

CHINA INTERNET INVESTMENT FINANCE
HOLDINGS LIMITED
中國互聯網投資金融集團有限公司

Annual Report
2019 年報



CHINA INTERNET INVESTMENT FINANCE
HOLDINGS LIMITED
中國互聯網投資金融集團有限公司



CHINA INTERNET INVESTMENT FINANCE HOLDINGS LIMITED

中國互聯網投資金融集團有限公司

is an investment company listed on the Main Board of the Hong Kong Stock Exchange. We focus on investing in listed shares, bonds and private equity.

為一間於香港聯交所主板上市之投資公司。
我們專注投資於上市股票、債券及非上市公司股權。

In November 2019, the CEO of Ooniq, Mr. Aleksandr Prochorov, a Lithuanian Insurtech company, presented a souvenir to the CEO, Dr. Yeung Cheuk Kwong during the China High Tech Fair.

於二零一九年十一月，Ooniq（一家立陶宛保險科技公司）行政總裁 Aleksandr Prochorov 先生於中國國際高新技術成果交易會上向行政總裁楊卓光博士贈送紀念品。



MISSION 使命

Becoming a well-known investment company in Hong Kong with focus in Internet and New-Economy Sectors

成為香港知名的投資公司，並以互聯網及新經濟行業為重心

INVESTMENT STRATEGIES 投資策略

- Strategic asset allocation
策略資產配置
- Prudent but proactive investment approach
穩健、進取並舉的投資風格
- Capital appreciation and stable returns
資本增值及穩健回報

Our CEO, Dr. Yeung Cheuk Kwong met up with the TMT partner of KPMG Paris, Mr. Guillaume Livet.

我們的行政總裁楊卓光博士與畢馬威巴黎TMT合夥人Guillaume Livet先生會晤。



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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS AND CHIEF EXECUTIVE OFFICER

Chairman and Non-executive Director

Dr. Lam Man Chan

Executive Director

Mr. Lee Kwok Leung

Chief Executive Officer

Dr. Yeung Cheuk Kwong

Independent Non-executive Directors

Dr. Ng Chi Yeung, Simon

Mr. Tam Yuk Sang, Sammy

Ms. Florence Ng

AUDIT COMMITTEE

Mr. Tam Yuk Sang, Sammy (*Chairman*)

Dr. Ng Chi Yeung, Simon

Ms. Florence Ng

REMUNERATION COMMITTEE

Mr. Tam Yuk Sang, Sammy (*Chairman*)

Dr. Ng Chi Yeung, Simon

Ms. Florence Ng

NOMINATION COMMITTEE

Dr. Ng Chi Yeung, Simon (*Chairman*)

Mr. Lee Kwok Leung

Mr. Tam Yuk Sang, Sammy

Ms. Florence Ng

JOINT COMPANY SECRETARIES

Mr. Leung Yiu Wah

Ms. Cheng Suk Fun

AUDITOR

Deloitte Touche Tohmatsu

INVESTMENT MANAGER

Silverstone Investments Limited

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited

Chong Hing Bank Limited

Chiyu Banking Corporation Limited

China Construction Bank (Asia) Corporation Limited

UBS AG

董事會及行政總裁

主席兼非執行董事

林文燦博士

執行董事

李國樑先生

行政總裁

楊卓光博士

獨立非執行董事

吳志揚博士

譚旭生先生

吳翠蘭女士

審核委員會

譚旭生先生(主席)

吳志揚博士

吳翠蘭女士

薪酬委員會

譚旭生先生(主席)

吳志揚博士

吳翠蘭女士

提名委員會

吳志揚博士(主席)

李國樑先生

譚旭生先生

吳翠蘭女士

聯席公司秘書

梁耀華先生

鄭淑芬女士

核數師

德勤•關黃陳方會計師行

投資經理

銀石投資有限公司

主要往來銀行

香港上海滙豐銀行有限公司

創興銀行有限公司

集友銀行有限公司

中國建設銀行(亞洲)股份有限公司

UBS AG

CUSTODIAN

Chong Hing Bank Limited

SOLICITORS

As to Hong Kong Law

Sidley Austin

As to Bermuda Law

Appleby

REGISTERED OFFICE

Victoria Place,
5th Floor, 31 Victoria Street,
Hamilton HM 10, Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Flat 18, 9/F. Focal Industrial Centre, Block B,
21 Man Lok street, Hunghom, Kowloon,
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT IN BERMUDA

Estera Management (Bermuda) Limited
Victoria Place,
5th Floor, 31 Victoria Street,
Hamilton HM 10, Bermuda

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

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

WEBSITE

<http://www.hk0810.com>
<http://www.irasia.com/listco/hk/cii810>

STOCK CODE

810

託管商

創興銀行有限公司

律師

香港法律方面

盛德國際律師事務所

百慕達法律方面

毅柏律師事務所

註冊辦事處

Victoria Place,
5th Floor, 31 Victoria Street,
Hamilton HM 10, Bermuda

香港主要營業地點

香港
九龍紅磡民樂街21號
富高工業中心B座9樓18室

百慕達主要股份過戶登記處

Estera Management (Bermuda) Limited
Victoria Place,
5th Floor, 31 Victoria Street,
Hamilton HM 10, Bermuda

香港股份過戶登記分處

卓佳登捷時有限公司
香港
皇后大道東183號
合和中心54樓

網址

<http://www.hk0810.com>
<http://www.irasia.com/listco/hk/cii810>

股份代號

810



CHAIRMAN'S STATEMENT

主席報告

20,443.21		
13,300.20	16,377.4	16,886.88
24,926.1	25,013.2	24,890.1
7,827.62	7,843.53	7,803.34



Dr. Lam Man Chan
林文燦博士
Chairman
主席



CHAIRMAN'S STATEMENT

主席報告

On behalf of the Board of Directors (the "Board"), I am pleased to present the Annual Report of China Internet Investment Finance Holdings Limited (the "Company") and its subsidiaries (collectively the "Group") for the year ended 31 December 2019. The Company is an investment company pursuant to Chapter 21 of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the "Listing Rules").

DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 December 2019 (2018: Nil).

本人謹代表董事會(「董事會」)欣然提呈中國互聯網投資金融集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)截至二零一九年十二月三十一日止年度之年度報告。本公司為一間符合香港聯合交易所有限公司證券上市規則(「上市規則」)第21章之投資公司。

股息

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



KEY PERFORMANCE INDICATOR

Net asset value is employed as the key performance indicator. As at the balance sheet date, it amounted to be about HK\$128.9 million (2018: HK\$142.0 million) and decreased by about 9.2% and this was mainly attributable to the loss from operations of about HK\$49.9 million. In order to enhance the capital base, new shares had been placed to raise about HK\$28.8 million. The net asset value per share was HK\$0.14 (2018: HK\$0.22).

INVESTMENT PORTFOLIO COMPOSITION

The portfolio value of the Group amounted to about HK\$100.9 million as at 31 December 2019 (2018: about HK\$105.9 million). This represented investments in (a) listed equities of about HK\$91.2 million (2018: about HK\$72.9 million), (b) unlisted investments with yield enhancement features of about HK\$8 million (2018: Nil) and (c) a listed debt instrument of about HK\$1.7 million (2018: about HK\$11.1 million).

關鍵績效指標

資產淨值用作關鍵績效指標。於結算日，其為約128,900,000港元(二零一八年：142,000,000港元)及減少約9.2%，主要由於約49,900,000港元的營運虧損。為加強資本基礎，已配售新股增加約28,800,000港元。每股資產淨值為0.14港元(二零一八年：0.22港元)。

投資組合組成

本集團於二零一九年十二月三十一日的投資組合價值約為100,900,000港元(二零一八年：約105,900,000港元)。彼等指投資於(a)上市證券約91,200,000港元(二零一八年：約72,900,000港元)，(b)具有增加收益效能的非上市投資約8,000,000港元(二零一八年：零)及(c)上市債務工具約1,700,000港元(二零一八年：約11,100,000港元)。

CHAIRMAN'S STATEMENT

主席報告

Financial Assets at fair value through profit or loss

As at 31 December 2019, the financial assets represented investments in (a) listed equities of about HK\$91.2 million (2018: HK\$72.9 million) and (b) unlisted equity-linked notes of about HK\$8 million (2018: Nil). In prior year, the financial assets also included perpetual securities and unlisted pre-IPO investment and its derivatives. The perpetual securities were either redeemed or disposed of during the year and the pre-IPO investment was reclassified to listed equities upon its listing in Hong Kong.

A. Listed equities portfolio

The current portion comprised listed equity investments of about HK\$27.9 million (2018: HK\$44.6 million). The non-current portion comprised listed equity investments of about HK\$63.3 million (2018: HK\$28.3 million). During the year, our pre-IPO investment in China Oriented International Holdings Limited obtained its listing status at the Main Board of the Stock Exchange of Hong Kong and such investment was reclassified to the category of listed equities with a net fair value gain for the year of about HK\$1.1 million.

B. Unlisted equity-linked notes

During the year, the Company invested in two 9-month callable equity-linked notes in the aggregate nominal amount of about HK\$8 million. These notes were issued by investment bankers and linked to a basket of Hong Kong blue-chip stocks, respectively. In January 2020, these two notes were called and redeemed respectively.

按公允值計入損益之金融資產

於二零一九年十二月三十一日，金融資產指投資於(a)上市證券約91,200,000港元(二零一八年：72,900,000港元)及(b)非上市股票掛鈎票據約8,000,000港元(二零一八年：零)。於過往年度，該等金融資產亦包括永久證券及未上市首次公開發售前投資及其衍生品。永久證券於該年度並無贖回或出售，而首次公開發售前投資被重新分類為於香港上市的上市證券。

A. 上市證券組合

流動部分由上市股本投資約27,900,000港元(二零一八年：44,600,000港元)組成。非流動部分由上市股本投資約63,300,000港元(二零一八年：28,300,000港元)組成。於本年度，我們於向中國國際控股有限公司的首次公開發售前投資於香港聯交所主板取得其上市地位，及該等投資於本年度被重新分類為上市證券種類(公允值收益淨值約1,100,000港元)。

B. 非上市股票掛鈎票據

於本年度，本公司對兩項為期九個月總面值為約8,000,000港元之可收回股票掛鈎票據進行投資。該等票據由投資銀行發行及與香港藍籌股籃子掛鈎。於二零二零年一月，該等兩項票據已被收回及贖回。

C. Listed debt instruments at fair value through other comprehensive income

As at the reporting date, our investment in a listed debt security amounted to HK\$1.7 million (2018: HK\$11.1 million) and was classified as non-current assets.

C. 按公允值計入其他全面收益之上市債務工具

於報告日期，我們於上市債務證券的投資金額為1,700,000港元(二零一八年：11,100,000港元)及分類為非流動資產。

REVIEW OF OPERATIONS

Market Review

According to the Research Paper No. 66: A Review of the Global and Local Securities Markets in 2019 issued by the Securities and Futures Commission on 14 February 2020, during the year, the Dow, Nasdaq and S&P 500 at the United States (“US”) market jumped up 22.3%, 35.2% and 28.9% respectively. All these indices reached record highs. During the year, the trade negotiations between the Mainland and the US suffered sudden setbacks after the US announced tariffs on Mainland imports. In December 2019, the phase-one trade deal was finally reached, with some existing tariffs reduced and new tariffs cancelled. The inverted Treasury yield curve also raised concerns of an economic recession and, subsequently, such concerns were outweighed by the optimism over interest rate cuts by the Federal Reserve.

In Hong Kong, the Hang Seng Index (HSI) and the Hang Seng China Enterprises Index only rose 9.1% and 10.3% for the year respectively and displayed an underperformance as compared to other markets. In April, the HSI hit a high of above 30,000 and then the market fluctuated downwards mainly due to the uncertainties about Sino-US trade talks. Furthermore, the political turmoil in Hong Kong have adversely affected the business outlook for the financial, property, tourism and retail sectors since June 2019. The Hong Kong GDP also fell in the second to fourth quarters respectively.

營運回顧

市場回顧

根據證券及期貨事務監察委員會於二零二零年二月十四日發佈之《研究論文66：環球及香港證券市場二零一九年回顧》，年內，美利堅合眾國(「美國」)股市道瓊斯指數、納斯達克指數及標準普爾500指數分別上漲22.3%、35.2%及28.9%。所有該等指數均達到歷史新高。年內，在美國宣佈對中國境內進口商品徵收關稅之後，中美之間的貿易談判遭受挫折。於二零一九年十二月，第一階段貿易協議終於達成，部分現有關稅降低及新關稅取消。國債收益率曲線的倒置亦引發了對經濟衰退的擔憂，隨後，對美聯儲降息的樂觀情緒減輕了有關擔憂。

在香港，恆生指數及恆生中國企業指數於本年度僅分別上漲9.1%及10.3%，較其他市場表現落後。於四月份，恆生指數觸及30,000點以上的高位，隨後主要因中美貿易談判存在不確定性，市場下行。此外，自二零一九年六月以來，香港政治動盪對金融、房地產、旅遊及零售業產生不利影響。香港GDP亦於第二至第四季度下跌。

CHAIRMAN'S STATEMENT

主席報告

The Mainland market rallied on the trade deal with the US, supportive measures to boost the economy and continued fund inflows. The Shanghai Composite Index and the Shenzhen Composite Index rose 22.3% and 35.9%, respectively.

Revenue

During the year, the gross proceeds from disposal of investments and investment income amounted to about HK\$30.7 million (2018: about HK\$49.2 million). The year-on-year decrease of about 37.6% was partly attributed to the high volatility of the stock market.

For the year ended 31 December 2019, the revenue of the Group of HK\$2.4 million (2018: HK\$3.8 million) comprised of dividend income of about HK\$2.2 million (2018: HK\$2.4 million). The interest income decreased to HK\$0.2 million (2018: HK\$1.4 million) because of the lower amount of investment in listed debt instruments.

Loss from operations

For year ended 31 December 2019, the loss from operations was about HK\$49.9 million (2018: HK\$53.7 million) and was mainly attributable to the net fair value loss on our equity portfolio of about HK\$24.0 million. Further details of the major investments held are set out in the section of "Particulars of Major Investments held by the Group" in pages 26 to 58 of this report for the year.

Other income mainly represented bank interest income of HK\$180,000 (2018: HK\$12,000) and in the prior year, there was interest income of about HK\$73,000 from a loan to an associated company. Other loss of about HK\$446,000 (2018: HK\$424,000) was mainly the release of FVTOCI reserve of listed debt instruments upon their disposal.

由於與美國達成貿易協定，採取提振經濟的有力措施及資金持續流入，中國市場已回升。滬深兩市綜合指數分別上漲22.3%及35.9%。

收益

年內，出售投資及投資收入所得款項總額約為30,700,000港元(二零一八年：約49,200,000港元)。同期減少約37.6%，部分由於股票市場波動較大。

截至二零一九年十二月三十一日止年度，本集團的收益2,400,000港元(二零一八年：3,800,000港元)包括股息收入約2,200,000港元(二零一八年：2,400,000港元)。利息收入減少至200,000港元(二零一八年：1,400,000港元)，乃由於上市債務工具投資減少。

經營虧損

截至二零一九年十二月三十一日止年度，本集團營運虧損約為49,900,000港元(二零一八年：53,700,000港元)，主要由於股本組合之公允值虧損淨額約24,000,000港元。所持重大投資的進一步詳情載於本年度本報告第26至58頁「本集團持有之主要投資之詳情」一節。

其他收入主要指銀行利息收入180,000港元(二零一八年：12,000港元)，約為73,000港元為去年度向一間聯營公司貸款的利息收入。其他虧損約446,000港元(二零一八年：424,000港元)主要為出售有關上市債務工具後自按公允值計入其他全面收益之儲備轉撥。

Administrative expenses decreased to be about HK\$26.5 million from HK\$30.0 million because the depreciation dropped by about HK\$3.8 million after certain equipment was fully depreciated in prior years.

Interests in associates

The above represent our interests in the 30% shareholding of Superb Kingdom Limited and its subsidiaries and the 29% shareholding of CII Capital Limited. Both of them are insignificant to the balance sheet of the Group and the latter has been inactive during the year.

UPDATE ON RECOVERY OF OUTSTANDING CONVERTIBLE NOTE ("CN") RECEIVABLES

Recovery actions on the above receivables had been taken since 2014. Liquidators, appointed in 2017, completed the winding up proceedings of CN Issuers and the CN corporate guarantors and refunded the remaining statutory deposits to our lawyers in 2019. There was no recovery of any company assets from the above proceedings. The Group's lawyers will consider cost-effective measures to recover the outstanding CN receivables from the relevant parties.

PROSPECTS

The management has reviewed the strategic asset allocation for our investment portfolio and continued to adopt the typical asset-only approach because of the insignificant liabilities being used. We have combined our investment objectives and risk tolerance, with the liquidity needs and long-term investment horizon in deriving the weights in the asset allocation. Being an investment company under the Chapter 21 of the Listing Rules, we will strictly adhere to such regulatory requirements and treat them as part of our constraints.

行政開支由30,000,000港元減少至約26,500,000港元，乃由於於若干設備於過往年度悉數折舊後，折舊下跌約3,800,000港元。

於聯營公司之權益

上述各項指於超君有限公司及其附屬公司的30%股權的權益及CII Capital Limited的29%股權。其對本集團的資產負債表屬不重要。後者於年內無業務活動。

有關追討未償還可換股票據(「可換股票據」)應收款項之最新資料

我們自二零一四年就上述應收款項採取追索行動。清盤人於二零一七年獲委任，已完成可換股票據發行人及可換股票據企業擔保人之清盤聆訊且於二零一九年已向我們的律師退還餘下法定按金。並無自上述聆訊收回任何公司資產。本集團律師將審視向有關訂約方追討未償還可換股票據應收款項的划算方法。

前景

由於不重大負債獲動用，管理層已檢討投資組合的策略資產配置情況及繼續採納典型資產專用方法。我們將投資目標及風險承受能力與就從資產配置中獲利的流動資金需求及長期投資相結合。作為上市規則第21章項下的投資公司，我們將嚴格遵守有關規管規定及將其視為約束的一部分。

CHAIRMAN'S STATEMENT

主席報告

In line with our scale, the asset class of equity is considered as our core investment. In general, equities tend to outperform other major asset classes during periods of strong economic growth and underperform during periods of weak economic growth. Regarding equity investing, the main drivers of long-term equity return are capital appreciation and dividend income. The fundamental investment strategy and the buy-and-hold strategy are used. Tactical asset allocation will be employed to take advantage of possible short-term trading opportunities. Equities-linked products will also be invested to provide lower strike prices if exercised and higher interest income if not being redeemed. Special attention will be paid in selecting the equities within these structured products because in a deep downward market there will be risk in locking to strike prices that will be considerably higher than the prevailing market prices at the time of exercise. Regarding investments in private equity (including pre-IPO investments), they can enhance the expected return of our portfolio but such investments will be made cautiously because of the higher liquidity risks.

However, the recent outbreak of the epidemic caused by the COVID-19 coronavirus is out of expectation of most, if not all, economists in deriving the capital market forecasts for the year 2020. This has also adversely affected the global business environment and sentiment. Major cities in the Mainland China and other countries have taken emergency public health measures. Hong Kong also declared a virus emergency, cancelled Lunar New Year celebrations and restricts links to Mainland China and has taken precautionary measures to include (i) work-from-home arrangement; (ii) all schools to suspend classes; and (iii) compulsory quarantine measures towards special persons arriving at Hong Kong.

符合規模的股權類資產被視為我們的核心投資。一般而言，於經濟增長強勁期間，股權將優於其他主要資產類別，而於經濟增長疲軟期間表現不佳。在股權投資方面，長期股權收益的主要驅動因素為資本增值及股息收入。基本投資策略及買入並持有策略已獲採用。策略性資產配置將被用以利用潛在短期交易機會。股權相關產品亦將獲投資以提供較低的執行價格(倘行使)及較高的利息收入(倘未獲贖回)。由於處於深度下跌之市場，鎖定執行價格的風險將大幅度高於行使時的現行市價，因此須特別注意甄選該等結構性產品的股權。就私募股權投資(包括首次公開發售前投資)而言，彼等可增加我們組合的預期收益，但由於存在較高的流動資金風險，將審慎作出有關投資。

然而，二零一九年新冠病毒疫情近期爆發超出大多數(倘並非所有)經濟學家對二零二零年度資本市場預測的預期。此亦對全球經濟環境及情緒造成不利影響。中國大陸大多數城市及其他國家已採取緊急公共衛生安全措施。香港亦宣佈進入病毒緊急狀態，取消農曆新年慶祝活動及限制進入中國大陸，並採取包括(i)在家辦公安排；(ii)所有學校停課；及(iii)對到達香港的特殊人員的強制性檢疫措施。

The potential impact of the novel coronavirus on the global economy is tremendous but still uncertain. Concerns about a further spread of the COVID-19 coronavirus heighten and these weigh on the corporate earnings and the global economic outlook. The US stock market has recently suffered from a major correction and the sudden cut in Federal Fund rate in March 2020 also surprised the market. In March, 2020, the circuit breakers were triggered at the US stock market and the market sentiment turned bearish. The performance of the global capital markets in 2020 will also depend on the upcoming US presidential election, the ongoing Sino-US trade tensions and the impact of Brexit.

Looking forward, the risks and uncertainties facing the Hong Kong market are expected to increase. Concerns about the adverse impact of coronavirus disease have dampened the investor sentiment. Furthermore, there are worries about a possible slowdown in global economy.

In view of the highly volatile capital market, we have also revised our investment objectives and policies to allow the use of derivatives such as reverse exchange-traded funds and options or warrants for hedging purposes. We will consult with our Investment Manager to implement necessary measures cautiously. In addition, the liquidity risk will also be monitored closely and we will hold a higher percentage of the Company's assets in cash or more liquid securities.

疫情將對全球經濟造成嚴重但仍存在不確定的潛在影響。對新冠病毒疫情進一步擴散的擔憂加劇將會對公司盈利及全球經濟前景造成重大影響。近期，美國股市已經歷了一次重大調整且於二零二零年三月聯邦基金利率突然下調亦令市場感到意外。於二零二零年三月，美國股市觸發熔斷機制及市場情緒轉淡。二零二零年，全球資本市場的表現亦將取決於即將到來的美國總統選舉、中美貿易摩擦加劇及英國退歐的影響。

展望未來，香港市場所面臨的風險及不確定性因素預期將會增加。對疫情之不利影響的擔憂已減弱投資者情緒。此外，全球經濟的潛在低迷仍然令人擔憂。

鑒於資本市場動蕩起伏，我們亦已調整投資目標及政策以使用如反向交易所買賣基金及期權或認股權證等衍生工具以作對沖用途。我們亦與我們的投資經理商討以審慎實施必要措施。此外，我們亦密切監控流動資金風險並將以現金或更多流動證券的方式持有更高比例的本公司資產。

CHAIRMAN'S STATEMENT

主席報告

ANNUAL GENERAL MEETING ("AGM")

The AGM of the Company will be held on 25 May 2020. The notice of AGM will be published and dispatched to the shareholders of the Company together with this Annual Report.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 20 May 2020 to 25 May 2020, both days inclusive, for the purpose of determining the entitlement of the shareholders of the Company to attend and vote at the AGM. No transfer of shares may be registered during the said period. In order to qualify to attend and vote at the AGM, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than on 4:30 p.m. on 19 May 2020.

股東週年大會(「股東週年大會」)

本公司謹訂於二零二零年五月二十五日舉行股東週年大會。股東週年大會通告將予刊發並連同本年報寄發予本公司股東。

暫停辦理股份登記手續

為釐定本公司股東出席股東週年大會並於會上投票的資格，本公司將於二零二零年五月二十日至二零二零年五月二十五日(包括首尾兩日)止暫停辦理股份登記手續，期內將不會辦理任何股份過戶登記手續。為符合資格出席股東週年大會並於會上投票，所有股份過戶文件連同有關股票須於二零二零年五月十九日下午四時三十分前送交本公司的香港股份過戶登記分處卓佳登捷時有限公司，地址為香港灣仔皇后大道東183號合和中心54樓。

APPRECIATION

On behalf of the Company, I would express my heartfelt gratitude towards all of the directors, management and staff members for their support and contribution to the Group.

On behalf of the Board

China Internet Investment Finance Holdings Limited

Lam Man Chan

Chairman

Hong Kong, 23 March 2020

致謝

本人謹代表本公司，由衷感謝董事同仁、管理層及員工對本集團的支持及貢獻。

代表董事會

中國互聯網投資金融集團有限公司

主席

林文燦

香港，二零二零年三月二十三日



Dr. Yeung Cheuk Kwong
楊卓光博士

Chief Executive Officer
行政總裁



*MANAGEMENT DISCUSSION
AND ANALYSIS*
管理層討論與分析

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析



FINANCIAL RESOURCES AND LIQUIDITY

As at 31 December 2019, the cash and bank balances amounted to approximately HK\$24.8 million (2018: HK\$30.9 million) and the net current assets amounted to approximately HK\$52.3 million (2018: HK\$68.7 million). The drop in cash and bank balances was partly attributable to the use for the operating working capital and investments.

As at 31 December 2019, the Group had no material capital commitment (2018: Nil).

GEARING RATIO

As at 31 December 2019, the gearing ratio calculated as a percentage of total borrowings over equity attributable to owners of the Company was 2.1% (2018: 2.2%) and the ratio declined steadily.

財務資源與流動資金

於二零一九年十二月三十一日，現金及銀行結餘約為24,800,000港元(二零一八年：30,900,000港元)而流動資產淨值約為52,300,000港元(二零一八年：68,700,000港元)。現金及銀行結餘下跌部分歸因於使用營運資金及投資。

於二零一九年十二月三十一日，本集團並無重大資本承擔(二零一八年：無)。

資本負債比率

於二零一九年十二月三十一日，按借貸總額除以本公司擁有人應佔權益計算之資本負債比率為2.1%(二零一八年：2.2%)及該比率平穩下滑。

PROPERTY AND EQUIPMENT

As of 31 December 2019, property and equipment amounted to approximately HK\$11.2 million (2018: HK\$11.6 million).

MATERIAL ACQUISITION AND DISPOSAL

During the year, there was a deemed disposal of CII Capital Limited, details of which are set out in Note 17 to the Consolidated Financial Statement on page 185.

SHARE OPTION SCHEME

During the year, no share options were exercised and cancelled. 7,300,000 share options had been lapsed and 7,800,000 share options had been granted. There are 15,600,000 shares options outstanding as at 31 December 2019.

物業及設備

於二零一九年十二月三十一日，物業及設備約值11,200,000港元(二零一八年：11,600,000港元)。

重大收購及出售

於本年度，CII Capital Limited視為出售，其詳情載於第185頁綜合財務報表附註17。

購股權計劃

年內，並無購股權獲行使及被註銷。7,300,000份購股權已失效及7,800,000份購股權已授出。於二零一九年十二月三十一日，有15,600,000份購股權為尚未行使。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

EXPOSURE TO FOREIGN EXCHANGE

The investment portfolio primarily comprises listed equities in Hong Kong stock market and debt instruments, and other funds are usually maintained in the banks. Majority of them are denominated in Hong Kong dollars or United States dollars. The Board considers the Group has no significant exposure to foreign exchange fluctuation at the balance sheet date.

CAPITAL STRUCTURE

As at 31 December 2019, the Company's total number of issued shares was 942,821,250 (2018: 655,121,250 shares).

By way of share placements, the Company issued a total of 130,800,000 ordinary shares at a price of HK\$0.155 each in May 2019 and 156,900,000 ordinary shares at a price of HK\$0.105 each in December 2019. The par value of such shares is HK\$0.10 each.

外匯風險

投資組合主要包括香港股市的上市股本及債務工具，其他資金一般存於銀行，主要以港元或美元計值。董事會認為，本集團於結算日並無面對顯著外匯波動風險。

資本結構

於二零一九年十二月三十一日，本公司已發行股份總數為942,821,250股(二零一八年：655,121,250股)。

本公司以配股方式於二零一九年五月按每股0.155港元之價格發行合共130,800,000股普通股及於二零一九年十二月按每股0.105港元之價格發行合共156,900,000股普通股。有關股份的每股面值均為0.10港元。

PLEDGE OF THE GROUP'S ASSETS

As at 31 December 2019, the office premises with a carrying amount of HK\$10.4 million (2018: HK\$10.9 million) was pledged for an instalment loan.

HUMAN RESOURCES

As at 31 December 2019, the Company have 23 employees (2018: 32). The remuneration packages for the employees and the directors are in line with the prevailing market practice and are determined on the basis of performance and experience.

集團資產抵押

於二零一九年十二月三十一日，賬面值為10,400,000港元(二零一八年：10,900,000港元)之辦公室物業已就一筆按揭貸款而抵押。

人力資源

於二零一九年十二月三十一日，本公司有23名(二零一八年：32名)僱員。僱員及董事薪酬組合與現行市場慣例一致，並按表現及經驗釐定。



China Oriented International Holdings Limited is a provider of driving training services in China.

向中國國際有限公司是一家於中國的駕駛培訓服務供應商。

HKEX

香港交易所



PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP

本集團持有之主要投資之詳情

- I. Disclosure required under the Listing Rules in relation to each of the major investments held by the Group as at the balance sheet date are mainly set out in the note 18 to the consolidated financial statements in pages 187 to 195 of this report.
 - II. The abovementioned major investments represented investments in equity securities of issuers listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and investments in equity linked notes which are linked to the certain baskets of equity securities of issuers listed on the Stock Exchange. The performance of such listed issuers during their respective latest financial period/year, material factors underlying their respective results and financial position, significant events, if any, during their respective financial periods under review, and their respective future prospects are disclosed in their respective announcements/reports made available on the website of HKEx. To facilitate a review on the performance of the significant investments held by the Group, relevant information is extracted from such announcements/reports and provided below for easy reference. The Company has not independently verified the information published by such listed issuers. All monetary and percentage figures cited below are approximate figures only.
 - III. These significant investments are held for achieving capital appreciation or generating interest or dividend income. To meet our investment objective, listed securities and equity-linked notes are managed and regularly reviewed on a portfolio basis. Regarding listed equities, the buy-and-hold strategy and short-term trading tactics are also used to enhance the investment returns. Equity-linked notes are invested to earn a higher expected interest income and they can provide a way to buy the underlying equities at strike prices which are typically below the respective prevailing market prices at the time of entering into the notes. However, special attention will be heeded in selecting the underlying equities. Particularly, in a deep downward market, the strike prices might be considerably higher than the prevailing market prices at the time of exercise. Investment in unlisted equities is reviewed on an investment-by-investment basis and can typically provide a high return if there is a successful exit.
- I. 根據上市規則有關本集團於結算日持有的各項主要投資的披露主要載於本報告第187至195頁綜合財務報表附註18。
 - II. 上述主要投資指於香港聯合交易所有限公司(「聯交所」)上市發行人的股本證券之投資及與於聯交所上市發行人的若干籃子股本證券有關之股票掛鈎票據。該等上市發行人於彼等各自最近財政期間／年度之表現、於彼等各自財務回顧期間與彼等各自業績及財務狀況相關之重大因素、重大事件(如有)以及彼等各自的未來前景均於香港聯交所網站刊發的彼等各自公告／報告內予以披露。為便於檢討本集團所持重大投資之表現，有關資料乃摘錄自該等公告／報告及載於下文，便於參考。本公司並未單獨驗證該等上市發行人所刊發的資料。下文所引用所有貨幣及百分比數字僅為概約數字。
 - III. 持有該等重大投資以實現資本增值或產生利息或股息收入。為實現我們的投資目標，按組合基準管理上市證券及股票掛鈎票據並定期審閱。就上市股票而言，買入並持有策略及短期交易策略亦用於提升投資回報。投資股票掛鈎票據能賺取較高的預期利息收入，且該等票據可提供按通常低於訂立票據時的各自現行市場價格的執行價格購買相關股票的方式。然而，在選擇相關股票時須特別注意，特別是在極度下行市場，執行價格可能高於行使時的現行市場價格。對非上市股票的投資按逐項投資基準進行檢討，倘成功退出，通常會取得高回報。

1. CHINA ORIENTED INTERNATIONAL HOLDINGS LIMITED (“CHINA ORIENTED”) (STOCK CODE: 1871.HK)

1.1 China Oriented operated two driving schools located in Zhumadian City, Henan Province, namely Tong Tai School and Shun Da School. Its revenues are mostly depending on the demand for the driving training services in Henan Province and particularly Zhumadian City. The key factors which drive the demand for driving training services include population growth, expansion of logistics industry and increase in household income and living standard in Zhumadian City.

1.2 Revenue of China Oriented increased from RMB61.5 million for year ended 31 December 2017 to RMB77.7 million for the year ended 31 December 2018. Profit increased from RMB16.9 million for the year ended 31 December 2017 to RMB21.3 million for the year ended 31 December 2018, representing an increase of about 26%.

Revenue for the four months ended 30 April 2019 was RMB28.3 million. Profit increased from RMB5.0 million for the four months ended 30 April 2018 to RMB8.4 million for the four months ended 30 April 2019, representing an increase of about 68%.

Revenue for the two months ended 30 June 2019 represented an increase of about 51% compared with that during the two months ended 30 June 2018.

1. 向中國國際控股有限公司(「向中」) (股份代號：1871.HK)

1.1 向中經營位於河南省駐馬店市的兩間駕校，即通泰駕校及順達駕校。其收益主要取決於河南省尤其是駐馬店市駕駛培訓服務需求。驅動駕駛培訓服務需求的主要因素包括駐馬店市人口增長、物流行業擴大以及家庭收入增加及生活水平提高。

1.2 向中收益由截至二零一七年十二月三十一日止年度的人民幣6,150萬元增加至截至二零一八年十二月三十一日止年度的人民幣7,770萬元。溢利由截至二零一七年十二月三十一日止年度的人民幣1,690萬元增加約26%至截至二零一八年十二月三十一日止年度的2,130萬元。

截至二零一九年四月三十日止四個月，收益為人民幣2,830萬元。溢利由截至二零一八年四月三十日止四個月的人民幣5百萬元增加約68%至截至二零一九年四月三十日止四個月的人民幣840萬元。

截至二零一九年六月三十日止兩個月的收益較截至二零一八年六月三十日止兩個月增加約51%。

PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP

本集團持有之主要投資之詳情

China Oriented expected that the profit for the ending 31 December 2019 may be lower than that for the year ended 31 December 2018 mainly due to the estimated increase in the listing expenses.

The net asset value as at 30 April 2019 was approximately RMB96.4 million.

- 1.3 In October 2019, China Oriented was listed on the Main Board of the Stock Exchange. China Oriented believed that the Initial Public Offer (“IPO”) would enhance its corporate profile and recognition and the net proceeds from the IPO will strengthen its financial position. Furthermore, the listing of China Oriented on the Stock Exchange should give it access to the capital market for corporate finance exercise which will help its future business development and strengthen its competitiveness.

- 1.4 The IPO price was HK\$1.28 and the share price of China Oriented dropped to HK\$0.45 at the end of December 2019.

The highest and lowest trading prices of China Oriented’s shares on the Stock Exchange during the year ended 31 December 2019 were HK\$1.48 and HK\$0.44, respectively.

向中預計截至二零一九年十二月三十一日止年度的溢利可能低於截至二零一八年十二月三十一日止年度的溢利，主要由於預期上市開支增加。

於二零一九年四月三十日，資產淨值為約人民幣9,640萬元。

- 1.3 於二零一九年十月，向中於香港聯交所主板上市。向中認為，首次公開發售（「首次公開發售」）將提升其企業形象及知名度，而首次公開發售所得款項淨額將增強其財務狀況。此外，向中於聯交所上市使其有機會進入資本市場進行企業融資活動，此將有助於其日後業務發展及提升其競爭力。

- 1.4 首次公開發售價為1.28港元，向中股價於二零一九年十二月末降至0.45港元。

截至二零一九年十二月三十一日止年度，向中股份於聯交所的最高及最低交易價格分別為1.48港元及0.44港元。

1.5 Because of the novel coronavirus 2019 (“COVID-19”) outbreak in China, Road Transport Management Bureau of Suiping County issued the “Notice on Suspension of Driving Training Services of Driving Training Service Providers in Suiping County” on 26 January 2020 to all regulated driving training service providers there. Pursuant to such notice, all driving training services providers in Suiping County have been requested to, among other things, suspend the provision of all driving training services in Suiping County until further notice. The driving schools of China Oriented suspended the provision of driving training services accordingly. On 29 February 2020, one of China Oriented’s driving schools, Tong Tai School, partially resumed the provision of driving training services.

China Oriented would continue to monitor the development of the COVID-19 outbreak and determine when to fully resume the provision of driving training services in both Tong Tai School and Shun Da School.

As the impact of the COVID-19 outbreak on China Oriented’s business seems to be beyond its control, we will closely monitor the situation and development.

1.5 由於中國爆發二零一九年新型冠狀病毒(「COVID-19」)，遂平縣道路運輸管理局於二零二零年一月二十六日向當地所有受規管駕駛培訓服務供應商發佈「關於遂平縣駕駛培訓機構暫停駕駛培訓服務的通知」。根據該通知，在遂平縣提供的所有駕駛培訓服務被要求(其中包括)暫停在遂平縣提供所有駕駛培訓服務，直至進一步通知為止。因此向中的駕校中止提供駕駛培訓服務。於二零二零年二月二十九日，向中其中一間駕校，通泰駕校已部分恢復提供駕駛培訓服務。

向中將持續監控COVID-19爆發的發展並決定全面恢復通泰駕校及順達駕校提供駕駛培訓服務。

由於COVID-19爆發對向中業務的影響似乎超出其控制範圍，我們將密切監控狀況及發展。

PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP

本集團持有之主要投資之詳情

2. MIJI INTERNATIONAL HOLDINGS LIMITED (“MIJI INTERNATIONAL”) (STOCK CODE: 1715.HK)

2.1 Miji International is mainly engaged in manufacture and sales of premium kitchen appliances to middle-class and upper-class customers. Its products mainly include radiant and induction hobs and stove.

2.2 Revenue showed a decreasing trend. Revenue for the year ended 31 December 2019 was RMB246.3 million compared with that for the year ended 31 December 2018 of RMB281.7 million, representing a decrease of about 12.6%. The net profit for the year ended 31 December 2019 dropped to RMB19.9 million from last year of RMB23.7 million, a decrease by about 16%. The decrease of net profit was mainly attributable to the decrease in revenue, which was partly offset by the absence of listing expenses recorded in current year while the listing expenses for last year was RMB8 million.

The net asset value as at 31 December 2019 was RMB194.8 million.

2.3 During the year ended 31 December 2019, Miji International’s business was adversely impacted by the trade war between the United States and China. The economic conditions in the China and the demand for its products are the key factors affecting its results and financial position.

2. 米技國際控股有限公司(「米技國際」)(股份代號：1715.HK)

2.1 米技國際主要從事製造及向中產及上流客戶銷售高端廚房電器。其產品主要包括包括輻熱及電磁爐灶。

2.2 收益呈下降趨勢。截至二零一九年十二月三十一日止年度，收益為人民幣246.3百萬元，較截至二零一八年十二月三十一日止年度的人民幣281.7百萬元，減少約12.6%。其純利由去年的人民幣2,370萬元下降約16%至截至二零一九年十二月三十一日止年度的人民幣1,990萬元。純利的下降主要由於收益減少，部分被當年並無錄得上市開支抵銷，而去年上市開支為人民幣8百萬元。

於二零一九年十二月三十一日的資產淨值為人民幣194.8百萬元。

2.3 截至二零一九年十二月三十一日止年度，米技國際的業務受到中美貿易戰的不利影響。中國經濟狀況及對其產品需求為影響其業績及財務狀況的主要因素。

- 2.4 In January 2019, Miji International purchased a commercial property with the land use right at a consideration of RMB14.3 million for marketing purpose and office use.

In January 2020, Miji International formed a joint venture in Shanghai for a project which involved the acquisition of land for the construction of production plant and research and development center. The capital commitment for Miji International is RMB30 million.

- 2.5 The share price of Miji International on the Stock Exchange at the end of December 2019 rose to HK\$0.28 (2018: HK\$0.275).

The highest and lowest trading prices of Miji International's shares on the Stock Exchange during the year ended 31 December 2019 were HK\$0.51 and HK\$0.23 respectively.

- 2.6 As impacted by the COVID-19 outbreak, Miji International's production facilities had temporary halted for two weeks in February 2020, and fully resumed in March 2020. It indicated that its financial result for the six months ending 30 June 2020 would be affected by the COVID-19 outbreak because of the decline in its production volume and customer demand.

As the impact of the COVID-19 outbreak on Miji International's business seems to be beyond its control, we will closely monitor the situation and development of Miji International.

- 2.4 於二零一九年一月，米技國際按代價人民幣1,430萬元購置附帶土地使用權的商業物業，用作營銷及辦公用途。

於二零二零年一月，米技國際在上海就一個項目成立合營企業，涉及收購用於建造生產廠房及研發中心的土地。米技國際的資本承擔為人民幣3,000萬元。

- 2.5 米技國際於二零一九年十二月末於聯交所的股價上升至0.28港元(二零一八年：0.275港元)。

截至二零一九年十二月三十一日止年度，米技國際股份於聯交所的最高及最低交易價格分別為0.51港元及0.23港元。

- 2.6 受 COVID-19 爆發的影響，米技國際的生產設施已於二零二零年二月暫停兩週，並於二零二零年三月全面恢復。其表示，截至二零二零年六月三十日止六個月的財務業績將受到 COVID-19 爆發的影響，原因為其產量及客戶需求降低。

由於 COVID-19 爆發似乎對米技國際業務的影響超出其控制。我們將密切監控米技國際的形勢及發展。

PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP

本集團持有之主要投資之詳情

3. HSBC HOLDINGS PLC (“HSBC”) (STOCK CODE: 0005.HK)

- 3.1 HSBC’s business can be segmented into: (i) retail banking and wealth management (“RBWM”), (ii) commercial banking (“CMB”), (iii) global private banking (“GPB”) and (iv) global banking markets (“GB&M”).

The interest rate environment, operation efficiency and the global business environment are the key factors affecting its underlying results.

- 3.2 Net interest income for the year ended 31 December 2019 was about US\$30.5 billion. Profit for year ended 31 December 2019 dropped to US\$8.7 billion compared with that for the year ended 31 December 2018 of US\$15.1 billion, representing a decrease of about 42%. The decrease was mainly attributable to the recognition of a goodwill impairment of US\$7.3 billion recorded for 2019.

The net asset value as at 31 December 2019 was about US\$184 billion.

- 3.3 Net interest income showed a stable trend and was maintained at US\$30.5 billion for the year ended 31 December 2018 and year ended 31 December 2019. There was satisfactory growth in RBWM and CMB. Global businesses delivered revenue growth, notably in Asia, while the GPB attracted net new money of US\$23 billion in the year. By contrast, revenue in the GB&M fell due to ongoing economic uncertainty.

3. 匯豐控股有限公司(「匯豐」)(股份代號：0005.HK)

- 3.1 匯豐的業務可分類為：(i)零售銀行及財富管理(「零售銀行及財富管理」)，(ii)商業銀行(「商業銀行」)，(iii)全球私人銀行(「全球私人銀行」)及(iv)全球銀行市場(「全球銀行市場」)。

利率環境、營運效率及全球商業環境為影響其相關業績的主要因素。

- 3.2 截至二零一九年十二月三十一日止年度，利息收入淨額為約305億美元。溢利由截至二零一八年十二月三十一日止年度的151億美元下降約42%至截至二零一九年十二月三十一日止年度的87億美元。該降幅主要歸因於確認二零一九年錄得的商譽減值73億美元。

於二零一九年十二月三十一日的資產淨值約為1,840億美元。

- 3.3 利息收入淨額呈穩定趨勢，於截至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止年度均維持在305億美元水平。零售銀行及財富管理及商業銀行的增長令人滿意。全球業務帶來收益增長，特別是在亞洲，而年內全球私人銀行吸引新增款項淨值230億美元。相反，由於持續經濟不明朗，全球銀行市場收益減少。

3.4 In August and December 2019, there were significant changes to HSBC's senior management team and both of its chief executives of the group and greater China division left HSBC in August 2019. On 17 March 2020, HSBC appointed the new Group Chief Executive Officer.

3.5 The share price of HSBC on the Stock Exchange at the end of December 2019 dropped to HK\$60.85 (2018: HK\$64.8), down about 6.1%.

