
- 物業發展 – 持有土地作物業發展項目用途；
- 物業投資 – 提供租賃服務及持有投資物業以待增值；及
- 海上旅遊服務和酒店 – 提供海上旅遊和酒店服務。

由於各產品及服務線需要不同資源以及市場推廣方法，故該等經營分類各自獨立管理。

本集團根據香港財務報告準則第8號用作呈報分類業績之計量政策與其根據香港財務報告準則編製之財務報表內採用者相同。分類業績為未分配來自總辦事處及不活躍附屬公司之業績、董事酬金以及投資物業之公平值變動前，各分類之業績。此乃向主要營運決策者報告之計量方式，以便分配資源及評估表現。

分類資產包括除總辦事處及不活躍附屬公司之資產(主要含其他金融資產及銀行結存及現金)及其他非可呈報分類直接應佔的未分配資產外的所有資產。分類負債不包括借貸以及總辦事處及不活躍附屬公司之負債(主要含其他應付款項及遞延稅項負債)及其他非可呈報分類直接應佔的未分配負債。

物業投資分類之分類資產包括投資物業，但分類業績不包括年內相關公平值變動。

除上文所披露者，並無對呈報分類採用非對稱之分配。

## Notes to the Financial Statements

### 財務報表附註

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 4.21 Government grants

Government grants are recognised when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate. Grants relating to the purchase of property, plant and equipment are recognised as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

##### 4.22 Related parties

- (a) A person or a close member of that person's family is related to the Group if that person:
- (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of key management personnel of the Group or the Company's parent.
- (b) An entity is related to the Group if any of the following conditions apply:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

#### 4. 主要會計政策(續)

##### 4.21 政府補助

當可以合理地確定將會收到政府補助且本集團將遵守其附帶條件時，政府補助將予以確認。與成本相關之補助會遞延至須與擬補助之成本相應入賬之期間在損益中確認。與購買物業、廠房及設備有關之補助確認為遞延收入，並以直線法按相關資產預計年期計入損益中。

##### 4.22 關連方

- (a) 倘屬下列情況，則某人士或該人士的近親家族成員即被視為與本集團有關連：
- (i) 對本集團有控制權或共同控制權；
  - (ii) 對本集團有重大影響力；或
  - (iii) 為本集團或本公司母公司之主要管理人員。
- (b) 倘下列任何情況適用，則某實體即為與本集團有關連：
- (i) 該實體與本集團屬同一集團的成員公司(即各母公司、附屬公司及同系附屬公司互相關連)。
  - (ii) 一個實體為另一實體的聯營公司或合營企業(或為某一集團的成員公司的聯營公司或合營企業，而該另一實體為此集團的成員)。
  - (iii) 兩個實體皆為相同第三方的合營企業。
  - (iv) 一個實體為第三實體的合營企業，而另一實體為該第三實體的聯營公司。



## Notes to the Financial Statements 財務報表附註

### 4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4.22 Related parties (Continued)

(b) (Continued)

- (v) The entity is a post-employment benefit plan for the benefit of the employees of the Group or an entity related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

### 4. 主要會計政策(續)

#### 4.22 關連方(續)

(b) (續)

- (v) 該實體為本集團或與本集團有關連的實體的僱員福利而設的離職後福利計劃。
- (vi) 該實體受(a)項所界定的人士控制或共同控制。
- (vii) (a)(i)項所界定的人士對該實體有重大影響力，或為實體(或該實體的母公司)的高級管理人員。
- (viii) 該實體或其所屬集團旗下任何公司向本集團或本集團的母公司提供主要管理人員服務。

某人士的近親家族成員指在與實體交易時預期可影響該人士或受該人士影響的家族成員，包括：

- (i) 該人士子女及配偶或同居伴侶；
- (ii) 該人士的配偶或同居伴侶的子女；及
- (iii) 該人士或該人士的配偶或同居伴侶的受養人。

## Notes to the Financial Statements

### 財務報表附註

#### 5. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Group makes estimates and assumptions concerning the future. Such estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and assumptions 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:

##### 5.1 Fair value of investment properties

Investment properties are stated at fair value based on the valuation performed by independent professional valuers. In determining the fair value, the valuers have based on a method of valuation which involves certain estimates of market condition. In relying on the valuation report, the directors of the Company have exercised their judgement and are satisfied that the assumptions used in the valuation are reflective of the current market conditions. Changes to these assumptions would result in changes in the fair values of the Group's investment properties and the corresponding adjustments to the amount of gain or loss reported in the consolidated income statement.

##### 5.2 Estimated net realisable value on properties under development

In determining whether allowances should be made for the Group's properties under development, the Group takes into consideration the current market environment and the estimated market value less estimated costs to completion of the properties. An allowance is made if the estimated market value is less than the carrying amount. If the actual net realisable value on properties under development is less than expected as a result of change in market condition and/or significant variation in the budgeted development cost, material provision for impairment losses may result.

#### 5. 估計不明朗因素之主要來源

於應用本集團之會計政策時，董事須對無法從其他途徑得知之資產及負債之賬面值進行判斷、估計及假設。

估計及相關假設乃持續進行審閱。對會計估計之修訂乃於估計修訂期間(倘修訂僅影響該期間)或修訂期間及未來期間(倘修訂影響本期間及未來期間)確認。

本集團就未來作出有關估計及假設。該等估計及相關假設乃根據過往經驗及被視為相關之其他因素而作出。實際數字或有別於估計數字。下文論述對下一個財政年度資產及負債賬面值造成須作出大幅調整之重大風險之估計及假設：

##### 5.1 投資物業之公平值

投資物業乃按獨立專業估值師進行之估值以公平值列賬。在釐訂公平值時，估值師依據之估值方法涉及若干對市況之估計。在依賴估值報告之餘，本公司董事已行使其判斷力並信納估值採用之假設足以反映現時市況。該等假設之變更會導致本集團投資物業公平值發生變動，並須對綜合收益表內所呈報之收益或虧損金額作出相應調整。

##### 5.2 發展中物業之估計可變現淨值

於釐定應否就本集團之發展中物業計提撥備時，本集團會考慮目前市場環境及估計市值減估計物業完工成本。倘估計市值低於賬面值，則須作出撥備。倘發展中物業之實際可變現淨值因市況發生變化及/或預算發展成本出現重大變動而少於預期，則可能導致重大減值虧損撥備。

## Notes to the Financial Statements 財務報表附註

### 5. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

#### 5.3 Estimated net realisable value for properties held for sale

Management exercises its judgement in making allowance for properties held for sale with reference to the existing market environment, the sales performance in previous years and estimated market value of the properties, i.e. the estimated selling price less estimated costs of selling. A specific allowance for stocks of completed properties is made based on the estimation of net realisable value on the completed properties if the estimated market value of the property is lower than its carrying amount. If the actual net realisable values of the stocks of completed properties are less than expected as a result of change in market condition, material provision for impairment losses may result.

#### 5.4 Impairment allowances on financial assets

The measurement of impairment losses under HKFRS 9 across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

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

### 5. 估計不明朗因素之主要來源(續)

#### 5.3 持作出售物業之估計可變現淨值

管理層對持作出售物業之撥備作出判斷乃根據現有市場狀況、以往年度銷售表現及該等物業之估計市值(即估計銷售價減估計銷售費用)。若物業之估計市值低於其賬面值，則須根據已完成物業的存貨之估計可變現淨值，對已完成物業作出特別撥備。倘已完成物業的存貨之實際可變現淨值因市況發生變化而少於預期，則可能導致重大減值虧損撥備。

#### 5.4 金融資產減值撥備

根據香港財務報告準則第9號對所有類別的金融資產進行減值虧損計量須作出判斷，特別是在釐定減值虧損及評估信貸風險的大幅增加時，對未來現金流量的金額及發生的時間及抵押價值的估計。此等估計受多項因素影響，當中有關的變動可能導致須作出不同程度的撥備。

於各報告日期，本集團會通過對比由報告日期至初步確認日期之間的預計年期內發生的違約風險，評估自初步確認以來信貸風險是否有顯著增加。本集團就此會考慮相關及毋須付出過度成本或努力而可用的合理及具支持理據的資料，當中包括量化及質化資料以及前瞻性分析。

## Notes to the Financial Statements

### 財務報表附註

#### 5. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

##### 5.5 Valuation of financial assets at fair value through profit or loss

The fair value of financial assets designated as at fair value through profit or loss that are not traded in an active market is determined by using external valuations or valuation techniques. The Group uses a variety of methods and makes assumptions that are mainly based on market conditions existing at each reporting date. Valuation techniques used include the use of comparable recent arm's length transactions, discounted cash flow analysis and other valuation techniques commonly used by other market participants. Changes in assumptions on the valuation techniques could affect the reported fair values of these financial assets. Further details are contained in note 42 to the financial statements.

##### 5.6 Estimated provision for inventories

In determining the amount of allowance required for obsolete and slow-moving inventories, the Group would evaluate ageing analysis of inventories and compare the carrying value of inventories to their respective net realisable value. A considerable amount of judgement is required in determining such allowance. If conditions which have impact on the net realisable value of inventories deteriorate, additional allowances may be required.

##### 5.7 Depreciation

The Group depreciates the property, plant and equipment in accordance with the accounting policies stated in note 4.5. The estimated useful lives reflect the directors' estimates of the periods that the Group intends to derive future economic benefits from the use of these assets.

##### 5.8 Estimated impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management estimates the expected future cash flows from the asset or cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows.

#### 5. 估計不明朗因素之主要來源(續)

##### 5.5 按公平值計入損益的金融資產估值

並非於活躍市場買賣的按公平值計入損益的金融資產的公平值採用外部估值或估值方法釐定。本集團採用多種方法及作出多項主要以各報告日期市況為基準的假設。所用估值方法包括使用可資比較近期公平磋商交易、貼現現金流量分析及其他市場參與者普遍使用的其他估值方法。有關估值方法的假設變動可能影響該等金融資產的報告公平值。進一步詳情載於財務報表附註42。

##### 5.6 存貨的估計撥備

於釐定陳舊及滯銷存貨所需之撥備金額時，本集團須評估存貨之賬齡分析並將存貨之賬面值與其各自可變現淨值作比較。於釐定有關撥備時須進行大量判斷。若影響存貨可變現淨值之條件惡化，即須作出額外撥備。

##### 5.7 折舊

本集團根據附註4.5所述之會計政策對物業、廠房及設備計算折舊。估計可使用年期為董事估計本集團擬從使用該等資產取得未來經濟利益之期間。

##### 5.8 非金融資產之估計減值

本集團於各報告日期評估全部非金融資產是否有任何減值跡象。非金融資產於有跡象顯示賬面值可能無法收回時進行減值測試。倘進行使用價值計算時，管理層須估計資產或現金產生單位之預期未來現金流量，及釐定合適之貼現率以計算該等現金流量現值。

## Notes to the Financial Statements

### 財務報表附註

#### 6. SEGMENT INFORMATION

The information reported to the executive directors of the Company, who are the chief operating decision makers for the purpose of resources allocation and assessment of performance, is the financial information of the Group as a whole as reported under HKFRSs. The Group's chief operating decision makers have identified the reportable segments of the Group as follows:

- (1) Finance leasing – providing finance leasing services including arranging sale and leaseback transactions
- (2) Bulk commodity trade – trading of coal, steel and non-ferrous metal
- (3) Property development – holding land for property development projects
- (4) Property investment – providing rental services and holding investment properties for appreciation
- (5) Marine recreation services and hotel – providing marine recreation and hotel services

##### Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segment:

**For the year ended 31 December 2019**

	Finance leasing	Bulk commodity trade	Property development	Property investment	Marine recreation services and hotel	Total
	融資租賃	大宗商品貿易	物業發展	物業投資	海上旅遊服務和酒店	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Turnover as presented in consolidated income statement	74,465	870,153	131,928	1,974	32,078	1,110,598
Results						
Segment results (note (a))	66,766	3,510	41,815	1,700	(13,042)	100,749
Fair value loss on investment properties (note (b))						(5,051)
Unallocated finance costs						(3,209)
Unallocated corporate expenses						(52,797)
Unallocated corporate income						50,317
Profit before income tax						90,009

#### 6. 分類資料

向本公司執行董事(即主要營運決策者)所呈報以供分配資源及評估表現的資料乃根據香港財務報告準則所呈報本集團的整體財務資料。以下為本集團主要營運決策者已識別之本集團報告分類：

- (1) 融資租賃 – 提供融資租賃服務(包括安排售後回租交易)
- (2) 大宗商品貿易 – 煤炭、鋼材及有色金屬貿易
- (3) 物業發展 – 持有土地作物業發展項目用途
- (4) 物業投資 – 提供租賃服務及持有投資物業以待增值
- (5) 海上旅遊服務和酒店 – 提供海上旅遊和酒店服務

##### 分類收益及業績

以下為本集團按報告分類劃分之收益及業績分析：

**截至二零一九年十二月三十一日止年度**



## Notes to the Financial Statements

### 財務報表附註

#### 6. SEGMENT INFORMATION (Continued)

##### Segment revenue and results (Continued)

For the year ended 31 December 2019 (Continued)

#### 6. 分類資料(續)

##### 分類收益及業績(續)

截至二零一九年十二月三十一日止年度  
(續)

	Finance leasing	Bulk commodity trade	Property development	Property investment	Marine recreation services and hotel	Unallocated	Total
	融資租賃	大宗商品貿易	物業發展	物業投資	海上旅遊 服務和酒店	未分配	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Notes:	附註:						
(a) Amounts included in the measure of segment results	(a) 分類業績已計入之金額						
Interest income from deposits and other financial assets	2,711	592	1,348	-	85	48,016	52,752
Depreciation	(124)	(1,206)	(37)	-	(14,486)	(3,778)	(19,631)
Finance costs	(2,407)	(94)	-	-	(297)	(3,209)	(6,007)
(Loss)/gain on disposal of property, plant and equipment	-	(19)	-	-	692	11	684
(b) Amounts regularly provided to the chief operating decision maker for the analysis of the segment's performance	(b) 定期向主要營運決策者提供以供其分析分類表現之金額						
Fair value loss on investment properties	-	-	-	(5,051)	-	-	(5,051)

## Notes to the Financial Statements 財務報表附註

### 6. SEGMENT INFORMATION (Continued)

#### Segment revenue and results (Continued)

For the year ended 31 December 2018

	Finance leasing	Bulk commodity trade	Property development	Property investment	Marine recreation services and hotel 海上旅遊 服務和酒店	Total
	融資租賃 HK\$'000 港幣千元	大宗商品貿易 HK\$'000 港幣千元	物業發展 HK\$'000 港幣千元	物業投資 HK\$'000 港幣千元	服務和酒店 HK\$'000 港幣千元	總計 HK\$'000 港幣千元
Turnover as presented in consolidated income statement	53,264	865,237	60,993	2,638	38,760	1,020,892
Results						
Segment results (note (a))	44,136	4,339	20,477	2,293	(4,108)	67,137
Fair value gain on investment properties (note (b))						3,535
Gain on disposal of a subsidiary						110,799
Unallocated finance costs						(4,333)
Unallocated corporate expenses						(52,153)
Unallocated corporate income						43,929
Profit before income tax						168,914

### 6. 分類資料(續)

#### 分類收益及業績(續)

截至二零一八年十二月三十一日止年度

## Notes to the Financial Statements

### 財務報表附註

#### 6. SEGMENT INFORMATION (Continued)

##### Segment revenue and results (Continued)

For the year ended 31 December 2018 (Continued)

#### 6. 分類資料(續)

##### 分類收益及業績(續)

截至二零一八年十二月三十一日止年度  
(續)

	Finance leasing	Bulk commodity trade	Property development	Property investment	Marine recreation services and hotel 海上旅遊	Unallocated	Total
	融資租賃	大宗商品貿易	物業發展	物業投資	服務和酒店	未分配	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元

Notes:

附註:

(a) Amounts included in the measure of segment results	(a) 分類業績已計入之金額							
Interest income from deposits and other financial assets	存款及其他金融資產之利息收入	2,952	320	2,365	-	1,304	38,897	45,838
Depreciation	折舊	(150)	(26)	(80)	-	(10,283)	(4,196)	(14,735)
Finance costs	融資成本	(2,120)	(52)	-	-	-	(4,333)	(6,505)
Gain/(loss) on disposal of property, plant and equipment	出售物業、廠房及設備之收益/(虧損)	-	1	-	-	(276)	-	(275)
(b) Amounts regularly provided to the chief operating decision maker for the analysis of the segment's performance	(b) 定期向主要營運決策者提供以供其分析分類表現之金額							
Fair value gain on investment properties	投資物業之公平值收益	-	-	-	3,535	-	-	3,535

## Notes to the Financial Statements

### 財務報表附註

#### 6. SEGMENT INFORMATION (Continued)

##### Segment revenue and results (Continued)

Unallocated corporate income mainly comprised interest income from deposits and other financial assets which are not directly attributable to the business activities of any operating segment.

Unallocated corporate expenses mainly comprised staff costs and legal and professional expenses of the Group's headquarter which are not directly attributable to the business activities of any operating segment.

Segment results do not include income tax expense, while segment liabilities include the current and deferred taxation except for those recognised by the head office and the inactive subsidiaries.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 4. Segment results represent the results from each segment without allocation of results generated by head office and the inactive subsidiaries, directors' emoluments and fair value changes of investment properties. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

##### Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segment:

		Notes 附註	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Segment assets	分類資產			
Finance leasing	融資租賃		<b>1,267,759</b>	889,029
Bulk commodity trade	大宗商品交易	(a)	<b>173,417</b>	188,112
Property development	物業發展		<b>684,739</b>	849,182
Property investment	物業投資	(b)	<b>93,939</b>	101,528
Marine recreation services and hotel	海上旅遊服務和酒店		<b>211,142</b>	208,104
Total segment assets	分類資產總值		<b>2,430,996</b>	2,235,955
Unallocated	未分配			
- other financial assets	- 其他金融資產		<b>549,083</b>	695,666
- deposits in other financial institution	- 於其他金融機構存款		<b>6</b>	15,026
- bank balances and cash	- 銀行結存及現金		<b>526,160</b>	552,011
- other unallocated assets	- 其他未分配資產		<b>94,416</b>	91,645
Consolidated assets	綜合資產		<b>3,600,661</b>	3,590,303

#### 6. 分類資料(續)

##### 分類收益及業績(續)

未分配企業收入主要包括來自存款及其他金融資產之利息收入，並不直接歸屬於任何經營分類的業務活動。

未分配企業開支主要包括本集團總部的員工成本以及法律及專業開支，並不直接歸屬於任何經營分類的業務活動。

分類業績不包括所得稅開支，而分類負債則包括當期及遞延稅項，由總辦事處及不活躍附屬公司確認者除外。

報告分類之會計政策與附註4所述本集團會計政策相同。分類業績為未分配來自總辦事處及不活躍附屬公司之業績、董事薪酬以及投資物業之公平值變動前，各分類之業績。此乃向主要營運決策者報告之計量方式，以便分配資源及評估表現。

##### 分類資產及負債

以下為本集團的資產及負債按報告分類之分析：

	Notes 附註	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Segment assets			
Finance leasing		<b>1,267,759</b>	889,029
Bulk commodity trade	(a)	<b>173,417</b>	188,112
Property development		<b>684,739</b>	849,182
Property investment	(b)	<b>93,939</b>	101,528
Marine recreation services and hotel		<b>211,142</b>	208,104
Total segment assets		<b>2,430,996</b>	2,235,955
Unallocated			
- other financial assets		<b>549,083</b>	695,666
- deposits in other financial institution		<b>6</b>	15,026
- bank balances and cash		<b>526,160</b>	552,011
- other unallocated assets		<b>94,416</b>	91,645
Consolidated assets		<b>3,600,661</b>	3,590,303

## Notes to the Financial Statements

### 財務報表附註

#### 6. SEGMENT INFORMATION (Continued)

##### Segment assets and liabilities (Continued)

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
	Note 附註		
Segment liabilities	分類負債		
Finance leasing	融資租賃	<b>166,131</b>	91,494
Bulk commodity trade	大宗商品貿易	<b>31,921</b>	53,890
Property development	物業發展	<b>201,544</b>	247,059
Property investment	物業投資	<b>7,586</b>	9,065
Marine recreation services and hotel	海上旅遊服務和酒店	<b>47,810</b>	37,005
Total segment liabilities	分類負債總額	<b>454,992</b>	438,513
Bank borrowings	銀行借貸	<b>200,000</b>	200,000
Other unallocated liabilities	其他未分配負債	<b>31,453</b>	54,646
Consolidated liabilities	綜合負債	<b>686,445</b>	693,159

##### Notes:

- (a) As at 31 December 2019, assets classified as held for sale of HK\$78,635,000 and liabilities associated with assets classified as held for sale of HK\$20,049,000 were included in the segment assets and segment liabilities of bulk commodity trade (2018: nil).
- (b) Segment assets of property investment segment include investment properties but segment results exclude the related fair value loss of HK\$5,051,000 (2018: fair value gain of HK\$3,535,000) for the year.

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than assets held by head office and the inactive subsidiaries; and
- all liabilities are allocated to reportable segments other than borrowings and liabilities incurred by head office and the inactive subsidiaries.

