



**China Uptown Group Company Limited**  
**中國上城集團有限公司**

(Incorporated in the Cayman Islands with limited liability)  
(於開曼群島註冊成立之有限公司)

股份代號 Stock code: 2330

**Annual Report**  
**2019** 年報



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# Corporate Information

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Mr. LIU Feng (*Chairman*)  
Mr. CHEN Xian (*Vice Chairman*)  
Mr. LAU Sai Chung (*Chief Executive Officer*)  
Mr. LIU Zhongxiang

#### Independent Non-Executive Directors

Mr. POON Lai Yin Michael  
Mr. CHAR Shik Ngor Stephen  
Mr. CHEN Weijiang

### AUDIT COMMITTEE

Mr. POON Lai Yin Michael (*Chairman*)  
Mr. CHAR Shik Ngor Stephen  
Mr. CHEN Weijiang

### REMUNERATION COMMITTEE

Mr. CHEN Weijiang (*Chairman*)  
Mr. POON Lai Yin Michael  
Mr. CHAR Shik Ngor Stephen

### NOMINATION COMMITTEE

Mr. CHAR Shik Ngor Stephen (*Chairman*)  
Mr. POON Lai Yin Michael  
Mr. CHEN Weijiang

### COMPANY SECRETARY

Mr. FU Lui

### AUDITOR

Deloitte Touche Tohmatsu

### PRINCIPAL BANKERS

China Construction Bank (Asia) Corporation Limited  
Guangdong Nanyue Bank

### LEGAL ADVISOR

Anthony Siu & Co.

### 董事會

#### 執行董事

劉鋒先生 (*主席*)  
陳賢先生 (*副主席*)  
劉世忠先生 (*行政總裁*)  
劉忠翔先生

#### 獨立非執行董事

潘禮賢先生  
查錫我先生  
陳偉江先生

### 審核委員會

潘禮賢先生 (*主席*)  
查錫我先生  
陳偉江先生

### 薪酬委員會

陳偉江先生 (*主席*)  
潘禮賢先生  
查錫我先生

### 提名委員會

查錫我先生 (*主席*)  
潘禮賢先生  
陳偉江先生

### 公司秘書

府磊先生

### 核數師

德勤•關黃陳方會計師行

### 主要往來銀行

中國建設銀行(亞洲)股份有限公司  
廣東南粵銀行

### 法律顧問

蕭一峰律師行

# Corporate Information

## 公司資料

### REGISTERED OFFICE

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

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Suite 1501, 15/F  
Tower 1, Silvercord  
30 Canton Road  
Tsimshatsui  
Kowloon  
Hong Kong

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

SMP Partners (Cayman) Limited  
Royal Bank House – 3rd Floor  
24 Shedden Road, P. O. Box 1586  
Grand Cayman KY1-1110  
Cayman Islands

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

### COMPANY WEBSITE

[www.chinauptown.com.hk](http://www.chinauptown.com.hk)

### STOCK CODE

2330

### 註冊辦事處

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

### 總辦事處及主要營業地址

香港  
九龍  
尖沙咀  
廣東道30號  
新港中心第一期  
15樓1501室

### 主要股份登記及過戶處

SMP Partners (Cayman) Limited  
Royal Bank House – 3rd Floor  
24 Shedden Road, P. O. Box 1586  
Grand Cayman KY1-1110  
Cayman Islands

### 香港之股份登記及過戶分處

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

### 公司網址

[www.chinauptown.com.hk](http://www.chinauptown.com.hk)

### 股份代號

2330

# Five Years Financial Summary

## 五年財務概要

		Year ended 31 December 截至十二月三十一日止年度				
Results	業績	2019 二零一九年	2018 二零一八年	2017 二零一七年	2016 二零一六年	2015 二零一五年
Revenue (RMB'000)	收益 (人民幣千元)	<b>804,898</b>	90,251	615,899	479,111	7,801
Profit (loss) attributable to owners of the Company (RMB'000)	本公司之擁有人應佔溢利(虧損) (人民幣千元)	<b>74,184</b>	(34,461)	44,702	4,612	(33,783)
Earnings (losses) per share (RMB cents)	每股盈利(虧損) (人民幣分)					
- Basic	- 基本	<b>4.07</b>	(2.16)	2.93	0.30	(3.02)
- Diluted	- 攤薄	<b>4.07</b>	(2.16)	2.93	N/A不適用	N/A不適用
		At 31 December 於十二月三十一日				
Assets and liabilities	資產及負債	2019 二零一九年	2018 二零一八年	2017 二零一七年	2016 二零一六年	2015 二零一五年
Total assets (RMB'000)	資產總值 (人民幣千元)	<b>1,183,485</b>	1,535,616	1,382,377	1,508,282	1,656,810
Total liabilities (RMB'000)	負債總額 (人民幣千元)	<b>494,908</b>	(942,117)	(787,982)	(974,254)	(1,134,447)
Net asset value (RMB'000)	資產淨值 (人民幣千元)	<b>688,577</b>	593,499	594,395	534,028	522,363
Equity attributable to owners of the parent (RMB'000)	母公司之擁有人應佔權益 (人民幣千元)	<b>631,426</b>	557,022	556,359	503,906	500,187
Non-controlling interests (RMB'000)	非控制權益 (人民幣千元)	<b>57,151</b>	36,477	38,036	30,122	22,176
Total equity	權益總額	<b>688,577</b>	593,499	594,395	534,028	522,363

# Management Discussion and Analysis

## 管理層討論及分析

### BUSINESS REVIEW

The review of the major business segments of the China Uptown Group Company Limited (the “Company”) and its subsidiaries (the “Group”) during the year ended 31 December 2019 (the “Year”) is as follows:

#### Property Development and Investment

During the Year, the revenue attributed to the property development and investment business amounted to approximately RMB756,487,000 (2018: RMB90,251,000) representing sales of properties of approximately RMB754,819,000 (2018: RMB88,324,000) and rental income of approximately RMB1,668,000 (2018: RMB1,927,000). The Group owns a property development project located in Maoming City (the “Maoming Project”), Guangdong Province, the People’s Republic of China (the “PRC”). The Maoming Project has developed into a composite of residential and commercial properties in three phases.

Majority of commercial and residential properties of phase 1 and 2 of the Maoming Project were delivered and recognised as the revenue of the Group in previous years. Phase 3 properties started to be delivered and recognised as sales in December 2018 and continued during the Year. A portion of the commercial properties of phase 1 and 2 of the Maoming Project of approximately 4,000 square meters was leased and classified as investment properties of the Group. Amid the slight decrease in the value of commercial properties in Maoming, during the Year, the fair value of investment properties decreased by approximately RMB4,044,000 (2018: RMB4,853,000).

### 業務回顧

中國上城集團有限公司(「本公司」)及其附屬公司(「本集團」)於截至二零一九年十二月三十一日止年度(「本年度」)之主要業務分部回顧如下：

#### 物業發展及投資

於本年度，物業發展及投資業務應佔之收益約人民幣756,487,000元(二零一八年：人民幣90,251,000元)，即物業銷售約人民幣754,819,000元(二零一八年：人民幣88,324,000元)及租金收入約人民幣1,668,000元(二零一八年：人民幣1,927,000元)。本集團於中華人民共和國(「中國」)廣東省茂名市擁有一個物業發展項目(「茂名項目」)。茂名項目分三期發展為住宅與商用物業為一體的綜合發展項目。

茂名項目第一期及第二期大部分商用與住宅物業已於過往年度交付及確認為本集團收益。第三期物業於二零一八年十二月開始並於本年度持續交付及確認為銷售。茂名項目第一期及第二期商用物業面積約4,000平方米之部分已租賃及分類為本集團之投資物業。於本年度，隨著茂名商用物業價值輕微下降，投資物業之公允值減少約人民幣4,044,000元(二零一八年：人民幣4,853,000元)。



# Management Discussion and Analysis

## 管理層討論及分析

During the Year, the total area of residential and commercial properties recognised as sales are approximately 87,652 square meters and 887 square meters respectively. 459 units and 122 units of car parking spaces for private car and motorbikes are recognised as sales during the Year respectively. As at 31 December 2019, residential and commercial properties contracted for pre-sale are as follows:

於本年度，確認為銷售之住宅與商用物業之總面積分別約87,652平方米及887平方米。於本年度，確認為銷售之私家車與摩托車之停車位分別為459個及122個。於二零一九年十二月三十一日，已進行訂約預售之住宅與商用物業如下：

		Percentage 百分比 (Note) (附註)
Phase 1 & 2	第一期及第二期	38%
Phase 3	第三期	51%

Note: Refer to the percentage of area of residential and commercial properties contracted for pre-sales over the total unsold area of residential and commercial properties.

附註：指已訂約預售之住宅與商用物業面積佔未售住宅與商用物業總面積之百分比。

### Trading of raw cane sugar

The Group has commenced its business in trading of raw cane sugar since late 2014. In 2018, the Group has entered into a master agreement with China Sugar Holdings Limited ("China Sugar") to purchase raw cane sugar from China Sugar for a period of 34 months ending 31 December 2020. With the strong and improved procurement network, supply from China Sugar and management's business experience in raw cane sugar trading, the sugar trading business significantly improved in 2019.

For the Year, revenue from trading of raw cane sugar amounted to approximately RMB48,411,000 (2018: Nil) with a segment profit of approximately RMB947,000 (2018: loss of RMB2,486,000).

The Group has entered into other sales contracts on raw cane sugars with customers to deliver raw cane sugar in 2020 and, despite the outbreak of COVID-19, is optimistic about the trading business.

### 原蔗糖貿易

本集團自二零一四年末起已開展原蔗糖貿易業務。於二零一八年，本集團就向中國糖業集團有限公司（「中國糖業」）購買原蔗糖與中國糖業訂立總協議，年期為截至二零二零年十二月三十一日止三十四個月。憑藉強大及經完善的採購網絡，加上中國糖業之供應及管理層於原蔗糖貿易之業務經驗，原蔗糖貿易業務於二零一九年大幅改善。

於本年度，原蔗糖貿易之收益約人民幣48,411,000元（二零一八年：無），分部溢利約人民幣947,000元（二零一八年：虧損人民幣2,486,000元）。

本集團已與客戶訂立其他原蔗糖銷售合約，以於二零二零年交付原蔗糖，故儘管新型冠狀病毒肺炎爆發，但對貿易業務仍然樂觀。

# Management Discussion and Analysis

## 管理層討論及分析

### MARKET OUTLOOK AND PROSPECTS

Amid the trade dispute and tension between the PRC and the United States of America, the global and the PRC economy will remain complicated in 2020. Moreover, following the outbreak of COVID-19 worldwide, the global economy dramatically slowed down.

However, the management is cautiously optimistic about the performance of the Group because of:

- i) COVID-19 outbreak in the PRC is generally being controlled;
- ii) Coming ease of control on monetary and fiscal policies;
- iii) Enormous urbanisation in the PRC; and
- iv) Local city transformation and infrastructure development in and around Maoming.

Regarding the existing Maoming Project, as more and more residents are moving into the area, sales campaigns in 2020 and 2021 will be focused on the remaining commercial properties. The management is also considering leasing a larger portion of commercial shops in response to recent short-term downturn of the economy.

The Group has also won in a bid of land use rights in Maoming in November 2019. The land is planned to be developed into a composite of residential properties, commercial properties and carparks with site area of 29,274 square meters and preliminary planned gross floor area of residential and commercial properties of 88,396 square meters. As at the date of this annual report, a remaining sum of RMB89,051,900 is expected to be settled in April 2020 to complete the land acquisition transaction.

Regarding the trading of raw cane sugar business, with the steady supply from China Sugar, the Group is optimistic about the raw cane sugar business in the future. Due to the outbreak of COVID-19, the commodity price of raw cane sugar becomes more volatile. The Group will enter the trading business with extra caution to mitigate any associated risk of sugar pricing.

### 市場展望及前景

受中美貿易爭端及衝突影響，二零二零年全球及中國經濟仍將較複雜。此外，全球爆發新型冠狀病毒肺炎疫情令全球經濟大幅放緩。

然而，管理層對本集團的業績抱持審慎樂觀態度，原因是：

- i) 中國整體上已控制新型冠狀病毒肺炎疫情；
- ii) 即將放寬貨幣及財政政策；
- iii) 中國開啟宏大城鎮化進程；及
- iv) 茂名及其周邊城市進行城市改造及基建發展。

就現有茂名項目而言，由於遷往該地的居民日益增加，二零二零年及二零二一年之銷售活動將專注於餘下商用物業。因應近期經濟短期衰退，管理層亦正在考慮將更多商舖作為租賃。

此外，本集團於二零一九年十一月中標茂名土地使用權。該土地計劃發展成為佔地面積29,274平方米之集住宅物業、商用物業及停車場為一體的綜合體，而住宅及商用物業之初步計劃總建築面積為88,396平方米。於本年報日期，餘下金額人民幣89,051,900元預計於二零二零年四月結付，以完成土地收購交易。

原蔗糖貿易業務方面，憑藉中國糖業之穩定供應，本集團對未來的原蔗糖業務持樂觀態度。由於爆發新型冠狀病毒肺炎疫情，原蔗糖之大宗商品價格出現大幅波動。本集團將更加審慎進行貿易業務，以降低任何糖價相關風險。



# Management Discussion and Analysis

## 管理層討論及分析

### FINANCIAL REVIEW

For the Year, the Group's revenue is amounted to approximately RMB804,898,000 (2018: RMB90,251,000). The profit attributable to owners of the Company was approximately RMB74,184,000 (2018: loss of RMB34,461,000). The surge of the revenue and profit were mainly due to the delivery and sales recognition of certain properties of phase 3 of the Maoming Project and the increase in the sales of raw cane sugar trading.

As at 31 December 2019, bank balances and cash were approximately RMB63,528,000 (31 December 2018: RMB52,422,000), restricted bank deposit was approximately RMB896,000 (31 December 2018: RMB8,169,000) and pledged bank deposits were approximately RMB31,285,000 (31 December 2018: RMB38,085,000). As at 31 December 2019, the total assets of the Group was approximately RMB1,183,485,000 (31 December 2018: RMB1,535,616,000), representing a decrease of approximately 23%. The decrease was mainly due to the delivery of certain properties of phase 3 of the Maoming Project. As at 31 December 2019, the Group's total secured bank borrowings and loan payables amounted to approximately RMB16,165,000 (31 December 2018: RMB45,001,000). As at 31 December 2019, the gearing ratio, expressed as a percentage of total secured bank borrowings and loan payables over net assets was approximately 2% (31 December 2018: 8%) and the current ratio was approximately 2.4 (31 December 2018: 1.6).

### CAPITAL STRUCTURE

The issued ordinary share capital of the Company as at 31 December 2019 was approximately HK\$182,469,000 divided into 1,824,690,520 shares of HK\$0.10 each.

### FOREIGN CURRENCY EXPOSURE

The Group mainly earns revenues and incurs costs in Renminbi, United States dollars and Hong Kong dollars. The Group's monetary assets and liabilities are denominated in Renminbi, United States dollars and Hong Kong dollars. The Group currently does not have a foreign currency hedging policy. However, the management will monitor foreign exchange exposure closely and consider the use of hedging instruments when the need arises.

### 財務回顧

於本年度，本集團的收益約人民幣804,898,000元（二零一八年：人民幣90,251,000元）。本公司擁有人應佔溢利約人民幣74,184,000元（二零一八年：虧損人民幣34,461,000元）。收益及溢利大增主要由於茂名項目第三期若干物業的交付及銷售確認以及原蔗糖貿易銷售增加所致。

於二零一九年十二月三十一日，銀行結存及現金約人民幣63,528,000元（二零一八年十二月三十一日：人民幣52,422,000元）、有限制銀行存款約人民幣896,000元（二零一八年十二月三十一日：人民幣8,169,000元）及已抵押銀行存款約人民幣31,285,000元（二零一八年十二月三十一日：人民幣38,085,000元）。於二零一九年十二月三十一日，本集團的總資產約人民幣1,183,485,000元（二零一八年十二月三十一日：人民幣1,535,616,000元），減少約23%。該減少乃主要由於交付茂名項目第三期的若干物業所致。於二零一九年十二月三十一日，本集團的有抵押銀行借款總額及應付貸款約人民幣16,165,000元（二零一八年十二月三十一日：人民幣45,001,000元）。於二零一九年十二月三十一日，資產負債率（以有抵押銀行借款總額及應付貸款除以資產淨值之百分比計算）約2%（二零一八年十二月三十一日：8%），而流動比率約2.4（二零一八年十二月三十一日：1.6）。

### 資本結構

於二零一九年十二月三十一日，本公司的已發行普通股股本約港幣182,469,000元，分為1,824,690,520股每股港幣0.10元的股份。

### 外匯風險

本集團賺取的收益及產生的費用主要以人民幣、美元及港幣計算。本集團的貨幣資產及負債均以人民幣、美元及港幣計值。目前本集團並無任何外匯對沖政策。然而，管理層會密切監察外匯風險，並在有需要時考慮使用對沖工具。

# Management Discussion and Analysis

## 管理層討論及分析

### CHARGE ON ASSETS

As at 31 December 2019, certain of the Group's leasehold land and buildings with an aggregate carrying values of approximately RMB16,128,000 (2018: RMB16,292,000) were pledged to banks for securing general banking facilities granted to certain subsidiaries of the Company.

As at 31 December 2019, restricted bank deposit of RMB896,000 (2018: RMB8,169,000) and pledged bank deposits of RMB31,285,000 (2018: RMB38,085,000) of the Group were pledged to obtain the mortgage facilities provided to certain purchasers of the Group's properties for which guarantees were provided by the Group to the banks.

As at 31 December 2019, banking facilities of approximately RMB1,776,000 (2018: RMB11,776,000) were utilised and approximately RMB17,880,000 (2018: RMB8,780,000) were unutilised and available for the Group's future financing.

### SEGMENT INFORMATION

The details of segment information are set out in note 6 of notes to the consolidated financial statements of this annual report.

### CAPITAL AND OTHER COMMITMENTS

As at 31 December 2019, the Group had commitments for purchase of land use rights amounted to RMB139,051,900 (2018: Nil).

### EMPLOYEE AND REMUNERATION POLICIES

As at 31 December 2019, the Group employed 44 (2018: 54) full time employees in Hong Kong and the PRC. Total remuneration of the Group for the Year was approximately RMB13,640,000 (2018: RMB11,826,000). The Group's emolument policies are formulated on the basis of market trends, future plans and the performance of individuals, which will be reviewed periodically. Apart from provident fund scheme and state-managed social welfare scheme, share options will also be awarded to employees according to assessment of individuals' performance.

### 資產抵押

於二零一九年十二月三十一日，本集團將總賬面值約人民幣16,128,000元（二零一八年：人民幣16,292,000元）的若干租賃土地及樓宇抵押予銀行，作為本公司若干附屬公司獲授一般銀行信貸之擔保。

於二零一九年十二月三十一日，人民幣896,000元（二零一八年：人民幣8,169,000元）之有限制銀行存款及人民幣31,285,000元（二零一八年：人民幣38,085,000元）之已抵押銀行存款已作抵押，以獲得提供予本集團物業之若干買家之按揭貸款，而本集團已就該等按揭貸款向銀行提供擔保。

於二零一九年十二月三十一日，約人民幣1,776,000元（二零一八年：人民幣11,776,000元）的銀行信貸已動用及約人民幣17,880,000元（二零一八年：人民幣8,780,000元）未動用並可供用於本集團未來融資。

### 分部資料

分部資料之詳情載於本年報綜合財務報表附註6。

### 資本及其他承擔

於二零一九年十二月三十一日，本集團購買土地使用權之承擔金額為人民幣139,051,900元（二零一八年：無）。

### 僱員及薪酬政策

於二零一九年十二月三十一日，本集團在香港及中國僱用44位（二零一八年：54位）全職僱員。本集團於本年度之薪酬總額約人民幣13,640,000元（二零一八年：人民幣11,826,000元）。本集團的薪酬政策乃依據市場趨勢、未來計劃及僱員的個人表現而制訂，並定期進行檢討。除提供公積金計劃及國家管理社會福利計劃外，購股權將根據對個別僱員表現的評估向僱員授出，以作獎勵。

# Management Discussion and Analysis

## 管理層討論及分析

### CONTINGENT LIABILITIES

As at 31 December 2019, the Group's maximum obligation in respect of the mortgage facilities provided to certain purchasers of the Group's properties amounted to approximately RMB577,518,000 (2018: RMB632,271,000).

### DIVIDEND

No dividend was declared or proposed during the Year. The Board does not recommend the payment of any dividend for the Year.

### PURCHASE, SALE AND REDEMPTION OF SECURITIES

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

### 或然負債

於二零一九年十二月三十一日，本集團就本集團物業之若干買家獲提供之按揭貸款之最高責任約人民幣577,518,000元（二零一八年：人民幣632,271,000元）。

### 股息

於本年度，並無宣派或擬派任何股息。董事會不建議派發本年度之任何股息。

### 購買、出售及贖回證券

於本年度，本公司及其任何附屬公司概無買賣或贖回本公司任何上市證券。

# Management Discussion and Analysis

## 管理層討論及分析

### SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

On 27 November 2019, Maoming Shang Cheng Real Estate Company Limited\* (茂名上誠置業有限公司), an indirect non-wholly owned subsidiary of the Company (the "Purchaser"), successfully won the bid of land use rights of the land offered for at the RMB241,511,900 (equivalent to approximately HK\$268,346,556), being the price for the acquisition of land use rights of a parcel of land situated at JIXIANG-23, Maoming Jixiang District\* (茂名市吉祥小區) with a total site area of approximately 29,274.16 sq.m. (the "Land") (the "Land Grant Price") and the Purchaser has received the relevant written notification (國有建設用地使用權出讓成交通知) from Maoming City Public Resources Trading Center\* (茂名市公共資源交易中心) to inform the Purchaser of its successful bid of the Land. The Purchaser entered into the confirmation letter on 3 December 2019 to confirm the grant of the land use rights of the Land by The Maoming Municipal Natural Resources Bureau\* (茂名市自然資源局) (the "Vendor") to the Purchaser. On 17 December 2019, the Purchaser signed the land use rights grant contract with Maoming Municipal Maonan District Natural Resources Bureau\* (茂名市茂南區自然資源局) (as directed by the Vendor) in accordance with the terms and conditions of the relevant listing-for-sale documents.

持有之重大投資、附屬公司之重大收購及出售，以及未來作重大投資或購入資本資產之計劃

於二零一九年十一月二十七日，茂名上誠置業有限公司（本公司之間接非全資附屬公司）（「買方」）以人民幣241,511,900元（相當於約港幣268,346,556元）成功中標土地使用權，該價格為收購一塊位於茂名市吉祥小區JIXIANG-23總佔地面積為約29,274.16平方米之土地（「該土地」）之土地使用權之價格（「土地出讓價」），且買方已接獲茂名市公共資源交易中心發出之國有建設用地使用權出讓成交通知，告知其成功中標該土地。買方於二零一九年十二月三日訂立確認函，以確認茂名市自然資源局（「賣方」）向買方出讓該土地之土地使用權。於二零一九年十二月十七日，買方根據相關掛牌出讓文件之條款及條件與茂名市茂南區自然資源局（按賣方指示）簽署土地使用權出讓合同。

\* For identification purpose only

# Management Discussion and Analysis

## 管理層討論及分析

### Summary of the details of the Land acquisition

### 土地收購事項詳情概要

Date: 27 November 2019 (being the date the Purchaser was granted with the right to acquire the land use rights of the Land)  
日期: 二零一九年十一月二十七日(即買方獲授權利收購該土地之土地使用權當日)

Parties: (i) the Purchaser; and  
訂約方: (i) 買方; 及  
(ii) the Maoming Municipal Natural Resources Bureau\* (茂名市自然資源局), being the Vendor.  
(ii) 茂名市自然資源局, 作為賣方。

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor and its ultimate beneficial owners are independent third parties of the Company and its connected persons.

就董事經作出一切合理查詢後所深知、盡悉及確信，賣方及其最終實益擁有人均為本公司及其關連人士之獨立第三方。

The Land Grant Price of RMB241,511,900 (equivalent to approximately HK\$268,346,556) was the bid price made by the Purchaser, which is the reserved bidding price set by the Maoming Municipal Natural Resources Bureau\* (茂名市自然資源局) in the listing-for-sale. The Purchaser made the bid after taking into account of (i) the current property market conditions of Maoming, the PRC; and (ii) the development potential of the Land.

土地出讓價人民幣241,511,900元(相當於約港幣268,346,556元)為買方作出之投標價，並為茂名市自然資源局於掛牌出讓中所設之保留投標價。買方經計及(i)中國茂名市目前之物業市場狀況；及(ii)該土地之發展潛力後投標。

\* For identification purpose only



# Management Discussion and Analysis

## 管理層討論及分析

An initial payment in the amount of RMB72,460,000 (equivalent to approximately HK\$80,511,111) (the "Deposit"), representing the deposit required in order for the Purchaser to qualify for tendering the bid of the Land through the listing-for-sale process, has been duly paid by the Purchaser on 26 November 2019 before the bid was awarded. The Deposit has been applied towards settling part of the Land Grant Price. As disclosed in the supplemental announcement made by the Company dated 20 January 2020, an additional sum of RMB30,000,000 (equivalent to approximately HK\$33,333,333) was paid by the Purchaser on 31 December 2019 as further and partial settlement of the Land Grant Price. Through various discussions between the Purchaser and the Vendor, the Purchaser understands that the Land will not be ready for delivery in accordance with the land use rights grant contract, therefore the completion of the Land acquisition will be delayed. In January 2020, the Company has paid a further sum of RMB50,000,000 (equivalent to approximately HK\$55,555,555), as further and partial settlement of the Land Grant Price. The remaining balance of the Land Grant Price is anticipated to be paid in March or April 2020 and the Land shall be delivered to the Purchaser accordingly after full and final settlement of the Land Grant Price. The Land Grant Price was and shall be satisfied by the internal resources and external borrowing of the Group.

Having considered the above, the Directors consider that the Land Grant Price is fair and reasonable and in the interest of the Company and the Shareholders as a whole.

初步付款人民幣72,460,000元（相當於約港幣80,511,111元）（「按金」，為使買方合資格透過掛牌出讓就該土地投標所需之按金）已由買方於中標前在二零一九年十一月二十六日妥為支付。按金已用於償付部分土地出讓價。誠如本公司日期為二零二零年一月二十日之補充公告所披露，買方已於二零一九年十二月三十一日支付額外款項人民幣30,000,000元（相當於約港幣33,333,333元），作為進一步及部分償付土地出讓價。透過買方與賣方之間多次討論，買方了解到該土地將未能按照土地使用權出讓合同而可予以交付，故土地收購事項將延遲完成。在二零二零年一月，本公司已進一步支付款項人民幣50,000,000元（相當於約港幣55,555,555元），作為進一步及部分償付土地出讓價。預計土地出讓價之餘額將於二零二零年三月或四月支付，而該土地將於土地出讓價獲悉數及最終償付後相應交付予買方。土地出讓價已經及將會由本集團之內部資源及外部借款撥付。

經考慮上文所述，董事認為土地出讓價屬公平合理，並符合本公司及股東之整體利益。



# Management Discussion and Analysis

## 管理層討論及分析

As one or more of the applicable percentage ratios in respect of the Land acquisition are greater than 100% for the Company, the Land acquisition constitutes a very substantial acquisition for the Company under the Listing Rules.

The Land acquisition is also regarded as a “Qualified Property Acquisition” under Rule 14.04(10C) of the Listing Rules as the Land acquisition involves an acquisition of governmental land in the PRC from a PRC Governmental Body (as defined under the Listing Rules) through a listing-for-sale governed by the PRC law (as defined under Rule 19A.04 of the Listing Rules).

The Land acquisition is undertaken on a sole basis by the Group in its ordinary and usual course of business. The Land acquisition is subject to reporting, announcement and circular requirements but is exempt from Shareholders’ approval requirement pursuant to Rule 14.33A of the Listing Rules.

Details were set out in the Company’s announcements dated 28 November 2019, 20 January 2020 and 23 January 2020 and the Company’s circular dated 23 January 2020.

Save as disclosed above, there were no significant investments held as at 31 December 2019 nor material acquisitions and disposals of subsidiaries during the Year and there is no plan for material investments or capital assets as at the date of this annual report.

由於有關土地收購事項之一項或多項適用百分比率就本公司而言高於100%，故土地收購事項構成上市規則項下本公司之非常重大收購事項。

由於土地收購事項涉及透過受中國法律（定義見上市規則第19A.04條）監管之掛牌出讓向中國政府機關（定義見上市規則）收購位於中國之政府土地，故土地收購事項亦被視為上市規則第14.04(10C)條之「合資格地產收購」。

土地收購事項乃由本集團於其日常及一般業務過程中單獨進行。根據上市規則第14.33A條，土地收購事項須遵守申報、公告及通函規定，惟獲豁免遵守股東批准規定。

有關詳情載列於本公司日期為二零一九年十一月二十八日、二零二零年一月二十日及二零二零年一月二十三日之公告以及本公司日期為二零二零年一月二十三日之通函。

除上文所披露者外，於二零一九年十二月三十一日並無持有重大投資，於本年度內亦無附屬公司之重大收購及出售。於本年報日期，並無重大投資或購入資本資產之計劃。

# Biographical Details of Directors

## 董事簡介

### EXECUTIVE DIRECTORS

**Mr. Liu Feng**, aged 50, was appointed as an executive Director and chairman of the Company on 17 August 2012. Mr. Liu Feng has over twenty years' experience in the general management and sugars markets in the PRC. Mr. Liu Feng is Vice Director of Sugar Association of China\* (中國糖業協會). Mr. Liu Feng is a founder of an enterprise engaged in the sugar and starch production business in the PRC. Mr. Liu Feng was awarded as a "Distinct Entrepreneur" by China Economic Trading Promotion Agency\* (中國經濟貿易促進會) in 2011 and as a "Distinct Non-Government Entrepreneur of China" by China Non-Government Enterprise Directors Association\* (中國民營企業家協會) in 2009. He holds an Executive Master Degree of Business Administration from Cheung Kong Graduate School of Business. Mr. Liu Feng is the father of Mr. Liu Zhongxiang, the executive Director.

**Mr. Chen Xian**, aged 56, was appointed as an executive Director and the vice-chairman of the Company on 12 October 2007 and was re-designated as the chairman of the Company on 30 November 2007. Mr. Chen Xian was re-designated again as the vice-chairman of the Company on 17 August 2012. He is also a director of several subsidiaries of the Company. Mr. Chen Xian is one of the founders of a sizeable property development company in Zhuhai, the PRC and has been a member of the senior management of a subsidiary of that company. Mr. Chen Xian was mainly responsible for the investment and development of real estate projects of such companies. Before joining those companies, Mr. Chen Xian worked as a senior member of certain stated-owned companies and the local authority. He has more than 16 years of extensive experience in the investment and development of real estate projects. He holds a Master Degree of Business Administration from the Asia International Open University (Macau).

\* For identification purpose only

### 執行董事

**劉鋒先生**，五十歲，於二零一二年八月十七日獲委任為本公司執行董事兼主席。劉鋒先生於綜合管理方面及中國之糖業市場擁有超逾二十年的經驗。劉鋒先生為中國糖業協會副理事長。劉鋒先生亦為一家在中國從事糖及澱粉生產業務的企業之創辦人。劉鋒先生於二零一一年及二零零九年分別被中國經濟貿易促進會評為「傑出企業家」及被中國民營企業家協會評為「中國優秀民營企業家」。彼持有長江商學院高級管理人員工商管理碩士學位(EMBA)。劉鋒先生為執行董事劉忠翔先生之父親。

**陳賢先生**，五十六歲，於二零零七年十月十二日獲委任為本公司之執行董事及副主席及於二零零七年十一月三十日調任為本公司主席。陳賢先生於二零一二年八月十七日調任為本公司副主席。彼亦為本公司若干附屬公司之董事。陳賢先生為中國珠海市一所具規模物業發展公司之創辦人之一及曾為該公司附屬公司的高級管理層成員，主要負責該等公司地產項目的投資及開發。於加入該等公司前，陳賢先生曾任若干國有企業及地方政府之高級管理人員。彼在房地產項目的投資及開發方面擁有超逾十六年的豐富經驗。彼持有亞洲(澳門)國際公開大學商業行政學碩士學位。

\* 僅供識別

## Biographical Details of Directors 董事簡介

**Mr. Lau Sai Chung**, aged 64, was appointed as an independent non-executive Director on 15 September 2006 and was re-designated as an executive Director on 30 November 2007. Mr. Lau Sai Chung was also appointed as the chief executive officer of the Company on 30 November 2007. He is currently also a director of several subsidiaries of the Company. Mr. Lau Sai Chung holds a Bachelor degree in Commerce with major in Accounting from the University of Alberta, Canada and has over 20 years' experience in the field of banking and finance both in Hong Kong and North America. Mr. Lau Sai Chung is also a fellow member of the Institute of Canadian Bankers and The Hong Kong Institute of Directors, and a member of The Hong Kong Independent Non-Executive Director Association.

**Mr. Liu Zhongxiang**, aged 32, was appointed as an executive Director on 30 September 2015. He is currently also a director of several subsidiaries of the Company. Mr. Liu Zhongxiang obtained a diploma of legal secretary from the People's Public Security University of China (中國人民公安大學) in 2009. Mr. Liu Zhongxiang has nine years of experience in diverse businesses, such as construction and sugar production and trading. Mr. Liu Zhongxiang is the son of Mr. Liu Feng, the chairman and the executive Director of the Company.

**劉世忠先生**，六十四歲，於二零零六年九月十五日獲委任為獨立非執行董事及於二零零七年十一月三十日調任為執行董事。劉世忠先生亦於二零零七年十一月三十日獲委任為本公司的行政總裁。彼現時亦擔任本公司若干附屬公司的董事。劉世忠先生持有加拿大阿爾伯塔大學商學學士學位（主修會計）及於香港及北美洲之銀行及金融方面擁有逾二十年的豐富經驗。劉世忠先生亦是加拿大銀行家學會及香港董事學會的資深會員及香港獨立非執行董事協會會員。

**劉忠翔先生**，三十二歲，於二零一五年九月三十日獲委任為執行董事。彼現亦為本公司若干附屬公司之董事。劉忠翔先生於二零零九年取得中國人民公安大學法律文憑。劉忠翔先生在建築及製糖及糖業貿易等不同行業中擁有九年經驗。劉忠翔先生為本公司主席兼執行董事劉鋒先生之子。

# Biographical Details of Directors

## 董事簡介

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. Poon Lai Yin Michael (“Mr. Poon”)**, aged 48, was appointed as an independent non-executive Director on 29 November 2006. Mr. Poon is also the chairman of the audit committee, a member of the nomination committee and a member of the remuneration committee of the Company. Mr. Poon is a fellow member of Hong Kong Institute of Certified Public Accountants, a member of CPA Australia and a practicing member of Asset Management Association of China. He holds a bachelor degree in administrative studies from York University in Canada and a master degree in practicing accounting with Monash University in Australia. Mr. Poon worked for an international accounting firm and was responsible for providing business advisory and assurance services for listed companies. He has over 20 years of experience in financial reporting, business advisory, auditing, taxation, accounting, merger and acquisition. Mr. Poon is currently an independent non-executive director of Smartac Group China Holdings Limited (Stock Code: 395), Teamway International Group Holdings Limited (Stock Code: 1239) and LFG Investment Holdings Limited (Stock Code: 3938), the shares of which are listed on main board of the Stock Exchange since 29 January 2010, 19 March 2019 and 10 September 2019, respectively. Mr. Poon is the executive director and chief financial officer of Huakang Biomedical Holdings Company Limited (Stock Code: 8622) and the independent non-executive director of Niche-Tech Group Limited (Stock Code: 8490), since 3 August 2017 and 28 June 2019, the shares of which are listed on GEM of the Stock Exchange. Mr. Poon was an independent non-executive director of Cityneon Holdings Limited (SGX: 5HJ), from 11 August 2017 to 30 April 2019, the shares of which were listed on the Singapore Exchange Limited and were delisted on 1 February 2019 since it was privatized. Mr. Poon was an alternate to Mr. Amir Gal-Or, a non-executive director of Vincent Medical Holdings Limited (Stock Code: 1612) from February 2016 to July 2017, the shares of which are listed on the Stock Exchange and the chief executive officer and company secretary of Anxin-China Holdings Limited (Stock Code: 1149) from February 2017 to May 2017, the shares of which are listed on main board of the Stock Exchange and were delisted on 20 December 2018.

### 獨立非執行董事

潘禮賢先生（「潘先生」），四十八歲，於二零零六年十一月二十九日獲委任為獨立非執行董事。潘先生亦為本公司審核委員會主席、提名委員會成員及薪酬委員會成員。潘先生為香港會計師公會資深會員、澳洲會計師公會會員及中國證券投資基金業協會執業會員。彼持有加拿大約克大學(York University)行政學學士學位及澳洲Monash University實務會計碩士學位。潘先生曾任職於某國際會計師事務所，為多間上市公司提供業務顧問及核證服務。彼於財務申報、業務諮詢、審計、稅務、會計、合併及收購方面擁有逾20年經驗。潘先生自二零一零年一月二十九日、二零一九年三月十九日及二零一九年九月十日起分別擔任中國智能集團控股有限公司（股份代號：395，其股份於聯交所主板上市）、Teamway International Group Holdings Limited（股份代號：1239，其股份於聯交所主板上市）及LFG投資控股有限公司（股份代號：3938）之獨立非執行董事。潘先生自二零一七年八月三日及二零一九年六月二十八日起擔任華康生物醫學控股有限公司（股份代號：8622，其股份於聯交所GEM上市）之執行董事兼財務總監及駿碼科技集團有限公司（股份代號：8490）之獨立非執行董事。潘先生自二零一七年八月十一日至二零一九年四月三十日為Cityneon Holdings Limited（新交所：5HJ，其股份於新加坡交易所上市並於二零一九年二月一日因私有化而除牌）之獨立非執行董事。潘先生自二零一六年二月至二零一七年七月擔任永勝醫療控股有限公司（股份代號：1612，其股份於聯交所上市）之非執行董事Amir Gal-Or先生之替代董事及自二零一七年二月至二零一七年五月擔任中國安芯控股有限公司（股份代號：1149，其股份於聯交所主板上市並於二零一八年十二月二十日除牌）之行政總裁兼公司秘書。

## Biographical Details of Directors 董事簡介

**Mr. Char Shik Ngor Stephen (“Mr. Char”)**, aged 70, was appointed as an independent non-executive Director on 30 September 2015. Mr. Char is also the chairman of the nomination committee, a member of the audit committee and a member of the remuneration committee of the Company. Mr. Char is currently a Barrister-at-Law and was an independent non-executive director of National Investments Fund Limited (Stock Code: 1227), from May 2007 to November 2018, whose shares are listed on the main board of the Stock Exchange. Mr. Char holds a bachelor of laws (Honours) from the University of London and a master degree in Social Sciences from the University of Hong Kong. Mr. Char was also the chief investigator and senior assignment officer of the Independent Commission Against Corruption in Hong Kong from 1976 to 2004 and a chief executive officer of Garner Forest Industries Limited.

**Mr. Chen Weijiang**, aged 46, was appointed as an independent non-executive Director on 3 January 2020. Mr. Chen Weijiang is also the chairman of the remuneration committee, a member of the audit committee and a member of the nomination committee of the Company. Mr. Chen Weijiang has over twenty years of experience in the sugar markets in the People’s Republic of China. Mr. Chen Weijiang obtained a law degree from the Xi’an Politics Institute of the People’s Liberation Army\* (解放軍西安政治學院) and commenced work at the Zhanjiang Hengde Sugar Company Limited (湛江恒德糖業有限公司)\* in 1997. From 2007 to 2017, Mr. Chen Weijiang acted as the executive director of Zhanjiang Hengde Sugar Company Limited (湛江恒德糖業有限公司)\*.

查錫我先生(「查先生」)，七十歲，於二零一五年九月三十日獲委任為獨立非執行董事。查先生亦擔任本公司提名委員會主席、審核委員會成員及薪酬委員會成員。查先生現時為一位大律師，於二零零七年五月至二零一八年十一月擔任國盛投資基金有限公司(股份代號：1227，其股份於聯交所主板上市)獨立非執行董事。查先生持有倫敦大學(榮譽)法學學士及香港大學社會科學碩士學位。查先生於一九七六年至二零零四年期間亦曾任香港廉政公署總調查主任及高級審查主任，亦曾任加林森林工業有限公司行政總裁。

陳偉江先生，四十六歲，於二零二零年一月三日獲委任為獨立非執行董事。陳偉江先生亦擔任本公司薪酬委員會主席、審核委員會成員及提名委員會成員。陳偉江先生於中華人民共和國糖市場擁有逾二十年經驗。陳偉江先生取得解放軍西安政治學院之法律學位並於一九九七年在湛江恒德糖業有限公司開始工作。由二零零七年至二零一七年，陳偉江先生擔任湛江恒德糖業有限公司之執行董事。

\* For identification purpose only



# Corporate Governance Report

## 企業管治報告

The Board and the management of the Company are committed to the maintenance of good corporate governance practices and procedures.

### COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company's corporate governance practices are based on the principles and code provisions (the "Code Provisions") set out in the Corporate Governance Code and Corporate Governance Report (the "CG Code") contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules"). Throughout the Year, the Company has complied with all the Code Provisions of the CG Code except for the following deviation:

#### Code Provision E.1.2

According to the code provision E.1.2 of the CG Code, the chairman of the board should attend the annual general meeting. Mr. Liu Feng (the chairman of the Board) could not attend the annual general meeting of the Company held on 29 May 2019 (the "2019 AGM") due to other business engagement but he had appointed Mr. Lau Sai Chung, the executive Director as his representative to chair the 2019 AGM and answer questions of the shareholders of the Company. In the future, the Company will try its best to encourage all the Directors to attend the general meetings of the Company.

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiry of all Directors, the Company confirms that all Directors have complied with the required standard set out in the Model Code during the Year.

董事會及本公司管理層致力達致高水準之企業管治慣例及程序。

### 遵守企業管治守則

本公司之企業管治常規乃以香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十四所載之企業管治守則及企業管治報告(「企業管治守則」)所載原則及守則條文(「守則條文」)為依據。於本年度，本公司已遵守所有企業管治守則之守則條文，惟以下偏離除外：

#### 守則條文第E.1.2條

根據企業管治守則之守則條文第E.1.2條，董事會主席應出席股東週年大會。劉鋒先生(董事會主席)由於其他事務在身而未能出席本公司於二零一九年五月二十九日舉行之股東週年大會(「二零一九年股東週年大會」)，惟彼已委任執行董事劉世忠先生作為其代表主持二零一九年股東週年大會及回答本公司股東之提問。未來，本公司將盡其最大努力鼓勵全體董事出席本公司股東大會。

### 董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易之標準守則(「標準守則」)，作為其本身有關董事進行證券交易的操守守則。於本年度，向全體董事作出明確查詢後，本公司確認全體董事已遵守標準守則所載之規定標準。



# Corporate Governance Report

## 企業管治報告

### COMPOSITION AND BOARD PRACTICES

The Board is collectively responsible for the oversight of the management of the business and affairs of the Group with the objective of enhancing its corporate value. As at 31 December 2019, the Board consisted of seven Directors, comprising four executive Directors and three independent non-executive Directors. At least one of the independent non-executive Director possess appropriate professional accounting qualifications and financial management expertise, which complies with the requirement of the Listing Rules.

#### Executive Directors

Mr. Liu Feng (*Chairman*)  
Mr. Chen Xian (*Vice-Chairman*)  
Mr. Lau Sai Chung (*Chief Executive Officer*)  
Mr. Liu Zhongxiang

#### Independent Non-executive Directors

Mr. Poon Lai Yin Michael  
Mr. Char Shik Ngor Stephen  
Mr. Chen Weijiang (appointed on 3 January 2020)  
Ms. Li Jiansheng (Resigned on 3 January 2020)

The Directors' biographical information are set out in pages 15 to 18 of this annual report. All executive Directors have given sufficient time and attention to the affairs of the Group. Each executive Director has sufficient experience to hold the position so as to carry out his duties effectively. There is no relationship among the members of the Board except Mr. Liu Feng is the father of Mr. Liu Zhongxiang.

The Board has delegated the executive Directors with authority and responsibility by handling the management functions and operations of the day-to-day business of the Company, while reserving certain key matters for the approval by the Board. The types of decisions to be taken by the Board include annual and interim period financial reporting and control, equity fund raising, declaration of interim dividend and making recommendation of final dividend or other distributions, notifiable transactions under Chapters 14 and 14A of the Listing Rules and making recommendation for capital reorganization or scheme arrangement of the Company.

### 董事會組成及董事會慣例

董事會負責集體監督管理本集團的業務及事宜，旨在提升企業價值。於二零一九年十二月三十一日，董事會合共由七名董事組成，當中包括四名執行董事及三名獨立非執行董事。至少一名獨立非執行董事具有上市規則規定之適當的專業會計資格及財務管理專長。

#### 執行董事

劉鋒先生 (*主席*)  
陳賢先生 (*副主席*)  
劉世忠先生 (*行政總裁*)  
劉忠翔先生

#### 獨立非執行董事

潘禮賢先生  
查錫我先生  
陳偉江先生 (於二零二零年一月三日獲委任)  
李建生女士 (於二零二零年一月三日辭任)

董事履歷詳情載於本年報第15至第18頁。所有執行董事均就本集團事務付出充足時間及心力。每名執行董事均具有其職位所需之足夠經驗，以有效執行彼之職務。除劉鋒先生為劉忠翔先生之父親外，董事會成員之間並無關係。

董事會已將處理本公司一切管理及日常營運工作轉授本公司之執行董事負責，惟若干重要事項仍需經董事會批准。需由董事會作出決定之類別包括年度及中期財務匯報及監控、股本集資、宣派中期股息及建議末期股息或其他分派、根據上市規則第十四及十四A章須予公佈之交易，以及就本公司之股本重組或計劃安排作出建議。

# Corporate Governance Report

## 企業管治報告

The Board and each Director have separate and independent access to the Company's senior management. A Director who considers a need for independent professional advice in order to perform his/her duties as a Director may convene, or request the secretary of the Company (the "Company Secretary") to convene, a meeting of the Board to approve the seeking of independent legal or other professional advice.

The Company adopts the practice of holding meetings of the Board regularly for at least four times a year at approximately quarterly intervals. Ad-hoc meetings will also be convened if necessary to discuss the overall strategy as well as the operation and financial performance of the Group. Notice of meeting of the Board will be sent to all Directors at least 14 days prior to a regular Board meeting. Reasonable notice will be given to Directors for ad-hoc Board meetings. Directors may participate either in person or through electronic means of communications.