The highest and lowest trading prices of HSBC's shares on the Stock Exchange during the year ended 31 December 2019 were HK\$68.1 and HK\$55.95 respectively.

3.6 The management of HSBC intended to materially improve HSBC's returns by 2022 and expected to meet the growth plans and sustain its current dividend policy. HSBC would increase its return on average tangible equity from 10% to 12% and sustain the dividend pay-outs in the coming two years.

HSBC planned to reduce capital and costs in its underperforming businesses to enable its continued investment in businesses with stronger returns and growth prospects and simplifying its complex organisational structure. It expected to incur costs for restructuring and asset disposal of US\$6 billion and US\$1.2 billion in 2020 and 2021, respectively.

We considered that the share price performance of HSBC may be affected by HSBC's plan to suspend the share buy-back in 2020 and 2021.

3.4 於二零一九年八月及十二月，匯豐高級管理層團隊出現重大變動，集團及大中華區最高級行政人員亦於二零一九年八月離開匯豐。於二零二零年三月十七日，匯豐委任新集團首席執行官。

3.5 匯豐於二零一九年十二月末於聯交所的股價降低至60.85港元（二零一八年：64.8港元），下跌約6.1%。

截至二零一九年十二月三十一日止年度，匯豐股份於聯交所最高及最低交易價格分別為68.1港元及55.95港元。

3.6 匯豐管理層擬於二零二二年大幅提升其回報，預計實現增長計劃並維持其現時股息政策。匯豐將使其有形資產收益率由10%增加至12%並於未來兩年維持派息。

匯豐計劃減少其表現不佳的業務的資產及成本，以促使繼續投資於回報及增長前景更強的業務，並簡化其複雜的組織架構。預計重組及資產出售於二零二零年及二零二一年將產生的成本分別為60億美元及12億美元。

我們認為匯豐股價表現可能受到匯豐計劃於二零二零年及二零二一年中止股份回購的影響。

PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP

本集團持有之主要投資之詳情

4. TENCENT HOLDINGS LIMITED (“TENCENT”) (STOCK CODE: 0700.HK)

- 4.1 Tencent is the market leader in the People’s Republic of China (“PRC”) internet market.

Revenue exhibited an increasing trend and increased from RMB312.7 billion for the year ended 31 December 2018 to RMB377.3 billion for the year ended 31 December 2019, an increase of about 20.7%, which was primarily driven by commercial payment services and other FinTech services, smart phone games, as well as social and others advertising.

- 4.2 Profit attributable to equity holders of Tencent for the year of 31 December 2019 was RMB93.3 billion, representing an increase of about 18.6% compared with RMB78.7 billion for the year ended 31 December 2018, which was largely in line with the increase in revenue and partly offset by the increase in research and development cost and staff cost.

The net asset value as at 31 December 2019 was about RMB488.8 billion.

- 4.3 Growing demand of Tencent’s online games, online advertising and FinTech and cloud services are the key factors driving its growth.
- 4.4 During the year, there were no major transactions undertaken by Tencent.

4. 騰訊控股有限公司(「騰訊」)(股份代號：0700.HK)

- 4.1 騰訊為中華人民共和國(「中國」)互聯網市場的市場領導者。

收益表現出增長趨勢，由截至二零一八年十二月三十一日止年度的人民幣3,127億元增加約20.7%至截至二零一九年十二月三十一日止年度的人民幣3,773億元，該增幅主要受商業付款服務及其他金融服務、智能手機遊戲以及社交及其他廣告的驅動。

- 4.2 截至二零一九年十二月三十一日止年度，騰訊股權持有人應佔溢利為人民幣933億元，較截至二零一八年十二月三十一日止年度的人民幣787億元增加約18.6%，這很大程度上與收益增加相吻合，部分被研發成本及員工成本增加所抵銷。

於二零一九年十二月三十一日的資產淨值約為人民幣4,888億元。

- 4.3 騰訊在線遊戲、在線廣告及金融科技以及雲服務的需求增長為其增長的主要驅動因素。
- 4.4 年內，騰訊並無進行重大交易。

- 4.5 The share price of Tencent on the Stock Exchange at the end of December 2019 rose to HK\$375.6 (2018: HK\$314), up about 19.6%.

The highest and lowest trading prices of Tencent's shares on the Stock Exchange during the year ended 31 December 2019 were HK\$397.8 and HK\$300.4 respectively.

- 4.6 Management of Tencent believed that Tencent had made substantial progress on its prominent aspects in 2019 and it sees scope for further development in communication and social products in coming years, including Mini Programs, Weixin Pay and WeChat Work.

As Tencent is the market leader in the PRC internet market, we are optimistic that Tencent's online games business can greatly benefit from the high demand of such value-added services during the period of the COVID-19 outbreak.

- 4.5 騰訊於二零一九年十二月末於聯交所的股價上升至375.6港元(二零一八年:314港元),上升約19.6%。

截至二零一九年十二月三十一日止年度,騰訊股份於聯交所的最高及最低交易價格分別為397.8港元及300.4港元。

- 4.6 騰訊管理層相信,騰訊已於二零一九年在其突出方面取得實質性進展,未來數年通信及社交產品(包括小程序、微信支付及企業微信)有進一步發展空間。

由於騰訊作為中國互聯網市場的市場領導者,於COVID-19爆發期間,我們樂見騰訊的在線遊戲業務可極大受惠於有關增值服務的高需求。

5 LAMTEX HOLDINGS LIMITED ("LAMTEX") (STOCK CODE: 1041.HK)

- 5.1 Lamtex is mainly engaged in trading and manufacturing of electronics products, securities trading and investment.
- 5.2 Revenue exhibited a drastic decreasing trend and dropped from HK\$64.9 million for six months ended 30 June 2018 to HK\$27.2 million for the six months ended 30 June 2019, represented a decrease of about 58.1%.

5 林達控股有限公司(「林達」) (股份代號:1041.HK)

- 5.1 林達主要從事電子產品貿易及製造、證券買賣及投資。
- 5.2 收益表現出急劇下降趨勢,由截至二零一八年六月三十日止六個月的6,490萬港元減少約58.1%至截至二零一九年六月三十日止六個月的2,720萬港元。

PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP

本集團持有之主要投資之詳情

Loss for the six months ended 30 June 2019 increased to HK\$24.4 million, which was primarily due to: (i) the significant decrease in revenue from manufacturing and trading of electronic products; (ii) impairment loss on loan and interest receivables; and (iii) increase in overall overheads and exchange loss.

The net asset value as at 30 June 2019 was HK\$597.4 million.

- 5.3 On 9 July 2019, Lamtex announced that it decided to dispose of its loan financing business (by way of disposal of the entire equity interest in New Winning Finance Company Limited, a company incorporated in Hong Kong), because of the tightened regulatory environment of the loan financing industry caused by the recent unstable relationship between the United States and China and the keen competition in the loan financing business in Hong Kong. The proceeds and funds raised would be used for its proposed investment in a new PRC fund mainly for the cultural tourism and medical health care sectors. However, the disposal transaction was terminated in January 2020.

截至二零一九年六月三十日止六個月的虧損增加至2,440萬港元，此乃主要由於：(i)電子產品製造及交易收益重大減少；(ii)貸款及應收利息的減值虧損；及(iii)整體管理費用及匯兌虧損增加。

於二零一九年六月三十日的資產淨值為597.4百萬港元。

- 5.3 於二零一九年七月九日，林達宣佈，其決定出售其貸款融資業務（通過出售於新滙銀財務有限公司（一家於香港註冊成立的公司的全部股權），原因為近期美國與中國不穩定的關係及相關貸款融資業務的激烈競爭，導致貸款融資行業監管環境收緊。籌集所得款項及資金將用於其於新的中國資金（主要用於文化旅遊及醫療保健行業）的擬定投資。然而，該出售交易於二零二零年一月終止。

On 30 July 2019, Lamtex announced that it entered into a memorandum of understanding with Shanghai JZ Equity Investment Fund Management Partnership (L.P.) (上海吉喆股權投資基金管理合夥企業(有限合夥)) (the "LP"), a limited partnership fund set up in 2012 in the PRC which is the general partner to fund portfolio which invests in, amongst others, the medical health sector and cultural tourism projects in the PRC, in relation to a possible investment by Lamtex into the LP with an amount not less than HK\$80 million.

In late March 2020, there were significant changes to the board of directors of Lamtex.

- 5.4 The share price of Lamtex on the Stock Exchange at the end of December 2019 dropped to HK\$0.119 (2018: HK\$0.31).

The highest and lowest trading prices of Lamtex's shares on the Stock Exchange during the year ended 31 December 2019 were HK\$0.34 and HK\$0.114 respectively.

- 5.5 Lamtex planned to further develop and expand its core business of trading and manufacturing of electronic products. In addition, Lamtex started to explore and develop new businesses in relation to cultural tourism and elderly care services, Fintech and securities and supply chain sectors.

On 26 February 2020, Lamtex announced that there was an event of default under the bonds in the principal amount of HK\$148 million because of the sudden resignation of its chairman on 24 February 2020 which had triggered such default under the terms of the bonds.

於二零一九年七月三十日，林達宣佈，將與上海吉喆股權投資基金管理合夥企業(有限合夥)(「有限合夥企業」)(於二零一二年於中國成立的有限合夥基金，該基金為於中國投資(其中包括)醫療健康行業及文化旅遊項目基金組合的普通合夥人)就林達於有限合夥企業的金額不低於8,000萬港元的潛在投資訂立諒解備忘錄。

於二零二零年三月末，林達董事有重大變動。

- 5.4 林達於二零一九年十二月末於聯交所的股價降至0.119港元(二零一八年：0.31港元)。

截至二零一九年十二月三十一日止年度，林達股份於聯交所的最高及最低交易價格分別為0.34港元及0.114港元。

- 5.5 林達計劃進一步發展及擴展其在電子產品貿易及製造方面的核心業務。此外，林達開始拓展及發展與文化旅遊及养老服务、金融科技與證券及供應鏈行業有關的新業務。

於二零二零年二月二十六日，林達宣佈，出現一項本金額為148百萬港元的債券違約事件，此乃由於其主席於二零二零年二月二十四日突然辭任，並觸發債券條款項下的有關違約。

PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP

本集團持有之主要投資之詳情

The default under the HK\$148 million bonds caused significant concern as to whether Lamtex would have sufficient resources to redeem the bonds should bondholders serve redemption notice to demand immediate payment in accordance with the terms of the bonds. We will monitor closely and consider appropriate actions.

該148百萬港元債券的違約引起重大關切，即倘債券持有人發出贖回通知，要求根據債券條款立即付款，林達是否擁有充足資源贖回債券。我們將密切監控及考慮適當行動。

6. NEWTREE GROUP HOLDINGS LIMITED (“NEWTREE GROUP”) (STOCK CODE: 1323.HK)

6.1 Newtree Group is mainly engaged in the household consumables business, money lending business and education business.

6.2 Revenue for the six months ended 30 September 2019 showed a steady trend and stayed at the level of about HK\$61 million. It turned around from net loss of HK\$5.7 million for the six months ended 30 September 2018 to net profit of HK\$13.5 million for the six months ended 30 September 2019, which was primarily attributed by a reversal of impairment loss during the six months ended 30 September 2019.

The net asset value as at 30 September 2019 increased to HK\$445.3 million from HK\$391.5 million as at 31 March 2019.

6.3 In January 2020, Newtree Group completed its share placement involving the issuance of 160 million new shares which raised net proceeds of HK\$67.3 million. Out of the net proceeds raised, HK\$30 million will be used for general working purpose and the remaining HK\$37.3 million will be used for repayment of Newtree Group's existing indebtedness.

6. 友川集團控股有限公司(「友川集團」)(股份代號：1323.HK)

6.1 友川集團主要從事家庭消費品業務、放債業務及教育業務。

6.2 截至二零一九年九月三十日止六個月的收益呈穩定趨勢且保持在約6,100萬港元的水平。由截至二零一八年九月三十日止六個月淨虧損570萬港元，扭轉至截至二零一九年九月三十日止六個月的純利1,350萬港元，此乃主要歸因於截至二零一九年九月三十日止六個月期間減值虧損撥回。

資產淨值自於二零一九年三月三十一日的391.5百萬港元增加至於二零一九年九月三十日的445.3百萬港元。

6.3 於二零二零年一月，友川集團通過發行160百萬股完成新股份配售，籌集所得款項淨額6,730萬港元。於所籌集的所得款項淨額中，3,000萬港元將用作一般營運資金用途及餘下3,730萬港元用於償還友川集團的現有債務。

In December 2019, Newtree Group's shareholders approved the acquisition of the remaining 80% of the issued share capital of Alpha Youth Limited, which is principally engaged in the production and sale of concrete in the PRC, at a consideration of about RMB390 million.

- 6.4 The share prices of Newtree Group on the Stock Exchange at the end of December 2018 and 2019 stood at HK\$0.53.

The highest and lowest trading prices of Newtree Group's shares on the Stock Exchange during the year were HK\$0.61 and HK\$0.445 respectively.

- 6.5 Newtree Group expected that there will be a strong demand for concrete in the PRC in the coming years. As such, Newtree Group's acquisition of a business engaging in production and sales of concrete in the PRC would enable Newtree Group to tap into an industry with promising prospect of organic growth.

On 26 February 2020, Newtree Group announced that it proposed to change its name to Huasheng International Holding Limited, which would provide it with a new corporate image and will benefit its future business development.

We would closely monitor its future business development.

於二零一九年十二月，友川集團股東批准以代價約人民幣390百萬元收購Alpha Youth Limited（主要於中國從事混凝土生產及銷售）餘下80%已發行股本。

- 6.4 友川集團於二零一八年及二零一九年十二月末於聯交所的股價維持於0.53港元。

年內，友川集團股份於聯交所的最高及最低交易價格分別為0.61港元及0.445港元。

- 6.5 友川集團預計未來數年，中國對混凝土的需求強勁。因此，友川集團收購一項從事在中國生產及銷售混凝土的業務將令友川集團進軍具有內生增長力廣闊前景的行業。

於二零二零年二月二十六日，友川集團宣佈，其建議將名稱更改為華盛國際控股有限公司，此舉將為其提供一個新的企業形象並將有利於其未來業務發展。

我們將密切監控其未來業務發展。

PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP

本集團持有之主要投資之詳情

7. SANDS CHINA LIMITED ("SANDS CHINA") (STOCK CODE: 1928.HK)

- 7.1 Net revenues increased from US\$8.7 billion for the year ended 31 December 2018 to US\$8.8 billion for the year ended 31 December 2019, represented a slight increase of 1.7%.

Profit for the year ended 31 December 2019 was US\$2 billion compared with that for the year ended 31 December 2018 of US\$1.9 billion, represented an increase of 8.4%, which was largely in line with the increase in revenue.

The net asset value as at 31 December 2019 was US\$4.4 billion.

- 7.2 The revenue increase was driven by the casino and mall business. The Macao market will benefit from the meaningful infrastructure investments being made in Macao and throughout the Greater Bay Area. The opening of the Hong Kong-Zhuhai-Macao bridge in 2018 was a major milestone that would help Macao grow tourism and MICE (Meetings, Incentives, Conferences and Exhibitions) business in the years ahead.

Sands China focuses on operational efficiencies and cost control measures throughout both the gaming and non-gaming areas of the business, aiming to maintain a market-leading adjusted property EBITDA.

- 7.3 During the year, there were no significant transactions undertaken by Sands China.

7. 金沙中國有限公司(「金沙中國」) (股份代號：1928.HK)

- 7.1 淨收益由截至二零一八年十二月三十一日止年度的87億美元略增加1.7%至截至二零一九年十二月三十一日止年度的88億美元。

截至二零一九年十二月三十一日止年度的溢利為20億美元，較截至二零一八年十二月三十一日止年度的19億美元增加8.4%，這在很大程度上與收益增加相吻合。

於二零一九年十二月三十一日的資產淨值約為44億美元。

- 7.2 收益增加由賭場及商場業務所帶動。澳門市場將受惠於正於澳門及整個大灣區進行有意義的基礎設施投資。於二零一八年，港珠澳大橋的開通是一個重大的里程碑，將有助於澳門於未來幾年發展旅遊及會展(大會、獎勵、會議及展覽)業務。

金沙中國專注於整個博彩及非博彩業務領域運效率及成本控制措施，旨在維持市場領先的經調整物業EBITDA。

- 7.3 年內，金沙中國並無進行重大交易。

- 7.4 The share price of Sands China on the Stock Exchange at the end of December 2019 rose to HK\$41.65 (31 December 2018: HK\$34.3), up about 17%.

The highest and lowest trading prices of Sands China's shares on the Stock Exchange during the year ended 31 December 2019 were HK\$44.7 and HK\$32.25 respectively.

- 7.5 Sands China has developed Cotai to leverage its large-scale integrated resort business model to create Asia's premier gaming, leisure, convention and meetings destination. Over the next two years, Sands China will further invest US\$15 billion to expand the market-leading scale of its hotel room, retail and entertainment offerings on Cotai.

However, the COVID-19 outbreak has adversely affected the casino operators. Sands China's operations were gradually reopened in late February 2020 after a compulsory two-week suspension of all Macao casino operations since 4 February 2020. The duration and intensity of the global health emergency and related disruptions are uncertain and Sands China considered that the impact to its operation and financial condition will be material.

We will closely monitor Sands China's performance.

- 7.4 金沙中國於二零一九年十二月末於聯交所的股價升至41.65港元(二零一八年十二月三十一日:34.3港元),上升約17%。

截至二零一九年十二月三十一日止年度,金沙中國股份於聯交所的最高及最低交易價格分別為44.7港元及32.25港元。

- 7.5 金沙中國已開發路氹,以利用其大型綜合度假酒店業務模式,創造亞洲一流博彩、休閒、會議目的地。未來兩年,金沙中國將進一步投資150億美元,用於擴大其於路氹酒店客房、零售及娛樂服務的市場領先規模。

然而COVID-19爆發對賭場營運者造成不利影響。在澳門所有賭場業務自二零二零年二月四日起被強制中止兩周後,金沙中國的營運於二零二零年二月底逐步開始。全球衛生應急措施及相關中斷的持續時間及強度不確定,金沙中國認為對其營運及財務狀況的影響將是重大的。

我們將密切監控金沙中國的表現。

PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP

本集團持有之主要投資之詳情

8. SMART-CORE HOLDINGS LIMITED (“SMART-CORE”) (STOCK CODE: 2166.HK)

- 8.1 Smart-Core generates its revenues from sale of electronic components in Hong Kong and the PRC. Smart Core considered both its ability to invest in research and development and its mix of customers are the key factors affecting its results of operations.
- 8.2 Revenue decreased from HK\$2,264.5 million for the six months ended 30 June 2018 to HK\$2,090.1 million for the six months ended 30 June 2019, represented a decrease of about 7.7%.

The decrease was primarily caused by the weak market demand for broadcast TV products which was affected by the unfavorable factors such as Sino-US trade friction and the impact of technological protectionism on the export market, and partly offset by the inclusion of the results of Quiksol International HK Pte. Limited and its subsidiaries (“Quiksol Group”) upon completion of the acquisition by Smart-Core in late 2018.

Profit for the six months ended 30 June 2019 amounted to HK\$31.9 million, a decrease of about 13.8% compared with HK\$37 million for six months ended 30 June 2018. The drop of profit for the six months ended 30 June 2019 was mainly due to the combined effect of drop in revenue resulting from the weak market demand for broadcast TV products and partly offset by the inclusion of revenue of Quiksol Group upon completion of the acquisition by Smart-Core in late 2018, and the increase in staff costs and inclusion of the selling and distribution expenses of Quiksol Group upon completion of the acquisition.

The net asset value as at 30 June 2019 was HK\$625.6 million.

8. 芯智控股有限公司(「芯智」)(股份代號：2166.HK)

- 8.1 芯智自於香港及中國銷售電子元器件產生其收益。芯智認為其投資於研發的能力及其客戶構成乃影響其經營業績的主要因素。
- 8.2 收益由截至二零一八年六月三十日止六個月的2,264.5百萬港元減少約7.7%至截至二零一九年六月三十日止六個月的2,090.1百萬港元。

該減少主要受中美貿易摩擦及對出口市場的技術保護影響等不利因素的影響，廣播電視產品市場需求疲弱所致，部分被芯智於二零一八年年底完成收購後納入Quiksol International HK Pte. Limited及其附屬公司(「Quiksol集團」)的業績所抵銷。

截至二零一九年六月三十日止六個月的溢利為3,190萬港元，較截至二零一八年六月三十日止六個月的3,700萬港元減少約13.8%。截至二零一九年六月三十日止六個月溢利的下跌主要由於對廣播電視產品的市場需求疲軟導致收益減少及部分被芯智於二零一八年年底完成收購後納入Quiksol集團的收益所抵銷)、員工成本增加及完成收購後納入Quiksol集團的銷售及分銷開支的綜合影響所致。

二零一九年六月三十日的資產淨值為625.6百萬港元。

- 8.3 In August 2019, Smart-Core announced that it would conduct share repurchase up to a maximum of 50.4 million Smart-Core's shares.

On 20 January 2020, the total number of shares repurchased by Smart-Core was 10 million of the issued shares of Smart-Core (about 1.9837% of the total issued shares).

- 8.4 The share price of Smart-Core on the Stock Exchange dropped to HK\$1.5 by the end of 2019 (2018: HK\$1.71).

The highest and lowest trading prices of Smart-Core shares on the Stock Exchange during the year ended 31 December 2019 were HK\$1.93 and HK\$1.22 respectively.

- 8.5 During the second half of 2019, Smart-Core business would be affected by the complex and changing external environment, especially the uncertainties surrounding the Sino-US trade frictions. Smart-Core will continue to closely monitor global economic changes and industrial developments trend, join in hands with its suppliers and customers to expand and enhance its business and continue to explore more markets and new business.

As Smart-Core completed the acquisition of Quiksol Group in late 2018, we will closely monitor the acquisition effect of Quiksol Group in this connection.

Regarding the repurchase plan conducted by Smart-Core, we consider such repurchase may be a sign which the management of Smart-Core showed confidence in the future of Smart-Core.

- 8.3 於二零一九年八月，芯智宣佈，其將進行股份購回，購回最多50,400,000股芯智股份。

於二零二零年一月二十日，芯智購回的股份總數為芯智10,000,000股已發行股份(約佔已發行股份總數的1.9837%)。

- 8.4 芯智於二零一九年年末，在聯交所的股價降至1.5港元(二零一八年：1.71港元)。

截至二零一九年十二月三十一日止年度，芯智股份在聯交所的最高及最低交易價格分別為1.93港元及1.22港元。

- 8.5 於二零一九年下半年，芯智業務將受到複雜多變的外部環境的影響，尤其是中美貿易摩擦帶來的不確定性。芯智將繼續密切監控全球經濟變化及行業發展趨勢，與其供應商及客戶攜手擴大及增強其業務，並繼續開拓更多市場及新業務。

由於芯智於二零一八年年底完成Quiksol集團的收購，我們將就此密切監控Quiksol集團的收購影響。

就芯智進行的購回計劃而言，我們認為有關購回可能是提振芯智管理層對芯智未來信心的標誌。

PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP

本集團持有之主要投資之詳情

9. Unlisted equity-linked note issued by Nomura International Funding Pte. Ltd in the nominal amount of HK\$4,000,000 was invested during the year and offered a coupon of 8% per annum. The note was linked to a basket of Hong Kong listed stocks, including HSBC (stock code: 0005.HK), China Construction Bank Corporation (stock code: 0939.HK), Industrial and Commercial Bank of China Limited (stock code: 1398.HK) and Bank of China Limited (stock code: 3988.HK). For the three PRC banks, their information is listed below. For HSBC, please refer to the above point 3 on pages 32 to 33. The note had a fixed term of nine months and was called and redeemed in January 2020. Further details of the note are also set out in the note 18 to the consolidated financial statement.

9.1 China Construction Bank Corporation ("CCB") (stock code: 0939.HK)

9.1.1 CCB's major operations comprise corporate banking and personal banking in China. Over 77% of CCB's operating income for the six months ended 30 June 2019 was contributed by the corporate banking and personal banking business. CCB is one of the leading banks in China and China's economic conditions and economic measures undertaken by the PRC government will be the key factors affecting its financial results. As CCB's net interest income accounted for a majority of its operating income, the net interest margin which is greatly dependent on the market interest rates would have an impact on CCB's results.

9. 年內投資於Nomura International Funding Pte. Ltd發行的面值為4,000,000港元的非上市股份掛鈎票據，票面利率為每年8%。該等票據與一籃子香港上市股票(包括匯豐(股份代號：0005.HK)、中國建設銀行股份有限公司(股份代號：0939.HK)、中國工商銀行股份有限公司(股份代號：1398.HK)及中國銀行股份有限公司(股份代號：3988.HK)掛鈎。就該等三家中國銀行而言，其資料載列於下文。就匯豐而言，請參閱上文第32至33頁第3點。票據固定期限為9個月，於二零二零年一月被贖回。票據的進一步詳情亦載於綜合財務報表附註18。

9.1 中國建設銀行股份有限公司(「中國建設銀行」)(股份代號：0939.HK)

9.1.1 中國建設銀行在中國的主要業務包括公司銀行及個人銀行。截至二零一九年六月三十日止六個月，中國建設銀行77%以上的營業收入來自公司銀行及個人銀行業務。中國建設銀行為中國領先銀行之一，中國經濟狀況及中國政府實施的經濟措施將為影響其財務業績的主要因素。由於中國建設銀行的淨利息收入佔其營業收入的大部分，淨利差(很大程度上依賴於市場利率)將對中國建設銀行的業務產生影響。

9.1.2 Net interest income showed a healthy growth and rose from RMB239.5 billion for the six months ended 30 June 2018 to RMB250.4 billion for the six months ended 30 June 2019, represented an increase of 4.6%. Net profit for the six months ended 30 June 2019 was RMB155.7 billion compared with RMB147.5 billion for the six months ended 30 June 2018, represented an increase of 5.6%, which was largely in line with the increase in operating income, partly offset by the increase in impairment loss recorded for the six months ended 30 June 2019.

The shareholders' equity as at 30 June 2019 was RMB2,055.8 billion.

9.1.3 During the year, there were no significant transactions undertaken by CCB.

9.1.4 The share price of CCB on the Stock Exchange at the end of December 2019 rose to HK\$6.73 (2018: HK\$6.46), up about 4.2%.

The highest and lowest trading prices of CCB's shares on the Stock Exchange during the year ended 31 December 2019 were HK\$7.15 and HK\$5.64 respectively.

9.1.2 利息收入淨額呈現健康增長趨勢，由截至二零一八年六月三十日止六個月的人民幣2,395億元增加4.6%至截至二零一九年六月三十日止六個月的人民幣2,504億元。截至二零一九年六月三十日止六個月的純利為人民幣1,557億元，較截至二零一八年六月三十日止六個月的人民幣1,475億元增加5.6%，這在很大程度上與營業收入增加相符，部分則被截至二零一九年六月三十日止六個月錄得減值虧損增加所抵銷。

於二零一九年六月三十日的股東權益為人民幣20,558億元。

9.1.3 年內，中國建設銀行並無進行重大交易。

9.1.4 中國建設銀行於二零一九年十二月末在聯交所的股價上升至6.73港元(二零一八年：6.46港元)，上升約4.2%。

截至二零一九年十二月三十一日止年度，中國建設銀行股份在聯交所的最高及最低交易價格分別為7.15港元及5.64港元。

PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP

本集團持有之主要投資之詳情

9.1.5 In the second half of 2019, the world economic landscape is likely to remain complicated, with weak prospects for global growth and myriad uncertainties associated with trade frictions. With China's banking industry facing challenges in relation to Sino-US trade friction and the opportunities created by the implementation of national strategies, CCB would focus on: (i) taking full responsibilities as a large state-owned bank and increasing support for the real economy; (ii) making solid progress in the implementation of the three major strategies of house rental, inclusive finance and Fintech, by upholding its customer-oriented philosophy and strengthening internal collaboration and external cooperation; (iii) adhering to steady operation and balanced development, and enhancing its ability to strike a balance between volume and prices, manage assets and expand liabilities; (iv) sticking to innovation-driven development, accelerating the upgrading of its comprehensive financial services capabilities in emerging sectors, and building new growth engines; (v) cultivating a refined management culture, promoting refined management to ensure management quality and profitability; and (vi) strengthening risk prevention and control, compliance management, especially forward-looking risk management, and ensuring risk prevention and control in key businesses and regions.

We are optimistic that CCB can maintain a steady dividend policy of distribution of cash dividends representing no less than 10% of the net profit attributable to equity shareholders of CCB which could provide a stable return to investors.

9.1.5 於二零一九年下半年，全球經濟形勢仍錯綜複雜，全球經濟增長前景黯淡，與貿易摩擦相關的不確定因素眾多。中國銀行業面臨中美貿易摩擦引起的挑戰及國家戰略實施帶來的機遇，中國建設銀行重點推進以下工作：(i)發揮大行擔當，加大對實體經濟支持力度；(ii)以客戶為中心，加強對內協同和對外合作，紮實推進住房租賃、普惠金融、金融科技三大戰略實施；(iii)堅持穩健經營均衡發展，提升量價平衡能力、資產經營能力和負債拓展能力；(iv)堅持創新驅動，加快提升新興領域的綜合金融服務能力，著力打造新的增長引擎；(v)培育精細化管理文化，推動精細化管理，向管理要質量要效益；(vi)強化風險防控和合規管理，加強風險的前瞻性管理，做好重點業務和區域的風險防控。

我們樂觀地認為，中國建設銀行可維持穩定的股息分派政策，相當於不少於中國建設銀行股東應佔純利10%的現金股息，可為投資者提供穩定回報。

9.2 Industrial and Commercial Bank of China Limited ("ICBC") (stock code: 1398.HK)

9.2.1 ICBC's major operations mainly comprise corporate banking, and personal banking in the PRC. Over 88% of ICBC's operating income for the six months ended 30 June 2019 was contributed by the corporate banking and personal banking business. The underlying factors affecting the financial results included PRC's economic conditions and PRC's economic measures. As ICBC's net interest income accounted for a majority of its operating income, the net interest margin, which is greatly dependent on the market interest rates, would have an impact on ICBC's results.

9.2.2 Net interest income exhibited an increasing trend and rose from RMB277.6 billion for the six months ended 30 June 2018 to RMB299.3 billion for the six months ended 30 June 2019, represented an increase of about 7.8%. Profit for the six months ended 30 June 2019 was RMB168.7 billion and, as compared with that for the six months ended 30 June 2018 of RMB160.7 billion, it represented an increase of about 5%.

The shareholder's equity as at 30 June 2019 was about RMB2,428.9 billion.

9.2 中國工商銀行股份有限公司 (「中國工商銀行」)(股份代號：1398.HK)

9.2.1 中國工商銀行在中國的主要營運主要包括公司銀行及個人銀行。截至二零一九年六月三十日止六個月，中國工商銀行88%以上的經營收入來自公司銀行及個人銀行業務。影響財務業績的相關因素包括中國經濟狀況及中國經濟措施。由於中國工商銀行的淨利息收入佔其營業收入的大部分，淨利差(很大程度上依賴於市場利率)將對中國工商銀行的業績產生影響。

9.2.2 利息收入淨額呈現增長趨勢，由截至二零一八年六月三十日止六個月的人民幣2,776億元增加約7.8%至截至二零一九年六月三十日止六個月的人民幣2,993億元。截至二零一九年六月三十日止六個月的溢利為人民幣1,687億元，較截至二零一八年六月三十日止六個月的人民幣1,607億元增加約5%。

於二零一九年六月三十日的股東權益為人民幣24,289億元。

PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP

本集團持有之主要投資之詳情

9.2.3 During the year, there were no significant transactions undertaken by ICBC.

9.2.4 The share price of ICBC on the Stock Exchange at the end of December 2019 rose to HK\$6 (2018: HK\$5.59), up about 7.3%.

The highest and lowest trading prices of ICBC's shares on the Stock Exchange during the year ended 31 December 2019 were HK\$6.04 and HK\$4.87 respectively.

9.2.5 ICBC has further provided the "full-spectrum corporate" banking strategy to increase its customer base, and actively promoted its transformation toward "Intelligent Retail" to enhance its competitiveness and customer satisfaction.

The banking sector would still face a complicated economic landscape in the second half of 2019. ICBC would drive full and strict governance bank-wide, resolutely implement all major policies and plans made by the state, and do a good job in serving the real economy, forestalling and defusing various risks, and advancing all aspects of the reform and innovation.

We are optimistic that ICBC can maintain steady business growth and benefit from the central policy. Investors can enjoy a steady return.

9.2.3 年內，中國工商銀行並無進行重大交易。

9.2.4 中國工商銀行於二零一九年十二月末在聯交所的股價上升至6港元(二零一八年：5.59港元)，上升約7.3%。

截至二零一九年十二月三十一日止年度，中國工商銀行股份在聯交所的最高及最低交易價格分別為6.04港元及4.87港元。

9.2.5 中國工商銀行進一步推出「全方位企業」銀行策略，以增加其客戶基礎，並積極推動向「智能零售」的轉型，提高其競爭力及客戶滿意度。

於二零一九年下半年，銀行業仍將面臨錯綜複雜的經濟形勢。中國工商銀行將堅持貫徹執行國家各項重大政策及方針，做好服務實體經濟、防範化解多種風險及推動改革創新的各項工作。

我們樂觀地認為，中國工商銀行可維持穩定業務增長並受惠於中央政策。投資者可享受穩定回報。

9.3 Bank of China Limited (“BOC”) (stock code: 3988.HK)

9.3.1 BOC’s major operations comprise corporate banking, and personal banking in the PRC. About 74% of BOC’s operating income for the six months ended 30 June 2019 was contributed by the corporate banking and personal banking business. The underlying factors affecting the financial results included China’s economic conditions and PRC’s economic measures. As BOC’s net interest income accounted for a majority of its operating income, the net interest margin which is greatly dependent on the market interest rates would have an impact on BOC’s results.

9.3.2 Net interest income exhibited an increasing trend and rose from RMB172.5 billion for the six months ended 30 June 2018 to RMB181.7 billion for the six months ended 30 June 2019, represented an increase of about 5.3%. Profit for the six months ended 30 June 2019 was RMB121.4 billion and, as compared with that for the six months ended 30 June 2018 of RMB115.6 billion, it represented an increase of about 5%.

The shareholder’s equity as at 30 June 2019 was about RMB1,790.4 billion.

9.3 中國銀行股份有限公司(「中國銀行」)(股份代號：3988.HK)

9.3.1 中國銀行在中國的主要業務包括公司銀行及個人銀行。截至二零一九年六月三十日止六個月，中國銀行約74%的經營收入由公司銀行及個人銀行業務貢獻。影響財務業績的相關因素包括中國經濟狀況及中國經濟措施。由於中國銀行的淨利息收入佔其經營收入的大部分，淨利差(很大程度上依賴於市場利率)將對中國銀行的業績產生影響。

9.3.2 利息收入淨額呈現增長趨勢，由截至二零一八年六月三十日止六個月的人民幣1,725億元增加約5.3%至截至二零一九年六月三十日止六個月的人民幣1,817億元。截至二零一九年六月三十日止六個月的溢利為人民幣1,214億元，較截至二零一八年六月三十日止六個月的人民幣1,156億元增加約5%。

於二零一九年六月三十日的股東權益約為人民幣17,904億元。

PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP

本集團持有之主要投資之詳情

9.3.3 The initial public offering and listing of A shares of BOC International (China) Company Limited (“BOCI China”), an investee company, was approved by the relevant PRC authority in late 2019. BOC indirectly holds about 37.14% of the total number of shares before the offering of BOCI China. After the completion of the initial public offering of the A shares by BOCI China, approximately 33.42% of the total number of shares will be held by BOC.

9.3.4 The share price of BOC on the Stock Exchange at the end of December 2019 rose to HK\$3.33 (2018: HK\$3.38), down about 1.5%.

The highest and lowest trading prices of BOC’s shares on the Stock Exchange during the year ended 31 December 2019 were HK\$3.8 and HK\$2.95 respectively.

9.3.5 The banking sector would continue to face a complicated operating environment in the second half of 2019. BOC would resolutely implement national decisions and strategies, work towards the strategic goal of building a world-class bank in the new era, actively address the new environment’s emerging challenges while making the most of its newly arising opportunities.

It would stimulate a new vitality, foster new growth drivers, achieve new breakthroughs and make further progress in strategy implementation.

9.3.3 一間被投資公司中銀國際(中國)有限公司(「中銀國際(中國)」)的A股股份首次公開發售及上市於二零一九年底獲相關中國機關批准。中國銀行間接持有中銀國際(中國)發售前股份總數的37.14%。於中銀國際(中國)完成A股股份首次公開發售完成後，中國銀行將持有股份總數約33.42%。

9.3.4 中國銀行於二零一九年十二月末在聯交所的股價上升至3.33港元(二零一八年：3.38港元)，下降約1.5%。

截至二零一九年十二月三十一日止年度，中國銀行股份在聯交所的最高及最低交易價格分別為3.8港元及2.95港元。

9.3.5 於二零一九年下半年，銀行業將繼續面臨複雜的經營環境。中國銀行堅決執行國家決策部署，緊緊圍繞「建設新時代全球一流銀行」的戰略目標，積極應對新環境下的新挑戰，抓住用好新形勢下的新機遇。

激發新活力、培育新動能、實現新突破，推動戰略實施向縱深發展。

The business of BOC has exhibited a healthy growth during the six months ended 30 June 2019. We are optimistic of BOC's future development. The listing of BOCI (China) Company Limited can also enhance its overall financial position.

截至二零一九年六月三十日止六個月，中國銀行的業務呈現健康增長。我們對中國銀行未來發展保持樂觀。中銀國際(中國)上市亦可提升其整體財務狀況。

10. Unlisted equity-linked note issued by Morgan Stanley B.V. in the nominal amount of HK\$4,000,000 was invested during the year and offered a coupon of 8% per annum. The note was linked to a basket of Hong Kong listed stocks, including The Hong Kong and China Gas Company Limited (stock code: 0003.HK), Hang Seng Bank Limited (stock code: 0011.HK) and HK Electric Investments and HK Electric Investments Limited (stock code: 2638.HK). The note had a fixed term of 9 months and was called and redeemed in January 2020. Further details of the note are also set out in the note 18 to the consolidated financial statement.

10. 年內投資於Morgan Stanley B.V.發行的面值為4,000,000港元的非上市股份掛鈎票據，票面利率為每年8%。該等票據與一籃子香港上市股票(包括香港中華煤氣有限公司(股份代號：0003.HK)、恆生銀行有限公司(股份代號：0011.HK)及港燈電力投資及港燈電力投資有限公司(股份代號：2638.HK))掛鈎。票據固定期限為9個月，於二零二零年一月被贖回。票據的進一步詳情亦載於綜合財務報表附註18。

PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP

本集團持有之主要投資之詳情

10.1 The Hong Kong and China Gas Company Limited ("HK & China Gas") (stock code: 0003.HK)

10.1.1 HK & China Gas is principally engaged in the production, distribution and marketing of gas, water supply and emerging environmentally-friendly energy business in Hong Kong and the PRC. The economic environment of Hong Kong and the PRC can affect the sales of gas and is one of the key factors affecting its financial results.

10.1.2 Revenue showed a steady growth and rose from HK\$39.1 billion for the year ended 31 December 2018 to HK\$40.6 billion for the year ended 31 December 2019, an increase of about 4%. Net profit for the year ended 31 December 2019 was HK\$8.1 billion and, as compared with that for the year ended 31 December 2018 of HK\$10.4 billion, it represented a decrease of about 22.1%. The drop was primarily due to the decrease in both the revenue and the share of valuation surplus of investment properties at the International Finance Center complex owned by HK & China Gas' associates, and the increase in provision for assets for HK & China Gas's piped city-gas associate and joint ventures.

The shareholder's equity as at 31 December 2019 was about HK\$64.2 billion.

10.1.3 During the year, there were no significant transactions undertaken by HK & China Gas.

10.1 香港中華煤氣有限公司(「香港中華煤氣」)(股份代號：0003.HK)

10.1.1 香港中華煤氣主要業務為在香港及中國從事燃氣生產、輸送與銷售、供水以及經營新興環保能源業務。香港及中國的經濟環境會影響燃氣銷售及為影響其財務業績的主要因素之一。

10.1.2 收益穩步增長，由截至二零一八年十二月三十一日止年度的391億港元增加約4%至截至二零一九年十二月三十一日止年度的406億港元。截至二零一九年十二月三十一日止年度，純利為81億港元，較截至二零一八年十二月三十一日止年度的104億港元減少約22.1%。該減少乃主要由於收益及應佔香港中華煤氣聯營公司擁有的國際金融中心綜合大樓的投資物業估值盈餘同時減少及香港中華煤氣管道城市煤氣聯營公司，以及合營企業資產計提撥備增加。

於二零一九年十二月三十一日，股東權益為約642億港元。

10.1.3 於年內，香港中華煤氣並無進行重大交易。

10.1.4 The share price of HK & China Gas on the Stock Exchange at the end of December 2019 rose to HK\$15.22 (2018: HK\$14.73), up about 3.3%.

The highest and lowest trading prices of HK & China's shares on the Stock Exchange during the year ended 31 December 2019 were HK\$17.89 and HK\$14.71 respectively.

10.1.5 HK & China Gas has a solid foundation in Hong Kong and its diverse business sectors spread across extensive areas in the PRC. It is anticipated that there will be ever-rising demand for clean energy and good potential for growth in the natural gas market. HK & China Gas is also developing intelligent integrated energy system businesses in the PRC to enhance energy efficiency and achieve energy conservation and emission reduction. As such, it would expect its businesses in the PRC to further prosper and diversify. In addition, given that the number of piped-gas customers in Hong Kong and the PRC is rising, HK & China Gas foresees that its sizeable customer base will create a promising platform for expansion of various extended businesses.

Hong Kong & China Gas announced that the policy on bonus issue of one new share for ten existing shares to the existing shareholder would be changed to one new share for twenty existing shares. That means the distribution of shares would be reduced.

We are optimistic that HK & China Gas can deliver steady results and will monitor the price performance as a result of the reduction in share distribution.

10.1.4 於二零一九年十二月底，香港中華煤氣在聯交所的股價上升約3.3%至15.22港元(二零一八年：14.73港元)。

截至二零一九年十二月三十一日止年度，香港中華煤氣在聯交所股份的最高及最低交易價格分別為17.89港元及14.71港元。

10.1.5 香港中華煤氣在香港奠定穩固基礎，並在中國成功發展業務領域。預計清潔能源需求將持續殷切，天然氣市場潛力巨大。香港中華煤氣亦在中國發展智能綜合能源系統業務，提高能源效率，實現節能減排。預計集團在中國之發展將更蓬勃及多樣化。此外，鑑於管道燃氣業務在香港和中國之客戶數目亦持續增長，龐大之客戶基礎將為香港中華煤氣不斷開發之各項新業務提供上佳之發展平台。

香港中華煤氣宣佈紅利發行政策，即向現有股東每十股現有股份送一股新股更改為每二十股現有股份送一股新股。這意味著股份分派減少。

我們樂觀地認為香港中華煤氣能夠取得穩定業績，並因其股份分派減少而監控其價格表現。

PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP

本集團持有之主要投資之詳情

10.2 Hang Seng Bank Limited ("HSB") (stock code: 0011.HK)

10.2.1 HSB is a major local bank and its business can be segmented into: (i) retail banking and wealth management; (ii) commercial banking and (iii) global banking and market. Over 83% of HSB's operating income was contributed by the retail banking and wealth management, and commercial banking business.

The interest rate environment, and the Hong Kong economic environment are the key factors affecting its underlying results.

10.2.2 Net interest income slightly increased from HK\$30 billion for the year ended 31 December 2018 to HK\$32.3 billion for the year ended 31 December 2019, represented an increase of 7.7%. The increase was in line with global and regional economic outlooks. Profit for the year ended 31 December 2019 was HK\$24.8 billion and, as compared with that for the year ended 31 December 2018 of RMB24.2 billion, it represented an increase of about 2.5%.

The shareholders' equity as at 31 December 2019 was HK\$178.9 billion.