#### 6. 分類資料(續)

##### 分類資產及負債(續)

	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Note 附註		
	<b>166,131</b>	91,494
(a)	<b>31,921</b>	53,890
	<b>201,544</b>	247,059
	<b>7,586</b>	9,065
	<b>47,810</b>	37,005
	<b>454,992</b>	438,513
	<b>200,000</b>	200,000
	<b>31,453</b>	54,646
	<b>686,445</b>	693,159

##### 附註：

- (a) 於二零一九年十二月三十一日，分類為持作出售之資產港幣78,635,000元及與分類為持作出售之資產相關之負債港幣20,049,000元計入大宗商品貿易項下之分類資產及分類負債(二零一八年：無)。
- (b) 物業投資分類之分類資產包括投資物業但分類業績不包括年內相關公平值虧損港幣5,051,000元(二零一八年：公平值收益港幣3,535,000元)。

為監控分類表現及於分類間分配資源：

- 除總辦事處及不活躍附屬公司持有之資產外，所有資產均分配至報告分類；及
- 除總辦事處及不活躍附屬公司產生之借貸及負債外，所有負債均分配至報告分類。



## Notes to the Financial Statements 財務報表附註

### 6. SEGMENT INFORMATION (Continued)

#### Segment assets and liabilities (Continued)

#### For the year ended 31 December 2019

Amounts included in the measure of segment assets:

	Finance leasing	Bulk commodity trade	Property development	Property investment	Marine recreation services and hotel	Unallocated	Total
	融資租賃	大宗商品貿易	物業發展	物業投資	海上旅遊服務和酒店	未分配	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Additions to non-current assets (other than financial assets)	44	2,544	62	-	24,240	8,686	35,576

#### For the year ended 31 December 2018

Amounts included in the measure of segment assets:

	Finance leasing	Bulk commodity trade	Property development	Property investment	Marine recreation services and hotel	Unallocated	Total
	融資租賃	大宗商品貿易	物業發展	物業投資	海上旅遊服務和酒店	未分配	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Additions to non-current assets (other than financial assets)	85	-	14	39,162	35,652	72	74,985

### 6. 分類資料(續)

#### 分類資產及負債(續)

#### 截至二零一九年十二月三十一日止年度

計入分類資產計量之金額：

	Finance leasing	Bulk commodity trade	Property development	Property investment	Marine recreation services and hotel	Unallocated	Total
	融資租賃	大宗商品貿易	物業發展	物業投資	海上旅遊服務和酒店	未分配	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
計入分類資產計量之金額：	44	2,544	62	-	24,240	8,686	35,576

#### 截至二零一八年十二月三十一日止年度

計入分類資產計量之金額：

	Finance leasing	Bulk commodity trade	Property development	Property investment	Marine recreation services and hotel	Unallocated	Total
	融資租賃	大宗商品貿易	物業發展	物業投資	海上旅遊服務和酒店	未分配	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
計入分類資產計量之金額：	85	-	14	39,162	35,652	72	74,985

## Notes to the Financial Statements

### 財務報表附註

#### 6. SEGMENT INFORMATION (Continued)

##### Other segment information

The Group's significant operations, external customers and non-current assets (other than financial assets) during the years ended 31 December 2019 and 2018 were mainly located in Hong Kong (place of domicile) and the PRC. Geographical information of revenue from external customers is based on the location of the customers and the geographical location of the non-current assets (other than financial assets) is based on the physical location of the assets.

#### 6. 分類資料(續)

##### 其他分類資料

於截至二零一九年及二零一八年十二月三十一日止年度，本集團之重要業務、外部客戶及非流動資產(金融資產除外)主要位於香港(註冊地)及中國。來自外部客戶之收益之地區資料乃根據客戶所在地而定，非流動資產(金融資產除外)之地理位置乃根據該等資產之實際位置而定。

		Revenue from external customers 來自外部顧客之收益		Non-current assets (other than financial assets) 非流動資產(金融資產除外)	
		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Hong Kong	香港	-	-	7,702	348
Dubai	迪拜	7,254	-	-	-
The PRC	中國	1,103,344	1,020,892	328,071	327,575
		<b>1,110,598</b>	<b>1,020,892</b>	<b>335,773</b>	<b>327,923</b>

Revenue from customers of the corresponding years contributing over 10% of the total turnover of the Group are as follows:

於相關年度佔本集團總營業額10%以上的客戶貢獻的收入如下：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Customer A (note)	客戶A(附註)	<b>237,258</b>	-

##### Notes:

- This is a customer from bulk commodity trade business.
- There is no revenue from a customer contributing over 10% of the total turnover of the Group for the year ended 31 December 2018.

##### 附註：

- 該客戶來自大宗商品貿易業務。
- 截至二零一八年十二月三十一日止年度概無佔本集團總營業額10%以上的客戶貢獻之收益。

## Notes to the Financial Statements

### 財務報表附註

#### 6. SEGMENT INFORMATION (Continued)

Set out below is the disaggregation of the Group's turnover from major products and services:

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Sales of properties	出售物業	131,928	60,993
Consultancy service income from finance lease arrangements	融資租賃安排之諮詢服務收入	23,559	8,925
Bulk commodity trade	大宗商品貿易	870,153	865,237
Marine recreation services and hotel	海上旅遊服務和酒店	32,078	38,760
Revenue from contract with customers	來自與客戶合約之收益	1,057,718	973,915
Rental income	租金收入	1,974	2,638
Interest income from finance lease arrangements	來自融資租賃安排的利息收入	50,906	44,339
		<b>1,110,598</b>	<b>1,020,892</b>

#### 6. 分類資料(續)

下文載列本集團來自主要產品及服務之營業額之分列賬款：

#### 7. OTHER INCOME

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Interest income from:	來自以下項目之利息收入：		
– deposits and other financial assets	– 存款及其他金融資產	52,752	45,838
– a related party	– 一名關連方	1,151	–
– a non-controlling shareholder of a subsidiary	– 一間附屬公司的一名非控股股東	–	196
Fair value gain on other financial assets measured at profit or loss	計入損益的其他金融資產之公平值收益	858	4,005
Government subsidies	政府補助	153	4,508
Reversal of other payables	撥回其他應付款項	–	326
Exchange gain, net	匯兌收益淨額	–	104
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	684	–
Reversal of impairment loss on financial assets	撥回金融資產之減值虧損	46	–
Others	其他	3,362	3,602
		<b>59,006</b>	<b>58,579</b>

#### 7. 其他收入

## Notes to the Financial Statements

### 財務報表附註

#### 8. FINANCE COSTS

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Interest on bank borrowings	銀行借貸之利息	10,094	9,039
Interest on lease liabilities	租賃負債之利息	437	-
		<b>10,531</b>	9,039
Less: Amounts capitalised on properties under development	減：發展中物業之撥作資本化之金額	<b>(4,524)</b>	(2,534)
		<b>6,007</b>	6,505

The borrowing costs have been capitalised at a rate of 3.8% (2018: 3.4%) per annum.

借款成本已按年利率3.8% (二零一八年：3.4%)資本化。

#### 9. INCOME TAX EXPENSE

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profits arising in Hong Kong for both years.

香港利得稅乃就兩個年度內香港產生之估計應課稅溢利按16.5%之稅率計算。

Under the Law of the PRC on Enterprise Income Tax ("EIT") and Implementation Regulation, the PRC subsidiaries are subject to tax rate of 25%. The current tax also comprised land appreciation tax ("LAT") which is estimated in accordance with the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions.

根據中國企業所得稅(「企業所得稅」)法及企業所得稅法實施條例，中國附屬公司稅率為25%。即期稅項亦包括土地增值稅(「土地增值稅」)。土地增值稅乃根據相關中國稅法及條例所載之規定估計。土地增值稅已按增值額之累進稅率範圍撥備，且有若干可扣減項目。

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
The taxation charge comprises:	稅項支出包括：		
Current tax for the year:	本年度即期稅項：		
Hong Kong Profits Tax	香港利得稅	-	-
PRC EIT	中國企業所得稅	32,044	45,339
PRC LAT	中國土地增值稅	11,576	4,719
		<b>43,620</b>	50,058
Under-provision in prior years:	過往年度超額撥備：		
PRC EIT	中國企業所得稅	421	-
		<b>44,041</b>	50,058
Deferred tax (note 33)	遞延稅項(附註33)	1,868	7,441
Income tax expense	所得稅開支	<b>45,909</b>	57,499

## Notes to the Financial Statements

### 財務報表附註

#### 9. INCOME TAX EXPENSE (Continued)

Reconciliation between income tax expense and accounting profit at applicable tax rates:

#### 9. 所得稅開支(續)

按適用稅率計算之所得稅開支與會計溢利之對賬如下：

		<b>2019</b> <b>二零一九年</b> <b>HK\$'000</b> <b>港幣千元</b>	2018 二零一八年 HK\$'000 港幣千元
Profit before income tax	除所得稅前溢利	<b>90,009</b>	168,914
Tax calculated at PRC EIT rate of 25% (2018: 25%)	按中國企業所得稅率25% (二零一八年：25%)計算之稅項	<b>22,502</b>	42,229
Effect of different tax rates of group entities operating in jurisdictions other than the PRC	在除中國外其他司法權區經營之集團實體之不同稅率影響	<b>1,676</b>	1,062
PRC LAT	中國土地增值稅	<b>11,576</b>	4,719
Tax effect of expenses not deductible for tax purposes	納稅時不可扣除開支之稅務影響	<b>7,394</b>	6,119
Tax effect of income not taxable for tax purposes	毋須課稅收入之稅務影響	<b>(6,997)</b>	(7,190)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	<b>4,936</b>	4,943
Tax effect of temporary difference not recognised	未確認臨時性差額之稅務影響	<b>1,302</b>	(940)
Tax effect of tax losses utilised during the year	年內已動用稅項虧損之稅務影響	<b>(32)</b>	-
Withholding tax for undistributed profits of PRC subsidiaries	中國附屬公司之未分配溢利之預扣稅	<b>3,131</b>	6,557
Under-provision in prior years	過往年度撥備不足	<b>421</b>	-
Income tax expense	所得稅開支	<b>45,909</b>	57,499



## Notes to the Financial Statements

### 財務報表附註

#### 10. PROFIT FOR THE YEAR

#### 10. 年內溢利

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Profit for the year is arrived at after charging/(crediting):	年內溢利已扣除/(計入)：		
Auditor's remuneration	核數師酬金		
– audit services	– 審計服務	1,070	1,070
– non-audit services	– 非審計服務	510	180
		<b>1,580</b>	1,250
Amortisation of prepaid land lease payments (note)	預付土地租賃付款攤銷(附註)	-	5,471
Depreciation of property, plant and equipment (note)	物業、廠房及設備之折舊(附註)	19,639	14,747
Less: Amounts capitalised on properties under development	減：發展中物業之撥作資本化之金額	(8)	(12)
		<b>19,631</b>	14,735
Minimum lease payments in respect of rented premises classified as operating leases under HKAS 17	根據香港會計準則第17號分類為營運租賃之租賃物業之最低租賃付款	-	4,946
Contributions to retirement benefits schemes (including directors' emoluments)	退休福利計劃供款(包括董事酬金)	9,423	10,740
Staff costs (including directors' emoluments)	員工成本(包括董事酬金)	49,635	52,055
Total staff costs	員工成本總計	59,058	62,795
Less: Amounts capitalised on properties under development	減：發展中物業之撥作資本化之金額	(2,204)	(2,141)
		<b>56,854</b>	60,654
Cost of inventories recognised as expenses	確認為開支之存貨成本	955,101	881,467
Exchange loss/(gain), net	匯兌虧損/(收益)淨額	11,214	(104)
(Gain)/loss on disposal of property, plant and equipment	出售物業、廠房及設備之(收益)/虧損	(684)	275
(Reversal of impairment)/impairment on financial assets	金融資產(減值撥回)/減值	(46)	55
Written off of property, plant and equipment	撇銷物業、廠房及設備	-	303
Direct operating expenses arising from investment properties	因投資物業產生之直接經營開支	274	345

## Notes to the Financial Statements

### 財務報表附註

#### 10. PROFIT FOR THE YEAR (Continued)

Note:

The Group has initially applied HKFRS 16 using the modified retrospective approach and adjusted the opening balances at 1 January 2019 to recognise right-of-use assets relating to leases which were previously classified as operating leases under HKAS 17. The amortised carrying amount of the prepaid land lease payments is also identified as right-of-use assets and grouped under property, plant and equipment at 1 January 2019. After initial recognition of right-of-use assets at 1 January 2019, the Group as a lessee is required to recognise the depreciation of right-of-use assets, instead of the previous policy of recognising rental expenses incurred under operating leases on a straight-line basis over the lease term. Under this approach, the comparative information is not restated.

#### 11. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS

##### (a) Directors' emoluments

Directors' emoluments disclosed pursuant to Section 383 of the Hong Kong Companies Ordinance (Cap.622) and the Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap.622G) (the Regulation) are as follows:

**For the year ended 31 December 2019**

	Zhang Bin	Wang Tianlin	Li Shufang (note(a)) (附註(a))	Yang Tianzhou (note(b)) (附註(b))	Chang Qing	Lee Man Chun, Tony	He Jia	Total
	張斌	王天霖	李舒放	楊田洲	常清	李萬全	何佳	總計
	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Fees	-	-	-	-	360	360	360	1,080
Salaries	-	-	220	-	-	-	-	220
Contribution to retirement benefits schemes	-	-	3	-	-	-	-	3
<b>Total emoluments</b>	<b>-</b>	<b>-</b>	<b>223</b>	<b>-</b>	<b>360</b>	<b>360</b>	<b>360</b>	<b>1,303</b>

#### 10. 年內溢利(續)

附註：

本集團透過採用經修訂追溯法已首次應用香港財務報告準則第16號，並調整於二零一九年一月一日的期初結餘以就先前根據香港會計準則第17號分類為營運租賃的有關租賃確認使用權資產。預付土地租賃付款的攤銷賬面值亦已於二零一九年一月一日識別為使用權資產及分類為物業、廠房及設備。於二零一九年一月一日初步確認使用權資產後，本集團(作為承租人)須確認使用權資產折舊，而非過往以直線法確認租期內營運租賃產生的租賃開支之政策。根據該方法，比較資料並未重列。

#### 11. 董事及高級管理層酬金

##### (a) 董事酬金

根據香港法例第622章香港公司條例第383條及香港法例第622G章公司(披露董事利益資料)規例作出之董事酬金披露如下：

**截至二零一九年十二月三十一日止年度**

## Notes to the Financial Statements

### 財務報表附註

#### 11. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

#### 11. 董事及高級管理層酬金(續)

##### (a) Directors' emoluments (Continued)

##### (a) 董事酬金(續)

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

		Zhang Bin 張斌	Yuan Shaoli (note (c)) 袁紹理 (附註(c))	Wang Tianlin 王天霖	Chang Qing 常清	Lee Man Chun, Tony 李萬全	He Jia 何佳	Total 總計
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Fees	袍金	360	330	240	360	360	360	2,010
Salaries	薪金	-	-	-	-	-	-	-
Contribution to retirement benefits schemes	退休福利計劃供款	-	-	-	-	-	-	-
Total emoluments	總酬金	360	330	240	360	360	360	2,010

Notes:

附註:

- (a) Mr. Li Shufang was appointed as executive director with effect from 22 October 2019. Mr. Li Shufang was an employee of the Group before appointment as executive director. The remunerations as disclosed in the table only included the remunerations for the period from 22 October 2019 to 31 December 2019. For the period from 1 January 2019 to 21 October 2019, an aggregate amount of his emoluments as an employee of the Group was HK\$827,000.
- (b) Mr. Yang Tianzhou was appointed as executive director with effect from 22 October 2019.
- (c) Mr. Yuan Shaoli has resigned as an executive director with effect from 1 December 2018.

- (a) 李舒放先生已獲委任為執行董事，自二零一九年十月二十二日起生效。上表所披露之薪酬僅包括於二零一九年十月二十二日至二零一九年十二月三十一日期間之薪酬。於二零一九年一月一日至二零一九年十月三十一日期間，彼出任本集團員工之酬金總額為港幣827,000元。
- (b) 楊田洲先生已獲委任為執行董事，自二零一九年十月二十二日起生效。
- (c) 袁紹理先生已辭任執行董事，自二零一八年十二月一日起生效。

During the year ended 31 December 2019, two directors of the Company, namely Mr. Zhang Bin and Mr. Wang Tianlin had waived their salaries of approximately HK\$800,000 and HK\$496,000 respectively. Four directors of the Company, namely Mr. Zhang Bin, Mr. Wang Tianlin, Mr. Li Shufang and Mr. Yang Tianzhou had waived their directors' fees of approximately HK\$360,000, HK\$240,000, HK\$46,000 and HK\$46,000 respectively.

截至二零一九年十二月三十一日止年度，本公司兩位董事張斌先生及王天霖先生已放棄其薪金分別約港幣800,000元及港幣496,000元。本公司四位董事張斌先生、王天霖先生、李舒放先生及楊田洲先生已放棄其董事袍金分別約港幣360,000元、港幣240,000元、港幣46,000元及港幣46,000元。

During the year ended 31 December 2018, three directors of the Company, namely Mr. Zhang Bin, Mr. Wang Tianlin and Mr. Yuan Shaoli, had waived their salaries of approximately HK\$800,000, HK\$496,000 and HK\$949,000 respectively.

於截至二零一八年十二月三十一日止年度，三名本公司董事(即張斌先生、王天霖先生及袁紹理先生)放棄彼等的薪金分別約港幣800,000元、港幣496,000元及港幣949,000元。

## Notes to the Financial Statements

### 財務報表附註

#### 11. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

##### (b) Five highest paid individuals

Of the five individuals with the highest emoluments in the Group, one (2018: none) director of the Company whose emoluments are included in (a) above. The emoluments of the remaining four (2018: five) individuals were as follows:

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Salaries and other benefits	薪金及其他福利	2,767	3,652
Performance-based bonus	績效獎金	537	810
Contributions to retirement benefits schemes	退休福利計劃供款	66	90
		<b>3,370</b>	<b>4,552</b>

Mr. Li Shufang was appointed as executive director with effect from 22 October 2019. Mr. Li Shufang was an employee of the Group before appointment as executive director and he is one of the five highest paid individuals in the Group when considered the remunerations to him for the whole year ended 31 December 2019. As Mr. Li Shufang is an executive director of the Company as at 31 December 2019, all his remunerations for the whole year ended 31 December 2019 are excluded from the table of the five highest paid individuals.

The emoluments of four (2018: five) of the highest paid individuals were within the following bands:

		Number of individuals 人員數目	
		2019 二零一九年	2018 二零一八年
Nil to HK\$1,000,000	港幣零元至港幣1,000,000元	3	3
HK\$1,000,001 to HK\$1,500,000	港幣1,000,001元至港幣1,500,000元	1	2
		<b>4</b>	<b>5</b>

During the years ended 31 December 2019 and 2018, no remunerations were paid by the Group to the directors or the four (2018: five) highest paid employees as an inducement to join or upon joining the Group or as compensation for loss of office.

#### 11. 董事及高級管理層酬金(續)

##### (b) 五名最高薪酬人士

本集團五名最高薪酬人士中，一名(二零一八年：無)本公司董事的酬金於上文(a)項披露。餘下四名(二零一八年：五名)人士之酬金如下：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Salaries and other benefits	薪金及其他福利	2,767	3,652
Performance-based bonus	績效獎金	537	810
Contributions to retirement benefits schemes	退休福利計劃供款	66	90
		<b>3,370</b>	<b>4,552</b>

李舒放先生已獲委任為執行董事，自二零一九年十月二十二日起生效。李舒放先生於獲委任為執行董事之前為本集團員工，而於考慮彼截至二零一九年十二月三十一日止整個年度之薪酬時，彼為本集團其中一名最高薪酬個人。由於李舒放先生於二零一九年十二月三十一日為本公司執行董事，彼於截至二零一九年十二月三十一日止整個年度之所有薪酬不計入五名最高薪酬人士之列表內。

四名(二零一八年：五名)最高薪酬人士之酬金介乎下列組別：

		Number of individuals 人員數目	
		2019 二零一九年	2018 二零一八年
Nil to HK\$1,000,000	港幣零元至港幣1,000,000元	3	3
HK\$1,000,001 to HK\$1,500,000	港幣1,000,001元至港幣1,500,000元	1	2
		<b>4</b>	<b>5</b>

於截至二零一九年及二零一八年十二月三十一日止年度，本集團並無向董事或四名(二零一八年：五名)最高薪酬僱員支付任何酬金，作為鼓勵其加入本集團或於其加入本集團時之獎勵，或作為其離職之補償。

## Notes to the Financial Statements

### 財務報表附註

#### 11. DIRECTORS' AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

##### (c) Senior management's emolument

The remuneration paid to the senior management (other than the directors as disclosed in note 11(a) above) for the years fell within the following band:

		Number of individuals 人員數目	
		2019 二零一九年	2018 二零一八年
HK\$1,000,001 to HK\$1,500,000	港幣1,000,001元至港幣1,500,000元	1	1

#### 12. DIVIDENDS

No dividend in respect of the years ended 31 December 2019 and 2018 was proposed during the years ended 31 December 2019 and 2018, nor has any dividend been proposed since the end of the reporting period.