During the Year, four meetings of the Board were held, Directors are provided with relevant information to make informed decisions. The attendance of Directors at the Board meetings and the Board committees' meetings is set out in the table below:

董事會及各董事可自行接觸本公司之高級管理層。董事如認為需要獨立專業意見，以履行其為董事之責任，可召開或要求本公司之秘書（「公司秘書」）召開董事會會議，批准徵求獨立法律或其他專業意見。

本公司採納定期（一年最少四次，約每季一次）舉行董事會會議的措施。倘需要討論整體策略以及本集團的經營及財務表現，亦會召開臨時董事會會議。董事會會議通告將於日常董事會會議舉行前最少十四天送發予所有董事。就臨時董事會會議而言，合理通告亦會發予董事。董事可親身或透過電子通訊方式出席會議。

本年度已舉行四次董事會會議，董事已獲得相關資料以作出知情決定。董事會及董事委員會各董事之會議出席情況載列於下表：

Name of Directors 董事姓名	Board 董事會	Meetings attended/Eligible to attend 出席會議/合資格出席之會議			General Meeting 股東大會
		Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會	
<b>Executive Directors</b>	<b>執行董事</b>				
Mr. Liu Feng	劉鋒先生	4/4	-	-	0/1
Mr. Chen Xian	陳賢先生	4/4	-	-	1/1
Mr. Lau Sai Chung	劉世忠先生	4/4	-	-	1/1
Mr. Liu Zhongxiang	劉忠翔先生	4/4	-	-	1/1
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>				
Mr. Poon Lai Yin Michael	潘禮賢先生	4/4	2/2	1/1	1/1
Mr. Char Shik Ngor Stephen	查錫我先生	2/4	0/2	0/1	1/1
Ms. Li Jiansheng (resigned on 3 January 2020)	李建生女士 (於二零二零年 一月三日辭任)	4/4	2/2	1/1	1/1

# Corporate Governance Report

## 企業管治報告

### Directors' Induction and Continuous Professional Development

All Directors, including independent non-executive Directors, should keep abreast of their collective responsibilities as Directors and of the business and activities of the Group. Each newly appointed Director would receive a comprehensive induction package covering business operations, policy and procedures of the Company as well as the general, statutory and regulatory obligations of being a Director to ensure that he/she is sufficiently aware of his/her responsibilities under the Listing Rules and other relevant regulatory requirements. The Group also provides briefings and other training to develop and refresh the Directors' knowledge and skills, and update all Directors on the latest developments regarding the Listing Rules and other applicable regulatory requirement to ensure compliance and to enhance their awareness of good corporate governance practices.

During the Year, the Directors participated in the continuous professional developments in relation to regulatory update, the duties and responsibility of the Directors and the business of the Group in the following manner:

### 董事之入職及持續專業發展

全體董事（包括獨立非執行董事）均須了解彼等作為董事之共同職責，以及本集團之業務及活動。每位新委任之董事均會收到一份全面之入職資料，範圍涵蓋本公司之業務營運、政策及程序以及作為董事之一般、法定及監管責任，以確保董事足夠了解其於上市規則及其他相關監管規定下之責任。本集團亦會提供簡介會及其他培訓，以發展及更新董事之知識及技能，並向全體董事提供有關上市規則及其他適用監管規定之最新發展，以確保董事遵守相關規則及加強董事對良好企業管治常規之認識。

於本年度，董事透過以下方式參與有關監管事宜之最新訊息、董事之職務與職責及本集團業務之持續專業發展活動：

Name of Directors 董事姓名	Attended Seminars or Briefing/Read Materials 參加研討會或 簡介會／閱讀材料
<b>Executive Directors</b>	<b>執行董事</b>
Mr. Liu Feng	劉鋒先生 ✓
Mr. Chen Xian	陳賢先生 ✓
Mr. Lau Sai Chung	劉世忠先生 ✓
Mr. Liu Zhongxiang	劉忠翔先生 ✓
<b>Independent Non-executive Directors</b>	<b>獨立非執行董事</b>
Mr. Poon Lai Yin Michael	潘禮賢先生 ✓
Mr. Char Shik Ngor Stephen	查錫我先生 ✓
Ms. Li Jiansheng (resigned on 3 January 2020)	李建生女士（於二零二零年一月三日辭任） ✓

# Corporate Governance Report

## 企業管治報告

### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The roles of the Chairman and chief executive officer of the Company (the “Chief Executive Officer”) are segregated and are currently held by Mr. Liu Feng and Mr. Lau Sai Chung respectively. The Chairman is responsible for the Group’s strategic planning and the management of the operations of the Board, while the Chief Executive Officer takes the lead in the Group’s operations and business development. There is a clear division of responsibilities between the Chairman and Chief Executive Officer which provides a balance of power and authority.

### INDEPENDENT NON-EXECUTIVE DIRECTORS

All the independent non-executive Directors are appointed for a term of three years, and subject to re-election on retirement by rotation at the annual general meeting of the Company (the “AGM”) in accordance with the Company’s articles of association (the “Articles”). One of the independent non-executive Director has appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10 of the Listing Rules. The Company has received the annual confirmation of independence from each of the independent non-executive Directors as required under Rule 3.13 of the Listing Rules. The Company, based on such confirmations, considers all independent non-executive Directors to be independent.

### 主席及行政總裁

本公司主席及行政總裁（「行政總裁」）之角色已予區分及現時分別由劉鋒先生及劉世忠先生出任。主席負責本集團之策略規劃及管理董事會運作，而行政總裁則領導本集團之經營及業務發展。主席與行政總裁之間分工清晰，以確保權力及授權分佈均衡。

### 獨立非執行董事

全體獨立非執行董事任期三年並須根據本公司之章程細則（「細則」）之規定於本公司股東週年大會（「股東週年大會」）上輪值退任及膺選連任。根據上市規則第3.10條，其中一名獨立非執行董事必須具備適當的專業資格，或具備適當的會計或相關財務管理專長。本公司已收到各獨立非執行董事根據上市規則第3.13條發出之週年獨立性確認書。本公司據此等確認書認為全體獨立非執行董事均具備獨立身份。

# Corporate Governance Report

## 企業管治報告

### NOMINATION COMMITTEE

The Company established a nomination committee (the "Nomination Committee") with written terms of reference in compliance with the CG Code. On 20 December 2013, the Board adopted a set of the revised terms of reference of the Nomination Committee, which has brought it in line with the new Listing Rules relating to the board diversity with effective from 1 September 2013. The revised terms of reference setting out the Nomination Committee's authority, duties and responsibilities are available on both the websites of the Company and the Stock Exchange. The existing Nomination Committee has the following three members:

#### Independent Non-executive Directors

Mr. Char Shik Ngor Stephen (*Chairman*)  
Mr. Poon Lai Yin Michael  
Mr. Chen Weijiang (appointed on 3 January 2020)  
Ms. Li Jiansheng (resigned on 3 January 2020)

The Nomination Committee has adopted a written nomination procedure specifying the process and criteria for the selection and recommendation of candidates for directorship of the Company.

The principal responsibilities of the Nomination Committee are reviewing and supervising the structure, size and composition of the Board, identifying qualified individuals to become members of the Board, assessing the independence of the independent non-executive Directors and making recommendations to the Board on the appointment or re-appointment of Directors.

Potential new Directors are identified and submitted to the Nomination Committee for approval. The nomination of Directors should take into consideration the candidate's qualification, ability and potential contribution to the Company. A candidate to be appointed as an independent non-executive Director must also satisfy the independence criteria set out in Rule 3.13 of the Listing Rules. No Director was newly appointed during the Year.

### 提名委員會

本公司成立提名委員會（「提名委員會」）並遵守企業管治守則訂立書面職權範圍。於二零一三年十二月二十日，董事會採納一系列經修訂之提名委員會職權範圍，其符合自二零一三年九月一日生效之有關董事會成員多元化之新上市規則。載有提名委員會權力、職責及責任之經修訂職權範圍可於本公司網站及聯交所網站查閱。提名委員會現共有以下三名成員：

#### 獨立非執行董事

查錫我先生（主席）  
潘禮賢先生  
陳偉江先生（於二零二零年一月三日獲委任）  
李建生女士（於二零二零年一月三日辭任）

提名委員會已採納書面提名程序，列明挑選及建議本公司董事候選人之過程及準則。

提名委員會主要負責檢討及監督董事會之架構、規模及組成，物色合資格人士出任董事會成員，評估獨立非執行董事之獨立性，以及向董事會就委任或重選董事作出推薦建議。

物色到候任新董事後，均須提呈提名委員會審批。提名董事時須考慮候選人之資歷、能力及對本公司之潛在貢獻。獲委任為獨立非執行董事之候選人，亦須符合上市規則第3.13條所載之獨立性準則。於本年度，概無新委任之董事。



# Corporate Governance Report

## 企業管治報告

During the Year, one meeting was held by the Nomination Committee to recommend the re-appointment of the Directors standing for re-election at the AGM, to review the size, structure, composition as well as diversity of the Board, to assess the independence of independent non-executive Directors and to consider the changes of Directors. The Nomination Committee has also reviewed the board diversity policy to ensure its effectiveness and considered that the Group has achieved the objectives of the board diversity policy during the Year.

### REMUNERATION COMMITTEE

The Company established a remuneration committee (the "Remuneration Committee") with the written terms of reference in compliance with the CG Code. The terms of reference setting out the Remuneration Committee's authority, duties and responsibilities are available on both the websites of the Company and the Stock Exchange. The Remuneration Committee has adopted the operation model where it performs an advisory role to the Board, with the Board retaining the final authority to approve the remuneration packages of individual executive Directors and senior management. The existing Remuneration Committee has the following three members:

#### Independent Non-executive Directors

Mr. Chen Weijiang (*Chairman*)  
(appointed on 3 January 2020)  
Ms. Li Jiansheng (*Chairman*)  
(resigned on 3 January 2020)  
Mr. Poon Lai Yin Michael  
Mr. Char Shik Ngor Stephen

The principal responsibilities of the Remuneration Committee are making recommendations to the Board on the Company's policy and structure for the remuneration of Directors and senior management, and reviewing and approving the management's remuneration proposals with reference to the corporate goals and objectives resolved by the Board from time to time.

於本年度，提名委員會召開一次會議，藉以建議續聘將於股東週年大會上膺選連任之董事；檢討董事會之規模、架構、組成及多元化、評估獨立非執行董事之獨立性，以及考慮董事之變更。提名委員會亦已檢討董事會成員多元化政策以確保其成效，並認為本集團本年度達致董事會成員多元化政策之目標。

### 薪酬委員會

本公司成立薪酬委員會（「薪酬委員會」）並遵守企業管治守則訂立書面職權範圍。載有薪酬委員會權力、職責及責任之職權範圍可於本公司網站及聯交所網站查閱。薪酬委員會在其採納之運作模式中擔任董事會之顧問角色，董事會保留最終批准各執行董事及高級管理層人士薪酬待遇之權力。薪酬委員會現共有以下三名成員：

#### 獨立非執行董事

陳偉江先生（*主席*）  
(於二零二零年一月三日獲委任)  
李建生女士（*主席*）  
(於二零二零年一月三日辭任)  
潘禮賢先生  
查錫我先生

薪酬委員會之主要職責為就本公司全體董事及高級管理層之薪酬政策及架構向董事會提供建議，並參考董事會不時決議之企業目標及目的，審閱及批准管理層之薪酬方案。



# Corporate Governance Report

## 企業管治報告

Details of the remuneration of Directors are set out in note 11 to the consolidated financial statements. During the Year, one meeting of Remuneration Committee was held for, inter alia, reviewing the remuneration policy and structure for as well as the remuneration packages of all Directors and the senior management and considering the remuneration packages of all newly appointed Directors. No Director was involved in deciding his/her own remuneration.

### AUDIT COMMITTEE

The Company established an audit committee (the "Audit Committee") with written terms of reference in compliance with the CG Code. On 1 January 2019, the Board adopted a set of the revised terms of reference of the Audit Committee, which has brought it in line with the new requirement of the Listing Rules. The revised terms of reference setting out the Audit Committee's authority, duties and responsibilities are available on both the websites of the Company and the Stock Exchange. The existing Audit Committee has the following three members:

#### Independent Non-executive Directors

Mr. Poon Lai Yin Michael (*Chairman*)  
Mr. Char Shik Ngor Stephen  
Mr. Chen Weijiang (appointed on 3 January 2020)  
Ms. Li Jiansheng (resigned on 3 January 2020)

The principal responsibilities of the Audit Committee include making recommendations to the Board on the appointment, re-appointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor, and any questions of resignation or dismissal of such auditor; reviewing the interim and annual reports and accounts of the Group; and supervising the financial reporting process and effectiveness of the risk management and internal control systems of the Group.

The Audit Committee reviewed and made recommendations to the Board for approval of the consolidated financial statements of the Group for the Year, discussed the accounting policies and practices which may affect the Group with the management and auditor of the Company, reviewed the fees charged by the external auditor and reviewed the effectiveness of risk management and internal control systems of the Group.

董事酬金之詳情載列於綜合財務報表附註11。於本年度，薪酬委員會召開了一次會議，藉以（其中包括）檢討本公司全體董事及高級管理層之薪酬政策、架構、薪酬組合及考慮全體新委任董事之薪酬組合。概無董事參予釐定本身之酬金。

### 審核委員會

本公司成立審核委員會（「審核委員會」）並遵守企業管治守則訂立書面職權範圍。於二零一九年一月一日，董事會採納審核委員會的一系列職權範圍之修訂，乃遵照上市規則之新規定。載有審核委員會權力、職責及責任之經修訂職權範圍可於本公司網站及聯交所網站查閱。審核委員會現共有以下三名成員：

#### 獨立非執行董事

潘禮賢先生（主席）  
查錫我先生  
陳偉江先生（於二零二零年一月三日獲委任）  
李建生女士（於二零二零年一月三日辭任）

審核委員會主要負責就外聘核數師之委任、續聘及罷免向董事會作出建議，並審批外聘核數師之酬金及聘任條款，以及與該核數師之辭任或罷免有關之任何事宜；審閱中期報告、年報及本集團賬目；以及監察財務申報程序及本集團風險管理及內部監控系統之有效性。

審核委員會曾審閱並建議董事會批准本集團本年度綜合財務報表，與本公司之管理層及核數師討論可能對本集團有影響之會計政策及慣例，審閱外聘核數師收取之費用及檢討本集團風險管理及內部監控系統之有效性。

# Corporate Governance Report

## 企業管治報告

During the Year, two meetings were held by the Audit Committee to review and make recommendation to the Board for approval of the audited results of the Group for the year ended 31 December 2018 and the unaudited interim results for the six months ended 30 June 2019, to discuss the accounting policies and practices which may affect the Group with the management of the Company and the Company's auditor, to make recommendation on re-appointment of external auditor for the approval of the shareholders in the AGM, to review the fees charged by the external auditor; and approve the remuneration and terms of engagement of external auditor and to review the effectiveness of risk management and internal control systems and internal audit functions of the Group.

### CORPORATE GOVERNANCE FUNCTION

All members of the Board are responsible for performing the corporate governance functions. The terms of reference of corporate governance functions was adopted by the Board on 29 March 2012 and is in compliance with the CG Code. During the Year, the Board has reviewed the policy of the corporate governance and the corporate governance report of the Company.

#### Director's Nomination Policy

The director's nomination policy of the Company was adopted by the Board and became effective on 1 January 2019 and the Nomination Committee is responsible for execution.

#### Director Nomination Process

The Nomination Committee utilizes various methods for identifying director candidates, including recommendations from Board members, management, and headhunters. The Nomination Committee may also put forward director candidates who are not nominated by Board members. In addition, the Nomination Committee will consider director candidates properly submitted by shareholders of the Company through formal procedures set out in the Company's Procedures for Shareholders to Propose a Person for Election as a Director.

於本年度，審核委員會召開兩次會議，藉以審閱並建議董事會批准本集團截至二零一八年十二月三十一日止年度之經審核業績及截至二零一九年六月三十日止六個月之未經審核中期業績，與本公司管理層及本公司之核數師討論對本集團有影響之會計政策及實務，建議股東於股東週年大會上批准續聘外聘核數師、審閱外聘核數師支取之費用；及批准委聘核數師之薪酬及委聘條款及檢討本集團之風險管理及內部監控系統及內部審核職能是否有效用。

### 企業管治職能

董事會全體成員負責執行企業管治職能。企業管治職能之職權範圍已於二零一二年三月二十九日獲董事會採納，並符合企業管治守則。於本年度，董事會已檢討本公司之企業管治政策及企業管治報告。

#### 提名董事的政策

本公司提名董事的政策經董事會採納並於二零一九年一月一日起生效，由提名委員會負責執行。

#### 董事提名程序

提名委員會運用各種方法物色董事人選，當中包括董事會成員、管理層及專業獵頭公司之推薦建議，提名委員會亦可提名未獲董事會成員提名的董事候選人。此外，提名委員會將會考慮由本公司股東經載於本公司股東提名候選董事的程序的正式程序妥善提交之董事人選。

# Corporate Governance Report

## 企業管治報告

For filling a casual vacancy, the Nomination Committee shall make recommendations for the Board's consideration and approval. For proposing director candidates to stand for election at a general meeting, the Nomination Committee shall make nominations to the Board for its consideration and recommendation.

All director candidates, including incumbents and candidates nominated by shareholders of the Company are evaluated by the Nomination Committee based upon the director's qualifications. While director candidates will be evaluated on the same criteria, the Nomination Committee retains the discretion to establish the relative weighting of such criteria, which may vary based on the composition, skill sets, and experiences of the collective Board rather than on the individual candidate.

The Board shall have the final decision on all matters relating to the recommendation of director candidates by the Nomination Committee to stand for election at any general meeting. The Board will take such recommendations under advisement and is responsible for designating the director candidates to be elected at the annual general meeting of the Company and electing directors to fill Board vacancies.

### Procedure for Appointment of New Director

Director candidates will be asked to submit the necessary personal information in a prescribed form, together with their written consent to be appointed as a Director and to the public disclosure of their personal data on any documents or the relevant websites for the purpose of or in relation to their standing for election as a Director.

The Nomination Committee shall, upon receipt of the proposal on appointment of new director and the biographical information (or relevant details) of the director candidate, evaluate such director candidate based on the criteria as set out below to determine whether such director candidate is qualified for directorship.

If the process yields one or more desirable director candidates, the Nomination Committee shall rank them by order of preference based on the needs of the Company and reference check of each director candidate (where applicable).

如要填補臨時空缺，提名委員會須推薦人選供董事會考慮及批准。如要推薦董事候選人在股東大會上參選，提名委員會須向董事會提名供其考慮及推薦參選。

所有董事候選人（包括現任董事及本公司股東提名之候選人）均由提名委員會基於董事資格進行評估。儘管董事候選人將按相同準則進行評估，但提名委員會保留為該等準則制定相對比重之酌情權，而該比重或會根據董事會整體之組成、技能及經驗而有所變更，而非按個別候選人釐定。

董事會對於提名委員會推薦之董事候選人在任何股東大會上參選的所有事宜有最後決定權。董事會將詳細考慮有關推薦建議，並負責指定將於本公司股東週年大會上獲選舉之董事候選人及挑選董事以填補董事會之空缺。

### 委任新董事的程序

董事候選人將會被要求按既定格式提交所需的個人資料，以及提交同意書，同意被任命為董事，並同意就其參選董事或與此有關的事情在任何文件或相關網站公開披露其個人資料。

提名委員會應在收到委任新董事的建議及董事候選人的個人資料（或相關詳情）後，依據以下列明的準則評估該董事候選人，以決定該董事候選人是否合資格擔任董事。

如過程涉及一個或多個合意的董事候選人，提名委員會應根據本公司的需要及每位董事候選人的證明審查（如適用）排列他們的優先次序。

# Corporate Governance Report

## 企業管治報告

For any person that is nominated by a Shareholder for election as a Director at the general meeting of the Company, the Nomination Committee shall evaluate such director candidate based on the criteria as set out below to determine whether such director candidate is qualified for directorship and where appropriate, the Nomination Committee and/or the Board shall make recommendation to Shareholders in respect of the proposed election of Director at the general meeting (where applicable).

A director candidate is allowed to withdraw his/her candidature at any time before the general meeting by serving a notice in writing to the company secretary of the Company.

Until the issue of the shareholder circular, the nominated persons shall not assume that they have been proposed by the Board to stand for election at the general meeting.

### Procedure for Re-appointment of Director at General Meeting

The Nomination Committee shall review the overall contribution and service to the Company of the retiring Directors including their attendance of Board meetings and, where applicable, general meetings, and the level of participation and performance on the Board.

The Nomination Committee shall also review and determine whether the retiring Directors continue to meet the criteria as set out below.

The Nomination Committee and/or the Board shall then make recommendation to the Shareholders in respect of the proposed re-election of Directors at the general meeting.

任何經由股東提名就於本公司股東大會上選舉為董事的人士，提名委員會應依據以下列明的準則評估該董事候選人，以決定該董事候選人是否合資格擔任董事，並且，提名委員會及／或董事會應就於股東大會上建議選舉董事向股東提出建議（如適用）。

董事候選人可於股東大會舉行前任何時候向本公司公司秘書發出書面通知退選。

在直至發出股東通函前，被提名人士不可假設其已獲董事會推薦在股東大會上參選。

### 於股東大會上重選董事的程序

提名委員會應檢討退任董事對本公司的整體貢獻及服務，包括其出席董事會會議及股東大會（如適用）的出席率，以及在董事會的參與程度及表現。

提名委員會亦應檢討及確定退任董事是否仍然符合以下列明的準則。

提名委員會及／或董事會應就於股東大會上建議重選董事向股東提出建議。

# Corporate Governance Report

## 企業管治報告

### Director Selection Criteria

The Nomination Committee considers the following qualifications are at a minimum to be required of a director candidate in recommending to the Board potential new Director, or the continued service of existing Director:

- (a) the highest personal and professional ethics and integrity;
- (b) proven achievement and competence in the nominee's field and the ability to exercise sound business judgment;
- (c) qualifications including professional qualifications, skills, knowledge and experience that are complementary to those of the existing Board;
- (d) the ability to assist and support management and make significant contributions to the Company's success;
- (e) the contribution on diversity of the Board and any measurable objectives adopted by the Nomination Committee for achieving diversity on the Board;
- (f) an understanding of the fiduciary responsibilities that is required of a member of the Board and the commitment of time and energy necessary to diligently carry out those responsibilities; and
- (g) meet the "independence" criteria as required under the Listing Rules and the composition of the Board is in conformity with the provisions of the Listing Rules from time to time (where applicable).

Other than the foregoing, there are no stated minimum criteria for director candidate, although the Nomination Committee may also consider such other factors as it may deem to be in the best interests of the Company and the shareholders of the Company.

### 董事甄選準則

提名委員會認為以下為向董事會推薦董事候選人作為潛在新董事或現有董事持續就任所需之最低資格：

- (a) 最高水平之個人及專業操守和誠信；
- (b) 於獲提名人之範疇內具備過往實績及能力，並有能力行使良好之商業判斷；
- (c) 補足現有董事會之資格，包括專業資格、技能、知識及經驗；
- (d) 有能力協助及支援管理層，並為本公司達致成功作出重大貢獻；
- (e) 促進董事會成員多元化及任何由提名委員會所採納以達致董事會成員多元化的可計量目標；
- (f) 明白董事會成員所需承擔之受信責任，以及妥善履行該等責任所需投入之時間及精力；及
- (g) 須達到上市規則所規定之「獨立性」準則，且董事會組成須遵守上市規則不時之條文（如適用）。

除上文所述者外，儘管提名委員會亦可能考慮其可能視為符合本公司及本公司股東最佳利益之其他因素，惟概無明文規定董事候選人需達到之最低標準。



# Corporate Governance Report

## 企業管治報告

### BOARD DIVERSITY POLICY

On 20 December 2013, the Company has adopted a board diversity policy (the “Policy”) setting out the approach to achieve and maintain diversity on the Board in order to enhance the effectiveness of the Board.

Pursuant to the Policy, the Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and education background, ethnicity, professional experience, skills, knowledge and length of service.

The Board will consider setting measurable objectives to implement the Policy and review such objectives from time to time to ensure their appropriateness and ascertain the progress made towards achieving those objectives.

All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. The ultimate decision will be made upon the merits and contribution that the selected candidates will bring to the Board.

### 董事會成員多元化政策

於二零一三年十二月二十日，本公司已採納董事會成員多元化政策（「該政策」），當中列載董事會為達致及維持多元化以提升董事會之有效性而採取之方針。

根據該政策，本公司為尋求達致董事會成員多元化會考慮眾多因素，包括但不限於性別、年齡、文化及教育背景、族群特性、專業經驗、技能、知識及服務年資。

董事會將考慮制定可計量目標以推行該政策，並不時檢討該等目標以確保其合適度及確定達致該等目標之進度。

董事會所有委任均以用人唯才為原則，並在考慮人選時以客觀條件充分顧及董事會成員多元化之裨益。

甄選人選將以一系列多元化範疇為基準，包括但不限於性別、年齡、文化及教育背景、專業經驗、技能及知識。最終將按人選之長處及可為董事會作出之貢獻而決定。



# Corporate Governance Report

## 企業管治報告

As at the date of this annual report, the information (including sex, age, educational background, professional experience, term of appointment and designation) of the Board is as follows:

於本年報日期，董事會資料（包括性別、年齡、教育背景、專業經驗、任期及任職）如下：

		No. of Director 董事人數
Age group: 年齡組別：	Below 41 41歲以下	1
	41 to 50 41至50歲	3
	51 to 60 51至60歲	1
	Over 60 60歲以上	2
Gender: 性別：	Male 男	7
	Female 女	0
Educational background: 教育背景：	Hong Kong and Macau 香港及澳門	2
	The PRC 中國	3
	Overseas 海外	2
Length of service (year): 服務年限（年）：	Below 1 一年以下	1
	1-5 1至5年	2
	6-10 6至10年	1
	Over 10 10年以上	3
Designation: 任職：	Executive Director 執行董事	4
	Independent Non-executive Director 獨立非執行董事	3

# Corporate Governance Report

## 企業管治報告

For the purpose of implementation of the Policy, the following measurable objectives were adopted:

1. The Company shall comply with the requirements on board composition under the Listing Rules from time to time.
2. The number of independent non-executive Directors should be not less than three and one-third of the Board.
3. At least one of the independent non-executive Directors must have appropriate professional qualifications or accounting or related financial management expertise.
4. At least one Director should be the professional or have intensive experience of the industry on which the business of the Group is.

The Board has achieved the measurable objectives in the Policy.

### AUDITOR'S REMUNERATION

Deloitte Touche Tohmatsu was appointed as the auditor of the Company with effect from 14 July 2017 to fill the casual vacancy following the resignation of SHINEWING (HK) CPA Limited and to hold office until the conclusion of the next annual general meeting of the Company.

The audit works of the Group for the Year were performed by Deloitte Touche Tohmatsu.

就執行該政策而言，已採納以下可計量目標：

1. 本公司應遵守上市規則項下不時之董事會組成之規定。
2. 獨立非執行董事人數應不少於三名及董事會人數之三分之一。
3. 至少一名獨立非執行董事必須具備適當的專業資格或會計或相關的財務管理專長。
4. 至少一名董事應為本集團業務所處行業之專業人士或於該行業擁有豐富經驗。

董事會已實現該政策之可計量目標。

### 核數師酬金

德勤•關黃陳方會計師行已獲委任為本公司核數師，自二零一七年七月十四日起生效，以填補因信永中和（香港）會計師事務所有限公司辭任而產生之臨時空缺，其任期直至本公司下屆股東週年大會結束時為止。

本集團本年度之核數工作由德勤•關黃陳方會計師行處理。

# Corporate Governance Report

## 企業管治報告

The total fee paid/payable in respect of the statutory audit and non-audit services provided by external auditor is set out in the following table:

外聘核數師所提供之法定核數及非核數服務之已付／應付之費用總數載列於下表：

Services rendered	所提供服務	Fee paid/payable 已付／應付費用	
		For the year ended 31 December 2019 截至二零一九年 十二月三十一日 止年度 HK\$'000 港幣千元	For the year ended 31 December 2018 截至二零一八年 十二月三十一日 止年度 HK\$'000 港幣千元
Deloitte Touche Tohmatsu	德勤·關黃陳方會計師行		
– Audit services	– 核數服務	1,350	1,280
– Non-audit services	– 非核數服務		
Interim review	中期審閱	590	550
– Non-audit services	– 非核數服務		
Assurance – Continuing connected transactions	擔保 – 持續關連交易	40	20
Assurance – Very substantial acquisition	擔保 – 非常重大收購事項	220	–
<b>Total fee paid/payable</b>	<b>已付／應付之費用總數</b>	<b>2,200</b>	<b>1,850</b>

# Corporate Governance Report

## 企業管治報告

### COMPANY SECRETARY

The Company Secretary, Mr. Fu Lui, was appointed on 2 July 2010. He is responsible to the Board for ensuring that Board procedures are followed and that the Board is fully briefed on all legislative, regulatory and corporate governance developments and has regarded to them when making decisions. The Company Secretary is also responsible for advising the Board on the Group's compliance with the continuing obligations of the Listing Rules, Codes on Takeovers and Mergers and Share Repurchases, Companies Ordinance, Securities and Futures Ordinance and other applicable laws, rules and regulations. During the Year, Mr. Fu Lui undertook not less than 15 hours of professional training to update his skills and knowledge.

### DIRECTORS' AND AUDITOR'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors have acknowledged for the preparation of the consolidated financial statements at the end of the Year which gives a true and fair view of the state of affairs of the Group and of the results and cash flows for the Year. In preparing the consolidated financial statements for the Year, the Directors have selected suitable accounting policies and applied them consistently, made judgments and estimates that are prudent, fair and reasonable and prepared the consolidated financial statements on a going concern basis. The statement by the auditor of the Company regarding their reporting responsibilities on the consolidated financial statements of the Group is set out in the Independent Auditor's Report on pages 86 to 93 of this annual report.

### 公司秘書

公司秘書府磊先生乃於二零一零年七月二日獲委任。其對董事會負責，職責為確保董事會議事規則得到遵守，並確保在一切法律、監管及企業管治發展事宜上，董事會已獲充分知會，並且在作出決定時已考慮該等因素。公司秘書亦負責就本集團是否遵守《上市規則》、《公司收購、合併及股份購回守則》、《公司條例》、《證券及期貨條例》以及其他適用法律、規則及法規之持續責任向董事會提供建議。於本年度，府磊先生已進行不少於15小時之專業培訓，以更新其技能及知識。

### 董事及核數師對綜合財務報表之責任

董事確認編製年末之綜合財務報表，對本年度本集團事務、業績及現金流量提供真實及公平之意見。在編製本年度之綜合財務報表時，董事已貫徹採用合適之會計政策，作出審慎、公平而合理之判斷及推測，並按持續經營基準編製綜合財務報表。本公司核數師就本集團之綜合財務報表所申報之責任載於本年報第86至93頁之獨立核數師報告書。

# Corporate Governance Report

## 企業管治報告

### RISK MANAGEMENT AND INTERNAL CONTROLS

The Board has the overall responsibility to ensure that sound and effective risk management and internal controls are maintained, while the management of the Company is charged with the responsibility to design and implement an internal control system to manage risks. A sound system of risk management and internal controls is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss.

#### Risk Management and Internal Control Framework of the Group

The Board is responsible for the Group's system of risk management and internal controls and reviewing its effectiveness. The Audit Committee supports the Board in monitoring the Group's risk exposures, the design and operating effectiveness of the underlying risk management and internal control systems. The management of the Company assesses and presents regular reports to the Audit Committee on its own assessments of key risks, the strengths and weaknesses of the overall internal control systems, with action plans to address the weaknesses. External auditor also reports on any control issues identified in the course of its work. Taking these into consideration, the Audit Committee reviews the effectiveness of the Group's system of risk management and internal controls, and reports to the Board on such reviews. Work and findings of the management of the Company are considered by the Board in forming its own view on the effectiveness of the system.

The Group persistently engages independent professional team and internal team in performing internal audit work after considering the independence, flexibility, and overall efficiency.

### 風險管理及內部監控

董事會負責維持完善有效的風險管理及內部監控，而本公司管理層則負責設計及執行內部監控制度以管理風險。良好的風險管理及內部監控制度旨在管理而非消除未能實現業務目標的風險，且只能針對重大錯誤陳述或遺失提供合理而非絕對的保證。

#### 本集團的風險管理及內部監控架構

董事會負責本集團的風險管理及內部監控制度並檢討其成效。審核委員會協助董事會監察本集團承受的風險水平、有關之風險管理和內部監控系統的設計及運作成效。本公司管理層評估本集團的主要風險、整體內部監控制度並定期向審核委員報告，同時提出應對的行動方案。外聘核數師亦匯報在工作過程中識別的任任何監控事宜。經考慮以上各點，審核委員會會檢討公司風險管理及內部監控制度的成效，並向董事會報告檢討結果。董事會考慮本公司管理層的工作及檢討結果後，再就風險管理及內部監控制度的成效得出自己的意見。

本集團持續地外聘獨立專業團隊及內部團隊以進行內部審核工作，以平衡內部審核工作的獨立性、靈活性及整體效益。



# Corporate Governance Report

## 企業管治報告

### Risk Management and Internal Control Framework Diagram

### 風險管理及內部監控架構圖

<p>“Top-down” 「由上而下」</p>	<p><b>The Board</b> 董事會</p>		
<p>Oversight, identification, assessment and mitigation of risk at corporate level 監督、識別、評估及紓緩企業層面的風險</p>	<ul style="list-style-type: none"> <li>Has overall responsibility for the Group’s risk management and internal control systems 負責集團整體的風險管理及內部監控系統</li> </ul>	<ul style="list-style-type: none"> <li>Sets strategic objectives 訂立策略目標</li> <li>Reviews the effectiveness of the Group’s risk management and internal control systems 檢討本集團風險管理及內部監控系統的成效</li> </ul>	<ul style="list-style-type: none"> <li>Monitors the nature and extent of risk exposure for the Group’s principal risks 監察本集團主要風險的性質及程度</li> </ul>
	<p><b>Management</b> 管理層</p>	<p><b>Audit Committee</b> 審核委員會</p>	<p><b>Internal professionals</b> 公司內部的合資格專才</p> <p><b>External professionals</b> 外聘之獨立專業團隊</p> <p><b>External auditor</b> 外聘核數師</p>
	<ul style="list-style-type: none"> <li>Designs, implements and monitors the Group’s risk management and internal control systems 設計、執行及監察本集團的風險管理及內部監控系統</li> <li>Assesses the Group’s risks and mitigating measures 評估本集團的風險及相應的紓緩措施</li> </ul>	<ul style="list-style-type: none"> <li>Supports the Board in monitoring risk exposure, design and operating effectiveness of the underlying risk management and internal control systems 協助董事會監察風險管理及內部監控系統的設計和運作成效</li> </ul>	<ul style="list-style-type: none"> <li>Supports the Audit Committee in reviewing the effectiveness of the Group’s risk management and internal control systems 協助審核委員會檢討本集團風險管理及內部監控系統的成效</li> </ul>
<p>“Bottom-up” 「由下而上」</p>	<p><b>Operational Level</b> 業務營運層面</p>		
<p>Identification, assessment and mitigation of risk at business unit level and across functional areas 識別、評估及紓緩業務單位及職能範疇的風險</p>	<ul style="list-style-type: none"> <li>Risk identification, assessment and mitigation performed across the business 識別、評估及紓緩業務風險</li> </ul>	<ul style="list-style-type: none"> <li>Risk management process and internal controls practice across business operations and functional areas 在各營運及職能範疇執行風險管理程序及內部監控措施</li> </ul>	

# Corporate Governance Report

## 企業管治報告

### Risk Management and Internal Control Systems and Procedures

**Control Environment** – The Group has been operating under an established and appropriate control environment with reference to principles of “Internal Control and Risk Management – A Basis Framework” issued by the Hong Kong Institute of Certified Public Accountants. Risk management and internal controls cover effective operations, reliable financial reporting and compliance.

**Risk Assessment** – The Group continues to drive improvements to its risk management process and the quality of risk information generated, while at the same time maintaining a simple and practical approach. We seek to have risk management features embedded within our operations, aiming to have a risk management system that is practised on a day-to-day basis by our operating units.

The Board reviews and understands the risk factors of the Group and operations annually, and the management of the Company continuously monitors the scope and quality of ongoing risk management and internal control systems. The “Top-down” monitoring ensures risk management features embedded within the operations and operated effectively.

Meanwhile, the heads of operation units participate in risk identification from “Bottom-up” so as to identify the Group’s overall risks.

**Control Activities** – The Group’s core property development business and trading of raw sugar involve well-established business processes. Control activities have traditionally been built on top-level reviews, segregation of duties and physical controls. We have been formalizing and documenting the control processes in policies and procedures. Written policies and procedures with defined limits of delegated authority are in place, which facilitate effective segregation of duties and controls.

### 風險管理及內部監控系統及程序

**監控環境** – 本集團參考香港會計師公會發佈的《內部監控與風險管理的基本架構》中所述之原則，建立一個妥善的監控環境下營運其業務。風險管理及內部監控覆蓋的範疇包括有效的運作、可靠的財務匯報以及適用的法例和規則之遵守。

**風險評估** – 本集團持續致力提升風險管理程序和風險資訊質素，同時貫徹簡單切實的風險管理方向。我們致力將風險管理功能融入業務營運，制訂並維持一個可供各業務營運單位日常使用的風險管理系統。

董事會每年檢討及了解本集團及業務之風險因素，及管理層持續監察風險管理及內部監控系統的工作範疇及質素，以「由上而下」的監控確保風險管理功能融入業務營運中和發揮成效。

同時，業務營運單位以「由下而上」方式配合，要求營運單位主管參與識別營運風險，從而釐定本集團的整體風險。

**監控工作** – 本集團的核心房地產開業務及原糖貿易已有成熟的營運流程配合運作。有關監控工作傳統上建基於高層審查、職責分工及實質監控等範疇。本集團一直努力將政策和程序的監控過程制度化及以書面記錄。本集團已制訂有關界定權限的書面政策和程序，以便有效劃分職責和控制權。

# Corporate Governance Report

## 企業管治報告

Planning and budgeting processes are one of key control activities of the Group, which have been refined to take into consideration risk factors. All operating units prepare their respective operating plans pursuant to corporate objectives for consideration. In this process, they are required to identify material risks that may impact the achievement of their business objectives. Action items to mitigate the identified risks are developed for implementation as well as for achieving the budget and business objectives. Variance analyses are regularly performed and reported to the management of the Company and the Board. These help identify deficiencies and enable timely remedial actions to be taken.

Capital expenditures monitoring is also significant to the capital-intensive nature of the property business of the Group. Depending on the nature and the size of the projects, detailed analyses of expected capital expenditures are submitted to the heads of operating units, executive Directors or the Board for consideration and approval.

**Monitoring Activities** – The Board and Audit Committee oversee the process, monitored by internal and external professionals of the Group. The management of the Company has emphasized in its updated reports to the Audit Committee on movements of top risks and appropriate mitigating measures. There is at least one Audit Committee meeting substantially devoted to risks items.

項目規劃及預算制定過程是本集團的主要監控活動之一，並因應考慮風險因素的需要而作出改進。所有營運單位按照公司目標各自制訂營運計劃以供審核。過程中營運單位需要識別對實現業務目標可能有影響的重大風險，並制訂行動來緩解已識別的風險，務求達成預算和業務目標。業務營運單位定期進行差異分析，並向管理層和董事會匯報，以助找出不足之處和適時採取補救措施。

鑑於本集團房地產業務的資本密集性質，監控資本開支亦十分重要。視乎有關開支的性質及規模，有關資本開支需呈交營運單位主管、執行董事或董事會審核及批准。

**監察工作** – 由董事會及審核委員會監督，而本集團內部及外聘專材監察。管理層已就最高風險的變化及適當的紓緩措施，加強向審核委員會匯報最新情況。審核委員會會議中，最少其中一次會議主要針對討論風險項目。

# Corporate Governance Report

## 企業管治報告

### *Procedures and Internal Controls for Handling and Dissemination of Inside Information*

In handling and dissemination of inside information, the Group:

- will conduct immediate dissemination once inside information is available and/or respective decision is made, except the inside information falling into the Safe Harbours of Securities and Futures Commission that allow non-disclosure;
- complies with applicable laws, rules and guidelines on disclosure of inside information issued by Securities and Futures Commission;
- decides and implements monitoring procedures regarding dissemination of inside information; and
- communicates with relevant persons about corporate information disclosure practices with respective training.

### **REVIEW ON EFFECTIVENESS OF RISK MANAGEMENT AND INTERNAL CONTROLS IN 2019**

The Board and the Audit Committee reviewed the risk management and internal control systems of the Company for the Year and such review is conducted annually. The Board opts that during the Year, risk management and internal control systems are effective and sufficient, and no event leads to material impact on Group's financial, operational and compliance controls. Respective reviews cover the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions, and the effectiveness of the Group's processes for financial reporting and Listing Rules compliance.

### *處理及發佈內幕消息的程序和內部監控措施*

在處理及發佈內幕消息方面，本集團：

- 一旦知悉內幕消息及／或在作出有關決定後須即時公佈，除非該等內幕消息屬於證券及期貨條例規定的安全港，無需披露；
- 於處理有關事務時恪守適用法律及法規以及證券及期貨事務監察委員會頒佈的《內幕消息披露指引》；
- 訂立及實施監控向公眾發佈內幕消息的程序；及
- 已向所有相關人員傳達有關企業資料披露政策的執行情況並提供相關培訓。

### **二零一九年檢討風險管理及內部監控之成效**

董事會及審核委員會每年會對公司的風險管理及內部監控制度進行檢討。於本年度，董事會認為風險管理及內部監控制度有效及足夠，亦無發現任何可能對本集團財務監控、運作監控、合規監控以及風險管理功能可能構成重大影響的重要事項。檢討範圍涵蓋本集團會計、內部審計及財務匯報職能的資源、員工資歷及經驗，培訓課程及預算是否充足，以及有關財務報告及遵守上市規則規定之程序。

# Corporate Governance Report

## 企業管治報告

### RECOMMENDED BEST PRACTICES

#### Group's Risk Factors

As a basis of risk management, we should understand the Group's existing risk factors and respective change from time to time. Listed below are the nature of significant risk factors that the Group is facing, whilst the listed factors will not be exclusive:

#### Risk factors

- The Group may be unable to sell property investment at expected prices or terms due to volatility in the property market of the PRC.
- The Group is required to comply with numerous government rules and new regulations to be promulgated from time to time, and may be affected by tightening measures launched by the PRC government for regulating the real estate industry.
- The business of the Group may be significantly affected if the engaged external construction contractors encounter any problem during development of property given our full reliance on them to conduct all the construction projects.
- Principal revenues and expenses of the Group – Property development business are denominated in Renminbi. Investors may indirectly invest in the assets denominated in Renminbi. If Renminbi weakens against Hong Kong dollars, the asset value of the shares denominated in Hong Kong dollars will decline.
- Implementation fluency and efficiency of exchange control of the PRC will mitigate the ability of the Group's fund transfer.
- The management of the Company is exploring new investments opportunities in properties development business, Group's risk factors may have changes after investment.
- COVID-19 outbreak in the PRC may detriment the sale of existing property and development of Maoming Project.
- COVID-19 outbreak in the world may suppress the demand of raw sugar and enhance price volatility.

#### 推薦最佳常規

#### 本集團風險事項

作為風險管理方針的基礎，我們必須了解本集團目前承受的風險狀況，以及這些風險如何隨時間而出現變化。下表闡述本集團數項主要重大風險的性質，惟並不構成已列有所有風險的清單：

#### 風險事項

- 中國的房地產市場的波動，令本集團無法按預期的價格或條款出售房地產投資。
- 本集團須遵守多項政府法規及須受經常出台的新法規規管，可能因中國政府為調控房地產行業而頒佈的措施受影響。
- 現時依賴外聘建築承包商進行所有建設工程，若開發過程中聘用的外聘建築承包商發生問題，本集團業務將受到重大不利影響。
- 本集團主要收益及開支—房地產開發業務均以人民幣計值，投資者或會間接投資人民幣計值資產。如人民幣對港幣下調，以港幣計值股票的資產值將下降。
- 國內外匯管理的執行流暢度及效率會削弱集團調配資金的能力。
- 本集團管理層正發掘物業發展業務的新投資機遇，投資後的集團風險事項可能有所改變。
- 國內新型冠狀病毒肺炎疫情或會損害現有物業的銷售及茂名項目的發展。
- 全球新型冠狀病毒肺炎疫情或會抑制原蔗糖的需求及提升價格波動。



# Corporate Governance Report

## 企業管治報告

### COMMUNICATION WITH SHAREHOLDERS

The Board makes its endeavour to maintain an ongoing and transparent communication with all shareholders and, in particular, use general meetings to communicate with shareholders and encourage their participation. A shareholder's communication policy was adopted by the Board on 29 March 2012 aiming at providing the shareholders and potential investors with ready and timely access to balanced and understandable information of the Company. The Company also uses various other means of communication with its shareholders, such as publication of annual and interim reports, announcements, circulars and additional information on the Group's business activities and development on the Company's website: [www.chinauptown.com.hk](http://www.chinauptown.com.hk).

The Company keeps on promoting investor relations and enhancing communication with the existing shareholders and potential investors. It welcomes suggestions from investors, stakeholders and the public. Enquiries to the Board or the Company Secretary may be sent by post to the Company's head office and principal place of business at Suite 1501, 15/F., Tower 1, Silvercord, 30 Canton Road, Tsimshatsui, Kowloon, Hong Kong.

### Dividend policy

The dividend policy of the Company (the "Dividend Policy") was adopted by the Board and became effective on 1 January 2019.

The Dividend Policy is to ensure that the Board maintains an appropriate procedure on declaring and recommending the dividend payment of the Company. The Board endeavors to strike a balance between the shareholders' interests and prudent capital management with a sustainable dividend policy.

### 股東通訊

董事會致力不斷維持與全體股東之間具透明度的通訊，特別是以股東大會與股東溝通及鼓勵參與。股東通訊政策已於二零一二年三月二十九日獲董事會採納，該政策旨在確保股東及潛在投資者可隨時及適時地獲得本公司中肯及易於理解之資料。本公司亦透過各種其他方式與股東通訊，包括刊登年報及中期報告、公佈、通函以及有關本集團業務活動及發展之其他資料於本公司之網站：[www.chinauptown.com.hk](http://www.chinauptown.com.hk)。

本公司繼續促進投資者關係，並加強與現有股東及潛在投資者溝通。歡迎投資者、利益相關者及公眾人士提供建議。向董事會或公司秘書提出之查詢，可郵寄至本公司之總辦事處及主要營業地點，地址為香港九龍尖沙咀廣東道30號新港中心第一期15樓1501室。

### 股息政策

本公司股息政策（「股息政策」）經董事會採納並於二零一九年一月一日起生效。

股息政策旨在確保董事會就本公司宣派及建議派付股息維持適當的程序。董事會通過可持續的股息政策，務求於股東利益與審慎資本管理之間取得平衡。

# Corporate Governance Report

## 企業管治報告

The declaration and recommendation of dividends is subject to the decision of the Board after considering the Company's ability to pay dividends, which will depend upon, among other things:

- the Group's financial results;
- the Group's cash flow, liquidity and capital requirements;
- the Group's debt to equity ratios and the debt level;
- the accumulated profits and distributable reserves of the Group;
- the Group's shareholders' interests;
- the Group's current and future business operations, conditions, cycle and strategies;
- the general market conditions;
- the shareholders' and the investors' expectation and industry's norm;
- any restrictions on payment of dividends that may be imposed by the Group's lenders;
- statutory and regulatory restrictions;
- past dividend record; and
- any other factors the Board may deem relevant.