10.2 恆生銀行有限公司(「恆生銀行」)(股份代號：0011.HK)

10.2.1 恆生銀行為一家主要本地銀行，其業務可分類為：(i)零售銀行及財富管理；(ii)商業銀行；及(iii)全球銀行及市場。恆生銀行83%以上的經營收入由零售銀行及財務管理以及商業銀行業務貢獻。

利率環境及香港經濟環境為影響其相關業績的主要因素。

10.2.2 利息收入淨額由截至二零一八年十二月三十一日止年度的300億港元略增長7.7%至截至二零一九年十二月三十一日止年度的323億港元。該增幅與全球及區域經濟前景相符。截至二零一九年十二月三十一日止年度，溢利為248億港元，較截至二零一八年十二月三十一日止年度的人民幣242億元增加約2.5%。

於二零一九年十二月三十一日，股東權益為1,789億港元。

10.2.3 During the year, there were no significant transactions undertaken by HSB.

10.2.3 年內，恆生銀行並無進行重大交易。

10.2.4 The share price of HSB on the Stock Exchange at the end of December 2019 dropped to HK\$161 (2018: HK\$175.8), down 8.4%.

10.2.4 於二零一九年十二月末，恆生銀行在聯交所的股價下跌8.4%至161港元(二零一八年：175.8港元)。

The highest and lowest trading prices of HSB's shares on the Stock Exchange during the year ended 31 December 2019 were HK\$205.8 and HK\$156.6 respectively.

截至二零一九年十二月三十一日止年度，恆生銀行股份在聯交所的最高及最低交易價格分別為205.8港元及156.6港元。

10.2.5 It was expected that various external and domestic factors that affect Hong Kong economy would continue to influence economic performance during 2020. HSB's actions to build a more agile and resilient organisation would help improve its ability to thrive in all types of market conditions and act quickly on new opportunities. HSB is a well-established local bank with competitive strengths in the local market. With these strengths and its drive to stay ahead of the curve of the rapid expansion and diversification of the financial needs and preferences of customers, HSB would be able to grow its market share in the coming challenging year. We are optimistic that HSB can deliver stable results and provide a stable dividend return to investors.

10.2.5 預計影響香港經濟的各種內外因素將繼續影響二零二零年的經濟表現。恆生銀行採取措施建立一個更加敏捷及更具彈性的組織，有助於提高其在各種類型市場條件下茁壯成長及迅速應對新商機的能力。恆生銀行是一家在當地市場具有競爭力的成熟銀行憑藉該等優勢及推動其在客戶金融需求及偏好曲線的快速擴展及多樣化並保持領先地位。在未來充滿挑戰的一年，恆生銀行將能夠擴大其市場份額。我們樂觀地認為恆生銀行能夠提供穩定的業績並為投資者提供穩定的股息回報。

PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP

本集團持有之主要投資之詳情

10.3 HK Electric Investments and HK Electric Investments Limited ("HK Electric") (stock code: 2638.HK)

10.3.1 The principal activity of HK Electric is the generation and supply of electricity to Hong Kong Island and Lamma Island.

The infrastructure development under the 2019–2023 Development Plan is the key factors affecting its underlying results. Under this plan, HK Electric would make significant investments to achieve the primary goal decarbonising generation to secure Hong Kong's green energy future.

10.3.2 The revenue showed a decreasing trend and dropped from HK\$11.6 billion for the year ended 31 December 2018 to HK\$10.7 billion for the year ended 31 December 2019, which represented a decrease of about 7.8%. The net profit attributable to Share Stapled Units ("SSU holders") holders for the year ended 31 December 2019 was HK\$2.3 billion and, as compared with that for the year ended 31 December 2018 of HK\$3.1 billion, it represented a decrease of about 25.8%.

The shareholders' equity as at 31 December 2019 was HK\$48.5 billion.

10.3 港燈電力投資及港燈電力投資有限公司(「港燈電力」)(股份代號：2638.HK)

10.3.1 港燈電力的主要業務為發電並向香港島及南丫島供電。

二零一九年至二零二三年發展計劃下的基礎設施發展為影響相關業績的主要因素。根據該項計劃，港燈電力將作出重大投資，實現脫碳發電的首要目標，以確保香港綠色能源未來。

10.3.2 收入呈下降趨勢並由截至二零一八年十二月三十一日止年度的116億港元下降約7.8%至截至二零一九年十二月三十一日止年度的107億港元。截至二零一九年十二月三十一日止年度，股份合訂單位持有人(「股份合訂單位持有人」)應佔純利為23億港元，較截至二零一八年十二月三十一日止年度的31億港元減少約25.8%。

於二零一九年十二月三十一日，股東權益為485億港元。

10.3.3 Starting from 2019, the new Scheme of Control Agreement (“New SCA”) came into effect for a period of 15 years. Under the New SCA, there is a material drop of approximately 20% in the rate of permitted return for electricity companies, which caused the decrease of 20% in the total distribution for the year ended 31 December 2019 compared with the previous year.

10.3.4 The share price of HK Electric on the Stock Exchange at the end of December 2019 dropped to HK\$7.68 (2018: HK\$7.9), down about 2.8%.

The highest and lowest trading prices of HK Electric’s shares on the Stock Exchange during the year ended 31 December 2019 were HK\$8.23 and HK\$7.34 respectively.

10.3.5 HK Electric will continue to support the Hong Kong Government’s strategic plans for decarbonisation, climate change mitigation and smart city development. Amid Hong Kong’s economic slowdown, HK Electric increased the average net tariffs for 2020 to reflect the high fuel costs and capital expenditure associated with the substantial increase in gas-fired generation and as a result of much lower special rebates. It also announced a package of certain special relief measures to help customers, particularly small and medium-size enterprises who have been hit the hardest.

10.3.3 新管制計劃協議（「新管制計劃協議」）自二零一九年起生效，為期15年。根據新管制計劃協議，電力公司准許利潤回報率下跌約20%，導致截至二零一九年十二月三十一日止年度的分配總額較上年下降20%。

10.3.4 於二零一九年十二月底，港燈電力在聯交所的股價下跌約2.8%至7.68港元（二零一八年：7.9港元）。

截至二零一九年十二月三十一日止年度，港燈電力股份在聯交所的最高及最低交易價格分別為8.23港元及7.34港元。

10.3.5 港燈電力將繼續支持香港政府脫碳、減緩氣候變化及智能城市發展的戰略計劃。在香港經濟放緩的情況下，港燈電力於二零二零年增加平均淨電價，以反映與燃氣發電量有關及因較低特別折扣產生的高昂燃料成本及資本支出。其亦宣佈一籃子若干專項救濟措施協助客戶，特別是受影響嚴重的中小企業。

PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP

本集團持有之主要投資之詳情

HK Electric has stepped up health and safety measures across its entire operation and implemented contingency plans to ensure that the potential impact on its services can be minimized by the impact of the COVID-19 outbreak.

The staple structure would enable HK Electric to provide a stable return to the SSU holders under its dividend policy. We are optimistic that the stable dividend payout can provide stable return to investors.

港燈電力已在整個營運過程中加強健康及安全措施，並實施應急計劃，確保將 COVID-19 病毒爆發對其服務的潛在影響減至最低。

合訂結構將使港燈電力根據其股息政策為股份合訂單位持有人提供穩定的回報。我們樂觀地認為穩定的派息可為投資者提供穩定的回報。

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining and implementing a high standard of corporate governance and recognises that good governance can help the business to deliver its strategies, generate shareholder value and meet its obligations towards shareholders and other stakeholders. The Company has established a governance structure, and embeds governance and principles in the business to ensure accountability, fairness, integrity and transparency.

The Board adheres to corporate governance practices by adopting and complying with the established rules, codes, guidelines under the Corporate Governance Code (the “CG Code”) set out in Appendix 14 to the Listing Rules. The Company has followed the CG Code and formulated its own policies and procedures regarding the corporate governance practices. During the financial year of 2019, the Company complied with all of the provisions under the CG Code except for the following:

1. Code provision A.4.1

All the Non-executive Directors were not appointed for a specific term, however, their appointment are subject to retirement by rotation at the annual general meeting as specified in the bye-laws of the Company.

2. Code provision A.7.1

The code provision A.7.1 requires an agenda and accompanying board papers should be sent, in full, to all Directors for regular board meetings and as far as practicable in all other cases. These papers should be sent in a timely manner and at least 3 days before the intended date of a board or board committee meeting (or other agreed period).

企業管治常規

本公司致力於恪守並實行高水準的企業管治，並認定良好的管治有助業務實踐其策略、增加股東價值和履行其對股東及其他持份者的責任。本公司已設立管治架構，並將管治及原則融入業務中，確保問責、公平、誠實和透明的精神得以體現。

董事會採納上市規則附錄十四所載之企業管治守則（「企業管治守則」）並遵守其所定之規則、守則及指引，恪守企業管治常規。本公司已遵照企業管治守則，制定本身有關企業管治常規的政策及程序。於二零一九年財政年度期間，本公司一直遵守企業管治守則項下之所有條文，惟下列情況除外：

1. 守則條文第A.4.1條

所有非執行董事並無獲委任特定年期，然而，彼等之委任均須按本公司公司細則所訂明於股東週年大會上輪值告退。

2. 守則條文第A.7.1條

守則條文第A.7.1條規定董事會定期會議的議程及相關會議文件應全部及時送交全體董事，並至少在計劃舉行董事會或其轄下委員會會議日期的三天前（或協定的其他時間內）送出。

CORPORATE GOVERNANCE REPORT

企業管治報告

Due to the practical reasons, agenda and related board papers have not been sent, in full, in 3 days in advance to certain meetings of the Board or Board Committee. The Company Secretary continues to use its best endeavours to send the agenda and accompanying board paper, in full to the Board or Board Committee at least 3 days in advance to the extent practicable.

DIRECTORS' SECURITIES TRANSACTIONS

The Company adopted the Model Code for Securities Transactions by Directors of Listed issuers (the "Model Code") contained in Appendix 10 to the Listing Rules as the codes of conduct regarding securities transactions by Directors. All Directors of the Company have confirmed that, for the year ended 31 December 2019, each director has complied with the required standards as set out in the Model Code.

BOARD OF DIRECTORS

The Board has overall responsibility for the management of the Company and the implementation of its investment policy, which includes, inter alia, the adoption of long term corporate strategies, assessment of investment projects, supervision of its management and review of its financial performance to ensure that the Company's investments are conducted in accordance with its objectives. The Company appoints the professional investment manager to manage its investment portfolio and Silverstone Investments Limited is the investment manager to provide such investment management service.

由於實務原因，董事會會議議程及相關文件未能在若干董事會或其轄下委員會會議日期的三天前全部送交。公司秘書已持續盡全力，於切實可行的情況下最少三天前將董事會會議的議程及相關會議文件全部送交董事會或其轄下委員會。

董事進行證券交易

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易之標準守則（「標準守則」），作為董事進行證券交易之操守準則。本公司全體董事已確認，彼等各自於截至二零一九年十二月三十一日止年度已遵守標準守則所載之規定標準。

董事會

董事會負責本公司整體管理工作及執行其投資政策，其中包括採納長遠公司策略、評估投資項目、監督本公司管理層以及檢討財務表現，以確保本公司之投資乃依循其目標進行。本公司委聘專業投資經理以管理其投資組合，而銀石投資有限公司獲提供上述投資管理服務之投資經理。

BOARD SIZE AND COMPOSITION

There are currently five Directors in the Board: the Chairman, one Executive Director, and three Independent non-executive Directors (“INEDs”). The roles of the Chairman and the Chief Executive Officer are separated. The Board regularly reviews its size and composition to ensure that the Board can have a breadth of perspective from time to time and that it always has the necessary diversity of skills and attributes required to oversee and govern in the ever-changing operating environment. The Directors’ biographical details are set out in the section of “Biography of Directors and Chief Executive Officer” on pages 93 to 99. During the year, the board size and composition was reviewed by the Nomination Committee during the year.

The Board members for the year ended 31 December 2019 and as at the date up to this report were:

Chairman and Non-Executive Director

Dr. Lam Man Chan

Executive Director

Mr. Lee Kwok Leung

Independent Non-executive Directors

Dr. Ng Chi Yeung, Simon

Mr. Tam Yuk Sang, Sammy

Ms. Florence Ng

The Board conducts at least four regular Board meetings a year at approximately quarterly intervals in addition to other Board meetings that are required for significant and important issues, and for statutory purposes. The Board meetings are attended by a majority of the Directors in person or through other electronic means of communication. Appropriate and sufficient information is provided to the Board members in a timely manner to keep them abreast of the Group’s latest development and thus assist them in discharging their duties.

董事會規模及組成

董事會目前由五名董事組成，包括主席、一名執行董事及三名獨立非執行董事（「獨立非執行董事」）。主席與行政總裁之角色獨立分開。董事會定期檢討其規模及組成，確保董事會不時具備多元的觀點，並時刻具備多元化之技能及特長，以便能在不斷轉變的經營環境中進行監察及管治。各董事之履歷資料載於第93至99頁「董事及行政總裁之履歷」一節。於本年度，董事會之規模及組成已由提名委員會於年內審閱。

截至二零一九年十二月三十一日止年度及截至本報告日期止，董事會之成員為：

主席兼非執行董事

林文燦博士

執行董事

李國樑先生

獨立非執行董事

吳志揚博士

譚旭生先生

吳翠蘭女士

除就重大及重要事務以及法定目的而舉行之其他董事會會議外，董事會每年至少舉行四次董事會例會，大約每季舉行一次。大部份董事親身或通過其他電子通訊方式出席董事會會議。董事會成員將會適時獲得適當及充足之資料，以便彼等了解本集團之最新發展，從而有助彼等履行其職責。

CORPORATE GOVERNANCE REPORT

企業管治報告

During the year ended 31 December 2019, other than resolutions passed in writing by all the Directors, the Board held a total of nine Board meetings. During the year ended 31 December 2019, the Company convened an annual general meeting ("AGM").

The attendance of the Directors at the Board Meetings and General Meetings for the year ended 31 December 2019 is set out as below:

於截至二零一九年十二月三十一日止年度，除了由全體董事通過之書面決議案外，董事會共舉行九次董事會會議。於截至二零一九年十二月三十一日止年度，本公司召開一次股東週年大會（「股東週年大會」）。

董事於截至二零一九年十二月三十一日止年度之董事會會議及股東大會出席次數載列如下：

Name of Directors 董事姓名		Number of meetings attended 出席會議次數	
		Board Meetings 董事會會議	AGM 股東週年大會
Chairman and Non-Executive Director 主席兼非執行董事			
Dr. Lam Man Chan	林文燦博士	9	1
Executive Director 執行董事			
Mr. Lee Kwok Leung	李國樑先生	9	1
Independent Non-executive Directors 獨立非執行董事			
Dr. Ng Chi Yeung, Simon	吳志揚博士	8	1
Mr. Tam Yuk Sang, Sammy	譚旭生先生	8	1
Ms. Florence Ng	吳翠蘭女士	6	1

Each of the Independent Non-executive Directors has given the Company an annual confirmation of independence. The Company considers such Directors to be independent under the guidelines set out in Rule 3.13 of the Listing Rules.

To the best knowledge of the Board, there is no financial, business or family relationship among members of the Board as at 31 December 2019. All of them are free to exercise their individual judgment.

各獨立非執行董事已就彼之獨立性向本公司發出年度確認書。本公司認為，根據上市規則第3.13條所載指引，該等董事均為獨立人士。

據董事會所深知，於二零一九年十二月三十一日，董事會各成員間並無任何財務、業務或家族關係。全體董事均可自由作出個人判斷。

THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The code provision A.2.1 stipulates that the role of Chairman and Chief Executive Officer should be separated and should not be performed by the same individual. To ensure a balance of power and authority, Dr. Lam Man Chan and Dr. Yeung Cheuk Kwong have been appointed as the Chairman and Chief Executive Officer of the Company respectively. The major duties of the Chairman are to provide leadership to the Board and spearhead overall corporate development and strategic planning whilst the Chief Executive Officer is responsible for implementing the decisions and strategy approved by the Board and managing day-to-day operations of the Group with the supports of the Executive Director.

NON-EXECUTIVE DIRECTORS

Under the code provision A.4.1, Non-executive Directors should be appointed for a specific term, subject to re-election. Although the current Non-executive Director and Independent Non-executive Directors of the Company are not appointed for a specific term, all Directors (including Executive and Non-executive) of the Company are subject to retirement by rotation at the annual general meeting as specified in the bye-laws of the Company.

BOARD DIVERSITY POLICY (this "Policy")

The Company has set out the approach to achieve diversity of its board of directors (the "Board") of China Internet Investment Finance Holdings Limited Company (the "Company").

The Company recognises the benefits of having a diverse Board to enhance the quality of its performance and to maintain high standards of corporate governance.

主席及行政總裁

守則條文第A.2.1條訂明，主席及行政總裁之角色應予區分，不應由同一人擔任。為確保權力及授權之平衡，林文燦博士及楊卓光博士已分別獲委任為本公司之主席及行政總裁。主席之主要職責為帶領董事會及作出整體企業發展及策略規劃，而行政總裁則負責執行由董事會批准之決策及策略，並在執行董事之支援下管理本集團日常營運。

非執行董事

根據守則條文第A.4.1條，非執行董事應按特定任期委任，並可膺選連任。儘管本公司之現任非執行董事及獨立非執行董事並非按特定任期委任，惟本公司之全體董事(包括執行及非執行)均須根據本公司之公司細則之規定於股東週年大會上輪值退任。

董事會多元化政策(本「政策」)

本公司制定實現中國互聯網投資金融集團有限公司(「本公司」)董事會(「董事會」)多元化的方法。

本公司明白董事會成員多元化對提升公司的表現素質及維持高水平的公司管治裨益良多。

CORPORATE GOVERNANCE REPORT

企業管治報告

With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service. 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, educational background, professional experience, skills, knowledge and length of service with the Group. The ultimate decision will be based on merits and contribution that the selected candidates will bring to the Board.

The nomination committee of the Board (the "Nomination Committee") will review this Policy and the measurable objectives, at least annually as appropriate, to ensure the effectiveness of this Policy. The Nomination Committee will discuss any revisions that may be required, recommend any such revisions to the Board, and monitor the implementation of this Policy.

The Nomination Committee will report annually on the Board's composition under diversity perspectives in the corporate governance report of the Company.

為了實現可持續和平衡的發展，本公司認為董事會層面成員日趨多樣化，乃有助實現其策略目標和可持續發展之重要元素。在制定董事會成員的組成時，本公司已從多方面考慮董事會多元化，包括但不限於性別、年齡、文化和教育背景、專業經驗、技能、知識和於本集團的服務任期。在充分考慮董事會多元化的益處下，本公司遵循任人唯賢的原則委任所有董事會成員，亦以客觀標準考量候選人。

甄選董事會成員人選將按一系列多元化範疇為基準，包括但不限於性別、年齡、教育背景、專業經驗、技能、知識及於本集團的服務任期。最終將按人選的長處及可為董事會提供的貢獻作決定。

董事會的提名委員會（「提名委員會」）將至少每年（如適用）檢討本政策及可計量目標以確保其有效性。提名委員會將討論任何可能需要作出的修訂，並向董事會建議任何有關修訂以供其審議及批准，並監督實施本政策。

提名委員會將會在每年年報內就董事會成員多元化組成作出報告。

DIVIDEND POLICY (“this Policy”)

The board of directors (the “Board”) of China Internet Investment Finance Holdings Limited Company (the “Company”, together with its subsidiaries, the “Group”) has adopted this Policy which aims to provide stable returns to its shareholders and to maintain a healthy financial position which allows the Company to take advantage of any investment opportunities that may arise from time to time.

Subject to the applicable laws in Bermuda and the Company’s bye-laws, the Board may propose final dividends on an annual basis and/or may declare interim dividends or special dividends from time to time. The Board will consider, inter alia, the Company’s and the Group’s operating results, accumulated and future earnings, dividends received from the Group companies, gearing, liquidity position, capital commitment requirement and investment opportunities of the Group, the volatility expected in its future earnings, financial flexibility, tax considerations, flotation costs and contractual and legal restrictions. General economic conditions and relevant external factors will also be taken into account.

The dividend payout ratio may vary from year to year. There is no assurance that dividends will be paid in any particular amount for any given period.

Subject to the applicable laws in Bermuda and the Company’s bye-laws, dividends may be paid in cash or to be satisfied wholly or partly in the form of allotment of shares by the Company. The Board may also consider the issuance of bonus shares or distribution of specific assets of any kind, including debentures or warrants to subscribe securities of the Company or any other company, on a basis permitted by the applicable laws and regulations and in such manner as the Board thinks expedient.

The Board will regularly review the dividend policy and will amend and/or modify the dividend policy if necessary.

股息政策(「本政策」)

中國互聯網投資金融集團有限公司(「本公司」，連同其附屬公司，「本集團」)的董事會(「董事會」)採用本政策，旨在為其股東提供穩定回報及維持良好的財務狀況，使公司能夠利用不時出現的任何投資機會。

根據百慕達適用法律及本公司細則，董事會可每年提議末期股息及／或不時宣派中期股息或特別股息。董事會將考慮(其中包括)本公司及本集團的經營業績、累計及未來盈利，從本集團公司收取的股息、資產負債率、流動資金狀況、資本承擔要求及本集團的投資機會、其未來盈利的預期波動性、財務靈活性、稅收考慮因素、發行成本、合同及法律限制。亦將考慮整體經濟狀況及相關外部因素。

股息派發比率每年可能有所不同。概無保證於任何特定期間內將以任何特定金額支付股息。

在百慕達適用法律及本公司細則的規限下，股息可以現金方式支付或由本公司以配股的方式全部或部分支付。董事會亦可能考慮根據適用法律法規及按董事會認為合適的方式發行紅股或分派任何種類的特定資產(包括債權證或認股權證)以認購本公司或任何其他公司的證券。

董事會將定期檢討股息政策並在必要時修訂及／或修改股息政策。

CORPORATE GOVERNANCE REPORT

企業管治報告

THE BOARD COMMITTEES

1. Audit Committee

The Audit Committee of the Company was established with its written terms of reference formulated in accordance with the requirements of the Listing Rules. The Audit Committee currently consists of three Independent Non-executive Directors, namely, Dr. Ng Chi Yeung Simon, Mr. Tam Yuk Sang, Sammy and Ms. Florence Ng. Mr. Tam Yuk Sang, Sammy is the Chairman of the Audit Committee.

The Audit Committee has adopted terms of reference which are in line with the CG Code. The Audit Committee met regularly during the year to review the completeness, accuracy and fairness of the Company's financial statements, the Company's financial reporting system and internal control procedures, the scope and nature of the external audit and matters concerning the engagement of external auditors. The Audit Committee is also responsible for reviewing the Company's interim and annual financial statements and making recommendations as to the approval of the Company's interim and annual financial statements by the Board.

During the year, the Audit Committee held three meetings and the attendance of the members at the meetings for the year ended 31 December 2019 is set out as below:

Name of Members 成員姓名	Number of meetings attended 出席會議次數
Independent Non-executive Directors	獨立非執行董事
Mr. Tam Yuk Sang, Sammy (<i>Chairman</i>)	譚旭生先生(主席) 3
Dr. Ng Chi Yeung, Simon	吳志揚博士 3
Ms. Florence Ng	吳翠蘭女士 3

董事委員會

1. 審核委員會

本公司之審核委員會已告成立，而其書面職權範圍乃根據上市規則之規定制定。審核委員會現時由三名獨立非執行董事，即吳志揚博士、譚旭生先生及吳翠蘭女士組成。譚旭生先生為審核委員會主席。

審核委員會已採納符合企業管治守則之職權範圍。審核委員會於年內定期舉行會議，以檢討本公司財務報表之完整性、準確性及公平程度、本公司之財務報告制度及內部監控程序、外部審核之範圍及性質以及與委聘外聘核數師相關之事宜。審核委員會亦負責審閱本公司之中期及年度財務報表，並對董事會批准本公司之中期及年度財務報表提出推薦意見。

年內，審核委員會曾舉行三次會議，各成員於截至二零一九年十二月三十一日止年度之會議出席次數載列如下：

2. Remuneration Committee

The Remuneration Committee of the Company was established primarily to review and make recommendations to the Board on matters relating to the remuneration of the Directors and the senior management of the Company.

The Remuneration Committee currently consists of three Independent Non-executive Directors, namely, Dr. Ng Chi Yeung, Simon, Mr. Tam Yuk Sang, Sammy and Ms. Florence Ng. Mr. Tam Yuk Sang, Sammy is the Chairman of the Remuneration Committee. The Remuneration Committee has adopted terms of reference which are in line with the CG Code to review the remuneration policy and remuneration packages of the Directors. During the year, the Remuneration Committee held one meeting and has reviewed the level of directors' fees by making comparison to peers.

The attendance of the members at the meeting for the year ended 31 December 2019 is set out as below:

2. 薪酬委員會

本公司之薪酬委員會成立，主要檢討董事及本公司高級管理層之薪酬事宜以及就此向董事會作出推薦意見。

薪酬委員會現時由三名獨立非執行董事，即吳志揚博士、譚旭生先生及吳翠蘭女士組成。譚旭生先生為薪酬委員會主席。薪酬委員會已採納符合企業管治守則之職權範圍，其負責檢討董事之薪酬政策及薪酬待遇。年內，薪酬委員會曾舉行一次會議，並透過與同業作比較而審視董事袍金水平。

各成員於截至二零一九年十二月三十一日止年度之會議出席次數載列如下：

Name of Members 成員姓名	Number of meetings attended 出席會議次數
Independent Non-executive Directors	獨立非執行董事
Mr. Tam Yuk Sang, Sammy (<i>Chairman</i>)	譚旭生先生(主席) 1
Dr. Ng Chi Yeung, Simon	吳志揚博士 1
Ms. Florence Ng	吳翠蘭女士 -

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3. Nomination Committee

The Nomination Committee currently consists of one Executive Director, namely, Mr. Lee Kwok Leung and three Independent Non-executive Directors, namely, Dr. Ng Chi Yeung, Simon, Mr. Tam Yuk Sang, Sammy and Ms. Florence Ng. Dr. Ng Chi Yeung, Simon is the Chairman of the Committee. During the year, the Nomination Committee reviewed the composition, structure, size of the board and the board diversity.

Board diversity has been considered mainly from the perspectives of gender and age, and its policy was also reviewed and approved during the year.

During the year, the Nomination Committee held one meeting and the attendance of the members at the meeting for the year ended 31 December 2019 is set out as below:

Name of Members 成員姓名

Number of meetings attended 出席會議次數

Executive Director

Mr. Lee Kwok Leung

執行董事

李國樑先生

1

Independent Non-executive Directors

Dr. Ng Chi Yeung, Simon (*Chairman*)

Mr. Tam Yuk Sang, Sammy

Ms. Florence Ng

獨立非執行董事

吳志揚博士(主席)

譚旭生先生

吳翠蘭女士

1

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AUDITOR'S REMUNERATION

For the year ended 31 December 2019, the fee paid/payable in respect of audit services and non-audit services to the Company's auditor, Deloitte Touche Tohmatsu, was approximately HK\$1,300,000 and HK\$59,000 respectively.

The Audit Committee is responsible for making recommendations to the Board as to the appointment, reappointment and removal of the external auditors, which is subject to the approval by the Board and at general meetings of the Company by the shareholders.

3. 提名委員會

提名委員會現時由一名執行董事，即李國樑先生，以及三名獨立非執行董事，即吳志揚博士、譚旭生先生及吳翠蘭女士組成。吳志揚博士為委員會主席。年內，提名委員會檢討董事會之組成、架構、規模以及董事會多元化。

本公司主要從性別及年齡角度考慮董事會多元化及本公司亦於年內檢討及批准其政策。

年內，提名委員會曾舉行一次會議，各成員於截至二零一九年十二月三十一日止年度之會議出席次數載列如下：

核數師薪酬

於截至二零一九年十二月三十一日止年度，已付／應付本公司核數師德勤•關黃陳方會計師行的審核服務及非審核服務的費用分別約為1,300,000港元及59,000港元。

審核委員會負責就委任、重新委任及撤換外聘核數師向董事會作出推薦建議，有關委任、重新委任及撤換之事宜須經董事會及於本公司之股東大會上經股東批准，方可作實。

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities for the preparation of the financial statements of the Company and ensure that they are prepared in accordance with statutory requirements and applicable accounting standards. The Directors also ensure the timely publication of such financial statements.

The statement of the external auditor of the Company, Deloitte Touche Tohmatsu, with regard to their reporting responsibilities on the Company's financial statements is set out in the Independent Auditor's Report on pages 116 to 122.

The Directors confirm that, to the best of their knowledge, information and belief, having made all reasonable enquiries, they are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

INTERNAL CONTROLS

The Board is responsible for maintaining an adequate system of internal control for the Company and has regularly reviewed the internal control policy so as to safeguard the Group's assets. During the year, the Company identified and evaluated its key risks and likely uncertainties. The Audit Committee has reviewed the findings and risk profile of the Company.

Internal audit function

Given its small operations, the Company's internal audit function has been primarily provided by professional firms or individual consultants. During the year, our consultant reviewed the internal control procedures relating to the areas of investment operation and financial reporting cycle of the Group.

董事對財務報表之責任

董事了解彼等對編製本公司財務報表之責任，並確保財務報表乃根據法定規定及適用會計準則編製。董事亦確保及時刊發有關財務報表。

本公司外聘核數師德勤•關黃陳方會計師行就彼等對本公司財務報表之申報責任作出之聲明載於第116至122頁之獨立核數師報告。

董事確認，據彼等作出一切合理查詢後所深知、盡悉及確信，彼等並不知悉任何可能對本公司之持續經營能力構成重大疑問之事件或狀況之重大不明朗因素。

內部監控

董事會負責維持本公司適當的內部監控系統及定期檢討內部監控政策，以保障本集團之資產。年內，本公司已識別及評估其主要風險及可能存在的不明朗因素。審核委員會已檢討有關結果及本公司之風險狀況。

內部審計職能

基於營運規模小，本公司之內部審計職能一直主要由專業會計師行或會計顧問提供。年內，我們的顧問檢討有關本集團投資運營及財務報告週期的內部監控程序。

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RISK MANAGEMENT AND INTERNAL CONTROLS

1. Framework of risk management

Risk management is defined as the overall process of identifying and understanding its own risks and taking informed actions. This is to help it achieve its strategic objectives, reduce the likelihood of failure and decrease the uncertainty of overall business performance.

(a) Responsibility of the board and the management

The Company adopts a simple and practical approach towards the risk management process. The Company embeds the risk management features within our investment management as well as operational areas (including finance, human resources, and information technology) and these operating units adopt the risk management systems on a day-to-day basis.

These systems are designed to mitigate the risk of failure to achieve relevant objectives, and provide reasonable assurance against material misstatement or loss. Moreover, the management annually reviews and updates its risk profile, aiming to provide assurance to the Board on the effectiveness of the risk management systems, and the Board will oversee the Company's risk management and internal control systems on an ongoing basis.

風險管理及內部監控

1. 風險管理框架

風險管理之定義為進行識別及了解其自身風險並採取知情行動之完整程序。此舉有助達成策略目標，減低失敗可能性及減少整體業務表現之不明朗因素。

(a) 董事會及管理層之責任

本公司就風險管理程序採納簡單切實之方法。本公司將風險管理之特質嵌入本公司之投資管理及營運範疇(包括財務、人力資源及資訊科技)，而該等營運單位乃按日常基準採納風險管理系統。

該等系統乃為減輕失敗風險而設，以達成相關目標。有關係統對重大失實陳述或損失提供合理保證。此外，管理層每年檢討及更新其風險程度，旨在就風險管理系統之有效性向董事會提供保證，而董事會將持續監察本公司之風險管理及內部監控系統。

(b) Supporting Role of the Audit Committee

The Audit Committee supports the Board in monitoring the risk exposure, the design and operating effectiveness of the underlying risk management and internal controls systems. The Audit Committee, acting on behalf of the Board, oversees the following process:

- regular reviews of the principal business risks, and related control measures, the strengths and weaknesses of the overall internal controls system and action plans for improvement;
- regular reviews of internal audit reports, including action plans to address the identified control weaknesses, status update and its implementations; and
- regular reports by the external auditors of any control issues identified in the course of their work and discussion with the external auditors of the scope of their respective review and findings.

The Audit Committee will then report to the Board after due review of the effectiveness of the Group's system of internal controls. The Board considers the works and findings of the Audit Committee in forming its own view on the effectiveness of the system.

(b) 審核委員會的支持角色

審核委員會支持董事會監察所面對的風險、相關風險管理及內部監控系統的設計和運作成效。審核委員會代表董事會監督以下程序：

- 定期審查主要業務風險及有關監控措施，整體內部監控系統和行動計劃的優缺點以便改善；
- 定期審視內部審核報告，包括採取行動計劃以解決已查明的監控弱點、狀況更新及其執行；及
- 外聘核數師定期匯報彼等在進行工作期間所識別的任何監控議題，並與外聘核數師討論其各自審查的範圍和調查結果。

審核委員會對本集團內部監控系統的成效進行適當審查後向董事會報告。董事會考慮審核委員會在構思本身對系統成效的看法時的工作和調查結果。

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2. Risk profile

Our approach for managing risk is underpinned by our understanding of our current risk exposures, and how our risks are changing over time. The risk assessment includes identifying relevant objectives, identifying events that could affect the achievement of objectives, determining risk tolerance, assessing the likelihood/significance of risks and evaluating the portfolio of risks. Internal controls and risk management are integrated into our investment operations.

The major risks included market risk, equity price risk, concentration risk, volatility risk and liquidity risk. In the context of a fast-changing global/local business environment and highly-volatile financial market, market risk and equity price risk are generally high and their monitoring will need ongoing efforts. To minimize the liquidity risk, the Company rarely used gearing to enhance its return on investment.

2. 風險程度

本公司管理風險之方法受本公司對現有風險之理解及有關風險如何變動所影響。風險評估包括識別相關目標、識別可影響達成目標之事件、釐定風險承受能力、評估風險發生之可能性／重大程度，以及評估風險組合。內部控制及風險管理整合至我們的投資運營中。

主要風險包括市場風險、股本價格風險、集中風險、波動風險及流動資金風險。考慮到環球／本地營商環境變化迅速及金融市場極為波動，市場風險及股本價格風險一般高企，需要持續努力進行監控。為減低流動資金風險，本公司極少使用槓桿來增加投資回報。

3. Principal Risks identified

The following highlights the major risks to the Group based on the annual risk assessment conducted in 2019.

3. 已識別的主要風險

下文列舉出基於於二零一九年進行的年度風險評估的本集團主要風險。

Risks 風險

Key Treatment Plan(s) 主要應對計劃

1. Market Risk 市場風險

Market risk is the risk that deteriorates profitability or affects ability to meet business objectives arising from the movement in market prices, such as foreign exchange rates, interest rates and equity prices.

市場風險在市場價格(如匯率、利率及股本價格)變動而導致盈利能力受損或影響達成業務目標之能力時出現。

Monitoring the exposures to implement appropriate measures on a timely and effective manner.

監察該等風險，以確保能及時有效採取適當措施。

2. Equity Price Risk 股本價格風險

Price risk arises from fluctuation in market prices of our investment in listed equity securities. The management manages the exposure by maintaining a portfolio of listed equity securities with different risk exposure.

價格風險產生自本公司所投資上市股本證券之市場價格波動。管理層透過維持不同風險之上市股本證券組合來管理該風險。

Constantly reviewing the portfolio with the Investment Manager to monitor the exposure.

與投資經理不斷審查投資組合，以監察風險。

3. Concentration Risk 集中風險

Concentration of equity price risk may arise if the Group has a significant investment in a single equity investment. Details of the major investments are disclosed in Note 18 to the consolidated financial statements.

倘若本集團於某一項股本投資有重要投資，可能產生股本價格集中風險。主要投資之詳情於綜合財務報表附註18披露。

Regularly monitoring the investment limits and concentration analysis. For details of the major investments, please refer to note 18 of the consolidated financial statement.

定期監察投資限額及集中程度分析。有關主要投資之詳情，請參閱綜合財務報表附註18。

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企業管治報告

Risks 風險

Key Treatment Plan(s) 主要應對計劃

4. Volatility Risk 波動風險

It arises from the change of value of an investment or portfolio as a result of the volatility of the underlying assets.

該風險產生自因相關資產的波動導致投資組合價值變動。

Monitoring the volatility of the portfolio return with Investment Manager.

與投資經理監察投資組合回報率的波動。

5. Liquidity Risk 流動資金風險

It is the potential risk that our Group will be unable to meet its obligations when they fall due because of an inability to obtain adequate funding or liquidate assets.

流動資金風險指本集團因未能獲得足夠資金或將資產變現而無法履行到期責任之潛在風險。

Holding sufficient liquid assets to ensure that sufficient cash flows are available to meet all financial commitments and to capitalize opportunities for business expansions.

透過持有充足流動資產，確保擁有足夠現金流量應付所有財務承擔，以及把握機遇擴張業務。

6. Strategic Risk 策略風險

Strategic risk may arise from the pursuit of an unsuccessful business plan, failed business decision or from a failure to respond well to changes in the business environment.

未能成功實踐業務計劃、商業決策失誤或未能妥善回應業務環境變化，可能引致策略風險。

Reviewing the strategic asset allocation together with the Investment Manager.

與投資經理審查戰略資產配置。

7. Health and Safety Risks 健康及安全風險

Occupational health and safety risks mainly arise from hazards such as the pandemic of infectious diseases. It can lead to harm, injury, death or illness of an employee in a workplace.

職業健康及安全風險主要源自如大流行傳染病等危害。該等傳染病會導致僱員在工作場所受到傷害、死亡或生病。

Taking precautionary measures and staying alert to novel infectious diseases.

採取預防措施並對新型傳染病保持警惕。

Risks 風險**Key Treatment Plan(s) 主要應對計劃****8. Political Risk 政治風險**

Political risk is a form of exogenous shock and mainly arises from significant political events.

政治風險是一種外來衝擊形式，主要產生於重大政治活動。

Monitoring the development of political events.

監察政治活動的動態。

9. Credit Risk 信貸風險

Credit risk arises when the counterparty would fail to discharge its obligations under the terms and cause a financial loss to the Group.

信貸風險在對手方因未能按條款履行其義務而引致本集團蒙受財務損失時出現。

Monitoring the exposures on a continuous measures.

持續監察該等風險。

10. Interest rate risk 利率風險

Our Group analyses its interest rate exposure on a dynamic basis and considers managing this risk in a cost-effective manner when appropriate, through a variety of means. Interest rate risk arises from the unexpected changes in the interest rate.

本集團按動態基準分析其利率風險，並考慮適當時透過各種手段以具成本效益之方式管理該風險。利率風險來自不可預測的利率變動。

Monitoring the exposures to implement appropriate measures on a timely and cost effective manner.

監察該等風險，以確保能及時及以最有效的方式採取適當措施。

11. Investment risk 投資風險

Investment risk can be defined as the likelihood of occurrence of losses on any particular unlisted investment.

投資風險乃界定為任何個別非上市投資發生虧損之可能性。

(a) Conducting assessment and detailed due diligence before investing.

投資前進行評估及詳細盡職審查。

(b) Monitoring and assessing the development of investee companies.

持續監察及評估接受投資公司之發展。

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Risks 風險

12. Cyber security 網絡安全

Cyber security remains a key risk trend globally to most operating enterprises, 網絡安全對大部分經營企業仍然是全球的主要風險趨勢。

Key Treatment Plan(s) 主要應對計劃

- (a) Ongoing cyber security control enhancement to align with industry practices and standards. 持續提升網絡安全監控措施，以符合行業慣例和標準。
- (b) Reviewing control procedures on an annual basis. 每年審查控制程序。

BUSINESS AWARENESS, DEVELOPMENT AND TRAINING

Through the course of their directorship, Directors are updated on any developments or changes affecting the Company and their obligations to it at regular Board meetings. In order to ensure that Directors continue to further their understanding of the issues facing the Group, the Company will further strengthen the provision of Board training, ranging from corporate governance to regulatory issues.

Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution into the Board remains informed and relevant. The Directors are committed to complying with the code provision A.6.5 which came into effect on 1 April 2012 on directors' training. All Directors have participated in continuous professional development by studying materials relevant to their duties and responsibilities. The Company Secretary also provided relevant training materials for the self-study of Directors.

商業意識、發展及培訓

在履行董事職務期間，董事於定期董事會會議上聽取有關影響本公司及董事責任之任何發展或轉變之最新資訊。為確保董事繼續加深了解本集團面對之事宜，本公司將進一步加強向董事會提供之培訓，內容涵蓋企業管治以至監管事宜。

董事須參與持續專業發展，以深造及更新彼等的知識及技能。此為確保彼等向董事會作出知情及相關之貢獻。董事致力於遵守於二零一二年四月一日起生效之有關董事培訓之守則條文第A.6.5條。全體董事均透過研習與彼等職責及責任有關的資料參與持續專業發展。公司秘書亦提供相關培訓內容予董事自修。

DIRECTORS' LIABILITIES INSURANCE

The Company has arranged appropriate insurance cover for Directors' liabilities in respect of potential legal actions against the Directors arising out of corporate activities of the Group pursuant to code provision A.1.8 of the new CG Code. Such directors' liability insurance will be reviewed and renewed annually. Throughout the year ended 31 December 2019, no claim has been made against the Directors.

JOINT COMPANY SECRETARIES

The joint company secretaries of the Company, Mr. Leung Yiu Wah and Ms. Cheng Suk Fun, have duly complied with the relevant professional training requirement under Rule 3.29 of the Listing Rules.

SHAREHOLDERS' RIGHTS

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 whose contact details are as follows:

Address: Unit 18, 9/F., Block B, Focal Industrial Centre, 21 Man Lok Street, Hunghom, Kowloon, Hong Kong.

Email: info@hk0810.com

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

董事責任保險

本公司已按照新企業管治守則之守則條文A.1.8條，就董事可能因本集團企業活動而面對之法律行動作適當董事責任投保安排。有關董事責任保險將每年檢討及續保。於截至二零一九年十二月三十一日止整個年度並無針對董事之申索。

聯席公司秘書

梁耀華先生及鄭淑芬女士為本公司之聯席公司秘書，彼等已妥為遵守上市規則第3.29條之相關專業培訓規定。

股東權利

股東向董事會作出查詢之程序

股東可隨時透過公司秘書以書面形式將其查詢及問題遞交董事會。公司秘書之聯絡詳情如下：

地址：香港九龍紅磡民樂街21號富高工業中心B座9樓18室

電郵：info@hk0810.com

股東亦可在本公司之股東大會上向董事會作出查詢。

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Procedures for putting forward proposals at shareholders' meeting

Shareholders can submit a written requisition to move a resolution at the shareholders' meeting. The number of shareholders shall represent not less than one-twentieth of the total voting rights of all shareholders having at the date of the requisition a right to vote at the shareholders' meeting, or who are no less than one hundred shareholders.

The written requisition must state the resolution, accompanied by a statement of not more than one thousand words with respect to the matter referred to in any proposed resolution of the business to be dealt with at the shareholders' meeting. It must also be signed by all the shareholders concerned and be deposited at the Company's principal place of business in Hong Kong at Unit 18, 9/F., Block B, Focal Industrial Centre, 21 Man Lok Street, Hunghom, Kowloon, for the attention of the Company Secretary not less than six weeks before the shareholders' meeting in case of a requisition requiring notice of a resolution and not less than one week before the shareholders' meeting in case of any other requisition.

The shareholders concerned must deposit a sum of money reasonably sufficient to meet the Company's expenses in serving the notice for the resolution and circulating the statement submitted by the shareholders concerned under applicable laws and rules.

於股東大會提出建議之程序

股東可提出書面要求於股東大會上動議決議案。股東數目不得少於該要求提出當日有權於股東大會上投票之所有股東之總投票權二十分之一，或不少於一百名股東。

該請求書須列明有關決議案，連同一份不多於一千字之陳述書，內容有關任何將於股東大會上所處理事項之提呈決議案所提述事宜。該請求書亦須由全體有關股東簽署，並送交本公司之香港主要營業地點（地址為九龍紅磡民樂街21號富高工業中心B座9樓18室），註明公司秘書收啟。倘該請求書要求發出決議案通知，則須於股東大會舉行前不少於六個星期送交；倘屬任何其他請求，則須於股東大會舉行前不少於一個星期送交。

有關股東須存放一筆合理充足之款項，以支付本公司根據適用法律及規則送達決議案通知及傳閱有關股東所提交陳述書產生之開支。

Procedures for shareholders to convene a Special General Meeting (the "SGM")

The Board shall, on the requisition in writing of the shareholders of not less than one-tenth of the paid-up capital of the Company upon which all calls or other sums then due have been paid, forthwith proceed to convene a SGM.