#### 13. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the earnings for the year attributable to owners of the Company of HK\$47,539,000 (2018: HK\$113,440,000) and on the weighted average number of 5,796,985,000 (2018: 5,796,985,000) ordinary shares in issue during the year excluding ordinary shares purchased by the Company for share award scheme.

There were no potential dilutive ordinary shares outstanding during both years and hence the diluted earnings per share is the same as basic earnings per share.

#### 14. RETIREMENT BENEFITS SCHEMES

The Group participates in various defined contribution retirement benefits schemes. The Group participates in the MPF Scheme established under the Mandatory Provident Fund Ordinance for those employees who are eligible to participate in the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of trustees. Subject to a capped amount, the Group contributes 5% of the relevant income for each employee to the MPF Scheme, the amount of which is matched with that contributed by employees. Contributions to the MPF Scheme vest immediately.

The employees of the Company's subsidiaries in the PRC are members of a state-managed retirement benefits scheme operated by the PRC government. The subsidiaries are required to contribute 10% to 20% (2018: 10% to 20%) of payroll costs, subject to a capped amount for each employee to the retirement benefits scheme. The only obligation of the Group with respect to the retirement benefits scheme is to make the specified contributions.

During the year ended 31 December 2019, contributions totalling of HK\$9,423,000 (2018: HK\$10,740,000) were charged to the profit or loss for the year.

#### 11. 董事及高級管理層酬金(續)

##### (c) 高級管理層酬金

於年內，向高級管理層(除上文附註11(a)披露的董事外)支付的酬金介乎下列組別：

		Number of individuals 人員數目	
		2019 二零一九年	2018 二零一八年
HK\$1,000,001 to HK\$1,500,000	港幣1,000,001元至港幣1,500,000元	1	1

#### 12. 股息

截至二零一九年及二零一八年十二月三十一日止年度，並無建議派發任何截至二零一九年及二零一八年十二月三十一日止年度的股息，自報告期末以來亦無建議派發任何股息。

#### 13. 每股盈利

每股基本盈利乃按年內本公司擁有人應佔盈利港幣47,539,000元(二零一八年：港幣113,440,000元)及年內已發行之普通股(不包括本公司就股份獎勵計劃而購買之普通股)加權平均數5,796,985,000股(二零一八年：5,796,985,000股)為計算基準。

於兩個年度均無發行在外之潛在攤薄普通股，因此每股攤薄盈利與每股基本盈利相同。

#### 14. 退休福利計劃

本集團參加多項定額供款退休福利計劃。本集團就合資格參與強積金計劃之僱員參與根據強制性公積金計劃條例設立之強積金計劃。強積金計劃之資產均由受託人控制之基金持有，並與本集團之資產分開。本集團按有關收入之5%(有上限)為每位僱員向強積金計劃作出供款，而僱員亦須作出相應之供款。向強積金計劃作出的供款將即時歸屬。

本公司中國附屬公司之僱員為一項中國政府管理之國營退休福利計劃之成員。附屬公司須按工資成本之10%至20%(二零一八年：10%至20%)(有上限)為每位僱員向退休福利計劃供款。本集團就退休福利計劃之唯一責任是作出指定之供款。

於截至二零一九年十二月三十一日止年度，合共港幣9,423,000元(二零一八年：港幣10,740,000元)之供款已年度損益表扣除。



## Notes to the Financial Statements

### 財務報表附註

#### 15. PROPERTY, PLANT AND EQUIPMENT

#### 15. 物業、廠房及設備

		Buildings	Furniture and equipment	Motor vehicles and vessels	Marine travel facilities and equipment	Land and other properties leased for own used	Construction-in-progress	Total
		樓宇	傢俬及設備	汽車及船舶	海上旅遊設施及設備	土地及其他物業租賃	在建工程	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
<b>Cost</b>	<b>成本</b>							
At 31 December 2017	於二零一七年十二月三十一日	167,822	9,598	81,523	7,511	-	-	266,454
Currency realignment	匯兌重整	(6,872)	(376)	(4,675)	(372)	-	(1,157)	(13,452)
Additions	添置	-	200	8,114	-	-	27,509	35,823
Disposals	出售	(6,380)	(718)	(1,178)	-	-	-	(8,276)
Disposal of a subsidiary	出售一間附屬公司	(27,132)	(29)	-	-	-	-	(27,161)
Written-off	撇銷	(2,574)	-	-	-	-	-	(2,574)
At 31 December 2018	於二零一八年十二月三十一日	124,864	8,675	83,784	7,139	-	26,352	250,814
Impact on initial application of HKFRS 16 (note (a))	首次應用香港財務報告準則第16號(附註(a))之影響	-	-	-	-	62,353	-	62,353
Currency realignment	匯兌重整	(3,984)	(342)	(2,219)	(188)	(1,242)	(229)	(8,204)
Additions	添置	-	12,020	668	-	9,658	13,230	35,576
Disposals	出售	-	(468)	(4,895)	-	-	-	(5,363)
Reclassified as held for sale (note 37)	重新分類為持作出售(附註37)	-	(917)	-	-	(1,633)	-	(2,550)
Transfer	轉讓	39,353	-	-	-	-	(39,353)	-
At 31 December 2019	於二零一九年十二月三十一日	<b>160,233</b>	<b>18,968</b>	<b>77,338</b>	<b>6,951</b>	<b>69,136</b>	<b>-</b>	<b>332,626</b>
<b>Accumulated depreciation</b>	<b>累計折舊</b>							
At 31 December 2017	於二零一七年十二月三十一日	28,904	8,997	22,373	3,465	-	-	63,739
Currency realignment	匯兌重整	(1,298)	(632)	(1,578)	(37)	-	-	(3,545)
Provided for the year	年內撥備	6,633	833	6,316	965	-	-	14,747
Eliminated on disposals	出售時抵銷	(5,979)	(663)	(1,109)	-	-	-	(7,751)
Eliminated on disposal of a subsidiary	出售一間附屬公司時抵銷	(1,888)	(20)	-	-	-	-	(1,908)
Eliminated on written-off	撇銷時抵銷	(2,271)	-	-	-	-	-	(2,271)
At 31 December 2018	於二零一八年十二月三十一日	24,101	8,515	26,002	4,393	-	-	63,011
Impact on initial application of HKFRS 16 (note (a))	首次應用香港財務報告準則第16號(附註(a))之影響	-	-	-	-	16,223	-	16,223
Currency realignment	匯兌重整	(749)	(95)	(860)	(129)	(79)	-	(1,912)
Provided for the year	年內撥備	6,479	1,260	5,967	917	5,016	-	19,639
Eliminated on disposals	出售時抵銷	-	(369)	(4,576)	-	-	-	(4,945)
Reclassified as held for sale (note 37)	重新分類為持作出售(附註37)	-	(407)	-	-	(817)	-	(1,224)
At 31 December 2019	於二零一九年十二月三十一日	<b>29,831</b>	<b>8,904</b>	<b>26,533</b>	<b>5,181</b>	<b>20,343</b>	<b>-</b>	<b>90,792</b>
<b>Carrying amounts</b>	<b>賬面值</b>							
At 31 December 2019	於二零一九年十二月三十一日	<b>130,402</b>	<b>10,064</b>	<b>50,805</b>	<b>1,770</b>	<b>48,793</b>	<b>-</b>	<b>241,834</b>
At 31 December 2018	於二零一八年十二月三十一日	100,763	160	57,782	2,746	-	26,352	187,803

## Notes to the Financial Statements

### 財務報表附註

#### 15. PROPERTY, PLANT AND EQUIPMENT (Continued)

Notes:

(a) The Group has initially applied HKFRS 16 using the modified retrospective method and adjusted the opening balances at 1 January 2019 to recognise right-of-use assets relating to leases which were previously classified as operating leases under HKAS 17. The net book value of the Group's right-of-use assets included in property, plant and equipment as at 1 January 2019 and 31 December 2019 represented the properties leased for own use and leasehold land and carried at depreciated cost.

#### (b) Right-of-use assets

The analysis of the net book value of right-of-use assets by class of underlying asset is as follows:

#### 15. 物業、廠房及設備(續)

附註：

(a) 本集團透過採用經修訂追溯法已首次應用香港財務報告準則第16號，並調整於二零一九年一月一日的期初結餘以就先前根據香港會計準則第17號分類為營運租賃的有關租賃確認使用權資產。本集團於二零一九年一月一日及二零一九年十二月三十一日計入物業、廠房及設備的使用權資產的賬面淨值指租賃作自用物業及租賃土地，並按折舊成本列賬。

#### (b) 使用權資產

按相關資產類別劃分的使用權資產的賬面淨值分析如下：

		At 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 港幣千元	At 1 January 2019 於二零一九年 一月一日 HK\$'000 港幣千元
Ownership interests in leasehold land held for own use, carried at depreciated cost in the PRC, with medium-term leases.	持作自用租賃土地之所有權權益，於中國按折舊成本列賬，中期租約	37,577	40,603
Other properties leased for own use, carried at depreciated cost	租賃作自用之其他物業，按折舊成本列賬	11,216	5,527

The analysis of expense items in relation to leases recognised in profit or loss is as follows:

於損益中確認有關租賃的開支項目之分析如下：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Depreciation charge of right-of-use assets by class of underlying asset:	按相關資產類別劃分的使用權資產的折舊支出：		
Ownership interests in leasehold land	租賃土地之所有權權益	1,993	-
Other properties leased for own use	租賃作自用之其他物業	3,023	-
		5,016	-
Interest on lease liabilities (note 8)	租賃負債之利息(附註8)	437	-
Expense relating to short-term leases with remaining lease term ended on or before 31 December 2019	截至二零一九年十二月三十一日或之前有關短期租賃及餘下租期之其他租賃的開支	3,870	-
Total minimum lease payments for leases previously classified as operating leases under HKAS 17	先前根據香港會計準則第17號分類為營運租賃的租賃之最低租賃付款總額	-	4,946

## Notes to the Financial Statements 財務報表附註

### 15. PROPERTY, PLANT AND EQUIPMENT (Continued)

Notes: (Continued)

(b) (Continued)

During the year ended 31 December 2019, additions to right-of-use assets were HK\$9,658,000. The additions are non-cash transaction.

The total cash outflow for leases for the year ended 31 December 2019 was HK\$3,283,000.

Details of the maturity analysis of lease liabilities are set out in note 30.

### 15. 物業、廠房及設備(續)

附註：(續)

(b) (續)

於截至二零一九年十二月三十一日止年度，使用權資產添置為港幣9,658,000元。添置為非現金交易。

截至二零一九年十二月三十一日止年度的租賃的現金流出總額為港幣3,283,000元。

租賃負債期限分析的詳情載於附註30。

### 16. PREPAID LAND LEASE PAYMENTS

### 16. 預付土地租賃付款

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Leasehold land in PRC:	中國之租賃土地：		
– Medium-term leases	– 中期租約	–	40,603
		<b>2019</b>	<b>2018</b>
		<b>二零一九年</b>	<b>二零一八年</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>港幣千元</b>	<b>港幣千元</b>
Opening net carrying amount	年初賬面淨值	40,603	202,446
Amortisation charge for the year	年內攤銷支出	–	(5,471)
Disposal of a subsidiary	出售一間附屬公司	–	(152,905)
Currency realignment	匯兌重整	–	(3,467)
Reclassified as right-of-use assets	重新分類為使用權資產	<b>(40,603)</b>	–
Closing net carrying amount	年末賬面淨值	–	40,603
Analysed for reporting purposes as:	分析作呈報用途：		
Current assets	流動資產	–	2,011
Non-current assets	非流動資產	–	38,592
		–	40,603

As at 31 December 2018, the Group's prepaid land lease payments represent up-front payments to acquire interest in the usage of land situated in the PRC, which are held under medium-term leases.

The carrying amount of the prepaid land lease payments is reclassified to property, plant and equipment as right-of-use assets upon the initial application of HKFRS 16 as at 1 January 2019.

於二零一八年十二月三十一日，本集團之預付土地租賃付款指購入位於中國並按中期租約持有之土地使用權之預付款。

於二零一九年一月一日首次應用香港財務報告準則第16號後，預付土地租賃付款賬面值重新分類至物業、廠房及設備作為使用權資產。

## Notes to the Financial Statements

### 財務報表附註

#### 17. INVESTMENT PROPERTIES

#### 17. 投資物業

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
<b>At fair value</b>	<b>按公平值</b>		
At 1 January	於一月一日	<b>101,528</b>	63,816
Currency realignment	匯兌重整	<b>(2,538)</b>	(4,985)
(Loss)/gain on change in fair value recognised in profit or loss	於損益中確認之公平值變動(虧損)/ 收益	<b>(5,051)</b>	3,535
Additions	添置	-	39,162
At 31 December	於十二月三十一日	<b>93,939</b>	101,528

The carrying amount of investment properties shown above represents properties situated in the PRC held under medium-term leases.

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

The fair values of the Group's investment properties at 31 December 2019 and 2018 have been arrived at on the basis of a valuation carried out on that date by Jones Lang Lasalle Corporate Appraisal and Advisory Limited, the independent qualified professional valuer. Jones Lang Lasalle Corporate Appraisal and Advisory Limited is a member of the Hong Kong Institute of Surveyors and possesses of appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations.

上文所示之投資物業之賬面值指根據中期租約於中國持有之物業。

本集團所有以經營租約持有以收取租金或作資本增值用途的物業權益乃採用公平值模式計量，並分類及列作投資物業。

本集團於二零一九年及二零一八年十二月三十一日之投資物業之公平值以獨立合資格專業估值師仲量聯行企業評估及諮詢有限公司於該日所採用之估值基準入賬。仲量聯行企業評估及諮詢有限公司為香港測量師學會會員，擁有合適資格，近期亦有相關地點類似物業之估值經驗。

## Notes to the Financial Statements

### 財務報表附註

#### 17. INVESTMENT PROPERTIES (Continued)

##### Fair value hierarchy

The following table presents the fair value of the Group's investment properties measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13 Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

##### Recurring fair value measurement

Investment properties:  
Property units – the PRC

##### 經常性公平值計量

投資物業：  
物業單位 – 中國

##### Fair value measurement as at 31 December 2019

於二零一九年十二月三十一日之公平值計量

Level 1	Level 2	Level 3	Fair value as at 31 December 2019
一級	二級	三級	於二零一九年十二月三十一日之公平值
HK\$'000	HK\$'000	HK\$'000	HK\$'000
港幣千元	港幣千元	港幣千元	港幣千元
-	-	93,939	93,939

##### Fair value measurement as at 31 December 2018

於二零一八年十二月三十一日之公平值計量

Level 1	Level 2	Level 3	Fair value as at 31 December 2018
一級	二級	三級	於二零一八年十二月三十一日之公平值
HK\$'000	HK\$'000	HK\$'000	HK\$'000
港幣千元	港幣千元	港幣千元	港幣千元
-	-	101,528	101,528

##### Recurring fair value measurement

Investment properties:  
Property units – the PRC

##### 經常性公平值計量

投資物業：  
物業單位 – 中國

During the years ended 31 December 2019 and 2018, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

#### 17. 投資物業(續)

##### 公平值等級

下表呈列於報告期末按經常性基準計量的本集團投資物業的公平值，歸類為香港財務報告準則第13號公平值計量定義的三級公平值等級。公平值計量歸類的層級經參考估值方法中使用的輸入數據的可觀察性及重要性釐定如下：

於截至二零一九年及二零一八年十二月三十一日止年度，並無一級與二級之間的轉移或於三級的轉入或轉出。根據本集團之政策，公平值等級間的轉移於其產生的報告期末確認。



## Notes to the Financial Statements

### 財務報表附註

#### 17. INVESTMENT PROPERTIES (Continued)

##### Fair value hierarchy (Continued)

The fair value of investment properties is a Level 3 recurring fair value measurement. A reconciliation of the opening and closing fair value balance is provided below.

#### 17. 投資物業(續)

##### 公平值等級(續)

投資物業之公平值屬三級經常性公平值計量。年初與年末公平值餘額之對賬如下。

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Opening balance (Level 3 recurring fair value)	年初餘額 (三級經常性公平值)	<b>101,528</b>	63,816
Currency realignment	匯兌重整	<b>(2,538)</b>	(4,985)
Fair value change	公平值變動	<b>(5,051)</b>	3,535
Additions	添置	-	39,162
Closing balance (Level 3 recurring fair value)	年末餘額 (三級經常性公平值)	<b>93,939</b>	101,528
Change in unrealised (losses)/gains for the year included in profit or loss for assets held at 31 December	於十二月三十一日持有資產計入損益 的年內未變現(虧損)/收益變動	<b>(5,051)</b>	3,535

## Notes to the Financial Statements 財務報表附註

### 17. INVESTMENT PROPERTIES (Continued)

#### Fair value hierarchy (Continued)

#### Information about Level 3 fair value measurement – Property units in the PRC

Fair value is determined by applying the income approach for the years ended 31 December 2019 and 2018 and based on the following significant unobservable inputs.

Significant unobservable inputs 重大不可觀察輸入數據	Range 範圍	Relationship of unobservable inputs to fair value 不可觀察輸入數據與公平值之關係
Term yield 年期回報率	3.0%-4.0% per annum (2018: 3.0%-4.0% per annum) 每年3.0%-4.0% (二零一八年：每年3.0%-4.0%)	The higher the term yield, expected vacancy rate and reversionary yield, the lower the fair value 年期回報率、預期空置率及復歸回報率愈高，則公平值愈低
Expected vacancy rate 預期空置率	0%-7.0% (2018: 0%-8.0%) 0%-7.0% (二零一八年：0%-8.0%)	
Reversionary yield 復歸回報率	3.5%-4.5% per annum (2018: 3.5%-4.5% per annum) 每年3.5%-4.5% (二零一八年：每年3.5%-4.5%)	

There has been no change in the valuation technique used in the prior year. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

### 17. 投資物業(續)

#### 公平值等級(續)

#### 有關三級公平值計量之資料 - 於中國的物業單位

截至二零一九年及二零一八年十二月三十一日止年度，公平值乃透過採用收入法及根據以下重大不可觀察輸入數值釐定。

#### Relationship of unobservable inputs to fair value 不可觀察輸入數據與公平值之關係

The higher the term yield, expected vacancy rate and reversionary yield, the lower the fair value  
年期回報率、預期空置率及復歸回報率愈高，則公平值愈低

於上一年度所採用之估值方法並無變動。於估計物業之公平值時，有關物業之最高及最佳用途即為其當前用途。

## Notes to the Financial Statements

### 財務報表附註

#### 18. INTERESTS IN SUBSIDIARIES

Particulars of the principal subsidiaries are as follows:

Company 公司	Place of incorporation/ operations 註冊成立/ 營業地點	Particulars of paid-up capital/ issued share capital 已繳足資本/ 已發行股本詳情	Equity interest owned by the Company 本公司 擁有之權益 %	Principal activities 主要業務
<b>Directly held:</b> 直接持有：				
Galactic Investment Limited 銀河投資有限公司	Hong Kong 香港	HK\$2 港幣2元	100	Investment holding 投資控股
<b>Indirectly held:</b> 間接持有：				
Chengtong Trading International Limited 誠通貿易國際有限公司	Hong Kong 香港	HK\$429 港幣429元	100	Finance leasing 融資租賃
諸城鳳凰置地有限公司**	The PRC 中國	RMB50,000,000 人民幣50,000,000元	100	Property development and investment 物業發展及投資
誠通大豐海港開發有限公司*	The PRC 中國	RMB150,000,001 人民幣150,000,001元	66.67	Property development 物業發展
誠通融資租賃有限公司**	The PRC 中國	US\$40,000,000 40,000,000美元	100	Finance leasing 融資租賃
誠通發展貿易有限公司**	The PRC 中國	RMB100,000,000 人民幣100,000,000元	100	Bulk commodity trade 大宗商品交易
誠通能源廣東有限公司** ("Chengtong Energy") (「誠通能源」)	The PRC 中國	RMB50,000,000 人民幣50,000,000元	51 (Note) (附註)	Bulk commodity trade 大宗商品交易
海南亞龍灣海底世界旅遊 有限公司**	The PRC 中國	RMB96,000,000 人民幣96,000,000元	100	Provision of marine recreation services 提供海上旅遊服務
海南寰島海底世界酒店 有限公司**	The PRC 中國	RMB8,000,000 人民幣8,000,000元	100	Hotel business 酒店管理

\* Established in the PRC as a Sino-foreign equity joint venture enterprise

\*\* A limited liability company established in the PRC

Note:

On 12 November 2019, the Group entered into an equity transfer agreement with a non-wholly owned subsidiary of CCHG, for the disposal of 41% of the equity interest in Chengtong Energy. The transaction has not completed as at 31 December 2019 and further details are set out in note 37 to the financial statements.