The Board has complete discretion on whether to pay a dividend and the form to pay, subject to any restrictions under the Companies Laws of Cayman Islands and the Articles. Any final dividends declared by the Company must be approved by an ordinary resolution of the shareholders of the Company at an annual general meeting and must not exceed the amount recommended by the Board.

宣派及建議派付股息須待董事會經考慮本公司派付股息之能力後作出決定方可作實，而本公司派付股息之能力將視乎下列各項而定，其中包括：

- 本集團的財務業績；
- 本集團的現金流量、流動資金及資金需求；
- 本集團的負債權益比率及債務水平；
- 本集團的累計溢利和可供分派儲備；
- 本集團的股東權益；
- 本集團現時及未來的業務營運、狀況、週期及策略；
- 一般市場情況；
- 股東及投資者的期望及行業的常規；
- 由本集團的貸款人可能施加的任何股息派發限制；
- 法定及監管限制；
- 過往派息記錄；及
- 董事會可能視為相關之任何其他因素。

董事會可全權酌情決定是否派付股息及派付之形式，惟須遵守開曼群島公司法及細則之任何限制。本公司宣派任何末期股息必須經本公司股東於股東週年大會上以普通決議案予以批准，且不得超過董事會所建議之金額。

# Corporate Governance Report

## 企業管治報告

The Board may also consider declaring special dividends from time to time, in addition to the interim and/or final dividends.

There is no assurance that dividends will be paid in any particular amount for any given period.

### SHAREHOLDERS' RIGHT

#### Procedures for Shareholders to Convene an Extraordinary General Meeting

Pursuant to the Articles, an extraordinary general meeting may be convened by the Board upon requisition by any one or more shareholders holding not less than one-tenth of the paid up capital of the Company and the securities being held carrying the right of voting at any general meetings of the Company. The shareholder shall make a written requisition to the Board or the Company Secretary at the Company's head office and principal place of business at Suite 1501, 15/F., Tower 1, Silvercord, 30 Canton Road, Tsimshatsui, Kowloon, Hong Kong, specifying the shareholding information of the shareholder, his/her contact details and the proposal regarding any specified transaction/business and its supporting documents.

#### Procedures for putting forward Proposals at a General Meeting

A shareholder shall make a written requisition to the Board or the Company Secretary at the Company's head office and principal place of business at Suite 1501, 15/F., Tower 1, Silvercord, 30 Canton Road, Tsimshatsui, Kowloon, Hong Kong, specifying the shareholding information of the shareholder, his/her contact details and the proposal he/she intends to put forward at general meeting regarding any specified transaction/business and its supporting documents.

除中期及／或末期股息外，董事會亦可不時考慮宣派特別股息。

本公司不能保證將在任何指定期間派付任何特定金額之股息。

### 股東之權利

#### 股東召開股東特別大會之程序

根據細則，董事會可因應持有不少於本公司繳足股本十分之一且所持證券附有於本公司任何股東大會上投票之權利之任何一名或多名股東之要求召開股東特別大會。股東須向董事會或公司秘書提出書面要求，並將有關要求寄至本公司之總辦事處及主要營業地點（地址為香港九龍尖沙咀廣東道30號新港中心第一期15樓1501室），當中列明股東之持股信息、詳細聯繫方式、有關任何特定交易／業務之建議及其支持文件。

#### 於股東大會上提呈建議之程序

股東須向董事會或公司秘書提出書面要求，並將有關要求寄至本公司之總辦事處及主要營業地點（地址為香港九龍尖沙咀廣東道30號新港中心第一期15樓1501室），當中列明股東之持股信息、詳細聯繫方式、擬於股東大會上提呈之有關任何特定交易／業務之建議及其支持文件。

# Corporate Governance Report

## 企業管治報告

### Procedures for Directing Shareholders' Enquiries to the Board

Shareholders may at any time send their enquiries and concerns to the Board in writing through the Company Secretary at the Company's head office and principal place of business at Suite 1501, 15/F, Tower 1, Silvercord, 30 Canton Road, Tsimshatsui, Kowloon, Hong Kong or send email to [info@chinauptown.com.hk](mailto:info@chinauptown.com.hk).

Shareholders may also make enquiries with the Board at the general meetings of the Company.

### CONSTITUTIONAL DOCUMENTS

During the Year, there is no change in the Company's constitutional documents.

### 向董事會發出股東查詢之程序

股東可隨時以書面方式將其查詢及關注事宜寄往本公司之總辦事處及主要營業地點（地址為香港九龍尖沙咀廣東道30號新港中心第一期15樓1501室）或電郵至[info@chinauptown.com.hk](mailto:info@chinauptown.com.hk)，透過公司秘書轉交予董事會。

股東亦可於本公司之股東大會上向董事會作出查詢。

### 組織章程文件

於本年度，本公司之組織章程文件並無變化。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### ABOUT THE REPORT

#### Reporting Guidelines

This is the fourth Environmental, Social and Governance (“ESG”) Report issued by China Uptown Group Company Limited (“Company”) and its subsidiaries (collectively, the “Group”). It has been prepared in compliance with the ESG Reporting Guide set out in Appendix 27 to the Rules Governing the Listing of Securities of the Hong Kong Stock Exchange (the “Listing Rules”).

When preparing this report, we have taken into account the interests and expectations of stakeholders including employees, shareholders, customers, sub-contractors, local community, etc. The information in the report is presented in a format that allows stakeholders to see positive and negative trends in performance on a year-on-year basis, enabling consistent comparison.

#### Reporting Scope and Period

This report covers ESG performance of the Company and its subsidiaries in both Hong Kong and the People’s Republic of China (“PRC”) from 1st January 2019 to 31st December 2019. This includes the office in Hong Kong and the Group’s property development business in the PRC.

#### Feedback

The Group shall continue to improve its ESG disclosure in the future. We welcome your feedback on the report for 2019 and any suggestions you have in terms of what you would like to see incorporated in our future reports. You may contact us at: [info@chinauptown.com.hk](mailto:info@chinauptown.com.hk).

### 關於報告

#### 報告指引

此乃中國上城集團有限公司（「本公司」）及其附屬公司（統稱「本集團」）刊發的第四份環境、社會及管治（「環境、社會及管治」）報告。其乃遵照香港聯交所證券上市規則（「上市規則」）附錄27所載的環境、社會及管治報告指引編製。

編製本報告時，我們已計及僱員、股東、客戶、分包商及本地社區等持份者的權益及預期。本報告資料乃以按年基準形式向持份者呈列表現優劣，以便持續比較。

#### 報告範圍及期間

本報告涵蓋本公司及其附屬公司自二零一九年一月一日至二零一九年十二月三十一日在香港及中華人民共和國（「中國」）的環境、社會及管治表現，當中包括香港辦事處及本集團於中國的物業發展業務。

#### 反饋

本集團日後將繼續完善環境、社會及管治披露。我們歡迎閣下就二零一九年報告作出反饋，以及就任何希望納入日後報告的事宜提出建議。閣下可通過[info@chinauptown.com.hk](mailto:info@chinauptown.com.hk)聯絡我們。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### ESG MANAGEMENT APPROACH

Striving to become a responsible property developer, the Group is committed to bearing its share of corporate social responsibility. We monitor our performance on ESG topics that are material to the business and assess related risks regularly, making sure all our operations comply with relevant laws and regulations.

While construction projects are outsourced to our sub-contractors, we follow a stringent selection process and undertake ongoing engagement to ensure they share the same values as us on environmental management, health and safety, construction quality, as well as other sustainability topics important to us and our stakeholders. Stringent acceptance inspections and procedures are adopted to prevent any hazards.

Recognising the impact of construction projects on the environment, we conduct regular checks on our sub-contractors, examining the measures implemented to mitigate air emissions, wastes and noises, as well as the green practices followed in construction procedures.

### 環境、社會及管治的管理方針

本集團矢志成為負責任的物業發展商，致力於履行應承擔的企業社會責任。我們監察對業務屬重要的環境、社會及管治議題的表現，並定期對相關風險進行評估，確保所有業務遵守相關法律及法規。

在將建築工程外判予分包商時，我們遵守嚴格的甄選過程並持續進行溝通，確保有關分包商在環境管理、健康及安全、建築質量及其他對我們，乃至我們的持份者屬重要的可持續發展議題方面與我們秉持相同理念。我們採納嚴格的驗收檢查程序，藉以預防任何隱患。

我們了解到建築工程對環境的影響，定期核查分包商、評估減低廢氣、廢物及嘈音排放所實施的措施，以及在建築程序中遵守的綠色實務。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Employees are valuable assets of the Group. We offer training opportunities for them to develop professional knowledge and skills that not only benefit our business but also their personal growth and career advancement.

The Group will continue to improve its ESG performance by maintaining regular communication with its stakeholders and responding to issues of their concern. We believe with the support from our stakeholders, we can move progressively along the path towards a sustainable business.

### ENVIRONMENTAL MANAGEMENT

The Group is committed to safeguarding the environment by measuring and managing its environmental impacts. Our environmental management function is led by the senior management, supported by the environmental protection and monitoring team, with environmental technicians as the responsible party to manage and monitor the Group's environmental performance, and coordinate environmental protection initiatives between the Group and the Government.

The Group strictly complies with all applicable laws and regulations related to environmental protection in Hong Kong and PRC, including but not limited to the Environmental Protection Law of the PRC, the Law of the PRC on the Prevention and Control of Air Pollution, the Law of the PRC on the Prevention and Control of Water Pollution, the Law of the PRC on the Prevention and Control of Environment Pollution Caused by Solid Wastes, the Law of the PRC on Conserving Energy, and the Law of the PRC on Environmental Impact Assessment.

To ensure compliance with the Law of the PRC on Environmental Impact Assessment, we have commissioned a qualified inspection and testing organisation to carry out environmental impact assessment, ensuring that environmental impacts of our projects, including noise, air pollutants and sewage, meet the relevant national standards at the design and construction stages.

僱員是本集團的寶貴資產。我們為彼等提供培訓機會，以助發展專業知識及技能。此舉不但有利公司業務發展，而且對彼等的個人發展及事業晉升甚有裨益。

本集團將與持份者保持恆常溝通，回應彼等關注的議題，藉此不斷提升環境、社會及管治表現。在持份者支持下，我們相信定能朝著可持續發展業務昂首邁進。

### 環境管理

本集團致力於透過衡量及管理其環境影響保護環境。在環境保護及監察團隊支援下，環境管理體系由高級管理層領導，由相關環境技術人員負責管理及監察本集團在環境方面的表現，並統籌本集團與政府間的環境保護措施。

本集團嚴格遵守香港及中國有關環保的一切適用法律及法規，包括但不限於《中華人民共和國環境保護法》、《中華人民共和國大氣污染防治法》、《中華人民共和國水污染防治法》、《中華人民共和國固體廢物污染環境防治法》、《中華人民共和國節約能源法》及《中華人民共和國環境影響評價法》。

為確保符合《中華人民共和國環境影響評價法》，我們已委託合格的檢驗測試機構進行環境影響評估，確保我們項目的環境影響（包括噪音、空氣污染物及污水）在設計及施工階段符合相關國家標準。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

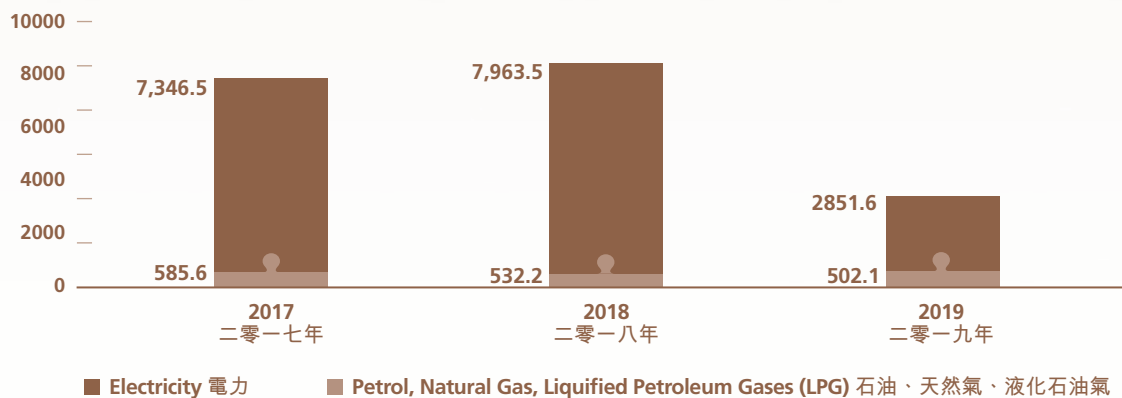
### Energy Consumption

The Group's operations involve the use of petrol, liquefied petroleum gas (LPG) and electricity, of which electricity accounted for 85% of total energy consumption last year. In 2019, total energy consumption of the Group was 3,353.7 GJ, with energy intensity of 1.5 GJ per square metre of floor area<sup>1</sup>.

### 能源消耗

本集團的業務涉及使用汽油、液化石油氣 (LPG) 及電力，其中電力佔去年總能耗的 85%。二零一九年，本集團的總能耗為 3,353.7 吉焦，能源密度為建築面積<sup>1</sup>每平方米 1.5 吉焦。

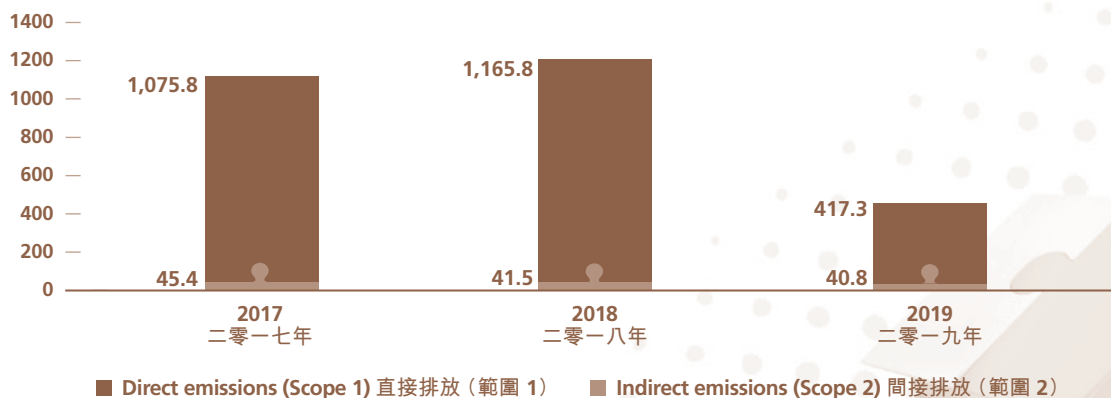
**Total Energy Consumption (GJ)**  
能源耗用總量 (吉焦)



The Greenhouse gas emissions of the Group included direct emissions (Scope I) from petrol and LPG consumed, and indirect emissions (Scope II) from electricity consumption. In 2019, our total GHG emissions amounted to 458.1 tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e). Emission intensity was computed as 0.2 tCO<sub>2</sub>e per square metre of floor area.

本集團的溫室氣體排放包括來自汽油及消耗的液化石油氣的直接排放 (範圍一)，以及電力消耗的間接排放 (範圍二)。二零一九年，我們的溫室氣體排放總量為 458.1 噸二氧化碳當量。排放密度計算為建築面積每平方米 0.2 噸二氧化碳當量。

**Total GHG Emissions (tCO<sub>2</sub>e)**  
溫室氣體排放總量 (噸二氧化碳當量)



<sup>1</sup> Floor area includes offices of the Group in Hong Kong and Mainland China.  
<sup>1</sup> 建築面積包括本集團位於香港及中國大陸的辦公室。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

Energy consumption and Greenhouse gas emissions dropped by 60% and 62% respectively compared to 2018. This is due to a downscale of sales activities during the year. The close down of the company's canteen led to zero LPG consumption in the second half of the year, which also contributed to the reduction in energy consumption.

### Energy-saving Measures

We have adopted energy efficiency measures in our operations to reduce operational cost as well as to fulfil our social responsibilities for addressing climate change. At office, we adopt green office practices such as undertaking waste recycling and reducing energy consumption in office lighting, air conditioning and other electrical appliances.

For property management, we monitor the performance of our service providers, ensuring their operations are aligned with our policies and guidelines in respect of environmental protection. We actively explore options of switching to renewable energy sources to further reduce fossil fuels consumption as well as greenhouse gases emissions.

### Water

In 2019, total water consumption in property development and office operations was 57,300 m<sup>3</sup> and the water intensity was 25.6 m<sup>3</sup> per square metre of floor area. There was no issue in sourcing water that is fit for the purpose. Temporary water treatment facilities were established to filter and reuse water in construction sites. And all water used for construction shall not discharged unless being treated.

能源消耗及溫室氣體排放較二零一八年分別減少60%及62%。此乃由於年內銷售活動減少所致。本年度下半年因公司食堂關閉而並無消耗液化石油氣，從而導致能源消耗減少。

### 節能措施

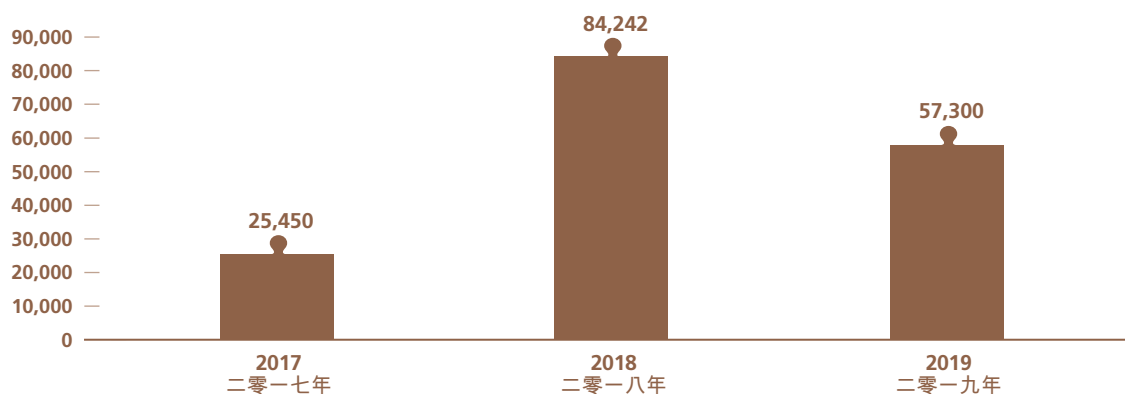
我們已在運營中採用能效措施，以減少運營成本以及承擔應對氣候變化的社會責任。在辦公室，我們貫徹綠色辦公室實踐，進行廢物回收及減少辦公室照明、空調及其他電器的能耗。

在物業管理方面，我們監控我們服務供應商的表現，確保彼等運營符合我們有關環保的政策及指引。我們積極探索轉換至可再生能源的選擇，以進一步減少化石燃料消耗及溫室氣體排放。

### 水

於二零一九年，物業發展及辦公室運營的總耗水量為57,300立方米，用水密度為建築面積每平方米25.6立方米。在取得適用水源方面沒有重大問題。我們已設立暫時性用水處理設施，以過濾及重用建築工地的用水，而所有建築用水在未經處理前不得排放。

Total Water Consumption (m<sup>3</sup>)  
總耗水量 (立方米)



# Environmental, Social and Governance Report

## 環境、社會及管治報告

As most of our construction work is outsourced, we maintain effective communication with our suppliers and contractors to minimise emissions. Our environmental protection department is responsible for monitoring environmental performance of the contractors and suppliers.

### Air Emissions

In 2019, the Group generated 0.21kg of sulphur oxides (SOx), 30.4 kg of nitrogen oxides (NOx) and 2.81 kg of particulate matters (PM) due to operating vehicles. To reduce flying dust at the construction sites, we make sure the contractors use sprinklers and protective nets to reduce the spreading of dust generated by construction machinery and vehicles.

### Solid Waste

While construction waste is recycled, we generated 14.3 tonnes of non-hazardous waste, which was mainly from the construction work during the year. We collect waste at designated points, which is then centralised and managed by environmental protection department. To reduce waste disposal, we encourage employees to adopt green office measures, including using both sides of paper and avoid unnecessary printing. The Group's operation does not generate hazardous waste.

由於大部分建築工程外判，我們與供應商及承包商維持有效溝通以儘量減少排放。我們的環保部門負責監控承包商及供應商的環保表現。

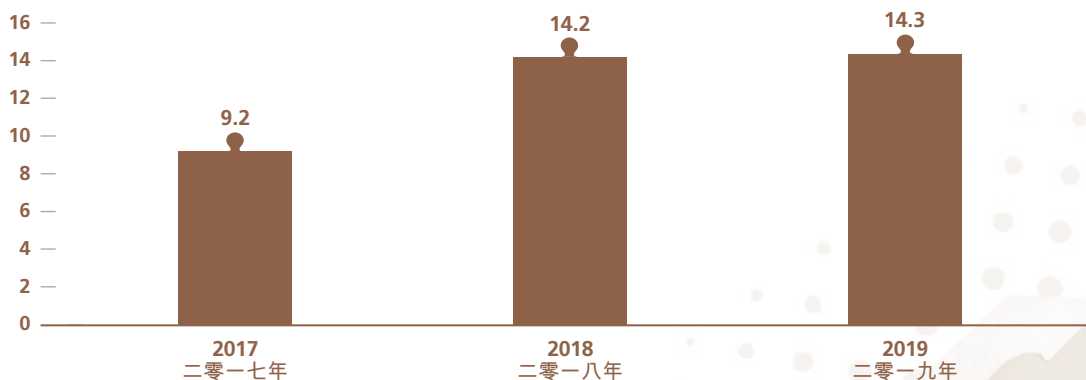
### 廢氣排放

於二零一九年，由於運營用車，本集團的硫氧化物、氮氧化物及懸浮顆粒排放量分別為0.21千克、30.4千克及2.81千克。為減少建築工地的粉塵，我們確保承包商使用灑水裝置及防護網，以減少建築機器及汽車產生的粉塵傳播。

### 固體廢物

隨著實施建築廢物回收，我們產生14.3噸無害廢物，有關廢物主要來自年內建築施工。我們在指定地點進行廢物回收，再經環保部門中央處理及管理。為減少廢物處理，我們鼓勵僱員採用綠色辦公措施，包括雙面用紙及避免不必要的列印。本集團於運營中並無產生有害廢物。

Non-hazardous Waste (tonnes)  
無害廢物 (噸)





# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Noise

To ensure compliance with noise control, we make sure our contractor arranges construction work to be undertaken during permitted time, strengthens the management of transportation vehicles, adopt sound insulation and vibration reduction measures and set up greening areas to reduce noise from vehicles.

### Emissions Reduction

The Group is committed to reducing emissions of air pollutants, sewage and waste from its operations. We conduct regular inspections, maintenance and monitoring of environmental protection facilities to ensure proper treatment of pollutants and waste and encourage our contractors and suppliers to do the same. During the year, the Group was not aware of any violation of relevant laws and regulations that have a significant impact on the Group relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.

### 噪音

為確保遵守嘈音控制，我們確保承包商在允許時間內安排建築工程、加強運輸汽車的管理、採取隔音及減震措施及設立綠化地帶，以減少汽車造成的嘈音。

### 減少排放

本集團致力減少運營過程中的廢氣、污水及廢物排放。我們進行定期檢測、保養及監察環境保護設施，確保妥善處理污染物及廢物，並鼓勵承包商及供應商跟從。年內，本集團概不知悉違反任何對本集團造成重大影響的有關空氣及溫室氣體排放、排放入水及土地以及產生有害及無害垃圾的相關法律及法規。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

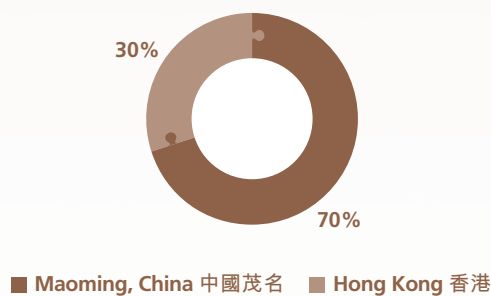
### OUR PEOPLE & COMMUNITY

The Group strives to maintain a comfortable and supporting workplace for its employees. As of 31st December 2019, the Group had a total of 44 employees. Below, we show the employee composition by geographic region, age, gender and position:

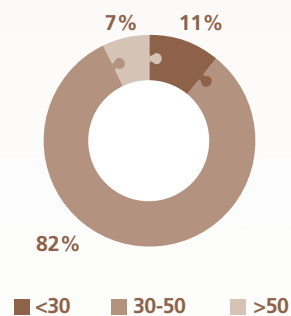
### 我們的員工及社區

本集團致力於為僱員提供舒適及有利的工作場所。截至二零一九年十二月三十一日，本集團共有44名僱員。以下顯示按地區、年齡、性別及職位劃分的員工組成概況：

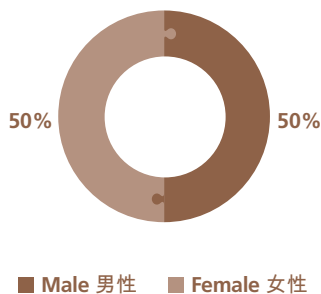
Geographic Region 地區



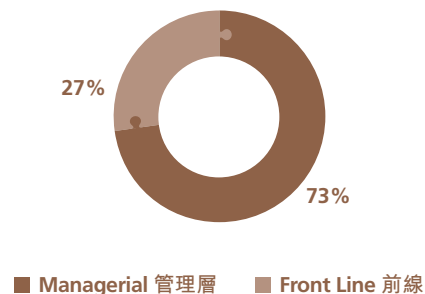
Age 年齡



Gender 性別



Position 職位

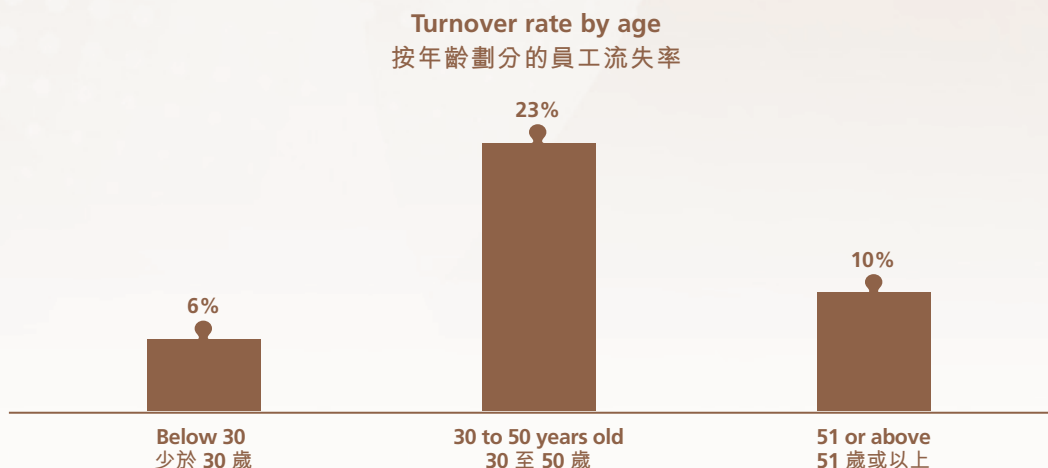


We value equal opportunity and non-discrimination, ensuring all employees are treated fairly in terms of remuneration, rest periods, training, resignation and contract termination processes. Promotions and rewards are given with consideration of employee capability, contribution, performance, and experience. Any forms of workplace harassment are strictly forbidden. Employees are encouraged to report discriminatory behavior to the senior management.

我們重視平等機會及反歧視，確保所有僱員在薪酬、假期、培訓、離職及合約終止程序上得到公平待遇。我們會考慮僱員的能力、貢獻、表現及經濟提供晉升機會及獎勵。本集團嚴禁任何形式的工作場所騷擾。我們鼓勵僱員向高級管理層匯報任何歧視行為。

# Environmental, Social and Governance Report

## 環境、社會及管治報告



While the Group does not have operations in locations where the risk of child labour or forced labour is high, our HR manager remains cautious during the recruitment process and ensures the age of the candidate is within legal requirements. Our senior manager handles any identified cases immediately according to laws and regulations. During the year, we were not aware of any non-compliance with laws and regulations having a significant impact on the Group relating to employment and labour practices; nor did we identify any incidents relating to the use of child or forced labour.

### Health and Safety

Occupational health and safety is one of our key operational risks. We establish safety policies at construction sites in which our contractors are required to strictly implement the stipulated policies and comply with the Production Safety Law of the People's Republic of China.

A safety plan submitted by contractors to the supervisory engineer and the Group for approval is necessary before construction work commences. The supervisory engineers closely work with contractors on monitoring their safety performance throughout the construction process, requiring contractors to prepare emergency action plans, install necessary equipment and machines according to national standards and regulations so as to minimise safety hazards.

儘管本集團在童工或強制勞工風險較高的地區並無業務，我們的人工資源經理在招聘過程仍然保持謹慎，確保應徵者年齡符合法律規定。我們的高級經理根據法律及法規即時處理任何已發現的個案。年內，我們概不知悉有關就業及勞工實踐對本集團造成重大影響的不符合法律及法規的任何情況，亦未發現有關使用童工或強制勞工的任何事件。

### 健康與安全

職業健康與安全是我們的主要運營風險之一。我們在建築工地制定安全政策，規定承包商嚴格實施訂明的政策，並遵守《中華人民共和國安全生產法》。

在展開建築施工前，承包商須向監理工程師及本集團提交安全計劃以供審批。監理工程師與承包商緊密合作，在建築過程中監察承包商的安全表現，並根據國家標準及法規規定承包商制定緊急情況計劃以及安裝必要裝置及機器，以將安全危害減至最低。

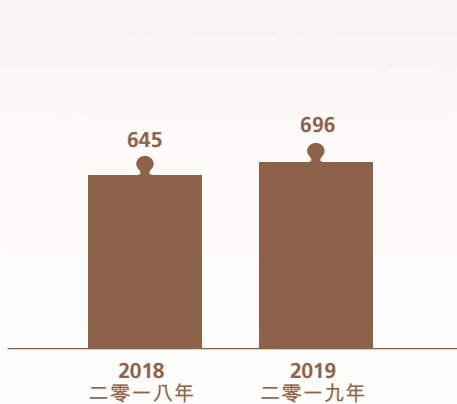
# Environmental, Social and Governance Report

## 環境、社會及管治報告

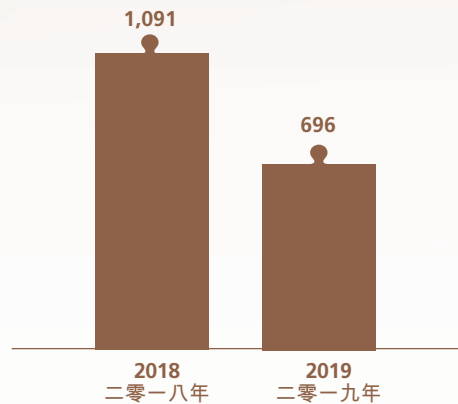
No work-related fatalities were recorded during the year. To maintain safety culture in the Group, we organise safety training for employees. In 2019, a total of 696 person-times of safety training was recorded.

於年內，我們並無錄得與工作有關的致命事故。為建立本集團的安全文化，我們為僱員舉辦安全培訓。於二零一九年，合共錄得696人次安全培訓。

**Total safety training hours**  
安全培訓總小時數



**Total person-times of safety training**  
安全培訓總人次



The Company was not aware of any non-compliance with laws and regulations that have a significant impact relating to providing a safe working environment and protection of employees from occupational hazards during the year.

年內，本公司概不知悉具有重大影響的違反有關提供安全工作環境及保護員工免受職業危害的任何法律及法規。

### Training and Development

Developing employees is vital to the Group's sustainable growth. To enable employees to reach their full potential, the Group offers training opportunities to employees of all levels, including directors, senior management and frontline staff. While we identify appropriate training that helps enhance employees' competencies, mandatory trainings are held when necessary to keep abreast with the latest laws and regulations applicable to the Group. In addition to in-house training, we encourage employees to participate in external courses to broaden their skillset. We encourage employees to provide feedback on training needs and arrangements.

### 培訓及發展

僱員發展是本集團可持續發展的關鍵。為讓僱員盡展潛能，本集團為董事、高級管理層及前線員工等各級僱員提供培訓機會。在物色適合的培訓提升僱員的能力的同時，我們會在必要情況下舉辦強制培訓，以緊貼適用於本集團的最新法律及法規。除內部培訓外，我們鼓勵僱員參與外部課程，藉此提升技能。我們亦鼓勵僱員就培訓需要及安排反映意見。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

To cultivate a professional sales team, we establish comprehensive training plans for our sales personnel. During the year, we provided up-to-date trainings covering wide-range of skills and knowledge. Through targeted training on professional qualities, project management, market trends and customer relations management etc., we enable employees to obtain better understanding of the market and set sales targets to boost their performance.

為培養一支專業銷售團隊，我們為銷售人員制訂全面培訓計劃。年內，我們提供各種技能及知識的最新培訓。透過專業素質、項目管理、市場趨勢及客戶關係管理等有針對性的培訓，我們使僱員更好了解市場及制定銷售目標以提升績效。

### Trainings for sales professionals

#### 銷售人員培訓

Personal skills trainings 個人技能培訓	Knowledge trainings 知識培訓	Customers relationship trainings 客戶關係培訓
<ul style="list-style-type: none"> <li>Professional qualities of salesperson</li> <li>Sales mentality</li> <li>Conflicts resolution</li> <li>Sales elite training</li> <li>銷售人員專業素質</li> <li>銷售心態</li> <li>衝突處理</li> <li>銷售精英培訓</li> </ul>	<ul style="list-style-type: none"> <li>Project and sales management</li> <li>Property delivery</li> <li>Issues on railways around properties</li> <li>項目及銷售管理</li> <li>物業交付</li> <li>物業附近鐵路問題</li> </ul>	<ul style="list-style-type: none"> <li>Maintaining customer relationships</li> <li>Handling disagreements with customers</li> <li>維持客戶關係</li> <li>處理與客戶的分歧</li> </ul>

In 2019, 18% of male employees and 55% of female employees received training, while 16% of managerial staff and 92% of frontline employees were trained. The average training hours completed per employee was 15.8 hours during the year.

於二零一九年，18%之男性員工及55%之女性員工已接受培訓，而16%之管理層及92%之前線人員已接受培訓。年內，每名員工的平均培訓時數為15.8小時。

### Community Involvement

The Group strives to fulfil its commitments as a responsible corporate citizen through contributing to Maoming. In 2019, we donated RMB200,000 to community projects that support development to social well-being. During the year we sponsored local village committees for pipe maintenance work. The Group will continue to collaborate with partners in the communities and explore its options when contributing to the society.

### 社區參與

本集團透過回饋茂名，致力履行負責任企業公民的承諾。於二零一九年，我們捐出人民幣200,000元作社區項目資金，支持有利社會福祉的發展。年內，我們已就管道維修工作向當地村委會提供贊助。本集團將繼續與社會合作夥伴合作，發掘回饋社會的途徑。

### OPERATIONAL EXCELLENCE

The Group adopts best practices when ensuring the quality of our development projects. Through stringent supply chain management and quality assurance procedures, the Group strives to receive recognition from customers and the market.

### 卓越營運

於確保發展項目的質量時，本集團採取最佳實務。透過嚴格的供應鏈管理及品質保證程序，本集團致力於獲得客戶及市場的認可。



# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Supplier Management

Close cooperation with suppliers and contractors is essential for achieving customer satisfaction. To minimise environmental and social risks brought from the supply chain, we conduct procurement processes with careful considerations. The Group has established key selection and evaluation criteria for suppliers and contractors, including track record, financial strength, quality standards and previous ESG performance.

All standards and requirements such as construction scope, quality specifications, as well as joint and separate responsibilities are stipulated in our contracts. The Group communicates with its suppliers and contractors periodically, ensuring that they understand and adhere to terms and clauses of the contracts.

We monitor their ESG practices and performance through regular evaluation, which becomes part of considerations regarding future cooperation.

We pay close attention to occupational health and safety of workers employed by contractors. The Group encourages contractors to provide them with safety training. We also welcome the establishment of a quality award system for encouraging best practices on construction quality and safety. To protect the rights of the community, contractors are not allowed to cause any disruptions to daily lives of the residents in nearby localities during the construction process. Regarding environmental performance, we require the construction team and potential suppliers to strengthen the control on their environmental impacts including emissions.

### Product Responsibility

The Group strictly regulates the quality of its services and products. As our product quality depends on the performance of our contractors, selecting proper contractors and applying complete and independent approval processes are integral parts of our strategy of assuring product quality. The Group evaluates construction quality from multiple aspects, including appropriate hygiene conditions, safety requirements, and construction standards.

### 供應商管理

與供應商及承包商緊密合作是滿足客戶的關鍵。為將供應鏈對環境及社會的風險減至最低，我們在採購過程中審慎考慮。本集團已對供應商及承包商制定主要甄選及評估標準，包括過往記錄、財務穩健度、質量標準以及過往環境、社會及管治表現。

合約訂明建築範圍、質量規格以及共同及個別責任等所有標準及規定。本集團定期與供應商及承包商溝通，確保彼等了解及遵循合約條款及條文。

我們透過定期評估以監察其環境、社會及管治實務及表現，此成為有關未來合作的考慮因素。

我們密切關注承包商所聘用工人的職業健康與安全。本集團鼓勵承包商提供安全培訓。此外，我們歡迎設立質量獎勵制度，以鼓勵推行建築質量及安全的最佳實務。為保護大眾的權利，絕不容許承包商於施工過程中對鄰近居民的日常生活造成任何滋擾。就環保表現而言，我們要求施工團隊及潛在供應商加強對環境影響（包括排放）的控制。

### 產品責任

本集團嚴格規管其服務及產品的質量。由於我們的產品質量取決於承包商的表現，甄選適合的承包商及採用全面而獨立的審批過程是保證產品質量的重要一環。本集團從多方面評估建築質量，包括適當的衛生狀況、安全規定及建築標準。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### Quality Assurance

Before obtaining the construction permit and commencement report, contractors are required to prepare specific safety supervision procedures and establish specialised quality and safety agencies to manage the daily operations and safety conditions on site. Besides, supervisory engineers with management skills and construction knowledge are responsible to inspect the progress, quality, and safety measures.

### 質量保證

在獲得施工許可證及開工報告前，承包商須制定具體安全監督程序，並建立專門的質量及安全管理團隊，以管理工地的日常運作及安全狀況。此外，管理技巧與建築知識兼備的監理工程師負責監測進度、質量及安全措施。

### Construction quality assurance procedure 建築質量保證程序



During the construction, supervising engineers are appointed to inspect the site regarding the environment, fire safety, as well as quality.  
於施工期間，監理工程師獲委任監測工地的環境、消防安全及質量。



The contractors are required to prepare specific safety supervision procedures and establish quality and management agencies with full time managers and comprehensive management systems.  
承包商須制定具體安全監督程序，並建立由全職經理組成的質量及安全團隊，提供全方位的管理體系。

During the construction period, the supervisory engineer inspects the work and records any defects. The contractor is asked to provide the required remediation plans. After that re-checking process is carried out promptly. Upon completion of the project, the Group submits the relevant documents and license to the government department concerned, including the department of public security, fire services, and environmental protection. According to the Regulations on the Quality Management of Construction Projects, the acceptance certificate is granted only if all national and provincial standards have been met and all remedial tasks have been completed. After the properties are delivered, customers are able to check in details before signing the satisfactory confirmation. We also provide 3 years warranty on structural parts.

於施工期間，監理工程師監測工程，並記錄一切缺陷。承包商須按要求提供所需糾正方案，隨後即時進行複核過程。於完成項目後，本集團向公安、消防及環境保護等相關政府部門提交相關文件及許可證。根據《建設工程質量管理條例》，工程必須滿足所有國家及省級標準，且完成一切糾正措施後，方會獲發驗收證書。於物業交付後，客戶可於簽立滿意書前進行詳查。我們亦就構造部分提供三年保修。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### The approval process of construction projects 建築項目的審批過程

Government departments are responsible for checking fire safety standard, environmental protection standard and public safety standard.  
政府部門負責核查消防標準、環保標準及公眾安全標準。



The Group is responsible for submitting relevant documents and license to the government authorities and assigning supervisory engineer.

本集團負責向政府機關提交相關文件及許可證，以及指派監理工程師。

The supervisory engineer is responsible for monitoring daily operations at the construction site, address and resolve any construction related issues.  
監理工程師負責監察建築工地的日常運營，以及應對及解決任何建築相關問題。

### Information privacy

The Group puts in great effort to manage information disclosure of our properties and protect the privacy of our customers. Customer rights are protected according to the law. During the year, we were not aware of any incidents of non-compliance with laws and regulations that have a significant impact on the Group concerning health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.

### Anti-corruption

The Group regards integrity as the key to success and also an essential factor when choosing its business partners. We request all employees to strictly follow relevant anti-corruption laws and regulations, including but not limited to the Prevention of Bribery Ordinance of Hong Kong and the Criminal Law of the People's Republic of China. The Group also holds relevant training and has established internal policies to avoid unethical behaviour within the Company.

### 資料私隱

本集團竭力管理財產資料披露及保護客戶私隱。客戶權利根據法律受保障。年內，我們並無發現任何不符合健康與安全、廣告、標籤、產品與服務私隱事宜及補救方法的法例及法規而對本集團產生重大影響的情況。

### 反貪污

本集團視誠信為成功的關鍵之一，亦是甄選業務合作夥伴的重要因素。我們要求全體僱員嚴格遵守相關反貪污法律及法規，包括但不限於香港《防止賄賂條例》及《中華人民共和國刑法》。此外，本集團舉辦相關培訓，並已制定內部政策，以防本公司發生違規行為。

# Environmental, Social and Governance Report

## 環境、社會及管治報告

The Group prohibits any improper gratification received from or provided to other parties. To better prevent such misconduct, all employees are encouraged to report any suspected corrupt conduct to their senior managers. After receiving reports, the Group takes up immediate investigations and rigidly responds by way of disciplinary action, termination of employment, or other preventive measures. Cases of criminal offenses are reported to appropriate authorities.

We only select suppliers without conviction records and require our business partners to sign an Anti-corruption Agreement. Violation of anti-corruption laws may lead to termination of the contract. The Group retains the right to demand compensation and pursue such further legal actions as it may deem proper. During the year, we were not aware of any breach of laws and regulations that had a significant impact on the Group relating to bribery, extortion, fraud, and money laundering.

本集團禁止向其他人士收取或提供任何不當利益輸送。為更有效預防有關不當行為，本集團鼓勵全體僱員向其高級經理匯報任何疑似貪污行為。於收取報告後，本集團會即時採取調查，並透過紀律行動、終止僱傭關係或其他預防措施的方式作出嚴格應對。倘發現刑事犯罪個案，將向適當機關匯報。

我們僅甄選並無犯罪記錄的供應商，並要求業務合作夥伴簽訂反貪污協議。倘發現違反反貪污法律，可能將予以終止合約。本集團就其可能視作適當的情況下保留要求賠償及尋求有關進一步法律行動的權利。年內，我們並不知悉任何違反有關賄賂、勒索、欺詐及洗黑錢的法例及法規而對本集團產生重大影響的情況。

### The Group:

- Comply with relevant regulations and laws
- Conduct investigations on suspect behaviour
- Take disciplinary actions and report to the authority for any violations discovered

### 本集團：

- 遵守相關法規及法律
- 對可疑行為進行調查
- 對任何發現的違規採取紀律行動並向當局匯報

### Employee:

- Provide anti corruption training periodically
- Encourage employees to report suspected cases to senior managers

### 僱員：

- 定期提供反貪污培訓
- 鼓勵僱員向高級經理匯報疑似個案



Anti-corruption  
反貪污

### Supplier :

- Select suppliers without previous conviction record
- Require suppliers to sign anti-corruption agreement

### 供應商：

- 甄選過往並無犯罪記錄的供應商
- 要求供應商簽訂反貪污協議

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### PERFORMANCE DATA SUMMARY

### 績效數據摘要

		2019 二零一九年	2018 二零一八年
Employee 僱員	Total Headcount 總人數		
	By Geographical Distribution 按地域分佈		
	Maoming 茂名	31	43
	Hong Kong 香港	11	11
	Total 總計	44	54
	By Age 按年齡		
	<30 <30歲	5	6
	31-50 31-50歲	36	40
	>50 >50歲	3	8
	By Gender 按性別		
	Male 男性	22	31
	Female 女性	22	23
	By Educational Background 按教育背景		
	Degree or above 學位或以上	36	41
	High school or below 高中或以下	8	13



# Environmental, Social and Governance Report

## 環境、社會及管治報告

	2019 二零一九年	2018 二零一八年
By Employee Category 按員工類別		
Management 管理層	32	29
Front line 前線	12	25
Employee Turnover Rate 員工流失率		
By Age 按年齡		
<30 <30歲	6%	67%
31-50 31-50歲	23%	15%
>50 >50歲	10%	0%
By Gender 按性別		
Male 男性	92%	3%
Female 女性	5%	39%
Employee New Hire Rate 新員工入職率		
By Age 按年齡		
<30 <30歲	20%	33%
31-50 31-50歲	0%	3%
>50 >50歲	0%	0%
By Gender 按性別		
Male 男性	5%	3%
Female 女性	0%	9%

# Environmental, Social and Governance Report

## 環境、社會及管治報告

		2019 二零一九年	2018 二零一八年
Safety 安全	Percentage of Employees Trained 受訓員工百分比		
	By Gender 按性別		
	Male 男性	18%	68%
	Female 女性	56%	65%
	By Employee Category 按員工類別		
	Management 管理層	16%	55%
	Front line 前線	92%	80%
	Average training hours 平均培訓時數	15.8	12
	By Gender 按性別		
	Male 男性	7	12
	Female 女性	25	12
	By Employee Category 按員工類別		
	Management 管理層	6	14
	Frontline 前線	42	10
	Safety Performance 安全表現		
	Work-related injuries 工傷	0	0
	Lost days due to work injuries 因工傷損失工作日數	0	0
Work related fatalities 與工作有關的致命事故	0	0	

# Environmental, Social and Governance Report

## 環境、社會及管治報告

		2019 二零一九年	2018 二零一八年
Environment 環境	Training on Occupational Health and Safety 職業健康與安全培訓		
	Total personal-times training 個人培訓總次數	696	1,091
	Total training hours 總培訓時數	696	645
	Total Resources Consumption 資源消耗總量		
	Electricity (kWh) 電力(千瓦時)	792,101	2,212,086
	LPG (kg) 液化石油氣(千克)	1,000	2,500
	Petrol (litre) 汽油(公升)	14,181	12,762
	Total energy consumption (GJ) 總能耗(吉焦)	3,354	8,495
	Total energy intensity (GJ/m <sup>2</sup> floor area) 總能量密度(吉焦/每平方米-建築面積)	1.5	3.8
	Water (m <sup>3</sup> ) 水(立方米)	57,300	84,242
	Water intensity (m <sup>3</sup> /m <sup>2</sup> floor area) 水密度(立方米/每平方米-建築面積)	25.6	37.69
	Greenhouse Gases Emissions 溫室氣體排放		
	Total GHG emissions (tCO <sub>2</sub> e) 總溫室氣體排放(噸二氧化碳當量)	458.1	1,207.3
	Scope I (tCO <sub>2</sub> e) 範圍一(噸二氧化碳當量)	40.8	41.5
	Scope II (tCO <sub>2</sub> e) 範圍二(噸二氧化碳當量)	417.3	1,165.8
	Emission intensity (tCO <sub>2</sub> e/m <sup>2</sup> floor area) 排放密度(噸二氧化碳當量/每平方米-建築面積)	0.2	0.54

# Environmental, Social and Governance Report

## 環境、社會及管治報告

		2019 二零一九年	2018 二零一八年
Community 社區	Air Pollutants from Vehicles 車輛空氣污染物		
	NOx (kg) 氮氧化物 (千克)	0.21	17.6
	SOx (kg) 硫氧化物 (千克)	30.4	0.2
	PM (kg) 懸浮顆粒 (千克)	2.81	1.6
	Waste 廢物		
	General waste (Tonnes) 一般廢物 (公噸)	14.3	14.2
	Donation (RMB'000) 捐款 (人民幣千元)	200	200

# Environmental, Social and Governance Report

## 環境、社會及管治報告

### APPLICABLE LAWS AND REGULATIONS

### 適用法律及法規

Aspect 範圍	Laws and Regulations 法律及法規	Section 章節
Emissions 排放物	<ul style="list-style-type: none"> <li>Environmental Protection Law of the PRC</li> <li>《中華人民共和國環境保護法》</li> <li>Law of the PRC on the Prevention and Control of Air Pollution</li> <li>《中華人民共和國大氣污染防治法》</li> <li>Law of the PRC on the Prevention and Control of Water Pollution</li> <li>《中華人民共和國水污染防治法》</li> <li>Law of the PRC on the Prevention and Control of Environment Pollution Caused by Solid Wastes</li> <li>《中華人民共和國固體廢物污染環境防治法》</li> <li>Law of the PRC on Environmental Impact Assessment</li> <li>《中華人民共和國環境影響評價法》</li> </ul>	Environmental Management 環境管理
Use of Resources 資源使用	<ul style="list-style-type: none"> <li>Law of the PRC on Conserving Energy</li> <li>《中華人民共和國節約能源法》</li> </ul>	Environmental Management 環境管理
Employment 僱傭	<ul style="list-style-type: none"> <li>Labor Law of the People's Republic of China</li> <li>《中華人民共和國勞動法》</li> <li>Labor Contract Law of the People's Republic of China</li> <li>《中華人民共和國勞動合同法》</li> <li>Provisions on the Prohibition of Using Child Labor</li> <li>《禁止使用童工規定》</li> <li>Hong Kong Employment Ordinance</li> <li>《香港僱傭條例》</li> </ul>	Our people and Community 我們的員工及社區
Health and Safety 健康與安全	<ul style="list-style-type: none"> <li>Production Safety Law of the People's Republic of China</li> <li>《中華人民共和國安全生產法》</li> </ul>	Health and Safety 健康與安全
Product Responsibility 產品責任	<ul style="list-style-type: none"> <li>Regulations on the Quality Management of Construction Projects</li> <li>《建設工程質量管理條例》</li> </ul>	Quality Assurance 質量保證
Anti-corruption 反貪污	<ul style="list-style-type: none"> <li>Prevention of Bribery Ordinance of Hong Kong</li> <li>香港《防止賄賂條例》</li> <li>Criminal Law of the People's Republic of China</li> <li>《中華人民共和國刑法》</li> </ul>	Anti-corruption 反貪污



# Report of Directors

## 董事會報告

The Directors are pleased to present their report and the audited consolidated financial statements of the Group for the Year.

### PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the Group are engaged in (i) property development and investment; and (ii) trading of raw sugar. Details of the principal subsidiaries of the Company are set out in note 36 to the consolidated financial statements.

An analysis of the Group's turnover by business segments and geographical segments for the Year is set out in note 6 to the consolidated financial statements.

### RESULTS AND DIVIDENDS

The Group's results for the Year are set out in this annual report on pages 94 to 207. The Board does not recommend the payment of any dividend in respect of the Year.

### FIVE YEARS FINANCIAL SUMMARY

A summary of the published results, assets and liabilities, and non-controlling interests of the Group for the last five financial years, as extracted from the audited consolidated financial statements is set out on page 4 of this annual report. This summary does not form a part of the audited consolidated financial statements.

### BUSINESS REVIEW AND MARKET OUTLOOK AND PROSPECTUS

A review of the business of the Group during the Year and a discussion on the Group's future business development are provided in the Management Discussion and Analysis on pages 5 to 14 of this annual report.

董事謹此欣然提呈本集團本年度之董事會報告及經審核綜合財務報表。

### 主要業務

本公司為一間投資控股公司。本集團之主要業務為(i)物業發展及投資；及(ii)原糖貿易。有關本公司主要附屬公司的詳情載於綜合財務報表附註36。

本集團本年度營業額業務分類及地區分類的分析載於綜合財務報表附註6。

### 業績及股息

本集團本年度之業績載於本年報第94至207頁。董事會不建議派發任何本年度股息。

### 五年財務摘要

本集團過去五個財政年度已公佈之業績、資產及負債及非控制性權益概要（節錄自經審核綜合財務報表）載於本年報第4頁。此概要並不構成經審核綜合財務報表之部份。

### 業務回顧、市場展望及前景

本集團於本年度之業務回顧及本集團未來業務發展之討論載於本年報第5至14頁管理層討論及分析內。

# Report of Directors

## 董事會報告

### Principal Risks and Uncertainties

The Group's financial condition, results of operations, businesses and prospects would be affected by a number of risks and uncertainties including market risk, credit risk, and liquidity risk. The risk management policies and practices of the Group are shown in notes 39 and 40 to the consolidated financial statements.

### Environmental Policies and Performance

The Group commits to the long term sustainability of the environment and communities in which it operates. Acting in an environmentally responsible manner, the Group endeavours to comply with laws and regulations regarding environmental protection and adopt effective measures to achieve efficient use of resources, energy saving and waste reduction.

The Group also commits to the principle and practice of recycling and reducing. To help conserve the environment, it implements green office practices such as re-deployment of office furniture as far as possible, encourage use of recycled paper for printing and copying, double-sided printing and copying, reduce energy consumption by switching off idle lightings, air conditioning and electrical appliances. Details for the environmental policies and performance of the Group during the Year are set out on the Environmental, Social and Governance Report on pages 46 to 66.

### Compliance with the Relevant Laws and Regulations

As far as the Board is aware, the Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. During the Year, there was no material breach of or non-compliance with the applicable laws and regulations by the Group.

### 主要風險及不確定因素

本集團之財務狀況、經營業績、業務及前景將受眾多風險及不確定因素影響，包括市場風險、信貸風險及流動資金風險。本集團之風險管理政策及實踐呈列於綜合財務報表附註39及40。

### 環境政策及表現

本集團致力於其經營所在環境及社區之長期可持續性。本集團以對環境負責之方式行事，盡力遵守有關環保之法律及法規，並採取有效措施達致資源有效利用、能源節約及廢物減少。

本集團亦奉行循環利用和節約之原則與實務。為幫助保護環境，本集團實施綠色辦公室行動，如盡可能重新安置淘汰的辦公室傢具、鼓勵使用廢舊紙張打印及複印、提倡雙面打印和複印、以及通過關閉閒置的照明、空調及電器減少能源消耗。本集團於本年度之環境政策及表現之詳情載於第46至66頁之環境、社會及管治報告。

### 遵守相關法律及法規

就董事會所知，本集團已於各重要方面遵守對本集團業務及經營產生重大影響之相關法律及法規。於本年度，本集團概無嚴重違反或不遵守適用法律及法規。

# Report of Directors

## 董事會報告

### Relationship with Suppliers, Customers and other Stakeholders

The Group understands the importance of maintaining a good relationship with its suppliers, customers and other stakeholders to meet its immediate and long-term goals.

During the Year, there were no material and significant dispute between the Group and its suppliers, customers and/or other stakeholders.

### PERMITTED INDEMNITY

Pursuant to the memorandum of association of the Company and Articles, the applicable laws and regulations, every Director shall be indemnified and secured harmless out of the assets and profits of the Company against all actions, costs, charges, losses, damages and expenses which they or any of them may incur or sustain in the execution of their duties in their offices. Such permitted indemnity provision has been in force throughout the Year. The Company has arranged appropriate Directors' and officers' liability insurance coverage for the Directors and officers of the Group.

### PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the Year are set out in note 15 to the consolidated financial statements.

### ORDINARY SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the Company's ordinary share capital and share options are set out in notes 29 and 30 to the consolidated financial statements.

### EQUITY-LINKED AGREEMENTS

Save as disclosed in the section headed "SHARE OPTION SCHEME" of this annual report, no equity-linked agreement was entered into by the Company during the Year.

### 與供應商、客戶及其他持份者的關係

本集團明白與其供應商、客戶及其他持份者維持良好關係，對達致即時及長遠目標極為重要。

於本年度，本集團與其供應商、客戶及／或其他持份者並無發生重大及嚴重糾紛。

### 獲准許的彌償

根據本公司組織章程大綱及細則、適用法律及法規，每名董事就彼等或彼等任何一人基於其職位履行其職務而產生或蒙受的所有訴訟、費用、收費、損失、損害及開支，均可自本公司的資產及溢利獲得彌償，確保免於就此受損。該等獲准許的彌償條文已於本年度內生效。本公司已就本集團董事及行政人員購買合適的董事及行政人員責任保險。

### 物業、廠房及設備

本集團於本年度之物業、廠房及設備之變動詳情載於綜合財務報表附註15。

### 普通股及購股權

本公司之普通股及購股權變動詳情載於綜合財務報表附註29及30。

### 股票掛鈎協議

除本年報「購股權計劃」一節所披露者外，本公司於本年度並無訂立任何股票掛鈎協議。

# Report of Directors

## 董事會報告

### PRE-EMPTIVE RIGHTS

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

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the Year, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares.

### RESERVES

Details of movement in the reserves of the Group during the Year are set out in the consolidated statement of changes in equity on page 98 of this annual report.

### DISTRIBUTABLE RESERVES

There is no distributable reserves of the Company as at 31 December 2019, including the share premium less the accumulated losses of the Company, available for distribution, calculated in accordance with the provisions of Companies Law of the Cayman Islands (2018: Nil).

Under the laws of the Cayman Islands, the share premium is distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business. The reserves of the Company available for distribution further depend on the dividend distributable by the Company's subsidiaries.

### 優先購買權

根據細則及開曼群島法例，並無有關優先購買權之規定，以致本公司必須向其現有股東按持股比例發行本公司之新股份。

### 購買、出售或贖回上市證券

於本年度，本公司或其任何附屬公司概無購入、出售或贖回任何本公司股份。

### 儲備

本集團於本年度之儲備變動詳情載於本年報第98頁之綜合權益變動表中。

### 可供分派儲備

於二零一九年十二月三十一日，根據開曼群島公司法之條文計算，本公司並無可供分派之可供分派儲備（包括本公司股份溢價減累計虧損）（二零一八年：無）。

根據開曼群島法例，股份溢價可分配予本公司股東，惟緊隨建議分派股息當日本公司將能償還其於日常業務過程中到期之債務。本公司可供分派之儲備進一步取決於本公司附屬公司可分派之股息。

# Report of Directors

## 董事會報告

### MAJOR CUSTOMERS AND SUPPLIERS

The aggregate sales attributable to the Group's five largest customers were less than 30% of the Group's total revenue for the Year.

The information in respect of the Group's purchases attributable to the major suppliers during the Year is as follows:

### 主要客戶及供應商

本集團五大客戶應佔銷售總額少於本集團於本年度之總收益30%。

於本年度，本集團主要供應商應佔採購額詳情如下：

Percentage of  
the Group's total  
purchases  
佔本集團  
總採購額  
百分比

The largest supplier	最大供應商	46%
Five largest suppliers in aggregate	五大供應商總計	78%

China Sugar Holdings Limited, one of the five largest suppliers of the Group, is 100% owned by Mr. Liu Zhongxiang, the executive Director. Moreover, China Sugar Holdings Limited is also a substantial shareholder of the Company.

中國糖業集團有限公司(本集團五大供應商之一)由執行董事劉忠翔先生100%擁有。此外，中國糖業集團有限公司亦為本公司主要股東。

Save as disclosed above, during the Year, none of the Directors, their close associates or any shareholders of the Company (which, to the best knowledge of the Directors, own more than 5% of the total number of the Company's shares in issue) had any beneficial interest in the five largest customers and suppliers.

除上文所披露者外，於本年度，董事、彼等之緊密聯繫人士或根據董事所知擁有本公司已發行股份總數之5%以上之本公司任何股東概無擁有五大客戶及供應商之任何實益權益。

### DIRECTORS

The Directors during the Year and up to the report date are:

#### Executive Directors

Mr. Liu Feng (*Chairman*)  
Mr. Chen Xian (*Vice-Chairman*)  
Mr. Lau Sai Chung (*Chief Executive Officer*)  
Mr. Liu Zhongxiang

### 董事

以下為於本年度及截至報告日期之董事：

#### 執行董事

劉鋒先生 (*主席*)  
陳賢先生 (*副主席*)  
劉世忠先生 (*行政總裁*)  
劉忠翔先生



# Report of Directors

## 董事會報告

### Independent Non-executive Directors

Mr. Poon Lai Yin Michael  
Mr. Char Shik Ngor Stephen  
Mr. Chen Weijiang (appointed on 3 January 2020)  
Ms. Li Jiansheng (resigned on 3 January 2020)

Mr. Chen Xian and Mr. Char Shik Ngor Stephen shall retire from office by rotation pursuant to article 87(1) of the Articles, and being eligible, offer themselves for re-election at the forthcoming AGM.

Mr. Chen Weijiang shall hold office until the forthcoming AGM pursuant to article 86(3) of the Articles, and being eligible, offer himself for re-election at the forthcoming AGM.

### BIOGRAPHIES OF DIRECTORS

Biographical details of the Directors are set out in pages 15 to 18 of this annual report.

### DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service agreement with the Company without fixed term. Each of the executive Directors may receive double pay and discretionary bonus, the amount of which will be determined by the Board as its absolute discretion having regard to the operation results of the Company.

Each of the independent non-executive Directors, namely Mr. Poon Lai Yin Michael, Mr. Char Shik Ngor Stephen and Mr. Chen Weijiang, has entered into a letter of appointment with the Company for a term of three years.

No Director proposed for re-election at the forthcoming AGM has a service contract with the Company which is not determinable by the Company within one year without payment other than statutory compensation.

### DIRECTORS' INTERESTS IN CONTRACTS

Other than as disclosed under the section "Continuing Connected Transaction" in this annual report, no Director had a significant beneficial interest, either direct or indirect, in any contract of significance to the business of the Group to which the Company or any its subsidiaries was a party at any time during the Year.

### 獨立非執行董事

潘禮賢先生  
查錫我先生  
陳偉江先生（於二零二零年一月三日獲委任）  
李建生女士（於二零二零年一月三日辭任）

陳賢先生及查錫我先生須根據細則第87(1)條於應屆股東週年大會上輪值退任，並合乎資格，願意於應屆股東週年大會上膺選連任。

根據細則第86(3)條，陳偉江先生之任期至應屆股東週年大會為止，並合乎資格，願意於應屆股東週年大會上膺選連任。

### 董事簡歷

董事簡歷詳情載於本年報第15至18頁。

### 董事服務合約

每位執行董事已與本公司簽訂服務協議並沒有固定任期。各執行董事或可收取雙薪及酬情花紅，有關金額將由董事會全權酌情按本公司之經營業績而釐定。

獨立非執行董事潘禮賢先生、查錫我先生及陳偉江先生各自己與本公司訂立委任函，年期為三年。

本公司並無與擬於應屆股東週年大會上重選連任之董事訂立任何不可由本公司於一年內無償終止（法定補償除外）之服務合約。

### 董事合約權益

除本年報「持續關連交易」一節所披露者外，於本公司或其任何附屬公司於本年度內任何時間訂立與本集團業務有重大關連之任何合約中，董事概無擁有任何直接或間接之重大實益權益。

# Report of Directors

## 董事會報告

### INDEPENDENCE CONFIRMATION

The Company has received, from each of the independent non-executive Directors, namely Mr. Poon Lai Yin Michael, Mr. Char Shik Ngor Stephen and Mr. Chen Weijiang, an annual confirmation of their independence pursuant to the Listing Rules and the Company considers all of the independent non-executive Directors are independent.

### EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments of the Directors and the highest paid individuals of the Group are set out in note 11 to the consolidated financial statements.

### RELATED PARTY TRANSACTIONS

The Directors consider that:

the related party transactions related to the remuneration of directors and other members of key management as disclosed in note 33 to the consolidated financial statements did not fall under the definition of “connected transactions” or “continuing connected transactions” (as the case may be) in Chapter 14A of the Listing Rules which are required to comply with any of the reporting, announcement or independent shareholders’ approval requirements under the Listing Rules; and

the related party transactions related to the purchase of raw cane sugar from China Sugar as disclosed in note 33 to the consolidated financial statements constituted the continuing connected transactions under Chapter 14A of the Listing Rules and accordingly is subject to the reporting, announcement and independent shareholders’ approval requirements under the Listing Rules.

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

### 確認獨立性

本公司已接獲各獨立非執行董事（即潘禮賢先生、查錫我先生及陳偉江先生）按照上市規則發出之獨立性年度確認書，而本公司認為全體獨立非執行董事屬獨立人士。

### 董事及五位最高薪人士酬金

董事及本集團最高薪人士的酬金詳情載於綜合財務報表附註11。

### 關連方交易

董事認為：

綜合財務報表附註33所披露之有關董事及其他主要管理人員之薪酬之關連方交易不屬於上市規則第14A章之「關連交易」或「持續關連交易」（視乎情況而定），其須遵守上市規則項下之任何申報、公佈或獨立股東批准規定；及

綜合財務報表附註33所披露之有關向中國糖業購買原蔗糖之關連方交易構成上市規則第14A章項下持續關連交易，故須遵守上市規則項下之申報、公佈及獨立股東批准規定。

董事確認，本公司已根據上市規則第14A章遵守披露規定。

# Report of Directors

## 董事會報告

### CONTINUING CONNECTED TRANSACTIONS

On 22 January 2018, Techwayson Trading Limited (“Techwayson”), a wholly-owned subsidiary of the Company, entered into the master agreement (the “Master Agreement”) with China Sugar, a substantial shareholder of the Company, for purchase of raw cane sugar from China Sugar. On 14 February 2018, Techwayson and China Sugar entered into a supplement agreement (the “Supplemental Agreement”) to supplement and amend certain terms of the Master Agreement. The Master Agreement dated 22 January 2018 as supplemented and amended by the Supplemental Agreement dated 14 February 2018 (the “Revised Master Agreement”) has been approved by independent shareholders of the Company at the Company’s extraordinary general meeting convened on 21 March 2018.

Pursuant to the Revised Master Agreement, Techwayson agreed to purchase raw cane sugar from China Sugar for a term of thirty four (34) months, from 1 March 2018 to 31 December 2020 (both days inclusive).

Pursuant to the Revised Master Agreement, China Sugar and Techwayson shall enter into specific contract(s), which shall set out the details, including but not limited to the unit price of the raw cane sugar, quality specification, origin, packing, payment terms and destination. Detailed terms and conditions for the continuing connected transaction shall be governed by the specific contract(s) to be entered into between Techwayson and China Sugar pursuant to the Master Agreement.

During the Year, the Group purchased the raw cane sugar from China Sugar Holdings Limited amounted to USD9,500,000. Pursuant to the terms of Revised Master Agreement that, the purchase prices are:

- a) not be higher than the price offered by China Sugar to the other customers which purchase raw cane sugar from China Sugar with similar specifications in terms of quality and volume;

### 持續關連交易

於二零一八年一月二十二日，本公司全資附屬公司德維森貿易有限公司（「德維森」）與本公司主要股東中國糖業訂立總協議（「總協議」），以向中國糖業購買原蔗糖。於二零一八年二月十四日，德維森與中國糖業訂立一份補充協議（「補充協議」），以補充及修改總協議之若干條款。日期為二零一八年一月二十二日的總協議（經日期為二零一八年二月十四日的補充協議補充及修訂）（「經修訂總協議」）已獲本公司獨立股東於本公司於二零一八年三月二十一日召開的股東特別大會上批准。

根據經修訂總協議，德維森同意向中國糖業購買原蔗糖，年期為三十四(34)個月，自二零一八年三月一日起至二零二零年十二月三十一日止（包括首尾兩日）。

根據經修訂總協議，中國糖業與德維森應訂立特定合約，其中載列詳情，包括但不限於原蔗糖之單價、質量規格、原產地、包裝、付款條款及目的地。持續關連交易之詳細條款及條件應受德維森與中國糖業根據總協議將訂立之特定合約規管。

於本年度，本集團向中國糖業集團有限公司購買原蔗糖9,500,000美元。根據經修訂總協議之條款，購買價：

- a) 不高於中國糖業向自其採購原蔗糖（就品質及數量而言屬類似規格）之其他客戶提供之價格；

# Report of Directors

## 董事會報告

- b) not be higher than the price as quoted in the index quotation of the New York ICE FUTURES No.11 Sugar contract of the closest month to the delivery date of the sugar as specified in the specific contracts; and
  - c) not be higher than the price payable by the Group to the independent external suppliers based on the order specifications from the Group's customers.
- b) 不高於在最接近特定合約所規定之糖交付日期當月紐約洲際交易所11號糖期貨合約指數報價所報之價格；及
  - c) 根據本集團客戶之訂單規格，不高於本集團應付獨立外部供應商之價格。

China Sugar is wholly-owned by Mr. Liu Zhongxiang, the executive Director. Accordingly, China Sugar, Mr. Liu Zhongxiang and Mr. Liu Feng are the connected persons to the Company as defined under the Listing Rules and the transaction under the Revised Master Agreement constitutes continuing connected transaction on the part of the Company under Chapter 14A of the Listing Rules.

In view of the Group's plan to further expand its business in trading of raw cane sugar, the entering into of the Revised Master Agreement between Techwayson and China Sugar will strengthen the existing business and secure the procurement of sugar trading business of the Group and in turn increase the revenue of the Group.

The Directors, including the independent non-executive Directors, have reviewed the said continuing connected transaction and considered that (i) the Revised Master Agreement was entered into in the ordinary business and usual course of business of the Company; (ii) the Revised Master Agreement was entered into on normal commercial terms after arm's length negotiation; and (iii) the terms of the Revised Master Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

The Board received a letter from the auditor of the Company confirming that nothing has come to its attention that causes it to believe that the continuing connected transaction is under the situations as set out in rule 14A.56 (1) to (4) of the Listing Rules.

中國糖業由執行董事劉忠翔先生全資擁有。因此，中國糖業、劉忠翔先生及劉鋒先生為本公司之關連人士（定義見上市規則），而根據上市規則第14A章，經修訂總協議項下之交易構成本公司之持續關連交易。

鑑於本集團計劃進一步擴大其原蔗糖貿易之業務，德維森與中國糖業訂立經修訂總協議將鞏固現有業務及確保本集團糖貿易業務之採購並從而提高本集團之收益。

董事（包括獨立非執行董事）已審閱上述持續關連交易，並認為(i)經修訂總協議乃於本公司之正常及日常業務過程中訂立；(ii)經修訂總協議乃按照一般商業條款經公平磋商後訂立；及(iii)經修訂總協議之條款屬公平合理，且符合本公司及其股東之整體利益。

董事會收到本公司核數師發出的函件，確認概無發現任何事宜致使其認為持續關連交易屬於上市規則第14A.56 (1)至(4)條所載的情況。

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For the details, please refer to the (i) announcement dated 22 January 2018 and 14 February 2018; (ii) circular, notice of extraordinary general meeting and proxy form dispatched on 6 March 2018 and (iii) poll results of extraordinary general meeting dated 21 March 2018.

Save as disclosed above, there were no significant related party transactions and connected transactions entered into by the Group.

### EMOLUMENT POLICY

The emoluments of the Directors are reviewed by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics, and approved by the Board.

Details of the related party and connected party transactions are set out in note 33 to the consolidated financial statements.

有關詳情，請參閱(i)日期為二零一八年一月二十二日及二零一八年二月十四日的公告；(ii)於二零一八年三月六日寄發的股東特別大會通函、通告及委任代表表格及(iii)日期為二零一八年三月二十一日之股東特別大會投票結果。

除上文所披露者外，本集團概無訂立重大關連方交易及關連交易。

### 薪酬政策

董事之酬金乃根據本公司之經營業績、個人表現及可比較市場數據由薪酬委員會審議並經董事會批准。

關連人士及關連方交易之詳情於綜合財務報表附註33刊載。



# Report of Directors

## 董事會報告

### DIRECTORS' INTERESTS AND SHORT POSITION IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 December 2019, the interests and short positions of the Directors or the chief executive of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of the Part XV of the SFO) (1) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (2) which are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (3) which are required, pursuant to the Model Code to be notified to the Company and the Stock Exchange, were as follows:

### 董事於本公司股份及相關股份的權益及淡倉

於二零一九年十二月三十一日，本公司之董事或主要行政人員於本公司及其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債券中擁有(1)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益及淡倉（包括根據證券及期貨條例有關條文被視為或當作擁有之權益或淡倉）；或(2)須記入根據證券及期貨條例第352條須設立的登記冊的權益及淡倉；或(3)根據標準守則而須通知本公司及聯交所之權益及淡倉如下：

Name of Directors 董事姓名	Capacity/Nature of interests 身份／權益性質	Number of ordinary share(s) held 所持普通股數目	Number of underlying shares held pursuant to share options 根據購股權持有的相關股份數目	Approximate percentage of the total number of shares of the Company in issue 佔本公司已發行股份總數的概約百分比
Mr. Liu Zhongxiang 劉忠翔先生	Beneficial owner 實益擁有人	-	15,000,000 (Note 1) (附註1)	0.82
	Interest of a controlled corporation 受控制公司的權益	242,105,262 (Note 2) (附註2)	-	13.27
Mr. Liu Feng 劉鋒先生	Beneficial owner 實益擁有人	-	4,000,000 (Note 1) (附註1)	0.22
Mr. Chen Xian 陳賢先生	Beneficial owner 實益擁有人	-	10,000,000 (Note 1) (附註1)	0.55



# Report of Directors

## 董事會報告

Name of Directors 董事姓名	Capacity/Nature of interests 身份／權益性質	Number of ordinary share(s) held 所持 普通股數目	Number of underlying shares held pursuant to share options 根據購股權 持有的相關 股份數目	Approximate percentage of the total number of shares of the Company in issue 佔本公司 已發行股份 總數的概約 百分比
Mr. Lau Sai Chung 劉世忠先生	Beneficial owner 實益擁有人	-	8,000,000 (Note 1) (附註1)	0.44
		148,000	-	0.01
Mr. Poon Lai Yin Michael 潘禮賢先生	Beneficial owner 實益擁有人	-	1,000,000 (Note 1) (附註1)	0.05
Mr. Char Shak Ngor Stephen 查錫我先生	Beneficial owner 實益擁有人	-	1,000,000 (Note 1) (附註1)	0.05
Ms. Li Jiansheng 李建生女士	Beneficial owner 實益擁有人	-	1,000,000 (Note 1) (附註1)	0.05

### Notes:

- These shares of the Company represent the share options granted by the Company on 13 July 2017 under the old share option scheme of the Company.
- These shares of the Company are held by China Sugar Holdings Limited which is 100% owned by Mr. Liu Zhongxiang. By virtue of the SFO, Mr. Liu Zhongxiang is deemed to be interested in the shares of the Company held by China Sugar Holdings Limited.

Save as disclosed above, as at 31 December 2019, none of the Directors and chief executive of the Company nor their associates had any interest or short position in shares, underlying shares or debentures of the Company or its associated corporations which were recorded in the register required to be kept under 352 of the SFO or notified to the Company and the Stock Exchange pursuant to the Model Code.

### 附註：

- 該等本公司股份代表本公司於二零一七年七月十三日根據本公司舊購股權計劃授出之購股權。
- 該等本公司股份由中國糖業集團有限公司擁有，而中國糖業集團有限公司為劉忠翔先生100%擁有。根據證券及期貨條例，劉忠翔先生被視為擁有中國糖業集團有限公司所持本公司股份之權益。

除上文所披露者外，於二零一九年十二月三十一日，本公司董事及主要行政人員以及彼等的聯繫人士概無於本公司或其相聯法團的股份、相關股份或債券中擁有須記入根據證券及期貨條例第352條規定須存置之登記冊或根據標準守則須知會本公司及聯交所的任何權益或淡倉。

# Report of Directors

## 董事會報告

### SUBSTANTIAL SHAREHOLDERS

As at 31 December 2019, so far as was known to the Directors, the following persons (other than the Directors or the chief executive of the Company) has interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of division 2 and 3 of Part XV of the SFO, or which were recorded in the register of substantial shareholder required to be kept by the Company under section 336 of the SFO.

#### Long position in ordinary shares

Name of substantial shareholders	Capacity/Nature of interests	Number of ordinary share(s) held	Number of underlying shares held pursuant to share options 根據購股權持有的相關股份數目	Approximate percentage of the total number of shares of the Company in issue 佔本公司已發行股份總數的概約百分比
主要股東姓名/名稱	身份/權益性質	所持普通股數目		
China Sugar Holdings Limited 中國糖業集團有限公司	Beneficial owner 實益擁有人	242,105,262	–	13.27
Guangdong Nanyue Bank First Direct Branch* 廣東南粵銀行股份有限公司 第一直屬支行	Person having a security interest in shares 擁有股份之擔保權益之人士	242,105,262 (Note 1) (附註1)	–	13.27
Chen Qiang 陳強	Beneficial owner 實益擁有人	149,500,000	–	8.19

Note:

- China Sugar Holdings Limited has provided a share charge in respect of the 242,105,262 shares held by it in favour of Guangdong Nanyue Bank First Direct Branch\*.

\* For identification purpose only

### 主要股東

於二零一九年十二月三十一日，董事獲悉以下人士（除本公司董事或主要行政人員外）於本公司股份或相關股份中擁有權益或淡倉，而根據證券及期貨條例第XV部第2及3分部須向本公司披露，或記入本公司根據證券及期貨條例第336條之規定須存置之主要股東登記冊內。

#### 於普通股之好倉

Name of substantial shareholders	Capacity/Nature of interests	Number of ordinary share(s) held	Number of underlying shares held pursuant to share options 根據購股權持有的相關股份數目	Approximate percentage of the total number of shares of the Company in issue 佔本公司已發行股份總數的概約百分比
主要股東姓名/名稱	身份/權益性質	所持普通股數目		
China Sugar Holdings Limited 中國糖業集團有限公司	Beneficial owner 實益擁有人	242,105,262	–	13.27
Guangdong Nanyue Bank First Direct Branch* 廣東南粵銀行股份有限公司 第一直屬支行	Person having a security interest in shares 擁有股份之擔保權益之人士	242,105,262 (Note 1) (附註1)	–	13.27
Chen Qiang 陳強	Beneficial owner 實益擁有人	149,500,000	–	8.19

附註：

- 中國糖業集團有限公司就其持有之242,105,262股股份向廣東南粵銀行股份有限公司第一直屬支行提供股份押記。

\* 僅供識別

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Save as disclosed above, the Directors and chief executive of the Company are not aware that there is any party who, as at 31 December 2019, had an interest or short position in the shares or underlying shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

### SHARE OPTION SCHEME

A share option scheme was adopted by the shareholders of the Company at the annual general meeting of the Company held on 29 May 2019 (the "Share Option Scheme"). The Share Option Scheme will remain in force for a period of 10 years commencing from the date of adoption of the Share Option Scheme from 29 May 2019 (the "Date of Adoption") (that is from 29 May 2019 to 28 May 2029). The purpose of the Share Option Scheme is to enable the Company to grant share options to the participants who, in the sole discretion of the Board, have made or may make contribution to the Group or any invested entity as well as to provide incentives and help the Group in retaining its existing employees and recruiting additional employees and to provide them with a direct economics interest in attaining the long term business objectives of the Group.

The Company may grant to eligible participants (including any directors, non-executive directors, employees, advisors, consultants, distributors, contractors, suppliers, agents, customers, business partners, joint venture business partners, promoters, service providers of any member of the Group whom the Board considers, in its sole discretion, have contributed or will contribute to the Group) options to subscribe shares in the Company, subject to a maximum of 10% of the total number of shares of the Company in issue as at the adoption date and as at the approval date of refreshment from time to time, excluding for this purpose shares issued on the exercise of options. The subscription price will be determined by the Board and will not be less than the highest of (i) the nominal value of the Company's shares, (ii) the average of the closing price of the shares quoted on the Main Board of the Stock Exchange on the five trading days immediately preceding the grant date and (iii) the closing price of the shares on the grant date.

除上文所披露者外，於二零一九年十二月三十一日，本公司董事及主要行政人員概不知悉任何人士於本公司股份或相關股份中擁有權益或淡倉，而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，或記入本公司根據證券及期貨條例第336條之規定須存置之登記冊內。

### 購股權計劃

購股權計劃已於本公司於二零一九年五月二十九日舉行之股東週年大會上經本公司股東採納（「購股權計劃」）。購股權計劃自二零一九年五月二十九日（「採納日期」）採納購股權計劃日期起計十年期間（即二零一九年五月二十九日至二零二九年五月二十八日）內仍為有效。購股權計劃旨在令本公司可向董事會全權酌情認為對本集團或任何被投資實體作出或可能作出貢獻之參與者授予購股權，以及給予獎勵並協助本集團留住現有僱員及招聘額外僱員，並向其提供直接經濟利益，為達致本集團之長遠業務目標而努力。

本公司可向合資格參與者（包括董事會全權酌情認為曾經或將會對本集團作出貢獻之本集團任何成員公司之任何董事、非執行董事、僱員、顧問、諮詢顧問、分銷商、承建商、供應商、代理、客戶、業務夥伴、合營業務夥伴、創辦人及服務供應商）授出購股權以認購本公司股份，惟最多可認購本公司於採納日期及於不時之更新批准日期的已發行股份總數10%（不包括就此目的行使購股權而發行的股份）。認購價將由董事會釐定，其將不會低於下列價值之較高者：(i)本公司股份的面值，(ii)緊接於授出日期前五個交易日於聯交所主板所報股份的平均收市價及(iii)授出日期的股份收市價。

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Upon acceptance of the options, the grantee of the Share Option Scheme shall pay HK\$1.00 to the Company as consideration for the grant. The acceptance of an offer of the grant of the option must be made within 21 days from the date of grant. The exercise period of any option granted under the Share Option Scheme is determined by the Board upon granting the options but in any event must not be more than 10 years commencing on the date of grant.

The maximum number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company shall not, in the absence of shareholders' approval, in aggregate exceed 10% of the total number of shares of the Company in issue as at the date of approval of the Share Option Scheme. The Board may seek approval by the shareholders of the Company at general meeting to refresh the 10% limit. However, the total number of shares available for issue under exercise of options which may be granted under the Share Option Scheme in these circumstances must not exceed 10% of the total number of shares of the Company in issue as at the date of approval of the refreshment of the 10% limit.

The total number of shares available for issue under the Share Option Scheme and the old share option scheme of the Company is 246,469,052 shares of the Company, representing approximately 13.51% of the total number of shares of the Company in issue as at the date of this annual report.

The maximum number of shares in respect of which options may be granted under the Share Option Scheme and any other share option schemes of the Company shall not exceed 30% of the total number of shares of the Company in issue from time to time and the maximum number of shares in respect of which options may be granted to each eligible participant shall not exceed 1% of the total number of shares of the Company in issue for the time being in any 12-month period up to and including the date of offer of the grant.

During the Year, no share option was lapsed, cancelled and exercised.

購股權計劃之承授人接納所授購股權時須向本公司支付港幣1.00元作為授出代價。授出購股權之要約必須於授出日期後21日內接納。任何根據購股權計劃授出之購股權之行使期由董事會於授出購股權時釐定，且於任何情況下不得超過自授出日期起計十年。

於未經股東批准之情況下，於行使根據購股權計劃及本公司任何其他購股權計劃將予授出之所有購股權將可能予以發行之股份數目，合共最多不得超過批准購股權計劃日期本公司已發行股份總數10%。董事會可於股東大會上尋求本公司股東批准更新10%上限。然而，於此情況下，行使根據購股權計劃可能授出之購股權而可予發行之股份總數不得超過於批准更新10%上限日期本公司已發行股份總數的10%。

根據本公司購股權計劃及舊購股權計劃可予發行之股份總數為246,469,052股本公司股份，佔於本年報日期本公司已發行股份總數之約13.51%。

根據購股權計劃及本公司任何其他購股權計劃可能授出之購股權所涉及之股份數目，最多不得超逾本公司不時已發行股份總數之30%，而於截至及包括要約授出日期止任何12個月期間可授予各合資格參與者之購股權所涉及之股份數目，最多不可超逾本公司當時已發行股份總數之1%。

於本年度，概無購股權已失效、已註銷及獲行使。

# Report of Directors

## 董事會報告

Details of the share options movements during the Year under the Share Option Scheme are as follows:

於本年度，購股權計劃項下之購股權變動詳情如下：

Name or category of grantees 姓名或承授人類別	Date of grant of share options 授出購股權日期	Exercise Price (HK\$) 行使價(港幣元)	Exercise Period 行使期	Vesting Period 歸屬期	Number of share options 購股權數目		
					Balance as at 1/1/2019 於二零一九年一月一日之結餘	Granted during the Year 於本年度授出	Balance as at 31/12/2019 於二零一九年十二月三十一日之結餘
<b>Executive Director and beneficial owner of a substantial shareholder of the Company</b> 本公司執行董事及主要股東之實益擁有人							
Liu Zhongxiang 劉忠翔	13/7/2017	0.25	13/7/2017 – 12/7/2022	N/A 不適用	15,000,000	–	15,000,000
<b>Directors</b> 董事							
Liu Feng 劉鋒	13/7/2017	0.25	13/7/2017 – 12/7/2022	N/A 不適用	4,000,000	–	4,000,000
Chen Xian 陳賢	13/7/2017	0.25	13/7/2017 – 12/7/2022	N/A 不適用	10,000,000	–	10,000,000
Lau Sai Chung 劉世忠	13/7/2017	0.25	13/7/2017 – 12/7/2022	N/A 不適用	8,000,000	–	8,000,000
Poon Lai Yin Michael 潘禮賢	13/7/2017	0.25	13/7/2017 – 12/7/2022	N/A 不適用	1,000,000	–	1,000,000
Char Shak Ngor Stephen 查錫我	13/7/2017	0.25	13/7/2017 – 12/7/2022	N/A 不適用	1,000,000	–	1,000,000
Li Jiansheng 李建生	13/7/2017	0.25	13/7/2017 – 12/7/2022	N/A 不適用	1,000,000	–	1,000,000
<b>Former Director</b> 前任董事							
Xia Dan Xia Dan	13/7/2017	0.25	13/7/2017 – 12/7/2022	N/A 不適用	5,000,000	–	5,000,000
<b>Other employees</b> 其他僱員							
In aggregate 合共	13/7/2017	0.25	13/7/2017 – 12/7/2022	N/A 不適用	19,000,000	–	19,000,000
Total 總計					64,000,000		64,000,000



# Report of Directors

## 董事會報告

### RIGHTS TO ACQUIRE COMPANY'S SECURITIES

Other than as disclosed under the sections "Share Option Scheme" and "Directors' Interests and Short Positions in the Shares and Underlying Shares of the Company" above, at no time during the Year was the Company or any of its subsidiaries, or any of its fellow subsidiaries, a party to any arrangement to enable the Directors or chief executives of the Company (including their spouses and children under age of 18) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

No Director had interests in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, as defined in the Listing Rules, during the Year and up to the date of this annual report.

### 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.

### CORPORATE GOVERNANCE

In the opinion of the Directors, the Company has complied throughout the Year with the Code Provisions of CG Code except the deviation of Code Provision E.1.2. Details of the Company's corporate governance practices are set out in the "Corporate Governance Report" section of this annual report.

### 購買本公司證券的權利

除上文「購股權計劃」及「董事於本公司股份及相關股份的權益及淡倉」等節所披露者外，本公司或其任何附屬公司或其任何同系附屬公司於本年度內任何時間概無參與訂立任何安排，讓董事或本公司主要行政人員（包括彼等配偶及年齡未滿十八歲之子女）擁有任何權利認購本公司或其任何相聯法團（定義見證券及期貨條例）之證券或藉購入本公司或任何其他法人團體之股份或債券而獲取利益。

### 董事在競爭業務之權益

於本年度及截至本年報日期，根據上市規則，董事概無於與本集團業務直接或間接競爭或可能競爭之業務中擁有權益。

### 管理合約

於本年度並無訂立或存在任何有關本公司業務之全部或任何重大部份之管理及行政合同。

### 企業管治

董事認為，本公司於本年度內已遵守企業管治守則之守則條文（除偏離守則條文第E.1.2條外）。本公司之企業管治常規詳情載於本年報「企業管治報告」一節。



# Report of Directors

## 董事會報告

### EVENTS AFTER THE REPORTING PERIOD

Due to the outbreak of the COVID-19 in China, the beginning of 2020 is a fluid and challenging situation facing all the industries of the society. In amid the further wide spread of COVID-19 worldwide in March 2020, the uncertainty of global economy further increased. The Group has already assessed the overall impacts of the situation on the operation of the Group and taken all possible effective measures to limit and keep the impacts in control. The Group will continue to monitor the change of situation and make timely response and adjustments in the future.

The Group has issued financial guarantees to banks in relation to the mortgages taken out by the buyers of the Group's properties. The outbreak of the COVID-19 which negatively affected the economy is expected to affect the debtors' ability of mortgage repayment and the decrease in the market value of relevant properties may increase the provision for the related financial guarantees. However, the Directors have carefully considered that the impact of such provision to be minimal. Subject to the development of COVID-19 outbreak and the economy in the PRC, such provision may or may not be required in the future.

Save as otherwise disclosed, the Group does not have any material subsequent event after the reporting period and up to the date of this annual report.

### PUBLIC FLOAT

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

### 報告期後事項

由於二零二零年初中國爆發新型冠狀病毒肺炎，社會各行各業現正面臨多變及充滿挑戰的境況。隨著新型冠狀病毒肺炎於二零二零年三月於全球範圍內進一步廣泛傳播，全球經濟的不明朗因素進一步加劇。本集團已評估有關本集團營運狀況之整體影響，並採取所有可能有效之措施，以限制及維持有關影響於控制範圍內。本集團將持續監察有關狀況之變動，並於日後作出適時回應及調整。

本集團已就本集團物業買方所取得的按揭向銀行發出財務擔保。新型冠狀病毒肺炎的爆發對經濟帶來負面影響，預期將影響債務人的按揭還款能力，且相關物業的市值下降可能會增加相關財務擔保的撥備。然而，董事經審慎考慮後認為有關撥備的影響極微。視乎新型冠狀病毒肺炎疫情的發展情況及中國經濟而定，日後未必需要作出有關撥備。

除另行披露者外，本集團於報告期後直至本年報日期並無任何重大期後事項。

### 公眾持股量

於本年報日期，根據本公司可以得悉之公開資料所示及根據董事所知，本公司已維持上市規則所規定之充足公眾持股量。

# Report of Directors

## 董事會報告

### CHANGES IN INFORMATION OF DIRECTORS

Subsequent to the date of the interim report of the Company for the six months ended 30 June 2019:

The remuneration package of Mr. Liu Feng, the Chairman and executive Director, have been adjusted upward to HK\$210,700 per month, with effect from 1 January 2020;

The remuneration package of Mr. Chen Xian, the vice-chairman of the Company and executive Director, have been adjusted upward to HK\$182,700 per month, with effect from 1 January 2020;

The remuneration package of Mr. Lau Sai Chung, the Chief Executive Officer and executive Director, have been adjusted upward to HK\$164,800 per month, with effect from 1 January 2020; and

The remuneration package of Mr. Liu Zhongxiang, the executive Director, have been adjusted upward to HK\$76,000 per month, with effect from 1 January 2020.

### AUDITOR

A resolution for the re-appointment of Deloitte Touche Tohmatsu as auditor of the Company will be proposed at the forthcoming AGM.

On Behalf of the Board

**Liu Feng**  
*Chairman*

Hong Kong, 31 March 2020

### 董事資料變動

於本公司截至二零一九年六月三十日止六個月之中期報告日期後：

主席兼執行董事劉鋒先生之薪酬待遇已上調至每月港幣210,700元，自二零二零年一月一日起生效；

本公司副主席兼執行董事陳賢先生之薪酬待遇已上調至每月港幣182,700元，自二零二零年一月一日起生效；

行政總裁兼執行董事劉世忠先生之薪酬待遇已上調至每月港幣164,800元，自二零二零年一月一日起生效；及

執行董事劉忠翔先生之薪酬待遇已上調至每月港幣76,000元，自二零二零年一月一日起生效。

### 核數師

本公司將於應屆股東週年大會上提呈一項決議案，以續聘德勤•關黃陳方會計師行為本公司之核數師。

代表董事會

**劉鋒**  
*主席*

香港，二零二零年三月三十一日

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

# Deloitte.

# 德勤

TO THE MEMBERS OF  
CHINA UPTOWN GROUP COMPANY LIMITED

中國上城集團有限公司

*(incorporated in the Cayman Islands with limited liability)*

致中國上城集團有限公司全體股東

*(於開曼群島註冊成立之有限公司)*

## OPINION

We have audited the consolidated financial statements of China Uptown Group Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 94 to 207, which comprise the consolidated statement of financial position as at 31 December 2019, and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 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 (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

## BASIS FOR OPINION

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

## 意見

本核數師(以下簡稱「我們」)已審核列載於第94至207頁中國上城集團有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)之綜合財務報表,其中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損益表、綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表,以及綜合財務報表附註,包括主要會計政策概要。

我們認為,綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈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,並已按照香港公司條例之披露規定妥為編製。

## 意見基礎

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」)進行審核。根據該等準則,我們的責任於本報告核數師就審核綜合財務報表之責任一節中進一步詳述。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,我們所獲得之審核憑證能充足及適當地為我們的意見提供基礎。

# Independent Auditor's Report

## 獨立核數師報告

### KEY AUDIT MATTERS

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

#### Key audit matter

##### 關鍵審核事項

#### Revenue recognised from sale of properties

We identified revenue recognised from sale of properties as a key audit matter as it is significant to the consolidated statement of profit or loss and there is judgement involved in determining the appropriate point at which to recognise revenue from sales of properties.

由於就物業銷售確認之收益對綜合損益表之重要性及於確定確認物業銷售收益之適當節點時涉及判斷，我們將就物業銷售確認之收益識別為關鍵審核事項。

The Group's revenue from sale of properties for the year ended 31 December 2019 amounted to approximately RMB755 million, representing approximately 94% of the Group's total revenue. As disclosed in note 5 to the consolidated financial statements, revenue from sale of properties is recognised when the development of the relevant properties have been completed and the control of the completed property is transferred to the customer.