If within twenty-one days of such deposits the Board fails to convene the SGM, the requisitions or any of them representing more than one half of the total voting rights of all of them, may themselves convene a SGM, but any meeting so convened shall not be held after three months from the date of the original deposit.

The Company continues to improve its corporate governance and believes it is fundamental for the development of the Company as well as for the benefits of the shareholders. The Board is pleased to confirm that the Company has complied with the Code applicable during the year.

股東召開股東特別大會(「股東特別大會」)之程序

於持有不少於本公司十分之一繳足股本且已繳付所有到期催繳股款或其他款項之股東之書面要求時，董事會須隨即就此召開股東特別大會。

倘董事會並未於有關要求發出日期起計二十一日內召開股東特別大會，則提出該要求人士或彼等當中持有過半數總投票權之任何人士可自行召開股東特別大會，惟任何此等會議不得於原要求發出日期起計三個月後舉行。

本公司繼續改善企業管治，並相信企業管治對本公司發展及股東利益至為重要。董事會欣然確認，本公司於年內已遵守適用之守則。



*ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT*
環境、社會及管治報告



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

China Internet Investment Finance Holdings Limited (the “Company”) is an investment holding Company under Chapter 21 of the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange of Hong Kong Limited (the “Listing Rules”) with its principle office in Hong Kong.

The Company is pleased to present its annual Environmental, Social and Governance Report (“ESG Report”) to demonstrate its commitment to sustainable development. This ESG Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide (“the Guide”) of Hong Kong Stock Exchange, which covers two subject areas, Environmental and Social.

中國互聯網投資金融集團有限公司(「本公司」)為一間香港聯合交易所有限公司主板證券上市規則(「上市規則」)第二十一章項下的投資控股公司，其主要辦事處位於香港。

為展示本公司對可持續發展的承擔，本公司欣然提呈其年度的環境、社會及管治報告(「環境、社會及管治報告」)。環境、社會及管治報告編製是根據香港聯交所的《環境、社會及管治報告指引》(「該指引」)進行，內容覆蓋兩大範疇，分別為環境及社會。



Supporting the aged and elderly is the focus area of our community involvement.
關愛老年人為我們於社區參與的一環。

The Guide encourages an issuer to identify and disclose ESG information that is material and relevant to an issuer's business. Accordingly, the management has decided that out of the 11 ESG aspects suggested by the Guide, the below 8 ESG aspects are material to the Company:

該指引鼓勵發行人識別及披露對發行人業務為重要及相關的環境、社會及管治資料。因此，管理層從該指引建議的11項環境、社會及管治層面中，歸納出以下為對本公司為重要的8項環境、社會及管治層面：

Main ESG subject area in the Guide 該指引中的 主要環境、社會 及管治範疇	ESG aspects 環境、社會及 管治相關層面	Reference 內容參考索引
A. Environmental 環境	A1. Emissions 排放物	Refer to the "Environmental" section of this ESG Report. 詳情載於本環境、社會及管治報告的「環境」標題之下。
	A2. Use of resources 資源使用	Refer to the "Environmental" section of this ESG Report. 詳情載於本環境、社會及管治報告的「環境」標題之下。
B. Social 社會	B1. Employment 僱傭	The employment matters related to compensation, recruitment and dismissal are in compliance with the major relevant laws and regulations. 僱傭事務是關於薪酬、招聘及解僱，皆符合主要相關法律及規例。
	B2. Health and Safety 健康與安全	The office-based operation of the Company is not considered to have significant occupational hazards. The Company has complied with all the major relevant laws and regulations. 本公司認為其以辦公室為主的運作不構成重大的職業性危害。本公司遵守所有主要相關法律及規例。
	B3. Development and training 發展及培訓	Refer to "Social" section of this ESG Report. 詳情載於本環境、社會及管治報告的「社會」標題之下。
	B4. Labour Standard 勞工準則	Child labour and forced labour are prohibited in the Company. 本公司嚴禁使用童工及強制勞工。
	B7. Anti-corruption 反貪污	Refer to the "Social" section of this ESG Report. 詳情載於本環境、社會及管治報告的「社會」標題之下。
	B8. Community investment 社區投資	Refer to "Social" section of this ESG Report. 詳情載於本環境、社會及管治報告的「社會」標題之下。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The reporting period of this ESG Report is from 1 January 2019 to 31 December 2019. Unless otherwise specified, the reporting boundary of this ESG Report is the same as the Annual Report.

A. ENVIRONMENTAL

A1. Emissions

The Company's business is primarily engaged in investment business. The direct impact to the environment and use of natural resources is minimal. The Company does not generate hazardous waste. The main contributor to the Company's carbon footprint is the indirect greenhouse gas (GHG) emissions from electricity consumption, which is mainly attributed to the use of lighting system, air-conditioning and office equipment. Regarding business trips taken by the management occasionally, the GHG emission is relatively low.

To minimise the environmental impact concerning our activities, as well as products and services engaged, we aspire to prevent pollution, reduce waste, increase recycling and minimize natural resource use by continually improving our environmental management practices and measures, educating our colleagues to adopt environmentally responsible behaviour, and promoting environmental protection in our supply chain and marketplace.

Our commitment to protect the environment is well reflected by our continuous efforts in promoting green measures and awareness in our daily business operations. We adhere to the principle of Recycling and Reducing, and implement green office practices such as double-sided printing and copying, promoting using recycled paper and reducing energy consumption by switching off idle lightings

本環境、社會及管治報告的報告期為二零一九年一月一日至二零一九年十二月三十一日。除另有說明外，本環境、社會及管治報告之報告範疇與年報相同。

A. 環境

A1. 排放物

本公司的主要業務為投資業務。對環境的直接影響及自然資源的使用並不重大。本公司並無產生有害廢棄物。本公司碳排放的主要來源因素為電力消耗的間接溫室氣體排放，主要是由於使用照明系統、空調及辦公設備所致，就管理層偶爾出差而言，溫室氣體排放相對較低。

為減低本公司業務以及所提供產品及服務對環境的影響，本公司通過持續改善環境管理常規及措施、教育本公司員工採納對環境負責任之行為，以及藉於本公司之供應鏈及所經營市場中推廣環保，立志預防污染、減少浪費、增加循環使用及減低天然資源之使用。

本公司對環境保護的承諾，可從本公司持續努力於其日常業務營運中推廣綠色環保措施及意識中深深反映。本公司堅守循環再用及減少使用的原則，並實踐綠色辦公室常規，例如採用雙面列印及複印、推廣環保用紙及透過關掉不使用的照明及電器來減少能源消耗。



Participation in various educational activities is encouraged and our Chairman, Dr. Lam Man Chan is the school manager of Po Leung Kuk Lam Man Chan English Primary School.
鼓勵參加各種教育活動及我們的主席林文燦博士為保良局林文燦英文小學的校董。

and electrical appliance. We also increase the use of equipment carrying Energy Label issued by the Electrical and Mechanical Services Department which save energy in the offices. The management will review its environmental practices from time to time and will consider implementing further eco-friendly measures and practices in our operation to move towards adhering to the 3Rs — Reduce, Recycle and Reuse and enhance environmental sustainability.

本公司亦增加使用帶有由機電工程署頒發之能源標籤的設備，從而節省辦公室使用的能源。管理層將不時檢討其環保實踐並將考慮在其營運中實施更多的環保政策及實踐，以堅守3R原則(即減廢(Reduce)、再造(Recycle)及再用(Reuse))為目標，從而推動環境的可持續發展。

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The Company's operation is mainly office-based and the Company is committed to minimizing the impact of businesses on the environment through adopting eco-friendly measures at the office. For example, staff is encouraged to reduce paper consumption by double-sided printing and reusing papers printed on one side.

Owing to its business nature, the significant air emissions of the Group are the GHG emissions, arising from the use of electricity and fuels derived from fossil fuels. The total GHG emissions for the year of 2019 was about 114 tones in carbon dioxide equivalent and GHG Intensity in terms of number of staff at the year end (i.e.23) was 4.14.

Fuel consumption of motor vehicles is the major sources of nitrogen oxides ("NOx"), Sulphur oxides ("SOx") and particulate matter ("PM") emissions. For the year 2019, the NOx, SOx and PM were 9.33 kg, 0.19 kg and 0.69 kg respectively.

Owing to its business nature, the main non-hazardous waste of the Group is resulted from the use of papers. For the year of 2019, the total consumption amount and intensity in terms of average staff number were about 168 kg and 6.12 kg respectively.

本公司以辦公室運作為主。因此，本公司致力通過辦公室內的環保措施，盡量減少業務對環境的影響。例如，在減少用紙方面，本公司鼓勵員工多採用雙面打印，以及重用已經單面打印的紙張。

由於其業務性質，本集團的主要廢氣排放為使用電力和源自化石燃料的燃料而產生的溫室氣體排放。二零一九年的溫室氣體排放總量約為114噸二氧化碳當量及溫室氣體密度(以年末員工人數計)(即23名)為4.14。

汽車燃料消耗為氧化氮(「氧化氮」)、硫氧化物(「硫氧化物」)及顆粒物(「顆粒物」)排放的主要來源。於二零一九年，氧化氮、硫氧化物及顆粒物分別為9.33千克、0.19千克及0.69千克。

由於其業務性質，本集團的主要無害廢物乃由於紙張使用所致。於二零一九年，按員工平均人數計，總消耗量及密度分別為約168千克及6.12千克。

A2. Use of Resources

In terms of energy saving measures, we adopt the following practices at office as follows:

- Staff is reminded to switch off lights and air-conditioning in the meeting room and the computer at the workstation when it is not in use;
- The room temperature is maintained at a reasonable level in summer to save energy;
- Conference calls instead of face-to-face meetings are arranged where possible; and
- Equipment carrying Energy Label issued by the Electrical and Mechanical Services Department are encouraged to be used.

The Company is dedicated to sustain implementation of the above measures, while it will explore other ecofriendly initiatives.

Due to the nature of office's operations and business, we only consume insignificant resources and the major resources include electricity, fuel and paper.

A2. 資源使用

在節能方面，我們已在辦公室推行以下措施：

- 當會議室閒置時，員工會關掉房中的燈和空調。員工亦會於無需使用時關掉工作間的電腦；
- 辦公室於夏天的室內溫度亦保持在合適水平，以節省能源；
- 盡量安排以電話會議代替面談；及
- 鼓勵使用帶有由機電工程署頒發之能源標籤的設備。

本公司將繼續致力執行上述措施，同時亦會積極研究推行其他環保措施。

由於辦公室經營及業務的性質，我們僅消耗不重要的資源及主要資源包括電力、燃料及紙張。

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For the year of 2019, the total electricity consumption was about 25,845 kWh; the total fuel consumption was about 33,302 litres and the total paper consumption was about 168 kg. In terms of the average staff number, the intensity for electricity consumption, fuel consumption and paper consumption was about 939.82 KWh, 1,211 litre and 6.12 kg.

於二零一九年，總用電量約為25,845千瓦時；總燃料耗量約為33,302公升及總用紙量約為168千克。按員工平均人數計，用電量、燃料耗量及用紙量約為939.82千瓦時、1,211公升及6.12千克。

B: SOCIAL

B1. Employment

1. Our values

We aim to foster a supportive and quality working environment by upholding employment practices that treat employees fairly and equally, safeguarding employee rights and interests, providing opportunities for training and development, and facilitating meaningful communication within the Company. The value underpinning is the respect of our staff and we treat our staff with fairness and respect, and maintain a working environment to realise their full potential.

B: 社會

B1. 僱傭

1. 抱持的價值

本公司透過致力實踐僱傭慣例，公平及平等地對待僱員，保障僱員權利及權益，提供培訓及發展機會及促進本公司內部有意義的溝通，從而培植具支援性及優質的工作環境。有關價值之基礎為得到員工尊重。本公司公平對待及尊重員工，並維持工作環境以充分發揮彼等潛力。

2. Staff composition

As at 31 December, 2019, we employed a total of 23 staff, and all of them are located in Hong Kong.

Age 年齡		Senior Staff 高級員工		General Staff 一般員工	
		No. of staff 員工數目	% %	No. of staff 員工數目	% %
Below 31	31歲以下	—	—	—	—
31-40	31-40歲	—	—	—	—
41-50	41-50歲	1	13	2	13
50 or above	50歲或以上	7	87	13	87
Total	總計	8	100	15	100

Gender 性別		Senior Staff 高級員工		General Staff 一般員工	
		No. of staff 員工數目	% %	No. of Staff 員工數目	% %
Female	女性	2	22	7	50
Male	男性	6	78	8	50
Total	總計	8	100	15	100

3. Human resources policies

Our human resources policies are internal guidelines on the approach we adopt in managing our people. They cover different aspects of human resources management such as recruitment, promotion, compensation and training. We provide our employees with fair and competitive remuneration to motivate them.

2. 員工組成

於二零一九年十二月三十一日，本公司合共僱用23名僱員，彼等均位於香港。

3. 人力資源政策

人力資源政策為我們用於管理人才所採用方法的內部指引。有關政策涵蓋人力資源管理之不同範疇，譬如招聘、擢升、薪酬及培訓。本公司給予僱員公平及具競爭力的薪酬以鼓勵彼等。

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B2. Health and Safety

We do not believe that we operate in environments that carry high risks for child labour and forced labour, as our operations are based in Hong Kong. There is full compliance towards labour or other relevant legislations that prohibit child/forced labour. Health and safety issues are also of fundamental concern to us. In view of the potential hazard arising from the epidemic or pandemic of infectious diseases, the Company has taken precautionary measures and stayed alert against the disease. We requested our colleagues to maintain good personal hygiene.

B3. Development and training

The management and implementation of the training program should align with the strategy and mission of the Group. The Human Resources Department and the department heads will regularly assess the training requirements. Training also helps colleagues learn new skills at regular intervals, further benefitting their career development.

B4. Labour Standard

Operating Practices

We aim to maintain high ethical standards in the operating practices employed in the conduct of our business and we encourage our suppliers and business associates to embrace high standards similar to our own. We are also committed to maintaining good corporate governance.

B2. 健康與安全

由於本公司的營運根據地為香港，故本公司不相信其經營環境為童工及強制勞動的高風險場所。本公司全面遵守有關嚴禁童工／強制勞動的勞工或其他相關法例。健康及安全問題亦為本公司最關切的問題。針對流行性疾病或大流行性傳染病產生的潛在危害，本公司已採取預防措施並對該疾病保持警惕。我們要求同事保持良好的個人衛生。

B3. 發展及培訓

培訓計劃的管理及實施應與本集團策略及目標一致。人力資源部門及部門主管將定期評估培訓需求。培訓亦使員工能定期學習新技能，進一步有利彼等的事業發展。

B4. 勞工準則

營運實踐

本公司矢志於其業務經營所採用的營運實踐中維持高道德標準。本公司亦鼓勵供應商及商業夥伴採用與本公司類似的高標準，並致力於維持良好企業管治。

1. *Operating practices — compliance with laws and regulations*

We have established policies and procedures on compliance with laws and regulations, and our employees are required to adhere to high standards of business and professional and ethical conduct. It is the Company's policy that employees must comply fully with all applicable laws and regulations.

2. *Regulatory compliance*

The Company gives the utmost priority to regulatory compliance and the timely and accurate publication of annual results and financial information is of fundamental importance to ensure the maintenance of a fair and orderly market. The Company monitors and assesses the impact of the regulatory changes, if any.

B7. Anti-corruption

The Company is committed to ensuring that no bribes, payment or advantages are solicited from or given or offered to any persons, whether in the public or private sector, for any purpose, which can ensure the strict adherence to the Prevention of Bribery Ordinance. We regard honesty, integrity and fair play as the core values that must be upheld by our colleagues at all times.

B8. Community investment

We help to build a sustainable community by supporting local initiatives that create effective and lasting benefits to the community through corporate philanthropy, establishing community partnerships, and mobilising our employees to participate in volunteer work.

1. **營運實踐—遵守法律法規**

本公司已就遵守法律法規而制定政策及程序，而本公司僱員須持守高標準的業務、專業及道德操守。本公司的政策規定僱員必須全面遵守所有適用法律法規。

2. **監管合規**

本公司最為著重監管合規事務及適時及準確地刊發年度業績及財務資料乃對確保維持公平有序市場極為重要。本公司監察及評估監管變化(如有)之影響。

B7. 反貪污

本公司致力確保並無因任何理由而於公共或私營部門中從任何人士索取或向任何人士提供或給予賄賂、款項或利益，從而確保嚴格遵守防止賄賂條例。本公司將誠信、廉直及公平競爭視為核心價值，僱員在任何時候均須持守有關核心價值。

B8. 社區投資

本公司透過企業公益活動、建立社區合作及動員本公司僱員參與義工活動，藉以支持可為社區創造有效及長遠利益的本地措施，協助建設可持續社區。

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1. *Community contributions*

We contribute to the communities in which we operate and our policy will be communicated to the Company's stakeholders, including our employees, shareholders, and business partners. We are committed to the continual development of this policy and its integration into our operations.

2. *Community investment and involvement*

We strive to be a part of our communities, to serve and contribute by promoting corporate social responsibility. There are several focus areas of community involvement, which are education, poverty alleviation, health, the elderly and culture. Thus, we contribute to Non-Government Organizations providing welfare, educational, recreational and cultural services to the community.

We will also actively encourage staff to volunteer their time and core skills to benefit local communities. It gives employees the chance to find out more about the social and environmental issues and reinforce our corporate values.

1. **貢獻社區**

本公司對其經營所在社區作出貢獻，而本公司之政策將向本公司各持份者傳達，包括其僱員、股東及業務夥伴。本公司致力於本政策的持續發展，及將其融入本公司之營運。

2. **社區投資及參與**

本公司矢志要成為所在社區的一分子，藉推廣企業社會責任來服務及貢獻社區。社區參與包括多個重點範疇，其為教育、扶貧、健康、長者及文化。因此，本公司向非政府組織作出貢獻，為社區提供福利、教育、娛樂及文化服務。

本公司亦將積極鼓勵員工無償付出時間和核心技能，以惠及本地社區。本公司給予僱員機會了解更多社會及環境問題，及增強本公司企業價值。

BIOGRAPHY OF DIRECTORS AND CHIEF EXECUTIVE OFFICER

董事及行政總裁之履歷



DR. LAM MAN CHAN
林文燦博士

CHAIRMAN AND NON-EXECUTIVE DIRECTOR

Dr. Lam Man Chan, aged 70, joined the Company on 11 February 2014. He has over 30 years of management experience and in depth knowledge of the electronics industry. He was graduated from the World Electric Engineering College in 1969. Dr. Lam holds an honorary degree of Doctor of Science from Armstrong University in the United States. He is currently the chairman of Ngai Lik Group Limited (“Ngai Lik”). He is responsible for the formulation of corporate strategy and overall direction of Ngai Lik. Dr. Lam has invested in different industries, including securities broking, finance business, hotel development, motor cycle business and properties investment. He was granted the Young Industrialist Awards of Hong Kong in 1994 and the World Outstanding Chinese Award in 2005. He was once a standing committee member of Qingyuan Region Committee of the Chinese People’s Political Consultative Conference (“CPPCC”) and a committee member of Guangdong Provincial Committee and Dongguan Regional Committee of CPPCC. Dr. Lam had been the chairman and executive director of Ngai Lik Industrial Holdings Limited (now known as Yuan Heng Gas Holdings Limited) (stock code: 332), a company publicly listed on the Stock Exchange, during the period from 1992 to 2010.

主席兼非執行董事

林文燦博士，70歲，於二零一四年二月十一日加入本公司。彼擁有超過三十年管理經驗，對電子業有深厚認識。林博士在一九六九年畢業於世界電機工程學校，亦持有美國Armstrong University科學榮譽博士學位。林博士現任毅力集團有限公司（「毅力」）之主席，負責制定毅力的企業策略及整體方向。林博士亦曾在不同的行業，包括證券經紀、融資業務、酒店發展、電單車業務及物業投資方面擁有投資經驗。彼分別於一九九四年及二零零五年獲頒香港青年工業家獎及世界傑出華人獎項。林博士曾出任清遠市中國人民政治協商會議（「全國政協」）委員會常務會員及全國政協廣東省及東莞市委員會會員。林博士亦曾於一九九二年至二零一零年止期間出任聯交所之公眾上市公司毅力工業集團有限公司（現稱元亨燃氣控股有限公司）（股份代號：332）之主席及執行董事。

BIOGRAPHY OF DIRECTORS AND CHIEF EXECUTIVE OFFICER

董事及行政總裁之履歷



MR. LEE KWOK LEUNG
李國樑先生

EXECUTIVE DIRECTOR

Mr. Lee Kwok Leung, aged 66, joined the Company on 8 May 2014. He is a licensed person to carry out type 9 (asset management) regulated activity under the SFO. He has approximately 15 years of relevant experience by serving as one of the responsible officers of Silverstone Investments Limited ("Silverstone") which carries out Type 9 (asset management) and Type 4 (advising on securities) regulated activity under SFO, the investment manager of the Company, providing investment advisory services to and managing investment portfolios for professional/institutional investors mainly in Greater China and Hong Kong. Mr. Lee has strong experience in portfolio construction, portfolio management, risk assessment and investment due diligence. Furthermore, Mr. Lee was the Managing Director of BOCI Direct Management Limited from 1992 to 1999. In this private equity fund, he was responsible for the overall management of the fund.

Currently, Mr. Lee is the Chairman and an executive director of Mayer Holdings Limited (Stock code: 1116) and an independent non-executive director of Imperial Pacific International Holdings Limited (stock code: 1076), both companies are listed on the Hong Kong Stock Exchange.

執行董事

李國樑先生，66歲，於二零一四年五月八日加入本公司。彼持有證券及期貨條例下第九類受規管活動(提供資產管理)的牌照。彼為本公司投資經理銀石投資有限公司(「銀石」)(進行證券及期貨條例下第九類(提供資產管理)及第四類(就證券提供意見)受規管活動)之其中一名負責人員，主要為大中華和香港的專業／機構投資者提供投資諮詢服務和管理投資組合而積累約十五年相關經驗。李先生擁有深厚的構建投資組合、投資組合管理、風險評估和投資盡職審查經驗。此外，李先生於一九九二年至一九九九年間曾任中銀投資管理有限公司的董事總經理。彼在此項私募基金中負責整體管理。

目前，李先生為美亞控股有限公司(股份代號：1116)之主席兼執行董事及博華太平洋國際控股有限公司(股份代號：1076)之獨立非執行董事(兩間均為香港聯交所之上市公司)。



DR. NG CHI YEUNG SIMON
吳志揚博士

INDEPENDENT NON-EXECUTIVE DIRECTOR

Dr. Ng Chi Yeung Simon, aged 62, joined the Company on 26 November 2013. Dr. Ng is a qualified solicitor in Hong Kong. He is a consultant of Rowland Chow, Chan & Company, a law firm in Hong Kong. Dr. Ng holds a bachelor degree from the Manchester Metropolitan University in the United Kingdom, a master degree in Chinese and Comparative Law, and a doctor degree in worship studies from the Robert Webber Institute for Worship Studies. Dr. Ng is also a Part-time Lecturer of the Department of Professional Legal Education of The University of Hong Kong. Dr. Ng is currently an independent non-executive director of two other publicly listed companies in Hong Kong, namely, Century Sage Scientific Holdings Limited (stock code: 1450) and Winfair Investment Company Limited (stock code: 287).

獨立非執行董事

吳志揚博士，62歲，於二零一三年十一月二十六日加入本公司。吳博士為香港之合資格律師。彼為鄧陳律師行(一家香港律師行)之顧問。吳博士持有英國Manchester Metropolitan University學士學位及中國法及比較法之法學碩士學位。彼亦持有美國韋柏崇拜研究學院(Robert Webber Institute for Worship Studies)崇拜學博士學位。吳博士為香港大學法律專業學系之兼任講師。吳博士目前亦為另外兩間香港公眾上市公司，即世紀睿科控股有限公司(股份代號：1450)及永發置業有限公司(股份代號：287)之獨立非執行董事。

BIOGRAPHY OF DIRECTORS AND CHIEF EXECUTIVE OFFICER

董事及行政總裁之履歷



MR. TAM YUK SANG, SAMMY
譚旭生先生

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Tam Yuk Sang Sammy, aged 56, joined the Company on 31 December 2013. He graduated from the Hong Kong Polytechnic University in Accountancy, and holds a Master of Science degree in Professional Accountancy from University of London. He is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. He is currently the president of Essentack Limited, a corporate strategy and management advisory company. Mr. Tam is currently an independent non-executive director of Huajin International Holdings Limited (stock code: 2738), a company whose shares are listed on the Hong Kong Stock Exchange.

獨立非執行董事

譚旭生先生，56歲，於二零一三年十二月三十一日加入本公司。彼畢業於香港理工大學會計系，並持有倫敦大學專業會計理學碩士學位。彼為英國特許公認會計師公會及香港會計師公會資深會員。彼現任一間企業策略及管理顧問公司也思有限公司之總裁。譚先生現任股份於香港聯交所上市之公司華津國際控股有限公司(股份代號：2738)之獨立非執行董事。



MS. FLORENCE NG
吳翠蘭女士

INDEPENDENT NON-EXECUTIVE DIRECTOR

Ms. Florence Ng, aged 56, joined the Company on 31 December 2013. Ms. Ng is a solicitor of the Hong Kong Special Administrative Region. Ms. Ng holds a Bachelor of Arts degree from the San Francisco State University, a Bachelor of Laws degree from the University of London and a Master of Laws degree from the City University of Hong Kong. Ms. Ng also holds a Fintech Programme certificate from the University of Oxford. Ms. Ng has over 10 years of business management experience in the high-tech industry in Canada. Ms. Ng has held senior management positions in several computer and internet companies and she was responsible for general management and oversaw their operations of the sales, marketing and purchasing.

獨立非執行董事

吳翠蘭女士，56歲，於二零一三年十二月三十一日加入本公司。彼為一名香港特別行政區律師。吳女士持有美國三藩市州立大學文學士學位、倫敦大學法律學士學位及香港城市大學法律碩士學位。吳女士亦持有牛津大學金融科技課程證書。吳女士於加拿大之高科技行業擁有逾十年之業務管理經驗。吳女士曾於數家電腦及互聯網公司擔任高級管理層職位，負責一般管理及監督銷售、市場營銷及採購之業務。

BIOGRAPHY OF DIRECTORS AND CHIEF EXECUTIVE OFFICER

董事及行政總裁之履歷



DR. YEUNG CHEUK KWONG
楊卓光博士

CHIEF EXECUTIVE OFFICER

Dr. Yeung Cheuk Kwong, aged 57, joined the Company on 7 July 2014. Dr. Yeung holds a Doctor degree of Business Administration from the City University of Hong Kong with a distinction award, a Master degree in Finance from the City University of Hong Kong with distinction, a Bachelor degree of Science (Economics) from the University of London, a Master degree in Corporate and Financial Law from the University of Hong Kong and a Bachelor degree of Laws from Manchester Metropolitan University.

In 2018, Dr. Yeung published his paper “Nonlinear Effect of Board Size on Corporate Performance: Impact of the Cultural Backgrounds of Directors in Hong Kong” in Asia-Pacific Journal of Financial Studies, which is a first Social Science Citation Index listed finance journal in Asia.

行政總裁

楊卓光博士，57歲，於二零一四年七月七日加入本公司。楊博士持有香港城市大學工商管理博士學位及獲得研究成就獎、香港城市大學金融碩士學位(優等成績)、倫敦大學經濟學理學士學位、香港大學公司及金融法碩士學位及Manchester Metropolitan University法學士學位。

楊博士於二零一八年在《亞太金融研究期刊》(Asia-Pacific Journal of Financial Studies)發表《董事會規模對企表現的非線性影響：香港董事文化背景的衝擊》(Nonlinear Effect of Board size on Corporate Performance: Impact of the Cultural Backgrounds of Directors in Hong Kong)，此為首篇列入亞洲金融期刊的社會科學引文索引。

Dr. Yeung has held senior management positions for about 25 years. He has extensive experiences and knowledge in mergers and acquisitions, corporate finance, investment in various asset classes, such as fixed income securities and equities, as well as tax planning. Dr. Yeung is also a Certified Public Accountant (Practising) of the Hong Kong Institute of Certified Public Accountants, a Fellow Member of the Association of Chartered Certified Accountants, and an Associate Member of the Institute of Chartered Accountants in England and Wales. Since early 2016, Dr. Yeung has been one of the licensed representatives of Silverstone which carries our type 9 (asset management) and Type 4 (advising on securities) regulated activities under SFO. Since December 2017, Dr. Yeung has been appointed as the adjunct Professor of Zhongnan University of Economics and Law, the PRC.

Dr. Yeung was the executive director and chief financial officer of Great Wall Electronic International Limited (now known as EPI (Holdings) Limited) (stock code: 689) from 1995 to 2000, a company publicly listed on the Stock Exchange. He was also the executive director, chief financial officer and company secretary of Ngai Lik Industrial Holdings Limited (now known as Yuan Heng Gas Holdings Limited) (stock code: 332) from 2000 to 2010, a company publicly listed on the Stock Exchange. Dr. Yeung currently holds senior management position of Ngai Lik Group Limited, a private company controlled by Dr. Lam Man Chan, Chairman and the deemed substantial shareholder of the Company.

Dr. Yeung is also a non-executive director of China Oriented International Holdings Limited (stock code: 1871).

Dr. Yeung has also been an executive committee member of Hong Kong Electronics Industry Council under the Federation of Hong Kong Industries since 2015.

楊博士出任高級管理層職位約二十五年。彼於收購合併、企業融資、不同資產級別之投資(例如固定收入證券及股本)以及稅務策劃方面擁有豐富經驗及知識。楊博士亦為香港會計師公會之執業會計師、英國特許公認會計師公會之資深會員以及英格蘭及威爾斯特許會計師公會之會員。自二零一六年初起，楊博士為銀石(根據證券及期貨條例從事第9類(資產管理)及第4號(就證券提供意見)受規管活動)之其中一名持牌代表。自二零一七年十二月起，楊博士獲委任為中國中南財經政法大學的客座教授。

楊博士於一九九五年至二零零零年期間曾任聯交所之公眾上市公司長城電子國際有限公司(現稱為長盈集團(控股)有限公司)(股份代號: 689)之執行董事兼財務總監，及於二零零零年至二零一零年期間曾任聯交所之公眾上市公司毅力工業集團有限公司(現稱為元亨燃氣控股有限公司)(股份代號: 332)之執行董事、財務總監兼公司秘書。楊博士現持有毅力集團有限公司高級管理人員職位，該公司為本公司主席及被視為本公司主要股東林文燦博士所控制之私人公司。

楊博士亦為向中國國際控股有限公司(股份代號: 1871)的非執行董事。

楊博士亦自二零一五年起出任香港工業總會之香港電子業總會執行委員會成員。

REPORT OF DIRECTORS

董事會報告書

The Directors present their annual report and the audited consolidated financial statements of the Group for the year ended 31 December 2019.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Company is principally engaged in investment in equity securities and debt securities of listed and unlisted securities. During the year, there were no significant changes to the Group's principal activities. Further discussion and analysis of these activities including a discussion of the principal risks and uncertainties facing the group and an indication of likely future developments in the group's business can be found in the Management Discussion and Analysis set out on pages 18 to 23 of this Annual Report. This discussion forms part of this Directors' Report.

INVESTMENT OBJECTIVES, POLICIES AND RESTRICTIONS

China Internet Investment Finance Holdings Limited (the "Company", and together with its subsidiaries, the "Group") is an investment company listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") under Chapter 21 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

The board of directors (the "Board") of the Company may change the Company's investment objectives and policies from time to time. The Company is also subject to the investment restrictions set forth in the Listing Rules and its Bye-laws.

董事會謹此提呈彼等之年度報告及本集團截至二零一九年十二月三十一日止年度之經審核綜合財務報表。

主要業務及業務回顧

本公司主要業務為投資於上市及非上市之股本證券及債務證券。年內，本集團之主要業務並無重大變動。該等活動之進一步討論及分析，包括就本集團面對之主要風險及不明朗因素之討論及有關本集團業務之未來可能發展之揭示，可見於本年報第18至23頁所載之管理層討論及分析。此討論構成本董事會報告書之一部分。

投資目標、政策及限制

中國互聯網投資金融集團有限公司（「本公司」，連同其附屬公司，統稱「本集團」）為一間根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）第21章於聯交所主板上市之投資公司。

本公司董事會（「董事會」）或會不時更改本公司的投資目標和政策。本公司亦須遵守上市規則及其細則所載的投資限制。

Details of the major investment objectives, policies and restrictions of the Company are set out as below:

Objectives

The Company is an investment company with the primary objective of achieving capital appreciation as well as generating income from interests and dividends by investing in listed and unlisted companies in the People's Republic of China (the "PRC"), Hong Kong and Macau (collectively, "Greater China") and any other countries as the Board may direct from time to time. The Company also intends to invest in unlisted companies with the potential to seek a listing on the Stock Exchange or any overseas stock exchanges.

Policies

The Group has adopted a diversified investment approach and has added the use of derivatives for the purposes of hedging the investment portfolio. Below are the key details of policies:

1. Investment will normally be made in the form of equity securities, equity related securities (including but not limited to convertible notes, preference shares, options, warrants and/or futures contracts) and/or debt securities in listed and unlisted companies in Greater China and other countries engaged in different industries including (but not limited to) manufacturing, bio-technology, services, telecommunication, technology, infrastructure, pharmaceuticals and property sectors, aiming at maintaining a balance in the Company's exposure to different industry sectors.

本公司的主要投資目標、政策及限制詳情載於下文：

目標

本公司乃一間投資公司，首要目標為實現資本增值，以及根據董事會不時作出的指示，透過投資於中華人民共和國（「中國」）、香港及澳門（統稱「大中華」）以及任何其他國家的上市及非上市公司從利息及股息產生收入。本公司亦擬投資於可能在聯交所或任何海外證券交易所尋求上市之非上市公司。

政策

本集團已採取多元化的投資方式，並增加了衍生產品的使用，以對沖投資組合。政策主要詳情如下：

1. 投資通常以股票證券、股票相關證券（包括但不限於可換股票據、優先股、期權、認股權證及／或期貨合約）及／或債務證券的形式於大中華地區或其他國家從事不同行業（包括但不限於製造、生物技術、服務、電信、技術、基礎建設、製藥和房地產）的上市公司及非上市公司中進行，旨在平衡本公司於不同行業中的風險。

REPORT OF DIRECTORS

董事會報告書

2. The Group may, where the Board considers appropriate, use or invest in derivatives for hedging purposes. In this connection, the Group may buy, write or sell warrants, covered warrants, options or traded options on its underlying investments. The Group may also short-sell shares, buy or sell futures contracts on stock indices or shares (if any) as a means to hedge against adverse price movements of its investments.
 3. When considering and identifying potential investments, the Group will seek to identify entities with a record of positive profit growth, strong management, and high levels of technical expertise, and research and development capabilities as well as management commitment to long-term growth. At the same time, the Group is also flexible in considering investments in companies or other entities which are considered by the Board and the investment manager of the Company as being special or in recovery situations with return potential.
 4. As to the period of investment, the investments are usually intended to be held for capital appreciation. The actual holding period will depend on the return from investment and the potential of listing on the Stock Exchange or other internationally recognised stock exchanges. The Group will, however, realise investments where the Board believes the realisation would be in the best interests of the Group or where the terms on which such realisation can be made are considered by the Board as particularly favorable to the Group.
2. 本集團可於董事會認為適當的情況下出於對沖目的使用或投資衍生品。就此而言，本集團可就其相關投資買賣認股權證，備兌認股權證，期權或交易期權。本集團亦可能賣空股份，買賣股票指數或股份(如有)的期貨合約，以對沖其投資的不利價格變動。
 3. 於考慮及物色潛在投資時，本集團將尋求物色擁有正溢利增長紀錄、管理優異、技術專才及研發能力水平超卓，以及管理層致力達致長期增長之企業。與此同時，倘董事會及本公司投資經理認為有關公司或其他實體情況特殊或正處於復甦並且擁有回報潛力，則本集團亦可靈活考慮是否投資於該等公司或實體。
 4. 至於投資期方面，本集團一般擬持有該等投資以取得資本增值。實際持有期間將視乎投資回報及於聯交所或其他國際認可證券交易所上市之潛力而定。然而，倘董事會相信變現投資符合本集團之最佳利益或董事會認為有關變現條款尤其對本集團有利，則本集團將考慮變現投資。

The above investment policies may be amended by the Board from time to time without approval by the Company's shareholders, but subject to the investment restrictions as set forth below or as applicable to the Company from time to time.

上述投資政策可於未經本公司股東批准的情況下由董事會不時修改，惟需遵守以下或不時適用於本公司的投資限制。

Investment Restrictions

Under the Bye-laws and the Listing Rules relating to the listing of investment companies, certain restrictions on investments are imposed on the Company. The Board has resolved that the Company may not:

1. either itself or through its wholly-owned subsidiaries or in conjunction with any connected person take legal, or effective, management control of underlying investments and in no event will the Company itself or through its wholly-owned subsidiaries own or control more than 30% (or such other percentage as may from time to time be specified in the Hong Kong Code on Takeovers and Mergers as being the level for triggering a mandatory general offer) of the voting rights in such company or other entity, except in relation to such wholly-owned subsidiaries of the Company;
2. invest in any company or entity other than wholly-owned subsidiaries of the Company if such investment will result in more than 20% of the net asset value of the Company (calculated in accordance with the provisions of the Company's Bye-laws) being invested in such company or entity as at the date the investment is made;
3. without the prior approval of the Shareholders by ordinary resolution, buy or sell commodities, commodity contracts or precious metals, except that the Group may purchase and sell future contracts on stock indices and securities which are secured by commodities or precious metals; and
4. invest more than 30% of the Company's assets outside Greater China to the extent of contravening its primary objective of achieving capital appreciation by investing in listed and unlisted companies in Greater China.

投資限制

根據公司細則及上市規則有關投資公司上市之規定，本公司須受若干投資限制約束。董事會已議決，本公司不得：

1. 自行或透過其全資附屬公司或聯同任何關連人士取得相關投資之法律或實際管理控制權，而於任何情況下，本公司不得自行或透過其全資附屬公司擁有或控制有關公司或其他實體（有關本公司全資附屬公司除外）之投票權30%或以上（或香港《公司收購及合併守則》不時規定足以觸發強制全面收購水平之其他百分比）；
2. 投資於本公司全資附屬公司以外之任何公司或實體（倘於作出投資之日，該投資將導致本公司資產淨值（根據本公司細則條文計算）超過20%投資於該公司或實體）；
3. 未取得股東以普通決議案事先批准而購買或出售商品、商品合約或貴金屬，惟本集團可購買及出售股票指數期貨合約及以商品或貴金屬抵押之證券；及
4. 投資超過30%之公司資產於大中華以外，導致有違本公司透過投資於大中華之上市及非上市公司獲取資本增值之主要目標。

REPORT OF DIRECTORS

董事會報告書

The Company has to comply with investment restrictions 1 and 2 above at all times while it remains listed as an investment company under Chapter 21 of the Listing Rules. Investment restriction 3 can be changed subject to Shareholders' approval and investment restriction 4 can be changed without Shareholders' approval.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2019 and the state of affairs at that date are set out in the consolidated financial statements on pages 123 to 238. The Directors do not recommend the payment of a dividend.

FIVE YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements and restated and reclassified as appropriate, is set out on page 239. This summary does not form part of the audited consolidated financial statements.

PROPERTY AND EQUIPMENT

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

SHARE CAPITAL

Details of the movements in the share capital of the Company are set out in note 21 to the consolidated financial statements.

PURCHASE, SALE OR REDEMPTION OF SHARES OF THE COMPANY

The Company has not purchased, sold or redeemed any of its own shares during the year ended 31 December 2019.

倘本公司仍根據上市規則第21章以投資公司方式上市，則須於任何時間遵守上述投資限制1及2。第3項投資限制之更改須經股東批准而第4項投資限制可毋須經股東批准而更改。

業績及分派

本集團截至二零一九年十二月三十一日止年度之業績及截至該日之事務狀況載於綜合財務報表第123至238頁。董事不建議派付股息。

五年財務概要

本集團過去五個財政年度之業績及資產負債概要載於第239頁，乃摘錄自經審核綜合財務報表，並於適用情況下已作重列及重新分類。此概要並不構成經審核綜合財務報表其中部分。

物業及設備

本集團年內物業及設備變動詳情載於綜合財務報表附註13。

股本

本公司股本變動詳情載於綜合財務報表附註21。

購買、出售或贖回本公司股份

於截至二零一九年十二月三十一日止年度，本公司概無購買、出售或贖回其本身任何股份。

CHARITABLE DONATIONS

Donations to charitable organization by the Group during the year amounted to approximately HK\$320,000.

RESERVES

Details of the movements in the reserves of the Group during the year are set out in the consolidated statement of changes in equity on page 127.

DISTRIBUTABLE RESERVES

As at 31 December 2019, the Company had no distributable reserve because its accumulated losses amounted to be about HK\$296.1 million.

EQUITY-LINKED AGREEMENTS

Save for the share option scheme of the Company as disclosed in the below section headed “Share Options” below, no equity-linked agreements were entered into by the Group, or existed during the year.

SHARE OPTIONS

Particulars of the Company’s share option schemes are set out in note 28 to the consolidated financial statements.

Pursuant to a resolution passed on 31 July 2012, the Company adopted the share option scheme (the “Scheme”), which is valid and effective for a period of ten years from the date of adoption. Under the Scheme, the Company may grant options to, inter alias, directors and employees of the Company or its subsidiaries and other participants to subscribe for shares in the Company.