#### 18. 於附屬公司之權益

主要附屬公司詳情如下：

Company 公司	Place of incorporation/ operations 註冊成立/ 營業地點	Particulars of paid-up capital/ issued share capital 已繳足資本/ 已發行股本詳情	Equity interest owned by the Company 本公司 擁有之權益 %	Principal activities 主要業務
<b>Directly held:</b> 直接持有：				
Galactic Investment Limited 銀河投資有限公司	Hong Kong 香港	HK\$2 港幣2元	100	Investment holding 投資控股
<b>Indirectly held:</b> 間接持有：				
Chengtong Trading International Limited 誠通貿易國際有限公司	Hong Kong 香港	HK\$429 港幣429元	100	Finance leasing 融資租賃
諸城鳳凰置地有限公司**	The PRC 中國	RMB50,000,000 人民幣50,000,000元	100	Property development and investment 物業發展及投資
誠通大豐海港開發有限公司*	The PRC 中國	RMB150,000,001 人民幣150,000,001元	66.67	Property development 物業發展
誠通融資租賃有限公司**	The PRC 中國	US\$40,000,000 40,000,000美元	100	Finance leasing 融資租賃
誠通發展貿易有限公司**	The PRC 中國	RMB100,000,000 人民幣100,000,000元	100	Bulk commodity trade 大宗商品交易
誠通能源廣東有限公司** ("Chengtong Energy") (「誠通能源」)	The PRC 中國	RMB50,000,000 人民幣50,000,000元	51 (Note) (附註)	Bulk commodity trade 大宗商品交易
海南亞龍灣海底世界旅遊 有限公司**	The PRC 中國	RMB96,000,000 人民幣96,000,000元	100	Provision of marine recreation services 提供海上旅遊服務
海南寰島海底世界酒店 有限公司**	The PRC 中國	RMB8,000,000 人民幣8,000,000元	100	Hotel business 酒店管理

\* 於中國成立之中外合資經營企業

\*\* 一間於中國成立之有限公司

附註：

於二零一九年十一月十二日，本集團與誠通控股非全資附屬公司訂立股權轉讓協議，以出售誠通能源41%股權。於二零一九年十二月三十一日，交易尚未完成，進一步詳情載於財務報表附註37。

## Notes to the Financial Statements

### 財務報表附註

#### 18. INTERESTS IN SUBSIDIARIES (Continued)

The above table lists the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affected the results of the year or formed a substantial portion of the assets and liabilities of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

None of the subsidiaries had any debt securities as at 31 December 2019 and 2018 or at any time during the respective year.

The following table lists out the information relating to 誠通大豐海港開發有限公司, the subsidiary of the Company which have material non-controlling interests (“NCI”). The summarised financial information presented below represents the amounts before any inter-company elimination.

#### 18. 於附屬公司之權益(續)

上表列出本公司董事認為主要影響本集團年內業績或形成本集團大部分資產及負債之本公司附屬公司。本公司董事考慮到篇幅所限，故並無列出其他附屬公司之詳情。

於二零一九年及二零一八年十二月三十一日或於各年內任何時間，並無附屬公司擁有任何債務證券。

下表列出有關本公司持有重大非控股權益(「非控股權益」)的本公司附屬公司誠通大豐海港開發有限公司的資料。以下呈列之財務資料概要為未計任何公司間抵銷前之數額。

		誠通大豐海港開發有限公司	
		2019	2018
		二零一九年	二零一八年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
<b>As at 31 December</b>	<b>於十二月三十一日</b>		
NCI percentage	非控股權益百分比	<b>33.33%</b>	33.33%
Current assets	流動資產	<b>396,380</b>	410,006
Non-current assets	非流動資產	<b>143</b>	140
Current liabilities	流動負債	<b>(80,939)</b>	(79,615)
Non-current liabilities	非流動負債	-	-
Net assets	資產淨值	<b>315,584</b>	330,531
Carrying amount of NCI	非控股權益賬面值	<b>105,184</b>	110,166
<b>For the year ended 31 December</b>	<b>截至十二月三十一日止年度</b>		
Turnover	營業額	-	384
Loss for the year	年內虧損	<b>(6,362)</b>	(7,209)
Total comprehensive income	全面收益總額	<b>(14,948)</b>	(24,659)
Loss allocated to NCI	分配至非控股權益之虧損	<b>(2,120)</b>	(2,403)
Dividend paid to NCI	已付非控股權益之股息	-	-
<b>For the year ended 31 December</b>	<b>截至十二月三十一日止年度</b>		
Cash flows from operating activities	經營活動產生之現金流量	<b>3,779</b>	2,043
Cash flows from investing activities	投資活動產生之現金流量	<b>(29)</b>	196
Cash flows from financing activities	融資活動產生之現金流量	-	-
Net cash inflows	現金流入淨額	<b>3,750</b>	2,239

## Notes to the Financial Statements

### 財務報表附註

#### 19. PROPERTIES HELD FOR SALE/PROPERTIES UNDER DEVELOPMENT

Properties held under development comprise leasehold land and certain construction costs in the PRC under medium-term lease for commercial use and long lease for residential use. The amount is expected to be recovered within the Group's operating cycle, thus, it is classified as current assets.

Upon completion of construction works, completed properties under development will be transferred to properties held for sale.

#### 20. PROPERTIES HELD FOR DEVELOPMENT

The properties held for development mainly comprises leasehold land in the PRC under medium-term and long leases without commencement of construction works. The amount is expected to be recovered within the normal operating cycle and therefore classified as current assets.

#### 21. INVENTORIES

#### 19. 持作出售物業／發展中物業

發展中物業包括根據商業用途中期租約及住宅用途長期租約於中國持有的租賃土地及若干建築成本。該款項預計將於本集團經營週期內收回，因此列為流動資產。

建設工程完工後，完工的發展中物業將轉入持作出售物業。

#### 20. 持作發展物業

持作發展物業主要包括根據中長期租約於中國持有、尚未開始施工的租賃土地。該款項預計將於一般經營週期內收回，因此列為流動資產。

#### 21. 存貨

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Bulk commodities	大宗商品	-	11,978
Merchandises and consumables	商品及消耗品	<u>4,036</u>	<u>3,992</u>
		<u>4,036</u>	<u>15,970</u>

#### 22. TRADE AND OTHER RECEIVABLES

#### 22. 貿易及其他應收款項

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Trade and bills receivables (note a)	貿易應收款項及應收票據(附註a)	710	8,475
Prepayments to suppliers	向供應商預付款項	84,746	111,353
Other prepayments and deposits	其他預付款項及按金	16,673	43,747
Other receivables (note b)	其他應收款項(附註b)	<u>33,925</u>	<u>23,131</u>
Total trade and other receivables	貿易及其他應收款項總額	<u>136,054</u>	<u>186,706</u>



## Notes to the Financial Statements

### 財務報表附註

#### 22. TRADE AND OTHER RECEIVABLES (Continued)

Notes:

- (a) As at 31 December 2019, trade receivables mainly arose from marine recreation services and hotel business and 30 days credit period was granted to customers (2018: arose from bulk commodity trading and no credit period for trade receivables and 1 year credit period from the date of issuance for bills receivables).

The Group normally grants credit terms to its customers according to industry practice together with consideration of their creditability and repayment history. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are regularly reviewed by senior management.

The following is an ageing analysis of trade and bills receivables presented based on the invoice date at the end of the reporting period.

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Within 90 days	90天內	710	378
91-180 days	91至180天	-	8,097
		<b>710</b>	<b>8,475</b>

The ageing analysis of trade and bills receivables presented that are not considered to be credit-impaired is as follows:

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Not yet past due	尚未逾期	-	8,097
Less than one month past due	逾期少於一個月	710	378
		<b>710</b>	<b>8,475</b>

#### 22. 貿易及其他應收款項(續)

附註：

- (a) 於二零一九年十二月三十一日，貿易應收款項主要來自海上旅遊服務和酒店，而海上旅遊服務和酒店客戶獲授予30日除賬期(二零一八年：來自大宗商品貿易，貿易應收款項並無獲授予除賬期，而應收票據獲授予自發行日期起計一年的除賬期)。

本集團通常根據業內常規並考慮客戶的信用程度及償還記錄，向彼等授出除賬期。本集團力求對其未收回之應收款項維持嚴格的控制。逾期結餘由高級管理層定期檢視。

於報告期末按發票日期呈報之貿易應收款項及應收票據之賬齡分析如下。

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Within 90 days	90天內	710	378
91-180 days	91至180天	-	8,097
		<b>710</b>	<b>8,475</b>

未被視為信貸減值之貿易應收款項及應收票據之賬齡分析如下：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Not yet past due	尚未逾期	-	8,097
Less than one month past due	逾期少於一個月	710	378
		<b>710</b>	<b>8,475</b>

## Notes to the Financial Statements

### 財務報表附註

#### 22. TRADE AND OTHER RECEIVABLES (Continued)

Notes: (Continued)

- (b) As at 31 December 2019, loss allowance of HK\$176,000 (2018: HK\$177,000) were made against the gross amount of other receivables.

Movement in the loss allowance account in respect of other receivables during the year is as follows:

#### 22. 貿易及其他應收款項(續)

附註：(續)

- (b) 於二零一九年十二月三十一日，已就其他應收款項總額計提虧損撥備港幣176,000元(二零一八年：港幣177,000元)。

年內其他應收款項於虧損撥備賬中的變動詳情如下：

		HK\$'000 港幣千元
Balance at 31 December 2017 under HKAS 39	根據香港會計準則第39號於二零一七年十二月三十一日的結餘	-
Impact on initial application of HKFRS 9	首次應用香港財務報告準則第9號之影響	17
Adjusted balance at 1 January 2018	於二零一八年一月一日的經調整結餘	17
Impairment losses recognised during the year	於年內確認的減值虧損	160
Balance at 31 December 2018	於二零一八年十二月三十一日的結餘	177
Impairment losses reversed during the year	於年內撥回的減值虧損	(1)
Balance at 31 December 2019	於二零一九年十二月三十一日的結餘	176

## Notes to the Financial Statements

### 財務報表附註

#### 23. LOANS RECEIVABLE

As at 31 December 2019, the Group had 20 (2018: 11) sale and leaseback agreements pursuant to which the customers (the "lessees") sold their equipment and facilities to the Group and leased back the equipment and facilities with the lease period ranged from 1 to 6 years (2018: 1 to 3 years) from the date of inception. In addition, the ownership of leased assets will be transferred to the lessees at a purchase option ranged from RMB1 to RMB5,000 (2018: RMB1) upon the settlement of the principal amounts of the loans receivable and the interest accrued under the sale and leaseback arrangements. The lessees retain control of the equipment and facilities before and after entering into the sale and leaseback arrangements which do not therefore constitute a lease for accounting purposes. Rather, the arrangements have been accounted for as a secured loan in accordance with HKFRS 9 Financial Instruments.

Analysed for reporting purposes as:

Current assets

Non-current assets

分析作呈報用途：

流動資產

非流動資產

2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
-----------------------------------	-----------------------------------

**442,135**

421,236

**684,689**

245,700

**1,126,824**

666,936

As at 31 December 2019, effective interest rates for the loans receivable ranged from approximately 4.90% to 8.99% (2018: 5.22% to 8.12%) per annum.

The loans receivable under the sale and leaseback arrangements are secured by the leased equipment and facilities (2018: land and buildings and leased equipment and facilities), of which HK\$901,053,000 (2018: HK\$626,445,000) are guaranteed by the controlling shareholders or related parties of the lessees. The Group is not permitted to sell or re-pledge the collateral in absence of default by the lessees. The lessees are obliged to settle the amounts according to the terms set out in the relevant contracts.

Also, the loans receivable under certain sale and leaseback arrangements are secured by customers' deposits of HK\$80,784,000 (2018: HK\$14,820,000) (note 28 (b)).

As at 31 December 2019 and 2018, the fair value of loans receivable approximates to its carrying amount.

#### 23. 應收貸款

於二零一九年十二月三十一日，本集團共有二十份(二零一八年：十一份)售後回租協議，據此，客戶(「承租方」)將其設備及設施出售予本集團，並於協議生效之日起一至六年(二零一八年：一至三年)之租賃期內租回該等設備及設施。此外，於售後回租安排項下應收貸款本金額及應計利息結清後，將按介乎人民幣1元至人民幣5,000元(二零一八年：人民幣1元)的購買權把租賃資產的所有權轉讓予承租方。在訂立該等售後回租安排前後，承租方保留設備及設施的控制權，故就會計核算而言並不構成一項租賃。然而，有關安排已根據香港財務報告準則第9號「金融工具」入賬為有抵押貸款。

於二零一九年十二月三十一日，應收貸款之實際年利率介乎約4.90%至8.99%(二零一八年：5.22%至8.12%)。

售後回租安排項下應收貸款以租賃設備及設施(二零一八年：以土地及樓宇、租賃設備及設施)，而當中港幣901,053,000元(二零一八年：港幣626,445,000元)是由承租方的控股股東或關連方提供擔保。在承租方未違約的情況下，本集團不得出售該抵押品或將其轉押。承租方有義務根據相關合約所載條款結算相關款項。

此外，若干售後回租安排項下應收貸款以客戶存款港幣80,784,000元(二零一八年：港幣14,820,000元)作抵押(附註28(b))。

於二零一九年及二零一八年十二月三十一日，應收貸款的公平值與其賬面值相若。

## Notes to the Financial Statements

### 財務報表附註

#### 23. LOANS RECEIVABLE (Continued)

The ageing analysis of loans receivable at the end of reporting period is as follows:

		<b>2019</b>	2018
		<b>二零一九年</b>	二零一八年
		<b>HK\$'000</b>	HK\$'000
		<b>港幣千元</b>	港幣千元
Not yet past due	尚未逾期	<b>1,119,054</b>	666,936
Past due but not credit impaired	已逾期惟未信貸減值		
Within 3 months	於三個月內	<b>7,770</b>	-
		<b>1,126,824</b>	666,936

Movement in the loss allowance account in respect of loans receivable during the year is as follows:

		<i>HK\$'000</i>
		<i>港幣千元</i>
Balance at 31 December 2017 under HKAS 39	根據香港會計準則第39號於二零一七年十二月三十一日的結餘	-
Impact on initial application of HKFRS 9	首次應用香港財務報告準則第9號之影響	233
Adjusted balance at 1 January 2018	於二零一八年一月一日的經調整結餘	233
Impairment losses reversed during the year	於年內撥回的減值虧損	(105)
Exchange difference	匯兌差額	(7)
Balance at 31 December 2018	於二零一八年十二月三十一日的結餘	121
Impairment losses reversed during the year	於年內撥回的減值虧損	(45)
Exchange difference	匯兌差額	(2)
Balance at 31 December 2019	於二零一九年十二月三十一日的結餘	74

於報告期末應收貸款之賬齡分析如下：

年內應收貸款於虧損撥備賬中的變動詳情如下：

#### 24. AMOUNT DUE FROM A RELATED PARTY

The Group has arranged a short-term loan to 中國寰島集團有限公司, a wholly-owned subsidiary of CCHG. The principal amount is RMB30,000,000 (equivalent to approximately HK\$33,300,000) (2018: nil). The balance bears interest at 9% per annum and repayable on 8 August 2020.

The Group has the right to request the related party to provide a share charge over certain shares listed on the Shanghai Stock Exchange held by the related party and register such share charge at the relevant registration authority at any time before the full repayment of the loan.

#### 24. 應收一名關連方款項

本集團已向誠通控股全資附屬公司中國寰島集團有限公司安排短期貸款。本金額為人民幣30,000,000元(相當於約港幣33,300,000元)(二零一八年：無)。結餘按年利率9%計息，並須於二零二零年八月八日償還。

本集團有權於貸款獲悉數償還之前任何時間要求關連方就以關連方持有於上海證券交易所上市之股份提供股份押記，並於相關註冊機構登記有關股份押記。

## Notes to the Financial Statements

### 財務報表附註

#### 24. AMOUNT DUE FROM A RELATED PARTY (Continued)

The amount presented in the consolidated statement of financial position represented the outstanding amount and interest receivable from 中國寰島集團有限公司 as at 31 December 2019.

#### 24. 應收一名關連方款項(續)

綜合財務狀況表所呈列之金額指於二零一九年十二月三十一日應收中國寰島集團有限公司之未償還款項及應收利息。

#### 25. OTHER FINANCIAL ASSETS

#### 25. 其他金融資產

	Note 附註	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
<b>Non-current:</b>			
<b>Financial assets measured at FVOCI (non-recycling)</b>			
– Equity investments		4,267	4,984
<b>Current:</b>			
<b>Financial assets measured at FVOCI (non-recycling)</b>			
Equity investments			
– Shares listed in Hong Kong		134,620	104,140
<b>Financial assets measured at FVPL</b>			
– Shares listed in Hong Kong		1,040	1,125
– Unlisted investments	(a)	204,139	421,847
<b>Financial assets at amortised cost</b>			
– Unlisted investments with interest ranging from 4.0% to 7.0% per annum		–	74,100
– Structured bank deposits with interest ranging from 3.5% to 3.9% (2018: 2.9% to 4.5%) per annum		205,017	239,400
		<b>544,816</b>	<b>840,612</b>

Note:

- (a) The balances represented the trust products and wealth management products managed by PRC banks and financial institutions which invested in underlying assets without open or active quotations.

附註:

- (a) 該等結餘為中國之銀行及金融機構所管理之信託產品及理財產品，其投資於並無公開或活躍報價之相關資產。



## Notes to the Financial Statements

### 財務報表附註

#### 26. DEPOSITS IN OTHER FINANCIAL INSTITUTION

On 29 December 2017, the Company entered into a financial services agreement with China Chengtong Finance Corporation Ltd. (“Chengtong Finance”), a wholly-owned subsidiary of CCHG, pursuant to which Chengtong Finance agreed to provide the Group with a range of financial services, including the deposits services, for a term from 1 January 2018 to 31 December 2020. Details in relation to the financial services agreement are set out in the Company’s announcement dated 29 December 2017.

As at 31 December 2019, the Group has had current deposits of HK\$2,157,000 (2018: HK\$112,338,000) with Chengtong Finance with interest ranged from 0.42% to 1.62% (2018: 0.42% to 1.62%) per annum.

#### 27. BANK BALANCES AND CASH AND PLEDGED BANK DEPOSITS AND OTHER CASH FLOW INFORMATION

##### (a) Bank balances and cash and pledged bank deposits

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
<b>Bank balances and cash</b>	<b>銀行結存及現金</b>		
Cash at banks and in hand	銀行及手頭現金	<b>732,356</b>	791,265
<b>Pledged bank deposits</b>	<b>已抵押銀行存款</b>		
Deposits pledged against banking facilities granted to mortgagors	就授予按揭人之銀行融資抵押之存款	<b>4,189</b>	1,257
Other secured deposits	其他抵押存款	<b>273</b>	2,558
		<b>4,462</b>	3,815

#### 26. 其他金融機構存款

於二零一七年十二月二十九日，本公司與誠通財務有限責任公司（「誠通財務」，誠通控股之全資附屬公司）訂立金融服務協議，據此，誠通財務同意向本集團提供一系列金融服務，包括存款服務，年期自二零一八年一月一日至二零二零年十二月三十一日止。有關金融服務協議之詳情載於本公司日期為二零一七年十二月二十九日之公告。

於二零一九年十二月三十一日，本集團存放於誠通財務的活期存款為港幣2,157,000元（二零一八年：港幣112,338,000元），年利率介乎0.42%至1.62%（二零一八年：0.42%至1.62%）。

#### 27. 銀行結存及現金以及已抵押銀行存款及其他現金流量資料

##### (a) 銀行結存及現金以及已抵押銀行存款

## Notes to the Financial Statements 財務報表附註

### 27. BANK BALANCES AND CASH AND PLEGDED BANK DEPOSITS AND OTHER CASH FLOW INFORMATION (Continued)

#### (a) Bank balances and cash and pledged bank deposits (Continued)

- (i) For the year ended 31 December 2019, bank balances deposited in Hong Kong banks carry interest ranged from 0.01% to 3.02% (2018: from 0.01% to 0.50%) per annum.

Bank balances deposited in PRC banks carry interest at benchmark rate offered by The People's Bank of China.

- (ii) Bank balances and cash and pledged bank deposits held by the Company's PRC subsidiaries and deposited with banks in the PRC amounting to HK\$415,921,000 (2018: HK\$560,614,000) were denominated in RMB, which are not a freely convertible currency in the international market. The RMB exchange rate is determined by the Government of the PRC and the remittance of these funds out of the PRC is subject to exchange restrictions imposed by the Government of the PRC.

- (iii) As required by the PRC State-Owned Land and Resource Bureau, certain property development companies of the Group are required to place in designated bank accounts the pre-sale proceeds of properties to finance the construction of the related properties. The deposits can only be used for purchases of construction materials and payments of construction fees of the relevant property projects when approval from the PRC State-Owned Land and Resources Bureau is obtained. The directors considered these bank deposits form part of the Group's normal operating fund, which was included in "bank balances and cash", and was presented as part of cash and cash equivalents.

The cash deposited in the designated bank accounts for the aforesaid specific usage as at 31 December 2019 amounted to HK\$24,325,000 (2018: HK\$16,746,000).