截至二零一九年十二月三十一日止年度，貴集團物業銷售之收益為約人民幣755,000,000元，佔貴集團總收益約94%。誠如綜合財務報表附註5所披露，物業銷售之收益於完成發展有關物業且已完工物業之控制權已轉讓予客戶。

#### 關鍵審核事項

根據我們的專業判斷，關鍵審核事項為我們審核本期間綜合財務報表中最為重要之事項。該等事項乃於我們審核整體綜合財務報表及達成我們對其的意見時進行處理，而我們不會對該等事項提供單獨的意見。

#### How the matter was addressed in our audit

##### 如何於審核中處理該事項

#### 就物業銷售確認之收益

Our procedures in relation to revenue recognised from sale of properties included:

我們有關就物業銷售確認之收益之程序包括：

- Obtaining an understanding and evaluating the Group's internal control over the process of revenue recognition of sale of properties; and
- 了解及評估 貴集團有關就物業銷售確認收益程序之內部監控；及
- Assessing whether the criteria for the delivery of properties have been fulfilled by checking, on a sample basis, to the terms of the sales and purchase agreements, the relevant completion certificate for construction work, as well as the delivery notices issued by the Group to the buyers to assess whether the control of properties is transferred to the buyers.
- 按抽樣基準評估轉交物業的標準是否已根據買賣協議的條款、建造工程相關完成證書以及 貴集團為評估物業控制權是否已轉讓予買方而向買方發出的交付通知達成。

# Independent Auditor's Report

## 獨立核數師報告

### Key audit matter

#### 關鍵審核事項

#### Valuation of investment properties

We identified the valuation of investment properties as a key audit matter due to significance of the balance to the consolidated financial statements as a whole, combined with significant judgements associated with determining the fair value. As at 31 December 2019, the Group's investment properties in People's Republic of China (the "PRC") amounted to RMB84,918,000. A loss arising from fair value change on investment properties of RMB4,044,000 was recognised in the consolidated statement of profit or loss for the year ended 31 December 2019.

由於投資物業結餘對整體綜合財務報表之重要性及與釐定公允值有關之重大判斷，我們將投資物業之估值識別為關鍵審核事項。於二零一九年十二月三十一日，貴集團於中華人民共和國（「中國」）之投資物業為人民幣84,918,000元。截至二零一九年十二月三十一日止年度，已於綜合損益表內確認投資物業之公允值變動產生之虧損人民幣4,044,000元。

As disclosed in note 14 to the consolidated financial statements, these investment properties are stated at fair value determined based on a valuation carried out by an independent professional property valuer (the "Valuer"). In determining the fair value of investment properties, the Valuer has used direct comparison approach by making reference to comparable sales evidences as available in the relevant market to reflect current market conditions as of the end of the reporting period. The key input used in valuing the investment properties by the Valuer is market observable transactions of similar properties in similar conditions.

誠如綜合財務報表附註14所披露，該等投資物業乃根據獨立專業物業估值師（「估值師」）進行之估值按所釐定公允值列賬。於釐定投資物業之公允值時，估值師已使用直接比較法並參考相關市場上可用之可比較銷售證據，以反映直至報告期末之現行市況。估值師對投資物業進行估值時所使用之關鍵輸入數據為狀況相若的類似物業之市場可觀察交易。

### How the matter was addressed in our audit

#### 如何於審核中處理該事項

#### 投資物業之估值

Our procedures in relation to valuation of investment properties included:

我們有關投資物業之估值之程序包括：

- Evaluating the competence, capabilities and objectivity of the Valuer;
- 評估估值師之勝任程度、能力和客觀性；
- Obtaining an understanding from the Valuer about the valuation methodology, the performance of the property markets, significant assumptions adopted, critical judgemental areas on key inputs and data used in the valuation; and
- 了解估值師的估值方法、物業市場的表現、主要採用的假設及主要輸入數據和用作估值之數據作出關鍵性判斷的地方；及
- Assessing the accuracy of information provided by the management to the Valuer by checking to the sales prices of comparable properties, on a sample basis.
- 透過抽樣方式檢查可資比較物業之售價，從而評估管理層向估值師提供資料之準確性。



# Independent Auditor's Report

## 獨立核數師報告

### Key audit matter

#### 關鍵審核事項

#### Valuation of properties held for sale

We identified the valuation of completed properties held for sale (the "PFS") as a key audit matter as it is significant to the consolidated financial statements and significant judgements are involved in the determination of the net realisable value (the "NRV") of the PFS.

由於持作出售之已建成物業（「持作出售物業」）之估值對綜合財務報表之重要性及於釐定持作出售物業之可變現淨值（「可變現淨值」）時涉及重大判斷，我們將其識別為關鍵審核事項。

The Group's PFS of approximately RMB807 million are situated in the PRC as at 31 December 2019 as disclosed in note 18 to the consolidated financial statements. The management of the Group determined the NRV of the PFS with reference to the estimated market prices of the PFS and valuation performed by the Valuer, which takes into account a number of factors including the current market prices of properties of a comparable standard and location. 於二零一九年十二月三十一日，貴集團約人民幣807,000,000元之持作出售物業位於中國（誠如綜合財務報表附註18所披露）。貴集團管理層於計及多項因素（包括具備可資比較標準及位置之物業之當前市價）後參考持作出售物業之估計市價及估值師進行之估值釐定持作出售物業之可變現淨值。

### How the matter was addressed in our audit

#### 如何於審核中處理該事項

#### 持作出售物業之估值

Our procedures in relation to valuation of the PFS included:

我們有關持作出售物業之估值之程序包括：

- Evaluating the competence, capabilities and objectivity of the Valuer;
- 評估估值師之勝任程度、實力及客觀性；
- Obtaining an understanding from the Valuer about the valuation methodology, the performance of the property markets, significant assumptions adopted, critical judgemental areas on key inputs and data used in the valuation;
- 向估值師了解估值方法、物業市場表現、所採納之重大假設、估值所採用之主要輸入值及數據之重大判斷範疇；
- Assessing the accuracy of information provided by the management to the Valuer by comparing details of existing lease agreement, on a sample basis; and
- 透過按抽樣基準比較現有租約詳情，評估管理層向估值師所提供之資料之準確性；及
- Assessing the management's estimation of the NRV of the PFS, on a sample basis, by comparing the estimated selling prices of the PFS to the recent market prices achieved in the same project or by comparable properties, based on our knowledge of the Group's business and the PRC real estate industry.
- 按抽樣基準，通過對比持作出售物業預估售價與相同項目或可比較物業近期的市場價格，根據我們對貴集團業務及中國房地產行業的了解，評估管理層對持作出售物業可變現淨值的估計。



# Independent Auditor's Report

## 獨立核數師報告

### Other Information

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

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

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

### Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

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

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

### 其他資料

貴公司董事須對其他資料負責。其他資料包括載入年報之資料，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表作出之意見並不包括其他資料，我們亦不會對其他資料發表任何形式之核證結論。

就我們審核綜合財務報表而言，我們的責任為閱讀其他資料，並於此過程中，考慮其他資料是否與綜合財務報表或我們於審核中所得知的情況有重大抵觸，或似乎有重大錯誤陳述。基於我們已執行之工作，倘我們認為此其他資料有重大錯誤陳述，我們須報告有關事實。就此，我們毋須作出報告。

### 董事及負責管治者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之披露規定編製綜合財務報表，以令綜合財務報表作出真實而公平的反映，及落實董事認為編製綜合財務報表所必要之內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述。

於編製綜合財務報表時，董事負責評估 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的事項，以及採用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止經營，或除此之外並無其他實際可行之辦法。

# Independent Auditor's Report

## 獨立核數師報告

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

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

負責管治者須負責監督 貴集團之財務申報程序。

### 核數師就審核綜合財務報表須承擔之責任

我們的目標為合理確定綜合財務報表整體而言是否不存在由於欺詐或錯誤而導致之重大錯誤陳述，並根據我們的協定委聘條款僅向全體股東發出載有我們意見之核數師報告，除此之外別無其他目的。我們不會就本報告內容向任何其他人士負上或承擔任何責任。合理確定屬高層次之核證，惟根據香港審計準則進行之審核工作概不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而產生，倘個別或整體在合理預期情況下可影響使用者根據該等綜合財務報表作出之經濟決定時，則被視為重大錯誤陳述。

根據香港審計準則進行審核時，我們運用專業判斷，並於整個審核過程中保持專業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述之風險、設計及執行審核程序以應對該等風險，以及獲取充足及適當之審核憑證，作為我們意見之基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部控制之情況，因此未能發現因欺詐而導致之重大錯誤陳述的風險高於未能發現因錯誤而導致之重大錯誤陳述的風險。

# Independent Auditor's Report

## 獨立核數師報告

- 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.
- 了解與審核有關的內部控制，以設計適當的審核程序，但並非為對 貴集團內部控制之效能發表意見。
- 評估董事所採用會計政策之合適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為會計基礎之恰當性作出結論，並根據所獲得之審核憑證，確定是否存在與事項或情況有關之重大不確定性，從而可能導致對 貴集團之持續經營能力產生重大疑慮。倘我們認為存在重大不確定性，我們須於核數師報告中提請注意綜合財務報表中的相關披露，或倘有關披露不足，則修訂我們之意見。我們的結論乃基於截至核數師報告日期所獲得之審核憑證。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資料獲取充足適當之審核憑證，以就綜合財務報表發表意見。我們須負責集團審核之方向、監督及執行。我們須為我們的審核意見承擔全部責任。

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

我們與負責管治者就（其中包括）審核之計劃範圍、時間安排及重大審核發現進行溝通，該等發現包括我們於審核過程中識別之內部控制之任何重大缺失。

# Independent Auditor's Report

## 獨立核數師報告

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

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

The engagement partner on the audit resulting in the independent auditor's report is Chan Tsz Wai.

我們亦向負責管治者作出聲明，說明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）。

從與負責管治者溝通之事項中，我們釐定對本期間綜合財務報表之審核至關重要之事項，因而構成關鍵審核事項。我們於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，倘合理預期於報告中溝通某事項造成之負面後果超出產生之公眾利益，則我們決定不應於報告中溝通有關事項。

出具本獨立核數師報告之審核項目合夥人為陳子偉。

### Deloitte Touche Tohmatsu

*Certified Public Accountants*

Hong Kong

31 March 2020

德勤•關黃陳方會計師行

執業會計師

香港

二零二零年三月三十一日

# Consolidated Statement of Profit or Loss

## 綜合損益表

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

		NOTES 附註	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Revenue	收益	5	<b>804,898</b>	90,251
Cost of sales	銷售成本		<b>(624,556)</b>	(74,627)
Gross profit	毛利		<b>180,342</b>	15,624
Other income	其他收入	7	<b>722</b>	413
Fair value change on investment properties	投資物業之公允值變動	14	<b>(4,044)</b>	(4,853)
Fair value change on financial asset at fair value through profit or loss	按公允值計入損益之財務資產之公允值變動		<b>(9)</b>	(6)
Selling and marketing expenses	銷售及營銷費用		<b>(5,331)</b>	(6,445)
Administrative expenses	行政費用		<b>(31,618)</b>	(31,299)
Finance costs	財務成本	8	<b>(1,101)</b>	(2,798)
Profit (loss) before taxation	除稅前溢利(虧損)		<b>138,961</b>	(29,364)
Income tax expense	所得稅開支	9	<b>(54,603)</b>	(6,656)
<b>Profit (loss) for the year</b>	<b>年內溢利(虧損)</b>	10	<b>84,358</b>	(36,020)
Profit (loss) for the year attributable to:	以下應佔年內溢利(虧損):			
Owners of the Company	本公司擁有人		<b>74,184</b>	(34,461)
Non-controlling interests	非控制性權益		<b>10,174</b>	(1,559)
			<b>84,358</b>	(36,020)
Earnings (losses) per share (in RMB cents)	每股盈利(虧損)(人民幣分)	13		
– Basic	– 基本		<b>4.07</b>	(2.16)
– Diluted	– 攤薄		<b>4.07</b>	(2.16)

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

## 綜合損益及其他全面收益表

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Profit (loss) for the year	年內溢利(虧損)	<b>84,358</b>	(36,020)
<b>Other comprehensive income (expense)</b>	<b>其他全面收益(開支)</b>		
<i>Item that will not be reclassified to profit or loss:</i>	<i>將不會重新分類至損益之項目:</i>		
Exchange differences arising on translation of functional currency to presentation currency	因將功能貨幣換算為呈列貨幣產生之匯兌差額	<b>2,555</b>	9,482
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益之項目:</i>		
Exchange differences arising on translation of financial statements of foreign operations	因換算海外業務之財務報表產生之匯兌差額	<b>(2,335)</b>	(11,802)
		<b>220</b>	(2,320)
Total comprehensive income (expense) for the year	年內全面收益(開支)總額	<b>84,578</b>	(38,340)
Total comprehensive income (expense) attributable to:	以下應佔全面收益(開支)總額:		
Owners of the Company	本公司擁有人	<b>74,404</b>	(36,781)
Non-controlling interests	非控制性權益	<b>10,174</b>	(1,559)
		<b>84,578</b>	(38,340)



# Consolidated Statement of Financial Position

## 綜合財務狀況表

At 31 December 2019 於二零一九年十二月三十一日

			2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
	NOTE 附註			
<b>Non-current Assets</b>		<b>非流動資產</b>		
Investment properties	14	投資物業	84,918	88,962
Property, plant and equipment	15	物業、廠房及設備	18,373	19,051
Right-of-use assets	16	使用權資產	1,573	–
			<b>104,864</b>	108,013
<b>Current Assets</b>		<b>流動資產</b>		
Inventories	17	存貨	22,742	–
Properties held for sale	18	持作出售物業	806,611	1,311,519
Deposits, other receivables and prepayments	19	按金、其他應收款項及預付款項	118,864	10,875
Financial asset at fair value through profit or loss		按公允值計入損益之財務資產	12	21
Tax recoverable		可收回稅項	34,683	6,512
Restricted bank deposit	20	有限制銀行存款	896	8,169
Pledged bank deposits	21	已抵押銀行存款	31,285	38,085
Bank balances and cash	21	銀行結存及現金	63,528	52,422
			<b>1,078,621</b>	1,427,603
<b>Current Liabilities</b>		<b>流動負債</b>		
Trade and other payables	22	貿易及其他應付款項	98,290	71,455
Contract liabilities	23	合約負債	255,620	766,958
Loan payables	24	應付貸款	14,389	33,225
Lease liabilities – current portion	25	租賃負債—流動部分	1,228	–
Amounts due to non-controlling interests	26	應付非控制性權益款項	15,994	–
Amount due to a director	33	應付董事款項	3,139	2,862
Tax payable		應付稅項	63,489	–
Secured bank borrowings	27	有抵押銀行借款	1,776	11,776
			<b>453,925</b>	886,276
<b>Net Current Assets</b>		<b>流動資產淨值</b>	<b>624,696</b>	541,327
<b>Total Assets Less Current Liabilities</b>		<b>總資產減流動負債</b>	<b>729,560</b>	649,340
<b>Non-current Liabilities</b>		<b>非流動負債</b>		
Lease liabilities – non-current portion	25	租賃負債—非流動部分	384	–
Deferred tax liabilities	28	遞延稅項負債	40,599	55,841
			<b>40,983</b>	55,841
<b>Net Assets</b>		<b>資產淨值</b>	<b>688,577</b>	593,499

# Consolidated Statement of Financial Position

## 綜合財務狀況表

At 31 December 2019 於二零一九年十二月三十一日

			2019 二零一九年	2018 二零一八年
		NOTE 附註	RMB'000 人民幣千元	RMB'000 人民幣千元
<b>Capital and Reserves</b>	<b>資本及儲備</b>			
Share capital	股本	29	<b>161,569</b>	161,569
Reserves	儲備		<b>469,857</b>	395,453
Equity attributable to owners of the Company	本公司擁有人應佔權益		<b>631,426</b>	557,022
Non-controlling interests	非控制性權益		<b>57,151</b>	36,477
<b>Total Equity</b>	<b>權益總額</b>		<b>688,577</b>	593,499

The consolidated financial statements on pages 94 to 207 were approved and authorised for issue by the Board of Directors on 31 March 2020 and are signed on its behalf by:

第94至207頁之綜合財務報表於二零二零年三月三十一日獲董事會批准及授權刊發，並由下列董事代表簽署：

**Mr. Liu Feng**  
劉鋒先生  
DIRECTOR  
董事

**Mr. Lau Sai Chung**  
劉世忠先生  
DIRECTOR  
董事

# Consolidated Statement of Changes In Equity

## 綜合權益變動表

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

		Attributable to owners of the Company 本公司之擁有人應佔權益						Non-controlling interests 非控制性權益	Total 總額
		Share capital 股本	Share premium 股份溢價	Translation reserve 換算儲備	Share options reserve 購股權儲備	Accumulated losses 累計虧損	Sub-total 小計		
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2018	於二零一八年一月一日	136,015	567,100	(40,006)	5,481	(112,231)	556,359	38,036	594,395
Loss for the year	年內虧損	-	-	-	-	(34,461)	(34,461)	(1,559)	(36,020)
Exchange differences arising on translation of functional currency to presentation currency	因將功能貨幣換算為呈列貨幣產生之匯兌差額	-	-	9,482	-	-	9,482	-	9,482
Exchange differences arising on translation of financial statements of foreign operations	因換算海外業務之財務報表產生之匯兌差額	-	-	(11,802)	-	-	(11,802)	-	(11,802)
Total comprehensive expense for the year	年內全面開支總額	-	-	(2,320)	-	(34,461)	(36,781)	(1,559)	(38,340)
Issue of new shares (note 29)	發行新股份(附註29)	25,554	12,777	-	-	-	38,331	-	38,331
Transaction costs attribute to the issue of new shares	發行新股份應佔交易成本	-	(887)	-	-	-	(887)	-	(887)
At 31 December 2018	於二零一八年十二月三十一日	161,569	578,990	(42,326)	5,481	(146,692)	557,022	36,477	593,499
Profit for the year	年內溢利	-	-	-	-	74,184	74,184	10,174	84,358
Exchange differences arising on translation of functional currency to presentation currency	因將功能貨幣換算為呈列貨幣產生之匯兌差額	-	-	2,555	-	-	2,555	-	2,555
Exchange differences arising on translation of financial statements of foreign operations	因換算海外業務之財務報表產生之匯兌差額	-	-	(2,335)	-	-	(2,335)	-	(2,335)
Total comprehensive income for the year	年內全面收益總額	-	-	220	-	74,184	74,404	10,174	84,578
Capital injection by non-controlling shareholders upon establishment of a non-wholly owned subsidiary (note 36)	非控股股東於成立非全資附屬公司時注資(附註36)	-	-	-	-	-	-	10,500	10,500
At 31 December 2019	於二零一九年十二月三十一日	161,569	578,990	(42,106)	5,481	(72,508)	631,426	57,151	688,577

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>OPERATING ACTIVITIES</b>	<b>經營活動</b>		
Profit (loss) before taxation	除稅前溢利(虧損)	<b>138,961</b>	(29,364)
Adjustments for:	調整項目:		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	<b>961</b>	949
Depreciation of right-of-use assets	使用權資產折舊	<b>810</b>	-
Fair value change on financial asset at fair value through profit or loss	按公允值計入損益之財務資產之公允值變動	<b>9</b>	6
Fair value change on investment properties	投資物業之公允值變動	<b>4,044</b>	4,853
Finance costs	財務成本	<b>1,101</b>	2,798
Interest income	利息收入	<b>(722)</b>	(413)
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	<b>145,164</b>	(21,171)
Increase in inventories	存貨增加	<b>(22,742)</b>	-
Decrease (increase) in properties held for sale	持作出售物業減少(增加)	<b>504,908</b>	(916,659)
Decrease in properties under development	在建物業減少	-	750,413
(Increase) decrease in deposits, other receivables and prepayments	按金、其他應收款項及預付款項(增加)減少	<b>(107,547)</b>	72,477
Increase (decrease) in trade and other payables	貿易及其他應付款項增加(減少)	<b>26,666</b>	(48,612)
(Decrease) increase in contract liabilities	合約負債(減少)增加	<b>(511,338)</b>	321,496
Cash generated from operations	經營所得現金	<b>35,111</b>	157,944
People's Republic of China (the "PRC") Enterprise Income Tax ("EIT") paid	已付中華人民共和國(「中國」)企業所得稅(「企業所得稅」)	<b>(6,753)</b>	(11,151)
PRC Land Appreciation Tax ("LAT") paid	已付中國土地增值稅(「土地增值稅」)	<b>(27,774)</b>	(30,531)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>經營活動所得現金淨額</b>	<b>584</b>	116,262
<b>INVESTING ACTIVITIES</b>	<b>投資活動</b>		
Withdrawal of pledged bank deposits	提取已抵押銀行存款	<b>23,187</b>	18,325
Withdrawal of restricted bank deposit	提取有限制銀行存款	<b>7,273</b>	-
Interest received	已收利息	<b>515</b>	413
Placement of pledged bank deposits	存放已抵押銀行存款	<b>(16,387)</b>	(43,502)
Payment for rental deposits	支付租賃按金	<b>(179)</b>	-
Placement of restricted bank deposit	存放有限制銀行存款	-	(154)
Purchase of property, plant and equipment	購買物業、廠房及設備	-	(119)
<b>NET CASH FROM (USED IN) INVESTING ACTIVITIES</b>	<b>投資活動所得(所用)現金淨額</b>	<b>14,409</b>	(25,037)

# Consolidated Statement of Cash Flows

## 綜合現金流量表

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>FINANCING ACTIVITIES</b>	<b>融資活動</b>		
Advance from non-controlling interests	非控制性權益墊款	15,994	–
Capital injection by non-controlling shareholders upon establishment of a non-wholly owned subsidiary	非控股股東於成立非全資附屬公司時注資	10,500	–
New loan raised	新籌集之貸款	3,111	23,478
Advance from a director	一名董事墊款	226	–
Repayment of loan	償還貸款	(22,537)	(8,438)
Repayment of bank borrowings	償還銀行借款	(10,058)	(208,960)
Interest paid	已付利息	(1,043)	(9,139)
Repayment of lease liabilities, including lease interest	償還租賃負債，包括租賃利息	(840)	–
New bank borrowings raised	新籌集之銀行借款	–	100,546
Issue of new shares	發行新股份	–	38,331
Expenses on issue shares	發行股份費用	–	(887)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>融資活動所用現金淨額</b>	<b>(4,647)</b>	<b>(65,069)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物之增加淨額</b>	<b>10,346</b>	<b>26,156</b>
Effect of foreign exchange rate changes	匯率變動之影響	760	(56)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>於年初之現金及現金等價物</b>	<b>52,422</b>	<b>26,322</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash</b>	<b>於年末之現金及現金等價物，其中包括銀行結存及現金</b>	<b>63,528</b>	<b>52,422</b>



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 1. GENERAL

China Uptown Group Company Limited (“the Company”) is an exempted company incorporated in the Cayman Islands with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”). The addresses of the registered office and principal place of business of the Company are disclosed in the Corporate Information section of the annual report.

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “Group”) are principally engaged in property development and investment as well as trading of raw cane sugar. The activities of its principal subsidiaries are set out in note 36 to the consolidated financial statements.

### 1. 一般資料

中國上城集團有限公司(「本公司»)乃於開曼群島註冊成立之受豁免有限公司及其股份在香港聯合交易所有限公司(「香港聯交所»)主板上市。本公司之註冊辦事處及主要營業地址已於年報中之「公司資料」一節披露。

本公司為投資控股公司。本公司及其附屬公司(統稱為「本集團»)主要從事物業發展及投資以及原蔗糖貿易。其主要附屬公司之業務載於綜合財務報表附註36。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

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

#### New and amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time in the current year:

HKFRS 16	Leases
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features with 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

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

#### HKFRS 16 Leases

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

### 2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂

#### 本年度強制生效之新訂香港財務報告準則及其修訂

本集團於本年度首次應用以下香港會計師公會（「香港會計師公會」）頒佈之新訂香港財務報告準則及其修訂：

香港財務報告準則第16號	租賃
香港（國際財務報告詮釋委員會）— 詮釋第23號	所得稅處理之不確定性
香港財務報告準則第9號之修訂	具有負補償之提前還款特點
香港會計準則第19號之修訂	計劃修訂、削減或清償
香港會計準則第28號之修訂	於聯營公司及合營企業之長期權益
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，於本年度應用新訂香港財務報告準則及其修訂並無對本集團於本年度及過往年度之財務表現及狀況及／或該等綜合財務報表所載披露構成重大影響。

#### 香港財務報告準則第16號租賃

本集團已於本年度首次應用香港財務報告準則第16號。香港財務報告準則第16號已取代香港會計準則第17號*租賃*（「香港會計準則第17號」）及相關詮釋。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

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

#### HKFRS 16 Leases (Continued)

##### Definition of a lease

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

For contracts entered into or modified on or after 1 January 2019, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

##### As a lessee

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

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

On transition, after considering the above practical expedients, the Group is not required to make any adjustments upon application of HKFRS 16 as there is no material impact to the Group.

### 2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

#### 香港財務報告準則第16號租賃（續）

##### 租賃定義

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

就於二零一九年一月一日或之後訂立或修訂之合約而言，本集團於評估合約是否包含租賃時根據香港財務報告準則第16號所載之規定應用租賃之定義。

##### 作為承租人

於過渡時應用香港財務報告準則第16號項下之經修訂追溯方法時，本集團按逐項租賃基準就先前根據香港會計準則第17號分類為經營租賃且與各租賃合約相關之租賃應用以下可行權宜方法：

- i. 選擇不就租期於首次應用日期起計12個月內結束之租賃及低價值資產租賃確認使用權資產及租賃負債。

於過渡時，經考慮上述可行權宜方法後，本集團毋須於應用香港財務報告準則第16號後作出任何調整，乃因對本集團概無重大影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

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

#### HKFRS 16 Leases (Continued)

##### As a lessor

In accordance with the transitional provisions in HKFRS 16, the Group is not required to make any adjustment on transition for leases in which the Group is a lessor but account for these leases in accordance with HKFRS 16 from the date of initial application and comparative information has not been restated.

- (a) Upon application of HKFRS 16, new lease contracts entered into but commence after the date of initial application relating to the same underlying assets under existing lease contracts are accounted as if the existing leases are modified as at 1 January 2019. The application has had no impact on the Group's consolidated statement of financial position at 1 January 2019. However, effective 1 January 2019, lease payments relating to the revised lease term after modification are recognised as income on straight-line basis over the extended lease term.
- (b) Before application of HKFRS 16, refundable rental deposits received were considered as rights and obligations under leases to which HKAS 17 applied. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right-of-use assets and were adjusted to reflect the discounting effect at transition. In the opinion of the directors of the Company, the discounting on such refundable rental deposits received had no material impact on the consolidated financial statements, thus no adjustment was made as at 1 January 2019.

### 2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

#### 香港財務報告準則第16號租賃（續）

##### 作為出租人

根據香港財務報告準則第16號之過渡性條文，本集團毋須就本集團為出租人之租賃過渡作出任何調整，但須自首次應用日期起根據香港財務報告準則第16號對該等租賃進行會計處理，且並無重列比較資料。

- (a) 於應用香港財務報告準則第16號後，有關現有租賃合約項下同一相關資產之已訂約但於初步應用日期後開展之新租賃合約予以入賬，猶如於二零一九年一月一日之現有租賃已予修改。該應用對本集團於二零一九年一月一日之綜合財務狀況表並無影響。然而，自二零一九年一月一日起，修改後經修訂租期之相關租賃付款按延長租期以直線基準確認為收入。
- (b) 於應用香港財務報告準則第16號前，已收可退回租賃按金被視為應用香港會計準則第17號的租賃之權利及責任。根據香港財務報告準則第16號租賃付款之定義，該等按金並非與使用權資產相關之付款，並經調整以反映過渡時之貼現影響。本公司董事認為，貼現該等已收可退回租金按金對綜合財務報表並無重大影響，因此，於二零一九年一月一日並無作出任何調整。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

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

#### New and amendments to HKFRSs in issue but not yet effective

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

HKFRS 17	Insurance Contracts <sup>1</sup>
Amendments to HKFRS 3	Definition of a Business <sup>2</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>
Amendments to HKAS 1 and HKAS 8	Definition of Material <sup>4</sup>
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform <sup>4</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2021

<sup>2</sup> Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020

<sup>3</sup> Effective for annual periods beginning on or after a date to be determined

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2020

### 2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

#### 已頒佈但尚未生效之新訂香港財務報告準則及其修訂

本集團並無提早應用以下已頒佈但尚未生效之新訂香港財務報告準則及其修訂以及詮釋：

香港財務報告準則第17號	保險合約 <sup>1</sup>
香港財務報告準則第3號之修訂	業務的定義 <sup>2</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之資產銷售或貢獻 <sup>3</sup>
香港會計準則第1號及香港會計準則第8號之修訂	重大的定義 <sup>4</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>4</sup>

<sup>1</sup> 於二零二一年一月一日或之後開始之年度期間生效

<sup>2</sup> 對收購日期為二零二零年一月一日或之後開始之首個年度期間初或之後的業務合併及資產收購生效

<sup>3</sup> 於待定日期或之後開始之年度期間生效

<sup>4</sup> 於二零二零年一月一日或之後開始之年度期間生效



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

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

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

In addition to the above new and amendments to HKFRSs, a revised Conceptual Framework for Financial Reporting was issued in 2018. Its consequential amendments, the *Amendments to References to the Conceptual Framework in HKFRS Standards*, will be effective for annual periods beginning on or after 1 January 2020.

Except as described below, the directors of the Company anticipate that the application of other new and amendments to HKFRSs and interpretations will have no material impact on the results and the financial position of the Group in the foreseeable future.

#### Amendments to HKAS 1 and HKAS 8 Definition of Material

The amendments provide refinements to the definition of material by including additional guidance and explanations in making materiality judgments. In particular, the amendments:

- include the concept of “obscuring” material information in which the effect is similar to omitting or misstating the information;
- replace threshold for materiality influencing users from “could influence” to “could reasonably be expected to influence”; and

### 2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

#### 已頒佈但尚未生效之新訂香港財務報告準則及其修訂（續）

除上述新訂香港財務報告準則及其修訂外，經修訂財務報告概念框架已於二零一八年發佈。其相應修訂提述香港財務報告準則概念框架之修訂將於二零二零年一月一日或之後開始之年度期間生效。

除下文所述者外，本公司董事預期應用其他新訂香港財務報告準則及其修訂及詮釋於可見未來將不會對本集團之業績及財務狀況造成重大影響。

#### 香港會計準則第1號及香港會計準則第8號之修訂重大的定義

該等修訂透過載入作出重大判斷時的額外指引及解釋，對重大的定義進行修訂。尤其是，有關修訂：

- 包含「掩蓋」重大資料的概念，其與遺漏或誤報資料有類似效果；
- 就影響使用者重大性的範圍以「可合理預期影響」取代「可影響」；及



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

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

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

#### Amendments to HKAS 1 and HKAS 8 Definition of Material (Continued)

- include the use of the phrase “primary users” rather than simply referring to “users” which was considered too broad when deciding what information to disclose in the financial statements.

The amendments also align the definition across all HKFRSs and will be mandatorily effective for the Group’s annual period beginning on 1 January 2020. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group but may affect the presentation and disclosures in the consolidated financial statements.

#### Conceptual Framework for Financial Reporting 2018 (the “New Framework”) and the Amendments to References to the Conceptual Framework in HKFRS Standards

The New Framework:

- reintroduces the terms stewardship and prudence;
- introduces a new asset definition that focuses on rights and a new liability definition that is likely to be broader than the definition it replaces, but does not change the distinction between a liability and an equity instrument;

### 2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

已頒佈但尚未生效之新訂香港財務報告準則及其修訂（續）

#### 香港會計準則第1號及香港會計準則第8號之修訂重大的定義（續）

- 包含使用詞組「主要使用者」，而非僅指「使用者」，於決定於財務報表披露何等資料時，該用語被視為過於廣義。

該等修訂亦與各香港財務報告準則的定義一致，並將在本集團於二零二零年一月一日開始的年度期間強制生效。預期應用該等修訂不會對本集團的財務狀況及表現造成重大影響，惟可能影響於綜合財務報表中的呈列及披露。

#### 二零一八年財務報告概念框架（「新框架」）及提述香港財務報告準則概念框架之修訂

新框架：

- 重新引入管理及審慎此等術語；
- 引入著重權利之新資產定義以及範圍可能比所取代定義更廣之新負債定義，惟不會改變負債與股本工具之間的區別；

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

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

#### *Conceptual Framework for Financial Reporting 2018 (the “New Framework”) and the Amendments to References to the Conceptual Framework in HKFRS Standards (Continued)*

- discusses historical cost and current value measures, and provides additional guidance on how to select a measurement basis for a particular asset or liability;
- states that the primary measure of financial performance is profit or loss, and that only in exceptional circumstances other comprehensive income will be used and only for income or expenses that arise from a change in the current value of an asset or liability; and
- discusses uncertainty, derecognition, unit of account, the reporting entity and combined financial statements.

Consequential amendments have been made so that references in certain HKFRSs have been updated to the New Framework, whilst some HKFRSs are still referred to the previous versions of the framework. These amendments are effective for annual periods beginning on or after 1 January 2020, with earlier application permitted. Other than specific standards which still refer to the previous versions of the framework, the Group will rely on the New Framework on its effective date in determining the accounting policies especially for transactions, events or conditions that are not otherwise dealt with under the accounting standards.

### 2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂（續）

#### *二零一八年財務報告概念框架（「新框架」）及提述香港財務報告準則概念框架之修訂（續）*

- 討論歷史成本及現值計量，並就如何為某一資產或負債選擇計量基準提供額外指引；
- 指出財務表現主要計量標準為損益，且僅於特殊情況下方會使用其他全面收益，且僅用於資產或負債現值產生變動之收入或開支；及
- 討論不明朗因素、終止確認、會計單位、報告實體及合併財務報表。

已作出相應修訂，致使有關若干香港財務報告準則中之提述已更新至符合新框架，惟部分香港財務報告準則仍提述該框架之先前版本。該等修訂於二零二零年一月一日或之後開始之年度期間生效，並可提早應用。除仍提述該框架先前版本之特定準則外，本集團將於其生效日期按照新框架釐定會計政策，尤其是會計準則項下未處理之交易、事件或條件。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and financial asset at fair value through profit or loss ("FVTPL"), which are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are accounted for in accordance with HKFRS 16 (since 1 January 2019) or HKAS 17 (before application of HKFRS 16), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

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

### 3. 重要會計政策

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

除投資物業及按公允值計入損益（「按公允值計入損益」）之財務資產之投資於各報告期末按公允值計量外，綜合財務報表乃根據歷史成本基準編製（如下文所載會計政策所闡釋）。

歷史成本一般以貨品及服務交易代價的公允值為基準。

公允值為市場參與者於計量日進行之有序交易所出售資產可收取或轉讓負債須支付之價格，不論該價格是否可直接觀察或使用另一估值技術估算。於估計資產或負債之公允值時，本集團會考慮市場參與者於計量當日對資產或負債定價時所考慮之資產或負債特徵。該等綜合財務報表中作計量及／或披露目的之公允值以此為基礎確定，惟香港財務報告準則第2號以股份為基礎的付款範圍內的以股份為基礎的支付交易、根據香港財務報告準則第16號（自二零一九年一月一日起）或香港會計準則第17號（於應用香港財務報告準則第16號前）入賬之租賃交易及與公允值存在一定相似性但非公允值之計量項目（如香港會計準則第2號存貨的可變現淨值或香港會計準則第36號資產減值的使用價值）除外。

非財務資產之公允值計量計入市場參與者透過使用其資產之最高及最佳用途或透過將資產出售予將使用其最高及最佳用途之另一名市場參與者而能夠產生經濟利益之能力。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

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

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

The principal accounting policies are set out below.

#### Basis of consolidation

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

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

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

### 3. 重要會計政策 (續)

此外，就財務報告目的而言，公允值計量根據公允值計量輸入資料可觀察程度及輸入資料對公允值計量之整體重要性分為第一級、第二級或第三級，內容如下：

- 第一級輸入資料為實體可於計量日獲取之同類資產或負債於活躍市場的未經調整報價；
- 第二級輸入資料乃計入第一級的報價以外的輸入資料，為資產或負債可直接或間接觀察資料；及
- 第三級輸入資料為資產或負債不可直接觀察輸入資料。

主要會計政策載列如下。

#### 綜合基準

綜合財務報表綜合計算本公司及受本公司控制之實體及其附屬公司之財務報表。當本公司滿足以下條件時，即視為有控制權：

- 有權控制投資對象；
- 自參與投資對象營運所得浮動回報之承擔或權利；及
- 能夠使用其權力影響回報金額。

倘有事實及情形表明上文所列三項控制要素中的一項或多項發生變動，則本集團重新評估其是否有權控制投資對象。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Basis of consolidation (Continued)

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

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

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

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

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

#### Revenue from contracts with customers

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

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

### 3. 重要會計政策 (續)

#### 綜合基準 (續)

附屬公司綜合始於本集團取得附屬公司控制權時，終於本集團喪失附屬公司控制權時。特別是，年內購入或出售附屬公司之收入及開支（從本集團取得控制之日至本集團不再控制附屬公司之日）計入綜合損益表。

損益及其他各項全面收益項目歸於本公司擁有人及非控制性權益。附屬公司全面收入總額歸於本公司擁有人及非控制性權益，即使附屬公司的全面收支總額導致非控制性權益產生虧絀結餘。

如有需要，會對附屬公司之財務報表作出調整，致令其會計政策與本集團所採用者一致。

所有與本集團成員公司之間交易相關的集團內資產及負債、權益、收入、開支及現金流量於綜合賬目時悉數抵銷。

於附屬公司之非控制性權益與本集團於當中之權益分開呈列，指賦予其持有人權利於清盤時按比例分佔相關附屬公司資產淨值之現時所有權權益。

#### 來自客戶合約之收益

本集團在（或隨著）達成履約責任時（即特定履約責任的相關貨品或服務的「控制權」轉移至客戶時）確認收益。

履約責任指可區分的貨品或服務（或一批貨品或服務）或一系列大致相同的可區分的貨品或服務。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Revenue from contracts with customers (Continued)

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

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

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

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. 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 goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

### 3. 重要會計政策 (續)

#### 來自客戶合約之收益 (續)

倘符合以下條件之一，控制權按時間轉移，而收益經參考完成達成相關履約責任的進度隨時間確認：

- 客戶於本集團履約時同時收取及消耗本集團履約所提供的利益；
- 本集團的履約創建或增強客戶於本集團履約時控制的資產；或
- 本集團的履約未創建對本集團具有替代用途的資產，而本集團有強制執行權收取至今已履約部分的款項。

否則，於客戶獲得可區分的貨品或服務控制權時確認收益。

合約資產指本集團就本集團經已向客戶轉移貨品或服務而收取代價的權利（尚未成為無條件）。其乃根據香港財務報告準則第9號進行減值評估。相反，應收款項指本集團收取代價的無條件權利，即代價僅須隨時間推移即到期支付。

合約負債指本集團就本集團經已自客戶收取的代價（或到期的代價金額）而向該客戶轉讓貨品或服務的責任。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Revenue from sales of properties

For revenue from sales of properties, revenue is recognised at a point in time when control of completed property is transferred to the customer, being at the point that 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.

#### Existence of significant financing component

In determining the transaction price, the Group adjusts the promised amount of consideration for the effects of the time value of money if the timing of payments agreed (either explicitly or implicitly) provides the customer or the Group with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component. A significant financing component may exist regardless of whether the promise of financing is explicitly stated in the contract or implied by the payment terms agreed to by the parties to the contract.

For contracts where the period between payment and transfer of the associated goods or services is less than one year, the Group applies the practical expedient of not adjusting the transaction price for any significant financing component.

#### Revenue from trading of raw cane sugar

Revenue from the sale of raw cane sugar is recognised at a point of time when the Group delivers the raw cane sugar to the customer where its performance obligation is satisfied and the customer obtains control of the raw cane sugar.

### 3. 重要會計政策 (續)

#### 物業銷售之收益

就物業銷售之收益而言，收益於已完工物業控制權轉讓予客戶之時點確認，即客戶實質持有已完工物業或獲得已完工物業之合法業權之時點，且本集團現時有權收取付款並很可能收回代價。

#### 存在重大融資成分

於釐定交易價時，倘向客戶轉移貨品或服務時（不論以明示或暗示方式）協定之付款時間為客戶或本集團帶來重大融資利益，則本集團就金額時間值的影響而調整已承諾之代價金額。於該等情況下，合約含有重大融資成分。不論於合約中以明示呈列或合約訂約方協定的支付條款暗示融資承諾，合約中均存在重大融資成分。

就相關貨品或服務的支付與轉移期間少於一年的合約而言，本集團就任何重大融資成分應用不調整交易價的實際權宜方法。

#### 來自原蔗糖貿易之收益

來自原蔗糖貿易之收益乃於本集團向客戶交付原蔗糖以滿足履約責任，且客戶取得原蔗糖之控制權時確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Revenue from sales of properties (Continued)

##### Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

The Group's accounting policy for recognition of revenue from operating leases is described in the accounting policy for leasing below.

##### Property, plant and equipment

Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

### 3. 重要會計政策 (續)

#### 物業銷售之收益 (續)

##### 委託人與代理人

當另一方從事向客戶提供貨品或服務，本集團釐定其承諾之性質是否為提供指定貨品或服務本身之履約義務（即本集團為委託人）或安排由另一方提供該等貨品或服務（即本集團為代理人）。

倘本集團在向客戶轉讓貨品或服務之前控制指定貨品或服務，則本集團為委託人。

倘本集團的履行義務為安排另一方提供指定貨品或服務，則本集團為代理人。在此情況下，在將貨品或服務轉讓予客戶之前，本集團不控制另一方提供的指定貨品或服務。當本集團為代理人時，應就為換取另一方安排提供的指定貨品或服務預期有權取得之任何收費或佣金之金額確認收益。

本集團確認經營租賃的會計政策於下文租賃會計政策說明。

##### 物業、廠房及設備

物業、廠房及設備按成本扣減其後累計折舊及其後累計減值虧損（如有）列入綜合財務狀況表內。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Property, plant and equipment (Continued)

##### Ownership interests in leasehold land and building

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition.

To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “right-of-use assets” (upon application of HKFRS 16) or “prepaid lease payments” (before application of HKFRS 16) in the consolidated statement of financial position. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

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

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

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in, first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

### 3. 重要會計政策 (續)

#### 物業、廠房及設備 (續)

##### 於租賃土地及樓宇的所有權權益

當本集團就於物業的所有權權益(包括租賃土地及樓宇成分)付款時,全部代價於租賃土地及樓宇成分之間按初始確認時的相對公允值的比例分配。

倘相關款項能可靠分配,則以經營租賃列賬的租賃土地權益於綜合財務狀況表中列為「使用權資產」(於應用香港財務報告準則第16號後)或「預付租賃款項」(於應用香港財務報告準則第16號前)。當代價無法在相關租賃土地的非租賃樓宇成分及未分割權益之間可靠分配時,整項物業分類為物業、廠房及設備。

折舊乃採用直線法以撇銷資產成本減其估計可使用年期之剩餘價值確認。估計可使用年期、剩餘價值及折舊方法於各報告期末檢討,而任何估計變動的影響按預期基準入賬。

物業、廠房及設備項目乃於出售後或預期持續使用該資產將不會產生未來經濟利益時取消確認。出售或停止使用一項物業、廠房及設備所產生之損益乃按出售所得款項與資產賬面價值之差額計算,並於損益表內確認。

#### 存貨

存貨按成本及可變現淨值之較低者入賬。存貨成本按先入先出法釐定。可變現淨值乃按存貨之估計售價扣除所有直至完成產生之估計成本及出售所需成本計算。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Properties under development and properties held for sale

Properties under development which are intended to be sold upon completion of development and properties for sale are classified as current assets. Except for the leasehold land element which is measured at cost model in accordance with the accounting policies of right-of-use assets upon the application of HKFRS 16, properties under development/properties for sale are carried at the lower of cost and net realisable value. Cost is determined on a specific identification basis including allocation of the related development expenditure incurred and where appropriate, borrowing costs capitalised. Net realisable value represents the estimated selling price for the properties less estimated cost to completion and costs necessary to make the sales.

Properties under development for sale are transferred to properties for sale upon completion.

#### Investment properties

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

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties, including those held for sale, are measured at fair value, adjusted to exclude any prepaid or accrued operating lease income. All of the Group's property interests held under operating leases to earn rentals and/or for capital appreciation purposes are classified and accounted for as investment properties and are measured using the fair value model. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the property is derecognised.

### 3. 重要會計政策 (續)

#### 在建物業及持作銷售物業

擬於建成後出售的在建物業及持作銷售物業被分類為流動資產。除租賃土地部分於應用香港財務報告準則第16號後按照使用權資產之會計政策計量外，在建物業／持作銷售物業以成本及可變現淨值兩者之較低者入賬。成本按特定識別基準釐定，包括分配所產生之有關開發成本及（倘適用）資本化借款成本。可變現淨值指物業估計售價減完成銷售之估計成本及作出銷售之必要成本。

待售在建物業於建成時轉撥至銷售物業。

#### 投資物業

投資物業乃持作賺取租金及／或實現資本增值的物業。

投資物業初步按成本（包括任何直接應佔開支）計量。於初步確認後，投資物業（包括持作出售投資物業）乃按公允值計量，並就撇除任何預付或應計經營租賃收入作出調整。本集團根據經營租賃持有作賺取租金及／或資本增值用途之所有物業權益乃分類及入賬為物業投資及使用公允值模型計量。投資物業公允值變動產生之收益或虧損計入其所產生期間之損益。

投資物業於出售時或當永久停止使用或預期不再帶來未來經濟利益時取消確認。因物業取消確認產生之任何收益或虧損（按出售所得款項淨額與資產賬面值之差額計算）乃於物業取消確認之期內列入損益。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Leases

##### Definition of a lease (upon application of HKFRS 16)

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

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

##### The Group as a lessee (upon application of HKFRS 16)

##### Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group also applies practical expedient not to separate non-lease components from lease component, and instead account for the lease component and any associated non-lease components as a single lease component.

##### Short-term lease and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases of warehouse that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis or another systematic basis over the lease term.