慈善捐款

本集團於年內向慈善機構作出約320,000港元之捐款。

儲備

本集團年內儲備變動詳情載於第127頁之綜合權益變動報表。

可供分派儲備

於二零一九年十二月三十一日，本公司並無可供分派儲備，原因是其累計虧損約為296,100,000港元。

股票掛鈎協議

除下文「購股權」一節所披露本公司之購股權計劃外，本集團於年內並無訂立或訂有任何股票掛鈎協議。

購股權

有關本公司購股權計劃之詳情載於綜合財務報表附註28。

根據於二零一二年七月三十一日通過之決議案，本公司採納購股權計劃（「該計劃」），其由採納日期起計十年有效及生效。根據該計劃，本公司可向（其中包括）本公司或其附屬公司之董事及僱員及其他參與者授出購股權以認購本公司股份。

REPORT OF DIRECTORS

董事會報告書

The movements of the options granted under the Scheme during the year and as at 31 December 2019 were as follows:

根據該計劃授出之購股權於年內以及於二零一九年十二月三十一日之變動如下：

Grantee	Position	Date of Grant	Exercise period	Exercise price	As at 1 January 2019	Granted during the year	No. of share options 購股權數目		
							Exercised during the year	Lapsed and cancelled during the year	As at 31 December 2019
承授人	職位	授出日期	行使期間	行使價 HK\$ 港元	於二零一九年一月一日	於年內授出	於年內行使	於年內失效及註銷	於二零一九年十二月三十一日
Lee Kwok Leung 李國傑	Executive Director 執行董事	11/07/2016 二零一六年七月十一日	11/07/2016 to 10/07/2019 二零一六年七月十一日至二零一九年七月十日	0.475	1,600,000	—	—	(1,600,000)	—
		29/11/2018 二零一八年十一月二十九日	29/11/2018 to 28/11/2021 二零一八年十一月二十九日至二零二一年十一月二十八日	0.241	1,600,000	—	—	—	1,600,000
		16/09/2019 二零一九年九月十六日	16/09/2019 to 31/07/2022 二零一九年九月十六日至二零二二年七月三十一日	0.137	—	1,600,000	—	—	1,600,000
Ng Chi Yeung, Simon 吳志揚	Independent Non-executive Director 獨立非執行董事	11/07/2016 二零一六年七月十一日	11/07/2016 to 10/07/2019 二零一六年七月十一日至二零一九年七月十日	0.475	200,000	—	—	(200,000)	—
		29/11/2018 二零一八年十一月二十九日	29/11/2018 to 28/11/2021 二零一八年十一月二十九日至二零二一年十一月二十八日	0.241	200,000	—	—	—	200,000
		16/09/2019 二零一九年九月十六日	16/09/2019 to 31/07/2022 二零一九年九月十六日至二零二二年七月三十一日	0.137	—	200,000	—	—	200,000
Tam Yuk Sang, Sammy 譚旭生	Independent Non-executive Director 獨立非執行董事	11/07/2016 二零一六年七月十一日	11/07/2016 to 10/07/2019 二零一六年七月十一日至二零一九年七月十日	0.475	200,000	—	—	(200,000)	—
		29/11/2018 二零一八年十一月二十九日	29/11/2018 to 28/11/2021 二零一八年十一月二十九日至二零二一年十一月二十八日	0.241	200,000	—	—	—	200,000
		16/09/2019 二零一九年九月十六日	16/09/2019 to 31/07/2022 二零一九年九月十六日至二零二二年七月三十一日	0.137	—	200,000	—	—	200,000

Grantee	Position	Date of Grant	Exercise period	Exercise price	As at 1 January 2019 於二零一九年一月一日	Granted during the year 於年內授出	No. of share options 購股權數目			As at 31 December 2019 於二零一九年十二月三十一日
							Exercised during the year 於年內行使	Lapsed and cancelled during the year 失效及註銷於年內		
承授人	職位	授出日期	行使期間	行使價 HK\$ 港元						
Florence Ng 吳翠蘭	Independent Non-executive Director 獨立非執行董事	11/07/2016 二零一六年七月十一日	11/07/2016 to 10/07/2019 二零一六年七月十一日至二零一九年七月十日	0.475	200,000	—	—	(200,000)	—	
		29/11/2018 二零一八年十一月二十九日	29/11/2018 to 28/11/2021 二零一八年十一月二十九日至二零二一年十一月二十八日	0.241	200,000	—	—	—	200,000	
		16/09/2019 二零一九年九月十六日	16/09/2019 to 31/07/2022 二零一九年九月十六日至二零二二年七月三十一日	0.137	—	200,000	—	—	200,000	
Yeung Cheuk Kwong 楊卓光	Chief Executive Officer 行政總裁	11/07/2016 二零一六年七月十一日	11/07/2016 to 10/07/2019 二零一六年七月十一日至二零一九年七月十日	0.475	2,000,000	—	—	(2,000,000)	—	
		29/11/2018 二零一八年十一月二十九日	29/11/2018 to 28/11/2021 二零一八年十一月二十九日至二零二一年十一月二十八日	0.241	2,500,000	—	—	—	2,500,000	
		16/09/2019 二零一九年九月十六日	16/09/2019 to 31/07/2022 二零一九年九月十六日至二零二二年七月三十一日	0.137	—	2,500,000	—	—	2,500,000	
Other employees 其他僱員	N/A 不適用	11/07/2016 二零一六年七月十一日	11/07/2016 to 10/07/2019 二零一六年七月十一日至二零一九年七月十日	0.475	3,100,000	—	—	(3,100,000)	—	
		29/11/2018 二零一八年十一月二十九日	29/11/2018 to 28/11/2021 二零一八年十一月二十九日至二零二一年十一月二十八日	0.241	3,100,000	—	—	—	3,100,000	
		16/09/2019 二零一九年九月十六日	16/09/2019 to 31/07/2022 二零一九年九月十六日至二零二二年七月三十一日	0.137	—	3,100,000	—	—	3,100,000	
Total 總計					15,100,000	7,800,000	—	(7,300,000)	15,600,000	

REPORT OF DIRECTORS

董事會報告書

DIRECTORS

The Directors of the Company during the year and up to the date of this report were as follows:

Chairman and Non-executive Director:

Dr. Lam Man Chan

Executive Director:

Mr. Lee Kwok Leung

Independent Non-executive Directors:

Dr. Ng Chi Yeung, Simon

Mr. Tam Yuk Sang, Sammy

Ms. Florence Ng

In accordance with the Company's Bye-laws, Mr. Lee Kwok Leung and Dr. Ng Chi Yeung, Simon will retire at the forthcoming annual general meeting and, being eligible, offers themselves for re-election.

DIRECTORS' SERVICE CONTRACTS

None of the Directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

董事

於年內及截至本報告日期止，本公司之董事如下：

主席兼非執行董事：

林文燦博士

執行董事：

李國樑先生

獨立非執行董事：

吳志揚博士

譚旭生先生

吳翠蘭女士

根據本公司之公司細則，李國樑先生及吳志揚博士將在應屆股東週年大會告退，惟符合資格並願意膺選連任。

董事之服務合約

概無任何擬於應屆股東週年大會上膺選連任之董事與本公司訂有本公司不可於一年內免付賠償(法定賠償除外)而終止之服務合約。

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 31 December 2019, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, below were the interest and short positions of the directors and chief executives of the Company in the shares, underlying shares or debentures of the company or any of its associated corporations (within the meaning of the Securities and Futures Ordinance) as recorded in the register required to be kept by the Company pursuant to section 352 of part XV of the SFO, or as otherwise notified to the Company and the Stock Exchange of Hong Kong Limited:

董事及主要行政人員於本公司或任何相聯法團之股份、相關股份及債券之權益及淡倉

於二零一九年十二月三十一日，根據上市規則所載上市發行人董事進行證券交易的標準守則，以下為本公司之董事及主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例)之股份、相關股份或債券中，擁有根據證券及期貨條例第XV部第352條規定須存置之本公司登記冊所記錄，或須另行知會本公司及香港聯合交易所有限公司之權益及淡倉如下：

Name of Directors and Chief Executive Officer	Position	Note	Nature of interest	Number of shares held		No. of share options held	Percentage of issued share capital
				Long position	Short position		
董事及行政總裁姓名	職位	附註	權益性質	好倉	淡倉	所持購股權數目	佔已發行股本百分比
Lam Man Chan ("Dr. Lam") 林文燦(「林博士」)	Chairman and Non-executive Director 主席兼非執行董事	1	Interests as a settlor and protector of a Discretionary trust 作為全權信託之創立人及保護人之權益	231,181,000	—	—	24.52
Lee Kwok Leung 李國樑	Executive Director 執行董事	2	Beneficial owner 實益擁有人	—	—	3,200,000	0.34
Ng Chi Yeung, Simon 吳志揚	Independent Non-executive Director 獨立非執行董事	2	Beneficial owner 實益擁有人	—	—	400,000	0.04
Tam Yuk Sang, Sammy 譚旭生	Independent Non-executive Director 獨立非執行董事	2	Beneficial owner 實益擁有人	—	—	400,000	0.04
Florence Ng 吳翠蘭	Independent Non-executive Director 獨立非執行董事	2	Beneficial owner 實益擁有人	—	—	400,000	0.04
Yeung Cheuk Kwong 楊卓光	Chief Executive Officer 行政總裁	2	Beneficial owner 實益擁有人	—	—	5,000,000	0.53

REPORT OF DIRECTORS

董事會報告書

Notes:

1. The interests are held by Goodchamp Holdings Limited, which is directly owned by Sinowin Unit Trust (Sinowin (PTC) Inc. as its trustee), which is 100% owned by the Richmond Trust (a discretionary trust in which HSBC International Trustee Limited is the trustee). Dr. Lam, who is the Chairman and Non-executive Director of the Company, is the settlor and protector of Richmond Trust.
2. These represented the shares options granted by the Company. Details have been set out in the above section with the header "Share Options".

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the share option scheme disclosures in note 28 to the consolidated financial statements, at no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

附註：

1. 該等權益乃由 Goodchamp Holdings Limited 持有，而該公司乃由 Sinowin Unit Trust (Sinowin (PTC) Inc. 為其受託人) 直接擁有，而 Sinowin Unit Trust 則由 Richmond Trust (其為一項全權信託而 HSBC International Trustee Limited 為受託人) 100% 擁有。本公司主席及非執行董事林博士為 Richmond Trust 之創立人及保護人。
2. 此代表本公司所授出之購股權。有關詳情載於上文「購股權」一節。

董事購買股份或債券之權利

除綜合財務報表附註28購股權計劃披露所披露者外，於年內任何時間，概無董事或彼等各自之配偶或未成年子女獲授或行使任何可藉購入本公司股份或債券而獲益之權利；本公司亦無訂立任何安排，致使董事可於任何其他法人團體獲取該等權利。

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 December 2019, so far as was known to the directors or chief executive of the Company, the following persons (other than the interests disclosed above in respect of certain directors and chief executive of the Company) has, or is deemed to have, interests or short positions in the Shares or underlying Shares of the Company as recorded in the register to be kept under Section 336 of the SFO are set out below:

Name of shareholders 股東名稱	Note 附註	Capacity/Nature of interest 身份／權益性質	Long position 好倉	Short position 淡倉	Percentage of holding 持股百分比
Goodchamp Holdings Limited	1	Beneficial owner 實益擁有人	231,181,000	—	24.52
Sinowin (PTC) Inc.	1	Interest of controlled corporation 受控制法團之權益	231,181,000	—	24.52
HSBC International Trustee Limited	1	Trustee 受託人	231,181,000	—	24.52

Note:

- The interests are held by Goodchamp Holdings Limited, which is directly owned by The Sinowin Unit Trust (Sinowin (PTC) Inc. as its trustee), which is 100% owned by the Richmond Trust (a discretionary trust in which HSBC International Trustee Limited is the trustee). Dr. Lam, who is the Chairman and Non-executive Director of the Company, is the settlor and protector of Richmond Trust.

主要股東及其他人士於股份及相關股份之權益

於二零一九年十二月三十一日，就本公司董事或主要行政人員所知，以下人士（不包括上文就本公司若干董事及主要行政人員所披露之權益）於本公司之股份或相關股份中，擁有或被視為擁有須記錄於根據證券及期貨條例第336條存置之登記冊之下列權益或淡倉：

附註：

- 該等權益乃由Goodchamp Holding Limited持有，而該公司乃由The Sinowin Unit Trust (Sinowin (PTC) Inc.為其受託人)直接擁有，而The Sinowin Unit Trust則由Richmond Trust (其為一項全權信託而HSBC International Trustee Limited為受託人)100%擁有。本公司主席及非執行董事林博士為Richmond Trust之創立人及保護人。

REPORT OF DIRECTORS

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Save as disclosed above, as at 31 December 2019, the directors and chief executive of the Company are not aware of any persons who had an interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this report.

EMOLUMENTS POLICY

The emoluments policy for the Directors of the Company are decided by Remuneration Committee, with reference to his respective qualifications and experiences, duties and responsibilities with the Company, the Company's performance and the prevailing market situation.

The Company has adopted a share option scheme as an incentive to Directors and eligible employees, details of the scheme are set out in note 28 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Bye-Laws, or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

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有任何人士於本公司之股份或相關股份中擁有須記錄於根據證券及期貨條例第336條存置之登記冊之權益或淡倉。

足夠公眾持股量

根據本公司所獲公開資料及據董事所知，於本報告日期，本公司最少25%已發行股本總額由公眾人士持有。

薪酬政策

本公司董事之薪酬政策乃由薪酬委員會經考慮各董事之資歷及經驗、於本公司之職務及職責、本公司之表現及現行市況而釐定。

本公司已採納一項購股權計劃，旨在獎勵董事及合資格僱員。該計劃之詳情載於綜合財務報表附註28。

優先購買權

本公司之公司細則或百慕達法例並無有關優先購買權之規定，規定本公司必須按比例向現有股東提呈發售新股份。

INDEPENDENCY OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the Independent Non-executive Directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The Company considers that all the Independent Non-executive Directors are independent.

DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance in relation to the Company's business to which the Company was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

MANAGEMENT CONTRACTS

Except as detailed in note 27 to the consolidated financial statements, 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.

PERMITTED INDEMNITY PROVISION

According to the bye-laws, every Director is entitled to be indemnified out of the assets of the Company against all losses or liabilities (to the fullest extent permitted by the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)) which he/she may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto. The Group has maintained directors' liability insurance, which provides appropriate cover for legal actions brought against the Directors and directors of the subsidiaries of the Group. The level of the coverage is reviewed annually.

獨立非執行董事之獨立性

本公司已收到各獨立非執行董事根據香港聯合交易所有限公司證券上市規則第3.13條發出之年度獨立性確認函。本公司認為全體獨立非執行董事均為獨立人士。

董事合約權益

於年底或年內任何時間，本公司概無訂有董事於當中直接或間接擁有重大權益，且對本公司業務而言屬重大之合約。

管理合約

除綜合財務報表附註27詳述者外，年內並無訂立或存在任何與本公司全部或任何重大部分業務之管理及行政有關之合約。

獲准許之彌償條文

根據公司細則，各董事有權就履行其職務或在履行其職務方面或在其他有關方面可能蒙受或招致之所有損失或責任(在公司條例(香港法例第622章)准許的最大範圍內)從本公司之資產中獲取彌償。本集團於年內已維持董事責任保險，就針對董事及本集團附屬公司之董事的任何法律訴訟提供適當保障。保障範圍每年檢討一次。

REPORT OF DIRECTORS

董事會報告書

AUDITOR

The consolidated financial statements have been audited by Deloitte Touche Tohmatsu who will retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-appointment.

On behalf of the Board

Lam Man Chan

Chairman

Hong Kong, 23 March 2020

核數師

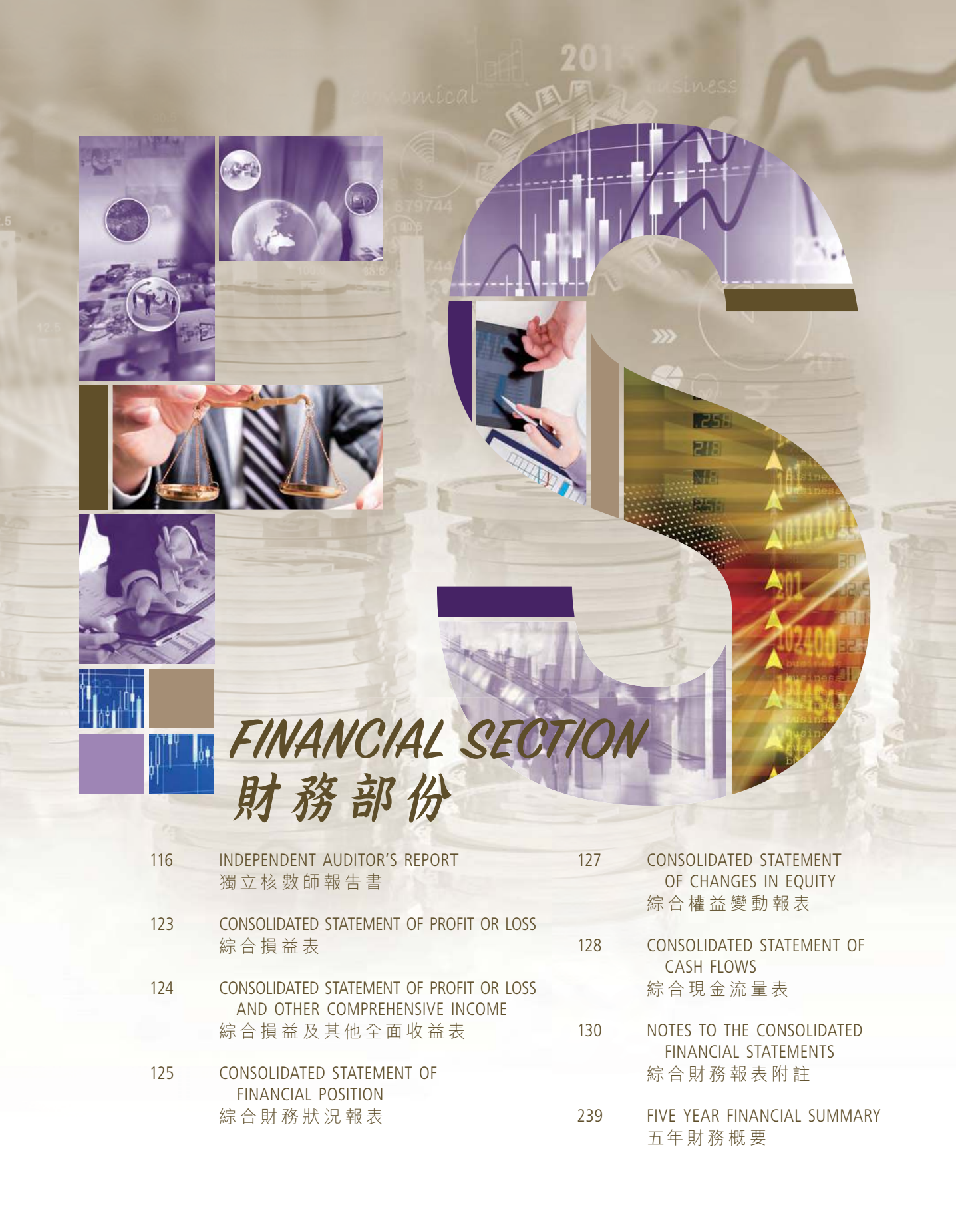
綜合財務報表已由德勤•關黃陳方會計師行審核，彼等將於應屆股東週年大會上退任，並符合資格膺選連任。

代表董事會

主席

林文燦

香港，二零二零年三月二十三日



FINANCIAL SECTION

財務部份

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INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

Deloitte.

德勤

To the Shareholders of China Internet Investment Finance Holdings Limited

(Continued into Bermuda with limited liability)

致中國互聯網投資金融集團有限公司
列位股東

(於百慕達存續之有限公司)

OPINION

We have audited the consolidated financial statements of China Internet Investment Finance Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 123 to 238, 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 ("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 ("HKSAAs") 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

本核數師已審核列載於第123至238頁中國互聯網投資金融集團有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)之綜合財務報表，此綜合財務報表包括於二零一九年十二月三十一日之綜合財務狀況報表及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、綜合權益變動報表及綜合現金流量表，連同綜合財務報表附註，包括主要會計政策概要。

本核數師認為，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒布的香港財務報告準則(「香港財務報告準則」)真實而公平地反映 貴集團於二零一九年十二月三十一日的綜合財務狀況以及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露規定妥為編製。

意見的基礎

本核數師根據香港會計師公會頒布的香港審計準則(「香港審計準則」)進行審核。在該等準則下，我們的責任在我們的報告內「核數師就審核綜合財務報表須承擔的責任」一節進一步闡述。根據香港會計師公會的「國際職業會計師道德守則」(「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，我們所獲得的審核憑證能充足及適當地為我們的審核意見提供基礎。

KEY AUDIT MATTER

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements of the current year. This matter was 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 this matter.

Key audit matter

關鍵審核事項

Valuation of unlisted equity-linked notes

非上市股票掛鈎票據之估值

We identified the valuation of unlisted equity-linked notes, as a key audit matter due to the degree of complexity involved in valuing the unlisted equity-linked notes, the judgements and estimations required in establishing the valuation techniques and the key inputs thereof, combining with the significance of these balances to the consolidated financial statements as a whole.

我們將非上市股票掛鈎票據之估值識別為關鍵審核事項，乃由於估算非上市股票掛鈎票據之價值時涉及高度複雜性、確立估值技術及其主要輸入數據時作出判斷及估計，以及該等結餘整體對綜合財務報表的意義重大。

At 31 December 2019, the carrying values of the unlisted equity-linked notes amounted to HK\$8,008,000 which are carried at fair value and are classified as Level 3 financial instruments in the fair value hierarchy.

於二零一九年十二月三十一日，非上市股票掛鈎票據之賬面值為8,008,000港元，其按公允值列賬，並於公允值層級中分類為第三層金融工具。

關鍵審核事項

根據本核數師的專業判斷，關鍵審核事項為我們審核於本年度的綜合財務報表中最重要的事項。我們在審核綜合財務報表及就此達致意見時處理該事項，而不會就該事項單獨發表意見。

How our audit addressed the key audit matter

本核數師在審核中處理關鍵審核事項的方法

Our procedures in relation to valuation of the unlisted equity-linked notes included: 我們就非上市股票掛鈎票據之估值之程序包括：

- examining the relevant termsheets for the key terms and the relevant contractual rights and obligations of these financial instruments; and
- 審閱相關條款項目之主要條款及該等金融工具之相關合約權利和責任；及
- involving our internal valuation specialist who has built up their own model and comparing their results to the carrying values of the unlisted equity-linked notes.
- 涉及已建立自有模型的內部估值專家，並將其結果與非上市股票掛鈎票據之賬面值進行比較。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

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 requirement of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

其他資料

貴公司董事須對其他資料承擔責任。其他資料包括載於年報的資料，惟不包括綜合財務報表及我們的核數師報告。

本核數師對綜合財務報表作出的意見並無涵蓋其他資料，而我們不會對其他資料發表任何形式的核證結論。

就本核數師審核綜合財務報表而言，我們的責任為閱讀其他資料，從而考慮其他資料是否與綜合財務報表或我們在審核過程中獲悉的資料存在重大不符，或似乎存在重大錯誤陳述。倘若我們基於已進行的工作認為其他資料出現重大錯誤陳述，我們須報告有關事實。就此，我們毋須作出報告。

董事及肩負管治責任者就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒布的香港財務報告準則及香港《公司條例》的披露規定編製真實而公平地反映情況的綜合財務報表，及董事釐定對編製綜合財務報表屬必要的有關內部監控，以使該等綜合財務報表不會存在由於欺詐或錯誤而導致的重大錯誤陳述。

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

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

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 Section 90 of the Bermuda Companies Act, 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.

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

肩負管治責任者負責監督貴集團的財務報告流程。

核數師就審核綜合財務報表須承擔的責任

本核數師的目標為合理確定此等綜合財務報表整體而言不會存在由於欺詐或錯誤而導致的重大錯誤陳述，並發出載有我們意見的核數師報告。我們根據百慕達公司法第90條僅向全體股東報告，不作其他用途。我們並不就本報告之內容對任何其他人士承擔任何義務或接受任何責任。合理確定屬高層次的核證，惟根據香港審計準則進行的審核工作不能保證總能察覺所存在的重大錯誤陳述。錯誤陳述可因欺詐或錯誤產生，倘個別或整體在合理預期情況下可影響使用者根據綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

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

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

在根據香港審計準則進行審計的過程中，本核數師運用專業判斷，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的風險、設計及執行審計程序以應對該等風險，以及獲取充足和適當的審計憑證，作為本核數師意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控的情況，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部監控，以設計適當的審計程序，惟並非旨在對 貴集團內部監控的有效性發表意見。
- 評估董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論，並根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。倘本核數師認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。倘有關披露不足，則修訂我們意見。我們結論乃基於截至核數師報告日期止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團無法持續經營。

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

- 評估綜合財務報表的整體呈報方式、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和事項。
- 就貴集團內實體或業務活動的財務資料獲取充足及適當的審計憑證，以便對綜合財務報表發表意見。本核數師負責集團審計的方向、監督和執行。我們為審核意見承擔全部責任。

本核數師與肩負管治責任者就(其中包括)審計的計劃範圍、時間安排及重大審計發現溝通，該等發現包括我們在審計過程中識別的內部監控的任何重大缺失。

本核數師亦向肩負管治責任者作出聲明，指出我們已符合有關獨立性的相關道德要求，並與彼等溝通可能被合理認為會影響我們獨立性的所有關係及其他事宜，以及相關防範措施(如適用)。

從與肩負管治責任者溝通的事項中，本核數師釐定對本期間綜合財務報表的審計至關重要的事項，因而構成關鍵審核事項。我們在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見的情況下，倘合理預期在我們報告中溝通某事項造成的負面後果超出產生的公眾利益，則我們決定不應在報告中傳達該事項。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

The engagement partner on the audit resulting in the independent auditor's report is Lam Sau Fung.

出具獨立核數師報告的審計項目合伙人為林秀鳳。

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
23 March 2020

德勤•關黃陳方會計師行
執業會計師
香港
二零二零年三月二十三日

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

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
			NOTES 附註	
Gross proceeds from operations	營運所得款項總額	6	30,704	49,188
Revenue	收益			
Dividend income from financial assets at fair value through profit or loss ("FVTPL")	按公允值計入損益(「按公允值計入損益」)之金融資產之股息收入		2,141	2,422
Interest income from debt instruments at fair value through other comprehensive income ("FVTOCI")	按公允值計入其他全面收益(「按公允值計入其他全面收益」)之債務工具之利息收入		216	1,391
Total revenue	總收益		2,357	3,813
Net fair value change on financial assets at FVTPL	按公允值計入損益之金融資產之公允值變動淨額		(24,045)	(25,977)
Other income	其他收入		180	85
Other gain or loss	其他收益或虧損	7	(446)	(424)
Administrative expenses	行政開支		(26,525)	(30,048)
Other operating expenses	其他經營開支		(1,377)	(1,167)
Share of results of associates	應佔聯營公司業績	17	(26)	—
Loss from operations	營運虧損		(49,882)	(53,718)
Finance costs	融資成本	8	(76)	(122)
Loss before income tax	除所得稅前虧損	9	(49,958)	(53,840)
Income tax expense	所得稅開支	11	—	—
Loss for the year	年度虧損		(49,958)	(53,840)
Loss for the year attributable to owners of the Company	本公司擁有人應佔年度虧損	12	(49,958)	(53,840)
Loss per share attributable to owners of the Company	本公司擁有人應佔每股虧損	12		
Basic (HK cents)	基本(港仙)		(6.72)	(8.65)
Diluted (HK cents)	攤薄(港仙)		(6.70)	(8.65)

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 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loss for the year	年度虧損	(49,958)	(53,840)
Other comprehensive income (expense):	其他全面收益(開支):		
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後可重新分類至損益之項目:</i>		
Release of FVTOCI reserve upon disposal of debt instruments	因出售債務工具而將按公允值計入其他全面收益儲備轉撥	543	549
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	(59)	(44)
Fair value gain (loss) on debt instruments at FVTOCI	按公允值計入其他全面收益之債務工具公允值收益(虧損)	166	(1,868)
Other comprehensive income (expense) for the year, net of income tax	年度其他全面收益(開支)(已扣除所得稅)	650	(1,363)
Total comprehensive expense for the year attributable to owners of the Company	本公司擁有人應佔年度全面開支總額	(49,308)	(55,203)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況報表

At 31 December 2019 於二零一九年十二月三十一日

		NOTES 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
ASSETS	資產			
Non-current assets	非流動資產			
Property and equipment	物業及設備	13	11,150	11,555
Intangible asset	無形資產	14	120	120
Debt instruments at FVTOCI	按公允值計入其他 全面收益之債務 工具	15	1,724	11,066
Financial assets at FVTPL	按公允值計入損益 之金融資產	16	63,353	50,284
Interests in associates	於聯營公司之權益	17	236	—
Deposits paid for acquisition of property and equipment	收購物業及設備之 已付按金		—	300
			76,583	73,325
Current assets	流動資產			
Financial assets at FVTPL	按公允值計入損益 之金融資產	16	35,872	44,582
Other receivables and deposits and prepayments	其他應收款項及 按金及預付款項	19	2,354	3,233
Cash and bank balances	現金及銀行結餘	20	24,766	30,941
			62,992	78,756
Total assets	資產總值		139,575	152,081

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況報表

At 31 December 2019 於二零一九年十二月三十一日

		NOTES 附註	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
EQUITY	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本	21	94,282	65,512
Reserves	儲備		34,580	76,529
Total equity	權益總額		128,862	142,041
LIABILITIES	負債			
Current liabilities	流動負債			
Accruals	應計開支		8,057	6,902
Secured bank loan	有抵押銀行貸款	22	2,656	3,138
			10,713	10,040
Total equity and liabilities	權益及負債總額		139,575	152,081
Net current assets	流動資產淨值		52,279	68,716
Total assets less current liabilities	資產總值減流動負債		128,862	142,041

The consolidated financial statements on pages 123 to 238 were approved and authorised for issue by the Board of Directors on 23 March 2020 and are signed on its behalf by:

第123至238頁的綜合財務報表於二零二零年三月二十三日獲董事會批准及授權刊發，並由下列董事代表簽署：

Lam Man Chan
林文燦
DIRECTOR
董事

Lee Kwok Leung
李國樑
DIRECTOR
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動報表

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

		Share capital	Share premium	Contributed surplus (note)	Share-based payments reserve	Translation reserve	FVTOCI reserve	Accumulated losses	Total
		股本	股份溢價	繳入盈餘 (附註)	股份付款儲備	匯兌儲備	按公允價值計入其他全面收益儲備	累計虧損	總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	54,595	65,092	225,806	2,499	—	658	(166,575)	182,075
Loss for the year	年內虧損	—	—	—	—	—	—	(53,840)	(53,840)
Other comprehensive expense	其他全面開支	—	—	—	—	(44)	(1,319)	—	(1,363)
Total comprehensive expense for the year, net of income tax	年內全面開支總額，扣除所得稅	—	—	—	—	(44)	(1,319)	(53,840)	(55,203)
Proceeds from placing of new shares	配售新股份之所得款項	10,917	3,821	—	—	—	—	—	14,738
Issuing expenses of placing of new shares	配售新股份之發行開支	—	(427)	—	—	—	—	—	(427)
Recognition of share-based payments	確認股份付款	—	—	—	858	—	—	—	858
Lapse of share options	購股權失效	—	—	—	(1,185)	—	—	1,185	—
At 31 December 2018	於二零一八年十二月三十一日	65,512	68,486	225,806	2,172	(44)	(661)	(219,230)	142,041
Loss for the year	年內虧損	—	—	—	—	—	—	(49,958)	(49,958)
Other comprehensive (expense) income	其他全面(開支)收益	—	—	—	—	(59)	709	—	650
Total comprehensive (expense) income for the year, net of income tax	年內全面(開支)收益總額，扣除所得稅	—	—	—	—	(59)	709	(49,958)	(49,308)
Proceeds from placing of new shares	配售新股份之所得款項	28,770	7,979	—	—	—	—	—	36,749
Issuing expenses of placing of new shares	配售新股份之發行開支	—	(1,049)	—	—	—	—	—	(1,049)
Recognition of share-based payments	確認股份付款	—	—	—	429	—	—	—	429
Lapse of share options	購股權失效	—	—	—	(1,314)	—	—	1,314	—
At 31 December 2019	於二零一九年十二月三十一日	94,282	75,416	225,806	1,287	(103)	48	(267,874)	128,862

Note: Contributed surplus represents amount transferred from the share premium account upon its reduction in 2015. Further details were set out in the circular of the Company dated 30 September 2015.

附註：繳入盈餘指於二零一五年削減股份溢價賬時，自其轉撥的金額。進一步詳情載於本公司日期為二零一五年九月三十日之通函。

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 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
OPERATING ACTIVITIES	經營業務		
Loss before income tax	除所得稅前虧損	(49,958)	(53,840)
Adjustments for:	就以下項目調整：		
Bank interest income	銀行利息收入	(180)	(12)
Interest income from debt instruments at FVTOCI	按公允值計入其他全面收益之債務工具之利息收入	(216)	(1,391)
Dividend income from financial assets at FVTPL	按公允值計入損益之金融資產之股息收入	(2,141)	(2,422)
Finance costs	融資成本	76	122
Depreciation	折舊	1,190	4,949
Loss on disposal of debt instruments at FVTOCI	出售按公允值計入其他全面收益之債務工具之虧損	543	549
Share-based payment expense	以股份付款開支	429	858
Net exchange gain	匯兌收益淨額	(46)	(80)
Net fair value change on financial assets at FVTPL	按公允值計入損益之金融資產之公允值變動淨額	24,045	25,977
Share of result of associates	應佔聯營公司業績	26	—
Operating cash flows before working capital changes	營運資金變動前之經營現金流量	(26,232)	(25,290)
Decrease (increase) in other receivables and deposits and prepayments	其他應收款項及按金及預付款項減少(增加)	495	(764)
Increase in accruals	應計開支增加	1,155	865
Interest received	已收利息	627	1,772
Dividend received	已收股息	2,253	2,310
NET CASH USED IN OPERATING ACTIVITIES	經營業務動用之現金淨額	(21,702)	(21,107)

	Note	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
INVESTING ACTIVITIES			
Proceeds from disposal of financial assets at FVTPL	投資業務 出售按公允值計入損益之金融資產之所得款項	28,347	45,375
Payments for purchases of financial assets at FVTPL	購買按公允值計入損益之金融資產之付款	(56,766)	(49,197)
Proceeds from disposal of debt instruments at FVTOCI	出售按公允值計入其他全面收益之債務工具之所得款項	9,510	20,247
Purchase of property and equipment	購買物業及設備	(520)	(191)
Deposits paid for acquisition of property and equipment	就收購物業及設備已付按金	—	(300)
Repayment from an associate	聯營公司還款	—	2,500
Net cash outflows arising on deemed disposal	視為出售產生的現金流出淨額	17 (186)	—
NET CASH (USED IN) FROM INVESTING ACTIVITIES	投資業務(所用)產生之現金淨額	(19,615)	18,434
FINANCING ACTIVITIES			
Proceeds from placing of new shares	融資業務 配售新股所得款項	36,749	14,738
Issuing expenses of placing of new shares	配售新股份之發行開支	(1,049)	(427)
Repayment of obligation under a finance lease	償還融資租賃承擔	—	(2,600)
Repayment of a secured bank loan	償還有抵押銀行貸款	(482)	(472)
Finance costs	融資成本	(76)	(122)
NET CASH FROM FINANCING ACTIVITIES	融資業務之現金淨額	35,142	11,117
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值物(減少)增加淨額	(6,175)	8,444
CASH AND CASH EQUIVALENTS AT 1 JANUARY	於一月一日之現金及現金等值物	30,941	22,541
Effect of foreign exchange rate changes	匯率變動之影響	—	(44)
CASH AND CASH EQUIVALENTS AT 31 DECEMBER, represented by cash and bank balances	於十二月三十一日之現金及現金等值物，指現金及銀行結餘	24,766	30,941

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. CORPORATE INFORMATION

China Internet Investment Finance Holdings Limited (the “Company”) is principally engaged in investment in equity and debt securities of listed and unlisted companies.

The Company is a limited liability company continued into Bermuda as an exempted company under the laws of Bermuda. The address of the Company’s registered office is Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM10, Bermuda and its principal place of business is Flat 18, 9/F, Block B, Focal Industrial Centre, 21 Man Lok Street, Hungghom, Kowloon, Hong Kong.

The Company has its primary listing on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

These consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is also the functional currency of the Company, and all values are rounded to the nearest thousand unless otherwise indicated. These consolidated financial statements were approved for issue by the Board of Directors (the “Board”) on 23 March 2020.

1. 公司資料

中國互聯網投資金融集團有限公司(「本公司」)之主要業務為投資於上市及非上市公司之股本及債務證券。

本公司為一間根據百慕達法例於百慕達存續為獲豁免公司之有限公司。本公司之註冊辦事處地址為Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM10, Bermuda，而主要營業地點為香港九龍紅磡民樂街21號富高工業中心B座9樓18室。

本公司股份第一上市地為香港聯合交易所有限公司(「聯交所」)。

該等綜合財務報表以本公司之功能貨幣港元(「港元」)呈列。除另有註明外，所有金額均約整至最接近的千位數。該等綜合財務報表經由董事會(「董事會」)於二零二零年三月二十三日批准刊發。

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 position and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

於本年度強制生效的新訂及經修訂香港財務報告準則

於本年度，本公司首次應用以下由香港會計師公會(「香港會計師公會」)頒佈之新訂及經修訂香港財務報告準則：

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	所得稅處理的不確定性
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性
香港會計準則第19號之修訂	計劃修訂、縮減或結算
香港會計準則第28號之修訂	於聯營公司及合營企業之長期權益
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，本年度應用新訂及經修訂香港財務報告準則對本年度及以往年度之本集團財務狀況及表現及／或於綜合財務報表所載之披露事項並無重大影響。

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)

New and Amendments to HKFRSs that are mandatorily effective for the current year (continued)

2.1 HKFRS 16 *Leases*

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

Definition of a lease

The Group elected to adopt the practical expedient in applying 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 did not apply this standard to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which existed prior to the date of initial application.

As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 January 2019. As at 31 December 2018, the Group had non-cancellable operating lease commitments of HK\$281,000. Based on the assessment by the directors of the Company, the transition to HKFRS 16 as a lessee had no material impact on the Group’s consolidated financial statements as at 1 January 2019 and accordingly no adjustment was made as at date of initial application and accordingly no adjustment was made as at date of initial application.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

於本年度強制生效的新訂及經修訂香港財務報告準則(續)

2.1 香港財務報告準則第16號租賃

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

租賃的定義

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

承租人

本集團已追溯應用香港財務報告準則第16號，累計影響於首次應用日期(二零一九年一月一日)確認。於二零一八年十二月三十一日，本集團擁有不可撤銷經營租賃承擔281,000港元。根據本公司董事的評估，作為承租人過渡至香港財務報告準則第16號不會對本集團於二零一九年一月一日的綜合財務報表造成重大影響及於首次應用日期並無作出相應調整。

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 that have been issued but are not yet effective:

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

- ¹ Effective for annual periods beginning on or after 1 January 2021
- ² 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
- ³ Effective for annual periods beginning on or after a date to be determined
- ⁴ Effective for annual periods beginning on or after 1 January 2020

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效的新訂及經修訂香港財務報告準則

本集團並無提早應用下列已頒佈但尚未生效的新訂及經修訂香港財務報告準則：

香港財務報告準則第17號	保險合約 ¹
香港財務報告準則第3號之修訂	業務的定義 ²
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業之間的資產出售或注資 ³
香港會計準則第1號及香港會計準則第8號之修訂	重大性的定義 ⁴
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 ⁴

- ¹ 於二零二一年一月一日或之後開始之年度期間生效
- ² 對收購日期為二零二零年一月一日或之後開始的首個年度期間初或之後的業務合併及資產收購生效
- ³ 於待定日期或之後開始的年度期間生效
- ⁴ 於二零二零年一月一日或之後開始之年度期間生效

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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 for the new and amendments to HKFRSs mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements 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
- 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.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效的新訂及經修訂香港財務報告準則(續)

除上文之新訂及經修訂香港財務報告準則外，二零一八年頒佈了經修訂香港財務報告之概念框架。其重大修訂、*香港財務報告準則之概念框架指引之修訂*，將於二零二零年一月一日或之後開始的年度期間生效。

除下文所述的新訂及經修訂香港財務報告準則外，本公司董事預計於可見未來應用所有其他新訂及經修訂香港財務報告準則將不會對綜合財務報表造成重大影響。

香港會計準則第1號及香港會計準則第8號之修訂重大性的定義

該等修訂更精細說明重大性的定義，在作出重大性判斷時納入額外指引及解釋。具體而言，該等修訂：

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

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

Amendments to HKAS 1 and HKAS 8 *Definition of Material* (continued)

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.

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 of the Stock Exchange (the “Listing Rules”) and by the disclosure requirement of the Hong Kong Companies Ordinance.

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

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

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港會計準則第1號及香港會計準則第8號之修訂*重大性的定義*(續)

該等修訂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。

3. 重大會計政策

綜合財務報表已根據香港會計師公會頒佈的香港財務報告準則編製。此外，綜合財務報表包括聯交所證券上市規則(「上市規則」)及香港公司條例之披露規定所規定之適用披露事項。

綜合財務報表乃按歷史成本基準編製，惟於各報告期末以公允值計量之若干金融工具除外(如下文所載會計政策所解釋)。

歷史成本一般根據貨品及服務交換所得代價之公允值而釐定。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 value in use in HKAS 36 *Impairment of Assets*.

3. 重大會計政策(續)

公允值是於計量日期市場參與者於有秩序交易中出售資產可收取或轉讓負債須支付的價格，而不論該價格是否直接可觀察或可使用其他估值技術估計。若市場參與者於計量日期對資產或負債定價時會考慮資產或負債的特點，則本集團於估計資產或負債的公允值時會考慮該等特點。此等綜合財務報表中作計量及／或披露用途的公允值乃按此基準釐定，惟屬於香港財務報告準則第2號以股份付款範圍的以股份付款的交易、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)入賬的租賃交易，以及與公平值有部份相若地方但並非公平值的計量，譬如香港會計準則第36號資產減值的使用價值除外。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

The principal accounting policies are set out below.

3. 重大會計政策(續)

按公允值交易的金融工具，凡於其後期間應用以不可觀察數據計量公允值之估值方法，估值方法應予以校正，以致估值方法的結果相等於交易價格。

此外，就財務報告而言，公允值計量根據公允值計量的輸入數據可觀察程度及公允值計量的輸入數據對其整體的重要性分類為第一級、第二級或第三級，詳情如下：

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

下文載列主要會計政策。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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 and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

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

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

3. 重大會計政策(續)

綜合基準

綜合財務報表包括本公司及本公司及其附屬公司所控制實體之財務報表。當本公司符合以下要素時，則本公司取得控制權：

- 可對投資對象行使權力；
- 因參與投資對象業務而承擔浮動回報的風險或享有權利；及
- 有能力使用其權力影響其回報。

倘有事實及情況顯示上述三項控制權要素有一項或以上出現變動，本集團會重新評估其是否對投資對象擁有控制權。

附屬公司之綜合入賬於本集團取得有關附屬公司之控制權起開始，並於本集團失去有關附屬公司之控制權時終止。具體而言，年內所收購或出售附屬公司之收入及開支乃自本集團取得控制權之日期起計入綜合損益表，直至本集團不再控制有關附屬公司之日期為止。

於必要時，將對附屬公司之財務報表作出調整，以令彼等之會計政策與本集團之會計政策一致。

有關本集團成員之間交易的所有集團內公司間之資產及負債、權益、收入、支出及現金流量於綜合時悉數對銷。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of consolidation (continued)

Change in the Group's interest in an existing subsidiary

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the cost on initial recognition of an investment in an associate.

Interests in associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control nor joint control over those policies.

3. 重大會計政策(續)

綜合基準(續)

本集團於現有附屬公司的權益變動

當本集團失去對附屬公司的控制時，會取消確認該附屬公司的資產及負債。收益或虧損於損益確認，並按(i)已收代價的公允值及任何保留權益的公允值之總額及(ii)本公司擁有人應佔附屬公司資產(包括商譽)賬面值與負債賬面值兩者之間的差額計算。於失去控制權當日，在前附屬公司所保留任何投資的公允值則視為首次確認聯營公司投資的成本。

於聯營公司之權益

聯營公司指本集團對其行使重大影響力之實體。重大影響力指有權參與被投資方之財務及營運政策決定，但並非對該等政策擁有控制權或共同控制權。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interests in associates (continued)

The results, assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the Group elects to measure the investment at FVTPL within the scope of HKFRS 9 *Financial Instruments* upon initial recognition. The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of profit or loss and other comprehensive income of the associate. Changes in net assets of the associate other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of loss of associate exceeds the Group's interest in that associate (which includes any long-term interest that, in substance, forms part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

3. 重大會計政策(續)

於聯營公司之權益(續)

聯營公司之業績、資產及負債已使用權益會計法納入該等綜合財務報表，惟本集團於初次確認時選擇以按公允值計入損益的方式計量屬香港財務報告準則第9號金融工具範圍內的投資除外。就類似交易及類似情況的事件而言，用作權益會計處理的聯營公司財務報表乃使用與本集團相一致的會計政策編製。根據權益法，聯營公司投資初始於綜合財務狀況表內按成本確認及其後作出調整，以確認本集團應佔聯營公司損益及其他全面收益。除了損益及其他全面收益外的聯營公司資產淨值變動不會列賬，除非有關變動導致本集團所持擁有權權益變動，則作別論。當本集團分佔聯營公司之虧損超過其於該聯營公司之權益(包括任何在實質上乃組成本集團於該聯營公司投資淨額之長期權益)，本集團不再確認其分佔之進一步虧損。額外分佔虧損會提撥準備及確認為負債，惟僅以本集團已招致之法定或推定責任或代表該聯營公司支付之款項為限。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interests in associates (continued)

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

The Group assesses whether there is an objective evidence that the interest in an associate may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill that forms part of the carrying amount of the investments. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

3. 重大會計政策(續)

於聯營公司之權益(續)

於被投資方成為聯營公司當日，對聯營公司之投資採用權益法入賬。於收購聯營公司之投資時，投資成本如超出本集團應佔被投資公司已確認可識別資產及負債公平淨值之任何差額會被確認為商譽。有關商譽計入該投資之賬面值。本集團分佔可識別資產及負債公平淨值高出重估後之投資成本之差額即時於收購投資期間在損益確認。

本集團評估是否存在客觀證據顯示於一間聯營公司的權益可能存在任何減值。如存在任何客觀證據，該項投資(包括商譽)的全部賬面值將根據香港會計準則第36號資產減值以單一資產方式進行減值測試，方法是比較其可收回金額(可用價值與公允值減出售成本之較高者)與其賬面值。任何已確認的減值虧損並未分配至任何資產，包括構成投資賬面值一部分的商譽。該減值虧損之任何回撥根據香港會計準則第36號獲得確認，惟受隨後增加之可收回投資金額所規限。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Employee benefits

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) after deducting any amount already paid.