### 27. 銀行結存及現金以及已抵押銀行 存款及其他現金流量資料(續)

#### (a) 銀行結存及現金以及已抵押銀行存 款(續)

- (i) 截至二零一九年十二月三十一日止年度，於香港銀行之銀行結存的年利率介乎0.01%至3.02%(二零一八年：介乎0.01%至0.50%)。

於中國之銀行之銀行結存按中國人民銀行公佈之基準利率計息。

- (ii) 本公司之中國附屬公司所持金額為港幣415,921,000元(二零一八年：港幣560,614,000元)之銀行結存及現金以及已抵押銀行存款以人民幣列值，並存放於中國之銀行，惟人民幣不可於國際市場自由兌換。人民幣之匯率由中國政府釐定，而自中國匯出有關資金須受中國政府實施之外匯管制所規限。

- (iii) 根據中國國土資源部的規定，本集團若干物業發展公司須向指定銀行戶口存入物業預售所得的款項，作為興建相關物業的資金。該存款僅可用作購買建築材料及於中國國土資源部批准相關物業項目後支付建造費用。董事認為，該等銀行存款構成本集團一般營運資金的一部分，並已計入「銀行結存及現金」及作為現金及現金等價物的一部分列賬。

於二零一九年十二月三十一日，在指定銀行戶口存放作上述特定用途之現金為港幣24,325,000元(二零一八年：港幣16,746,000元)。

## Notes to the Financial Statements

### 財務報表附註

#### 27. BANK BALANCES AND CASH AND PLEDGED BANK DEPOSITS AND OTHER CASH FLOW INFORMATION (Continued)

##### (b) Other cash flow information

Reconciliation of liabilities arising from financing activities:

#### 27. 銀行結存及現金以及已抵押銀行存款及其他現金流量資料(續)

##### (b) 其他現金流量資料

融資活動產生的負債對賬：

		Lease liabilities 租賃負債 (note 30) (附註30) HK\$'000 港幣千元	Bank borrowings 銀行借貸 (note 31) (附註31) HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 31 December 2018	於二零一八年十二月三十一日	-	274,100	274,100
Impact on initial application of HKFRS 16	首次應用香港財務報告準則第16號之影響	5,040	-	5,040
At 1 January 2019	於二零一九年一月一日	5,040	274,100	279,140
Changes from financing cash flows:	來自融資現金流量的變動：			
Proceeds from new bank loans	新銀行貸款所得款項	-	79,100	79,100
Repayment of bank loans	償還銀行貸款	-	(73,450)	(73,450)
Interest paid	已付利息	-	(9,729)	(9,729)
Capital element of lease rentals paid	已付租金之資本部分	(2,846)	-	(2,846)
Interest element of lease rentals paid	已付租金之利息部分	(437)	-	(437)
Total changes from financing cash flows	來自融資現金流量的變動總額	(3,283)	(4,079)	(7,362)
Exchange adjustments	匯兌調整	(124)	(2,415)	(2,539)
Other changes:	其他變動：			
Interest expenses	利息開支	437	5,570	6,007
Capitalised borrowing costs	資本化借貸成本	-	4,524	4,524
New leases	新租賃	9,658	-	9,658
Reclassified as liabilities associated with assets classified as held for sale	重新分類為與分類為持作出售之資產相關之負債	(847)	-	(847)
Total other changes	其他變動總額	9,248	10,094	19,342
At 31 December 2019	於二零一九年十二月三十一日	10,881	277,700	288,581

## Notes to the Financial Statements 財務報表附註

### 27. BANK BALANCES AND CASH AND PLEDGED BANK DEPOSITS AND OTHER CASH FLOW INFORMATION (Continued)

(b) Other cash flow information (Continued)

Reconciliation of liabilities arising from financing activities:  
(Continued)

### 27. 銀行結存及現金以及已抵押銀行存款及其他現金流量資料(續)

(b) 其他現金流量資料(續)

融資活動產生的負債對賬：(續)

		<b>Bank borrowings</b> <b>銀行借貸</b> <i>(note 31)</i> <i>(附註31)</i> <i>HK\$'000</i> <i>港幣千元</i>
At 1 January 2018	於二零一八年一月一日	214,400
Changes from financing cash flows:	來自融資現金流量的變動：	
Proceeds from new bank loans	新銀行貸款所得款項	77,350
Repayment of bank loans	償還銀行貸款	(14,280)
Interest paid	已付利息	(9,039)
Total changes from financing cash flows	來自融資現金流量的變動總額	<u>54,031</u>
Exchange adjustments	匯兌調整	(3,370)
Other changes:	其他變動：	
Interest expenses	利息開支	6,505
Capitalised borrowing costs	資本化借貸成本	<u>2,534</u>
Total other changes	其他變動總額	<u>9,039</u>
At 31 December 2018	於二零一八年十二月三十一日	<u>274,100</u>

## Notes to the Financial Statements

### 財務報表附註

#### 28. TRADE AND OTHER PAYABLES

#### 28. 貿易及其他應付款項

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Trade payables (note (a))	貿易應付款項(附註(a))	14,153	13,030
Other payables and accruals	其他應付款項及應計款項	40,560	52,516
Deposits received (note (b))	已收按金(附註(b))	80,784	14,820
Accrual of construction costs	應計工程費用	38,151	40,360
		<b>173,648</b>	<b>120,726</b>

Notes:

附註：

(a) The ageing analysis of the trade payables presented based on the invoice date at the end of the reporting period is as follows:

(a) 於報告期末按發票日期呈報的貿易應付款項之賬齡分析如下：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Within one year	一年內	11,306	10,105
Over one year but less than two years	超過一年但少於兩年	-	-
Over two years but less than three years	超過兩年但少於三年	2,847	2,925
		<b>14,153</b>	<b>13,030</b>

(b) As at 31 December 2019 and 2018, deposits received mainly arose from sale and leaseback arrangements (note 23) as security deposits. The deposits will be returned to the customers upon the settlement of the principal of loans receivable and the interest accrued under the sale and leaseback arrangements.

(b) 於二零一九年及二零一八年十二月三十一日，已收按金主要來自售後租回安排(附註23)作為保證金。存款將於償付售後租回安排下之應收貸款本金額及應計利息後退還予客戶。



## Notes to the Financial Statements

### 財務報表附註

#### 29. CONTRACT LIABILITIES

The Group has recognised the following revenue-related contract liabilities:

	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Contract liabilities related to property sales	123,832	163,266
Contract liabilities related to bulk commodity trade	10,805	43,830
	<b>134,637</b>	<b>207,096</b>

#### Movements in contract liabilities

	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Balance at 1 January	207,096	184,788
- Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	(151,114)	(81,953)
- Increase in contract liabilities as a result of billing in advance of bulk commodity trade	21,496	43,830
- Increase in contract liabilities as a result of receiving sales deposits and instalments during the year in respect of properties still under construction as at the year end	71,897	60,431
- Reclassified as liabilities associated with assets classified as held for sale (note 37)	(10,310)	-
- Currency realignment	(4,428)	-
Balance at 31 December	<b>134,637</b>	<b>207,096</b>

As at 31 December 2019, the amount of HK\$134,637,000 (2018: HK\$207,096,000) unsatisfied performance obligations arose from property sales and bulk commodity trade, of which HK\$70,625,000 (2018: nil) were expected to be recognised as income after more than one year.

#### 29. 合約負債

本集團已確認下列收益相關合約負債：

	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Contract liabilities related to property sales	123,832	163,266
Contract liabilities related to bulk commodity trade	10,805	43,830
	<b>134,637</b>	<b>207,096</b>

#### 合約負債之變動

	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
於一月一日的結餘	207,096	184,788
- 合約負債因年內確認於年初計入合約負債之收益而減少	(151,114)	(81,953)
- 合約負債因大宗商品貿易提前開票而增加	21,496	43,830
- 合約負債因年內收取於年末仍在建物業之銷售按金及分期付款而增加	71,897	60,431
- 重新分類為與分類為持作出售之資產相關之負債 (附註37)	(10,310)	-
- 匯兌重整	(4,428)	-
於十二月三十一日的結餘	<b>134,637</b>	<b>207,096</b>

於二零一九年十二月三十一日，物業銷售及大宗商品貿易產生港幣134,637,000元的未達成履約責任，當中港幣70,625,000元(二零一八年：無)預期於一年後確認為收入。

## Notes to the Financial Statements

### 財務報表附註

### 30. LEASE LIABILITIES

The following table shows the remaining contractual maturities of the Group's lease liabilities at the end of the current and previous reporting periods and at the date of transition to HKFRS 16:

		At 31 December 2019 於二零一九年 十二月三十一日		At 1 January 2019 於二零一九年 一月一日		At 31 December 2018 於二零一八年 十二月三十一日	
		Present value of minimum lease payments 最低租賃付款現值 HK\$'000 港幣千元	Minimum lease payments 最低租賃付款 HK\$'000 港幣千元	Present value of minimum lease payments 最低租賃付款現值 HK\$'000 港幣千元	Minimum lease payments 最低租賃付款 HK\$'000 港幣千元	Present value of minimum lease payments 最低租賃付款現值 HK\$'000 港幣千元	Minimum lease payments 最低租賃付款 HK\$'000 港幣千元
Within one year	一年內	3,528	3,938	1,428	1,746	-	-
After one year but within 2 years	一年後但於兩年內	3,892	4,146	1,228	1,418	-	-
After one year but within 5 years	兩年後但於五年內	3,461	3,525	2,384	2,542	-	-
		<b>10,881</b>	<b>11,609</b>	5,040	5,706	-	-
Less: total future interest expenses	減：未來利息開支總額		(728)		(666)		
Present value of lease liabilities	租賃負債現值		<b>10,881</b>		<b>5,040</b>		
Analysed for reporting purposes as:	分析作呈報用途：						
Current liabilities	流動資產		3,528		1,428		-
Non-current liabilities	非流動資產		7,353		3,612		-
			<b>10,881</b>		<b>5,040</b>		

### 30. 租賃負債

下表載列本集團租賃負債於於當前及先期報告期末以及過渡至香港財務報告準則第16號之日期之餘下合約到期情況：

### 31. BANK BORROWINGS

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
<b>Unsecured bank borrowings</b>	<b>無抵押銀行借貸</b>		
Short-term bank loans	短期銀行貸款	<b>277,700</b>	274,100

The short-term bank loans were unsecured and repayable within one year from the end of the reporting period.

The effective interest rates of the bank loans ranged from 3.04% to 5.66% per annum at 31 December 2019 (2018: 2.67% to 5.90%).

### 31. 銀行借貸

短期銀行貸款乃無抵押，並自報告期末起一年內須予償還。

於二零一九年十二月三十一日，該等銀行貸款的實際年利率介乎3.04%至5.66%（二零一八年：2.67%至5.90%）。

## Notes to the Financial Statements

### 財務報表附註

#### 32. UNSECURED OTHER LOAN

Unsecured other loan from third parties is unsecured, repayable on demand and interest-free.

#### 33. DEFERRED TAX

##### Deferred tax liabilities

The followings are the major deferred tax liabilities and movement thereon during the current and prior year:

		Revaluation of investment properties 投資物業重估 HK\$'000 港幣千元	Undistributed profits of PRC subsidiaries* 中國附屬公司未分配利潤* HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
<b>At 31 December 2017</b>	<b>於二零一七年十二月三十一日</b>			
Charge to profit or loss (note 9)	於損益中扣除(附註9)	59,076	22,559	81,635
Disposal of a subsidiary (note 38)	出售一間附屬公司(附註38)	884	6,557	7,441
Transferred to current tax payable	轉移至應付即期稅項	(21,240)	–	(21,240)
Exchange differences	匯兌差額	–	(13,090)	(13,090)
		(2,099)	(853)	(2,952)
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>			
(Credit)/charge to profit or loss (note 9)	於損益中(計入)/扣除(附註9)	36,621	15,173	51,794
Transferred to current tax payable	轉移至應付即期稅項	(1,263)	3,131	1,868
Exchange differences	匯兌差額	–	(9,462)	(9,462)
		(941)	(206)	(1,147)
<b>At 31 December 2019</b>	<b>於二零一九年十二月三十一日</b>	<b>34,417</b>	<b>8,636</b>	<b>43,053</b>

\* Under the EIT Law of the PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC entities to a non-PRC holding company from 1 January 2008 onwards.

##### Deferred tax assets

The Group has estimated unused tax losses not recognised in the consolidated financial statements as follows:

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Estimated unused tax losses	估計未動用稅項虧損	<b>150,265</b>	138,426

No deferred tax asset in respect of the abovementioned estimated unused tax losses have been recognised due to unpredictability of future profit streams. Included in the unrecognised estimated unused tax losses are losses of approximately HK\$73,577,000 (2018: HK\$63,543,000) that will expire on various dates within five years from the reporting dates. Other estimated unused tax losses may be carried forward indefinitely.

#### 32. 無抵押其他貸款

第三方提供之無抵押其他貸款均為無抵押、須應要求償還及免息。

#### 33. 遞延稅項

##### 遞延稅項負債

於本年度及以往年度產生之重大遞延稅項負債及其變動載列如下：

\* 根據中國企業所得稅法，自二零零八年一月一日起對中國公司就所獲溢利向非中國控股公司宣派的股息徵收預扣稅。

##### 遞延稅項資產

本集團未於綜合財務報表中確認之估計未動用稅項虧損載列如下：

鑒於未能預測日後溢利，故並無就上述估計未動用稅項虧損確認遞延稅項資產。未確認估計未動用稅項虧損中包括約港幣73,577,000元(二零一八年：港幣63,543,000元)將於報告日期起計五年內不同日期到期之虧損。其他估計未動用稅項虧損可無限期結轉。

## Notes to the Financial Statements

### 財務報表附註

#### 34. SHARE CAPITAL

#### 34. 股本

##### THE GROUP AND THE COMPANY

##### 本集團及本公司

	2019		2018	
	二零一九年 Number of shares 股份數目 '000 千股	HK\$'000 港幣千元	二零一八年 Number of shares 股份數目 '000 千股	HK\$'000 港幣千元
Issued and fully paid: At 1 January and 31 December				
已發行及已繳足： 於一月一日及 十二月三十一日	5,808,735	2,185,876	5,808,735	2,185,876

#### 35. SHARE OPTION SCHEME AND SHARE AWARD SCHEME

#### 35. 購股權計劃及股份獎勵計劃

##### (a) Share option scheme

The Company has adopted the share option scheme (the "Scheme") on 27 June 2013. The purpose of the Scheme is to provide incentives or rewards to participants thereunder for their contribution to the Group and/or to enable the Group to recruit and retain high-caliber employees and attract human resources that are valuable to the Group and any invested entity.

Eligible participants of the Scheme include (a) any employee (whether full-time or part-time, including any executive director but excluding any non-executive director of the Company) of, or any individual for the time being seconded to work for the Company, any subsidiary or any entity in which any member of the Group holds any equity interest ("Invested Entity") or any employee or officer of the controlling shareholder of the Company; (b) any non-executive director (including independent non-executive directors) of the Company, any subsidiary or any Invested Entity; (c) any suppliers of goods or services to any member of the Group or any Invested Entity; (d) any customer of the Group or any Invested Entity; (e) any person or entity that provides research development or other technological support to the Group or any Invested Entity; (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued or proposed to be issued by any member of the Group or any invested entity; (g) any adviser (professional or otherwise) or consultant to the Group relating to any area of business or business development of any member of the Group or any Invested Entity; and (h) any joint venture or business partner of the Group who have contributed or may contribute to the development and growth of the Group. For the purposes of the Scheme, the offer may be made to any company wholly owned by one or more eligible participants. The Scheme shall be valid and effective for a period of 10 years commencing on the date it was adopted and will end on 26 June 2023.

##### (a) 購股權計劃

本公司已於二零一三年六月二十七日採納購股權計劃(「計劃」)。計劃旨在鼓勵或獎賞對本集團作出貢獻之參與者及/或使本集團能招攬及挽留高質素僱員以及吸納對本集團及任何投資實體而言屬寶貴之人力資源。

計劃的合資格參與者包括(a)本公司、本集團的任何附屬公司或本集團的任何成員公司持有任何股權的實體(「投資實體」)的任何僱員(全職或兼職，包括本公司任何執行董事，但不包括任何非執行董事)或暫時被調派到本公司、本集團的任何附屬公司或投資實體的人士，或本公司控股股東的任何僱員或高級人員；(b)本公司、任何附屬公司或任何投資實體的任何非執行董事(包括獨立非執行董事)；(c)本集團任何成員公司或任何投資實體的任何貨物或服務供應商；(d)本集團或任何投資實體的任何客戶；(e)向本集團或任何投資實體提供研發或其他技術支援的任何個人或實體；(f)本集團任何成員公司或任何投資實體的任何股東或本集團任何成員公司或任何投資實體發行或擬發行的任何證券的任何持有人；(g)本集團任何成員公司或任何投資實體有關本集團任何業務範疇或業務發展的任何顧問(專業或非專業)或專家顧問；及(h)為本集團的發展與成長作出貢獻或可能作出貢獻的本集團之任何合營企業或商業夥伴。就計劃而言，可向由一名或多名資格參與者全資擁有的任何公司授出購股權。計劃應自採納之日起生效，有效期為10年並將於二零二三年六月二十六日結束。

## Notes to the Financial Statements 財務報表附註

### 35. SHARE OPTION SCHEME AND SHARE AWARD SCHEME (Continued)

#### (a) Share option scheme (Continued)

An offer of the grant of an option under the Scheme (the “**Option**”) may be accepted within 21 days from the date of grant together with a remittance of HK\$1.00 by way of consideration for the grant thereof. An Option may be exercised during such period as the board of directors may in its absolute discretion determine, save that such period shall not be more than 10 years from the date of grant. The maximum number of shares which may be allotted and issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes adopted by the Group shall not exceed 30% of the share capital of the Company in issue from time to time.

The subscription price for the shares on the exercise of the Option shall be determined at the discretion of the board of directors which shall not be less than the higher of (i) the closing price of the Company’s shares as stated in the Stock Exchange’s daily quotations sheet on the date of grant; (ii) the average closing price of the Company’s shares as stated in the Stock Exchange’s daily quotations sheets for the five trading days immediately preceding the date of grant, and (iii) the nominal value of the Company’s shares (note). Holding period will be determined by directors upon granting.

During the years ended 31 December 2019 and 2018, no Option was granted, exercised, cancelled or lapsed under the Scheme. There was no Option outstanding as at 31 December 2019 and 2018.

*Note:* Pursuant to the Companies Ordinance, which came into operation on 3 March 2014, the shares of the Company have ceased to have nominal value.

#### (b) Share award scheme

To provide a means to (i) recognise the contributions by certain selected employees and to give incentives to them for the continual operation and development of the Group; and (ii) attract suitable personnel for the growth and further development of the Group, the Company has adopted a share award scheme (the “**Share Award Scheme**”) which became effective on 1 July 2017 (the “**Effective Date**”). Subject to any early termination as may be determined by the board of directors, the Share Award Scheme remains valid and effective for 5 years commencing from the Effective Date.

### 35. 購股權計劃及股份獎勵計劃(續)

#### (a) 購股權計劃(續)

計劃項下授出的購股權(「**購股權**」)可於授出之日起21日內於接受所授出的購股權後匯款支付港幣1.00元作為授出購股權的代價而被接納。此期間內，董事會可按其絕對酌情權決定行使購股權，惟該期間不得超過授出日期10年。所有根據計劃及本集團採用的任何其他購股權計劃已授予而尚未行使的未兌現購股權獲行使後可供配發及發行的股份最大數額不得超過本公司不時發行的已發行股本30%。

於行使購股權時的股份認購價應由董事會酌情釐定，且不得低於下列三者之最高者：(i)本公司股份於授出購股權日期在聯交所每日報價表所報之收市價；(ii)本公司股份於緊接授出購股權日期前五個交易日在聯交所每日報價表所報之平均收市價；及(iii)本公司股份之面值(附註)。董事將於授出後釐定持有期間。

於截至二零一九年及二零一八年十二月三十一日止年度，概無購股權在該計劃下被授出、行使、取消或失效。於二零一九年及二零一八年十二月三十一日，概無尚未行使的購股權。

*附註：*根據於二零一四年三月三日生效之公司條例，本公司股份不再具有面值。

#### (b) 股份獎勵計劃

為繼續提供方法(i)表揚若干選定員工所作出的貢獻，並就本集團的持續經營及發展鼓勵員工；及(ii)就本集團增長及進一步發展吸引合適人員，本公司已採納股份獎勵計劃(「**股份獎勵計劃**」)，於二零一七年七月一日(「**生效日期**」)生效。股份獎勵計劃自生效日期起開始五年間維持有效，惟董事會可決定提前予以終止。

## Notes to the Financial Statements

### 財務報表附註

#### 35. SHARE OPTION SCHEME AND SHARE AWARD SCHEME (Continued)

##### (b) Share award scheme (Continued)

The board of directors or the trustee shall not make any further award of shares to the selected employees which will result in the total number of shares awarded by the board of directors under the Share Award Scheme exceeding 1% of the total ordinary shares in the share capital of the Company as at the Effective Date.

During the years ended 31 December 2019 and 2018, no ordinary share of the Company was purchased by the trustee under the Share Award Scheme and no award of share was granted to the selected employees under the Share Award Scheme.

As at 31 December 2019, the trustee held 11,750,000 shares of the Company (2018: 11,750,000) for the purpose of the Share Award Scheme.

#### 36. RESERVES

##### THE GROUP

Details of changes in reserves accounts of the Group are set out in the consolidated statement of changes in equity on pages 106 and 107.

Notes:

##### CAPITAL RESERVE

It represents the difference between the consideration paid for and the fair value of net assets acquired by a former subsidiary of the Group from a company beneficially owned by a substantial shareholder of the Company.