### 3. 重要會計政策 (續)

#### 租賃

##### 租賃定義 (於應用香港財務報告準則第16號後)

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

就於首次應用日期或之後訂立或修訂或產生自業務合併的合約而言，本集團根據香港財務報告準則第16號的定義於初始或修訂日期或收購日期（如適用）評估該合約是否為租賃或包含租賃。除非合約的條款及條件其後出現變動，否則有關合約將不予重新評估。

##### 本集團作為承租人 (於應用香港財務報告準則第16號後)

##### 將代價分配至合約組成部分

對於包含一項租賃組成部分及一項或多項額外租賃或非租賃組成部分的合約，本集團根據租賃組成部分的相對單獨價格及非租賃組成部分的單獨價格總和將合約代價分配至各個租賃組成部分。

本集團亦採用可行權宜方法，不將非租賃組成部分從租賃組成部分區分開來，而是將租賃組成部分及任何相關非租賃組成部分作為一項單獨的租賃組成部分進行入賬。

##### 短期租賃及低價值資產租賃

就租期自開始日期起計為12個月或以內且並無包含購買權的倉庫租賃而言，本集團應用短期租賃確認豁免。此情況同樣適用於低價值資產。本集團將短期租賃及低價值資產租賃的租賃付款，在租賃期內按照直線法或另一系統性方法確認為開支。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Leases (Continued)

#### The Group as a lessee (upon application of HKFRS 16) (Continued)

#### Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

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

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

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

### 3. 重要會計政策 (續)

#### 租賃 (續)

#### 本集團作為承租人 (於應用香港財務報告準則第16號後) (續)

#### 使用權資產

使用權資產的成本包括：

- 租賃負債的初始計量金額；
- 於開始日期或之前所作的任何租賃付款，減所得的任何租賃獎勵；
- 本集團產生的任何初始直接成本；及
- 本集團拆除及移除相關資產、修復相關資產所在場地或將相關資產恢復至租賃條款及條件所規定狀態將予產生的估計成本。

使用權資產按成本減任何累計折舊及減值虧損計量，並根據租賃負債的重新計量而進行調整。

倘本集團合理確信在租賃期屆滿時取得相關租賃資產的擁有權，則使用權資產自開始日期起至可使用年期屆滿期間折舊。否則，使用權資產按其估計可使用年期及租期的較短者以直線法折舊。

本集團於綜合財務狀況表內將使用權資產呈列為一項單獨項目。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Leases (Continued)

#### The Group as a lessee (upon application of HKFRS 16) (Continued)

##### Refundable rental deposits

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

##### Lease liabilities

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

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

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

### 3. 重要會計政策 (續)

#### 租賃 (續)

#### 本集團作為承租人 (於應用香港財務報告準則第16號後) (續)

##### 可退回租金按金

已付可退回租金按金乃根據香港財務報告準則第9號金融工具(「香港財務報告準則第9號」)列賬及初步按公允值計量。初步確認時之公允值調整被視為額外租賃付款並計入使用權資產成本。

##### 租賃負債

於租賃開始日期，本集團按該日未付的租賃付款現值確認及計量租賃負債。於計算租賃付款現值時，倘租賃隱含的利率難以釐定，則本集團使用租賃開始日期的增量借款利率。

租賃付款包括：

- 固定付款(包括實質性的固定付款)減任何應收租賃優惠；
- 取決於指數或費率的可變租賃付款額，初步計量時使用開始日期的指數或利率；
- 本集團根據剩餘價值擔保預期應付的金額；
- 本集團合理確定行使購買選擇權的行使價；及
- 倘租期反映本集團行使選擇權終止租賃，則計入終止租賃的罰款。

於開始日期後，租賃負債就應計利息及租賃付款作出調整。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Leases (Continued)

#### The Group as a lessee (upon application of HKFRS 16) (Continued)

#### Lease liabilities (Continued)

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

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

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

#### Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

### 3. 重要會計政策 (續)

#### 租賃 (續)

#### 本集團作為承租人 (於應用香港財務報告準則第16號後) (續)

#### 租賃負債 (續)

倘出現以下情況，本集團重新計量租賃負債（並就相關使用權資產作出相應調整）：

- 租期有所變動或行使購買選擇權之評估發生變化，在此情況下，相關租賃負債透過使用重新評估日期之經修訂貼現率貼現經修訂租賃付款而重新計量。
- 租賃付款因進行市場租金調查後市場租金變動／擔保剩餘價值下預期付款變動而出現變動，在此情況下，相關租賃負債使用初始貼現率貼現經修訂租賃付款而重新計量。

本集團於綜合財務狀況表中將租賃負債作為單獨項目呈列。

#### 租賃修改

倘出現以下情況，本集團將租賃修改作為一項單獨租賃進行入賬：

- 該修改透過增加使用一項或多項相關資產之權利擴大租賃範圍；及
- 租賃代價增加，增加的金額相當於範圍擴大對應的單獨價格，加上為反映特定合約的情況而對單獨價格進行的任何適當調整。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Leases (Continued)

#### *The Group as a lessee (upon application of HKFRS 16)* (Continued)

#### *Lease modifications (Continued)*

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

#### *The Group as lessee (prior 1 January 2019)*

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

Operating lease payments, including the cost of acquiring land held under operating leases, are recognised as an expense on a straight-line basis over the lease term.

Lease incentives relating to operating leases are considered as integral part of lease payments, the aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

### 3. 重要會計政策 (續)

#### 租賃 (續)

#### *本集團作為承租人 (於應用香港財務報告準則第16號後) (續)*

#### *租賃修改 (續)*

就未作為一項單獨租賃入賬之租賃修改而言，本集團基於透過使用修改生效日期之經修訂貼現率貼現經修訂租賃付款之經修改租賃之租期重新計量租賃負債。

本集團通過對相關使用權資產進行相應調整，將租約負債的重新計量入賬。當經修改合約包含租約成分以及一個或多個額外租約或非租約成分時，本集團根據租約成分的相對獨立價格及非租約成分的總獨立價格，將經修改合約中的代價分配至每個租約成分。

#### *本集團作為承租人 (於二零一九年一月一日前)*

凡租賃之條款將擁有權之絕大部分風險及回報轉移至承租人之租賃分類為融資租賃。所有其他租賃均分類為經營租賃。

經營租賃付款 (包括收購根據經營租賃持有之土地之成本) 乃按租賃期以直線法確認為開支。

有關組營租賃的租賃獎勵被視為租賃付款的重要部分，且獎勵的利益總額按直線法確認為租金開支減少。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Leases (Continued)

##### *The Group as lessor*

##### *Classification and measurement of leases*

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

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. Other than investment properties measured under fair value model, such costs are recognised as an expense on a straight-line basis over the lease term.

Rental income which are derived from the Group's ordinary course of business is presented as revenue.

##### *The Group as a lessor (upon application of HKFRS 16)*

##### *Allocation of consideration to components of a contract*

When a contract includes both leases and non-lease components, the Group applies HKFRS 15 to allocate consideration in a contract to lease and non-lease components. Non-lease components are separated from lease component on the basis of their relative stand-alone selling prices.

### 3. 重要會計政策 (續)

#### 租賃 (續)

##### *本集團作為出租人*

##### *租賃分類及計量*

本集團為出租人的租賃分類為融資或經營租賃。倘租賃的條款將相關資產擁有權附帶的全部風險及回報大部分轉移至承租人，合約分類為融資租賃。所有其他租賃分類為經營租賃。

經營租賃的租金收入按直線法於有關租賃期內在損益確認。在磋商及安排經營租賃中產生的初始直接成本加至租賃資產的賬面值。除根據公允值模型計量的投資物業外，有關成本於租期內按直線法確認為開支。

於本集團日常業務過程中產生之租金收入呈列為收益。

##### *本集團作為出租人 (於應用香港財務報告準則第16號後)*

##### *將代價分配至合約組成部分*

當合約包括租賃及非租賃部分時，本集團應用香港財務報告準則第15號將合約的代價分配至租賃及非租賃部分。非租賃部分根據其相對單獨售價與租賃部分進行區分。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Leases (Continued)

#### The Group as a lessor (upon application of HKFRS 16) (Continued)

##### Refundable rental deposits

Refundable rental deposits received are accounted for under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments from lessees.

##### Lease modification

The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

#### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Effective 1 January 2019, any specific borrowing that remain outstanding after the related asset is ready for its intended use or sale is included in the general borrowing pool for calculation of capitalisation rate on general borrowings. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised and included in finance costs in profit or loss in the period in which they are incurred.

### 3. 重要會計政策 (續)

#### 租賃 (續)

#### 本集團作為出租人 (於應用香港財務報告準則第16號後) (續)

##### 可退回租金按金

已收可退回租金按金乃根據香港財務報告準則第9號列賬及初步按公允值計量。初步確認時之公允值調整被視為承租人之額外租賃付款。

##### 租賃修改

本集團自修改生效日期起將經營租賃修改入賬列作新租賃，並把原有租賃之相關任何預付或應計租賃付款視為新租賃之租賃付款部分。

#### 借款成本

因收購、興建或生產需要長時間籌備方可供其擬定用途或銷售之合資格資產所產生之直接借款成本，計入該等資產之成本中，直至該等資產已大致上可供其擬定用途或銷售。

自二零一九年一月一日起，於相關資產可作其擬定用途或銷售時，任何仍未償還之特定借款計入一般借款組合，以計算一般借款的資本化比率。尚未用於合資格資產之特定借款作短期投資賺取之投資收入，於合資格資本化之借款成本中扣除。

所有其他借款成本於產生期間的損益確認並計入財務成本。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Retirement benefit costs

Payments to the Mandatory Provident Fund Scheme (the "MPF Scheme") and state-managed retirement benefit schemes are recognised as expenses or capitalised in properties held for sale/properties under development, where appropriate, when employees have rendered services entitling them to the contributions.

#### Short-term employee benefits

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

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

#### Equity-settled share-based payment transactions

Equity-settled share-based payments to employees and others providing similar services are measured at fair value of the equity instruments at the grant date.

The fair value of services received determined by reference to the fair value of share options granted at the grant date is recognised as an expense in full at the grant date when the share options granted vest immediately, with a corresponding increase in share options reserve.

### 3. 重要會計政策 (續)

#### 退休福利成本

強制性公積金計劃(「強積金計劃」)及國家管理之退休福利計劃之款額於僱員提供合資格獲取該供款之服務時確認為開支或(如適用)撥入持作出售物業/在建物業。

#### 短期員工福利

短期僱員福利於僱員提供服務時按預期予以支付福利的未貼現金額計量。除非香港財務報告準則規定或准許將福利計入資產之成本，否則所有短期僱員福利均確認為開支。

僱員的累積福利(如工資、薪金、年假及病假)於扣除任何已付款項後確認負債。

#### 以權益結算以股份為基礎的支付交易

付予僱員及提供類似服務之其他人士之以權益結算以股份為基礎的付款乃按股本工具於授出日期之公允值計量。

於已授出購股權即時歸屬時，參考於授出日期已授出購股權之公允值而釐定之已收服務公允值於授出日期悉數確認為開支，並於購股權儲備中作出相應增加。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from “profit (loss) before taxation” as reported in the consolidated statement of profit or loss because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

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

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

### 3. 重要會計政策 (續)

#### 稅項

所得稅開支指即期應付稅項及遞延稅項之總和。

即期應付稅項乃按年內應課稅溢利計算。應課稅溢利與綜合損益表所報「除稅前溢利(虧損)」不同，乃由於其他年度應課稅或可扣稅收入或開支及毋須課稅或不可扣稅項目所致。本集團之即期稅項負債乃按報告期末已實施或實質上已實施之稅率計算。

遞延稅項指就綜合財務報表內資產及負債賬面值與計算應課稅溢利所用相應稅基之暫時差額確認。遞延稅項負債一般會就所有應課稅暫時差額確認，而遞延稅項資產乃於一般可能出現應課稅溢利以抵銷可扣稅之暫時差額時就所有可扣稅暫時差額確認。倘暫時差額源自初步確認商譽或初步確認不影響應課稅溢利或會計溢利之交易(業務合併除外)中其他資產及負債，則不會確認該等遞延稅項資產及負債。

遞延稅項負債乃按於附屬公司之投資所產生應課稅暫時差額確認，惟若本集團可控制暫時差額之撥回，且暫時差額有可能於可見將來不會撥回之情況除外。從與該等投資相關的可扣除暫時差額產生的遞延稅項資產只有達到一定的程度才可確認，即有足夠的應課稅溢利來抵銷能夠利用暫時差額利益並預期於可預見將來撥回。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Taxation (Continued)

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

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

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

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

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

### 3. 重要會計政策 (續)

#### 稅項 (續)

遞延稅項資產之賬面值於各報告期末檢討，並於可能不再有足夠應課稅溢利收回該項資產全部或部分之情況下調減。

遞延稅項資產及負債是按預期於償還負債或變現資產期間使用的稅率計算，基於報告期末前已實施或實質上已實施的稅率（及稅法）。

遞延稅項負債和資產的計量反映報告期末按本集團預期收回或結算資產和負債的賬面值而將引致的稅務影響。

就使用公允價值模式計量的投資物業的遞延稅項的計量而言，該等物業的賬面值被推定可透過銷售全部收回，除非該推定被駁回。當投資物業可折舊及以目的為消耗投資物業隨著時間所體現之絕大部分經濟利益的業務模式而非透過銷售持有時，該項推定被駁回。

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

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Taxation (Continued)

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 *Income Taxes* requirements to the leasing transaction as a whole. Temporary differences relating to right-of-use assets and lease liabilities are assessed on a net basis. Excess of depreciation on right-of-use assets over the lease payments for the principal portion of lease liabilities resulting in net deductible temporary differences.

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

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

### 3. 重要會計政策 (續)

#### 稅項 (續)

就稅項扣減由租賃負債產生的租賃交易而言，本集團對整項租賃交易應用香港會計準則第12號所得稅規定。與使用權資產及租賃負債相關的暫時性差額會按淨額基準評估。使用權資產折舊超出租賃負債本金部分租賃付款的金額會產生可扣減暫時性差額淨額。

遞延稅項資產及負債於有法定可執行權利以即期稅項資產與即期稅項負債抵銷時，以及於該等遞延稅項資產及負債與同一稅務機關對相同實體所徵收的所得稅有關及本集團擬以淨額基準結清其即期稅項資產及負債時予以抵銷。

即期及遞延稅項在損益內確認，除了涉及在其他全面收益中或直接在權益中確認的項目，在這種情況下，即期及遞延稅項亦分別在其他全面收益中或直接在權益中確認。就因對業務合併進行初始會計處理而產生之即期稅項或遞延稅項而言，稅務影響乃計入業務合併之會計處理中。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Foreign currencies

The functional currency of the Company is Hong Kong dollar ("HK\$") while the consolidated financial statements are presented in Renminbi ("RMB") for consistent presentation as prior years.

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

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

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. RMB) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve.

### 3. 重要會計政策 (續)

#### 外幣

本公司的功能貨幣為港幣(「港幣」)，而綜合財務報表乃以人民幣(「人民幣」)呈列，以與過往年度呈列一致。

編製個別集團實體之財務報表時，以該實體功能貨幣以外貨幣(外幣)進行之交易乃按於交易日期當時之匯率確認入賬。於報告期末，以外幣列值之貨幣項目以結算當日之匯率重新換算。按公允值列賬且以外幣列值之非貨幣項目按公允值釐定當日之現行匯率重新換算。以外幣歷史成本計算之非貨幣項目毋須重新換算。

結清貨幣項目及重新換算貨幣項目之匯兌差額於其產生期間於損益確認。

就呈列綜合財務報表而言，本集團海外業務之資產及負債均按各報告期末適用之匯率換算為本集團之呈列貨幣(即人民幣)。收入及開支項目乃按期間平均匯率換算，惟匯率於該期間波動幅度較大除外(在此情況下，採用交易日適用之匯率)。所產生匯兌差額(如有)均於其他全面收益確認並於匯兌儲備項下之權益中累計。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Foreign currencies (Continued)

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

#### Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instruments. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

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

### 3. 重要會計政策 (續)

#### 外幣 (續)

於出售海外業務 (即出售本集團於海外業務之全部權益, 或出售涉及喪失於一間包括海外業務之附屬公司之控制權, 就本公司擁有人應佔該業務而於權益累計之所有匯兌差額乃重新分類至損益。

#### 財務工具

當一間集團實體成為有關工具合約條文之訂約方時, 財務資產及財務負債於綜合財務狀況表內確認。日常買賣乃指須於有關市場規則或慣例設定之時限內交付資產之購買或出售財務資產。

財務資產及財務負債首先以公允值計量。於初步確認時, 因收購或發行財務資產及財務負債 (按公允值計入損益之財務資產及財務負債除外) 產生之直接交易成本將視乎情況加入或扣除自財務資產或財務負債之公允值。因收購按公允值計入損益之財務資產或財務負債產生之直接交易成本即時於損益內確認。

實際利率法是一種計算財務資產或財務負債的攤銷成本及於有關期間攤分利息收入及利息開支的方法。實際利率乃將估計日後現金收入及付款 (包括所有支付或收取構成整體實際利率之費用及利率差價、交易成本及其他溢價或折價) 按財務資產或財務負債之預期使用年期, 或較短期間 (倘適用) 實際貼現至初步確認之賬面淨值之利率。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

##### Financial assets

##### Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (“FVTOCI”):

- the financial asset is held within a business model whose objective is achieved by both selling and collecting contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL, except that at the date of initial application of HKFRS 9/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 *Business Combinations* applies.

### 3. 重要會計政策 (續)

#### 財務工具 (續)

##### 財務資產

##### 財務資產之分類及其後計量

符合下列條件之財務資產其後按攤銷成本計量：

- 於目的為收取合約現金流量的業務模式下持有的財務資產；及
- 合約條款令於指定日期產生的現金流量純粹為支付本金及未償還本金的利息。

符合下列條件之財務資產其後按公允值計入其他全面收益（「按公允值計入其他全面收益」）計量：

- 於透過出售及收取合約現金流量達致目的之業務模式下持有的財務資產；及
- 合約條款令於指定日期產生的現金流量純粹為支付本金及未償還本金的利息。

所有其他財務資產其後按公允值計入損益計量，惟倘一項股本投資並非持作交易用途，亦非於香港財務報告準則第3號業務合併適用的業務合併中收購方所確認的或然代價，於財務資產初始應用香港財務報告準則第9號／初步確認日期，本集團可不可撤銷地選擇在其他全面收益中呈列股本投資公允值的其後變動。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

#### Classification and subsequent measurement of financial assets (Continued)

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

#### (i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

### 3. 重要會計政策 (續)

#### 財務工具 (續)

#### 財務資產 (續)

#### 財務資產之分類及其後計量 (續)

倘財務資產屬下列情況，則為持作交易：

- 購入之主要目的為於近期出售；或
- 初步確認時，是一組已確定之財務工具之一部分，由本集團集合管理，且有一個最近之短期獲利回吐實際格局；或
- 是一個衍生工具，並非指定為和有效之對沖工具。

此外，倘可消除或大幅減少會計錯配，本集團可不可撤銷地指定須按攤銷成本或按公允值計入其他全面收益計量的財務資產為按公允值計入損益計量。

#### (i) 攤銷成本及利息收入

其後按攤銷成本計量之財務資產的利息收入乃使用實際利率法予以確認。利息收入乃對一項財務資產總賬面值應用實際利率予以計算，惟其後已出現信貸減值的財務資產除外。就其後已出現信貸減值的財務資產而言，自下一報告期起，利息收入乃對財務資產攤銷成本應用實際利率予以確認。倘出現信貸減值的財務工具的信貸風險好轉，使財務資產不再出現信貸減值，則自釐定資產不再出現信貸減值後之報告期間初起，利息收入乃透過對財務資產總賬面值應用實際利率予以確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as at FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend earned on the financial asset.

#### Impairment of financial assets

The Group performs impairment assessment under expected credit loss ("ECL") model on financial assets (including other receivables, restricted bank deposit, pledged bank deposits and bank balances). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

### 3. 重要會計政策 (續)

#### 財務工具 (續)

#### 財務資產 (續)

財務資產之分類及其後計量 (續)

(ii) 按公允值計入損益之財務資產

倘財務資產不符合按攤銷成本或按公允值計入其他全面收益或指定為按公允值計入其他全面收益計量的標準，則按公允值計入損益計量。

於各報告期末，按公允值計入損益之財務資產按公允值計量，而任何公允值收益或虧損於損益確認。於損益確認之收益或虧損淨額不包括財務資產賺取之任何股息。

#### 財務資產減值

本集團根據預期信貸虧損（「預期信貸虧損」）模式對財務資產（包括其他應收款項、有限制銀行存款、已抵押銀行存款及銀行結存）進行減值評估。預期信貸虧損金額於各報告日期更新，以反映自初步確認以來信貸風險的變動。

全期預期信貸虧損指於相關工具的預期年內所有可能違約事件將產生的預期信貸虧損。反之，12個月預期信貸虧損（「12個月預期信貸虧損」）指預期於報告日期後12個月內可能發生的違約事件而導致的全期預期信貸虧損的一部分。評估乃按本集團過往信貸虧損經驗進行，並就債務人、整體經濟情況及評估於報告日期的當前情況及對未來情況的預測的特定因素作出調整。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

#### Impairment of financial assets (Continued)

For all instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

### 3. 重要會計政策 (續)

#### 財務工具 (續)

#### 財務資產 (續)

#### 財務資產減值 (續)

就所有工具而言，本集團計量的虧損撥備相等於12個月預期信貸虧損，除非當信貸風險自初步確認以來大幅增加，則本集團會確認全期預期信貸虧損。評估是否應確認全期預期信貸虧損乃基於自初步確認以來出現違約的可能性或風險是否大幅增加。

(i) 信貸風險大幅增加

於評估信貸風險自初步確認以來是否大幅增加時，本集團對財務工具於報告日期就發生違約的風險與財務工具於初步確認日期就發生違約的風險作比較。作出此評估時，本集團會考慮合理有據的定量及定性資料，包括過往經驗及無需付出不必要的成本或精力獲取的前瞻性資料。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

#### Impairment of financial assets (Continued)

(i) Significant increase in credit risk (Continued)

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

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; or
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

### 3. 重要會計政策 (續)

#### 財務工具 (續)

#### 財務資產 (續)

#### 財務資產減值 (續)

(i) 信貸風險大幅增加 (續)

具體而言，於評估信貸風險是否已大幅增加時會考慮以下資料：

- 財務工具的外部 (如有) 或內部信貸評級的實際或預期嚴重惡化；
- 信貸風險的外部市場指標嚴重惡化 (如債務人的信貸息差及信貸違約掉期價格大幅增加)；
- 商業、金融或經濟情況目前或預期有不利變動，預期將導致債務人償還債項的能力大幅降低；
- 債務人的經營業績實際或預期嚴重惡化；或
- 債務人的監管、經濟或技術環境有實際或預期重大不利變動，導致債務人償還債項的能力大幅降低。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

#### Impairment of financial assets (Continued)

(i) Significant increase in credit risk (Continued)

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

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

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

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

### 3. 重要會計政策 (續)

#### 財務工具 (續)

#### 財務資產 (續)

#### 財務資產減值 (續)

(i) 信貸風險大幅增加 (續)

不論上述評估結果如何，當合約付款已逾期超過30天，則本集團均假定信貸風險自初步確認以來大幅增加，除非本集團擁有合理有據之資料證明情況並非如此，則作別論。

本集團定期監察識別信貸風險是否大幅增加所用標準的有效性，並酌情修訂以確保該標準能夠在款項逾期前識別信貸風險的大幅增加。

(ii) 違約定義

就內部信貸風險管理而言，本集團認為，違約事件在內部制訂或自外界來源取得的資料顯示債務人不大可能悉數向債權人（包括本集團）還款（未計及本集團所持任何抵押品）時發生。

不論上述情況如何，本集團都認為，違約乃於財務資產逾期超過90天時發生，除非本集團擁有合理有據之資料證明有一項更為滯後之違約標準更為合適，則作別論。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

#### Impairment of financial assets (Continued)

#### (iii) Credit-impaired financial assets

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

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

### 3. 重要會計政策 (續)

#### 財務工具 (續)

#### 財務資產 (續)

#### 財務資產減值 (續)

#### (iii) 已出現信貸減值的財務資產

財務資產在一項或多項違約事件(對該項財務資產的估計未來現金流量構成不利影響)發生時出現信貸減值。財務資產出現信貸減值的證據包括有關下列事件的可觀察數據:

- (a) 發行者或借款方陷入重大財務困難;
- (b) 違反合約,例如拖欠或逾期事件;
- (c) 借款方的貸款方因有關借款方財務困難的經濟或合約理由而向借款方給予貸款方在其他情況下不會考慮的優惠;
- (d) 借款方將有可能破產或展開其他債務重組;或
- (e) 該項財務資產的活躍市場因財務困難而消失。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

#### Impairment of financial assets (Continued)

#### (iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings or in case of other receivables, when the amounts are past due, whichever occurs earlier. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

#### (v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

### 3. 重要會計政策 (續)

#### 財務工具 (續)

#### 財務資產 (續)

#### 財務資產減值 (續)

#### (iv) 撇銷政策

當資料顯示交易對方出現重大財務困難及無實際收回可能時(例如交易對方被清盤或已進入破產程序或倘其他應收款項金額逾期時(以較早者為準)),本集團則撇銷財務資產。經考慮法律意見(倘適用)後,遭撇銷的財務資產可能仍須按本集團收回程序進行強制執行活動。撇銷構成終止確認事項。任何其後收回在損益中確認。

#### (v) 預期信貸虧損之計量及確認

預期信貸虧損的計量為違約概率、違約虧損(即倘發生違約的虧損程度)及違約風險敞口的函數。違約概率及違約虧損的評估乃基於經前瞻性資料調整的歷史數據作出。預期信貸虧損的預估乃無偏概率加權金額,以各自發生違約的風險為權重確定。

一般而言,預期信貸虧損為根據合約應付本集團的所有合約現金流量與本集團預期收取的現金流量之間的差額,並按初步確認時釐定的實際利率貼現。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

#### Impairment of financial assets (Continued)

(v) Measurement and recognition of ECL (Continued)

For a financial guarantee contract, the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed. Accordingly, the expected losses is the present value of the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

For financial guarantee contracts, the loss allowances are recognised at the higher of the amount of the loss allowance determined in accordance with HKFRS 9; and the amount initially recognised less, where appropriate, cumulative amount of income recognised over the guarantee period.

Except for financial guarantee contracts, the Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount.

### 3. 重要會計政策 (續)

#### 財務工具 (續)

#### 財務資產 (續)

#### 財務資產減值 (續)

(v) 預期信貸虧損之計量及確認 (續)

就財務擔保合約而言，本集團僅需於債務人違反擔保文據條款之情況下作出付款。因此，預期虧損為補償持有人就所產生之信貸虧損的預期付款現值，扣除本集團預期自持有人、債務人或任何其他人士收取的任何款項。

利息收入按財務資產的總賬面值計算，除非財務資產出現信貸減值，在該情況下，利息收入乃按財務資產的攤銷成本計算。

就財務擔保合約而言，虧損撥備乃以按香港財務報告準則第9號釐定的虧損撥備金額與初步確認的金額減（如適用）於擔保期間確認的累計收入金額的較高者確認。

除財務擔保合約外，本集團藉調整所有財務工具的賬面值於損益中確認其減值收益或虧損。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial assets (Continued)

##### Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

#### Financial liabilities and equity

##### Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

#### Financial liabilities at amortised cost

Financial liabilities including trade and other payables, loan payables, amount due to a director and secured bank borrowings are subsequently measured at amortised cost, using the effective interest method.

### 3. 重要會計政策 (續)

#### 財務工具 (續)

#### 財務資產 (續)

##### 終止確認財務資產

本集團僅於資產現金流量之合約權利屆滿時，或將財務資產及其所有權之絕大部分風險及回報轉讓予另一實體時，方會終止確認該等財務資產。

於終止確認按攤銷成本計量之財務資產時，該項資產賬面值與已收及應收代價之間的差額會於損益內確認。

#### 財務負債及股本

##### 分類為債務或股本

債務及股本工具乃根據所訂立合約安排之內容及財務負債和股本工具之定義分類為財務負債或股本。

#### 股本工具

股本工具為證明於一間實體之資產經扣除其所有負債後之資產剩餘權益之任何合約。本公司發行之股本工具乃以已收所得款項扣除直接發行成本確認。

#### 按攤銷成本計量之財務負債

財務負債（包括貿易及其他應付款項、應付貸款、應付董事款項及有抵押銀行借款）其後使用實際利率法按攤銷成本計量。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Financial instruments (Continued)

#### Financial liabilities at amortised cost (Continued)

##### 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 payments when due in accordance with the terms of a debt instrument. Financial guarantee contract liabilities are measured initially at their fair values. It is subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with HKFRS 9; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised over the guarantee period.

##### Derecognition of financial liabilities

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

### 3. 重要會計政策 (續)

#### 財務工具 (續)

#### 按攤銷成本計量之財務負債 (續)

##### 財務擔保合約

財務擔保合約為合約發行者根據某項債務工具之條款，因某特定債務人於到期日未能償還款項而須支付特定款項以補償合約持有者招致損失的一項合約。財務擔保合約負債初步以其公允值計量。其後續以下列較高者計量：

- 根據香港財務報告準則第9號釐定的虧損撥備的金額；及
- 初步確認金額減去於擔保期間確認的累計攤銷（如適用）。

##### 終止確認財務負債

本集團會並僅會於責任免除、撤銷或屆滿時，終止確認財務負債。終止確認的財務負債的賬面值與已付及應付代價之間的差額會於損益確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Impairment of property, plant and equipment and right-of-use assets

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment and right-of-use assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of property, plant and equipment and right-of-use assets are estimated individually when it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In addition, the Group assesses whether there is indication that corporate assets may be impaired. If such indication exists, corporate assets are also allocated to individual cash-generating units, when a reasonable and consistent basis of allocation can be identified, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or cash-generating unit) for which the estimates of future cash flows have not been adjusted.

### 3. 重要會計政策 (續)

#### 物業、廠房及設備以及使用權資產減值

本集團於各報告期末檢討其物業、廠房及設備以及使用權資產之賬面值，以釐定該等資產是否已出現減值虧損跡象。倘出現有關跡象，則會估計相關資產之可收回金額，以釐定減值虧損（如有）程度。

物業、廠房及設備以及使用權資產之可收回金額乃個別估計，倘無法估計個別資產之可收回金額，本集團估計該資產所屬現金產生單位之可收回金額。

此外，本集團對是否有跡象顯示企業資產可能出現減值進行評估。倘存在有關跡象，於可識別合理及一貫之分配基準時，企業資產亦會分配至個別現金產生單位，否則會分配至可合理地及按一貫分配基準而識別之最小現金產生單位中。

可收回金額是公允值減去出售成本與使用價值兩者中之較高者。在評估使用價值時，估計未來現金流量乃以可反映當時市場對貨幣時間價值及資產（或現金產生單位）特有風險評估（估計未來現金流量尚未就此作出調整）的除稅前貼現率貼現至現值。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

#### Impairment of property, plant and equipment and right-of-use assets (Continued)

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit or a group of cash generating units) in prior years. A reversal of an impairment loss is recognised as income immediately in profit or loss.

### 3. 重要會計政策 (續)

#### 物業、廠房及設備以及使用權資產減值 (續)

倘某項資產 (或現金產生單位) 之可收回金額估計低於其賬面值, 則該項資產 (或現金產生單位) 之賬面值須減低至其可收回金額。減值虧損即時於損益內確認。就未能按合理及一貫之基準分配至現金產生單位的企業資產或部分企業資產, 本集團會比較一組現金產生單位賬面值 (包括已分配至該組現金產生單位的企業資產或部分企業資產的賬面值) 與該組現金產生單位的可收回金額。資產的賬面值不低於其公允值減去出售成本 (如可計量)、其使用價值 (如可釐定) 和零。原已分配予該資產的減值虧損金額按比例分配至該單位內的其他資產或一組現金產生單位。減值虧損即時於損益確認。

倘減值虧損隨後撥回, 則該項資產 (或現金產生單位) 之賬面值乃增至其可收回金額之經修訂估計, 惟已增加之賬面值不得超過於過往年度資產 (或現金產生單位或一組現金產生單位) 並無確認任何減值虧損時釐定之賬面值。減值虧損撥回即時於損益內確認為收益。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, 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 associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### Critical judgement in applying accounting policies

The following is the critical judgement, apart from those involving estimations, that the directors have been in the process of applying the Group's accounting policies and that has the most significant effect on the amounts recognised in the consolidated financial statements.

### 4. 關鍵會計判斷及估計不明朗因素的主要來源

於應用本集團的會計政策（如附註3所述）時，董事須對未能即時自其他來源取得的資產及負債賬面值作出判斷、估計及假設。估計及有關假設乃以過往經驗及被視為相關的其他因素為基礎。實際結果可能會與該等估計有所不同。

估計及相關假設乃按持續基準審閱。會計估計的修訂乃於估計被修訂的期間（倘修訂僅影響該期間），或於修訂期間及未來期間（倘修訂影響本期間及未來期間）確認。

#### 於應用會計政策時作出之關鍵判斷

以下為關鍵判斷，惟涉及董事於應用本集團會計政策過程中所作出且對綜合財務報表內確認之金額具有最重大影響之估計之判斷除外。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

#### Critical judgement in applying accounting policies (Continued)

##### Deferred taxation on investment properties

For the purposes of measuring deferred tax liabilities arising from investment properties that are measured using the fair value model, the directors have reviewed the Group's investment property portfolios and concluded that the Group's investment properties are not held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time. Therefore, in measuring the Group's deferred taxation on investment properties, the directors have determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is not rebutted. The Group's investment properties are situated in the PRC and the deferred taxes on changes in fair value of investment properties are recognised taking into account PRC LAT and PRC EIT payable upon sales of those investment properties.

##### Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### 4. 關鍵會計判斷及估計不明朗因素的主要來源 (續)

#### 於應用會計政策時作出之關鍵判斷 (續)

##### 投資物業之遞延稅項

就計量由使用公允值模型計量之投資物業所產生的遞延稅項負債而言，董事已檢討本集團的投資物業組合及斷定本集團並無投資物業以隨時間流逝耗盡大體上包含在投資物業內的所有經濟得益為商業目的。因此，於計量本集團投資物業之遞延稅項時，董事認為，以公允值模式計量的投資物業之賬面值可透過出售悉數收回之假設並未被推翻。本集團之投資物業位於中國，而該等投資物業之公允值變動之遞延稅項乃經計及出售該等投資物業時應付之中國土地增值稅及中國企業所得稅確認。

##### 估計不明朗因素的主要來源

以下為有關未來之主要假設及於報告期末估計不明朗因素之其他主要來源，可能有重大風險導致下個財政年度內之資產及負債之賬面值作出重大調整。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

#### 4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

##### Key sources of estimation uncertainty (Continued)

##### Fair value of investment properties

Investment properties are stated at fair value based on the valuations performed by an independent professional property valuer.

In determining the fair value of the Group's investment properties which are situated in the PRC, the valuer has used direct comparison approach by making reference to comparable sales evidences as available in the relevant market to reflect current market conditions as of the end of the reporting period.

In relying on the valuation report, the directors have exercised their judgements and are satisfied that the methods of valuations are reflective of the current market conditions. Note 14 provides detailed information about the valuation techniques, inputs and key assumptions used in the determination of the fair value of investment properties.

##### PRC LAT

The Group is subject to PRC LAT in the PRC. The provision of the PRC LAT is based on the management's best estimates according to the understanding of the requirements set forth in the relevant PRC tax laws and regulations. The actual PRC LAT liabilities are subject to the determination by the tax authorities upon the completion of the property development projects. The Group has not finalised its PRC LAT calculation with the tax authorities for its property development projects. The final outcome could be different from the amounts that were initially recorded, and these differences will impact the income tax expense and the related income tax provisions in the period in which such tax is finalised with local tax authorities.

#### 4. 關鍵會計判斷及估計不明朗因素的主要來源 (續)

##### 估計不明朗因素的主要來源 (續)

##### 投資物業之公允值

投資物業乃根據獨立專業物業估值師進行之估值按公允值列賬。

於釐定本集團位於中國之投資物業之公允值時，估值師使用直接比較法並參考相關市場上可用之可比較銷售證據，以反映截至報告期末之當前市況。

於倚賴估值報告時，董事已作出判斷並信納估值方法反映當前市況。附註14載有有關估值技術、釐定投資物業之公允值所用之輸入數據及關鍵假設之資料。

##### 中國土地增值稅

本集團須支付中國土地增值稅。中國土地增值稅之撥備乃基於管理層根據相關中國稅務法律及法規之規定之理解所作出之最佳估計。實際中國土地增值稅項負債需待物業發展項目完成後由稅務當局決定。本集團尚未向稅務當局落實其物業發展項目之中國土地增值稅計算。最後結果可能與最初記錄金額有所不同，且該等差異將影響向本地稅務當局落實有關稅項期間之所得稅開支及相關所得稅撥備。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

#### Key sources of estimation uncertainty (Continued)

#### *Estimated net realisable value of properties held for sale*

The management of the Group determines the net realisable value of properties held for sale by using prevailing market data such as most recent sales transactions and internal estimates of cost based on quotes from contractors. These estimates require judgement as to the anticipated sale prices by reference to the valuation performed by an independent professional property valuer and recent sales transactions in nearby locations, rate of new property sales, marketing costs (including price discounts required to stimulate sales), the legal and regulatory framework and general market conditions. If the actual net realisable value of properties held for sale is less than expected as a result of changes in market conditions, material provision for impairment losses may result. At 31 December 2019, the carrying amount of properties held for sale was RMB806,611,000 (2018: RMB1,311,519,000). No impairment has been provided for both years.

### 4. 關鍵會計判斷及估計不明朗因素的主要來源 (續)

#### 估計不明朗因素的主要來源 (續)

#### *持作出售物業之估計可變現淨值*

本集團管理層透過使用最近銷售交易等當前市場數據及基於承建商報價所作之內部成本估計，釐定持作出售物業之可變現淨值。該等估計須透過參考獨立專業物業估值師進行之估值及鄰近位置之近期銷售交易、新物業銷售率、市場推廣成本（包括刺激銷售所需之價格折扣）、法律及規管架構及一般市況判斷預期售價。倘持作出售物業之實際可變現淨值由於市況變化而低於預期，則或會作出重大減值虧損撥備。於二零一九年十二月三十一日，持作出售物業之賬面值為人民幣806,611,000元（二零一八年：人民幣1,311,519,000元）。該兩個年度內概無計提減值撥備。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 5. REVENUE

#### (i) Disaggregation of revenue from contracts with customers

An analysis of the Group's revenue arising from the PRC and Hong Kong for the year is as follows:

### 5. 收益

#### (i) 客戶合約收益分析

本集團年內來自中國及香港之收益分析如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<i>Arising from the PRC</i>			
Sales of properties	源自中國 物業銷售		
– a point in time	一時點	754,819	88,324
Rental income	租金收入	1,668	1,927
<i>Arising from Hong Kong</i>			
Trading of raw cane sugar	源自香港 原蔗糖貿易		
– a point in time	一時點	48,411	–
		<b>804,898</b>	90,251



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 5. REVENUE (Continued)

#### (ii) Performance obligations for contracts with customers

- (a) For contracts entered into with customers on sales of properties, the relevant properties specified in the contracts are based on standardised specifications with no alternative use. Taking into consideration of the relevant contract terms, the legal environment and relevant legal precedents, the Group concluded that the Group does not have an enforceable right to payment prior to transfer of control of the relevant properties to customers. Revenue from sales of properties is therefore recognised at a point in time when the development of the relevant properties have been completed and the properties have been delivered to the purchasers pursuant to the sale and purchase agreements.

In general, the Group receives 30% of the contract value as receipt in advance from customers when they sign the sale and purchase agreement and remaining 70% of the contract value would be received through the banks by releasing the mortgages to the customers in two to three months after the agreement signing date. Such advance payment schemes result in contract liabilities being recognised throughout the property construction period for the full amount of the contract price.

### 5. 收益 (續)

#### (ii) 客戶合約之履約責任

- (a) 就物業銷售與客戶訂立的合約而言，合約中規定的相關物業乃基於標準化要求，並無其他替代用途。經考慮相關合約條款、法律環境及相關法律先例，本集團認為，在轉讓相關物業的控制權予客戶前，本集團並無收取付款的可強制執行權利。因此，物業銷售的收益於相關物業開發已竣工且物業已根據買賣協議交付予買方的時點確認。

通常在簽訂買賣協議時，本集團自客戶收取合約價值的30%作為預收款項，而餘下合約價值的70%將於協議簽訂日期後兩至三個月透過銀行向客戶發放按揭貸款收取。該預先付款計劃導致於整個物業建設期確認有關合約價格全款的合約負債。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 5. REVENUE (Continued)

#### (ii) Performance obligations for contracts with customers (Continued)

- (b) For trading of raw cane sugar to third party customers, revenue is recognised when control of the goods has been transferred, being at the point the customer obtains the control of the goods. Payment of the transaction price is due according to the payment terms agreed on the sales contracts.

#### (iii) Transaction price allocated to the remaining performance obligation for contracts with customers

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2019 and the expected timing of recognising revenue are as follows:

### 5. 收益 (續)

#### (ii) 客戶合約之履約責任 (續)

- (b) 就與第三方客戶之原蔗糖貿易而言，收益於貨品控制權轉讓時（即客戶取得貨品控制權的時點）確認。交易價按銷售合約協定的付款條款到期支付。

#### (iii) 分配至客戶合約之餘下履約責任的交易價

於二零一九年十二月三十一日，分配至餘下履約責任的交易價（未清償或部分未清償）及預期確認收益時間如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Within one year	於一年內		
– Sales of properties	– 物業銷售	235,620	766,958
– Trading of raw cane sugar	– 原蔗糖貿易	27,116	–
		<b>262,736</b>	766,958

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 5. REVENUE (Continued)

#### (iv) Leases

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
For operating leases with respect to investment properties:		
Lease payments that are fixed	<b>1,668</b>	1,927

### 6. SEGMENT INFORMATION

The Group determines its operating segments based on internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (i.e. the executive directors of the Company) (the "CODM") in order to allocate resources to the segments and assess their performance.

The Group's operating segments under HKFRS 8 *Operating Segments* are identified as the follows:

- Property development and investment: this segment primarily develops and sells office premises, commercial and residential properties and car parking spaces. This segment also generates rental income from investment properties and achieves gain from the appreciation in the properties' values in the long term. All the Group's activities in this segment are carried out in the PRC.
- Trading of raw cane sugar: this segment trades raw cane sugar on a worldwide basis.

Property development and investment and trading of raw cane sugar also represent the Group's reportable segments.

### 5. 收益 (續)

#### (iv) 租賃

### 6. 分部資料

本集團根據主要營運決策者(「主要營運決策者」,即本公司執行董事)定期審閱以向分部分配資源及評估其表現之有關本集團分部之內部報告確定其經營分部。

根據香港財務報告準則第8號經營分部,本集團之經營分部識別如下:

- 物業發展及投資:該分部主要發展及銷售辦公室物業、商業、住宅物業及停車位。該分部亦自投資物業產生租金收入及自物業長期增值取得收益。本集團該分部之所有活動均於中國開展。
- 原蔗糖貿易:該分部於全球範圍進行原蔗糖貿易。

物業發展及投資以及原蔗糖貿易亦為本集團之可報告分部。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 6. SEGMENT INFORMATION (Continued)

#### (a) Segment revenues and results

The following is an analysis of the Group's revenue and results by operating and reportable segment.

For the year ended 31 December 2019

		Property development and investment 物業發展及投資 RMB'000 人民幣千元	Trading of raw cane sugar 原蔗糖貿易 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Revenue	收益	756,487	48,411	804,898
<b>Segment profit</b>	<b>分部溢利</b>	<b>155,459</b>	<b>947</b>	<b>156,406</b>
Bank interest income	銀行利息收入			515
Fair value change on financial asset at FVTPL	按公允值計入損益之財務資產之 公允值變動			(9)
Finance costs	財務成本			(1,101)
Unallocated corporate expenses	未分配公司開支			(16,850)
Profit before taxation	除稅前溢利			138,961

### 6. 分部資料 (續)

#### (a) 分部收益及業績

本集團收益及業績之分析按經營及可報告分部呈列如下。

截至二零一九年十二月三十一日止年度

For the year ended 31 December 2018

截至二零一八年十二月三十一日止年度

		Property development and investment 物業發展及投資 RMB'000 人民幣千元	Trading of raw cane sugar 原蔗糖貿易 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Revenue	收益	90,251	-	90,251
<b>Segment loss</b>	<b>分部虧損</b>	<b>(9,043)</b>	<b>(2,486)</b>	<b>(11,529)</b>
Bank interest income	銀行利息收入			413
Fair value change on financial asset at FVTPL	按公允值計入損益之財務資產之 公允值變動			(6)
Finance costs	財務成本			(2,798)
Unallocated corporate expenses	未分配公司開支			(15,444)
Loss before taxation	除稅前虧損			(29,364)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 6. SEGMENT INFORMATION (Continued)

#### (a) Segment revenues and results (Continued)

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. Segment profit/loss represents the profit/loss of each segment without allocation of bank interest income, fair value change on financial asset at FVTPL, certain finance costs and unallocated corporate expenses (i.e. central administration costs and directors' emoluments). This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

#### (b) Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segment:

### 6. 分部資料 (續)

#### (a) 分部收益及業績 (續)

經營分部之會計政策與附註3所述本集團會計政策相同。分部溢利／虧損指各分部未分配銀行利息收入、按公允值計入損益之財務資產之公允值變動、若干財務成本及未分配公司開支（即中央行政費用及董事酬金）之溢利／虧損。此乃報告予主要經營決策者用於資源分配及業績評估的措施。

#### (b) 分部資產及負債

本集團資產及負債之分析按報告及經營分部呈列如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Segment assets	分部資產		
– Property development and investment	– 物業發展及投資	1,094,298	1,517,442
– Trading of raw cane sugar	– 原蔗糖貿易	68,898	–
Unallocated corporate assets	未分配企業資產		
– Financial asset at FVTPL	– 按公允值計入損益之財務資產	12	21
– Bank balances and cash	– 銀行結存及現金	1,372	1,376
– Others	– 其他	18,905	16,777
Consolidated total assets	綜合資產總值	1,183,485	1,535,616
Segment liabilities	分部負債		
– Property development and investment	– 物業發展及投資	(397,994)	(891,357)
– Trading of raw cane sugar	– 原蔗糖貿易	(76,135)	–
Unallocated corporate liabilities	未分配企業負債		
– Loan payables	– 應付貸款	(11,277)	(33,225)
– Amount due to a director	– 應付董事款項	(3,139)	(2,862)
– Secured bank borrowings	– 有抵押銀行借款	(1,776)	(11,776)
– Others	– 其他	(4,587)	(2,897)
Consolidated total liabilities	綜合負債總值	(494,908)	(942,117)



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 6. SEGMENT INFORMATION (Continued)

#### (b) Segment assets and liabilities (Continued)

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to segments assets other than certain deposits, other receivables and prepayments, financial asset at FVTPL, certain bank balances and cash and certain other assets; and
- all liabilities are allocated to segments liabilities other than certain other payables, loan payables, amount due to a director, secured bank borrowings and certain other liabilities.