Retirement benefit costs

Payments to defined contribution retirement benefit plans, including state-managed retirement schemes in the People's Republic of China (the "PRC") and Mandatory Provident Fund Scheme in Hong Kong, are recognised as an expense when employees have rendered service entitling them to contributions.

3. 重大會計政策(續)

僱員福利

短期僱員福利

短期僱員福利按預期將於僱員提供服務時支付之未貼現福利金額確認。除非另一項香港財務報告準則規定或准許將福利計入資產之成本中，否則所有短期僱員福利均確認為開支。

僱員應計福利(如工資及薪金)經扣除任何已付金額後確認負債。

退休福利成本

對界定供款退休福利計劃(包括中華人民共和國(「中國」)的國家管理退休計劃)及香港強制性公積金計劃之供款於僱員已提供服務並對供款有享有權時確認為開支。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Share-based payments

Equity-settled share-based payment transactions

Share options granted to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share-based payments reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payments reserve. For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognised in share-based payments reserve will be transferred to share capital (nominal value) and share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share-based payments reserve will be transferred to accumulated losses.

3. 重大會計政策(續)

以股份付款

權益結算之以股份付款交易

授予僱員之購股權

向僱員及提供類似服務的其他人士支付的以權益結算的股份付款按權益工具在授出日期的公允值計量。

在授出日期釐定的以權益結算之以股份付款的公允值，根據本集團對最終歸屬的權益工具的估計，在歸屬期內按直線法支銷並相應增加權益(股份付款儲備)。在各報告期末，本集團基於對所有相關非市場歸屬條件之評估修訂其對預計歸屬的權益工具數目的估計。修訂原先估計的影響(如有)在損益中確認，使累計開支反映修訂後的估計，並對股份付款儲備作出相應調整。對於在授出日期即時歸屬的購股權，所授出購股權的公允值即時於損益支銷。

當行使購股權時，先前在股份付款儲備中確認的金額將轉入股本(面值)及股份溢價。當購股權在歸屬日期後被沒收或於到期日時仍未行使，先前在股份付款儲備中確認的金額將轉撥至累計虧損。

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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 loss before income tax 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 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. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

3. 重大會計政策(續)

稅項

所得稅開支指應付即期稅項及遞延稅項的總和。

即期應付稅項乃按本年度應課稅溢利計算。應課稅溢利與除所得稅前虧損有所不同，原因為其不包括其他年度應課稅或可扣減之收入或開支項目，亦不包括無需課稅或扣減之項目。本集團之即期稅項負債乃採用於報告期末已頒佈或實質頒佈之稅率計算。

遞延稅項乃按綜合財務報表中資產及負債賬面值與計算應課稅溢利之相應稅基間之暫時差額確認。遞延稅項負債通常會就所有應課稅暫時差額確認。遞延稅項資產一般乃就所有可扣減暫時差額以於可能有應課稅溢利抵銷可動用之該等可扣減暫時差額為限予以確認。若於一項交易中，因業務合併以外初次確認其他資產及負債而引致之暫時差額既不影響應課稅溢利亦不影響會計溢利時，則不會確認該等遞延稅項資產及負債。此外，若暫時差額是源自商譽之初次確認，則不予確認遞延稅項負債。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (continued)

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

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 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.

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 same taxation entity by the same taxation authority.

3. 重大會計政策(續)

稅項(續)

遞延稅項負債按於附屬公司及聯營公司投資相關的應課稅暫時差額確認，惟本集團可控制有關暫時差額撥回且可見將來可能不會撥回有關暫時差額除外。該等投資相關的可扣稅暫時差額所產生的遞延稅項資產，僅於有足夠應課稅溢利可用於抵銷暫時差額且預期暫時差額於可見將來撥回時確認。

於各報告期末均會檢討遞延稅項資產的賬面值，並扣減至不可能再有足夠應課稅溢利可收回全部或部分資產為止。

遞延稅項資產及負債乃以於報告期末已實行或大致上已實行之稅率(及稅法)為基準，按預期於負債清償或資產變現期間內之適用稅率計算。

遞延稅項負債及資產之計算反映本集團於報告期末所預期收回或償還其資產及負債賬面值之方式所產生之稅務結果。

在有法定可強制執行權利將即期稅項資產與即期稅項負債抵銷時及當其與同一稅務機關所徵收的所得稅有關，遞延稅項資產及負債可互相抵銷。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (continued)

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 is 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.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transaction. 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 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 the 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 operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve.

3. 重大會計政策(續)

稅項(續)

即期及遞延稅項於損益確認，惟當其與在其他全面收益中確認或直接於權益中確認之項目相關，則即期及遞延稅項亦分別於其他全面收益或直接於權益中確認。倘因業務合併之初步會計方法而產生即期稅項或遞延稅項，有關稅務影響會計入業務合併之會計方法內。

外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(外幣)進行之交易均按交易日期之適用匯率確認。於報告期末，以外幣計值之貨幣項目均按該日之適用匯率重新換算。以外幣計值根據歷史成本計量的非貨幣項目毋須重新換算。

結算貨幣項目及重新換算貨幣項目所產生之匯兌差額於產生期間的損益內確認。

就呈列綜合財務報表而言，本集團業務之資產及負債乃按於各報告期末適用匯率換算為本集團之呈列貨幣(即港元)，而其收入與開支乃按該期間之平均匯率換算。所產生之匯兌差額(如有)乃確認為其他全面收入並存儲於權益內的匯兌儲備。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property and equipment

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

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. 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 and equipment.

Depreciation is recognised so as to write off the cost of the assets less their residual value 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 of the reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Intangible asset

Intangible asset representing a club membership with indefinite useful life that is acquired separately is carried at cost less any subsequent accumulated impairment losses.

3. 重大會計政策(續)

物業及設備

物業及設備乃按成本減其後累積折舊及任何其後累計減值虧損(如有)於綜合財務狀況報表列賬。

當本集團就於物業的擁有權權益(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平值的比例分配。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及設備。

資產確認的折舊乃以成本減去其剩餘價值後在估計可使用年期用直線法計算。估計可使用年期、剩餘價值及折舊方法會在各報告期末覆核，並採用未來適用法對估計變更的影響進行核算。

無形資產

無形資產指個別收購之具無限可用年期之俱樂部會籍，乃按成本減任何其後累計減值虧損入賬。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment on property and equipment and intangible asset

At the end of the reporting period, the Group reviews the carrying amounts of its property and equipment and intangible asset with finite useful lives to determine whether there is any indication that these 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). Intangible asset with indefinite useful lives is tested for impairment at least annually, and whenever there is an indication that it may be impaired.

The recoverable amount of property and equipment and intangible asset 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.

3. 重大會計政策(續)

物業及設備以及無形資產之減值

於報告期末，本集團檢討其具有有限可用年期之物業及設備以及無形資產的賬面值，以確定有否任何跡象顯示該等資產出現減值虧損。倘任何有關跡象存在，相關資產之可收回金額則予以估計，以便釐定減值虧損(如有)之程度。具無限可用年期之無形資產至少每年及在有跡象顯示可能減值時進行減值測試。

物業及設備以及無形資產之可收回金額個別估計，如不可能個別估計可收回金額，本集團會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公司資產可能出現減值進行評估。倘存在有關跡象，如能確認合理及統一之分配基準，企業資產亦分配至個別現金產生單位，或其他能確認合理及統一之分配基準之最小現金產生單位組別。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment on property and equipment and intangible asset (continued)

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. 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. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or 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.

3. 重大會計政策(續)

物業及設備以及無形資產之減值(續)

可收回金額為以公允值減銷售成本及使用價值之較高者。於評估使用價值時，以能反映貨幣時間值之現時市場評估及該資產(或現金產生單位)特有風險的稅前貼現率貼現估計未來現金流量至其現值，而估計未來現金流量未進行調整。

如經估計資產(或現金產生單位)之可收回金額少於其賬面值，該資產(或現金產生單位)之賬面值會減至其可收回金額。就未能按合理一致的基準分配至現金產生單位的企業資產或部分企業資產，本集團會比較一個組別的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。於分配減值虧損時，減值虧損首先獲分配減少任何商譽的賬面值(倘適用)，隨後按該單位或一組現金產生單位各項資產的賬面值所佔比例分配至資產。資產賬面值不得減少至低於其公平值減出售成本(如可計量)、其使用價值(如可釐定)及零之中的最高值。已另行分配至資產的減值虧損金額按比例分配至該單位或一組現金產生單位的其他資產。減值虧損即時於損益確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment on property and equipment and intangible asset (continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit or a group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit or a group of cash generating units) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Financial instruments

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

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

3. 重大會計政策(續)

物業及設備以及無形資產之減值(續)

倘減值虧損其後撥回，則資產(或現金產生單位或一組現金產生單位)的賬面值增加至經修訂的估計可收回金額，惟所增加的賬面值不得超過倘資產(或現金產生單位或一組現金產生單位)於過往年度並無確認減值虧損而釐定的賬面值。所撥回的減值虧損即時於損益確認。

金融工具

金融資產及金融負債乃於某集團實體訂立金融工具契約條文時確認。所有日常買賣之金融資產於交易日確認及終止確認。日常買賣指須根據市場規則或慣例訂立之時間內交收資產之金融資產買賣。

金融資產及金融負債初步按公允值確認。收購或發行金融資產及金融負債(按公允值計入損益之金融資產或金融負債除外)直接應佔之交易成本乃於初步確認時計入或扣自金融資產或金融負債之公允值(如適用)。收購按公允值計入損益之金融資產或金融負債直接應佔之交易成本即時於損益賬內確認。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

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

Interest/dividend income which are derived from the Group's ordinary course of business are presented as revenue.

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.

3. 重大會計政策(續)

金融工具(續)

實際利率法為一種計算金融資產或金融負債攤銷成本及於有關期間內分配利息收入及利息開支的方法。實際利率乃指於初始確認時將金融資產或金融負債於預期年期或較短期間(倘適用)內的估計未來現金收入及付款(包括組成實際利率、交易成本及其他溢價或折讓不可或缺部分的所有已付或已收費用及點數)準確貼現至賬面淨值的比率。

於本集團日常業務過程中產生之利息／股息收入呈列為收益。

金融資產

金融資產之分類及後續計量

符合下列條件的金融資產其後按攤銷成本計量：

- 於一個商業模式內持有金融資產，而其目的是為了收取合約現金流量；及
- 合約條款引致於指定日期之現金流量僅為支付本金和未償還之本金利息。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (continued)

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both 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 not held for trading.

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.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產之分類及後續計量(續)

符合下列條件之金融資產其後以按公允值計入其他全面收益的方式計量：

- 於一個商業模式內持有金融資產，而其目的乃透過同時收取合約現金流量及出售達成；及
- 合約條款引致於指定日期之現金流量僅為支付本金和未償還之本金利息。

所有其他金融資產其後以按公允值計入損益的方式計量，惟於首次應用香港財務報告準則第9號／初始確認金融資產當日，倘該權益投資並非持作買賣，則本集團可不可撤銷地選擇於其他全面收益呈列權益投資之其後公允值變動。

下列情況下金融資產乃歸類為持作買賣：

- 其主要為於不久將來出售而購買；或
- 在初步確認時，其為本集團所集中管理，並擁有短期獲利之近期實際模式之已識別金融工具組合的一部分；或
- 其為並非指定及有效作對沖工具的衍生工具。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (continued)

In addition, the Group may irrevocably designate a financial asset that is 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 and debt instruments subsequently measured at FVTOCI. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產之分類及後續計量(續)

此外，倘可消除或大幅減少會計錯配情況，本集團可不可撤回地將須按攤銷成本計量或按公允值計入其他全面收益的金融資產指定為按公允值計入損益。

(i) 攤銷成本及利息收入

其後按攤銷成本計量的金融資產及其後按公允值計入其他全面收益的債務工具使用實際利率法確認利息收入。利息收入透過將實際利率應用於金融資產的總賬面值計算，惟其後已出現信貸減值的金融資產除外(見下文)。就其後已出現信貸減值的金融資產而言，利息收入乃透過將實際利率應用於下一個報告期的金融資產的攤銷成本進行確認。倘出現信貸減值的金融工具的信貸風險有所改善，以致於該金融資產不再出現信貸減值，則利息收入乃藉由將實際利率應用於釐定該資產不再出現信貸減值後的報告期初之金融資產的總賬面值進行確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (continued)

- (ii) Debt instruments at FVTOCI

Subsequent changes in the carrying amounts for debt instruments classified as at FVTOCI as a result of interest income calculated using the effective interest method, and foreign exchange gains and losses are recognised in profit or loss. All other changes in the carrying amount of these debt instruments are recognised in other comprehensive income and accumulated under the heading of FVTOCI reserve. Impairment allowances are recognised in profit or loss with corresponding adjustment to other comprehensive income without reducing the carrying amounts of these debt instruments. When these debt instruments are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產之分類及後續計量(續)

- (ii) 按公允值計入其他全面收益的債務工具

按公允值計入其他全面收益的債務工具賬面值因使用實際利率法計算利息收入導致的其後變動及匯兌收益及虧損於損益內確認。該等債務工具賬面值的所有其他變動於其他全面收益確認及於按公允值計入其他全面收益儲備項下累計。減值撥備於損益確認，於其他全面收益作出相應調整，而不扣減該等債務工具的賬面值。倘該等債務工具取消確認，則先前於其他全面收益確認的累計收益或虧損重新分類至損益。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (continued)

(iii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL. In addition, the Group may elect to measure investments in associates at FVTPL upon initial recognition. Such election is made on an investment-by-investment basis.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the “net fair value change on financial assets at FVTPL” line item.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產之分類及後續計量(續)

(iii) 按公允值計入損益的金融資產

不符合按攤銷成本或按公允值計入其他全面收益的方式計量或指定為按公允值計入其他全面收益之標準的金融資產以按公允值計入損益的方式計量。此外，本集團於初次確認時可選擇以按公允值計入損益的方式計量對聯營公司之投資。有關選擇乃按照逐項投資基準作出。

按公允值計入損益的金融資產於各報告期末按公允值計量，其中任何公允值收益或虧損於損益確認。於損益確認的公允值收益或虧損淨額不包括金融資產所賺取的任何股息或利息及已計入「按公允值計入損益的金融資產公允值變動淨額」一項內。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets

The Group performs impairment assessment under expected credit loss (“ECL”) model on financial assets (including debt instruments at FVTOCI, other receivables, deposits and cash and bank balances) which are subject to impairment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL (“12m ECL”) represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

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.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值

本集團根據預期信貸虧損(「預期信貸虧損」)模式對金融資產(包括按公允值計入其他全面收益的債務工具、其他應收款項、按金及現金及銀行結餘)(根據香港財務報告準則第9號須受限於減值)進行減值評估。預期信貸虧損金額於各報告日期作出更新，以反映自初步確認以來的信貸風險變動。

全期預期信貸虧損指於相關工具預計存續期間內所有可能違約事件將會產生的預期信貸虧損。相比之下，12個月預期信貸虧損(「12個月預期信貸虧損」)指於報告日期後12個月內因可能發生的違約事件而預期產生的部分全期預期信貸虧損。評估乃基於本集團過往信貸虧損經驗，並根據債務人特定因素、整體經濟狀況及對報告日期當前狀況以及未來狀況預測的評估作出調整。

本集團計量虧損撥備等於12個月預期信貸虧損，除非當信貸風險自初始確認以來顯著上升，則本集團確認全期預期信貸虧損。是否應確認全期預期信貸虧損乃根據自初始確認以來出現違約的可能性或風險顯著上升進行評估。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(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.

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;

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(i) 信貸風險顯著上升

於評估信貸風險是否自初始確認以來顯著上升時，本集團將金融工具於報告日期發生違約的風險與金融工具於初始確認日期發生違約的風險進行比較。於作出該評估時，本集團會考慮合理及可靠的定量及定性資料，包括過往經驗及無需不必要成本或努力即可獲得的前瞻性資料。

尤其是，當評估信貸風險是否顯著上升時會考慮以下資料：

- 金融工具外部(如有)或內部信貸評級的實際或預期顯著惡化；
- 信貸風險的外部市場指標顯著惡化，例如債務人的信貸利差、信貸違約掉期價格顯著上升；

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(i) Significant increase in credit risk (continued)

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 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.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(i) 信貸風險顯著上升(續)

- 商業、金融或經濟狀況的目前或預期不利變動，預期將導致債務人償還債項的能力顯著下降；
- 債務人經營業績的實際或預期顯著惡化；
- 債務人的監管、經濟或技術環境的實際或預期顯著不利變動，導致債務人償還債項的能力顯著下降。

無論上述評估的結果如何，當合約付款逾期超過30天時，本集團假設信貸風險自初始確認以來顯著增加，除非本集團有能說明信貸風險並無顯著增加的合理可靠資料，則作別論。

本集團定期監察用以確定信貸風險是否顯著增加的標準的成效，並於適當時候作出修訂，從而確保有關標準能夠於款項逾期前確定信貸風險顯著增加。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(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.

(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;

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(ii) 違約定義

就內部信貸風險管理而言，本集團認為，當內部制訂的資料或自外界來源獲得的資料顯示債務人不大可能悉數向其債權人(包括本集團)還款時(未計及本集團持有的任何抵押品)，代表發生違約事件。

不論上述為何，本集團認為，當金融資產逾期超過90天後發生違約，惟本集團有合理可靠資料證明較寬鬆的違約標準更為恰當則另作別論。

(iii) 信貸減值金融資產

金融資產在一項或以上違約事件(對該金融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。金融資產信貸減值的證據包括有關下列事件的可觀察數據：

- (a) 發行人或借款人的重大財務困難；
- (b) 違反合約(如違約或逾期事件)；

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(iii) Credit-impaired financial assets (continued)

- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. 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.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(iii) 信貸減值金融資產(續)

- (c) 借款人的貸款人就與借款人財務困難有關的經濟或合約理由，向借款人授出貸款人不會另行考慮的優惠；
- (d) 借款人將可能陷入破產或其他財務重組；或
- (e) 該金融資產的活躍市場因財務困難而消失。

(iv) 撇銷政策

當有資料顯示對手方處於嚴重財務困難及無實際收回可能時(如對手方已被清盤或進入破產程序時)，本集團撇銷金融資產。經考慮法律意見後(倘合適)，遭撇銷的金融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。任何其後收回於損益確認。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(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.

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.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

(v) 預期信貸虧損的計量及確認

預期信貸虧損的計量為違約概率、違約虧損率(即發生違約時的虧損程度)及違約風險的函數。違約概率及違約虧損率乃基於根據前瞻性資料調整的歷史數據評估。預期信貸虧損的估計反映以發生相關違約風險的金額作為加權數值而釐定的無偏概率加權金額。

一般而言，預期信貸虧損乃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，並按初始確認時釐定的實際利率貼現。

利息收入按金融資產的總賬面值計算，除非該金融資產信貸減值，則利息收入按金融資產的攤銷成本計算。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

- (v) Measurement and recognition of ECL
(continued)

Except for debt instruments at FVTOCI, the Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount. For debt instruments at FVTOCI, the loss allowance is recognised in OCI and accumulated in the FVTOCI reserve without reducing the carrying amount of these debt instruments.

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.

On derecognition of a debt instrument at FVTOCI, the cumulative gain or loss previously accumulated in the FVTOCI reserve is reclassified to profit or loss.

3. 重大會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

- (v) 預期信貸虧損的計量及確認
(續)

除了按公允值計入其他全面收益的債務工具外，就所有金融工具，本集團通過調整其賬面值於損益內確認減值收益或虧損。就按公允值計入其他全面收益的債務工具，虧損撥備乃於其他全面收益內確認及於按公允值計入其他全面收益儲備內累計，而不會扣減該等債務工具的賬面值。

取消確認金融資產

僅當收取資產所得現金流的權利屆滿時，或當其將金融資產轉讓及資產擁有權的絕大部分風險及回報轉移至另一實體時，本集團方取消確認金融資產。

取消確認按攤銷成本計量的金融資產時，資產賬面值與已收及應收代價之和之間的差異於損益內確認。

取消確認按公允值計入其他全面收益的債務工具時，先前於按公允值計入其他全面收益儲備累計的累計收益或虧損重新分類至損益。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial liability 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 liability at amortised cost

Financial liability (representing secured bank loan) is subsequently measured at amortised cost, using the effective interest method.

Derecognition

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. 重大會計政策(續)

金融工具(續)

金融負債及股本

分類為債務或股本

債務及股本工具乃根據合約安排的內容以及金融負債及股本工具的定義分類為金融負債或股本。

股本工具

股本工具乃證明實體扣除其所有負債後的資產中擁有剩餘權益的任何合約。本公司發行的股本工具經扣除直接發行成本後按已收所得款項確認。

按攤銷成本計量之金融負債

金融負債(指有抵押銀行貸款)其後乃使用實際利息法按攤銷成本計量。

取消確認

本集團僅於其責任已被解除、取消或屆滿時取消確認金融負債。取消確認之金融負債賬面值與已付及應付代價之差額，乃於損益內確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Derivative financial instruments

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss.

Embedded derivatives

Derivatives embedded in hybrid contracts that contain financial asset hosts within the scope of HKFRS 9 are not separated. The entire hybrid contract is classified and subsequently measured in its entirety as either amortised cost or fair value as appropriate.

Leases

Definition of a lease (upon application of HKFRS 16 on 1 January 2019)

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.

3. 重大會計政策(續)

金融工具(續)

衍生金融工具

衍生工具初步於衍生工具合約訂立日期按公允值確認及其後於報告期末按其公允值重新計量。因此所產生的收益或虧損於損益內確認。

嵌入衍生工具

嵌入混合合同的衍生工具(包含香港財務報告準則第9號範圍內的金融資產主體)不予分拆。混合合同作為一個整體予以分類並以攤銷成本或公允價值(如適用)予以後續計量。

租賃

租賃的定義(於二零一九年一月一日應用香港財務報告準則第16號後)

如果合同賦予在一段時期內控制一項已識別資產的使用的權利以換取對價，則該合同是一項租賃或包含一項租賃。

對於首次應用日期或之後訂立或修訂或業務合併產生的合同，本集團根據香港財務報告準則第16號項下的定義，於開始日、修訂日或收購日(如適用)評估合同是否是一項租賃或包含一項租賃。除非合同條款和條件在後續發生變更，否則不會對此類合同進行重新評估。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (continued)

The Group as a lessee (upon application of HKFRS 16 on 1 January 2019)

Short-term lease

The Group applies the short-term lease recognition exemption to lease of property that has a lease term of 12 months or less from the commencement date and does not contain a purchase option. Lease payments on short-term lease are recognised as expense on a straight-line basis or another systematic basis over the lease term.

The Group as a lessee (prior to 1 January 2019)

Leases are classified as finance lease 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 are recognised as an expense on a straight-line basis over the lease term.

3. 重大會計政策(續)

租賃(續)

本集團作為承租人(於二零一九年一月一日應用香港財務報告準則第16號後)

短期租賃

本集團對從租賃日開始日租賃期為12個月或更短的租賃及不包含購買選擇權的租賃物業應用短期租賃的確認豁免。短期租賃的租賃付款額在租賃期內採用直線法確認為費用。

本集團作為承租人(於二零一九年一月一日之前)

當租賃的條款將絕大部份所有權的風險及回報轉讓予承租人，則租賃歸類為融資租賃。其他所有租賃則歸類為經營租賃。

經營租賃款項於租期內按直線基準確認為開支。

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4. KEY SOURCE OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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.

Key source of estimation uncertainty

The following is the key assumption concerning the future, and the key source 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.

Fair value measurement of financial assets at FVTPL

Certain of the Group's financial assets, representing unlisted equity-linked notes amounted to HK\$8,008,000 (2018: nil) as at 31 December 2019, are measured at fair value being determined based on unobservable inputs using valuation techniques. Judgements and estimation are required in establishing the relevant techniques and the relevant inputs thereof. Changes in assumptions relating to these factors could affect the reported fair values of these instruments. See Note 23(c)(i) for further disclosures.

4. 估計不確定之重要來源

在應用附註3所述之本集團會計政策過程中，管理層須對未能從其他途徑即時知悉之資產及負債之賬面值作出判斷、估計及假設。該等估計及相關假設乃根據過往經驗及被認為相關之其他因素作出。實際結果或會與該等估計有所不同。

該等估計及相關假設會持續檢討。會計估計之修訂乃於估計獲修訂期間(倘修訂僅影響該期間)或修訂期間及未來期間(倘修訂影響本期間及未來期間)予以確認。

估計不確定性之主要來源

以下為有關未來之主要假設以及於報告期末估計不確定性之其他主要來源，該等假設及估計均存有重大風險可能導致下一個財政年度之資產及負債賬面值須作出重大調整。

按公允值計入損益的金融資產之公允值計量

於二零一九年十二月三十一日，本集團若干金融資產指非上市股份掛鈎票據8,008,000港元(二零一八年：零)，乃按使用估值法根據不可觀察輸入值釐定之公允值計量。確定相關技巧及相關輸入值須作出判斷及估計。與該等因素相關的假設變動可能影響該等工具的呈報公允值。更多披露資料見附註23(c)(i)。

5. SEGMENT INFORMATION

The Group's principal activity is investment in equity and debt instruments. For the purpose of resources allocation and assessment of performance, the management regularly reviews and manages the Group's investments on a portfolio basis. Information is regularly provided to the management and mainly includes fair value of respective investees and the related investment income. Therefore, no segment information is presented other than entity-wide disclosures.

The Group's revenue is generated from operations in Hong Kong. The Group's non-current assets (excluding debt instruments at FVTOCI, financial assets at FVTPL and interests in associates) are located in Hong Kong.

6. GROSS PROCEEDS FROM OPERATIONS

Gross proceeds represent investment income of the Group and gross proceeds from the disposal of financial assets at FVTPL, as follows:

5. 分部資料

本集團之主要業務活動為投資於股本及債務工具。就資源分配及評估表現而言，管理層按組合基準定期審視及管理本集團之投資。定期向管理層提供之資料主要包括相關接受投資公司之公允值及投資收入。因此，並無呈列分部資料，實體披露資料除外。

本集團之收益源自香港之經營。本集團的非流動資產(不包括按公允值計入其他全面收益之債務工具、按公允值計入損益之金融資產及於聯營公司的權益)位於香港。

6. 營運所得款項總額

所得款項總額代表本集團之投資收入以及出售按公允值計入損益之金融資產之所得款項總額，如下所示：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Gross proceeds from disposal of financial assets at FVTPL	出售按公允值計入損益之金融資產之所得款項總額	28,347	45,375
Dividend income from financial assets at FVTPL	按公允值計入損益之金融資產之股息收入	2,141	2,422
Interest income from debt instruments at FVTOCI	按公允值計入其他全面收益之債務工具之利息收入	216	1,391
		30,704	49,188

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7. OTHER GAIN OR LOSS

7. 其他收益或虧損

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Exchange gain	匯兌收益	97	125
Loss on disposal of debt instruments at FVOCI	出售按公允值計入 其他全面收益之 債務工具之虧損	(543)	(549)
		(446)	(424)

8. FINANCE COSTS

8. 融資成本

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Interests on a secured bank loan	有抵押貸款之銀行 利息	(76)	(85)
Interests on a finance lease	融資租賃之利息	—	(37)
		(76)	(122)

9. LOSS BEFORE INCOME TAX

9. 除所得稅前虧損

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
The Group's loss before income tax is arrived after charging (crediting):	本集團除所得稅前虧損經扣除(計入)下列項目而得出：		
Auditor's remuneration	核數師酬金	1,300	800
Depreciation	折舊	1,190	4,949
Donation	捐款	320	229
Employee benefit expenses excluded share-based payment expense	僱員福利開支(不包括股份付款開支)	16,719	15,992
Share-based payment expense	股份付款開支	429	858
Total employee benefit expenses	僱員福利開支總額	17,148	16,850
Custody services fees (note)	託管服務費(附註)	67	77
Investment management fees (note)	投資管理費(附註)	600	600
Bank interest income	銀行利息收入	(180)	(12)

Note: They were de-minimise continuing connected transaction of the Company under Rule 14A.73(1) of the Listing Rules.

附註：根據上市規則第14A.73(1)條屬於本公司符合最低豁免規定的持續關連交易。

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10. EMPLOYEE BENEFIT EXPENSES

10. 僱員福利開支

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Directors' remuneration	董事酬金		
— fees	— 袍金	2,020	1,926
— salaries and allowances	— 薪金及津貼	1,149	1,002
— contributions to retirement benefit schemes	— 退休福利計劃供款	3	18
— share-based payments	— 股份付款	124	252
		3,296	3,198
Chief executive officer's remuneration	行政總裁酬金		
— salaries and allowances	— 薪金及津貼	3,620	3,375
— contributions to retirement benefit schemes	— 退休福利計劃供款	27	19
— share-based payments	— 股份付款	142	285
		3,789	3,679
Staff remuneration	僱員酬金		
— salaries and allowances	— 薪金及津貼	9,583	9,411
— contributions to retirement benefit schemes	— 退休福利計劃供款	317	241
— share-based payments	— 股份付款	163	321
		10,063	9,973
		17,148	16,850

10. EMPLOYEE BENEFIT EXPENSES (CONTINUED)

Directors' and chief executive's remuneration for the year ended 31 December 2019 and 2018, disclosed pursuant to the applicable Listing Rules and the Hong Kong Companies Ordinance, is as follows.

10. 僱員福利開支(續)

截至二零一九年及二零一八年十二月三十一日止年度，董事及行政總裁之年度酬金乃根據適用上市規則及香港公司條例披露如下。

		Contributions				
		Fees	Salaries and allowances	to retirement benefit schemes	Share-based payments	Total
2019 二零一九年		袍金 HK\$'000 千港元	薪金及津貼 HK\$'000 千港元	退休福利 計劃供款 HK\$'000 千港元	股份付款 HK\$'000 千港元	總計 HK\$'000 千港元
<i>Chairman and Non-executive Director</i>	主席兼非執行董事					
Lam Man Chan	林文燦	1,498	588	1	—	2,087
<i>Executive Director</i>	執行董事					
Lee Kwok Leung	李國樑	—	561	2	91	654
<i>Independent Non-executive Directors</i>	獨立非執行董事					
Ng Chi Yeung, Simon	吳志揚	174	—	—	11	185
Tam Yuk Sang, Sammy	譚旭生	174	—	—	11	185
Florence Ng	吳翠蘭	174	—	—	11	185
<i>Chief Executive Officer</i>	行政總裁					
Yeung Cheuk Kwong	楊卓光	—	3,620	27	142	3,789
		2,020	4,769	30	266	7,085

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10. EMPLOYEE BENEFIT EXPENSES (CONTINUED)

10. 僱員福利開支(續)

2018 二零一八年		Fees	Salaries and allowances	Contributions to retirement benefit schemes	Share-based payments	Total
		袍金	薪金及津貼	退休福利計劃供款	股份付款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
<i>Chairman and Non-executive Director</i>	<i>主席兼非執行董事</i>					
Lam Man Chan	林文燦	1,440	462	—	—	1,902
<i>Executive Director</i>	<i>執行董事</i>					
Lee Kwok Leung	李國樑	—	540	18	183	741
<i>Independent Non-executive Directors</i>	<i>獨立非執行董事</i>					
Ng Chi Yeung, Simon	吳志揚	162	—	—	23	185
Tam Yuk Sang, Sammy	譚旭生	162	—	—	23	185
Florence Ng	吳翠蘭	162	—	—	23	185
<i>Chief Executive Officer</i>	<i>行政總裁</i>					
Yeung Cheuk Kwong	楊卓光	—	3,375	19	285	3,679
		1,926	4,377	37	537	6,877

The executive directors' and chief executive officer's emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group. The non-executive director's and independent non-executive directors' emoluments shown above were for their services as directors of the Company or its subsidiaries.

上列執行董事及行政總裁的酬金是關於彼等就管理本公司及本集團事務所提供之服務。上列非執行董事及獨立非執行董事的酬金是關於彼等以本公司或其附屬公司董事身份所提供之服務。

10. EMPLOYEE BENEFIT EXPENSES (CONTINUED)

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (2018: nil). No remuneration was paid or payable by the Group to the directors of the Company as an inducement to join or upon joining the Group or as compensation for loss of office during the year (2018: nil).

Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include two (2018: two) directors whose emoluments are reflected in the analysis presented above. The emoluments payable to the remaining three (2018: three) individuals during the year are as follows:

10. 僱員福利開支(續)

年內並無董事放棄或同意放棄任何酬金之安排(二零一八年：無)。本集團於年內概無已付或應付本公司董事薪酬，作為吸引加入或於加入本集團時的獎勵或作為離職補償(二零一八年：無)。

五名最高薪人士

年內本集團五名最高薪人士包括兩名(二零一八年：兩名)董事，彼等之酬金已於上文所呈列分析中反映。年內應付餘下三名(二零一八年：三名)個別人士之酬金如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Salaries and allowances	薪金及津貼	6,945	6,354
Mandatory provident fund contributions	強制性公積金供款	72	55
Share-based payments	股份付款	184	369
		7,201	6,778

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10. EMPLOYEE BENEFIT EXPENSES (CONTINUED)

Five highest paid individuals (continued)

The emoluments of the above three (2018: three) highest paid employees fell with the following bands:

10. 僱員福利開支(續)

五名最高薪人士(續)

上述三名(二零一八年:三名)最高薪僱員之酬金屬於以下範圍:

		Number of employees 僱員人數	
		2019 二零一九年	2018 二零一八年
Nil to HK\$1,000,000	零至1,000,000港元	1	1
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至 1,500,000港元	—	—
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至 2,000,000港元	—	—
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至 2,500,000港元	1	1
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至 3,000,000港元	—	—
HK\$3,000,001 to HK\$4,000,000	3,000,001港元至 4,000,000港元	1	1
		3	3

No remuneration was paid or payable by the Group to the five highest paid employees as an inducement to join or upon joining the Group or as compensation for loss of office during the year (2018: nil). There was no arrangement under which the five highest paid employees waived or agreed to waive any remuneration during the year (2018: nil).

年內，本集團並無向五名最高薪僱員支付或應付任何酬金，作為吸引彼加入本集團或於加入時之獎金或離職補償(二零一八年:無)。年內，並無就五名最高薪僱員放棄或同意放棄任何酬金作出安排(二零一八年:無)。

11. INCOME TAX EXPENSE

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current income tax	即期所得稅		
— Hong Kong Profits Tax	— 香港利得稅	—	—

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2018 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

The directors of the Company considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

11. 所得稅開支

於二零一八年三月二十一日，香港立法會通過《二零一八年稅務(修訂)(第7號)條例草案》(「條例草案」)，引入利得稅兩級制。條例草案於二零一八年三月二十八日簽署成為法律，並於翌日刊憲。根據利得稅兩級制，合資格集團實體首2,000,000港元之溢利將按稅率8.25%課稅，而超過2,000,000港元之溢利將按稅率16.5%課稅。不符合利得稅兩級制之集團實體之溢利將繼續按統一稅率16.5%課稅。

本公司董事認為，於實施利得稅兩級制後涉及之金額就綜合財務報表而言並不重大。香港利得稅乃按兩個年度之估計應課稅溢利之16.5%計算。

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細則，中國附屬公司於兩個年度的稅率為25%。

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11. INCOME TAX EXPENSE (CONTINUED)

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

No provision for taxation in Hong Kong has been made as there is no estimated assessable profit for both years.

The income tax expense for the year can be reconciled to loss before income tax as follows:

11. 所得稅開支(續)

於其他司法權區產生的稅項按相關司法權區的現行稅率計算。

由於兩個年度並無估計應課稅溢利，故並無就香港的稅項作出撥備。

本年度所得稅開支與除所得稅前虧損之對賬如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loss before income tax	除所得稅前虧損	(49,958)	(53,840)
Tax credit at the Hong Kong Profits Tax rate of 16.5% (2018: 16.5%)	按香港利得稅率16.5% (二零一八年：16.5%) 之稅率計算之稅項	(8,243)	(8,884)
Tax effect of income not taxable for tax purposes	就稅務而言不課稅收入 之稅項影響	(674)	(714)
Tax effect of expenses not deductible for tax purposes	就稅務而言不可扣除 開支之稅項影響	301	514
Tax effect of share of results of associates	應佔聯營公司業績之 稅項影響	4	—
Tax effect of tax losses not recognised	未確認稅項虧損之稅項 影響	8,592	8,724
Others	其他	20	360
Income tax expense for the year	本年度所得稅開支	—	—

11. INCOME TAX EXPENSE (CONTINUED)

At the end of the reporting period, the Group has unused tax losses of HK\$422,465,000 (2018: HK\$370,392,000) available for offset against future profits. No deferred tax assets has been recognised due to the unpredictability of future profit streams. The estimated tax losses may be carried forward indefinitely.

At the end of the reporting period, the Group has deductible temporary differences of HK\$2,031,000 (2018: HK\$1,911,000). No deferred tax asset was recognised as it was not probable that sufficient taxable profit will be available against which the deductible temporary differences can be utilised.

12. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

11. 所得稅開支(續)

於報告期末，本集團有未動用稅項虧損422,465,000港元(二零一八年：370,392,000港元)可用於抵銷未來溢利。由於無法預測未來溢利來源，因此並無確認遞延稅項資產。估計稅項虧損可無限期結轉。

於報告期末，本集團有可扣稅暫時差異2,031,000港元(二零一八年：1,911,000港元)。概無確認遞延稅項資產，因為不可能有充足的應課稅溢利以使用可扣稅暫時差異作為抵銷。

12. 本公司擁有人應佔每股虧損

本公司擁有人應佔每股基本及攤薄虧損之計算乃基於下列數據：

	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loss for the year attributable to owners of the Company		
Loss for the purpose of basic and diluted loss per share	(49,958)	(53,840)

本公司擁有人應佔
年度虧損

用於計算每股基本及
攤薄虧損之虧損

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12. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (CONTINUED)

12. 本公司擁有人應佔每股虧損 (續)

		2019 二零一九年 '000 千股	2018 二零一八年 '000 千股
Number of shares	股份數目		
Weighted average number of ordinary shares for the purpose of basic loss per share	用於計算每股基本虧損之普通股加權平均數	743,490	622,221
Effect of potential dilutive ordinary shares:	潛在攤薄普通股之影響：		
Shares issuable from the Company's share option (note)	根據本公司購股權可予發行之股份 (附註)	2,055	—
Weighted average number of ordinary shares for the purpose of diluted loss per share	用於計算每股攤薄虧損之普通股加權平均數	745,545	622,221
Basic loss per share (HK cents)	每股基本虧損(港仙)	(6.72)	(8.65)
Diluted loss per share (HK cents)	每股攤薄虧損(港仙)	(6.70)	(8.65)

Note: The Company had 15,600,000 outstanding share options as at 31 December 2019 (2018: 15,100,000). The computation of diluted loss per share did not assume the exercise of certain (2018: all) share options because the adjusted exercise prices of those options were higher than the average market price for shares in that year.

附註：於二零一九年十二月三十一日，本公司之尚未行使購股權為15,600,000份(二零一八年：15,100,000份)。每股攤薄虧損計算概無假設行部分(二零一八年：全部)使購股權，因為該等購股權的經調整行使價高於該年度股份的平均市價。

13. PROPERTY AND EQUIPMENT

13. 物業及設備

		Leasehold land and buildings 租賃土地 及樓宇	Leasehold improvement 租賃物業 裝修	Office furniture and fixtures 辦公室傢俬 及固定裝置	Motor vehicles 汽車	Yacht 遊艇	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
COST	成本						
As at 1 January 2018	於二零一八年一月一日	13,257	1,676	590	4,571	16,574	36,668
Additions	添置	—	58	65	—	68	191
As at 31 December 2018	於二零一八年十二月三十一日	13,257	1,734	655	4,571	16,642	36,859
Additions	添置	—	—	12	763	45	820
Disposed on deemed disposal of a subsidiary	出售一附屬公司視作出售	—	(32)	(15)	—	—	(47)
As at 31 December 2019	於二零一九年十二月三十一日	13,257	1,702	652	5,334	16,687	37,632
ACCUMULATED DEPRECIATION	累計折舊						
As at 1 January 2018	於二零一八年一月一日	1,812	1,041	383	4,322	12,797	20,355
Charge for the year	年內已扣除	530	343	104	249	3,723	4,949
As at 31 December 2018	於二零一八年十二月三十一日	2,342	1,384	487	4,571	16,520	25,304
Charge for the year	年內已扣除	530	296	93	191	80	1,190
Disposed on deemed disposal of a subsidiary	出售一附屬公司視作出售	—	(8)	(4)	—	—	(12)
As at 31 December 2019	於二零一九年十二月三十一日	2,872	1,672	576	4,762	16,600	26,482
CARRYING AMOUNT	賬面值						
As at 31 December 2019	於二零一九年十二月三十一日	10,385	30	76	572	87	11,150
As at 31 December 2018	於二零一八年十二月三十一日	10,915	350	168	—	122	11,555

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13. PROPERTY AND EQUIPMENT (CONTINUED)

The principal annual rates of depreciation are as follows:

Leasehold land and buildings	25 years
Leasehold improvement	5 years or over the lease term if less than 5 years
Office furniture and fixtures	5 years
Motor vehicles	3 years
Yacht	3 years

As at 31 December 2019, the office premise with a carrying amount of approximately HK\$10,385,000 (2018: approximately HK\$10,915,000) was pledged for a bank loan.

Included in the cost of property and equipment of approximately HK\$22,963,000 (2018: HK\$21,062,000) are fully depreciated but still in use.

14. INTANGIBLE ASSET

13. 物業及設備(續)

折舊所採用之主要年率如下:

租賃土地及樓宇	25年
租賃物業裝修	5年或按租約年期(若少於5年)
辦公室傢俬及固定裝置	5年
汽車	3年
遊艇	3年

於二零一九年十二月三十一日，賬面值約為10,385,000港元(二零一八年：約10,915,000港元)之辦公室物業已就一筆銀行貸款而抵押。

計入物業及設備成本約22,963,000港元(二零一八年：21,062,000港元)為已悉數折舊之資產，仍在使用的。

14. 無形資產

Club
membership
俱樂部會籍
HK\$'000
千港元

COST AND CARRYING AMOUNT

As at 1 January 2018,
31 December 2018 and 2019

成本及賬面值

於二零一八年一月一日、二零一八年
及二零一九年十二月三十一日

120

The club membership is stated at cost less accumulated impairment. The directors of the Company considered no impairment loss recognised as the recoverable amount is greater than its carrying amount.

俱樂部會籍按成本扣除累計減值列賬。本公司董事認為，由於其可收回金額高於其賬面值，故並無確認減值虧損。

15. DEBT INSTRUMENTS AT FVTOCI

15. 按公允值計入其他全面收益之債務工具

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Listed debt securities	上市債務證券		
— Hong Kong	— 香港	1,724	8,327
— Outside Hong Kong	— 香港境外	—	2,739
		1,724	11,066

The above investments are dominated in United States Dollars. As at 31 December 2019, the maturity dates of all of the listed debt securities are beyond one year (2018: beyond one year) after the end of reporting period.