##### STATUTORY RESERVE

It represents the Group's share of statutory reserves of the subsidiaries in the PRC, which is based on 10% profit for the year of these subsidiaries. Such statutory reserve is non-distributable and shall be used to (i) make up prior years' losses or (ii) expand production operations.

##### SHARES HELD FOR SHARE AWARD SCHEME

Shares held for share award scheme is comprised of the consideration paid for the shares held for the share award scheme.

##### EMPLOYEE SHARE-BASED COMPENSATION RESERVE

It represents the cumulative expenses recognised on the granting of share-based compensation to the employees over the vesting period.

##### OTHER RESERVE

It represents the difference between the consideration and the carrying amount of the net assets attributable to the additional interests in subsidiaries being acquired from non-controlling equity holders.

##### EXCHANGE RESERVE

It comprises all foreign exchange differences arising on translation operation to presentation currency.

#### 35. 購股權計劃及股份獎勵計劃(續)

##### (b) 股份獎勵計劃(續)

董事會或受託人不應向選定員工授出任何額外獎勵股份，其將導致董事會根據股份獎勵計劃所授出的股份總數超過於生效日期本公司股本中普通股總數的1%。

於截至二零一九年及二零一八年十二月三十一日止年度，受託人並無就股份獎勵計劃購買本公司普通股，且概無根據股份獎勵計劃向選定員工授出獎勵股份。

於二零一九年十二月三十一日，就股份獎勵計劃而言，受託人持有本公司11,750,000股(二零一八年：11,750,000股)股份。

#### 36. 儲備

##### 本集團

本集團儲備賬目變動詳情載於第106及107頁之綜合權益變動表。

附註：

##### 資本儲備

指所付代價與本集團一間前附屬公司收購本公司一名主要股東實益擁有的一間公司的淨資產的公平值之間的差額。

##### 法定儲備

指本集團應佔於中國之附屬公司之法定儲備份額，乃基於此等附屬公司之年內溢利之10%計算。此等法定儲備不可供分派且將用作(i)彌補往年虧損或(ii)擴大生產經營。

##### 為股份獎勵計劃持有之股份

為股份獎勵計劃持有之股份包括就股份獎勵計劃而持有之股份而支付的代價。

##### 以股份支付的僱員酬金儲備

指於歸屬期間向僱員授予以股份支付酬金時確認的累計開支。

##### 其他儲備

指代價及自非控股權益持有人收購附屬公司的額外權益歸屬於淨資產賬面值之間的差異。

##### 匯兌儲備

包括呈列貨幣折算所產生的所有外匯差額。



## Notes to the Financial Statements

### 財務報表附註

#### 36. RESERVES (Continued)

##### THE COMPANY

	Shares held for share award scheme	Employee share-based compensation reserve	Financial assets at fair value through other comprehensive income reserve	Available-for-sale financial assets revaluation reserve	Exchange reserve	Accumulated profits	Total
	為股份獎勵計劃持有之股份	以股份支付的僱員酬金儲備	按公平值計入其他全面收益儲備之金融資產	可供出售金融資產重估儲備	匯兌儲備	累計溢利	總計
	(note) (附註)	(note) (附註)			(note) (附註)		
	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
<b>At 31 December 2017 as originally presented</b>	<b>原先呈列於二零一七年十二月三十一日</b>	(6,494)	702	-	(8,975)	96,401	41,658
Effect of adjustment on adoption of HKFRS 9	採納香港財務報告準則第9號的調整影響	-	-	(9,167)	8,975	192	-
<b>At 1 January 2018 (restated)</b>	<b>於二零一八年一月一日 (經重列)</b>	(6,494)	702	(9,167)	(39,976)	96,593	41,658
Loss for the year	年內虧損	-	-	-	-	(10,565)	(10,565)
Other comprehensive income:	其他全面收益：						
Exchange differences arising on translation to presentation currency	折算呈列貨幣產生的匯兌差額	-	-	-	(64,725)	-	(64,725)
Net change in fair value of financial assets at fair value through other comprehensive income	按公平值計入其他全面收益之金融資產之公平值淨變動	-	-	7,421	-	-	7,421
Transfer to profit or loss upon disposal of debt investments measured at fair value through other comprehensive income	出售按公平值計入其他全面收益計量的債務投資後轉至損益	-	-	1,746	-	-	1,746
Total comprehensive income for the year	年內全面收益總額	-	-	9,167	(64,725)	(10,565)	(66,123)
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	(6,494)	702	-	(104,701)	86,028	(24,465)
Loss for the year and total comprehensive income for the year	年內虧損及年內全面收益總額	-	-	-	-	(19,598)	(19,598)
<b>At 31 December 2019</b>	<b>於二零一九年十二月三十一日</b>	<b>(6,494)</b>	<b>702</b>	<b>-</b>	<b>(104,701)</b>	<b>66,430</b>	<b>(44,063)</b>

#### 36. 儲備(續)

##### 本公司

## Notes to the Financial Statements

### 財務報表附註

#### 37. ASSETS CLASSIFIED AS HELD FOR SALE/ LIABILITIES ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

On 23 December 2019, the Company passed an ordinary resolution in the extraordinary general meeting to approve the disposal of 41% of the equity interest of Chengtong Energy. The purchaser of this transaction is a non-wholly owned subsidiary of CCHG, the ultimate holding company of the Company. The details of which have been set out in the circular of the Company dated 6 December 2019.

Chengtong Energy is the Company's non-wholly owned subsidiary and is principally engaged in coal trading under the reportable segment of bulk commodity trading. As at 31 December 2019, the assets and liabilities attributable to Chengtong Energy, which are expected to be sold within twelve months from the reporting date, have been classified as assets classified as held for sale and liabilities associated with assets classified as held for sale and are presented separately in the consolidated statement of financial position.

#### 37. 分類為持作出售之資產／與分類 為持作出售資產相關之負債

於二零一九年十二月二十三日，本公司於股東特別大會通過普通決議案以批准出售誠通能源41%股權。該項交易之買家為誠通控股的非全資擁有附屬公司，而誠通控股為本公司的最終控股公司。有關詳情載於本公司日期為二零一九年十二月六日之通函。

誠通能源為本公司之非全資擁有附屬公司，主要從事大宗商品貿易可呈報分類下的煤炭貿易業務。於二零一九年十二月三十一日，誠通能源所佔預期於報告日期起計十二個月內出售的資產及負債已劃歸為分類為持作出售之資產及與分類為持作出售資產相關之負債，並於綜合財務狀況表分別呈列。

2019  
二零一九年  
HK\$'000  
港幣千元

##### Assets classified as held for sale:

Property, plant and equipment  
Trade and other receivables  
Bank balances and cash

##### 分類為持作出售之資產：

物業、廠房及設備 1,326  
貿易及其他應收款項 19,992  
銀行結存及現金 57,317

78,635

##### Liabilities associated with assets classified as held for sale:

Trade and other payables  
Contract liabilities  
Lease liabilities  
Taxation payable

##### 與分類為持作出售資產相關之 負債：

貿易及其他應付款項 8,876  
合約負債 10,310  
租賃負債 847  
應付稅項 16

20,049

## Notes to the Financial Statements

### 財務報表附註

#### 38. DISPOSAL OF A SUBSIDIARY

##### For the year ended 31 December 2019

No disposal of subsidiary was completed during the year.

##### For the year ended 31 December 2018

On 29 October 2018, the Group entered into a property rights transaction contract with an independent third party to dispose of its 100% equity interest in Haikou Cuidao Hotspring Resort Hotel Company Limited (“**Haikou Cuidao**”) at cash consideration of RMB195,864,000 (approximately HK\$233,079,000). Haikou Cuidao is principally engaged in hotel management services in the PRC. The disposal was completed on 14 December 2018 and the Group recognised a gain on disposal of a subsidiary of approximately HK\$110,799,000.

The net assets of Haikou Cuidao at the date of disposal were as follows:

#### 38. 出售一間附屬公司

##### 截至二零一九年十二月三十一日止年度

年內概無完成出售附屬公司。

##### 截至二零一八年十二月三十一日止年度

於二零一八年十月二十九日，本集團與獨立第三方以現金代價人民幣195,864,000元（約為港幣233,079,000元）出售其於海口翠島溫泉度假酒店有限公司（「**海口翠島**」）之100%股權訂立產權交易合約。海口翠島主要於中國從事酒店管理服務。出售事項於二零一八年十二月十四日完成並且本集團確認出售一間附屬公司之收益約為港幣110,799,000元。

海口翠島於出售日期之資產淨值如下：

		2018 二零一八年 HK\$'000 港幣千元
Property, plant and equipment	物業、廠房及設備	25,253
Prepaid land lease payments	預付土地租賃付款	152,905
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	505
Bank balances and cash	銀行結存及現金	192
Accruals and other payables	應計款項及其他應付款項	(36,925)
Deferred tax liabilities	遞延稅項負債	(21,240)
Net assets disposed of	已出售資產淨值	<u>120,690</u>
Total consideration – satisfied by cash	總代價 – 以現金支付	<u>233,079</u>
<b>Gain on disposal of a subsidiary</b>	<b>出售一間附屬公司之收益</b>	
Consideration	代價	233,079
Net assets disposed of	已出售資產淨值	(120,690)
Release of exchange reserve	解除匯兌儲備	(486)
Amounts payable to the buyer in respect of the post agreement date results borne by the Group	就本集團所承擔協議日期後業績應付買方之款項	<u>(1,104)</u>
Gain on disposal	出售所得收益	<u>110,799</u>
Net cash inflow arising on disposal of a subsidiary:	出售一間附屬公司產生之現金流入淨額：	
– Cash consideration received	– 已收現金代價	233,079
– Amounts paid to the buyer in respect of the post agreement date results borne by the Group	– 就本集團所承擔協議日期後業績已付買方之款項	(1,104)
– Bank balances and cash disposed of	– 已出售銀行結存及現金	(192)
		<u>231,783</u>

## Notes to the Financial Statements

### 財務報表附註

#### 39. RELATED PARTY TRANSACTIONS

##### (a) Transactions and balances with related parties

Save as disclosed elsewhere in the financial statements, during the year, the Group had also entered into the following significant transactions with the following related parties:

Name of related parties 關連方名稱	Nature of transactions/ balances 交易／結餘性質	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
<b>The wholly-owned subsidiaries of the ultimate holding company: 最終控股公司之全資附屬公司：</b>			
中國寰島集團有限公司	Interest income 利息收入	<b>1,151</b>	-
	Other receivables 其他應收款項	<b>410</b>	380
	Loan to a related party 向關連方貸款	<b>34,431</b>	-
Chengtong Finance (note 26) 誠通財務(附註26)	Deposits 存款	<b>2,157</b>	112,338
	Interest income 利息收入	<b>18</b>	1,445
Hainan Huandao Taide Hotel Property Management Co. Ltd 海南寰島泰得酒店物業管理有限公司	Property management expenses 物業管理費用	-	271
China Paper Industry Investment Company Limited 中國紙業投資有限公司	Sale of coal 銷售煤炭	-	6,861

Save as disclosed above, other balances and transactions with related parties at the end of the respective reporting dates or during the respective years are set out in the consolidated statement of financial position and notes 24 and 37.

#### 39. 關連方交易

##### (a) 與關連方之交易及結餘

除財務報表其他部分所披露者外，年內，本集團亦與下列關連方進行以下重大交易：

除上文所披露者外，於各報告日期末或各相關年度內與關連方之其他結餘及交易載於綜合財務狀況表以及附註24及37。

## Notes to the Financial Statements

### 財務報表附註

#### 39. RELATED PARTY TRANSACTIONS

(Continued)

##### (b) Transactions and balances with other government-related entities

The Group itself is part of a larger group of companies controlled by CCHG (CCHG and its subsidiaries are referred to as the “**CCHG Group**”) which is a stated-owned enterprise under the direct supervision of the State Council of the PRC. The directors of the Company consider that the Company is ultimately controlled by the government of the PRC and the Group operates in an economic environment currently dominated by entities controlled, jointly controlled or significantly influenced by the PRC government (“**government-related entities**”).

Apart from transactions with CCHG Group, the Group has transactions with other government-related entities including but not limited to the finance lease arrangements.

Details of the transactions and balances with relevant government-related entities are set out below:

##### Transactions with government-related entities:

Interest income  
Consultancy service income from finance lease arrangements

##### 與政府關連實體之交易：

利息收入  
融資租賃安排的諮詢服務收入

**2019**  
**二零一九年**  
**HK\$'000**  
**港幣千元**

2018  
二零一八年  
HK\$'000  
港幣千元

**50,224**  
**23,559**

44,339  
8,925

In addition, the Group has entered into various transactions, including other purchases and operating expenses with other government-related entities. In the opinion of the directors, except for the transactions and balances disclosed above, other transactions and balances are considered as individually and collectively insignificant to the operation of the Group for both years.

In addition, the Group has bank deposits, financial assets investments and other general banking facilities with certain banks and financial institutions which are government-related entities in its ordinary course of business. In view of the nature of those banking transactions, the directors of the Company are of the opinion that separate disclosure would not be material to the financial statements.

#### 39. 關連方交易(續)

##### (b) 與其他政府關連實體之交易及結餘

本集團自身為中國國務院直接監管之國有企業誠通控股(誠通控股及其附屬公司合稱「**誠通控股集團**」)旗下一個大型公司集團之一部分。本公司董事認為，本公司受中國政府最終控制，而本集團目前營運所處的經濟環境受中國政府控制、聯合控制或有重大影響之實體(「**政府關連實體**」)主導。

除與誠通控股集團之交易外，本集團還與其他政府關連實體進行交易，包括但不限於融資租賃安排。

與相關政府關連實體之交易以及結餘之詳情載列如下：

此外，本集團亦與其他政府關連實體進行多項交易，包括其他採購及經營開支。董事認為，除上文披露的交易及結餘外，其他交易及結餘(個別及共同衡量)對本集團兩個年度的營運而言並不重大。

此外，本集團於日常業務過程中亦與屬政府關連實體之若干銀行及金融機構進行涉及銀行存款、金融資產投資及其他一般銀行融資活動。鑒於該等銀行交易的性質，本公司董事認為單獨披露對財務報表並無重大影響。

## Notes to the Financial Statements

### 財務報表附註

#### 39. RELATED PARTY TRANSACTIONS

(Continued)

- (c) The remunerations of key management personnel, which are the directors and senior management during the year, were as follows:

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Short-term employee benefits	短期僱員福利	3,421	3,268
Post-employment benefits	離職後福利	36	18
		<u>3,457</u>	<u>3,286</u>

- (d) In March 2016, the Group entered into a guarantee agreement with China Chengtong Coal Investment Limited ("Chengtong Coal"), a subsidiary of the ultimate holding company of the Company, for a period of three years. The aforesaid guarantee provided by the Group has been discharged during the year ended 31 December 2019.

Pursuant to the guarantee agreement, the Group has provided a guarantee by pledging its office premises with net book value of approximately HK\$45,367,000 as at 31 December 2018 and issuing a guarantee letter to the Supreme People's Court of Guangxi Zhuang Autonomous Region to the extent of RMB53,540,000 (approximately HK\$61,036,000). The Group also entered into a deed of counter-indemnity with China Chengtong Hong Kong Company Limited ("CCHK"), an intermediate holding company of the Company, pursuant to which CCHK agreed to indemnify the Group in full for its liabilities and loss, if any, which may arise from the above guarantee provided by the Group.

Pursuant to the guarantee agreement, Chengtong Coal has to pay an annual arrangement fee of 1% over the guarantee amount to the Group. During the year ended 31 December 2019, the Group recognised guarantee income of HK\$258,000 (2018: HK\$633,000) to the profit or loss for the year.

#### 39. 關連方交易(續)

- (c) 年內主要管理人員(即董事及高級管理層)之薪酬如下:

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Short-term employee benefits	短期僱員福利	3,421	3,268
Post-employment benefits	離職後福利	36	18
		<u>3,457</u>	<u>3,286</u>

- (d) 於二零一六年三月，本集團與本公司最終控股公司的附屬公司中國誠通煤業投資有限公司(「誠通煤業」)訂立擔保協議，期限為三年。上述由本集團所提供的擔保已於截至二零一九年十二月三十一日止年度解除。

根據擔保協議，本集團透過質押其於二零一八年十二月三十一日賬面淨值約港幣45,367,000元的辦公物業，並向廣西壯族自治區高級人民法院出具以約人民幣53,540,000元(約港幣61,036,000元)為限的擔保函以提供擔保。本集團亦與本公司中介控股公司中國誠通香港有限公司(「誠通香港」)訂立彌償契據，據此，誠通香港同意全額彌償本集團可能因上述由本集團所提供的擔保而產生的負債及虧損(如有)。

根據擔保協議，誠通煤業須按擔保金額的1%向本集團支付年度安排費用。截至二零一九年十二月三十一日止年度，本集團於年內損益中確認港幣258,000元(二零一八年：港幣633,000元)的擔保收入。



## Notes to the Financial Statements

### 財務報表附註

#### 40. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The Group monitors capital on the basis of the total debt to total assets ratio. This ratio is calculated as total debt divided by total assets. Total debt is calculated as bank borrowings and unsecured other loan disclosed in notes 31 and 32 respectively.

The directors of the Company review the capital structure on a continuous basis. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt.

The total debt to total assets ratio at the end of reporting period was as follows:

#### 40. 資本風險管理

本集團的資本管理旨在確保本集團內的實體均可持續經營，同時透過優化債務及股本結餘為股東謀求最大回報。自上一年度起，本集團之整體戰略保持不變。

本集團利用債務總額與總資產之比率監察其資本。此比率按照債務總額除以總資產計算。債務總額分別為附註31及32披露的銀行借貸及無抵押其他貸款。

本公司董事會按持續基準對資本架構進行檢討。檢討工作之一部分乃本公司董事對資本成本及各類資本的相關風險進行審議。根據本公司董事的推薦建議，本集團將透過支付股息、發行新股、購回股份以及發行新債券，使整體資本架構保持平衡。

於報告期末的債務總額與總資產之比率如下：

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
<b>Current liabilities</b>	<b>流動負債</b>		
Bank borrowings	銀行借貸	277,700	274,100
Unsecured other loans	無抵押其他貸款	600	600
Total debt	債務總額	<u>278,300</u>	<u>274,700</u>
Total assets	總資產	<u>3,600,661</u>	<u>3,590,303</u>
Total debt to total assets ratio	債務總額與總資產之比率	<u>7.7%</u>	<u>7.7%</u>

## Notes to the Financial Statements

### 財務報表附註

#### 41. FINANCIAL RISK MANAGEMENT

#### 41. 財務風險管理

##### Categories of financial instruments

##### 金融工具分類

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Financial assets	金融資產		
Other financial assets measured at FVPL	按公平值計入損益的其他金融資產	205,179	422,972
Other financial assets measured at FVOCI	按公平值計入其他全面收益的其他金融資產	138,887	109,124
Measured at amortised costs:	按攤銷成本計量：		
Other financial assets	其他金融資產	205,017	313,500
Loans receivables	應收貸款	1,126,824	666,936
Trade and other receivables	貿易及其他應收款項	47,066	71,442
Amount due from a related party	應收一名關連方款項	34,431	-
Pledged bank deposits	已抵押銀行存款	4,462	3,815
Deposits in other financial institution	於其他金融機構存款	2,157	112,338
Bank balances and cash	銀行結存及現金	732,356	791,265
		<b>2,152,313</b>	1,959,296
Financial liabilities	金融負債		
At amortised costs:	按攤銷成本：		
Trade and other payables	貿易及其他應付款項	173,648	120,726
Bank borrowings	銀行借貸	277,700	274,100
Unsecured other loan	無抵押其他貸款	600	600
Lease liabilities	租賃負債	10,881	-
		<b>462,829</b>	395,426

##### Financial risk management objectives and policies

The Group's major financial instruments include trade and other receivables, loans receivable, other financial assets, amount due from a related party, pledged bank deposits, deposits in other financial institution, bank balances and cash, trade and other payables, bank borrowings, unsecured other loan and lease liabilities. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include currency risk, price risk, interest rate risk, credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

##### Currency risk

As at 31 December 2019, except for the following, the Group does not have significant financial assets or financial liabilities denominated in currencies other than their functional currencies at the end of the reporting period.

##### 財務風險管理目標及政策

本集團的主要金融工具包括貿易及其他應收款項、應收貸款、其他金融資產、應收一名關連人士款項、已抵押銀行存款、其他金融機構存款、銀行結存及現金、貿易及其他應付款項、銀行借貸、無抵押其他貸款及租賃負債。金融工具詳情於各附註披露。與該等金融工具有關的風險包括貨幣風險、價格風險、利率風險、信貸風險及流動資金風險。有關如何降低該等風險的政策載列於下文。本集團管理層管理及監控該等風險，以確保及時有效地採取適當措施。

##### 貨幣風險

於二零一九年十二月三十一日，除以下所述者外，本集團於報告期末概無以其功能貨幣以外之貨幣計值之重大金融資產或金融負債。

## Notes to the Financial Statements

### 財務報表附註

#### 41. FINANCIAL RISK MANAGEMENT (Continued)

##### Financial risk management objectives and policies

(Continued)

##### Currency risk (Continued)

The carrying amounts of the Group's financial assets and liabilities denominated in currencies other than the functional currencies of the respective group companies as at 31 December 2019 and 2018 are as follows:

Assets	資產	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
United States Dollar ("USD")	美元(「美元」)	104,718	216,051

The Group currently does not have a foreign currency hedging policy but the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

##### Sensitivity analysis

As at 31 December 2019 and 2018, financial assets denominated in USD belongs to the group companies of which their functional currency is HK\$. As HK\$ is pegged to USD, the Group considers that the currency risk arising from transactions in USD is not significant.