#### (c) Other segment information

2019

### 6. 分部資料 (續)

#### (b) 分部資產及負債 (續)

為監控分部之間的分部表現和分配資源的目的：

- 除若干按金、其他應收款項及預付款項、按公允值計入損益之財務資產、若干銀行結存及現金以及若干其他資產外，所有資產均分配至分部資產；及
- 除若干其他應付款項、應付貸款、應付董事款項、有抵押銀行借款及若干其他負債外，所有負債均分配至分部負債。

#### (c) 其他分部資料

二零一九年

		Property development and investment 物業發展及投資 RMB'000 人民幣千元	Trading of raw cane sugar 原蔗糖貿易 RMB'000 人民幣千元	Unallocated 未分配 RMB'000 人民幣千元	Consolidated 合併 RMB'000 人民幣千元
<i>Amounts included in the measure of segment profit or loss or segment assets:</i>	<i>計量分部損益或分部資產時已計入之款項：</i>				
Fair value change on investment properties	投資物業之公允值變動	4,044	-	-	4,044
Finance costs	財務成本	-	-	1,011	1,011
Depreciation of property, plant and equipment	物業、廠房及設備折舊	514	-	447	961
Depreciation of right-of-use assets	使用權資產折舊	793	-	17	810
<i>Amounts regularly provided to the CODM but not included in the measure of segment profit or loss or segment assets:</i>	<i>定期向主要經營決策者提供但不計入計量分部損益或分部資產的款項：</i>				
Fair value change on financial asset at FVTPL	按公允值計入損益之財務資產之公允值變動	-	-	9	9
Bank interest income	銀行利息收入	(305)	-	(210)	(515)
Other interest income	其他利息收入	-	(194)	(13)	(207)
Income tax expense	所得稅開支	54,603	-	-	54,603

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 6. SEGMENT INFORMATION (Continued)

#### (c) Other segment information (Continued)

2018

### 6. 分部資料 (續)

#### (c) 其他分部資料 (續)

二零一八年

		Property development and investment 物業發展及投資 RMB'000 人民幣千元	Trading of raw cane sugar 原蔗糖貿易 RMB'000 人民幣千元	Unallocated 未分配 RMB'000 人民幣千元	Consolidated 合併 RMB'000 人民幣千元
<i>Amounts included in the measure of segment profit or loss or segment assets:</i>	<i>計量分部損益或分部資產時已計入之款項:</i>				
Additions to property, plant and equipment	添置物業、廠房及設備	119	-	-	119
Fair value change on investment properties	投資物業之公允值變動	4,853	-	-	4,853
Finance costs	財務成本	-	-	2,798	2,798
Depreciation of property, plant and equipment	物業、廠房及設備折舊	395	-	554	949
<i>Amounts regularly provided to the CODM but not included in the measure of segment profit or loss or segment assets:</i>	<i>定期向主要經營決策者提供但不計入計量分部損益或分部資產的款項:</i>				
Fair value change on financial asset at FVTPL	按公允值計入損益之財務資產之公允值變動	-	-	6	6
Bank interest income	銀行利息收入	(407)	-	(6)	(413)
Income tax expense	所得稅開支	6,656	-	-	6,656

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 6. SEGMENT INFORMATION (Continued)

#### (d) Geographical information

For the year ended 31 December 2019, 100% (2018: 100%) of the Group's revenue and assets were derived from customers and operations based in the PRC including Hong Kong (by country of domicile) and accordingly, no further analysis of the Group's geographical information is disclosed.

#### (e) Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

### 6. 分部資料 (續)

#### (d) 地理資料

截至二零一九年十二月三十一日止年度，由於本集團100%（二零一八年：100%）來自客戶及營運之收益及資產均位於中國（包括香港）（按所在國家劃分），故並無進一步披露本集團之地理資料分析。

#### (e) 主要客戶資料

於相應年度來自對本集團總收益貢獻超過10%的客戶之收益如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Customer A (Note)	客戶A (附註)	-	42,465

Note: Amount represented revenue generated from sales of properties to this customer and this customer did not contribute any revenue of the Group in the year ended 31 December 2019.

附註：該金額指與該客戶進行物業銷售產生之收益且該客戶於截至二零一九年十二月三十一日止年度並無為本集團貢獻任何收益。

### 7. OTHER INCOME

### 7. 其他收入

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Bank interest income	銀行利息收入	515	413
Other interest income	其他利息收入	207	-
		<b>722</b>	<b>413</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 8. FINANCE COSTS

### 8. 財務成本

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Interest expenses on	利息開支：		
– bank borrowings	– 銀行借款	514	6,826
– loan payable	– 應付貸款	529	1,097
– lease liabilities	– 租賃負債	58	–
– contract liabilities	– 合約負債	–	1,216
Total borrowing costs	總借款成本	<b>1,101</b>	9,139
Less: Amount capitalised in properties under development	減：在建物業的資本化金額	–	(6,341)
		<b>1,101</b>	2,798

Borrowing costs capitalised during the year ended 31 December 2018 arose from the general borrowing pool and are calculated by applying a capitalisation rate of 4.31% to expenditure on properties under development.

於截至二零一八年十二月三十一日止年度，資本化借款成本來自一般借款儲備，並對在建物業開支應用資本化比率4.31%進行計算。

### 9. INCOME TAX EXPENSE

### 9. 所得稅開支

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Current tax	即期稅項		
PRC EIT	中國企業所得稅	49,449	6,825
PRC LAT	中國土地增值稅	20,396	7,426
		<b>69,845</b>	14,251
Deferred taxation (note 28)	遞延稅項（附註28）		
Current year	本年度	<b>(15,242)</b>	(7,595)
		<b>54,603</b>	6,656

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 9. INCOME TAX EXPENSE (Continued)

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both years. No provision for Hong Kong Profits Tax has been made for the year ended 31 December 2018 as the Group's income neither arises in, nor is derived from, Hong Kong. No provision for Hong Kong Profits Tax has been made for the year ended 31 December 2019 as the Group's assessable profits were wholly absorbed by tax losses brought forward.

Under the Law of the PRC on EIT (the "EIT Law") and Implementation Regulations of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

The provision of PRC LAT is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. PRC LAT has been provided at progressive rates ranging from 30% to 60% on the appreciation of land value, with certain allowable exemptions and deductions.

Under the EIT Law of the PRC, withholding tax is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

### 9. 所得稅開支 (續)

於兩個年度之香港利得稅乃按估計應課稅溢利之16.5%計算。由於本集團之收入並無自香港產生亦無來自香港，故截至二零一八年十二月三十一日止年度並無就香港利得稅作出撥備。由於本集團應課稅溢利由結轉稅項虧損全數抵銷，故截至二零一九年十二月三十一日止年度並無就香港利得稅作出撥備。

根據中國企業所得稅法（「企業所得稅法」）及企業所得稅法實施條例，於兩個年度內，中國附屬公司的稅率均為25%。

中國土地增值稅撥備是按有關中國稅務法律及法規所載之規定作出估計。中國土地增值稅已就土地增值價值按30%至60%的遞增稅率作出撥備（附帶若干許可的豁免及減免）。

根據中國企業所得稅法，自二零零八年一月一日起，中國附屬公司須就其賺取之溢利所宣派之股息繳納預扣稅。綜合財務報表並未就中國附屬公司累計溢利引致之暫時差額作出遞延稅項撥備，概因本集團能夠控制撥回暫時差額之時間，而暫時差額可能不會於可預見將來撥回。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 9. INCOME TAX EXPENSE (Continued)

The tax charge for the year can be reconciled to the profit (loss) before taxation per the consolidated statement of profit or loss as follows:

### 9. 所得稅開支(續)

於年內之稅項開支與綜合損益表中的除稅前溢利(虧損)之對賬如下:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Profit (loss) before taxation	除稅前溢利(虧損)	<b>138,961</b>	(29,364)
Tax calculated at applicable tax rates (Note)	按適用稅率計算之稅項(附註)	<b>36,993</b>	(4,358)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支之稅務影響	<b>2,462</b>	5,362
Tax effect of income not taxable for tax purpose	非課稅收入之稅務影響	-	(1)
Provision of PRC LAT for the year	年內中國土地增值稅撥備	<b>20,396</b>	7,426
Tax effect of PRC LAT deductible for PRC EIT	可就中國企業所得稅扣減 中國土地增值稅之稅務影響	<b>(5,099)</b>	(1,856)
Utilisation of tax losses previously not recognised	動用過往未確認之稅項虧損	<b>(149)</b>	-
Others	其他	-	83
Income tax expense	所得稅開支	<b>54,603</b>	6,656

Note: The weighted average applicable tax rate is 26.62% (2018: 14.84%).

附註: 加權平均適用稅率為26.62%(二零一八年: 14.84%)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 10. PROFIT (LOSS) FOR THE YEAR

Profit (loss) for the year has been arrived at after charging:

### 10. 年內溢利(虧損)

年內溢利(虧損)已扣除以下各項:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Directors' remuneration (note 11a)	董事薪酬(附註11a)	7,946	7,128
Other staff costs	其他員工成本	4,920	4,089
Retirement benefits scheme contributions	退休福利計劃供款	774	609
		<b>13,640</b>	11,826
Auditor's remuneration	核數師酬金	1,190	1,083
Cost of properties held for sale recognised as expenses (included in cost of sales)	確認為開支的持作出售物業成本(計入銷售成本)	578,228	74,627
Cost of raw cane sugar recognised as expenses (included in cost of sales)	確認為開支的原蔗糖成本(計入銷售成本)	46,328	-
Net foreign exchange gain	匯兌收益淨額	(12)	69
Depreciation of property, plant and equipment	物業、廠房及設備折舊	961	949
Depreciation of right-of-use assets	使用權資產折舊	810	-
Operating lease rentals in respect of equipment	設備之經營租賃租金	-	29
Expense related to a short-term lease	短期租賃相關開支	20	-
Expense related to lease of a low-value asset	低價值資產租賃相關開支	6	-

### 11. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

#### (a) Directors' and chief executive's emoluments

The emoluments paid or payable to each of the seven (2018: eight) directors and the chief executive were as follows:

### 11. 董事、主要行政人員及僱員酬金

#### (a) 董事及主要行政人員酬金

已向或應向七位(二零一八年:八位)董事及主要行政人員支付之酬金如下:

		Executive directors 執行董事				Independent non-executive directors 獨立非執行董事			Total 總計
		Mr. CHEN Xian 陳賢先生	Mr. LAU Sai Chung 劉世忠先生	Mr. LIU Feng 劉鋒先生	Mr. LIU Zhongxiang 劉忠翔先生	Mr. POON Michael 潘禮賢先生	Mr. CHAR Shik Ngor 查錫我先生	Ms. LI Jiansheng 李建生女士	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
For the year ended 31 December 2019	截至二零一九年十二月三十一日止年度								
Directors' fees	董事袍金	-	-	-	-	159	159	159	477
Salaries and allowances	薪金及津貼	1,930	1,741	2,225	802	-	-	-	6,698
Discretionary bonus	酌情花紅	161	145	186	67	-	-	-	559
		<b>2,091</b>	<b>1,886</b>	<b>2,411</b>	<b>869</b>	<b>159</b>	<b>159</b>	<b>159</b>	<b>7,734</b>
Retirement benefits scheme contributions	退休福利計劃供款	53	53	53	53	-	-	-	212
Total	總計	<b>2,144</b>	<b>1,939</b>	<b>2,464</b>	<b>922</b>	<b>159</b>	<b>159</b>	<b>159</b>	<b>7,946</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 11. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

#### (a) Directors' and chief executive's emoluments (Continued)

		Executive directors 執行董事					Independent non-executive directors 獨立非執行董事			Total 總計
		Mr. CHEN Xian 陳賢先生 RMB'000 人民幣千元	Mr. LAU Sai Chung 劉世忠先生 RMB'000 人民幣千元	Mr. LIU Feng 劉鋒先生 RMB'000 人民幣千元 (note v) (附註v)	Mr. LIU Zhongxiang 劉忠翔先生 RMB'000 人民幣千元	Ms. XIA Dan XIA Dan女士 RMB'000 人民幣千元 (note iii) (附註iii)	Mr. POON Lai Yin, Michael 潘禮賢先生 RMB'000 人民幣千元	Mr. CHAR Shik Ngor, Stephen 查錫我先生 RMB'000 人民幣千元	Ms. LI Jiangsheng 李建生女士 RMB'000 人民幣千元	
For the year ended 31 December 2018	截至二零一八年 十二月三十一日止年度									
Directors' fees	董事袍金	-	-	-	-	-	152	152	152	456
Salaries and allowances	薪金及津貼	1,848	1,667	2,131	768	50	-	-	-	6,464
		1,848	1,667	2,131	768	50	152	152	152	6,920
Retirement benefits scheme contributions	退休福利計劃供款	51	51	51	51	4	-	-	-	208
Total	總計	1,899	1,718	2,182	819	54	152	152	152	7,128

#### Notes:

- (i) The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. The independent non-executive directors' emoluments shown above were for their services as directors of the Company.
- (ii) The discretionary bonus is determined with reference to the prevailing market conditions, corporate and individual responsibility and performance during the year ended 31 December 2019 (2018: Nil).
- (iii) Ms. Xia Dan resigned as an executive director of the Company on 31 January 2018.
- (iv) Ms. Li Jiangsheng resigned as an independent non-executive director of the Company on 3 January 2020.
- (v) Mr. Lau Sai Chung is also the chief executive of the Company and his emoluments disclosed above include those for services rendered by him as the chief executive.
- (vi) Neither the chief executive nor any of the directors waived or agreed to waive any emoluments paid by the Group during the years ended 31 December 2019 and 2018.

#### 附註:

- (i) 上文所示執行董事之酬金乃與彼等於本公司及本集團之事務管理服務有關。上文所示獨立非執行董事之酬金乃與彼等擔任本公司董事之服務有關。
- (ii) 該酌情花紅乃經參考截至二零一九年十二月三十一日止年度之現行市況、企業及個人責任及表現而釐定(二零一八年:無)。
- (iii) Xia Dan女士於二零一八年一月三十一日辭任本公司執行董事。
- (iv) 李建生女士於二零二零年一月三日辭任本公司獨立非執行董事。
- (v) 劉世忠先生亦為本公司行政總裁,以上所披露之酬金包括其作為行政總裁所提供服務之酬金。
- (vi) 截至二零一九年及二零一八年十二月三十一日止年度,概無主要行政人員或任何董事放棄或同意放棄本集團所支付之任何酬金。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 11. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

#### (b) Employees' emoluments

Of the five individuals with highest emoluments in the Group, four (2018: four) were directors and the chief executive of the Company whose emoluments are set out above. The emoluments of the remaining one (2018: one) individual were as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Salaries and allowances	薪金及津貼	967	926
Retirement benefits scheme contributions	退休福利計劃供款	53	51
Discretionary bonus	酌情花紅	81	–
		<b>1,101</b>	<b>977</b>

Emoluments of the five individuals with highest emoluments including directors were within the following bands:

### 11. 董事、主要行政人員及僱員酬金 (續)

#### (b) 僱員酬金

本集團五名最高酬金個別人士中，四名（二零一八年：四名）為本公司之董事及主要行政人員，彼等之酬金已於上文列載。剩餘一名（二零一八年：一名）個別人士之酬金如下：

五名最高酬金個別人士（包括董事）之酬金介乎以下範圍內：

		Number of individuals (including directors and chief executive) 員工數目（包括董事及 主要行政人員）	
		2019 二零一九年	2018 二零一八年
Nil to HK\$1,000,000	零至港幣1,000,000元	–	1
HK\$1,000,001 to HK\$1,500,000	港幣1,000,001元至 港幣1,500,000元	2	1
HK\$1,500,001 to HK\$2,000,000	港幣1,500,001元至 港幣2,000,000元	–	–
HK\$2,000,001 to HK\$2,500,000	港幣2,000,001元至 港幣2,500,000元	2	2
HK\$2,500,001 to HK\$3,000,000	港幣2,500,001元至 港幣3,000,000元	1	1
		<b>5</b>	<b>5</b>

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## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 11. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

(c) No emolument have been paid by the Group to the directors and the chief executive of the Company or the five highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office during the years ended 31 December 2019 and 2018.

### 12. DIVIDEND

No dividends were declared and proposed by the Company during the years ended 31 December 2019 and 2018, nor has any dividend been proposed since the end of the reporting period.

### 13. EARNINGS (LOSSES) PER SHARE

The calculations of the basic and dilutive earnings (losses) per share attributable to owners of the Company is based on the following data:

### 11. 董事、主要行政人員及僱員酬金 (續)

(c) 截至二零一九年及二零一八年十二月三十一日止年度，本集團概無向本公司董事及主要行政人員或五名最高酬金個別人士支付酬金作為吸引加入或加入本集團時之獎金或作為離職補償。

### 12. 股息

於截至二零一九年及二零一八年十二月三十一日止年度，本公司概無宣派及擬派任何股息，並自報告期末起亦無擬派任何股息。

### 13. 每股盈利(虧損)

本公司擁有人應佔每股基本及攤薄盈利(虧損)乃根據以下數據計算：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>Earnings (losses)</b>	<b>盈利(虧損)</b>		
Earnings (losses) for the purposes of basic and diluted earnings (losses) per share – profit (loss) for the year attributable to owners of the Company	就計算每股基本及攤薄盈利(虧損)而言之盈利(虧損) – 本公司擁有人應佔年內溢利(虧損)	<b>74,184</b>	(34,461)
<b>Number of shares</b>	<b>股份數目</b>		
Weighted average number of share for the purposes of basic and diluted earnings (losses) per share	就計算每股基本及攤薄盈利(虧損)而言之股份加權平均數	<b>1,824,690,520</b>	1,598,503,397

The computation of diluted earnings (losses) per share does not assume the exercise of the Company's options because the exercise price of those options was higher than the average market price for shares for both years.

計算每股攤薄盈利(虧損)時並無假設本公司之購股權獲行使，原因為該等購股權之行使價高於股份於兩個年度之平均市價。



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## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 14. INVESTMENT PROPERTIES

The Group leases out retail stores under operating leases with rentals receivable monthly. The leases typically run for an initial period of 3 to 5 years, with unilateral rights to extend the lease beyond initial period held by lessees only. Majority of the lease contracts contain market review clauses in the event the lessee exercises the option to extend.

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in the respective functional currencies of the group entities. The lease contracts do not contain residual value guarantee and/or lessee's option to purchase the property at the end of lease term.

### 14. 投資物業

本集團根據經營租賃租出零售店舖並每月收取租金。本集團一般按3至5年的初始期間經營租賃，而承租人方擁有初始期間後延長租賃的單方面權利。倘承租人行使延長選擇，大部分租賃合約載有市場檢討條款。

由於所有租賃均以集團實體的相關功能貨幣計值，故本集團並無因租賃安排而面臨外幣風險。租賃合約並無載有剩餘價值擔保及／或承租人於租賃期結束時購買物業的選擇。

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>FAIR VALUE</b>	<b>公允值</b>		
At 1 January	於一月一日	<b>88,962</b>	93,815
Decrease in fair value recognised in profit or loss	於損益確認之公允值減少	<b>(4,044)</b>	(4,853)
At 31 December	於十二月三十一日	<b>84,918</b>	88,962

The fair values of the Group's investment properties of RMB84,918,000 as at 31 December 2019 (2018: RMB88,962,000) have been arrived at on a basis of valuation carried out by Vigers Appraisal & Consulting Limited, an independent professional property valuer not connected with the Group.

In estimating the fair value of an asset, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuer to perform the valuation. Management works closely with the qualified external valuer to establish the appropriate valuation techniques and inputs to the model. Management reports the valuation report and findings to directors semi-yearly to explain the cause of fluctuations in the fair value of the assets.

本集團投資物業於二零一九年十二月三十一日之公允值人民幣84,918,000元（二零一八年：人民幣88,962,000元）乃基於與本集團並無關連之獨立專業物業估值師威格斯資產評估顧問有限公司進行之估值達致。

於估計資產之公允值時，本集團採用可取得之市場可觀察數據。倘並無可用之第一級輸入數據，則本集團委聘第三方合資格估值師進行估值。管理層與合資格外部估值師緊密合作，以確立合適之估值技術及模型之輸入數據。管理層每半年向董事匯報估值報告及結果，以解釋資產公允值波動之原因。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 14. INVESTMENT PROPERTIES (Continued)

The independent property valuer adopted direct comparison approach by making reference to comparable sales evidences as available in the relevant market to reflect current market conditions as of the end of the reporting period to arrive the valuation of investment properties. There has been no change to the valuation technique during the year.

In estimating the fair value of the investment properties, the highest and best use of the investment properties is their current use. The fair values of certain investment properties have been adjusted to exclude prepaid or accrued operating lease income to avoid double counting.

The key inputs used in valuing the investment properties by the independent property valuer under the aforesaid approach was market observable transactions of similar properties. A significant increase in the market transaction price used would result in a significant increase in fair value measurement of the investment properties, and vice versa.

Details of the Group's investment properties and information about the fair value hierarchy as at 31 December 2019 are as follows:

Category	Fair value hierarchy	Fair value 2019 二零一九年之 公允值 RMB'000 人民幣千元	Fair value 2018 二零一八年之 公允值 RMB'000 人民幣千元	Valuation techniques	Significant unobservable inputs 重大不可觀察 輸入數據	Fair value per square meter	Significant inputs to fair value
類別	公允值等級			估值技術		公允值/平方米	公允值之重大輸入數據
Retail shops in the PRC 於中國之零售店	Level 3 第三級	84,918	88,962	Direct comparison approach 直接比較法	Adjusted transaction price 經調整交易價	RMB21,000 (2018: RMB22,000) 人民幣: 21,000元 (二零一八年: 人民幣: 22,000元)	The higher the adjusted transaction price, the higher the fair value 經調整交易價越高, 則公允值越高

There were no transfers into or out of Level 3 during the years ended 31 December 2019 and 2018.

### 14. 投資物業 (續)

獨立物業估值師採納直接比較法並參考相關市場上可用之可比較銷售證據, 以反映直至報告期末之現行市況以達致投資物業之估值。估值技術於年內並無變動。

於估計投資物業之公允值時, 投資物業之最高及最佳用途為其當前用途。若干投資物業之公允值已經調整, 以排除預付或應計之經營租賃收入, 避免雙重計算。

獨立物業估值師根據前述方法對投資物業進行估值時使用之關鍵輸入數據為類似物業之市場可觀察交易。所用市場交易價格顯著增加將導致投資物業之公允值計量大幅增加, 反之亦然。

本集團投資物業之詳情及有關於二零一九年十二月三十一日之公允值等級之資料如下:

截至二零一九年及二零一八年十二月三十一日止年度, 概無轉入或轉出第三級。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 15. PROPERTY, PLANT AND EQUIPMENT

### 15. 物業、廠房及設備

		Leasehold land and buildings 租賃土地及 樓宇 RMB'000 人民幣千元	Leasehold improvements 租賃裝修 RMB'000 人民幣千元	Equipment 設備 RMB'000 人民幣千元	Furniture 傢俱 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Total 總額 RMB'000 人民幣千元
<b>COST</b>	<b>成本</b>						
At 1 January 2018	於二零一八年一月一日	20,077	879	1,448	163	2,991	25,558
Exchange realignment	匯兌調整	1,005	32	96	8	-	1,141
Additions	添置	-	-	119	-	-	119
At 31 December 2018	於二零一八年十二月三十一日	21,082	911	1,663	171	2,991	26,818
Exchange realignment	匯兌調整	373	16	45	1	-	435
At 31 December 2019	於二零一九年十二月三十一日	21,455	927	1,708	172	2,991	27,253
<b>ACCUMULATED DEPRECIATION</b>	<b>累計折舊</b>						
At 1 January 2018	於二零一八年一月一日	4,155	879	890	163	441	6,528
Exchange realignment	匯兌調整	208	32	42	8	-	290
Provided for the year	年內撥備	427	-	223	-	299	949
At 31 December 2018	於二零一八年十二月三十一日	4,790	911	1,155	171	740	7,767
Exchange realignment	匯兌調整	90	16	45	1	-	152
Provided for the year	年內撥備	447	-	215	-	299	961
At 31 December 2019	於二零一九年十二月三十一日	5,327	927	1,415	172	1,039	8,880
<b>CARRYING VALUES</b>	<b>賬面值</b>						
At 31 December 2019	於二零一九年十二月三十一日	16,128	-	293	-	1,952	18,373
At 31 December 2018	於二零一八年十二月三十一日	16,292	-	508	-	2,251	19,051

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## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 15. PROPERTY, PLANT AND EQUIPMENT

(Continued)

Notes:

- (a) The above items of property, plant and equipment are depreciated on a straight-line basis, after taking into account their estimated residual values, at the following useful lives or rates per annum:

Leasehold land and buildings	Over the shorter of the term of the lease or 50 years
Leasehold improvements	Over the shorter of the term of the leases or 5 years
Equipment	18% to 25%
Furniture	18% to 25%
Motor vehicles	10%

- (b) The leasehold land and buildings are situated in Hong Kong.
- (c) Leasehold land and buildings with an aggregate carrying value of RMB16,128,000 (2018: RMB16,292,000) have been pledged to secure general banking facilities granted to the Group.

### 15. 物業、廠房及設備 (續)

附註：

- (a) 以上物業、廠房及設備項目乃經計及其估計剩餘價值後按以下可使用年期或年率以直線法折舊：

租賃土地及樓宇	按租賃期或50年 (以較短者為準)
租賃裝修	按租賃期或5年 (以較短者為準)
設備	18%至25%
傢俱	18%至25%
汽車	10%

- (b) 租賃土地及樓宇均位於香港。
- (c) 租賃土地及樓宇之總賬面值人民幣16,128,000元(二零一八年：人民幣16,292,000元)已作為授予本集團一般銀行信貸之抵押。

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## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 16. RIGHT-OF-USE ASSETS

### 16. 使用權資產

		Leased properties 租賃物業 RMB'000 人民幣千元	Office equipment 辦公室設備 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>At 1 January 2019</b>	於二零一九年一月一日			
Carrying amount	賬面值	-	-	-
<b>At 31 December 2019</b>	於二零一九年十二月三十一日			
Carrying amount	賬面值	1,550	23	1,573
<b>For the year ended 31 December 2019</b>	截至二零一九年十二月三十一日 止年度			
Depreciation charge	折舊費用	793	17	810

RMB'000  
人民幣千元

Expense relating to short-term lease and other lease with lease term end within 12 months of the date of initial application of HKFRS 16	短期租賃及租期於香港財務報告準則第16號初始應用日期起計12個月內結束之其他租賃相關開支			20
Expense relating to lease of low-value assets excluding short-term of low-value assets	低價值資產(不包括短期低價值資產)租賃相關開支			6
Total cash outflow for leases	租賃現金流出總額			866
Addition to right-of-use assets	添置使用權資產			2,395

The leased properties and office equipment are depreciated over the term of the relevant lease using straight-line method.

租賃物業及辦公室設備使用直線法按相關租期折舊。

During the year ended 31 December 2019, the Group leases a staff quarter, car parking spaces and a copier for its operations. Lease contracts are entered into for fixed terms ranging from 1 to 5 years. Lease terms are negotiated on an individual basis and contain a range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

截至二零一九年十二月三十一日止年度，本集團就其營運租賃員工宿舍、停車位及影印機。租賃合約乃按介乎1至5年的固定年期訂立。租賃條款按個別基準磋商，並載有各種不同條款及條件。於釐定租賃條款及評估不可撤回期間的長度時，本集團應用合約的定義並釐定合約可強制執行的期間。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 16. RIGHT-OF-USE ASSETS (Continued)

#### Restrictions or covenants on leases

In addition, lease liabilities of RMB1,612,000 are recognised with related right-of-use assets of RMB1,573,000 as at 31 December 2019. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets cannot be used as security for borrowing purposes.

### 17. INVENTORIES

Raw cane sugar	原蔗糖	22,742	–
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### 18. PROPERTIES HELD FOR SALE

Properties held for sale are situated on leasehold land in the PRC. All the properties held for sale are stated at cost.

### 16. 使用權資產 (續)

#### 租賃限制或契諾

此外，於二零一九年十二月三十一日，為數人民幣1,612,000元之租賃負債乃按相關使用權資產人民幣1,573,000元確認。除出租人所持租賃資產的抵押品權益外，租賃協議並無施加任何契諾。租賃資產不得用作借款之抵押品。

### 17. 存貨

	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
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### 18. 持作出售物業

持作出售物業乃位於中國之租賃土地。所有持作出售物業均以成本列賬。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 19. DEPOSITS, OTHER RECEIVABLES AND PREPAYMENTS

### 19. 按金、其他應收款項及預付款項

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Other receivables	其他應收款項	14,759	10,554
Less: impairment loss recognised	減：已確認減值虧損	(448)	(429)
		14,311	10,125
Deposits paid for acquisition of land use rights (Note)	收購土地使用權支付的按金(附註)	102,460	-
Deposits and prepayments	按金及預付款項	2,093	750
		118,864	10,875

Note: It represents deposits of RMB102,460,000 placed at Maoming City Public Resources Trading Center\* (茂名市公共資源交易中心) in respect of an acquisition of land use rights of a parcel of land situated at JIXIANG-23, Maoming Jixiang District\* (茂名市吉祥小區) in the PRC (the "PRC Land"), which the land is used for property development in the next few years. Such deposits would be utilised upon settlement of the remaining contract sum within twelve months from the end of the reporting period and are classified as a current asset.

附註：指就收購一塊位於中國茂名市吉祥小區JIXIANG-23之土地(「中國土地」)之土地使用權於茂名市公共資源交易中心存放的按金人民幣102,460,000元，該土地於未來數年用於物業發展。有關按金將於報告期末起計十二個月內清償餘下合約金額後動用，並分類為流動資產。

- The english name is for identification purpose only

Movements in impairment loss for other receivables are set out as below:

其他應收款項之減值虧損變動載列如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
At 1 January	於一月一日	429	407
Exchange difference	匯兌差額	19	22
At 31 December	於十二月三十一日	448	429

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 20. RESTRICTED BANK DEPOSIT

The restricted bank deposit represents a guarantee deposit for the construction of project required to be placed in a designated bank account by the PRC Construction Bureau of Maoming City. The amount will be released upon the bank receiving the certificate of property ownership.

Restricted bank deposit carries interest at a market rate of 2.25% (2018: 1.75%) per annum.

### 21. PLEDGED BANK DEPOSITS AND BANK BALANCES AND CASH

Pledged bank deposits amounting to RMB31,285,000 (2018: RMB38,085,000) have been pledged to guarantee the mortgage loans granted by the banks to the customers of the Group and are therefore classified as current assets.

The pledged bank deposits carry interest at a market rate of 0.30% (2018: 0.30%) per annum.

Bank balances carry interest at market rates which ranged from 0.01% to 0.30% (2018: 0.01% to 0.30%) per annum.

### 20. 有限制銀行存款

有限制銀行存款指須存入中國茂名市建設局指定銀行賬戶內用於工程建設之保證金。該金額將於銀行收取物業所有權證後解除。

有限制銀行存款按市場年利率2.25% (二零一八年: 1.75%) 計息。

### 21. 已抵押銀行存款及銀行結存及現金

為數人民幣31,285,000元 (二零一八年: 人民幣38,085,000元) 之已抵押銀行存款已作抵押, 以擔保銀行向本集團客戶授出之按揭貸款, 因此分類為流動資產。

已抵押銀行存款按市場年利率0.30% (二零一八年: 0.30%) 計息。

銀行結存按市場年利率0.01%至0.30% (二零一八年: 0.01%至0.30%) 計息。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 22. TRADE AND OTHER PAYABLES

### 22. 貿易及其他應付款項

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Trade payables	貿易應付款項	32,485	445
Accrued expenditure on construction	應計建築開支	-	43,192
Receipts in advance (Note)	預收款項(附註)	20,919	-
Value-added tax payable	應付增值稅	34,750	18,592
Other tax payables	其他應付稅項	2,257	185
Other payables and accrued charges	其他應付款項及應計費用	7,879	9,041
		<b>98,290</b>	<b>71,455</b>

Note: It represents the receipts in advance from one customer which the sale contract was concluded after the end of the reporting period.

附註：其指預收一名客戶的款項，而該客戶已於報告期末後訂立銷售合約。

Credit periods granted to the Group by suppliers range from 0 to 180 days.

供應商給予本集團0至180天之信貸期。

The following is an aging analysis of trade payables, presented based on the invoice date at the end of the reporting period:

於報告期末之貿易應付款項按發票日期呈列之賬齡分析如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Within 90 days	90天以內	32,105	108
91 – 365 days	91至365天	29	213
Over 365 days	超過365天	351	124
		<b>32,485</b>	<b>445</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 23. CONTRACT LIABILITIES

### 23. 合約負債

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Receipts in advance for sales of properties	銷售物業預收款項	235,620	766,958
Receipts in advance for trading of raw cane sugar	原蔗糖貿易預收款項	20,000	-
		<b>255,620</b>	<b>766,958</b>

As at 1 January 2018, contract liabilities amounted to RMB445,462,000.

於二零一八年一月一日，合約負債為人民幣445,462,000元。

Contract liabilities are expected to be settled within the Group's normal operating cycle.

預期合約負債將於本集團之正常經營週期內清償。

Revenue recognised during the year ended 31 December 2019 and 2018 that was included in the contract liabilities balance at 1 January 2019 and 2018 amounted to RMB645,611,000 and RMB88,324,000 respectively.

計入於二零一九年及二零一八年一月一日的合約負債結餘的截至二零一九年及二零一八年十二月三十一日止年度已確認收益分別為人民幣645,611,000元及人民幣88,324,000元。

### 24. LOAN PAYABLES

### 24. 應付貸款

Loan payables comprise:

應付貸款包括：

- (i) Loan payable to an independent third party amounted to RMB8,940,000 (2018: RMB8,784,000) which is unsecured, interest-bearing at 6% per annum and repayable on 30 April 2020.
- (ii) Loan payable to a related party controlled by a director of the Company of RMB5,449,000 (31 December 2018: RMB24,441,000) which is unsecured, interest-free and repayable on demand.

- (i) 應付一名獨立第三方貸款人民幣8,940,000元（二零一八年：人民幣8,784,000元），該款項為無抵押，按年利率6%計息，並須於二零二零年四月三十日償還。
- (ii) 應付本公司一名董事控制之關連方貸款為人民幣5,449,000元（二零一八年十二月三十一日：人民幣24,441,000元），該款項為無抵押、免息及須按的要求償還。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 25. LEASE LIABILITIES

### 25. 租賃負債

2019  
二零一九年  
RMB'000  
人民幣千元

Lease liabilities payable:	應付租賃負債：	
Within one year	一年內	1,228
Within a period of more than one year but not more than two years	一年後但不超過兩年期間	361
Within a period of more than two years but not more than five years	兩年後但不超過五年期間	23
		1,612
Less: Amount due for settlement with 12 months shown under current liabilities	減：於12個月內到期清償的款項 （於流動負債項下列賬）	(1,228)
Amount due for settlement after 12 months shown under non-current liabilities	於12個月後到期清償的款項 （於非流動負債項下列賬）	384

Lease obligations that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

按相關集團實體功能貨幣以外的貨幣計值之租賃責任載列如下：

RMB'000  
人民幣千元

As at 31 December 2019	於二零一九年十二月三十一日	1,612
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The discount rate adopted for discounting lease liabilities during the year ended 31 December 2019 is 5.83% per annum.

於截至二零一九年十二月三十一日止年度，就貼現租賃負債採用之年度貼現率為5.83%。

### 26. AMOUNTS DUE TO NON-CONTROLLING INTERESTS

The amounts represent the contributions from the non-controlling interests in respect of an acquisition of land use rights of the PRC Land which are unsecured, interest-free and have no fixed repayment term.

### 26. 應付非控制性權益款項

該等款項指有關收購中國地塊之土地使用權之非控制性權益出資，為無抵押、免息，且並無固定還款期。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 27. SECURED BANK BORROWINGS

### 27. 有抵押銀行借款

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Secured bank loans	有抵押銀行借款		
– Variable-rate borrowings	– 浮動利率借款	1,776	11,776
Carrying amount repayable within one year*	應於一年內償還之賬面值*	–	8,784
Carrying amount of bank loans that contain a repayable on demand clause (show under current liabilities) but repayable*:	載有須按要求償還條款但須於以下日期償還之銀行貸款之賬面值* (於流動負債項下列賬):		
– within one year	– 一年內	1,241	1,245
– within a period of more than one year but not exceeding two years	– 一年後但不超過兩年期間	535	1,301
– within a period of more than two years but not exceeding five years	– 兩年後但不超過五年期間	–	446
Amount shown under current liabilities	於流動負債項下列賬之金額	1,776	11,776

\* The amounts due are based on scheduled repayment dates set out in the loan agreements.

\* 該等到期款項乃根據貸款協議所載之計劃償還日期計算。

The Group's variable-rate borrowings carry interest at 3-month Hong Kong Interbank Offered Rate plus 2% per annum.

本集團之浮動利率借款乃按三個月香港銀行同業拆息加年利率2%計息。

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's borrowings are as follows:

本集團實際借款利率(其亦相當於合約利率)範圍如下:

		Year ended 31 December 截至十二月三十一日止年度	
		2019 二零一九年	2018 二零一八年
Effective interest rate	實際利率		
– Variable-rate borrowings	– 浮動利率借款	3.56% to 5.12% 3.56%至5.12%	3.08% to 5.48% 3.08%至5.48%

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 28. DEFERRED TAXATION

### 28. 遞延稅項

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Deferred tax liabilities	遞延稅項負債	40,599	55,841

The following are the major deferred tax liabilities recognised and movements thereof during the current and prior reporting periods:

於本期及過往報告期間，已確認的主要遞延稅項負債及其變動如下：

		PRC LAT provision 中國土地 增值稅撥備 RMB'000 人民幣千元	Fair value adjustments arising from properties under development and properties held for sale 在建物業及 持作出售物業之 公允值調整 RMB'000 人民幣千元	Change in fair value of investment properties 投資物業之 公允值 變動 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2018	於二零一八年一月一日	1,049	(46,580)	(17,905)	(63,436)
Credit to profit or loss	於損益計入	325	6,178	1,092	7,595
At 31 December 2018	於二零一八年十二月三十一日	1,374	(40,402)	(16,813)	(55,841)
Credit to profit or loss	於損益計入	351	13,980	911	15,242
At 31 December 2019	於二零一九年十二月三十一日	1,725	(26,422)	(15,902)	(40,599)

At 31 December 2019, the Group had unused tax losses of RMB35,096,000 (2018: RMB35,999,000) available for offset against future profits. No deferred tax asset has been recognised in respect of such losses as at 31 December 2019 (2018: Nil) due to the unpredictability of future profit streams. Losses may be carried forward indefinitely.

於二零一九年十二月三十一日，本集團有未動用稅項虧損人民幣35,096,000元（二零一八年：人民幣35,999,000元）可用作抵銷未來溢利。於二零一九年十二月三十一日，由於未來溢利來源之不可預知性，並無就該等虧損確認遞延稅項資產（二零一八年：無）。虧損可無限期結轉。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 29. SHARE CAPITAL

### 29. 股本

		Number of shares 股數	HK\$'000 港幣千元	Equivalent to 相當於 RMB'000 人民幣千元
Ordinary shares of HK\$0.10 each	每股港幣0.10元之普通股			
Authorised:	法定：			
At 1 January 2018, 31 December 2018 and 31 December 2019	於二零一八年一月一日、 二零一八年十二月三十一日及 二零一九年十二月三十一日	3,000,000,000	300,000	281,070
Issued and fully paid:	發行及已繳足：			
At 1 January 2018	於二零一八年一月一日	1,524,478,520	152,448	136,015
Issue of new shares (Note)	發行新股份 (附註)	300,212,000	30,021	25,554
At 31 December 2018 and 2019	於二零一八年及 二零一九年十二月三十一日	1,824,690,520	182,469	161,569

Note: On 14 September 2018, the Company entered into a placing agreement (the "Placing Agreement") with a placing agent, an independent third party, to place 300,212,000 placing shares of the Company of HK\$0.15 each to not less than six placees who were not acting in concert with connected persons of the Company. On 3 October 2018, the Company completed the placing of new shares under general mandate and conditions of the Placing Agreement under which a total of 300,212,000 placing shares were successfully placed by the placing agent to not less than six placees at the placing price of HK\$0.15 per share.

Pursuant to the subscription agreement entered into between the Company and subscribers on 3 October 2018, 300,212,000 subscription shares of HK\$0.15 each of the Company were subscribed by subscribers for a cash consideration of HK\$45,031,800 (equivalent to RMB38,331,000). All subscribers were independent third parties.

All the shares issued rank pari passu in all respects with the then existing shares in issue.

附註：於二零一八年九月十四日，本公司與一名配售代理（為獨立第三方）訂立配售協議（「配售協議」），以向不少於六名並非與本公司關連人士一致行動之承配人配售300,212,000股本公司每股面值港幣0.15元之配售股份。於二零一八年十月三日，本公司完成根據一般授權配售新股份及配售協議之條件，據此，合共300,212,000股配售股份已由配售代理成功按每股港幣0.15元之配售價配售予不少於六名承配人。

根據本公司與認購人於二零一八年十月三日訂立之認購協議，300,212,000股本公司每股面值港幣0.15元之認購股份已獲認購人認購，現金代價為港幣45,031,800元（相當於人民幣38,331,000元）。所有認購人均為獨立第三方。

所有已發行股份與當時現有已發行股份在各方面享有同等地位。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 30. SHARE OPTION SCHEME

A share option scheme was adopted by the Company on 30 November 2009 (the "Scheme").

The Company may grant to eligible participants (including any directors, non-executive directors, employees, advisors, consultants, distributors, contractors, suppliers, agents, customers, business partners, joint venture business partners, promoters, service providers of any member of the Group whom the board of directors consider, in its sole discretion, have contributed or will contribute to the Group) options to subscribe for shares in the Company, subject to a maximum of 10% of the issued share capital of the Company as at the adoption date and as at the approval date of refreshment from time to time, excluding for this purpose shares issued on the exercise of options. The subscription price will be determined by the Company's board of directors and will not be less than the highest of (i) the nominal value of the Company's shares, (ii) the average of the closing price of the shares quoted on the Hong Kong Stock Exchange on the five trading days immediately preceding the grant date and (iii) the closing price of the shares on the grant date.

On 13 July 2017, the Company granted a total of 64,000,000 share options to subscribe for 64,000,000 ordinary shares of HK\$0.10 each of the Company to certain eligible individuals without vesting conditions.

As at 31 December 2019 and 2018, the number of share granted and remained outstanding under the Scheme is 64,000,000. No share option has been exercised under the Scheme during the years ended 31 December 2019 and 2018.

### 30. 購股權計劃

本公司已於二零零九年十一月三十日採納一項購股權計劃（「該計劃」）。

本公司可向合資格參與者（包括董事會全權酌情認為曾經或將會對本集團作出貢獻之本集團任何成員公司之任何董事、非執行董事、僱員、顧問、諮詢顧問、分銷商、承建商、供應商、代理、客戶、業務夥伴、合營業務夥伴、創辦人及服務供應商）授出購股權以認購本公司股份，惟最多可認購本公司於購股權計劃採納日期及於不時更新之批准日期的已發行股本之10%（不包括就此目的行使購股權而發行的股份）。認購價將由本公司董事會釐定，其將不會低於下列價值之較高者：(i)本公司股份的面值，(ii)緊接於購股權授出日期前五個交易日於香港聯交所報股份的平均收市價，及(iii)購股權授出日期的收市價。

於二零一七年七月十三日，本公司授出合共64,000,000份購股權予若干名合資格人士，以認購64,000,000股本公司每股面值港幣0.10元之普通股，並無歸屬條件。

於二零一九年及二零一八年十二月三十一日，根據該計劃已授出但仍未行使之購股權數目為64,000,000份。截至二零一九年及二零一八年十二月三十一日止年度，該計劃項下並無購股權獲行使。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 30. SHARE OPTION SCHEME (Continued)

Movements of the Company's share options held by directors and employees during the year are as follows:

### 30. 購股權計劃 (續)

年內，董事及僱員持有之本公司購股權之變動如下：

Category of participants	Date of grant	Number of share options 購股權數目 Outstanding at 1 January 2018, 31 December 2018 and 2019 於二零一八年 一月一日以及 二零一八年及 二零一九年 十二月三十一日 尚未行使	Exercise period	Exercise price per share
參與者類別	授出日期		行使期	每股行使價 HK\$ 港幣元
Directors	13 July 2017	45,000,000	13 July 2017 to 12 July 2022	0.25
董事	二零一七年七月十三日		二零一七年七月十三日至 二零二二年七月十二日	
Employees	13 July 2017	19,000,000	13 July 2017 to 12 July 2022	0.25
僱員	二零一七年七月十三日		二零一七年七月十三日至 二零二二年七月十二日	
		64,000,000		

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 31. RETIREMENT BENEFITS SCHEME

#### Hong Kong

The Group operates the MPF Scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance for its Hong Kong employees. The MPF Scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF Scheme, each of the subsidiaries (the "Employer") in Hong Kong and its employees makes monthly mandatory contributions to the scheme at 5% of the employee's earnings as defined under the Mandatory Provident Fund Legislation. The mandatory contributions from each of the Employer and employees are subject to a cap of HK\$1,500 per month. During the year ended 31 December 2019, a total contribution of RMB641,000 (2018: RMB531,000) was made by the Group in respect of this scheme.

#### The PRC, other than Hong Kong

As stipulated by rules and regulations in the PRC, the PRC subsidiaries are required to contribute to a state-managed retirement plan for all its employees at a certain percentage of the basic salaries of its employees. The state-managed retirement plan is responsible for the entire pension obligations payable to all retired employees. Under the state-managed retirement plan, the Group has no further obligations for the actual pension payments or post-retirement benefits beyond the annual contributions. During the year ended 31 December 2019, a total contribution of approximately RMB257,000 (2018: RMB286,000) was made by the Group in respect of this scheme.

### 31. 退休福利計劃

#### 香港

本集團安排香港僱員參與由香港強制性公積金計劃條例規定的強積金計劃。強積金計劃屬於界定供款計劃，由獨立受託人管理。根據強積金計劃，各香港附屬公司（「僱主」）及其僱員每月均按有關僱員之5%之收入（定義見強制性公積金法例）作出強制性供款。僱主及僱員之強制性供款以每月港幣1,500元為限。截至二零一九年十二月三十一日止年度，本集團就此計劃作出總供款人民幣641,000元（二零一八年：人民幣531,000元）。

#### 中國，除香港外

根據中國的條例及法規規定，中國附屬公司須向為所有僱員而設置之國家退休福利計劃作出供款。供款額為僱員基本薪金的若干百分比。國家退休福利計劃負責向所有退休僱員支付所有退休金。在這個國家退休福利計劃之下，本集團除每年供款外不須對其他實際退休金支出或退休後福利作出任何進一步承擔。截至二零一九年十二月三十一日止年度，本集團就此計劃作出總供款約人民幣257,000元（二零一八年：人民幣286,000元）。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 32. PLEDGE OF ASSETS

At the end of the reporting period, certain assets of the Group were pledged to secure banking facilities granted to the Group and to obtain the mortgage facilities provided to certain purchasers of the Group's properties for which guarantees were provided by the Group to the banks as follows:

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<i>For banking facilities</i>	<i>就銀行信貸而言</i>		
Leasehold land and buildings	租賃土地及樓宇	16,128	16,292
<i>For mortgage facilities</i>	<i>就按揭融資而言</i>		
Restricted bank deposit	有限制銀行存款	896	8,169
Pledged bank deposits	已抵押銀行存款	31,285	38,085
		<b>32,181</b>	46,254

### 33. RELATED PARTY DISCLOSURES

The remuneration of directors and other members of key management during the years ended 31 December 2019 and 2018 are as follows:

#### Compensation of key management personnel

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Salaries and other benefits in kind	薪金及其他實物利益	8,782	7,846
Retirement benefit scheme contributions	退休福利計劃供款	265	259
		<b>9,047</b>	8,105

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

During the year ended 31 December 2019, the Group purchased the raw cane sugar from China Sugar Holdings Limited, a shareholder of the Company, amounted to USD9,500,000 (equivalent to RMB65,619,000) (2018: Nil).

### 32. 抵押資產

於報告期末，本集團之若干資產已作為授予本集團銀行信貸之抵押及取得向本集團物業若干買方提供之按揭融資（並由本集團向銀行提供擔保）如下：

### 33. 關連方披露

截至二零一九年及二零一八年十二月三十一日止年度，董事及其他主要管理層成員之酬金如下：

#### 主要管理層成員之薪酬

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Salaries and other benefits in kind	薪金及其他實物利益	8,782	7,846
Retirement benefit scheme contributions	退休福利計劃供款	265	259
		<b>9,047</b>	8,105

董事及主要管理人員之薪酬由薪酬委員會根據個人表現及市場趨勢釐定。

截至二零一九年十二月三十一日止年度，本集團以9,500,000美元（相當於人民幣65,619,000元）（二零一八年：無）自本公司股東中國糖業集團有限公司購買原蔗糖。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 33. RELATED PARTY DISCLOSURES

(Continued)

#### Related party balances and transactions

Other than the disclosures in notes 11, 24 and 26, and the amount due to a director disclosed on the consolidated statement of financial position which is denominated in HK\$, unsecured, interest-free and repayable on demand, there were no other significant related party balances or transactions.