上述投資以美元計值。於二零一九年十二月三十一日，所有上市債務證券之到期日均為報告期末後一年以上(二零一八年：一年以上)。

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16. FINANCIAL ASSETS AT FVTPL

16. 按公允值計入損益之金融資產

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Listed equity securities (note i)	上市股本證券 (附註i)		
— Hong Kong	— 香港	91,029	72,623
— Australia	— 澳洲	188	261
Listed perpetual capital securities	上市永久股本證券	—	4,182
Unlisted equity-linked notes (note ii)	非上市股票掛鈎票據 (附註ii)	8,008	—
Unlisted equity investment (note iii)	非上市股本投資 (附註iii)	—	15,700
Derivatives of an unlisted equity investment (note iii)	非上市股本投資衍生 工具(附註iii)	—	2,100
		99,225	94,866
Analysed for reporting purposes as:	就報告而分析為：		
Current assets	流動資產	35,872	44,582
Non-current assets	非流動資產	63,353	50,284
		99,225	94,866

Notes:

- i. Fair values of listed equity securities in Hong Kong are primarily based on their quoted bid prices in active markets, while that in Australia are primarily based on the Group's own assumptions about market exit value.

附註：

- i. 香港上市股本證券之公允值主要是基於活躍市場之報價，而澳洲上市股本證券之公允值主要是基於本集團自身對市場現值的假設。

16. FINANCIAL ASSETS AT FVTPL (CONTINUED)

Notes: (continued)

- ii. The unlisted equity-linked notes were subject to knock-out and a maximum tenor of 9 months and linked to a basket of Hong Kong stocks. The unlisted equity-linked notes carry interest at the rate of 8% per annum and could only be redeemed by the issuers at the specific observation dates. The equity-linked notes contain terms enabling the issuers either to deliver the underlying equity securities on maturity if the market prices of the worst performing underlying security were lower than its respective pre-determined reference stock prices or cash settlement of the principal and interest if the market prices of the underlying securities were higher than their respective pre-determined reference stock prices on each observation date. The exercise price was set at discount of about 9% to 15% to the initial spot price of the underlying stocks in the basket. All the unlisted equity-linked notes are early redeemed by the issuers in January 2020 at the redemption amounts approximated to their carry amounts as at 31 December 2019.

Fair values of unlisted equity-linked notes are determined using a valuation technique that is classified as Level 3 in the fair value hierarchy.

- iii. As at 31 December 2018, the Group had the right to appoint one executive or non-executive director on the board of China Oriented International Holdings Limited ("China Oriented"). China Oriented had three directors on the board, including one director being appointed by the Group. The quorum for the board meetings shall be any two directors. All decisions of the board shall be by a simple majority vote of the directors. Based on the assessment by the management, the Group has significant influence over China Oriented, and therefore the investment is considered as an associate of the Group. The Group has elected to measure the investment in this associate at FVTPL. In accordance with its amended and restated memorandum of association adopted by a special resolution dated 19 September 2019, the director appointed by the Group hold office only until the next following annual general meeting ("AGM") of China Oriented and shall then be eligible for re-election. The Group has no right to appoint any directors on the board of China Oriented from the date of AGM.

16. 按公允值計入損益之金融資產 (續)

附註：(續)

- ii. 該等非上市股票掛鈎票據受敲出期權規限及最高年期為九個月，並與一籃子香港股票掛鈎。非上市股票掛鈎票據的年利率為8%，且僅可由發行人在特定觀察日期贖回。該等股票掛鈎票據所載有的條款可使發行人當表現最差的相關證券市價低於其各自預定參考股份價格時於到期日送達相關股票證券，或當相關證券之市價高於各自預定參考股份價格時於各觀察日期以現金清付本金及利息。行使價設定為較一籃子內相關股票的初始現貨價格折讓約9%至15%。所有非上市股票掛鈎票據均由發行人於二零二零年一月提前贖回，贖回金額與其於二零一九年十二月三十一日之賬面值相若。

非上市股票掛鈎票據之公允值乃使用分類為第三級公允值架構之估值技術釐定。

- iii. 於二零一八年十二月三十一日，本集團有權委任向中國國際控股有限公司（「向中」）董事會的一名執行或非執行董事。向中董事會有三名董事，包括本集團委任之一名董事。董事會會議的最低法定人數將為任何兩名董事。董事會所有決策將以董事的簡單大多數投票方式表決。根據管理層的評估，本集團對向中有重大影響力，故該投資被視為本集團的聯營公司。本集團選擇於此聯營公司的投資按公允值計入損益的方式計量。根據日期為二零一九年九月十九日特別決議案採納的經修訂及重列組織章程大綱，本集團委任之董事僅任職至向中下屆股東週年大會（「股東週年大會」），並有資格應選連任。本集團自股東週年大會日期起無權委任向中董事會任何董事。

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16. FINANCIAL ASSETS AT FVTPL (CONTINUED)

Notes: (continued)

iii. (continued)

On 24 October 2019, China Oriented has been listed on the Main Board of the Stock Exchange and the Group's shareholding in China Oriented were then diluted from 14.0% to 10.5% of the entire listed share. According to the shareholders' agreement dated 8 June 2018, all the options have been terminated and ceased to be effective upon the listing of China Oriented, including the earn-out option, put option and call option.

As at 31 December 2019, an amount of HK\$63,353,000 (2018: HK\$50,284,000) is classified as non-current assets as the management of the Group expects that such amount may not be realised within twelve months after the reporting period.

16. 按公允值計入損益之金融資產 (續)

附註：(續)

iii. (續)

於二零一九年十月二十四日，向中已於聯交所主板上市及本集團於向中的持股比例由全部已上市股份的14.0%攤薄至10.5%。根據股東於二零一八年六月八日訂立的協議，所有購股權(包括盈利能力期權、認沽期權及認購期權)於向中上市後終止及停止有效。

於二零一九年十二月三十一日，金額63,353,000港元(二零一八年：50,284,000港元)被分類為非流動資產，乃因本集團管理層預期該金額可能於報告期後十二個月內不能變現。

17. INTERESTS IN ASSOCIATES

17. 於聯營公司之權益

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Unlisted equity shares, at cost (note i)	非上市權益股份， 按成本(附註i)	9,000	9,000
Recognition upon deemed disposed of a subsidiary (note ii)	確認視作出售附屬 公司(附註ii)	262	—
Share of post-acquisition losses and other comprehensive income, net of dividends received	應佔收購後虧損及 其他全面收益， 扣除已收股息	(4,556)	(4,530)
Impairment loss	減值虧損	(4,470)	(4,470)
		236	—

Notes:

- (i) Included in the cost is goodwill of HK\$4,613,000 (2018: HK\$4,613,000) in acquisition of equity interest of Superb Kingdom Limited in Year 2016.
- (ii) On 20 June 2019, CII Capital Limited ("CII Capital"), an indirect wholly-owned subsidiary of the Company, allotted and issued 135,000 and 355,000 new ordinary shares to its immediate holding company and an independent subscriber at the subscription prices of HK\$135,000 and HK\$355,000, respectively. Upon the allotment and issue of the new ordinary shares, the Group's shareholding interest in CII Capital was diluted from 100% to 29% and CII Capital becomes an associate of the Company. Such dilution is regarded as deemed disposal of the Group's entire shareholding interest in CII Capital. The deemed disposal, including re-measurement of the Group's retained interest of 29% to fair value, did not result in any material gain or loss. The assets over which control was lost and disconsolidated was approximately HK\$617,000 in aggregate and net cash outflows arising on deemed disposal was approximately HK\$186,000.

附註：

- (i) 有關成本中包括於二零一六年收購超君有限公司股權之商譽4,613,000港元(二零一八年：4,613,000港元)。
- (ii) 於二零一九年六月二十日，本公司一間間接全資附屬公司CII Capital Limited (「CII Capital」)向其直接控股公司及一名獨立認購人分別配發及發行135,000股及355,000股新普通股，認購價分別為135,000港元及355,000港元。配發及發行新普通股後，本集團於CII Capital的股權由100%攤薄至29%，且CII Capital成為本公司一間聯營公司。有關攤薄被視為視作出售本集團於CII Capital的全部股權。視作出售(包括重新計量本集團29%保留權益之公允值)並未造成任何重大收益或虧損。失去控制權及終止合併入賬的資產合計約617,000港元及視作出售產生的淨現金流出約為186,000港元。

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17. INTERESTS IN ASSOCIATES (CONTINUED)

Details of the Group's primary associates at 31 December 2019 and 2018 are as follows:

Name of associate 聯營公司名稱	Place of incorporation 註冊成立地點	Form of legal entity 法律實體形式	Class of shares held 所持股份類別	Proportion of ownership interest held by the Group 本集團所持擁有權權益之比例		Proportion of voting rights held by the Group 本集團所持表決權之比例		Principal activity 主要業務
				2019	2018	2019	2018	
				二零一九年	二零一八年	二零一九年	二零一八年	
Superb Kingdom Limited 超君有限公司	Hong Kong 香港	Limited liability 有限責任	Ordinary 普通股	30%	30%	30%	30%	Sale of LED lighting products 銷售LED照明產品
CII Capital	Hong Kong 香港	Limited liability 有限責任	Ordinary 普通股	29%	N/A 不適用	29%	N/A 不適用	Inactive 未營運

The aggregate information of the Group's primary associates are not individually material.

17. 於聯營公司之權益(續)

於二零一九年及二零一八年十二月三十一日，本集團的主要聯營公司的詳情如下：

本集團主要聯營公司之綜合資料個別不屬重大。

18. PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP

Particulars of top ten investments held by the Group as at 31 December 2019 and 2018 disclosed pursuant to the Listing Rule 21 are as follows:

2019

Name of investment	Nature of business	Interest held	Net assets attributable to the Group	Invested amount	Carrying amount	Dividend/ interest received	Percentage of investment attributable to the Group's total assets
投資名稱	業務性質	所持權益百分比	本公司應佔資產淨額 HK\$'000 千港元	投資額 HK\$'000 千港元	賬面值 HK\$'000 千港元	已收股息/利息 HK\$'000 千港元	本集團總資產應佔投資之百分比 百分比
<i>Financial assets at FVTPL</i>							
<i>按公允值計入損益之金融資產</i>							
Listed equity securities							
上市股本證券							
China Oriented 向中	note a 附註a	10.50	11,196	12,700	18,900	—	13.54
Miji International Holdings Limited (“Miji International”) 米技國際控股有限公司(「米技國際」)	note b 附註b	2.97	6,393	18,040	12,460	—	8.93
HSBC Holdings Plc (“HSBC”) 滙豐控股有限公司(「滙豐」)	note c 附註c	0.0009	13,039	13,770	10,953	717	7.85
Tencent Holdings Limited (“Tencent”) 騰訊控股有限公司(「騰訊」)	note d 附註d	0.0003	1,415	4,032	9,390	26	6.73
Lamtex Holdings Limited (“Lamtex”) 林達控股有限公司(「林達」)	note e 附註e	2.66	15,902	14,856	5,605	—	4.02
Newtree Group Holdings Limited (“Newtree Group”) 友川集團控股有限公司(「友川集團」)	note f 附註f	0.28	1,239	3,180	3,927	—	2.81
Sands China Limited (“Sands China”) 金沙中國有限公司(「金沙中國」)	note g 附註g	0.001	386	2,979	3,749	179	2.69
Smart-Core Holdings Limited (“Smart-Core”) 芯智控股有限公司(「芯智」)	note h 附註h	0.44	2,733	4,030	3,303	132	2.37
Unlisted equity-linked notes							
非上市股份掛鈎票據							
Nomura Holdings, Inc. (“Nomura”) Nomura Holdings, Inc. (「野村」)	note i 附註j	N/A 不適用	N/A 不適用	4,000	4,016	—	2.88
Morgan Stanley B.V. (“Morgan Stanley”) Morgan Stanley B.V. (「摩根士丹利」)	note j 附註i	N/A 不適用	N/A 不適用	4,000	3,992	—	2.86
				81,587	76,295	1,054	

18. 本集團持有之主要投資之資料

本集團於二零一九年及二零一八年十二月三十一日持有之十大投資之資料乃根據上市規則第21條披露如下：

二零一九年

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18. PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP (CONTINUED)

2018

18. 本集團持有之主要投資之資料 (續)

二零一八年

Name of investment	Nature of business	Interest held	Net assets attributable to the Group	Invested amount	Carrying amount	Dividend/interest received	Percentage of investment attributable to the Group's total assets
投資名稱	業務性質	所持權益百分比	本公司應佔資產淨額 HK\$'000 千港元	投資額 HK\$'000 千港元	賬面值 HK\$'000 千港元	已收股息/利息 HK\$'000 千港元	本集團總資產應佔投資之百分比 百分比 %
<i>Financial assets at FVTPL</i>							
<i>按公允值計入損益之金融資產</i>							
Unlisted equity securities							
非上市股本證券							
China Oriented 向中	note a 附註a	14.00	11,508	12,700	15,700	—	10.32
Listed equity securities							
上市股本證券							
Newtree Group 友川集團	note f 附註f	1.05	3,772	10,818	13,436	—	8.83
HSBC 滙豐	note c 附註c	0.001	12,851	13,770	11,664	587	7.67
Tencent 騰訊	note d 附註d	0.0003	958	4,032	7,850	31	5.16
AIA Group Limited ("AIA") 友邦保險控股有限公司(「友邦保險」)	note k 附註k	0.0007	2,269	4,984	5,850	93	3.85
Sa Sa International Holdings Limited ("Sa Sa International") 莎莎國際控股有限公司(「莎莎國際」)	note l 附註l	0.05	1,374	4,842	4,736	224	3.11
Jete Power Holdings Limited ("Jete Power") 鑄能控股有限公司(「鑄能」)	note m 附註m	2.80	1,095	25,676	4,214	—	2.77
Smart-Core 芯智	note h 附註h	0.44	2,482	4,030	3,765	110	2.48
Sands China 金沙中國	note g 附註g	0.001	383	2,979	3,087	179	2.03
<i>Debt instruments at FVTOCI</i>							
<i>按公允值計入其他全面收益之債務工具</i>							
Listed debt securities							
上市債務證券							
King Power Capital Limited ("King Power")	note n 附註n	N/A 不適用	N/A 不適用	3,550	3,309	176	2.18
				87,381	73,611	1,400	

18. PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP (CONTINUED)

Notes:

a. China Oriented

China Oriented was incorporated in the Cayman Islands and its shares are listed on the Main Board of the Stock Exchange (stock code: 1871.HK) on 24 October 2019. China Oriented and its subsidiaries are principally engaged in the provision of driving training services in the PRC.

For the four months ended 30 April 2019, the audited consolidated profit attributable to owners of China Oriented was approximately Renminbi ("RMB") 8.4 million and its audited consolidated equity attributable to owners of China Oriented was approximately RMB96.4 million.

b. Miji International

Miji International was incorporated in the Cayman Islands and its shares are listed on the Main Board of the Stock Exchange (stock code: 1715.HK). Miji International and its subsidiaries are principally engaged in the development, manufacturing and selling of kitchen appliances in the PRC.

For the year ended 31 December 2019, the audited consolidated profit attributable to owners of Miji International was approximately RMB18.8 million and its audited consolidated equity attributable to owners of Miji International was approximately RMB189.9 million.

18. 本集團持有之主要投資之資料 (續)

附註：

a. 向中

向中於開曼群島註冊成立及其股份於二零一九年十月二十四日在聯交所主板上市(股份代號：1871.HK)。向中及其附屬公司主要從事於中國提供駕駛培訓服務。

截至二零一九年四月三十日止四個月，向中擁有人應佔經審核綜合溢利約為人民幣840萬元(「人民幣」)，而向中擁有人應佔經審核綜合權益約為人民幣9,640萬元。

b. 米技國際

米技國際於開曼群島註冊成立，其股份在聯交所主板上市(股份代碼：1715.HK)。米技國際及其附屬公司主要在中國從事廚房用具的開發、製造和銷售。

截至二零一九年十二月三十一日止年度，米吉國際擁有人應佔經審核綜合虧損約為人民幣1,880萬元，米吉國際擁有人應佔經審核綜合虧損約為人民幣189.9百萬元。

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18. PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP (CONTINUED)

Notes: (continued)

c. HSBC

HSBC was incorporated in England and its shares are listed on the Main Board of the Stock Exchange (stock code: 0005.HK). HSBC and its subsidiaries are principally engaged in the provision of international banking and financial services.

For the year ended 31 December 2019, the audited consolidated profit attributable to ordinary shareholders of HSBC was approximately US\$6.0 billion and its audited consolidated equity attributable to ordinary shareholders of HSBC was approximately US\$184.0 billion.

d. Tencent

Tencent was incorporated in the Cayman Islands and its shares are listed on the Main Board of the Stock Exchange (stock code: 0700.HK). Tencent and its subsidiaries are principally engaged in the provision of value-added services and business services and online advertising services.

For the year ended 31 December 2019, the audited consolidated profit attributable to equity holders of Tencent was approximately RMB93.3 billion and its audited consolidated equity attributable to equity holders of Tencent was approximately RMB432.7 billion.

18. 本集團持有之主要投資之資料 (續)

附註：(續)

c. 滙豐

滙豐於英格蘭註冊成立，其股份於聯交所主板上市(股票代碼：0005.HK)。滙豐及其附屬公司主要從事提供國際銀行及金融服務。

截至二零一九年十二月三十一日止年度，滙豐普通股股東擁有人應佔經審核綜合溢利約為60億美元，滙豐普通股股東應佔經審核綜合權益約為1,840億美元。

d. 騰訊

騰訊於開曼群島註冊成立，其股份於聯交所主板上市(股票代碼：0700.HK)。騰訊及其附屬公司主要從事向中國用戶提供增值服務、業務服務及在線廣告服務。

截至二零一九年十二月三十一日止年度，騰訊股權持有人應佔經審核合併溢利約為人民幣933億元，而騰訊股權持有人應佔經審核合併權益約人民幣4,327億元。

18. PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP (CONTINUED)

Notes: (continued)

e. Lamtex

Lamtex was incorporated in the Bermuda and its shares are listed on the Main Board of the Stock Exchange (stock code: 1041.HK). Lamtex and its subsidiaries are principally engaged securities trading and investment, securities brokerage and provision of securities margin finance, trading and manufacturing of electronic products business and hotel operation.

For the six months ended 30 June 2019, the unaudited consolidated loss attributable to owners of Lamtex was approximately HK\$24.4 million and its unaudited consolidated equity attributable to owners of Lamtex was approximately HK\$597.4 million.

f. Newtree Group

Newtree Group was incorporated in the Cayman Islands and its shares are listed on the Main Board of the Stock Exchange (stock code: 1323.HK). Newtree Group and its subsidiaries are principally engaged in (i) wholesale and retails of household consumables; (ii) design and development of three-dimensional animations, augmented reality technology application and e-learning web application; (iii) provision of educational technology solutions through online education programs and provision of English language proficiency tests and (iv) provision of money lending services.

For the six months ended 30 September 2019, the unaudited consolidated profit attributable to owners of Newtree Group was approximately HK\$13.5 million and its unaudited consolidated equity attributable to owners of Newtree Group was approximately HK\$449.1 million.

18. 本集團持有之主要投資之資料 (續)

附註：(續)

e. 林達

林達於百慕大註冊成立，其股份於聯交所主板上市(股票代碼：1041.HK)。林達及其附屬公司主要從事證券買賣及投資、證券經紀及提供證券保證金融資，電子產品貿易及製造業務以及酒店營運。

截至二零一九年六月三十日止六個月，林達擁有人應佔未經審核綜合虧損約為2,440萬港元，林達擁有人應佔其未經審核綜合權益約為597.4百萬港元。

f. Newtree Group

Newtree Group 於開曼群島註冊成立，其股份在聯交所主板上市(股票代碼：1323.HK)。Newtree Group 及其附屬公司主要從事(i)批發及零售家居消耗品；(ii)三維動畫、擴增實境技術應用程式及網絡教育應用程式的設計及開發；(iii)透過網上教育課程提供教育技術解決方案及提供英語水平測試，及(iv)提供放債服務。

截至二零一九年九月三十日止六個月，Newtree Group 擁有人應佔未經審核綜合溢利約為1,350萬港元，而Newtree Group 擁有人應佔未經審核綜合權益約為449.1百萬港元。

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18. PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP (CONTINUED)

Notes: (continued)

g. Sands China

Sands China was incorporated in the Cayman Islands and its shares are listed on the Main Board of the Stock Exchange (stock code: 1928.HK). Sands and its subsidiaries are principally engaged in operation of casino games of chance or games of other forms and the development and operation of integrated resorts and other ancillary services in Macao.

For the year ended 31 December 2019, the audited consolidated profit attributable to equity holders of Sands China was approximately US\$2.0 billion and its audited consolidated equity attributable to equity holders of Sands was approximately US\$4.4 billion.

h. Smart-Core

Smart-Core was incorporated in the Cayman Islands and its shares are listed on the Main Board of the Stock Exchange (stock code: 2166.HK). Smart-Core and its subsidiaries are principally engaged in the trading of electronic component.

For the six months ended 30 June 2019, the unaudited consolidated profit attributable to owners of Smart-Core was approximately HK\$29.8 million and its unaudited consolidated equity attributable to owners of Smart-Core was approximately HK\$578.1 million.

18. 本集團持有之主要投資之資料 (續)

附註：(續)

g. 金沙中國

金沙中國於開曼群島註冊成立，其股份於聯交所主板上市(股票代碼：1928.HK)。金沙中國及其附屬公司主要於澳門從事娛樂博彩或其他形式的博彩運營，以及綜合度假村及其他配套服務的開發及運營。

截至二零一九年十二月三十一日止年度，金沙中國股權持有人應佔經審核綜合溢利約為20億美元，金沙中國股權持有人應佔經審核綜合權益約為44億美元。

h. 芯智

芯智於開曼群島註冊成立，其股份於聯交所主板上市(股票代碼：2166.HK)。芯智及其附屬公司主要從事電子元器件貿易。

截至二零一九年六月三十日止六個月，芯智擁有人應佔未經審核綜合溢利約為2,980萬港元，芯智擁有人應佔未經審核綜合權益約為578.1百萬港元。

18. PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP (CONTINUED)

Notes: (continued)

i. Nomura

During the year, the Company invested in an unlisted callable equity-linked note (“Nomura ELN”) issued by Nomura in a nominal amount of HK\$4,000,000 and it offered a coupon of 8% per annum. The Nomura ELN was linked to a basket of Hong Kong stocks, including HSBC, China Construction Bank Corporation (stock code: 0939.HK), Industrial and Commercial Bank of China Limited (stock code: 1398.HK) and Bank of China Limited (stock code: 3988.HK) (collectively called the “Nomura Stocks”). The Nomura ELN was entered into a period of 9 months from 16 December 2019 to 18 September 2020.

Under the terms of the Nomura ELN, the Nomura ELN will be redeemed automatically at its face value if the final prices of each Nomura Stocks are greater than or equal to their respective pre-set prices of the Nomura Stocks on a valuation date. Otherwise, the Company would receive cash or physical delivery of the worst performing stock amongst the Nomura Stocks depending on the price of such worst performing stock on the maturity date. The Nomura ELN was redeemed automatically in January 2020 and the redemption amount approximated to its carrying amount as at 31 December 2019.

18. 本集團持有之主要投資之資料 (續)

附註：(續)

i. 野村

年內，本公司投資了野村證券發行的面值4,000,000港元的非上市股票掛鈎票據(「野村股票掛鈎票據」)，並提供年息8%的息票。野村股票掛鈎票據與一籃子香港股票掛鈎，包括滙豐、中國建設銀行股份有限公司(股票代碼：0939.HK)、中國工商銀行股份有限公司(股票代碼：1398.HK)及中國銀行股份有限公司(股票代碼：3988.HK)(統稱「野村股票」)。野村股票掛鈎票據自二零一九年十二月十六日至二零二零年九月十八日為期九個月的期限。

根據野村股票掛鈎票據的條款，倘各野村股票的最終價格高於或相當於估值日期野村股票各自預先設定的價格，野村股票掛鈎票據將按其面值自動贖回。否則，本公司將於到期日收取現金或以實物交付野村股票中表現最差的股票，這取決於到期日有關表現最差股票的價格。野村股票掛鈎票據於二零二零年一月自動贖回，而贖回金額與二零一九年十二月三十一日之賬面值相若。

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18. PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP (CONTINUED)

Notes: (continued)

j. Morgan Stanley

During the year, the Company invested in an unlisted equity-linked note ("MS ELN") issued by Morgan Stanley in a nominal amount of HK\$4,000,000 and it offered a coupon of 8% per annum. The MS ELN was linked to a basket of Hong Kong stocks, including The Hong Kong and China Company Limited (stock code: 0003.HK), Hang Seng Bank Limited (stock code: 0011.HK) and HK Electric Investments and HK Electric Investments Limited (stock code: 2638.HK) (collectively called the "MS Stocks"). The MS ELN was entered into a period of 9 months from 13 December 2019 to 16 September 2020.

Under the terms of MS ELN, the MS ELN will be redeemed automatically at its face value if the closing price of the worst performing share amongst the MS Stocks on a valuation date is equal or greater than a pre-determined price. Otherwise, the Company would receive cash or physical delivery of the worst performing stock amongst the MS Stocks on the maturity date depending on the price of the worst performing stock amongst the MS Stocks compared with its pre-determined strike price. The MS ELN was redeemed automatically in January 2020 and the redemption amount approximated to its carrying amount as at 31 December 2019.

18. 本集團持有之主要投資之資料 (續)

附註：(續)

j. 摩根士丹利

年內，本公司投資了摩根士丹利發行的面值4,000,000港元的非上市股票掛鈎票據(「摩根士丹利股票掛鈎票據」)，並提供年息8%的息票。摩根士丹利股票掛鈎票據與一籃子香港股票掛鈎，包括香港中華煤氣有限公司(股份代號：0003.HK)、恆生銀行有限公司(股份代號：0011.HK)及港燈電力投資及港燈電力投資有限公司(股份代號：2638.HK)(統稱「摩根士丹利股票」)。摩根士丹利股票掛鈎票據自二零一九年十二月十三日至二零二零年九月十六日為期九個月的期限。

根據摩根士丹利股票掛鈎票據的條款，倘摩根士丹利股票中表現最差的股票的收市價格相當於或高於估值日期的預先設定價格，摩根士丹利股票掛鈎票據將按其面值自動贖回。否則，本公司將於到期日收取現金或以實物交付摩根士丹利股票中表現最差的股票，這取決於摩根士丹利股票中表現最差股票的價格與預先設定的行使價格的比較。摩根士丹利股票掛鈎票據於二零二零年一月自動贖回，而贖回金額與二零一九年十二月三十一日之賬面值相若。

18. PARTICULARS OF MAJOR INVESTMENTS HELD BY THE GROUP (CONTINUED)

Notes: (continued)

k. AIA

AIA and its subsidiaries are principally engaged in the writing of life insurance business, providing life insurance, accident and health insurance and saving plans throughout Asia and distributing related investment and other financial services to its customers.

l. Sa Sa International

Sa Sa International and its subsidiaries are principally engaged in the retailing and wholesaling of cosmetic products.

m. Jete Power

Jete Power and its subsidiaries are principally engaged in manufacturing of metal casting parts and components in the PRC and provision of financial printing services in Hong Kong.

n. King Power

King Power is a wholly-owned subsidiary of China Travel Service (Holdings) Hong Kong Limited and its controlling shareholder is China Travel International Investment Hong Kong Limited ("China Travel International"), which was incorporated in British Virgin Islands and its shares are listed on the Main Board of Stock Exchange (stock code: 00308). China Travel International and its subsidiaries are principally engaged in (i) tourist attraction and related operations, (ii) travel agency, travel document and related operations, (iii) hotel operations and (iv) passenger transportation operations. The listed debt security carries an interest rate of 5.625% per annum.

18. 本集團持有之主要投資之資料 (續)

附註：(續)

k. 友邦保險

友邦保險集團及其附屬公司主要從事承保人壽保險業務、在亞洲提供人壽保險、意外及健康保險以及儲蓄計劃，並向其客戶分配相關的投資及其他金融服務。

l. 莎莎國際

莎莎國際及其附屬公司主要從事零售及批發化妝品。

m. 鑄能

鑄能及其附屬公司主要從事在中國製造金屬鑄件及在香港提供金融印刷服務。

n. King Power

King Power為香港中旅(集團)有限公司之全資附屬公司及其控股股東為香港中旅國際投資有限公司(「中旅國際」)，中旅國際於英屬維爾京群島註冊成立及其股份於聯交所主板上市(股份代號：00308)。中旅國際及其附屬公司主要從事(i)旅遊景區及相關業務，(ii)旅行社、旅行證件及相關業務，(iii)酒店業務及(iv)客運業務。上市債務證券按年利率5.625%計息。

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19. OTHER RECEIVABLES AND DEPOSITS AND PREPAYMENTS

19. 其他應收款項及按金及預付款項

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Other receivables and deposits	其他應收款項及按金	428	883
Prepayments	預付款項	1,926	2,350
		2,354	3,233

At 31 December 2019, none (2018: none) of the above other receivables and deposits is either past due or impaired.

於二零一九年十二月三十一日，概無（二零一八年：無）上述其他應收款項及按金逾期或減值。

20. CASH AND BANK BALANCES

Cash and bank balances of the Group comprised bank balances, cash and short-term bank deposit with an original maturity of three months or less held by the Group.

Cash and cash equivalents were denominated in the following currencies:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
HK\$	港元	20,870	17,739
RMB	人民幣	193	144
US\$	美元	3,288	12,885
Other	其他	415	173
Cash and bank balances		24,766	30,941

Cash at banks earn interest at floating rates based on daily bank deposit rates and the short-term deposit with interest at fixed rate ranging from about 1% to 3% (2018: about 3%). The bank balances are deposited with creditworthy banks with no recent history of default.

RMB is not a freely convertible currency in the PRC and the remittance of funds out of the PRC is subject to the foreign exchange control promulgated imposed by the PRC government. All of the Group's cash and bank balances and all of the Company's cash and bank balances denominated in RMB are located in HK which is not subject to the foreign exchange control.

20. 現金及銀行結餘

本集團之現金及銀行結餘包括銀行結餘、現金及本集團所持原到期日為三個月或以下之短期銀行存款。

現金及現金等值物以下列貨幣計值：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
HK\$	港元	20,870	17,739
RMB	人民幣	193	144
US\$	美元	3,288	12,885
Other	其他	415	173
Cash and bank balances		24,766	30,941

銀行現金按每日銀行存款利率的浮動利率計息及短期存款按介乎1%至3% (二零一八年：約3%) 固定利率計息。有關銀行結餘存於信譽良好且無近期拖欠記錄之銀行。

人民幣並非在中國可自由兌換之貨幣而匯出中國之資金受中國政府實行的外匯管制規範。以人民幣計值之本集團所有現金及銀行結餘及本公司所有現金及銀行結餘均位於香港，其不受外匯管制所規限。

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21. SHARE CAPITAL

The movements of share capital of the Company are as follows:

21. 股本

本公司之股本變動如下：

		Number of ordinary shares 普通股數目	Nominal value of ordinary shares 普通股面值
	Notes 附註	'000 千股	HK\$'000 千港元
Authorised:			
At 1 January 2018,			
31 December 2018 and			
2019, at HK\$0.10 each		2,000,000	200,000
Issued and fully paid:			
At 1 January 2018		545,952	54,595
Placing of new shares	(a)	109,170	10,917
At 31 December 2018		655,122	65,512
Placing of new shares	(b)	130,800	13,080
Placing of new shares	(c)	156,900	15,690
At 31 December 2019		942,822	94,282

Notes:

- (a) In April 2018, the Company issued a total of 109,170,000 ordinary shares with par value of HK\$0.10 each at a price of HK\$0.135 each. Further details were mainly set out in the announcement dated 20 April 2018.
- (b) In May 2019, the Company issued a total of 130,800,000 ordinary shares with par value of HK\$0.10 each at a price of HK\$0.155 each. Further details were mainly set out in the announcement dated 15 May 2019.
- (c) In December 2019, the Company issued a total of 156,900,000 ordinary shares with par value of HK\$0.10 each at a price of HK\$0.105 each. Further details were mainly set out in the announcement dated 19 December 2019.

附註：

- (a) 於二零一八年四月，本公司按每股0.135港元之價格發行合共109,170,000股每股面值0.10港元之普通股。進一步詳情主要載於日期為二零一八年四月二十日之公佈。
- (b) 於二零一九年五月，本公司按每股0.155港元之價格發行合共130,800,000股每股面值0.10港元之普通股。進一步詳情主要載於日期為二零一九年五月十五日之公佈。
- (c) 於二零一九年十二月，本公司按每股0.105港元之價格發行合共156,900,000股每股面值0.10港元之普通股。進一步詳情主要載於日期為二零一九年十二月十九日之公佈。

22. SECURED BANK LOAN

22. 有抵押銀行貸款

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
The carrying amount of a bank loan that contains a repayment on demand clause (shown under current liabilities) but repayable:	包含須應要求還款條款之銀行貸款的賬面值(列入流動負債)但須於以下期間償還:		
Within one year	一年內	496	482
Within a period of more than one year but not exceeding two years	一年以上但不超過兩年期間	509	495
Within a period of more than two year but not exceeding five years	兩年以上但不超過五年期間	1,651	1,565
Within a period of more than five years	五年以上期間	—	596
		2,656	3,138
Less: Amount due within one year (shown under current liabilities)	減: 一年內到期之款項(列入流動負債)	(2,656)	(3,138)
		—	—

The 10-Year instalment loan is repayable on demand and has been secured by a mortgage over the Group's office premises, bearing interest at 2.5% below prime rate per annum.

十年期分期貸款須應要求償還並以本集團辦公室物業之按揭作抵押，每年按最優惠利率減2.5厘計息。

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23. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

23. 金融工具

(a) 金融工具分類

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Financial assets	金融資產		
Debt instruments at FVTOCI (note 15)	按公允值計入其他全 面收益之債務工具 (附註15)	1,724	11,066
Financial assets at FVTPL (note 16)	按公允值計入損益之 金融資產(附註16)	99,225	94,866
Financial assets at amortised cost	按攤銷成本計量之金 融資產		
— Other receivables and deposits (note 19)	— 其他應收款項及 按金(附註19)	428	883
— Cash and bank balances (note 20)	— 現金及銀行結餘 (附註20)	24,766	30,941
		126,143	137,756
Financial liability	金融負債		
Amortised cost	攤銷成本		
— Secured bank loan (note 22)	— 有抵押銀行貸款 (附註22)	2,656	3,138

23. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies

The Group's major financial instruments include debt instruments at FVTOCI, financial assets at FVTPL, dividend receivables other receivables, other deposits, cash and bank balances and secured bank loan. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Currency risk

This refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As at the year-end date, the Group was mainly exposed to foreign currency risk from its bank balances, which were mainly denominated in RMB and US\$ and listed debt securities denominated in US\$.

23. 金融工具(續)

(b) 財務風險管理目標及政策

本集團之主要金融工具包括按公允值計入其他全面收益之債務工具、按公允值計入損益之金融資產、應收股利、其他應收款項、其他按金、現金及銀行結餘以及有抵押銀行貸款。金融工具之詳情於各自之附註中披露。此等金融工具之相關風險包括市場風險(貨幣風險、利率風險及價格風險)、信貸風險及流動資金風險。減輕該等風險的有關政策於下文載列。本集團管理層管理及監察此等風險，確保適時有效地採取適當措施。

市場風險

貨幣風險

貨幣風險指金融工具之公允值或未來現金流量會隨匯率變動而波動之風險。於年結日，本集團主要面對主要以人民幣及美元計值之銀行結餘以及以美元計值之上市債務證券所產生之外匯風險。

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23. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

Currency risk (continued)

Although the Group currently does not have any foreign currency hedging policy, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise. As at 31 December 2019, RMB bank balances and US\$ bank balances amounted to approximately HK\$193,000 (2018: HK\$144,000) and approximately HK\$3,288,000 (2018: HK\$12,885,000), respectively. As at 31 December 2019, US\$ debt security investment balances amounted to approximately HK\$1,724,000 (2018: HK\$11,066,000).

No sensitivity analysis is made as the foreign exchange exposure is considered to be minimal. As HK\$ is pegged to US\$, the management thus considers the Group's foreign currency exposure is not significant. For the other currencies, the exposure is also insignificant because the related amount involved is immaterial.

23. 金融工具(續)

(b) 財務風險管理目標及政策(續)

市場風險(續)

貨幣風險(續)

儘管本集團目前並無任何外幣對沖政策，管理層監控外匯風險，並於有需要時考慮對沖重大外匯風險。於二零一九年十二月三十一日，人民幣銀行結餘及美元銀行結餘分別約為193,000港元(二零一八年：144,000港元)及約3,288,000港元(二零一八年：12,885,000港元)。於二零一九年十二月三十一日，美元債務證券投資結餘為約1,724,000港元(二零一八年：11,066,000港元)。

由於外匯風險被視為甚微，故並無作出敏感度分析。由於港元與美元掛鈎，因此管理層認為本集團的外匯風險並不重大。至於其他貨幣，由於所涉及之相關金額並非顯著，因此有關風險亦不重要。

23. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

Interest rate risk

The Group is exposed to cash-flow interest rate risk in relation to the variable-rate bank loan. It is the Group's policy to maintain its borrowings at floating rate of interests to minimise the fair value interest rate risk. The Group's interest rate risk is mainly concentrated on the fluctuation of interest rates in relation to its HK\$ denominated borrowings.

The Group's fair value interest rate risk of financial assets relates primarily to the investment in fixed coupon debt securities, which are classified as debt instruments at FVTOCI. The change in fair value arising from the changes in market interest rates will typically affect the related reserve account.

Total interest revenue and income from financial assets that are measured at FVTOCI and amortised cost amounted to HK\$216,000 (2018: HK\$1,391,000) and HK\$180,000 (2018: HK\$12,000) respectively for the year ended 31 December 2019. Total interest expense on financial liabilities not measured at FVTPL amounted to HK\$76,000 (2018: HK\$122,000) for the year ended 31 December 2019.

No sensitivity analysis is made as the interest rate exposure is considered to be minimal.

23. 金融工具(續)

(b) 財務風險管理目標及政策(續)

市場風險(續)

利率風險

本集團就浮息銀行貸款及融資租賃面對現金流量利率風險。本集團之政策為維持浮息借貸以盡量減低公允值利率風險。本集團之利率風險主要集中於其以港元計值之借貸之相關利率波動。

本集團之金融資產公允值利率風險主要關於分類為按公允值計入其他全面收益之債務工具之定息債務證券投資。市場利率變動所產生之公允值變動將主要影響相關儲備賬目。

截至二零一九年十二月三十一日止年度，按公允值計入其他全面收益及按攤銷成本計量之金融資產所得利息收益及收入合共分別達216,000港元(二零一八年：1,391,000港元)及180,000港元(二零一八年：12,000港元)。截至二零一九年十二月三十一日止年度，並非按公允值計入損益之金融負債利息開支總額達76,000港元(二零一八年：122,000港元)。

由於利率風險被視為甚微，故並無作出敏感度分析。

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23. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

Equity Price risk

The Company is primarily exposed to equity price risk through its investments in financial assets at FVTPL and debt instruments at FVTOCI. The exposure is managed by maintaining a portfolio of investment with different risks.

Concentration of price risk may arise if the Group has a significant investment in a single equity security or debt security. At the end of reporting period, the Group has certain concentration risks in four (2018: four) equity investments which account for more than 5% of the total assets of the Group. No single debt instrument in Company's listed debt portfolio account for more than 5% of the total assets of the Group. Details are disclosed in note 18.

23. 金融工具(續)

(b) 財務風險管理目標及政策(續)

市場風險(續)

股本價格風險

本公司主要面對因投資按公允值計入損益之金融資產及按公允值計入其他全面收益之債務工具而產生之股本價格風險。有關風險乃透過維持具有不同風險程度之投資組合而管理。

倘本集團於單一股本證券或債務證券屬重大投資時，可能會出現價格風險集中情況。於報告期末，本集團在四項(二零一八年：四項)股本投資(佔本集團總資產的5%以上)中有一定的集中風險。本公司上市債務投資組合中並無單一項債務工具佔本集團總資產的5%以上。詳情於附註18披露。

23. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

Sensitivity analysis

At 31 December 2019, if the prices of the respective listed equity securities (2018: listed equity securities and perpetual capital securities), had been increased/decreased by 10%, the Group's loss for the year ended 31 December 2019 would have decreased/increased by approximately HK\$9,122,000 (2018: approximately HK\$7,707,000) as a result of the changes in fair value of listed equity securities (2018: listed equity securities and perpetual capital securities). The OCI for the year would have decreased/increased by approximately HK\$172,000 (2018: HK\$1,107,000) for the Group as a result of the change in fair value of listed debt instruments. Sensitivity analyses for unlisted equity investment and derivatives with fair value measurement categorised within Level 3 for year ended 31 December 2018 were disclosed in note 23(c)(i).

In order to minimise price risk, management has established an investment committee to consider investment proposals received from investment manager and/or the Company's investment officers.

23. 金融工具(續)

(b) 財務風險管理目標及政策(續)

市場風險(續)

敏感度分析

於二零一九年十二月三十一日，倘有關上市股本證券(二零一八年：上市股本證券及永久資本證券)之價格上升/下跌10%，則本集團截至二零一九年十二月三十一日止年度之虧損將因上市股本證券(二零一八年：上市股本證券及永久資本證券)之公允值變動而減少/增加約9,122,000港元(二零一八年：約7,707,000港元)。年度其他全面收益將會因上市債務工具之公允值變動而減少/增加約172,000港元(二零一八年：1,107,000港元)。截至二零一八年十二月三十一日止年度，非上市股本投資及分類為第三級的公允值計量衍生工具之敏感度分析披露於附註23(c)(i)。

為將價格風險降至最低，管理層已成立投資委員會以考慮從投資經理及/或本公司投資職員接獲之投資建議。

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23. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

Credit risk and impairment assessment

Debt instruments at FVTOCI

The credit risks of debt instruments are managed through an internal process. The credit quality of each issuer is investigated before an investment is made. The Group reviews and monitors the credit concentration of investments on a regular basis. As at 31 December 2019, the carrying amount of the Group's debt instruments at FVTOCI was about HK\$1,724,000 (2018: HK\$11,066,000), which comprise a listed bond that is with credit rating at A3 (2018: listed bonds with credit ratings ranging from B2 to Baa1) as per globally understood definitions.

For the years ended 31 December 2019 and 2018, the Group performed impairment assessment on debt instruments at FVTOCI at 12m ECL by reference to information published by external credit rating agencies relating to average loss rates of respective credit rating grades and concluded that the ECL on these balances are insignificant.

23. 金融工具(續)

(b) 財務風險管理目標及政策(續)

市場風險(續)

信貸風險及減值評估

按公允值計入其他全面收益的債務工具

債務工具的信貸風險乃透過內部程序管理。作出投資前將對各發行人進行信貸質素調查。本集團定期檢討及監察投資的信貸集中度。於二零一九年十二月三十一日，本集團按公允值計入其他全面收益的債務工具賬面值約為1,724,000港元(二零一八年：11,066,000港元)包括按全球認可定義分為A3(二零一八年：上市債券的信貸評級介乎B2至Baa1)信貸評級的上市債券。

截至二零一九年及二零一八年十二月三十一日止年度，本集團參考外部信貸評級機構就相關信貸評級發佈有關平均虧損比率的資料後，對按公允值計入其他全面收益之債務工具以十二個月預期信貸虧損模式進行減值評估，並得出該等結餘之預期信貸虧損屬微不足道。

23. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

Other receivables and deposits

As at 31 December 2019, the carrying amount of other receivables and deposits was about HK\$428,000 (2018: HK\$883,000). The credit risks on these balances are low because the counterparties have a low risk of default and do not have any past-due amounts and concluded the ECL on these balances are insignificant at 12m ECL for both years.

23. 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

其他應收款項及按金

於二零一九年十二月三十一日，其他應收款項及按金賬面值為約428,000港元(二零一八年：883,000港元)。該等結餘的信貸風險較低，因為對手方違約風險較低且並無任何逾期款項並得出按12個月預期信貸虧損計該等結餘於兩個年度之預期信貸虧損屬微不足道。

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23. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

Bank balances

The Group limits its exposure to credit risk by placing deposits with several banks with high credit ratings. As at 31 December 2019, the carrying amount of bank balances was about HK\$24,758,000 (2018: HK\$30,927,000) and the credit risks on these balances are limited because the counterparties are banks or financial institutions with high credit ratings ranging from Baa1 to Aa2 (2018: Baa1 to Aa2) assigned by international credit-rating agencies.

For the years ended 31 December 2019 and 2018, the Group performed impairment assessment on bank balances at 12m ECL by reference to information published by external credit rating agencies relating to average loss rates of respective credit rating grades and concluded that the ECL on these balances are insignificant.