##### Price risk

Certain of the Group's other financial assets are measured at fair value at the end of each reporting date with reference to the quoted prices. Therefore, the Group is exposed to equity price risk and the management of the Group will monitor the price movements and take appropriate actions when is required.

Sensitivity analysis is performed by management to assess the exposure of the Group's financial results to price risks of listed other financial assets at the end of each of the reporting period. If the prices of the respective instruments held by the Group had been 5% (2018: 5%) higher/lower as at 31 December 2019, the profit for the year and other comprehensive income would have been approximately HK\$52,000 and HK\$6,731,000 (2018: HK\$56,000 and HK\$5,207,000) higher/lower respectively.

#### 41. 財務風險管理(續)

##### 財務風險管理目標及政策(續)

##### 貨幣風險(續)

於二零一九年及二零一八年十二月三十一日，本集團以各集團公司功能貨幣以外貨幣計值之金融資產及負債之賬面值載列如下：

Assets	資產	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
United States Dollar ("USD")	美元(「美元」)	104,718	216,051

本集團目前並無外幣對沖政策，但管理層會監察外匯風險，並將於有必要時考慮對沖重大外匯風險。

##### 敏感度分析

於二零一九年及二零一八年十二月三十一日，以美元計值之金融資產乃屬於集團公司，而其功能貨幣為港幣。由於港幣與美元掛鈎，本集團認為，以美元進行交易所產生之貨幣風險並不重大。

##### 價格風險

本集團若干其他金融資產乃參照報價，並按各報告日期末之公平值計量。因此，本集團面臨股票價格風險，而本集團管理層將監控價格波動並於需要時採取適當措施。

管理層進行敏感度分析以評估於各報告期末本集團財務業績所面臨之上市其他金融資產的價格風險。於二零一九年十二月三十一日，倘本集團持有的各項工具的價格增加／減少5%(二零一八年：5%)，則年內溢利及其他全面收益將分別增加／減少約港幣52,000元及港幣6,731,000元(二零一八年：港幣56,000元及港幣5,207,000元)。

## Notes to the Financial Statements

### 財務報表附註

#### 41. FINANCIAL RISK MANAGEMENT (Continued)

##### Financial risk management objectives and policies (Continued)

##### Interest rate risk

The cash flow interest rate risk relates primarily to the Group's variable rate deposits and bank balances, loans receivable, other financial assets and bank borrowings. The fair value interest rate risk relates primarily to these respective instruments. The Group currently does not have an interest rate hedging policy. However, the management of the Group monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

The Group has exposure to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate. The directors consider the interest bearing instruments are with maturity within 1 year and their interest rate risk is not significant as these financial assets are within short maturity period and thus it is not included in sensitivity analysis.

##### Sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates after considering the impact of the interest expenses being capitalised as properties under development at the end of the reporting period. A 50 basis points (2018: 50 basis points) increase or decrease is used which represents management's assessment of the reasonably possible change in interest rates.

As at 31 December 2019, if interest rates on interest bearing instruments with maturity over 1 year had been 50 basis points higher/lower and all of other variables were held constant, the post-tax profit would increase/decrease by approximately HK\$1,249,000 (2018: HK\$805,000).

##### Credit risk

The Group's credit risk is primarily attributable to trade and other receivables, loans receivable, other financial assets, amount due from a related party, deposits in other financial institution and bank balances. In order to minimise the credit risk, the management of the Group has reviewed the recoverable amount of each aforesaid individual assets at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the management of the Group considers that the Group's credit risk is significantly reduced.

#### 41. 財務風險管理(續)

##### 財務風險管理目標及政策(續)

##### 利率風險

現金流量利率風險主要與本集團浮動利率之存款及銀行結存、應收貸款、其他金融資產及銀行借貸有關。公平值利率風險主要與各項工具有關。本集團現時無利率對沖政策。然而，本集團管理層會監察利率風險，並將於在必要時考慮對沖重大利率風險。

因現行市場利率波動，本集團面臨現金流量利率風險。董事認為，計息工具之還款期為一年以內，由於該等金融資產屬短還款期，其利率風險不屬重大，因此並未將其納入敏感度分析。

##### 敏感度分析

下列敏感度分析乃基於所面臨之利率風險，並已考慮報告期末利息支出资本化為發展中物業之影響。所採用之上下浮動50個基點(二零一八年：50個基點)代表管理層對利率之合理可能變動之評估。

於二零一九年十二月三十一日，倘到期日超過一年的計息工具之利率上下浮動50個基點，而所有其他變量保持不變，則除稅後溢利將增加／減少約港幣1,249,000元(二零一八年：港幣805,000元)。

##### 信貸風險

本集團之信貸風險主要來自貿易及其他應收款項、應收貸款、其他金融資產、應收一名關連方之款項、其他金融機構存款及銀行結存。為降低信貸風險，本集團管理層於報告期末檢討上述各個別資產之可收回金額，以確保就無法收回金額作出足夠之減值虧損撥備。就此而言，本集團管理層認為本集團之信貸風險大大降低。

## Notes to the Financial Statements 財務報表附註

### 41. FINANCIAL RISK MANAGEMENT (Continued)

#### Financial risk management objectives and policies

(Continued)

#### Credit risk (Continued)

##### Impairment and provision policies

The Group's policy requires the review of individual outstanding amounts at least monthly or more regularly depending on individual circumstances or market condition.

The Group's impairment requirements are based on an expected credit loss model. The Group applies simplified approach to measure ECL on trade and bills receivables; and general approach to measure ECL on deposits and other receivables, loans receivable, other financial assets at amortised cost, amount due from a related party and deposits in other financial institution and bank balances. Under the simplified approach, the Group measures the loss allowance at an amount equal to lifetime ECL. Under the general approach, financial assets migrate through the following three stages based on the change in credit risk since initial recognition: Stage 1: 12-month ECL, Stage 2: Lifetime ECL – not credit-impaired and Stage 3: Lifetime ECL – credit-impaired.

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when (i) the borrower is unlikely to pay its credit obligations to the Group in full; or (ii) the financial asset is 90 days past due. 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. Information such as failure to make payments of principal or interest on their contractually due dates, an actual or expected significant deterioration in the operating results of the debtor and an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if any) will be taken into account when assessing whether credit risk has increased significantly since initial recognition.

When determining whether the risk of default has increased significantly since initial recognition, the Group considers both quantitative and qualitative information and analysis based on the Group's historical experience and expert credit risk assessment, including forward-looking information. The trade and other receivables and loans receivable use the number of days past due ("DPD") and loan-to-collateral value ("LTV") to determine significant increase in credit risk.

### 41. 財務風險管理(續)

#### 財務風險管理目標及政策(續)

#### 利率風險(續)

##### 減值及撥備政策

本集團的政策要求至少每月或在特定情況或市況下更為頻繁地對個別未清償款項進行審查。

本集團的減值規定乃以預期信貸虧損模式為依據。本集團應用簡化法計量貿易應收款項及應收票據的預期信貸虧損，並應用一般方法計量按金及其他應收款項、應收貸款、按攤銷成本入賬的其他金融資產、應收一名關連方之款項以及於其他金融機構存款及銀行結存的預期信貸虧損。根據簡化法，本集團基於等同於賬齡預期信貸虧損的金額計量虧損撥備。按照一般方法，金融資產乃基於初步確認後的信貸風險變動，透過下列三個階段予以轉撥：第1階段：12個月的預期信貸虧損、第2階段：賬齡預期信貸虧損 – 並無信貸減值及第3階段：賬齡預期信貸虧損 – 信貸減值。

於評估金融工具之信貸風險自初步確認以來是否已大幅上升時，本集團將金融工具於報告日期發生違約之風險與金融工具於初步確認日期發生違約之風險進行比較。於作出此重新評估時，本集團認為倘發生下列情況，則發生違約事件：(i) 借款人大可能向本集團悉數償還其信貸責任；或(ii) 金融資產已逾期90日。本集團考慮合理及可靠之定量及定性資料(包括毋須花費過度成本或精力即可獲得之過往經驗及前瞻性資料)。當評估信貸風險自初步確認以來是否已大幅上升時，將考慮未能於合約到期日支付本金額或利息、債務人經營業績之實際或預期重大惡化及金融工具之內外交貨評級(如有)實際或預期重大惡化等資料。

於釐定自初步確認以來違約風險是否大幅增加時，本集團兼顧量化及質化資料以及基於本集團過往經驗及專家信貸風險評估的分析，包括前瞻性資料。貿易及其他應收款項以及應收貸款採用逾期天數(「逾期天數」)及貸款與抵押品價值比(「貸款與抵押品價值比」)釐定信貸風險是否大幅增加。

## Notes to the Financial Statements

### 財務報表附註

#### 41. FINANCIAL RISK MANAGEMENT (Continued)

##### Financial risk management objectives and policies (Continued)

##### Credit risk (Continued)

##### Impairment and provision policies (Continued)

The ECL are assessed by the Group on semi-annual basis. Based on DPD, LTV and internally derived credit ratings, deposits and other receivables, loans receivable, other financial assets measured at amortised cost, amount due from a related party and bank balances are classified into 3 stages.

When estimating the ECL on loan and advances to customers, the Group has incorporated forward-looking economic information through the use of industry trend and experienced credit judgement to reflect the qualitative factors.

As at 31 December 2019 and 2018, other than those financial assets whose carrying amounts best represent the maximum exposure to credit risk, the Group's maximum exposure to credit risk which will cause a financial loss to the Group arising from the amount of financial guarantees provided by the Group is disclosed in note 43.

The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets, except that the credit risks associated with loans receivable as disclosed in note 23. The Group considers that the credit risk arising from the loans is significantly mitigated by the leased equipment and facilities and customers' deposits (2018: land and buildings, leased equipment and facilities and customers' deposits) held as collaterals, with reference to the estimated value of the collaterals at 31 December 2019 and 31 December 2018.

#### 41. 財務風險管理(續)

##### 財務風險管理目標及政策(續)

##### 利率風險(續)

##### 減值及撥備政策(續)

本集團每半年評估預期信貸虧損。根據逾期天數、貸款與抵押品價值比及內部制定的信貸評級、按金及其他應收款項、應收貸款、按攤銷成本計量的其他金融資產、應收一名關連方之款項及銀行結存分為三個階段。

於估計給予客戶貸款及墊款的預期信貸虧損時，本集團已納入前瞻性經濟資料，透過使用行業趨勢及基於經驗的信貸判斷以反映質化因素。

於二零一九年及二零一八年十二月三十一日，除賬面值最能代表最高信貸風險的金融資產外，本集團面臨的將因本集團提供財務擔保的金額而導致本集團蒙受財務虧損的最高信貸風險於附註43披露。

本集團並無持有任何抵押品或其他信貸增強措施以保障其金融資產相關信貸風險，惟分別誠如附註23所披露之應收貸款相關信貸風險除外。本集團認為，由於持有租賃設施及設施及客戶存款(二零一八年：土地及樓宇、租賃設備及設施及客戶存款)作為抵押品，而經參考抵押品於二零一九年十二月三十一日及二零一八年十二月三十一日之估計價值後，與貸款相關之信貸風險已大大減少。



## Notes to the Financial Statements 財務報表附註

### 41. FINANCIAL RISK MANAGEMENT (Continued)

#### Financial risk management objectives and policies (Continued)

##### Credit risk (Continued)

##### Financial assets with credit risk exposure

##### Trade and bills receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of the reporting period, no trade and bills receivables was due from the Group's largest customer as well as the five largest customers within the Group's business.

##### Loans receivable

Before accepting any new lessee under sale and leaseback arrangement, the Group assesses the credit quality of each potential lessee and defined limits for each lessee. The Group also demands certain lessees to provide corporate guarantees from their respective shareholders or related parties or other assets as collateral to the Group at the time the sale and leaseback arrangement is entered into. In addition, the Group has reviewed the repayment history of sale and leaseback payments from each lessee with reference to the repayment schedule from the date of loans receivable to determine the recoverability of the loans receivable. Also, the Group takes into account information specific to the customers as well as pertaining to the economic environment in which the customers operate.

##### Bank balances, deposits in other financial institution and other financial assets at amortised cost

As at 31 December 2019 and 2018, the Group has bank balances and cash, deposits and other financial assets in certain corporations and banks in the PRC and Hong Kong. The credit risk on these deposits and other financial assets is insignificant as the counterparties are financial institutions with high credit-rating or with good reputation.

### 41. 財務風險管理(續)

#### 財務風險管理目標及政策(續)

##### 利率風險(續)

##### 面臨信貸風險的金融資產

##### 貿易應收款項及應收票據

本集團所面臨的信貸風險主要受各客戶的個別特性影響，而非取決於客戶經營所在的行業或國家。因此高度集中的信貸風險主要產生於本集團與個別客戶有重大業務往來之時。於報告期末，概無應收本集團最大客戶以及本集團業務的前五大客戶的貿易應收款項及應收票據。

##### 應收貸款

在接納售後回租安排項下任何新的承租人之之前，本集團會評估各潛在承租人之信用狀況，並界定各承租人之限額。在訂立售後回租安排時，本集團亦要求某些承租人向本集團提供其各股東或關連方之企業擔保或其他資產作為抵押品。此外，本集團已參照應收貸款日期起之還款時間表，檢討各承租人之售後回租款項過往支付記錄，以確定應收貸款之可收回水平。此外，本集團會計及客戶特定資料及與客戶運營所處經濟環境有關的資料。

##### 銀行結存、其他金融機構存款及按攤銷成本入賬之其他金融資產

於二零一九年及二零一八年十二月三十一日，本集團於中國及香港若干公司及銀行擁有銀行結存及現金、存款及其他金融資產。該等存款及其他金融資產相關之信貸風險不屬重大，因為交易對方是具備高信貸評級或享負盛名之金融機構。

## Notes to the Financial Statements

### 財務報表附註

#### 41. FINANCIAL RISK MANAGEMENT (Continued)

##### Financial risk management objectives and policies (Continued)

##### Credit risk (Continued)

The expected loss rate applied is approximately 0.1%. Movement in the loss allowance account in respect of other receivables and loans receivable during the year is as follows:

		HK\$'000 港幣千元
Balance at 31 December 2017 under HKAS 39	根據香港會計準則第39號 於二零一七年十二月三十一日的結存	-
Impact on initial application of HKFRS 9	首次應用香港財務報告準則第9號之影響	250
Adjusted balance at 1 January 2018	<b>於二零一八年一月一日之經調整結存</b>	250
Impairment losses recognised during the year	於年內確認之減值虧損	55
Exchange difference	匯兌差額	(7)
Balance at 31 December 2018	<b>於二零一八年十二月三十一日之結存</b>	298
Impairment losses reversed during the year	於年內撥回之減值虧損	(46)
Exchange difference	匯兌差額	(2)
Balance at 31 December 2019	<b>於二零一九年十二月三十一日之結存</b>	<b>250</b>

The origination of new other receivables and loans receivables net of those settled resulted in a decrease in loss allowance of HK\$46,000 (2018: increase in HK\$55,000) during the year ended 31 December 2019.

As at 31 December 2019, the Group has concentration of credit risk with (a) amount due from a related party of HK\$34,431,000; and (b) 17 lessees from 20 sale and leaseback arrangements, with aggregated amount of loans receivable of HK\$1,126,824,000.

As at 31 December 2018, the Group has concentration of credit risk with (a) 6 customers from bulk commodities trading, with aggregated amount of trade and bills receivables of HK\$8,097,000; and (b) 11 lessees from sale and leaseback arrangements, with aggregated amount of loans receivable of HK\$666,936,000.

To monitor the credit risk exposure, the management of the Group has reviewed the recoverability of each debtor periodically. At as 31 December 2019, no significant increase in credit risk among these financial assets (2018: no significant increase).

#### 41. 財務風險管理(續)

##### 財務風險管理目標及政策(續)

##### 利率風險(續)

所應用的預期虧損率為約0.1%。年內其他應收款項以及應收貸款於虧損撥備賬中的變動詳情如下：

新增其他應收款項及應收貸款(扣除已結算部分)導致截至二零一九年十二月三十一日止年度之虧損撥備減少港幣46,000元(二零一八年：增加港幣55,000元)。

於二零一九年十二月三十一日，本集團之信貸風險集中於(a)應收一名關連方之款項港幣34,431,000元；及(b)與十七名承租人之20項售後回租安排，應收貸款總額為港幣1,126,824,000元。

於二零一八年十二月三十一日，本集團之信貸風險集中於(a)與六名客戶之大宗商品貿易，貿易應收款項及應收票據總額為港幣8,097,000元；及(b)與十一名承租人之售後回租安排，應收貸款總額為港幣666,936,000元。

為監控信貸風險，本集團之管理層已定期檢討各債務人所欠債項之可收回水平。於二零一九年十二月三十一日，該等金融資產中並無信貸風險大幅上升(二零一八年：並無大幅上升)。

## Notes to the Financial Statements

### 財務報表附註

#### 41. FINANCIAL RISK MANAGEMENT (Continued)

##### Financial risk management objectives and policies

(Continued)

##### Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management of the Group to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management of the Group monitors the utilisation of bank loans and ensures compliance with loan covenants.

##### Liquidity table

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be demanded for repayment. The table includes both interest and principal cash flows.

At 31 December 2019

		Weighted average interest rate per annum 加權平均 年利率	Within 1 year or on demand 一年內或 按要求 HK\$'000 港幣千元	After 1 year but within 2 years 一年後但 於兩年內 HK\$'000 港幣千元	After 2 year but within 5 years 兩年後但 於五年內 HK\$'000 港幣千元	Total undiscounted cash flows 未貼現現金 流量總計 HK\$'000 港幣千元	Carrying amount 賬面值 HK\$'000 港幣千元
Trade and other payables	貿易及其他應付款項	-	173,648	-	-	173,648	173,648
Bank borrowings	銀行借貸	3.97%	288,733	-	-	288,733	277,700
Unsecured other loan	無抵押其他貸款	-	600	-	-	600	600
Lease liabilities	租賃負債	6.69%	3,938	4,146	3,525	11,609	10,881
			<u>466,919</u>	<u>4,146</u>	<u>3,525</u>	<u>474,590</u>	<u>462,829</u>
Financial guarantee issued	已出具之財務擔保						
Maximum amount guaranteed	已擔保最高金額		207,145	-	-	207,145	-

#### 41. 財務風險管理(續)

##### 財務風險管理目標及政策(續)

##### 流動資金風險

就流動資金風險管理而言，本集團對現金及現金等價物進行監察及維持至本集團管理層均視為足以為本集團營運提供資金及減低現金流量波動所帶來影響的水平。本集團管理層監控銀行貸款的使用，確保符合貸款契約。

##### 流動資金表

下表詳細載列本集團的非衍生金融負債根據議定還款期的餘下合約期。下表乃根據本集團於可被要求償還的最早日期的金融負債未貼現現金流量編製。該表包括利息及本金現金流量。

於二零一九年十二月三十一日

## Notes to the Financial Statements

### 財務報表附註

#### 41. FINANCIAL RISK MANAGEMENT (Continued)

##### Financial risk management objectives and policies (Continued)

##### Liquidity risk (Continued)

Liquidity table (Continued)

At 31 December 2018

		Weighted average interest rate per annum 加權平均 年利率	Within 1 year or on demand 一年內或 按要求 HK\$'000 港幣千元	Total undiscounted cash flows 未貼現現金 流量總計 HK\$'000 港幣千元	Carrying amount 賬面值 HK\$'000 港幣千元
Trade and other payables	貿易及其他應付款項	-	120,726	120,726	120,726
Bank borrowings	銀行借貸	3.80%	284,496	284,496	274,100
Unsecured other loan	無抵押其他貸款	-	600	600	600
			<u>405,822</u>	<u>405,822</u>	<u>395,426</u>
Financial guarantee issued	已出具之財務擔保				
Maximum amount guaranteed	已擔保最高金額		<u>211,918</u>	<u>211,918</u>	-

#### 41. 財務風險管理(續)

##### 財務風險管理目標及政策(續)

##### 流動資金風險(續)

流動資金表(續)

於二零一八年十二月三十一日

#### 42. FAIR VALUE OF FINANCIAL INSTRUMENTS

##### (a) Financial assets measured at fair value

##### (i) Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

Level 1 valuations: Quoted prices in active markets for identical items (unadjusted);

Level 2 valuations: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3 valuations: Fair value measured using significant unobservable inputs.