### 34. COMMITMENTS

#### Commitments under operating leases

##### The Group as lessor

Property rental income earned during the year was RMB1,668,000 (2018: RMB1,927,000). The properties held had committed leases mainly running for the three to five years.

Minimum lease payments receivable on leases as at 31 December 2019 are as follows:

### 33. 關連方披露 (續)

#### 關連方結餘及交易

除附註11、24及26所披露者及於綜合財務狀況表披露以港幣計值且無抵押、免息及須按求償還之應付董事款項外，概無任何其他重大關連方結餘或交易。

### 34. 承擔

#### 經營租賃承擔

##### 本集團作為出租人

於年內賺取之物業租金收入為人民幣1,668,000元(二零一八年：人民幣1,927,000元)。所持物業之租期主要介乎三至五年。

於二零一九年十二月三十一日的租賃應收最低租賃付款如下：

		2019 二零一九年 RMB'000 人民幣千元
Within one year	一年內	1,582
In the second year	第二年	1,302
In the third year	第三年	390
In the fourth year	第四年	31
In the fifth year	第五年	23
After five years	五年後	2
		3,330

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 34. COMMITMENTS (Continued)

#### Commitments under operating leases (Continued)

##### *The Group as lessor (Continued)*

As at 31 December 2018, the Group had contracted with tenants for the following future minimum lease payments.

		2018 二零一八年 RMB'000 人民幣千元
Within one year	一年內	2,203
In the second to fifth year inclusive	第二年至第五年 (包括首尾兩年)	3,167
		5,370

##### *The Group as lessee*

During the year ended 31 December 2018, the Group leases certain of its warehouse and copier under operating leases arrangements. Leases are negotiated for terms ranging from one to two years and rentals are fixed. None of the leases includes contingent rentals and terms of renewal were established in the leases.

### 34. 承擔 (續)

#### 經營租賃承擔 (續)

##### *本集團作為出租人 (續)*

於二零一八年十二月三十一日，本集團與租戶訂有以下未來最低租賃付款。

##### *本集團作為承租人*

於截至二零一八年十二月三十一日止年度，本集團根據經營租賃安排出租其若干倉庫及影印機。洽談的租賃期介乎一年至兩年，而租金已固定。概無租賃包括或然租金，惟租約中已訂明續租條款。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 34. COMMITMENTS (Continued)

#### Commitments under operating leases (Continued)

##### The Group as lessee (Continued)

As at 31 December 2018, the Group had commitments for future minimum lease payments under non-cancellable operating leases which are payable as follows:

		2018 二零一八年 RMB'000 人民幣千元
Within one year	一年內	10
In the second to fifth year inclusive	第二年至第五年（包括首尾兩年）	6
		16

Upon application of HKFRS 16 at 1 January 2019, the commitments are shown under lease liabilities in Note 25.

### 34. 承擔（續）

#### 經營租賃承擔（續）

##### 本集團作為承租人（續）

於二零一八年十二月三十一日，本集團根據不可撤回經營租賃應付之未來最低租賃付款承擔如下：

於二零一九年一月一日應用香港財務報告準則第16號後，該等承擔於附註25租賃負債項下列賬。

#### Other commitments

At the end of the reporting period, the Group has the following capital commitments for purchase of land use rights:

#### 其他承擔

於報告日期末，本集團購入土地使用權之資本承擔如下：

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Contracted for but not provided in the consolidated financial statements	已訂約但未有在綜合財務報表計提撥備	139,052	-



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 35. CONTINGENT LIABILITIES

As at 31 December 2019, the Group's maximum obligations in respect of the mortgage facilities provided to certain purchasers of the Group's properties amounted to RMB577,518,000 (2018: RMB632,271,000).

At the end of the reporting period, the Group provided guarantees in respect of the mortgage facilities granted by certain banks to certain purchasers of the Group's properties and pledged its bank deposits and properties to the relevant banks. Pursuant to the terms of the guarantees, upon default on mortgage payments by these purchasers, the Group is responsible for repaying the outstanding mortgage principals together with the accrued interest and penalties owned by the defaulted purchasers to the banks.

Under the above arrangement, the bank deposits were pledged to the banks as securities on the mortgage loans. Upon default on mortgage payments by these purchasers, the banks are entitled to take over the bank deposits and legal titles of properties and can realise the pledged properties through open auction, or the banks transfer the pledged properties to the Group, then the Group sell the properties through open auction. The Group is obliged to repay the banks for the shortfall if bank deposits and the proceeds from selling the properties through the auction cannot cover the outstanding mortgage principals together with the accrued interest and penalties.

### 35. 或然負債

於二零一九年十二月三十一日，本集團就本集團物業之若干買家獲提供之按揭貸款之最高責任約人民幣577,518,000元（二零一八年：人民幣632,271,000元）。

於報告期末，本集團就若干銀行向本集團物業之若干買家授出之按揭貸款提供擔保，並向有關銀行抵押其銀行存款及物業。根據擔保條款，倘該等買家未能償還按揭款項，則本集團負責償還違約買家欠付銀行之未償還按揭本金連同應計利息及罰款。

根據以上安排，有關銀行存款已作為按揭貸款之擔保抵押予銀行。倘該等買家未能償還按揭款項，則銀行有權接收銀行存款及物業的法定業權，並可透過公開拍賣變現抵押物業，或銀行將抵押物業轉讓予本集團，繼而經本集團透過公開拍賣銷售該等物業。倘銀行存款及拍賣銷售物業所得款項無法補足未償還之按揭本金連同應計利息及罰款，則本集團須向銀行償還差額。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 35. CONTINGENT LIABILITIES (Continued)

The Group's guarantee period starts from the dates of grant of the relevant mortgage loans, and ends upon the earlier of (i) the issuance of real estate ownership certificates to purchasers, which will generally be available within one to two years after the purchasers take possession of the relevant properties; and (ii) the settlement of mortgage loans between the mortgage banks and the purchasers.

In the opinion of the directors, the fair values of these financial guarantee contracts of the Group are insignificant at initial recognition and the directors consider that the possibility of default of the parties involved is remote; accordingly, no value has been recognised at the inception of these guarantee contracts and at the end of the each reporting period.

The Company engaged an independent professional valuer, Norton Appraisals Holdings Limited to assess the fair values of the financial guarantees of the Group and the directors of the Company concluded that the effect is insignificant, and accordingly, no provision for guarantee has been recognised in the consolidated financial statements.

### 35. 或然負債 (續)

本集團之擔保期自授出有關按揭貸款日期開始，至以下各項中較早時間為止：(i)向買家發出房地產所有權證，一般於買家擁有相關物業後一至兩年內發出；及(ii)結清按揭銀行與買家之間的按揭貸款。

董事認為，本集團該等財務擔保合約之公允值於初步確認時微不足道，且董事認為訂約各方違約之可能性極小，因此，概無價值於訂立該等擔保合約時及於各報告期末確認。

本公司委任獨立專業估值師Norton Appraisals Holdings Limited評估本集團財務擔保之公允值，且本公司董事認為影響並不重大，因此概無於綜合財務報表確認擔保撥備。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 36. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Details of the principal subsidiaries at 31 December 2019 and 2018 are as follows:

Name of subsidiary 附屬公司名稱	Place of establishment/ incorporation/ operation 成立/ 註冊成立/ 營業地點	Class of shares held 持有股份類別	Issued and fully paid capital/ registered capital 已發行及繳足股本/ 註冊資本	Proportion ownership interest held by the Company 本公司所持擁有權權益比例				Principal activities 主營業務
				2019 二零一九年		2018 二零一八年		
				Directly 直接	Indirectly 間接	Directly 直接	Indirectly 間接	
Techwayson Management Limited 德維森管理有限公司	Hong Kong 香港	Ordinary shares 普通股	HK\$10,000 港幣10,000元	100%	–	100%	–	Provision of management services 提供管理服務
Techwayson Trading Limited 德維森貿易有限公司	Hong Kong 香港	Ordinary shares 普通股	HK\$10,000 港幣10,000元	100%	–	100%	–	Trading of raw cane sugar 原蔗糖貿易
Maoming Huada Real Estate Development Limited** ("Maoming Huada") 茂名市華大房地產開發有限公司* (「茂名華大」)	The PRC 中國	Contributed capital 繳入資本	RMB50,000,000 人民幣50,000,000元	–	90%	–	90%	Development of real estate in the PRC 於中國發展房地產
Maoming Shang Cheng Real Estate Company Limited** ("Maoming Shang Cheng") (note) 茂名上誠置業有限公司# (「茂名上誠」)(附註)	The PRC 中國	Contributed capital 繳入資本	RMB30,000,000 人民幣30,000,000元	–	65%	–	–	Development of real estate in the PRC 於中國發展房地產

\* The english name is for identification purpose only

# These companies were established in the PRC as non-wholly sino-foreign owned enterprises.

Note: On 27 November 2019, a non-wholly owned subsidiary, Maoming Shang Cheng, was established by the Group's wholly owned subsidiary together with two independent third parties, with a total capital injection of RMB30,000,000 contributed by all parties. Such subsidiary was established set up for the purpose of acquiring the PRC Land for property development.

### 36. 本公司主要附屬公司之詳情

於二零一九年及二零一八年十二月三十一日之主要附屬公司詳細資料如下：

2019  
二零一九年

2018  
二零一八年

\* 英文名稱僅供識別。

# 該等公司為於中國成立之中外合資企業。

附註：於二零一九年十一月二十七日，本集團全資附屬公司連同兩名獨立第三方成立非全資附屬公司茂名上誠，各方注資總額為人民幣30,000,000元。該附屬公司乃就收購中國地塊作物業發展而成立。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 36. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(Continued)

The above table lists the subsidiaries of the Group which, in the opinion of the directors of the Company, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

None of the subsidiaries had any debt securities outstanding as at the end of the year or at any time during the year.

At the end of the reporting period, the Company has other subsidiaries that are not material to the Group. A majority of these subsidiaries operate in Hong Kong and the PRC. The principal activities of these subsidiaries are summarised as follows:

### 36. 本公司主要附屬公司之詳情 (續)

上表呈列本公司董事認為主要影響本集團業績或資產之本集團附屬公司。本公司董事認為列出所有附屬公司資料將令篇幅過於冗長。

概無任何附屬公司在本年結或在年內任何時間有任何未償還債務證券。

於報告期末，本公司有對本集團而言不屬重要之其他附屬公司。該等附屬公司多數於香港及中國經營。該等附屬公司之主要業務概述如下：

Principal activities 主營業務	Principal place of business 主要營業地點	Number of subsidiaries 附屬公司數目	
		2019 二零一九年	2018 二零一八年
Investment holding 投資控股	Hong Kong 香港	2	2
Investment holding 投資控股	The British Virgin Islands 英屬處女群島	1	1
Investment holding 投資控股	The PRC 中國	5	4
		<b>8</b>	<b>7</b>
Inactive 無業務	Hong Kong 香港	2	2
Inactive 無業務	The British Virgin Islands 英屬處女群島	1	1
Inactive 無業務	Cambodia 柬埔寨	1	1
Inactive 無業務	The PRC 中國	4	4
		<b>8</b>	<b>8</b>
		<b>16</b>	<b>15</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 37. NON-CONTROLLING INTERESTS

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

Name of subsidiary 附屬公司名稱	Place of incorporation and principal place of business 註冊成立及主營業務地點	Proportion of ownership interests and voting rights held by non-controlling interests 非控制性權益所持擁有權益及表決權比例		Profit (loss) allocated to non-controlling interests 分配予非控制性權益之溢利(虧損)		Accumulated non-controlling interest 累計非控制性權益	
		2019 二零一九年	2018 二零一八年	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元	2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Maoming Huada 茂名華大	The PRC 中國	10%	10%	10,172	(1,559)	46,649	36,477
Maoming Shang Cheng 茂名上誠	The PRC 中國	35%	-	2	-	10,502	-
				10,174	(1,559)	57,151	36,477

Summarised financial information in respect of the Group's subsidiary that has material non-controlling interests as set out below.

### 37. 非控制性權益

下表列示有重大非控制性權益之本集團非全資附屬公司之詳細資料：

有重大非控制性權益之本集團附屬公司之財務資料摘要載列如下。

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>Maoming Huada</b>	<b>茂名華大</b>		
Current assets	流動資產	721,472	1,425,721
Non-current assets	非流動資產	87,150	91,703
Current liabilities	流動負債	(337,735)	(1,083,861)
Non-current liabilities	非流動負債	(40,599)	(55,841)
Equity attributable to owners of the Company	本公司擁有人應佔權益	383,639	341,245
Equity attributable to non-controlling interests	非控制性權益應佔權益	46,649	36,477

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 37. NON-CONTROLLING INTERESTS

(Continued)

### 37. 非控制性權益 (續)

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Revenue	收益	756,487	90,251
Profit (loss) and total comprehensive income (expense) for the year	年內溢利(虧損)及全面收益(開支)總額	101,724	(15,593)
Profit (loss) and total comprehensive income (expense) for the year attributable to owners of the Company	本公司擁有人應佔年內溢利(虧損)及全面收益(開支)總額	91,552	(14,034)
Profit (loss) and total comprehensive income (expense) for the year attributable to non-controlling interests	非控制性權益應佔年內溢利(虧損)及全面收益(開支)總額	10,172	(1,559)
Profit (loss) and total comprehensive income (expense) for the year	年內溢利(虧損)及全面收益(開支)總額	101,724	(15,593)

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
Net cash (outflow) inflow from operating activities	經營活動所得現金(流出)流入淨額	(58,495)	159,883
Net cash inflow (outflow) from investing activities	投資活動所得現金流入(流出)淨額	14,378	(25,043)
Net cash outflow from financing activities	融資活動所得現金流出淨額	-	(107,000)
Net cash (outflow) inflow	現金(流出)流入淨額	(44,117)	27,840



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 37. NON-CONTROLLING INTERESTS

(Continued)

### 37. 非控制性權益 (續)

2019  
二零一九年  
RMB'000  
人民幣千元

<b>Maoming Shang Cheng</b>	<b>茂名上誠</b>	
Current assets	流動資產	111,531
Current liabilities	流動負債	(71,038)
Equity attributable to owners of the Company	本公司擁有人應佔權益	29,991
Equity attributable to non-controlling interests	非控制性權益應佔權益	10,502

2019  
二零一九年  
RMB'000  
人民幣千元

Revenue	收益	-
Loss and total comprehensive expense for the year	年內虧損及全面開支總額	(7)
Loss and total comprehensive expense for the year attributable to owners of the Company	本公司擁有人應佔年內虧損及全面開支總額	(5)
Loss and total comprehensive expense for the year attributable to non-controlling interests	非控制性權益應佔年內虧損及全面開支總額	(2)
Loss and total comprehensive expense for the year	年內虧損及全面開支總額	(7)

2019  
二零一九年  
RMB'000  
人民幣千元

Net cash outflow from operating activities	經營活動所得現金流出淨額	(102,428)
Net cash inflow from financing activities	融資活動所得現金流入淨額	111,499
Net cash inflow	現金流入淨額	9,071

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

### 38. 本公司財務狀況表

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>Non-current asset</b>	<b>非流動資產</b>		
Interests in subsidiaries	於附屬公司之權益	1,009,623	1,009,623
Current assets	流動資產		
Other receivables	其他應收款項	490	240
Bank balances and cash	銀行結存及現金	788	621
		1,278	861
<b>Current liabilities</b>	<b>流動負債</b>		
Other payables	其他應付款項	2,150	1,888
Amount due to a director	應付董事款項	2,913	2,862
Loan payables	應付貸款	11,277	33,225
		16,340	37,975
<b>Net current liabilities</b>	<b>流動負債淨額</b>	<b>(15,062)</b>	<b>(37,114)</b>
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>	<b>994,561</b>	<b>972,509</b>
<b>Non-current liabilities</b>	<b>非流動負債</b>		
Amounts due to subsidiaries	應付附屬公司款項	850,499	794,949
<b>Net assets</b>	<b>資產淨值</b>	<b>144,062</b>	<b>177,560</b>
<b>Capital and reserves</b>	<b>資本及儲備</b>		
Ordinary share capital	普通股股本	161,569	161,569
Reserves	儲備	(17,507)	15,991
Total equity	權益總額	144,062	177,560

The Company's statement of financial position was approved and authorised for issue by the Board of Directors on 31 March 2020 and are signed on its behalf by:

本公司之財務狀況表已於二零二零年三月三十一日獲董事會批准及授權刊發並由以下人士代表簽署：

**Mr. Liu Feng**  
劉鋒先生  
DIRECTOR  
董事

**Mr. Lau Sai Chung**  
劉世忠先生  
DIRECTOR  
董事

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

The movements in reserves are as follows:

### 38. 本公司財務狀況表 (續)

儲備變動如下：

		Share premium 股份溢價 RMB'000 人民幣千元	Contributed surplus 繳入盈餘 RMB'000 人民幣千元 (Note) (附註)	Share options reserve 購股權儲備 RMB'000 人民幣千元	Translation reserve 匯兌儲備 RMB'000 人民幣千元	Accumulated losses 累計虧損 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2018	於二零一八年一月一日	567,100	67,614	5,481	(371)	(541,608)	98,216
Loss for the year	年內虧損	-	-	-	-	(50,760)	(50,760)
Exchange difference arising on translation functional currency to presentation currency	將功能貨幣換算為呈列貨幣而產生之匯兌差額	-	-	-	(43,355)	-	(43,355)
Total comprehensive expense for the year	年內全面開支總額	-	-	-	(43,355)	(50,760)	(94,115)
Issue of new shares	發行新股份	12,777	-	-	-	-	12,777
Transaction costs attributable to the issue of new shares	發行新股份應佔交易成本	(887)	-	-	-	-	(887)
At 31 December 2018	於二零一八年十二月三十一日	578,990	67,614	5,481	(43,726)	(592,368)	15,991
Loss for the year	年內虧損	-	-	-	-	(18,513)	(18,513)
Exchange difference arising on translation functional currency to presentation currency	將功能貨幣換算為呈列貨幣而產生之匯兌差額	-	-	-	(14,985)	-	(14,985)
Total comprehensive expense for the year	年內全面開支總額	-	-	-	(14,985)	(18,513)	(33,498)
At 31 December 2019	於二零一九年十二月三十一日	578,990	67,614	5,481	(58,711)	(610,881)	(17,507)

Note: Contributed surplus of the Company represents the difference between the nominal value of the ordinary shares issued by the Company and the net asset value of subsidiaries acquired through an exchange of shares pursuant to the group reorganisation in 2001.

附註：本公司繳入盈餘指本公司已發行普通股之面值與根據於二零零一年之集團重組交換股份所獲得附屬公司之資產淨值兩者之差額。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 39. 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 balances. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debts, which include loan payables, lease liabilities, amount due to a director and secured bank borrowings, and equity attributable to owners of the Company, comprising issued share capital and reserves.

The directors review the capital structure on a regular basis. As part of this review, the directors consider the cost of capital and the risks associate with each class of capital. Based on recommendations of the directors, 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 or the redemption of existing debt.

### 39. 資本風險管理

本集團管理其資本，以確保本集團的實體能夠持續經營，同時透過優化債務及股權平衡最大限度地提高股東回報。本集團之整體策略與去年維持不變。

本集團的資本架構包括債務（包括應付貸款、租賃負債、應付董事款項及有抵押銀行借款）及本公司擁有人應佔權益（包括已發行股本及儲備）。

董事定期檢討資本架構。作為該檢討之一部分，董事考慮資本成本及與各類資本有關之風險。根據董事之推薦意見，本集團將透過派付股息、新股發行及股份購回以及發行新債務或贖回現有債務平衡其整體資本架構。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 40. FINANCIAL INSTRUMENTS

#### (a) Categories of financial instruments

		2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<b>Financial assets</b>	<b>財務資產</b>		
FVTPL	按公允值計入損益		
Mandatorily measured at FVTPL	強制按公允值計入損益計量		
– Held-for-trading	– 持作交易	12	21
Financial assets at amortised cost	按攤銷成本計量之財務資產	109,800	108,801
		<b>109,812</b>	108,822
<b>Financial liabilities</b>	<b>財務負債</b>		
At amortised cost	按攤銷成本	77,622	48,308

#### (b) Financial risk management objectives and policies

The Group's major financial instruments include other receivables, financial asset at FVTPL, restricted bank deposit, pledged bank deposits, bank balances and cash, trade and other payables, loan payables, amount due to a director, amount due to a related company and secured bank borrowings. Details of the financial instruments are disclosed in respective notes. The risks associated with the Group's financial instruments include market risk (interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

### 40. 財務工具

#### (a) 財務工具類別

#### (b) 財務風險管理目標及政策

本集團之主要財務工具包括其他應收款項、按公允值計入損益之財務資產、有限制銀行存款、已抵押銀行存款、銀行結存及現金、貿易及其他應付款項、應付貸款、應付董事款項、應付一間關連公司款項及有抵押銀行借款。財務工具之詳情於各相關附註披露。有關本集團財務工具之風險包括市場風險（利率風險）、信貸風險及流動資金風險。如何減輕該等風險之政策載列如下。管理層會管控該等風險承擔，確保適時有效地實施適當措施。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 40. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Market risk

##### Interest rate risk

The Group is exposed to fair value interest rate risk in relation to loan payables and lease liabilities. The Group's loan payables carry fixed contractual interest rates while the lease liabilities carry fixed incremental borrowing rates, and therefore expose the Group to fair value interest rate risk. The carrying values of the loan payables and lease liabilities which are classified as financial liabilities at amortised cost are affected by the change in market interest rate. The Group is also exposed to cash flow interest rate risk in relation to restricted bank deposit, pledged bank deposits, bank balances and variable-rate bank borrowings. Interest rate risk is managed by the management on an ongoing basis with the primary objective of limiting the extent to which net interest expense could be affected by adverse movements in interest rates. Interest rate risk on bank deposits is considered immaterial and therefore has been excluded from the sensitivity analysis below.

##### Currency risk

##### Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for variable-rate bank borrowings at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis points (2018: 50 basis points) increase or decrease is used when reporting interest rate risk internally to key management personnel. Restricted bank deposit, pledged bank deposits and bank balances are excluded from sensitivity analysis as the directors of the Company consider that the exposure of cash flow interest rate risk arising from them is insignificant.

### 40. 財務工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 市場風險

##### 利率風險

本集團就應付貸款及租賃負債面對公允值利率風險。本集團的應付貸款按固定合約利率計息，而租賃負債則按固定增量借款利率計息，故本集團面對公允值利率風險。分類為按攤銷成本計量之財務負債的應付貸款及租賃負債之賬面值受市場利率變動影響。本集團亦就有限制銀行存款、已抵押銀行存款、銀行結存及浮動利率銀行借款面對現金流量利率風險。管理層按持續基準管理利率風險，主要目的為限制利息開支淨額受利率不利變動影響的程度。由於銀行存款的利率風險不大，因此並未包括在下列敏感度分析內。

##### 貨幣風險

##### 利率敏感度分析

以下的敏感度分析是對於報告期末之浮動利率銀行借款的利率風險而作出。分析乃假設於報告期末未償還財務工具於整年度仍未償還而編製。向主要管理人員就利率風險進行內部匯報時，採用增加或減少50個基點（二零一八年：50個基點）。敏感度分析不包括有限制銀行存款、已抵押銀行存款及銀行結存，原因是本公司董事認為有關款項產生的現金流量利率風險不大。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 40. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Currency risk (Continued)

##### Interest rate sensitivity analysis (Continued)

If the interest rates had been 50 basis points (2018: 50 basis points) higher or lower and all other variables were held constant, the Group's profit (2018: loss) for the year would decrease/increase by RMB7,000 (2018: increase/decrease by RMB49,000).

##### Credit risk and impairment assessment

As at 31 December 2019, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group performs impairment assessment under ECL model under application of HKFRS 9 on other receivables individually. In this regard, the directors consider that the Group's credit risk is significantly reduced.

### 40. 財務工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 貨幣風險 (續)

##### 利率敏感度分析 (續)

倘利率上升或下跌50個基點(二零一八年:50個基點),而所有其他可變因數維持不變,本集團年度溢利(二零一八年:虧損)將相應下跌/上升人民幣7,000元(二零一八年:上升/下跌人民幣49,000元)。

##### 信貸風險及減值評估

於二零一九年十二月三十一日,由於交易對方未能履行責任,本集團面對因於綜合財務狀況表中列示之相關已確認財務資產賬面值而產生將對本集團造成財務損失之最大信貸風險。

為減低信貸風險,本集團管理層已成立專責隊伍負責釐定信貸限額、信貸批核及其他監控程序,以確保採取跟進行動追回逾期欠款。此外,於應用香港財務報告準則第9號後,本集團根據預期信貸虧損模式就其他應收款項進行個別減值評估。就此,董事認為可大幅減低本集團的信貸風險。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 40. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

#### Credit risk and impairment assessment (Continued)

The Group's internal credit risk grading assessment comprises the following categories:

### 40. 財務工具 (續)

#### (b) 財務風險管理目標及政策 (續)

#### 信貸風險及減值評估 (續)

本集團的內部信貸風險級別評估包括以下分類：

Internal credit rating 內部信貸評級	Description 描述	Other financial assets/ other items 其他財務資產／其他項目
Low risk 低風險	The counterparty has a low risk of default and does not have any past-due amounts 交易對方的違約風險較低，且並無任何逾期款項	12-month ECL 12個月預期信貸虧損
Medium risk 中等風險	There have been significant increases in credit risk since initial recognition and had past-due amounts but have been settled subsequently 自初步確認起，信貸風險已大幅增加，且擁有逾期款項，但已於其後清償	Lifetime ECL – not credit-impaired 全期預期信貸虧損－未出現信貸減值
High risk 高風險	There is evidence indicating the asset is credit-impaired 有證據表明資產已出現信貸減值	Lifetime ECL – credit-impaired 全期預期信貸虧損－已出現信貸減值
Write-off 撇銷	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery 有證據表明債務人陷入嚴重財務困難，而本集團日後實際上無法收回款項	Amount is written off 金額已撇銷

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 40. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

#### Credit risk and impairment assessment (Continued)

The tables below detail the credit risk exposures of the Group's other receivables, restricted bank deposit, pledged bank deposits and bank balances which are subject to ECL assessment:

### 40. 財務工具 (續)

#### (b) 財務風險管理目標及政策 (續)

#### 信貸風險及減值評估 (續)

下表詳述本集團其他應收款項、有限制銀行存款、已抵押銀行存款及銀行結存(均需進行預期信貸虧損評估)所面臨之信貸風險:

	Notes 附註	External credit rating 外界信貸 評級	Internal credit rating 內部信貸 評級	12-month or lifetime ECL 12個月或 全期預期信貸虧損	Gross carrying amount 總賬面值	
					2019 二零一九年 RMB'000 人民幣千元	2018 二零一八年 RMB'000 人民幣千元
<i>Financial assets at amortised cost</i>						
Bank balances	21	A3	N/A 不適用	12-month ECL 12個月預期信貸虧損	63,507	52,395
Restricted bank deposit	20	A3	N/A 不適用	12-month ECL 12個月預期信貸虧損	896	8,169
Pledged bank deposits	21	A3	N/A 不適用	12-month ECL 12個月預期信貸虧損	31,285	38,085
Other receivables	19	N/A 不適用	Low risk 低風險 High risk 高風險	12-month ECL 12個月預期信貸虧損 lifetime ECL (credit-impaired) 全期預期信貸虧損 (信貸減值)	14,091 448	10,125 429
<i>Other items</i>						
Financial guarantee contracts (Note)	35	N/A 不適用	Low risk 低風險	12-month ECL 12個月預期信貸虧損	577,518	632,271

Note: For financial guarantee contracts, the gross carrying amount represents the maximum amount the Group has guaranteed under the respective contracts.

附註: 就財務擔保合約而言, 總賬面值指本集團根據各合約已擔保的最高金額。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 40. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### *Credit risk and impairment assessment (Continued)*

##### *Bank balance, restricted bank deposit and pledged bank deposit*

The credit risks on bank balances, restricted bank deposit and pledged bank deposits are limited because counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

##### *Other receivables*

For other receivables under 12-month ECL, the directors of the Company make periodic individual assessment on the recoverability of other receivables based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. The other receivables attribute to the advance payment of project cost and advance payment to staff for business purpose are not past due and with settlement during the year. The directors of the Company believe that there is no significant increase in credit risk of these amounts since initial recognition. For the year ended 31 December 2019 and 2018, the Group assessed the ECL for other receivables as insignificant and thus no loss allowance was recognised.

For other receivables under lifetime ECL (credit-impaired) which are past due more than five years and considered as default and irrecoverable. The directors of the Company believe that other receivables are credit-impaired and the loss allowance was recognised before 1 January 2018. For the year ended 31 December 2019 and 2018, the Group did not reclassify any other receivables from 12-month ECL to lifetime ECL (credit-impaired) as there is no significant increase in credit risk of other receivables and thus no further loss allowance was recognised.

### 40. 財務工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### *信貸風險及減值評估 (續)*

##### *銀行結存、有限制銀行存款及已抵押銀行存款*

由於交易對方為獲得國際信貸評級機構評定為高信貸評級的銀行，因此有關銀行結存、有限制銀行存款及已抵押銀行存款的信貸風險有限。

##### *其他應收款項*

就12個月預期信貸虧損項下的其他應收款項而言，本公司董事根據過往結算記錄、過往經驗，以及合理且可靠之定量及定性前瞻性資料對其他應收款項之可收回程度逐項進行定期評估。歸屬於項目成本預付款項及就業務預付員工款項的其他應收款項並無逾期，並於年內結算。本公司董事認為自初始確認以來該等款項的信貸風險並無顯著增加。截至二零一九年及二零一八年十二月三十一日止年度，本集團評定其他應收款項的預期信貸虧損為並不重大，因此並無確認虧損撥備。

就全期預期信貸虧損（信貸減值）項下的其他應收款項而言，該等其他應收款項已逾期超過五年，且視為違約及不可收回。本公司董事認為，於二零一八年一月一日之前，其他應收款項出現信貸減值，虧損撥備亦予以確認。截至二零一九年及二零一八年十二月三十一日止年度，由於其他應收款項的信貸風險並無顯著增加，本集團並無將任何其他應收款項由12個月預期信貸虧損項重新分類為全期預期信貸虧損（信貸減值），因此並無進一步確認虧損撥備。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 40. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Credit risk and impairment assessment (Continued)

###### Financial guarantee contracts

The credit risk of financial guarantee contracts are limited as any default on mortgage payments by the purchasers, the banks are entitled to take over the bank deposits and legal titles of properties and can realise the pledged properties through open auction, or the banks transfer the pledged properties to the Group, then the Group sell the properties through open auction. The directors of the Company believe that there are no significant increase in credit risk of these amounts since initial recognition. For the year ended 31 December 2019 and 2018, the Group assessed the ECL for financial guarantee contracts as insignificant and thus no loss allowance was recognised.

The following table shows the movements in lifetime ECL that has been recognised for other receivables under the general approach.

### 40. 財務工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 信貸風險及減值評估 (續)

###### 財務擔保合約

由於倘買方出現任何按揭付款違約，銀行有權接收銀行存款及物業的法定業權，並可透過公開拍賣變現抵押物業，或銀行將抵押物業轉讓予本集團，繼而經本集團透過公開拍賣銷售該等物業，故財務擔保合約的信貸風險有限。本公司董事認為，該等款項自初步確認以來並無重大信貸風險增加。截至二零一九年及二零一八年十二月三十一日止年度，本集團評定財務擔保合約的預期信貸虧損為並不重大，因此並無確認虧損撥備。

下表載列根據一般方法確認為其他應收款項的全期預期信貸虧損之變動。

		Lifetime ECL (credit impaired) 全期預期 信貸虧損 (信貸減值) RMB'000 人民幣千元
At 1 January 2018	於二零一八年一月一日	407
Exchange adjustments	匯兌調整	22
At 31 December 2018	於二零一八年十二月三十一日	429
Exchange adjustments	匯兌調整	19
At 31 December 2019	於二零一九年十二月三十一日	448

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 40. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Liquidity risk

In management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

##### Liquidity risk analysis

The following table details the Group's contractual maturity for their non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities on the earliest date on which the Group can be required to pay. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

### 40. 財務工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 流動資金風險

在管理流動資金風險時，本集團監察及維持管理層認為足夠的現金及現金等價物水平，以為本集團的經營提供資金，並減輕現金流量波動的影響。管理層監察銀行借款的使用及確保符合貸款契約。

##### 流動資金風險分析

下表詳列本集團非衍生財務負債的合約到期情況。該等列表根據本集團可被要求還款的最早日期按財務負債未貼現現金流量計算而製成。其他非衍生財務負債的到期日乃根據所協定還款年期而定。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 40. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Liquidity risk (Continued)

##### Liquidity risk analysis (Continued)

The table includes both interest and principal cash flows. To the extent that interest flows are floating rates, the undiscounted amount is derived from the interest rate at the end of the reporting period.

### 40. 財務工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 流動資金風險 (續)

##### 流動資金風險分析 (續)

下表載有利息及本金現金流量。於利息流量為浮動息率的前提下，未貼現金額乃以報告期末的利率計算。

	Weighted average interest rate	On demand or less than 3 months	3 months to 1 year	1 year to 2 years	2 to 5 years	Total undiscounted cash flows	Carrying amount at 31 December 2019	
	加權平均利率 %	按要求或少於三個月 RMB'000 人民幣千元	三個月至一年 RMB'000 人民幣千元	一年至兩年 RMB'000 人民幣千元	兩年至五年 RMB'000 人民幣千元	未貼現現金流量總額 RMB'000 人民幣千元	於二零一九年十二月三十一日之賬面值 RMB'000 人民幣千元	
<b>Non-derivative financial liabilities</b>	<b>非衍生財務負債</b>							
Trade and other payables	貿易及其他應付款項	N/A 不適用	58,318	-	-	58,318	58,318	
Amount due to a director	應付董事款項	N/A 不適用	3,139	-	-	3,139	3,139	
Secured bank borrowings – variable rate	有抵押銀行借款 – 浮動利率	4	1,776	-	-	1,776	1,776	
Loan payables	應付貸款	3.7	5,450	9,207	-	14,657	14,389	
Lease liabilities	租賃負債	0.5	333	956	386	1,700	1,612	
Financial guarantee contracts	財務擔保合約	N/A 不適用	577,518	-	-	577,518	-	
			646,534	10,163	386	25	657,108	79,234

	Weighted average interest rate	On demand or less than 3 months	3 months to 1 year	1 year to 2 years	2 to 5 years	Total undiscounted cash flows	Carrying amount at 31 December 2018	
	加權平均利率 %	按要求或少於三個月 RMB'000 人民幣千元	三個月至一年 RMB'000 人民幣千元	一年至兩年 RMB'000 人民幣千元	兩年至五年 RMB'000 人民幣千元	未貼現現金流量總額 RMB'000 人民幣千元	於二零一八年十二月三十一日之賬面值 RMB'000 人民幣千元	
<b>Non-derivative financial liabilities</b>	<b>非衍生財務負債</b>							
Trade and other payables	貿易及其他應付款項	N/A 不適用	445	-	-	445	445	
Amount due to a director	應付董事款項	N/A 不適用	2,862	-	-	2,862	2,862	
Secured bank borrowings – variable rate	有抵押銀行借款 – 浮動利率	5.1	11,776	-	-	11,776	11,776	
Loan payables	應付貸款	1.6	24,441	9,048	-	33,489	33,225	
Financial guarantee contracts	財務擔保合約	N/A 不適用	632,271	-	-	632,271	-	
			671,795	9,048	-	-	680,843	48,308

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## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 40. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Liquidity risk (Continued)

##### Liquidity risk analysis (Continued)

Bank borrowings with a repayment on demand clause are included in the "on demand or less than 3 months" time band in the above maturity analysis. As at 31 December 2019 and 2018, the aggregate undiscounted principal amounts of these bank borrowings amounted to RMB1,776,000 and RMB2,992,000 respectively. Taking into account the Group's financial position, the directors do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The directors believe that such bank borrowings will be repaid two years (2018: three years) after the end of the reporting period in accordance with the scheduled repayment dates set out in the loan agreements, details of which are set out in the table below:

		Weighted average interest rate	Within 1 year	1 year to 2 years	2 to 5 years	Total undiscounted cash flows	Carrying amount at
							31 December 2019
		加權平均利率 %	一年內 RMB'000 人民幣千元	一年至兩年 RMB'000 人民幣千元	兩年至五年 RMB'000 人民幣千元	未貼現現金流量總額 RMB'000 人民幣千元	於二零一九年十二月三十一日之賬面值 RMB'000 人民幣千元
<b>Non-derivative financial liabilities</b>	<b>非衍生財務負債</b>						
Secured bank borrowings	有抵押銀行借款						
- variable rate	- 浮動利率	4	1,295	540	-	1,835	1,776
		Weighted average interest rate	Within 1 year	1 year to 2 years	2 years to 5 years	Total undiscounted cash flows	Carrying amount at
		加權平均利率 %	一年內 RMB'000 人民幣千元	一年至兩年 RMB'000 人民幣千元	兩年至五年 RMB'000 人民幣千元	未貼現現金流量總額 RMB'000 人民幣千元	於二零一八年十二月三十一日之賬面值 RMB'000 人民幣千元
<b>Non-derivative financial liabilities</b>	<b>非衍生財務負債</b>						
Secured bank borrowings	有抵押銀行借款						
- variable rate	- 浮動利率	4	1,351	1,351	450	3,152	2,992

### 40. 財務工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 流動資金風險 (續)

##### 流動資金風險分析 (續)

具有可按要求償還條款之銀行借款均計入上述到期日分析「按要求或少於三個月」之時間範圍內。於二零一九年及二零一八年十二月三十一日，銀行借款之未貼現本金額分別合共為人民幣1,776,000元及人民幣2,992,000元。計及本集團之財務狀況後，董事不相信銀行可能行使其要求即時還款之酌情權。本公司董事相信，該等銀行借款將於報告日期後兩年（二零一八年：三年）內根據貸款協議所載預定還款日期償還，其詳情載於下表：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 40. FINANCIAL INSTRUMENTS (Continued)

#### (b) Financial risk management objectives and policies (Continued)

##### Liquidity risk (Continued)

##### Liquidity risk analysis (Continued)

The amounts included above for financial guarantee contracts are the maximum amounts the Group could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the Group considers that it is more likely than not that no amount will be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

The amounts included above for variable interest rate instruments are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

### 40. 財務工具 (續)

#### (b) 財務風險管理目標及政策 (續)

##### 流動資金風險 (續)

##### 流動資金風險分析 (續)

上述財務擔保合約所包含的金額為本集團根據安排就全數擔保金額(倘擔保之交易對方申索該金額)可能被要求償付的最高金額。根據於報告期末之預測,本集團認為有可能無需根據有關安排支付任何款項。然而,此估計可能有所改變,取決於交易對方因其持有之已擔保財務應收款項遭受信貸虧損而根據擔保申索之可能性。

倘浮動利率的變動與報告期末釐定的估計利率不同,則上述浮動利率工具所包含的金額可予變動。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 40. FINANCIAL INSTRUMENTS (Continued)

#### (c) Fair values

The fair values of financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on a discounted cash flow analysis using prices from observable current market transactions. The directors consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate to their fair values.

#### (d) Fair value measurements of financial instruments

One of the Group's financial assets is measured at fair value at the end of the reporting period. The following table provides an analysis of financial instrument that is measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

		Level 1 第一級 RMB'000 人民幣千元	Level 2 第二級 RMB'000 人民幣千元	Level 3 第三級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>As at 31 December 2019</b>	<b>於二零一九年十二月三十一日</b>				
Financial asset at FVTPL	按公允價值計入損益之財務資產	12	-	-	12
<b>As at 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>				
Financial asset at FVTPL	按公允價值計入損益之財務資產	21	-	-	21

There were no transfers between Levels 1 and 2 during both years. The fair value of the financial assets at FVTPL is from quoted bid prices in an active market.

### 40. 財務工具 (續)

#### (c) 公允值

財務資產及財務負債的公允值乃根據公認的定價模式按現時可觀察的市場交易之價格以貼現現金流量分析釐訂。董事認為，於綜合財務報表內確認的財務資產及財務負債賬面值與其公允值相若。

#### (d) 財務工具之公允值計量

本集團之其中一項財務資產於報告期末按公允值計量。下表載列財務工具之分析，其乃於初步確認後按公允值計量並根據可觀察公允值列入第一級至第三級。

於兩個年度，第一級與第二級之間並無轉撥。按公允值計入損益之財務資產之公允值來自於活躍市場所報買入值。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 41. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

### 41. 融資活動所產生負債之對賬

下表詳列本集團融資活動所產生負債之變動，包括現金及非現金變動。融資活動所產生負債指現金流已經或未來現金流將會於本集團綜合現金流量表分類為融資活動現金流量之負債。

		Lease liabilities	Loan payables	Amounts due to non-controlling interests	Amount due to a director	Borrowings	Interest payable (included in other payables)	Total
		租賃負債	應付貸款	應付非控制權益款項	應付董事款項	借款	應付利息 (計入其他應付款項)	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2018	於二零一八年一月一日	-	16,656	-	2,714	119,304	361	139,035
Financing cash flows	融資現金流量	-	15,040	-	-	(108,414)	(9,139)	(102,513)
Foreign exchange translation	匯率換算	-	1,529	-	148	886	(273)	2,290
Interest expenses	利息開支	-	-	-	-	-	2,798	2,798
Interest expense capitalised to properties under development	資本化至在建物業之利息開支	-	-	-	-	-	6,341	6,341
At 31 December 2018	於二零一八年十二月三十一日	-	33,225	-	2,862	11,776	88	47,951
Financing cash flows	融資現金流量	(840)	(19,426)	15,994	226	(10,058)	(1,043)	(15,147)
Foreign exchange translation	匯率換算	(1)	590	-	51	58	(34)	664
Interest expenses	利息開支	58	-	-	-	-	1,043	1,101
New lease entered	新訂租賃	2,395	-	-	-	-	-	2,395
At 31 December 2019	於二零一九年十二月三十一日	1,612	14,389	15,994	3,139	1,776	54	36,964

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended 31 December 2019 截至二零一九年十二月三十一日止年度

### 42. SUBSEQUENT EVENTS

- (a) Due to the outbreak of the COVID-19 in China the beginning of 2020 is a fluid and challenging situation facing all the industries of the society. In amid the further wide spread of COVID-19 worldwide in March 2020, the uncertainty of global economy further increase. The Group has already assessed the overall impacts of the situation on the operation of the Group and taken all possible effective measures to limit and keep the impacts in control. The Group will continue to monitor the change of situation and make timely response and adjustments in the future.

The Group has issued financial guarantees to banks in relation to the mortgages taken out by the buyers of the Group's properties. The outbreak of the COVID-19, which negatively affected the economy, is expected to affect the debtors' ability of mortgage repayment and the decrease in the market value of relevant properties may increase the ECL provision for the related financial guarantee contracts. However, after the thorough assessment performed by the directors of the Company, the possibility of default of the parties involved is remote and the impact of ECL provision for the related financial guarantee contracts of the Group are insignificant. Subject to the development of COVID-19 outbreak and the economy in the PRC, such provision may or may not be required in the future.

- (b) On 27 November 2019, Maoming Shang Cheng, an indirect non-wholly owned subsidiary of the Company, successfully won the bid of land use rights of the PRC Land offered for a consideration of RMB241,511,900. A deposit of RMB102,460,000 has been transferred before the end of the reporting period, while a further sum of RMB50,000,000 has been paid in January 2020. The remaining sum of RMB89,051,900 is expected to settle in April 2020 to complete the land acquisition transaction.

### 42. 其後事項

- (a) 由於中國爆發新型冠狀病毒肺炎，二零二零年初社會各行各業現正面臨多變及充滿挑戰的境況。隨著新型冠狀病毒肺炎於二零二零年三月在全球範圍內進一步廣泛傳播，全球經濟的不確定性進一步加劇。本集團已評估有關情況對本集團營運狀況之整體影響，並採取一切可能有效之措施，將有關影響限制於控制範圍內。本集團將繼續監察有關狀況之變動，並於日後適時作出回應及調整。

本集團已就本集團物業買方所取得的按揭向銀行發出財務擔保。新型冠狀病毒肺炎的爆發對經濟帶來負面影響，預期將影響債務人的按揭還款能力，且相關物業的市值下降可能會增加相關財務擔保合約的預期信貸虧損撥備。然而，根據本公司董事進行的詳盡評估，有關各方的違約概率較低，且本集團相關財務擔保合約的預期信貸虧損撥備影響並不重大。日後未必需要作出有關撥備，視乎新型冠狀病毒肺炎疫情的發展情況及中國經濟而定。

- (b) 於二零一九年十一月二十七日，本集團間接非全資附屬公司茂名上誠成功中標中國地塊的土地使用權，代價為人民幣241,511,900元。按金人民幣102,460,000元已於報告期末前轉撥，而另一筆款項人民幣50,000,000元已於二零二零年一月支付。預期餘款人民幣89,051,900元將於二零二零年四月償付，以完成土地收購交易。



# Schedule of Properties

## 物業概覽表

At 31 December 2019 於二零一九年十二月三十一日

### A. PROPERTIES IN THE PRC

### A. 位於中國之物業

Location 地點	Usage 用途	Area 面積	Lease term 租賃期	Group's interest 本集團 應佔權益	Stage of development & Classification 開發階段及 分類	Date of Completion 完工日期
Portion of Maoming Project, Zhanqian 7th Road, Yuehua East District, Maoming 茂名市站前七路 粵華東小區 茂名項目之部分	Commercial 商業	Gross floor area – approximately 4,000 sq. m. 總建築面積 – 約4,000平方米	Medium to long term 中期至長期	90%	Completed, investment properties 已完成, 投資物業	2016 二零一六年
Unsold portion of Maoming Project, Zhanqian 7th Road, Yuehua East District, Maoming 茂名市站前七路 粵華東小區茂名項目 未出售部分	Commercial and residential complex 商業及住宅綜合體	Gross floor area – approximately* 245,000 sq. m. 總建築面積 – 約*245,000平方米	Medium to long term 中期至長期	90%	Completed, properties held for sale 已完工, 持作出售物業	2016/2018 二零一六年 / 二零一八年

\* Including sold and unsold portion.

\* 包括已售及未售部分。

### B. PROPERTIES IN HONG KONG

### B. 位於香港之物業

Location 地點	Usage 用途	Approximate saleable area 概約可出售面積	Lease term 租賃期	Group's interest 本集團 應佔權益
Suite 1501, 15th Floor, Tower 1, Silvercord, 30 Canton Road, Tsimshatsui, Kowloon. 九龍尖沙咀廣東道30號新港中心一期15樓1501室	Office premises – Own use 寫字樓物業 – 自用	242 sq.m. 242平方米	Medium 中期	100%



**China Uptown Group Company Limited**  
**中國上城集團有限公司**