Other than concentration of credit risk on liquid funds which are deposited with several banks and debt investments, the Group does not have any other significant concentration of credit risk.

23. 金融工具(續)

(b) 財務風險管理目標及政策(續)

信貸風險及減值評估(續)

銀行結餘

本集團透過於若干高信貸評級銀行存款限制其信貸風險。於二零一九年十二月三十一日，銀行結餘的賬面值約為24,758,000港元(二零一八年：30,927,000港元)，及該等結餘的信貸風險有限，因為對手方為國際信貸評估機構授予介乎Baa1至Aa2(二零一八年：Baa1至Aa2)高信貸評級的金融機構。

截至二零一九年及二零一八年十二月三十一日止年度，本集團參考外部信貸評級機構就相關信貸評級發佈有關平均虧損比率的資料後，對銀行結餘按十二個月預期信貸虧損模式進行減值評估，結論為該等結餘之預期信貸虧損屬微不足道。

除存置於若干銀行的流動資金及債務投資之信貸風險集中外，本集團並無任何其他重大信貸風險集中。

23. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Liquidity risk

Liquidity risk relates to the risk that the Group will encounter difficulty in meeting obligations associate with its financial liabilities that are settled by delivery of cash or other financial assets. The Board has established an appropriate liquidity risk management framework to meet the Group's funding and liquidity management requirements. The Group manages liquidity risk by holding sufficient liquid assets of appropriate quality to ensure that there are sufficient cash flows to meet all financial commitments and to capitalise on opportunities for business expansion. By monitoring scheduled debt-servicing payments for the above financial liabilities as well as cash outflows due in day-to-day basis, the Group carefully manages its liquidity requirements.

23. 金融工具(續)

(b) 財務風險管理目標及政策(續)

流動資金風險

流動資金風險是關於本集團將就以交付現金或其他金融資產之方式結清應付其金融負債相關責任而遇到困難之風險。董事會已制訂合適流動資金風險管理框架，以符合本集團資金及流動資金管理規定。本集團持有充裕及適當質量之流動資產，以管理流動資金風險，並應付各項財務承擔以及用作業務拓展商機之資金。通過監察上述金融負債之計劃償債付款以及按每日基準監察到期現金流出之情況，本集團審慎管理其流動資金需求。

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23. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Liquidity risk (continued)

		Weighted average effective interest rate 加權平均 實際利率 %	Within 1 year or on demand 一年內或 應要求 HK\$'000 千港元	Total discounted cash flows 已貼現現金 流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
31 December 2019	二零一九年 十二月三十一日				
Financial liability	金融負債				
Secured bank loan, repayable on demand	有抵押銀行貸款， 須應要求償還	2.5	2,656	2,656	2,656
		Weighted average effective interest rate 加權平均 實際利率 %	Within 1 year or on demand 一年內或 應要求 HK\$'000 千港元	Total discounted cash flows 已貼現現金 流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
31 December 2018	二零一八年 十二月三十一日				
Financial liability	金融負債				
Secured bank loan, repayable on demand	有抵押銀行貸款， 須應要求償還	2.5	3,138	3,138	3,138

23. 金融工具(續)

(b) 財務風險管理目標及政策 (續)

流動資金風險(續)

23. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Liquidity risk (continued)

Bank loan with a repayment on demand clause is included in the “within 1 year or on demand” time band in the above maturity analysis. As at 31 December 2019, the carrying amount of the bank loan amounted to HK\$2,656,000 (2018: HK\$3,138,000). Taking into account the Group’s financial position, the management do not believe that it is probable that the bank will exercise its discretionary rights to demand immediate repayment. The management believe that such bank loan will be repaid over five years (2018: six years) after the end of the reporting period in accordance with the scheduled repayment dates set out in the loan agreement, details of which are set out in the table below:

23. 金融工具(續)

(b) 財務風險管理目標及政策(續)

流動資金風險(續)

包含應要求償還條款之銀行貸款在上述到期分析計入「一年內或應要求」之時間範圍內。於二零一九年十二月三十一日，銀行貸款之賬面值為2,656,000港元(二零一八年：3,138,000港元)。計及本集團之財務狀況後，管理層認為銀行不大可能行使其酌情權要求即時還款。管理層認為此銀行貸款將預期按照貸款協議所載之計劃還款日期，於報告期後的五年(二零一八年：六年)內償還，詳情載於下表：

Maturity Analysis — Bank loan with a repayment on demand clause based on scheduled repayments
到期分析—包含應要求償還條款之銀行貸款根據還款計劃之分析

	Weighted average effective interest rate 加權平均實際利率	Within 1 year or on demand 一年內或應要求	More than 1 year but less than 2 years 超過一年但少於兩年	More than 2 years but less than 5 years 超過兩年但少於五年	More than 5 years 超過五年	Total undiscounted cash flows 未貼現現金流量總額	Carrying amount 賬面值
31 December 2019 二零一九年十二月三十一日	2.5	557	557	1,717	—	2,831	2,656
31 December 2018 二零一八年十二月三十一日	2.5	559	559	1,677	604	3,399	3,138

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23. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Liquidity risk (continued)

The amounts included above for variable interest rate instruments for non-derivative financial liabilities 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.

(c) Fair value measurements of financial instruments

This note provides information about how the Group determines fair values of various financial assets.

In estimating the fair value, the Group used market-observable data to the extent it is available. Where Level 1 inputs were not available, the directors of the Company or the Group would engaged independent firm of professional valuers ("Valuers") to perform the valuation. The management worked closely with the Valuers to establish the appropriate valuation techniques and inputs to the model. The management reports the findings to the Board every half-year to explain the cause of fluctuations in the fair value.

23. 金融工具(續)

(b) 財務風險管理目標及政策(續)

流動資金風險(續)

若浮動利率之變化與報告期末所釐定之估計利率有差異，上表所列之非衍生金融負債之淨息工具金額可能有變。

(c) 金融工具之公允值計量

本附註提供有關本集團釐定各類金融資產公允值方式的資料。

估計公允值時，本集團使用可獲取的市場觀察可得數據。倘無法獲取第一級輸入數據，本公司董事或本集團會委聘獨立專業估值師行(「估值師」)進行估值。管理層與估值師密切合作，以確定對模型合適的估值技巧及輸入數據。管理層每半年向董事會呈報結論，解釋公允值波動的理由。

23. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value measurements of financial instruments (continued)

(i) Fair value of the Group's financial assets that are measured at fair value on a recurring basis

The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

Financial assets	Fair value as at 31 December 2019 於二零一九年 十二月三十一日 之公允值 HK\$'000 千港元	Fair value as at 31 December 2018 於二零一八年 十二月三十一日 之公允值 HK\$'000 千港元	Fair value hierarchy	Valuation technique(s) and key inputs
金融資產			公允值層級	估值技術及主要輸入數據
Financial assets at FVTPL 按公允值計入損益之金融資產				
Listed equity securities investment in Hong Kong 香港上市股本證券投資	91,029	72,623	Level 1 第一級	Quoted bid prices in an active market 於活躍市場之報價
Listed equity securities investment in Australia 澳洲上市股本證券投資	188	261	Level 3 (note 1) 第三級 (附註1)	Market-based approach Key inputs: Price-to-earnings multiples of other similar companies with a marketability discount rate 市場法 主要輸入數據： 其他類似公司之市盈率倍數及市場折讓率
Unlisted equity-linked notes 非上市股份掛鈎票據	8,008	—	Level 3 第三級	Key inputs: Volatility and dividend rate of the underlying stocks, creditworthiness of the issuer 主要輸入數據：相關股票之波動及股息率、發行人信譽

23. 金融工具(續)

(c) 金融工具之公允值計量(續)

(i) 以經常基準按公允值計量之本集團金融資產之公允值

下表載列此等金融資產之公允值釐定方法的資料(特別是所使用之估值技術及輸入數據)。

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23. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value measurements of financial instruments (continued)

- (i) Fair value of the Group's financial assets that are measured at fair value on a recurring basis (continued)

23. 金融工具(續)

(c) 金融工具之公允值計量(續)

- (i) 以經常基準按公允值計量之本集團金融資產之公允值(續)

Financial assets 金融資產	Fair value as at 31 December 2019 於二零一九年 十二月三十一日 之公允值 HK\$'000 千港元	Fair value as at 31 December 2018 於二零一八年 十二月三十一日 之公允值 HK\$'000 千港元	Fair value hierarchy 公允值層級	Valuation technique(s) and key inputs 估值技術及主要輸入數據
Unlisted equity investment 非上市股本投資	—	15,700	Level 3 第三級	Market-based approach Key inputs: Price-to-earnings multiples by referring to other similar companies of 11.20 with a marketability discount rate of 70% (note 2) 市場法 主要輸入數據: 參考其他類似公司之市盈率11.20倍及市場流通性折讓率70%(附註2)
Derivatives of an unlisted equity investment 非上市股本投資衍生工具	—	2,100	Level 3 第三級	Market-based approach Key inputs: Value of the unlisted equity investment as disclosed above, probability on the occurrence of certain events (note 3) 市場法 主要輸入數據: 上文非上市股本投資的價值、若干事件之發生概率(附註3)
Listed perpetual capital securities investment in Hong Kong and Singapore 香港及新加坡上市永久資本證券投資	—	4,182	Level 1 第一級	Quoted bid prices in an active market 於活躍市場之報價
Debt instruments at FVTOCI 按公允值計入其他全面收益之債務工具				
Listed debt securities investment in Hong Kong and Singapore 香港及新加坡上市債務證券投資	1,724	11,066	Level 1 第一級	Quoted bid prices in an active market 於活躍市場之報價

23. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value measurements of financial instruments (continued)

(i) Fair value of the Group's financial assets that are measured at fair value on a recurring basis (continued)

Note 1: The listed equity securities investment in Australia is not actively traded. The management assessed the fair value using market-based approach.

Note 2: An increase in the price-to-earnings multiples used in isolation would result in an increase in the fair value measurement of the unlisted equity investment, and vice versa. A 5% increase/decrease in the price-to-earnings multiples holding all other variables constant would increase/decrease the carrying amount of the shares by HK\$800,000 or HK\$700,000 for the year ended 31 December 2018.

An increase in the marketability discount used in isolation would result in a decrease in the fair value measurement of the unlisted equity investment, and vice versa. A 5% increase/decrease in the marketability discount holding all other variables constant would decrease/increase the carrying amount of the shares by HK\$2,700,000 or HK\$2,600,000 for the year ended 31 December 2018.

23. 金融工具(續)

(c) 金融工具之公允值計量(續)

(i) 以經常基準按公允值計量之本集團金融資產之公允值(續)

附註1：於澳洲的上市股本證券投資交投不活躍。管理層使用市場法評估公允值。

附註2：單獨應用的市盈率增加將導致非上市股本投資的公允值計量增加，反之亦然。截至二零一八年十二月三十一日止年度，市盈率增加／減少5%，全部其他變量維持不變，股份賬面值將增加／減少800,000港元或700,000港元。

單獨使用的市場折讓率增加將導致非上市股本投資的公允值計量減少，反之亦然。截至二零一八年十二月三十一日止年度，市場折讓率增加／減少5%，而所有其他變數維持不變，將導致股份賬面值分別減少／增加2,700,000港元或2,600,000港元。

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23. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value measurements of financial instruments (continued)

- (i) Fair value of the Group's financial assets that are measured at fair value on a recurring basis (continued)

Note 3: An increase in the value of the unlisted equity investment used in isolation would result in a decrease in fair value measurement of the derivatives of an unlisted equity investment, and vice versa. A 5% increase/decrease in the value of the unlisted equity investment holding all other variables constant would decrease/increase the carrying amount of the derivatives by HK\$400,000 for the year ended 31 December 2018.

An increase in the probability on the occurrence of certain events used in isolation would result in an increase in fair value measurement of the derivatives of an unlisted equity investment, and vice versa. A 5% increase/decrease in the probability on the occurrence of certain events holding all other variables constant would increase/decrease the carrying amount of the derivatives by HK\$200,000 for the year ended 31 December 2018.

23. 金融工具(續)

(c) 金融工具之公允值計量(續)

- (i) 以經常基準按公允值計量之本集團金融資產之公允值(續)

附註3：單獨使用的非上市股本投資的價值增加將導致非上市股本投資衍生工具的公允值計量減少，反之亦然。截至二零一八年十二月三十一日止年度，非上市股本投資的價值增加／減少5%，而所有其他變數維持不變，將導致衍生工具賬面值減少／增加400,000港元。

單獨使用的若干事件的發生可能性增加將導致非上市股本投資衍生工具的公允值計量增加，反之亦然。截至二零一八年十二月三十一日止年度，若干事件的發生可能性增加／減少5%，而所有其他變數維持不變，將導致衍生工具賬面值增加／減少200,000港元。

23. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value measurements of financial instruments (continued)

- (i) Fair value of the Group's financial assets that are measured at fair value on a recurring basis (continued)

Fair value hierarchy as at 31 December 2019 and 2018:

2019

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets	金融資產				
Financial assets at FVTPL	按公允價值計入損益之金融資產	91,029	—	8,196	99,225
Debt instruments at FVTOCI	按公允價值計入其他全面收益之債務工具	1,724	—	—	1,724
Total	總計	92,753	—	8,196	100,949

2018

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets	金融資產				
Financial assets at FVTPL	按公允價值計入損益之金融資產	76,805	—	18,061	94,866
Debt instruments at FVTOCI	按公允價值計入其他全面收益之債務工具	11,066	—	—	11,066
Total	總計	87,871	—	18,061	105,932

23. 金融工具(續)

(c) 金融工具之公允價值計量(續)

- (i) 以經常基準按公允價值計量之本集團金融資產之公允價值(續)

於二零一九年及二零一八年十二月三十一日之公允價值層級：

二零一九年

二零一八年

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23. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value measurements of financial instruments (continued)

- (i) Fair value of the Group's financial assets that are measured at fair value on a recurring basis (continued)

Reconciliation of Level 3 fair value measurements of financial assets:

23. 金融工具(續)

(c) 金融工具之公允值計量(續)

- (i) 以經常基準按公允值計量之本集團金融資產之公允值(續)

金融資產第三級按公允值計量之對賬：

		Financial assets at FVTPL 按公允值計入 損益之金融資產
		HK\$'000 千港元
As at 1 January 2018	於二零一八年一月一日	289
Purchase	購買	16,000
Fair value change (note i)	公允值變動(附註i)	1,800
Exchange loss	匯兌損失	(28)
As at 31 December 2018	於二零一八年十二月三十一日	18,061
Disposal	出售	(7)
Purchase	購買	8,000
Fair value change (note i)	公允值變動(附註i)	35,904
Transfer out of Level 3 (note ii)	第三級轉出(附註ii)	(53,760)
Exchange loss	匯兌損失	(2)
As at 31 December 2019	於二零一九年十二月三十一日	8,196

23. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value measurements of financial instruments (continued)

(i) Fair value of the Group's financial assets that are measured at fair value on a recurring basis (continued)

Reconciliation of Level 3 fair value measurements of financial assets: (continued)

Notes:

- (i) For the year ended 31 December 2019, the total fair value for the period included, (a) a gain of HK\$38,060,000 (2018: gain of HK\$3,000,000) relates to an unlisted equity security transferred out of Level 3 fair value hierarchy; (b) a loss of HK\$2,100,000 (2018: loss of HK\$1,200,000) relates to derivatives of an unlisted equity investment upon derecognition; and (c) a gain of HK\$8,000 (2018: Nil) relates to a listed equity in Australia and (d) a loss of HK\$64,000 (2018: Nil) relates to unlisted equity-linked notes, respectively, held at the end of the current reporting period. Fair value change on these financial instruments are included in 'net fair value change on financial assets at FVTPL'.

23. 金融工具(續)

(c) 金融工具之公允值計量(續)

(i) 以經常基準按公允值計量之本集團金融資產之公允值(續)

金融資產第三級按公允值計量之對賬：(續)

附註：

- (i) 截至二零一九年十二月三十一日止年度，當期公允值總額包括(a)第三級公允值層級轉出的非上市股本證券有關之收益38,060,000港元(二零一八年：收益3,000,000港元)；(b)與取消確認後非上市股本投資之衍生工具有關之虧損2,100,000港元(二零一八年：虧損1,200,000港元)；及(c)與澳洲上市股本有關之收益8,000港元(二零一八年：無)及(d)與當前報告期末分別持有的非上市股票掛鈎票據有關之虧損64,000港元(二零一八年：無)。該等金融工具的公允價值變動計入「按公允值計入損益的金融資產公允值變動淨額」一項內。

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23. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value measurements of financial instruments (continued)

- (i) Fair value of the Group's financial assets that are measured at fair value on a recurring basis (continued)

Reconciliation of Level 3 fair value measurements of financial assets: (continued)

Notes: (continued)

- (ii) During the year ended 31 December 2019, the financial assets at FVTPL were transferred from Level 3 to Level 1 of the fair value hierarchy upon the listing of the related assets on the Stock Exchange and the fair value of the listed shares are thereafter determined based on the quoted bid prices on the Stock Exchange. Details of the financial assets are disclosed in note 16.

During the year ended 31 December 2018, there were no transfers between levels of the fair value hierarchy.

23. 金融工具(續)

(c) 金融工具之公允值計量(續)

- (i) 以經常基準按公允值計量之本集團金融資產之公允值(續)

金融資產第三級按公允值計量之對賬：(續)

附註：(續)

- (ii) 截至二零一九年十二月三十一日止年度，按公允值計入損益的金融資產於相關資產在聯交所上市後由公允值層級的第三級轉撥至第一級，上市股份的公允值隨後根據聯交所的報價釐定。金融資產詳情於附註16內披露。

截至二零一八年十二月三十一日止年度，公允值層級之間並無轉撥。

23. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value measurements of financial instruments (continued)

- (ii) Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis

The directors of the Company consider that the carrying amounts of other financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values. The fair values of these financial assets and liabilities have been determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

23. 金融工具(續)

(c) 金融工具之公允值計量(續)

- (ii) 並非以經常基準按公允值計量之本集團金融資產及金融負債之公允值

本公司董事認為於綜合財務報表按攤銷成本記錄的其他金融資產及金融負債的賬面值與其公允值相若。該等金融資產及負債的公允值乃根據公認定價模式按照貼現現金流量分析釐定。

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24. 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 the future cash flows will be, classified in the Group's consolidated statements of cash flows from financing activities.

24. 融資活動之負債對賬

下表詳列本集團融資活動之負債變動詳情，包括現金及非現金變動。融資活動產生之負債乃指其現金流量或未來現金流量於本集團綜合現金流量表中分類為融資活動現金流量之負債。

		Secured bank loan 有抵押 銀行貸款 HK\$'000 千港元	Obligation under a finance lease 融資租賃 承擔 HK\$'000 千港元	Total from financing activities 融資活動 產生之總額 HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	3,610	2,600	6,210
Financing cash flows	融資現金流量	(557)	(2,637)	(3,194)
Interest expense	利息開支	85	37	122
At 31 December 2018	於二零一八年 十二月三十一日	3,138	—	3,138
Financing cash flows	融資現金流量	(558)	—	(558)
Interest expense	利息開支	76	—	76
At 31 December 2019	於二零一九年 十二月三十一日	2,656	—	2,656

25. CAPITAL RISK MANAGEMENT

Regarding capital risk management, the Group's objectives are to safeguard the ability to continue as a going concern in order to provide returns for stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The overall strategy remains unchanged from prior years.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as debt divided by total equity. Debt is calculated as "borrowing" (representing secured bank loan as shown in the consolidated statement of financial position). Total capital is calculated as "total equity", as shown in the consolidated statement of financial position. The gearing ratios as at 31 December 2019 and 2018 were as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Borrowing	借貸	2,656	3,138
Total equity	權益總額	128,862	142,041
Gearing ratio	資本負債比率	0.02	0.02

25. 資本風險管理

本集團之資本風險管理目標是保障持續經營能力，以為相關人士帶來回報，並維持最佳資本結構以減低資金成本。整體策略與過往年度維持不變。

為維持或調整資本結構，本集團可能會調整派付予股東之股息金額、向股東發還之資金、發行新股份或出售資產，以減少債務。

與行業內其他公司一致，本集團根據資本負債比率監察資本。此比率按照債務除以權益總額計算。債務按「借貸」計算（指綜合財務狀況報表所示有抵押銀行貸款）。資本總額按綜合財務狀況報表所示「權益總額」計算。於二零一九年及二零一八年十二月三十一日之資本負債比率如下：

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26. RETIREMENT BENEFIT OBLIGATION

The Group operates a Mandatory Provident Fund scheme for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of relevant payroll costs to the scheme, which contribution is matched by employees, subject to a cap of monthly relevant income of HK\$36,000 (2018: HK\$36,000).

The employees of the Group's subsidiary in the PRC are members of a state-managed retirement benefit scheme operated by the PRC government. The subsidiary is required to contribute certain payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

The total cost charged to consolidated statement of profit or loss of HK\$347,000 (2018: HK\$278,000) represents contributions payable to these schemes by the Group in respect of the current accounting year.

26. 退休福利責任

本集團為所有合資格香港僱員經營強制性公積金計劃。計劃資產與本集團資產分開持有，由信託人以基金形式管理。本集團就有關薪資成本向計劃作出5%供款，僱員亦須按相同比例作出供款，有關每月收入上限為36,000港元(二零一八年：36,000港元)。

本集團中國附屬公司的僱員為中國政府運作的國家管理退休福利計劃。附屬公司須向退休福利計劃繳付若干工資成本以為有關福利提供資金。本集團就退休福利計劃的唯一責任是作出指定供款。

自綜合損益表扣除之總成本347,000港元(二零一八年：278,000港元)指本集團就本會計年度向該等計劃應付之供款。

27. SIGNIFICANT RELATED PARTY TRANSACTIONS

The following significant transactions were carried out with related parties:

27. 重大關連人士交易

曾與關連人士進行以下重大交易：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Investment management fee paid and payable to Silverstone Investments Limited (note 1)	已付及應付銀石投資有限公司的投資管理費(附註1)	600	600
Food and beverage expenses paid to Excel Summit Holdings Limited ("Excel Summit") (note 2)	已付俊昇集團有限公司(「俊昇」)的餐飲開支(附註2)	34	171
Commission expenses paid to Topper Dragon Securities Limited ("Topper Dragon") (note 3)	已付龍匯證券有限公司(「龍匯」)的佣金開支(附註3)	178	168
Interest income received and receivable from Superb Kingdom Limited, an associate of the Group	已收或應收本集團聯營公司超君有限公司的利息收入	—	73

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27. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

Notes:

1. Pursuant to Rule 14A.08 of the Listing Rules, any investment manager, investment adviser or custodian (or any connected person thereof) is regarded as a connected person. Such person is also regarded as key management personnel in accordance with HKAS 24.
2. In 2019, Mr. Wong Ying Pang, Simy, son-in-law of Dr. Lam Man Chan ("Dr. Lam"), the Chairman and Non-executive Director of the Company, disposed all his shareholding and resigned as a director of Excel Summit. Up to the date of disposal, the food and beverage expenses paid to Excel Summit were about HK\$34,000.
3. Ms. Lam Mee Yee, daughter of Dr. Lam is the controlling shareholder and sole director of Topper Dragon.

27. 重大關連人士交易(續)

附註：

1. 根據上市規則第14A.08條，任何投資經理、投資顧問或託管商(或其任何關連人士)，均被視作關連人士。根據香港會計準則第24號，該名人士亦被視為主要管理人員。
2. 於二零一九年，黃英鵬先生(本公司主席兼非執行董事林文燦博士(「林博士」)的女婿)出售其於俊昇的全部股權並辭任俊昇董事職務。直至出售日期，已向俊昇支付餐飲開支約34,000港元。
3. 林博士的女兒林美儀女士為龍匯的控股股東及唯一董事。

28. SHARE OPTION SCHEME

The Company's Share Option Scheme (the "Scheme") was adopted pursuant to a resolution passed on 31 July 2012 for the primary purpose of providing incentives to directors of the Company and eligible participants (as defined in the Scheme), and will expire on 30 July 2022. Under the Scheme, the Board may grant options to directors of the Company (including Non-executive Directors and Independent Non-executive Directors) and its eligible participants to subscribe for shares in the Company.

The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time without prior approval from the Company's shareholders. The number of shares in respect of which options may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Options granted to substantial shareholders or Independent Non-executive Directors in excess of 0.1% of the Company's share capital or with a value in excess of HK\$5 million must be approved in advance by the Company's shareholders.

28. 購股權計劃

本公司的購股權計劃(「該計劃」)乃根據於二零一二年七月三十一日通過之決議案而採納，主要目的為獎勵本公司董事及合資格參與者(定義見該計劃)，該計劃將於二零二二年七月三十日屆滿。根據該計劃，董事會可向本公司董事(包括非執行董事及獨立非執行董事)及其合資格參與者授出可認購本公司股份之購股權。

在未經本公司股東事先批准前，根據該計劃可能授出之購股權所涉及股份總數，不得超過本公司任何時間已發行股份10%。在未經本公司股東事先批准前，於任何年度向任何個別人士可能授出購股權涉及之股份數目，不得超過本公司任何時間已發行股份1%。倘向主要股東或獨立非執行董事授出超過本公司股本0.1%或價值超過5,000,000港元的購股權，須事先獲本公司股東批准。

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28. SHARE OPTION SCHEME (CONTINUED)

Options granted must be taken up on or before the relevant acceptance date, upon payment of HK\$1.00 for the options granted. Options may be exercised at any time from the date of grant of the share option to a period to be notified by the Board to each grantee at the time of making such offer, which shall not expire later than 10 years from the date of grant. The exercise price is determined by the Board at its absolute discretion and will not be less than the higher of (a) the closing price of the shares of the Company as stated in the daily quotations sheets issued by the Stock Exchange on the date of grant; (b) the average closing price of the shares of the Company as stated in the daily quotations sheets issued by the Stock Exchange for the 5 business days immediately preceding the date of grant; and (c) the nominal value of a share of the Company on the date of grant.

On 29 November 2018, the Company granted share options under the Scheme to certain directors and employees of the Company, which entitle them to subscribe for a total of 7,800,000 ordinary shares at HK\$0.241 per share, upon payment of HK\$1 per grant. No vesting period is accompanied with these newly granted options.

On 16 September 2019, the Company granted share options under the Scheme to certain directors and employees of the Company, which entitle them to subscribe for a total of 7,800,000 ordinary shares at HK\$0.137 per share, upon payment of HK\$1 per grant. No vesting period is accompanied with these newly granted options.

28. 購股權計劃(續)

所授出購股權必須於有關接納日期或之前接納，接納時須就獲授購股權支付1.00港元的款項。購股權可由授出日期起至董事會提出該項要約時知會各承授人的期間內隨時行使，到期日須於授出日期起計十年內。行使價由董事會全權酌情釐定，及將不得低於以下較高者：(a)本公司股份於授出日期在聯交所發佈的每日報價表所報收市價；(b)本公司股份於緊接授出日期前五個營業日在聯交所發佈的每日報價表所報平均收市價；及(c)本公司股份於授出日期的面值。

於二零一八年十一月二十九日，本公司根據該計劃向本公司若干董事及僱員授出購股權，有關購股權賦予彼等權利在每次授出支付1港元後按每股0.241港元之價格認購合共7,800,000股普通股。此等新授出之購股權並無歸屬期之規定。

於二零一九年九月十六日，本公司根據該計劃向本公司若干董事及僱員授出購股權，有關購股權賦予彼等權利在每次授出支付1港元後按每股0.137港元之價格認購合共7,800,000股普通股。此等新授出之購股權並無歸屬期之規定。

28. SHARE OPTION SCHEME (CONTINUED)

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

For the year ended 31 December 2019

Date of grant	Exercise period	Exercised price after adjustment for open offer and share consolidation 就公開發售及股份合併調整後之行使價	As at	Granted	Exercised	Lapsed	Cancelled	As at
			1 January 2019	during the year	during the year	during the year	during the year	31 December 2019
授出日期	行使期	行使價	於 二零一九年 一月一日	於 年內授出	於 年內行使	於 年內失效	於 年內註銷	於 二零一九年 十二月三十一日
11 July 2016	11 July 2016 to 10 July 2019	HK\$0.475	7,300,000	—	—	(7,300,000)	—	—
二零一六年七月十一日	二零一六年七月十一日至二零一九年七月十日	0.475港元						
29 November 2018	29 November 2018 to 28 November 2021	HK\$0.241	7,800,000	—	—	—	—	7,800,000
二零一八年十一月二十九日	二零一八年十一月二十九日至二零二一年十一月二十八日	0.241港元						
16 September 2019	16 September 2019 to 31 July 2022	HK\$0.137	—	7,800,000	—	—	—	7,800,000
二零一九年九月十六日	二零一九年九月十六日至二零二二年七月三十一日	0.137港元						
			15,100,000	7,800,000	—	(7,300,000)	—	15,600,000
Weighted average exercise price			HK\$0.354	HK\$0.137	N/A	HK\$0.475	N/A	HK\$0.189
加權平均行使價			0.354港元	0.137港元	不適用	0.475港元	不適用	0.189港元

28. 購股權計劃(續)

尚未行使購股權數目及其相關加權平均行使價之變動如下：

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28. SHARE OPTION SCHEME (CONTINUED)

For the year ended 31 December 2018

Date of grant	Exercise period	Exercised price after adjustment for open offer and share consolidation 就公開發售 及股份合併 調整後之 行使價	As at 1 January 2018 於 二零一八年 一月一日	Granted during the year 於年內授出	Exercised during the year 於年內行使	Lapsed during the year 於年內失效	Cancelled during the year 於年內註銷	As at 31 December 2018 於 二零一八年 十二月三十一日
28 August 2015 二零一五年八月二十八日	28 August 2015 to 27 August 2018 二零一五年八月二十八日至 二零一八年八月二十七日	HK\$0.431 0.431港元	7,800,000	—	—	(7,800,000)	—	—
11 July 2016 二零一六年七月十一日	11 July 2016 to 10 July 2019 二零一六年七月十一日至 二零一九年七月十日	HK\$0.475 0.475港元	7,300,000	—	—	—	—	7,300,000
29 November 2018 二零一八年十一月二十九日	29 November 2018 to 28 November 2021 二零一八年十一月二十九日至 二零二一年十一月二十八日	HK\$0.241 0.241港元	—	7,800,000	—	—	—	7,800,000
			15,100,000	7,800,000	—	(7,800,000)	—	15,100,000
Weighted average exercise price 加權平均行使價			HK\$0.452 0.452港元	HK\$0.241 0.241港元	N/A 不適用	HK\$0.431 0.431港元	N/A 不適用	HK\$0.354 0.354港元

28. 購股權計劃(續)

截至二零一八年十二月三十一日止
年度

28. SHARE OPTION SCHEME (CONTINUED)

During the year ended 31 December 2019, number of 7,800,000 share option had been granted. The estimated fair value of the share options granted in 2019 was approximately HK\$429,000. Total consideration received during the year from directors of the Company for taking up the shares options granted amounted to HK\$4. The fair value was calculated using the Trinomial Model, taking into account the terms and condition upon which the options were granted.

The significant assumptions and inputs used in the valuation model are as follows:

28. 購股權計劃(續)

截至二零一九年十二月三十一日止年度，本集團已授出7,800,000份購股權。於二零一九年已授出購股權之估計公允值約為429,000港元。年內自本公司董事接納獲授購股權已收之總代價為4港元。公允值於計及授出購股權之條款及條件後，按三項式模式計算。

於估值模式採用之主要假設及輸入資料如下：

As at
16 September
2019
於二零一九年
九月十六日

Fair value at measurement date	於計量日期之公允值	0.055
Share price	股價	0.128
Exercise price	行使價	0.137
Expected volatility	預期波幅	75.691%
Risk-free interest rate	無風險利率	1.529%
Expected dividend yield	預期股息回報	—
Expected option life	預期購股權年期	3 years 3年

During the year ended 31 December 2018, number of 7,800,000 share option had been granted. The estimated fair value of the share options granted in 2018 was approximately HK\$858,000. Total consideration received during the year from directors of the Company for taking up the shares options granted amounted to HK\$4. The fair value was calculated using the Trinomial Model, taking into account the terms and condition upon which the options were granted.

截至二零一八年十二月三十一日止年度，本集團已授出7,800,000份購股權。於二零一八年已授出購股權之估計公允值約為858,000港元。年內自本公司董事接納獲授購股權已收之總代價為4港元。公允值於計及授出購股權之條款及條件後，按三項式模式計算。

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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. SHARE OPTION SCHEME (CONTINUED)

The significant assumptions and inputs used in the valuation model are as follows:

28. 購股權計劃(續)

於估值模式採用之主要假設及輸入資料如下：

		As at 29 November 2018 於二零一八年 十一月二十九日
Fair value at measurement date	於計量日期之公允值	0.110
Share price	股價	0.240
Exercise price	行使價	0.241
Expected volatility	預期波幅	77.80%
Risk-free interest rate	無風險利率	2.23%
Expected dividend yield	預期股息回報	—
Expected option life	預期購股權年期	3 years 3年

The expected volatility is based on the historical volatility (calculated based on the expected life of the share options), adjusted for any expected changes to future volatility due to public available information. Expected dividends are based on historical dividends. Changes in subjective input assumption could materially affect the fair value estimate. Share options were granted under a service condition. This condition has not been taken into account in the grant date fair value measurement of the services received. There was no market conditions associated with the share option grants.

預期波幅是基於歷史波幅(根據購股權的預期期限計算), 並以任何由於公開可利用資料產生之未來波幅的預期變動予以調整。預期股息乃基於歷史股息。主觀輸入假設的改變可在很大程度上影響公允值的估值。購股權根據服務條件授出。所收取服務於授出日期之公允值的計算未將該條件計入考量。並無任何市場條件與購股權授出相關。

29. OPERATING LEASES

29. 經營租賃

2018
二零一八年
HK\$'000
千港元

The Group as lessee

Minimum lease payments paid under operating leases during the year

本集團為承租人

年內經營租賃下已付最低租賃付款

292

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

於報告期末，本集團根據不可撤銷經營租約的日後最低租賃付款承擔到期情況如下：

Within one year

於一年內

230

In the second to fifth year inclusive

第二至第五年(包括首尾兩年)

51

281

Operating lease payments represented rentals payable by the Group for certain of its office premises with average lease term of two years.

經營租賃付款指本集團就其平均租期為兩年的若干辦公場所應付的租金。

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30. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

(a) Statement of financial position

30. 本公司之財務狀況報表及儲備變動

(a) 財務狀況報表

		At 31 December 2019 於二零一九年 十二月三十一日 HK\$'000 千港元	At 31 December 2018 於二零一八年 十二月三十一日 HK\$'000 千港元
Non-current assets	非流動資產		
Property and equipment	物業及設備	55	80
Interests in subsidiaries	於附屬公司之權益	13,799	29,391
Intangible asset	無形資產	120	120
Debt instruments at FVTOCI	按公允值計入其他 全面收益之債務 工具	1,724	5,018
Financial assets at FVTPL	按公允值計入損益 之金融資產	44,266	28,041
		59,964	62,650
Current assets	流動資產		
Financial assets at FVTPL	按公允值計入損益 之金融資產	27,864	44,582
Other receivables and deposits and prepayments	其他應收款項及按 金及預付款項	2,019	2,712
Cash and bank balances	現金及銀行結餘	18,577	6,085
		48,460	53,379
Current liability	流動負債		
Accruals	應計費用	7,715	6,323
Net current assets	流動資產淨值	40,745	47,056
Total assets less current liabilities	資產總值減流動負債	100,709	109,706
Net assets	資產淨值	100,709	109,706
Share and reserves	股份及儲備		
Share capital	股本	94,282	65,512
Reserves	儲備	6,427	44,194
Total equity	權益總額	100,709	109,706

The application of new and amendments to HKFRSs in the current year had no material impact on the Company's financial positions and performance for the current and prior year.

於本年度應用新訂及經修訂香港財務報告準則並無對本公司本年度及過往年度的財務狀況及表現造成重大影響。

30. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (CONTINUED)

(b) Reserve movement of the Company

		Share premium	Contributed surplus (note)	Share-based payments reserve	FVTOCI reserve 按公允價值計入其他全面收益之儲備	Accumulated losses	Total
		股份溢價 HK\$'000 千港元	繳入盈餘 (附註) HK\$'000 千港元	股份付款 儲備 HK\$'000 千港元	計入其他全面 收益之儲備 HK\$'000 千港元	累計虧損 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 January 2018	於二零一八年一月一日	65,092	225,806	2,499	571	(161,221)	132,747
Loss for the year	年度虧損	—	—	—	—	(92,093)	(92,093)
Other comprehensive expense	其他全面開支	—	—	—	(712)	—	(712)
Total comprehensive expense for the year	年度全面開支總額	—	—	—	(712)	(92,093)	(92,805)
Proceeds from placing of new shares	配售新股份之所得款項	3,821	—	—	—	—	3,821
Issuing expenses of placing of new shares	配售新股份之發行開支	(427)	—	—	—	—	(427)
Recognition of share-based payments	確認以股份付款	—	—	858	—	—	858
Lapse of share options	購股權失效	—	—	(1,185)	—	1,185	—
At 31 December 2018	於二零一八年十二月三十一日	68,486	225,806	2,172	(141)	(252,129)	44,194
Loss for the year	年度虧損	—	—	—	—	(45,314)	(45,314)
Other comprehensive income	其他全面收益	—	—	—	188	—	188
Total comprehensive income (expense) for the year	年度全面收益(開支)總額	—	—	—	188	(45,314)	(45,126)
Proceeds from placing of new shares	配售新股份之所得款項	7,979	—	—	—	—	7,979
Issuing expenses of placing of new shares	配售新股份之發行開支	(1,049)	—	—	—	—	(1,049)
Recognition of share-based payments	確認以股份付款	—	—	429	—	—	429
Lapse of share options	購股權失效	—	—	(1,314)	—	1,314	—
At 31 December 2019	於二零一九年十二月三十一日	75,416	225,806	1,287	47	(296,129)	6,427

Note: Contributed surplus represents amount transferred from the share premium account upon its reduction in 2015. Further details were set out in the circular of the Company dated 30 September 2015.

附註：繳入盈餘指於二零一五年削減股份溢價賬時，自其轉撥的金額。進一步詳情載於本公司日期為二零一五年九月三十日之通函。

30. 本公司之財務狀況報表及儲備變動(續)

(b) 本公司之儲備變動

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

31. PARTICULARS OF SIGNIFICANT SUBSIDIARIES

Particulars of the significant subsidiaries of the Company as at 31 December 2019 and 2018 were as follows:

31. 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，本公司主要附屬公司之詳情載列如下：

Name of company 公司名稱	Place of incorporation 註冊成立地點	Nominal value of issued ordinary share capital/registered paid-up capital 已發行普通股股本面值／註冊繳足資本	Percentage of equity attributable to the Company 本公司應佔權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Greater Sino Venture Limited 英屬處女群島	British Virgin Islands 英屬處女群島	US\$100 100美元	100%	—	Investment holding 投資控股
New Spark International Limited 新星輝國際有限公司	Hong Kong 香港	HK\$1 1港元	100%	—	Investment holding 投資控股
Nicefield Asia Limited 力輝亞洲有限公司	Hong Kong 香港	HK\$1 1港元	—	100%	Asset holding 持有資產

32. PLEDGE OF ASSETS

At 31 December 2019, the office premise with a carrying amount of approximately HK\$10,385,000 (2018: approximately HK\$10,915,000) was pledged for an instalment loan.

33. NET ASSET VALUE PER SHARE

The calculation of the net asset value per share at the end of the reporting period is based on the net assets of approximately HK\$128,862,000 (2018: HK\$142,041,000) and approximately 942,822,000 (2018: 655,122,000) ordinary shares of HK\$0.10 each in issue at 31 December 2019. The net asset value per share as at 31 December 2019 was HK\$0.14 (2018: HK\$0.22).

34. DIVIDEND

The board of directors does not recommend the payment of a final dividend for the year ended 31 December 2019 (2018: nil).

32. 資產抵押

於二零一九年十二月三十一日，賬面值約為10,385,000港元(二零一八年：約10,915,000港元)之辦公室物業已就一筆分期貸款而抵押。

33. 每股資產淨值

於報告期末之每股資產淨值乃根據於二零一九年十二月三十一日之資產淨值約128,862,000港元(二零一八年：142,041,000港元)及約942,822,000股(二零一八年：655,122,000股)每股面值0.10港元之已發行普通股計算。於二零一九年十二月三十一日之每股資產淨值為0.14港元(二零一八年：0.22港元)。

34. 股息

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

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35. EVENTS AFTER THE REPORTING PERIOD

The potential impact of the novel coronavirus, or known as the COVID-19, on the global economy is tremendous but still uncertain. Concerns about the impact from COVID-19 heighten and these weigh on the corporate earnings and the global economic outlook.

In the preparation of the Group's consolidated financial statements, majority of the Group's financial assets are measured at fair value. In the first quarter of 2020, the fair values of the Group's financial assets have been subject to significant downward fluctuations.

The negative effect resulting from COVID-19 is largely dependent on the situation and duration of the epidemic development. Future adverse changes in economic conditions would negatively affect the Group's financial position and performance, and the financial effects will be reflected in the Group's future financial statements when the Group remeasures the fair value of its financial assets. The Group will continue to monitor the development and volatile market condition.

36. APPROVAL FOR CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the board of directors on 23 March 2020.

35. 報告期後事項

新型冠狀病毒疫情(或COVID-19疫情)對全球經濟造成嚴重但仍存在不確定的潛在影響。對COVID-19疫情影響的擔憂加劇將會對公司盈利及全球經濟前景造成重大影響。

於編製本集團綜合財務報表時，本集團的大部分金融資產均按公允值計量。於二零二零年第一季度，本集團金融資產的公允值遭遇大幅下調波動。

COVID-19疫情產生的負面影響主要取決於疫情的發展情況及持續時間。經濟狀況的未來不利變動將對本集團的財務狀況及表現產生不利影響，而財務影響將於本集團重新計量其金融資產的公允值時反映在本集團的未來財務報表內。本集團將持續監察其發展及市況波動情況。

36. 批准綜合財務報表

綜合財務報表乃經董事會於二零二零年三月二十三日批准及授權刊發。

FIVE YEAR FINANCIAL SUMMARY

五年財務概要

Summary of the results, assets and liabilities of the Group for the last five years is as follows:

本集團於過去五年內之業績、資產及負債概要如下：

		For the year ended 31 December 截至十二月三十一日止年度				
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Results	業績					
Loss before income tax	除所得稅前虧損	(49,958)	(53,840)	(45,339)	(74,015)	(47,986)
Income tax expenses	所得稅開支	—	—	—	—	—
Loss for the year attributable to owners of the Company	本公司擁有人應佔年內虧損	(49,958)	(53,840)	(45,339)	(74,015)	(47,986)

		At 31 December 於十二月三十一日				
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Assets and liabilities	資產及負債					
Total assets	資產總值	139,575	152,081	194,322	218,134	255,704
Total liabilities	負債總額	(10,713)	(10,040)	(12,247)	(14,117)	(23,404)
Total equity	權益總額	128,862	142,041	182,075	204,017	232,300



*Our pre-IPO Investment
made in 2018 went public in October 2019.*

我們於二零一八年進行的
**首次公開
發售前投資**
於二零一九年十月上市。

China Oriented International Holdings Limited is a provider of driving training services in China.

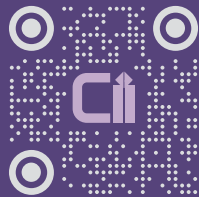
向中國國際有限公司是一家於中國的駕駛培訓服務供應商。



Chairman of China Oriented International Holdings Limited ("China Oriented"), Mr. Qi Xiangzhong, our CEO, Dr. Yeung Cheuk Kwong, Ms. Zhao Yuxia, executive director of China Oriented at the listing ceremony.

向中國國際控股有限公司(「向中」)的主席冼向中先生、我們的行政總裁楊卓光博士與向中的執行董事趙玉霞女士於上市儀式。





www.hk0810.com.hk/en/

CHINA INTERNET INVESTMENT FINANCE HOLDINGS LIMITED
中國互聯網投資金融集團有限公司

(Continued into Bermuda with limited liability)

(於百慕達存續之有限公司)

(Stock Code 股份代號 : 810)

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