#### 42. 金融工具之公平值

##### (a) 以公平值入賬的金融資產

##### (i) 公平值等級

下表呈列於報告期末按經常性基準計量的本集團金融工具的公平值，歸類為香港財務報告準則第13號「公平值計量」定義的三級公平值等級。公平值計量歸類的層級經參考估值方法中使用的輸入數據的可觀察性及重要性釐定如下：

一級評估：相同項目於活躍市場之報價(未經調整)；

二級評估：除計入一級的報價之外，資產或負債的直接(即價格)或間接(即從價值衍生得出)可觀察輸入數據；

三級評估：使用重大不可觀察輸入數據計量的公平值。

## Notes to the Financial Statements

### 財務報表附註

#### 42. FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

##### (a) Financial assets measured at fair value (Continued)

##### (i) Fair value hierarchy (Continued)

		Fair value measurement as at 31 December 2019 於二零一九年十二月三十一日的公平值計量			Fair value as at 31 December 2019 於二零一九年 十二月三十一日 的公平值
		Level 1	Level 2	Level 3	
		一級	二級	三級	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
<b>Recurring fair value measurement</b>	<b>經常性公平值計量</b>				
Financial assets:	金融資產：				
Other financial assets:	其他金融資產：				
Financial assets measured at FVOCI (non-recycling):	按公平值計入其他全面收益之 金融資產(不可轉入損益)：				
- unlisted equity investment	- 非上市股權投資	-	-	4,267	4,267
- shares listed in Hong Kong	- 於香港上市的股份	134,620	-	-	134,620
Financial assets measured at FVPL:	按公平值計入損益之金融資產：				
- shares listed in Hong Kong	- 於香港上市的股份	1,040	-	-	1,040
- unlisted investments	- 非上市投資	-	-	204,139	204,139

##### Fair value measurement as at 31 December 2018 於二零一八年十二月三十一日的公平值計量

		Fair value measurement as at 31 December 2018 於二零一八年十二月三十一日的公平值計量			Fair value as at 31 December 2018 於二零一八年 十二月三十一日 的公平值
		Level 1	Level 2	Level 3	
		一級	二級	三級	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
<b>Recurring fair value measurement</b>	<b>經常性公平值計量</b>				
Financial assets:	金融資產：				
Other financial assets:	其他金融資產：				
Financial assets measured at FVOCI (non-recycling):	按公平值計入其他全面收益之 金融資產(不可轉入損益)：				
- unlisted equity investment	- 非上市股權投資	-	-	4,984	4,984
- shares listed in Hong Kong	- 於香港上市的股份	104,140	-	-	104,140
Financial assets measured at FVPL:	按公平值計入損益之金融資產：				
- shares listed in Hong Kong	- 於香港上市的股份	1,125	-	-	1,125
- unlisted investments	- 非上市投資	-	-	421,847	421,847

There were no transfers amongst Level 1, Level 2 and Level 3 in the fair value hierarchy during both years.

於兩個年度內公平值等級的一級、二級及三級之間概無轉移。

## Notes to the Financial Statements

### 財務報表附註

#### 42. FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

##### (a) Financial assets measured at fair value (Continued)

##### (ii) Valuation techniques and inputs used in Level 3 fair value measurements

	Valuation techniques 估值方法	Significant unobservable inputs 重大不可觀察輸入數據	Range 範圍
<b>Financial assets:</b>			
Other financial assets:			
- financial assets measured at FVOCI: unlisted equity investment	Discounted cash flow	Discount rate and discount for lack of marketability	Discount rate: 17.1% (2018:15.3%); Discount for lack of marketability: 20% (2018: 20%)
- 按公平值計入其他全面收益之金融資產：非上市股權投資	貼現現金流量	貼現率及缺乏市場流動性貼現	貼現率：17.1% (二零一八年：15.3%)；缺乏市場流動性貼現：20% (二零一八年：20%)
- financial assets measured at FVPL: unlisted investments	Discounted cash flow	Expected yield and discount rate	Expected yield: 3.06%-9.11% (2018: 3.30%-8.90%); Discount rate: 3.93%-9.50% (2018: 2.57%-4.90%)
- 按公平值計入損益之金融資產：非上市投資	貼現現金流量	預期回報及貼現率	預期回報：3.06%-9.11% (二零一八年：3.30%-8.90%) 貼現率：3.93%-9.50% (二零一八年：2.57%-4.90%)

##### (b) Fair values of financial assets and liabilities carried at other than fair value

The directors of the Company consider that the carrying amounts of the Group's financial instruments that are not measured at fair value are approximate to their fair values.

#### 42. 金融工具之公平值(續)

##### (a) 以公平值入賬的金融資產(續)

##### (ii) 三級公平值計量使用的估值方法及輸入數據

##### (b) 按公平值以外列賬的金融資產及負債的公平值

本公司董事認為，本集團並非按公平值計量的金融工具的賬面值與其公平值相若。



## Notes to the Financial Statements 財務報表附註

### 43. CONTINGENT LIABILITIES

- (a) As at 31 December 2019, the Group had contingent liabilities in relation to guarantees of approximately HK\$207,145,000 (2018: HK\$211,918,000) given to banks in respect of mortgage loans granted to purchasers of certain property units.

Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principals together with any accrued interest and penalty owed by the defaulted purchasers to the banks, and the Group is entitled to take over the legal title and possession of the related properties.

- (b) As mentioned in note 39(d) to the financial statements, the guarantee provided by the Group to Chengtong Coal has been discharged during the year ended 31 December 2019 (2018: to the extent of approximately RMB53,540,000 (approximately HK\$61,036,000)).

In the opinion of the directors of the Company, the financial impact arising from providing the above financial guarantees is insignificant and accordingly, they were not accounted for in these financial statements.

As at 31 December 2019 and 2018, the Group was not involved in any litigation or arbitration of material importance and there was no litigation or claim of material importance known to the directors of the Company to be pending or threatened against the Group.

### 43. 或然負債

- (a) 於二零一九年十二月三十一日，本集團擁有與擔保相關的或然負債約港幣207,145,000元(二零一八年：港幣211,918,000元)，擔保是因銀行向若干物業單位買家授予按揭貸款而提供。

根據擔保條款，若該等買家拖欠按揭付款，本集團有責任向銀行償還違約買家未償還的按揭本金，連同任何應計利息和罰金，而本集團有權接管相關物業的法定業權及所有權。

- (b) 誠如財務報表附註39(d)所載，由本集團向誠通煤業的擔保已於截至二零一九年十二月三十一日止年度解除(二零一八年：金額約人民幣53,540,000元(約港幣61,036,000元)為限))。

本公司董事認為，提供上述財務擔保產生的財務影響微不足道，故並未在該等財務報表中入賬。

於二零一九年及二零一八年十二月三十一日，本集團概無涉及任何重大訴訟或仲裁，本公司董事亦不知悉有任何尚未了結或將針對本集團而提出的重大訴訟或索償。

## Notes to the Financial Statements

### 財務報表附註

#### 44. COMMITMENTS

##### (a) Capital commitments

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Contracted but not provided for:	已訂約但未撥備：		
Purchase of property, plant and equipment	購買物業、廠房及設備	250	21,601

##### (b) Operating lease commitments as lessor

The Group has contracted with tenants for the following future minimum lease receivables:

		2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Within one year	一年內	2,245	1,183
In the second to fifth years inclusive	第二至第五年(包括首尾兩年)	6,125	4,070
Over five years	超過五年	278	855
		<b>8,648</b>	<b>6,108</b>

Leases are negotiated for terms ranging from one to ten years (2018: one to ten years).

##### (c) Operating lease commitments as lessee

At 31 December 2018, the Group has commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due as follows:

		2018 二零一八年 HK\$'000 港幣千元
Within one year	一年內	5,049
In the second to fifth years inclusive	第二年至第五年(包括首尾兩年)	3,636
		<b>8,685</b>

Leases are negotiated for terms ranging from one to five years. None of these leases include contingent rentals.

#### 44. 承擔

##### (a) 資本承擔

	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Contracted but not provided for:		
Purchase of property, plant and equipment	250	21,601

##### (b) 作為出租人之經營租約承擔

本集團已與租戶訂約，未來最低應收租金如下：

	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
Within one year	2,245	1,183
In the second to fifth years inclusive	6,125	4,070
Over five years	278	855
	<b>8,648</b>	<b>6,108</b>

租約協定之租期介乎一年至十年(二零一八年：一年至十年)。

##### (c) 作為承租人之經營租約承擔

於二零一八年十二月三十一日，本集團在不可解除經營租約下就下列期間到期之租賃物業之未來最低租金付款承擔如下：

	2018 二零一八年 HK\$'000 港幣千元
Within one year	5,049
In the second to fifth years inclusive	3,636
	<b>8,685</b>

租約協定之租期介乎一年至五年。該等租約均不包括或有租金。

## Notes to the Financial Statements

### 財務報表附註

#### 45. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

#### 45. 本公司財務狀況表

	Notes 附註	2019 二零一九年 HK\$'000 港幣千元	2018 二零一八年 HK\$'000 港幣千元
<b>ASSETS AND LIABILITIES</b>			
<b>Non-current assets</b>			
Property, plant and equipment		7,682	289
Interests in subsidiaries		-	-
Amounts due from subsidiaries		173,044	173,044
		<b>180,726</b>	173,333
<b>Current assets</b>			
Other receivables, prepayments and deposits		2,561	3,040
Amounts due from subsidiaries		2,064,163	1,965,734
Bank balances and cash		293,361	222,234
		<b>2,360,085</b>	2,191,008
<b>Current liabilities</b>			
Other payables		2,856	2,930
Lease liabilities		2,267	-
Bank borrowings		200,000	200,000
Amounts due to subsidiaries		188,843	-
		<b>393,966</b>	202,930
Net current assets		<b>1,966,119</b>	1,988,078
<b>Non-current liabilities</b>			
Lease liabilities		5,032	-
Net assets		<b>2,141,813</b>	2,161,411
<b>EQUITY</b>			
Share capital	34	2,185,876	2,185,876
Reserves	36	(44,063)	(24,465)
Total equity		<b>2,141,813</b>	2,161,411

Approved and authorised for issue by the board of directors on 24 February 2020 and signed on its behalf by:

由董事會於二零二零年二月二十四日批准及授權發行並由其代表簽署：

**Zhang Bin**  
張斌  
Director  
董事

**Yang Tianzhou**  
楊田洲  
Director  
董事

## Principal Properties 主要物業

### A. INVESTMENT PROPERTIES

### A. 投資物業

Location	地點	Group's effective interest 本集團之實質權益	Approximate site area 概約地盤面積 (sq. m.) (平方米)	Approximate gross floor area 概約總樓面面積 (sq. m.) (平方米)	Usage 用途	Category of lease 租約類別
Phase I, Chengtong Xiang Xie Li, No. 1 Mizhou West Road, Zhucheng City, Shandong Province, the PRC	中國山東省諸城市 密州西路一號 誠通香樹里第一期	100%	Note (a) 附註(a)	4,849	Commercial 商業	Medium-term lease 中期租約
Phase III, Chengtong Xiang Xie Li, No. 1 Mizhou West Road, Zhucheng City, Shandong Province, the PRC	中國山東省諸城市 密州西路一號 誠通香樹里第三期	100%	Note (a) 附註(a)	2,716	Commercial 商業	Medium-term lease 中期租約
Hanan Building No.5 Guoxing Avenue, Haikou City, Hainan Province, the PRC	中國海南省海口市 國興大道5號 海南大廈	100%	27,590	1,339	Commercial 商業	Medium-term lease 中期租約

### B. PROPERTIES HELD FOR DEVELOPMENT

### B. 持作發展物業

Location	地點	Group's effective interest 本集團之實質權益	Approximate site area 概約地盤面積 (sq. m.) (平方米)	Usage 用途	Category of lease 租約類別
A piece of land situated at south of Shugang Highway, Dafeng City, Jiangsu Province, the PRC	中國江蘇省大豐市 疏港公路南側之一幅土地	66.67%	549,600	Industrial 工業	Medium-term lease 中期租約
Lot No. 1, Port Serviced Area, Dafeng Ocean Economic Development Area, Dafeng City, Jiangsu Province, the PRC	中國江蘇省大豐市 大豐海洋經濟開發區 口岸服務區 1號地塊	66.67%	84,648	Residential and commercial 住宅及商業	Commercial - Medium-term lease Residential - Long lease 商業 - 中期租約 住宅 - 長期租約
Lot No. 3, Port Serviced Area, Dafeng Ocean Economic Development Area, Dafeng City, Jiangsu Province, the PRC	中國江蘇省大豐市 大豐海洋經濟開發區 口岸服務區 3號地塊	66.67%	244,248	Residential and commercial 住宅及商業	Commercial - Medium-term lease Residential - Long lease 商業 - 中期租約 住宅 - 長期租約

## Principal Properties 主要物業

### C. PROPERTIES UNDER DEVELOPMENT

Location	地點	Group's effective interest 本集團之實質權益	Approximate site area 概約地盤面積 (sq. m.) (平方米)	Usage 用途	Category of lease 租約類別	Stage of completion 完成階段	Expected completion date 預計完成日期
North Portion of Lot No. 2, Port Serviced Area, Dafeng Ocean Economic Development Area, Dafeng City, Jiangsu Province, the PRC	中國江蘇省大豐市大豐海洋經濟開發區口岸服務區2號地塊北側	66.67%	Note (b) 附註(b)	Residential and commercial 住宅及商業	Commercial – Medium-term lease Residential – Long lease 商業 – 中期租約 住宅 – 長期租約	Part of Section II work in progress 部分二標段工程進行中	Remaining Section II is expected to be completed in year 2021 餘下二標段預計於二零二一年完成
A parcel of land designated as No. 01213003 and located on the northern side of Mizhou West Road Eastern Section, Zhucheng City, Shandong Province, the PRC	中國山東省諸城市密州西路東段北側之一幅土地(地段編號第01213003號)	100%	Note (a) 附註(a)	Residential 住宅	Long lease 長期租約	Phase III work in progress 三期工程進行中	Phase III is expected to be completed in year 2023 三期預計於二零二三年完成

### C. 發展中物業

### D. PROPERTIES HELD FOR SALE

Location	地點	Group's effective interest 本集團之實質權益	Approximate site area 概約地盤面積 (sq. m.) (平方米)	Approximate saleable gross floor area 概約可售總樓面面積 (sq. m.) (平方米)	Usage 用途	Category of lease 租約類別
North Portion of Lot No. 2, Port Serviced Area, Dafeng Ocean Economic Development Area, Dafeng City, Jiangsu Province, the PRC	中國江蘇省大豐市大豐海洋經濟開發區口岸服務區2號地塊北側	66.67%	Note (b) 附註(b)	20,470	Residential and commercial 住宅及商業	Commercial – Medium-term lease Residential – Long lease 商業 – 中期租約 住宅 – 長期租約
A parcel of land designated as No. 01213003 and located on the northern side of Mizhou West Road Eastern Section, Zhucheng City, Shandong Province, the PRC	中國山東省諸城市密州西路東段北側之一幅土地(地段編號第01213003號)	100%	Note (a) 附註(a)	11,893	Residential and commercial 住宅及商業	Commercial – Medium-term lease Residential – Long lease 商業 – 中期租約 住宅 – 長期租約

### D. 持作出售物業

Note (a): Part of a parcel of land designated as No. 01213003 and located on the northern side of Mizhou West Road Eastern Section, Zhucheng City, Shandong Province, the PRC, total site area is 146,006 sq.m.

Note (b): Part of North Portion of Lot No. 2, Port Serviced Area, Dafeng Ocean Economic Development Area, Dafeng City, Jiangsu Province, the PRC, total site area is 30,245 sq.m.

附註(a): 屬中國山東省諸城市密州西路東段北側之一幅土地(地段編號第01213003號)之一部分，總地盤面積為146,006平方米。

附註(b): 屬中國江蘇省大豐市大豐海洋經濟開發區口岸服務區2號地塊北側之一部分，總地盤面積為30,245平方米。

## Financial Summary 財務概要

A summary of the published results and of the assets and liabilities of the Group for the year ended 31 December 2019 and the last four financial years, as extracted from the audited financial statements and reclassified as appropriate, is set out below. This summary does not form part of the audited financial statements.

以下為本集團截至二零一九年十二月三十一日止年度及過往四個財政年度之已刊發業績及資產與負債之概要，乃摘錄自該等經審核財務報表並已作出適當之重新分類。此摘要並不構成該等經審核財務報告之一部分。

	<b>2019</b> 二零一九年 <i>HK\$'000</i> 港幣千元	2018 二零一八年 <i>HK\$'000</i> 港幣千元	2017 二零一七年 <i>HK\$'000</i> 港幣千元	2016 二零一六年 <i>HK\$'000</i> 港幣千元	2015 二零一五年 <i>HK\$'000</i> 港幣千元
<b>RESULTS</b>					
<b>業績</b>					
Turnover	<b>1,110,598</b>	1,020,892	1,353,119	716,559	576,533
營業額					
Profit attributable to owners of the Company	<b>47,539</b>	113,440	23,363	63,804	81,830
本公司擁有人應佔溢利					
<b>ASSETS AND LIABILITIES</b>					
<b>資產及負債</b>					
<b>Non-current assets</b>					
<b>非流動資產</b>					
Property, plant and equipment	<b>241,834</b>	187,803	202,715	158,713	179,059
物業、廠房及設備					
Prepaid land lease payments	-	38,592	196,781	188,949	206,579
預付土地租賃付款					
Investment properties	<b>93,939</b>	101,528	63,816	58,934	58,468
投資物業					
Deposits paid	-	-	4,966	37,027	39,341
已付按金					
Loans receivable	<b>684,689</b>	245,700	383,902	353,654	261,493
應收貸款					
Other financial assets	<b>4,267</b>	4,984	-	-	-
其他金融資產					
Available-for-sale financial asset	-	-	5,246	-	-
可供出售金融資產					
<b>Current assets</b>					
<b>流動資產</b>					
Properties held for sale	<b>128,655</b>	202,005	251,688	159,716	242,917
持作出售物業					
Properties held for development	<b>260,661</b>	281,386	296,196	276,450	293,728
持作發展物業					
Properties under development	<b>205,688</b>	152,233	109,824	241,042	169,581
發展中物業					
Inventories	<b>4,036</b>	15,970	4,281	6,145	22,922
存貨					
Trade and other receivables	<b>136,054</b>	186,706	129,040	97,879	73,492
貿易及其他應收款項					
Loans receivable	<b>442,135</b>	421,236	358,359	309,545	162,969
應收貸款					
Prepaid land lease payments	-	2,011	5,665	5,287	5,414
預付土地租賃付款					
Entrusted loan receivables	-	-	-	7,840	59,140
應收委託貸款					
Other financial assets	<b>544,816</b>	840,612	-	-	-
其他金融資產					
Available-for-sale financial assets	-	-	700,231	513,130	410,136
可供出售金融資產					
Held-for-trading securities	-	-	1,173	1,279	1,234
持作買賣證券					
Short-term investments	-	-	-	13,440	16,660
短期投資					
Tax recoverable	<b>1,846</b>	2,119	3,004	-	-
可收回稅項					
Structured bank deposits	-	-	-	-	167,790
結構性銀行存款					
Pledged bank deposits	<b>4,462</b>	3,815	4,006	1,640	1,737
已抵押銀行存款					
Deposits in other financial institution	<b>2,157</b>	112,338	86,200	428,186	355,650
其他金融機構存款					
Bank balances and cash	<b>732,356</b>	791,265	749,708	929,903	1,048,218
銀行結存及現金					
Amount due from a non-controlling shareholder of a subsidiary	-	-	18,000	21,318	21,641
應收一間附屬公司一名非控股股東款項					
Amount due from a related party	<b>34,431</b>	-	-	36,823	38,888
應收一名關連方款項					
Assets classified as held for sale	<b>78,635</b>	-	-	-	-
分類為持作出售之資產					
Total assets	<b>3,600,661</b>	3,590,303	3,574,801	3,846,900	3,837,057
總資產					



## Financial Summary

### 財務概要

		2019	2018	2017	2016	2015
		二零一九年	二零一八年	二零一七年	二零一六年	二零一五年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
<b>Current liabilities</b>	<b>流動負債</b>					
Trade and other payables	貿易及其他應付款項	(173,648)	(120,726)	(156,869)	(127,834)	(107,333)
Contract liabilities	合約負債	(134,637)	(207,096)	-	-	-
Deposits received from sale of properties	出售物業之已收按金	-	-	(128,921)	(72,920)	(53,294)
Taxation payable	應付稅項	(25,877)	(38,843)	(5,929)	(3,148)	(2,218)
Lease liabilities	租賃負債	(3,528)	-	-	-	-
Bank borrowings	銀行借貸	(277,700)	(274,100)	(214,400)	(77,280)	-
Unsecured other loans	無抵押其他貸款	(600)	(600)	(600)	(600)	(600)
Corporate bonds	公司債券	-	-	-	(667,219)	-
Liabilities associated with assets classified as held for sale	與分類為持作出售資產相關之負債	(20,049)	-	-	-	-
<b>Non-current liabilities</b>	<b>非流動負債</b>					
Lease liabilities	租賃負債	(7,353)	-	-	-	-
Deferred tax liabilities	遞延稅項負債	(43,053)	(51,794)	(81,635)	(73,088)	(74,608)
Corporate bonds	公司債券	-	-	-	-	(694,757)
Total liabilities	負債總額	<b>(686,445)</b>	<b>(693,159)</b>	<b>(588,354)</b>	<b>(1,022,089)</b>	<b>(932,810)</b>



**中國誠通發展集團有限公司**  
**China Chengtong Development Group Limited**

