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TO THE SHAREHOLDERS OF CHINESE ESTATES HOLDINGS LIMITED
(incorporated in Bermuda with limited liability)

致 CHINESE ESTATES HOLDINGS LIMITED 股東
(於百慕達註冊成立之有限公司)

OPINION

We have audited the consolidated financial statements of Chinese Estates Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 97 to 257, which comprise the consolidated statement of financial position as at 31 December 2019, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

意見

吾等已審核第97頁至257頁所載Chinese Estates Holdings Limited (「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表。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、截至該日止年度之綜合全面收益報表、綜合股本權益變動表及綜合現金流量表,以及綜合財務報表附註,其中包括主要會計政策概要。

吾等認為,根據香港會計師公會(「香港會計師公會」)頒布之香港財務報告準則(「香港財務報告準則」),綜合財務報表真實且公平地反映貴集團於二零一九年十二月三十一日之綜合財務狀況以及貴集團截至該日止年度之綜合財務表現及綜合現金流量,並已按照香港公司條例之披露要求妥為編製。

意見之基礎

吾等已根據香港會計師公會頒布之香港審計準則(「香港審計準則」)進行審計工作。吾等在該等準則下承擔之責任已在本報告「核數師就審計綜合財務報表承擔之責任」部分中作進一步闡述。根據香港會計師公會頒布之專業會計師道德守則(「守則」),吾等獨立於貴集團,並已履行守則中之其他專業道德責任。吾等相信,就提出審計意見而言,吾等所獲審計憑證屬充分及恰當。

關鍵審計事項

關鍵審計事項乃根據吾等之專業判斷,對本期綜合財務報表之審計最為重要之事項。該等事項乃於吾等審計整體綜合財務報表及提出意見時進行處理,吾等不會對該等事項提供單獨意見。

KEY AUDIT MATTERS (Cont'd)

關鍵審計事項 (續)

Key audit matter	How our audit addressed the key audit matter	關鍵審計事項	審計中如何處理 關鍵審計事項
<p>Preparation of the consolidated financial statements on a going concern basis</p> <p>Refer to Note 3 to the consolidation financial statements</p> <p>The Group had net operating cash outflows of approximately HK\$838,424,000 for the year ended 31 December 2019, and as of that date, the Group's current liabilities exceeded its current assets by approximately HK\$1,138,575,000.</p> <p>To support the going concern basis in preparing the consolidated financial statements, management of the Group has prepared a cash flow projections of the Group covering a period of not less than twelve months from 31 December 2019 and concluded that there would be sufficient funds from the Group's existing cash resources, available facilities from banks and a director and cash flows to be generated from its operations to finance its future operations and enable it to meet its financial obligations as and when they fall due in the next twelve months from 31 December 2019.</p> <p>The cash flow projections involved key assumptions such as revenue growth, gross profit margin, planned capital expenditures, and availability of facilities to the Group.</p>	<p>Our procedures in relation to the preparation of the consolidated financial statements on a going concern basis included, but were not limited to:</p> <ul style="list-style-type: none"> assessing the appropriateness of the key assumptions in the cash flow projections, including revenue growth, gross profit margin and planned capital expenditures by referencing to actual historical performance of the Group and making reference to the Group's future development plan, and testing the mathematical accuracy of the projections; confirming the cash resources and available facilities from banks and the director as at year end by circularisation of confirmations and assessing the probability of banking facilities renewal during the projection period by examining historical records of renewal pattern, and reviewing management assessment on the present and forecast status of compliance with restrictive loan covenants, where relevant; and 	<p>按持續經營基準編製綜合財務報表</p> <p>請參閱綜合財務報表附註3</p> <p>截至二零一九年十二月三十一日止年度，貴集團之經營現金流出約為838,424,000港元以及於該日貴集團之流動負債超逾其流動資產約1,138,575,000港元。</p> <p>為支持編製綜合財務報表之持續經營基準，貴集團管理層已編製貴集團之現金流量預測，涵蓋自二零一九年十二月三十一日起不少於十二個月之期間，並總結出貴集團利用現有現金資源、可動用銀行信貸額及董事貸款額以及經營業務所產生之現金流量，將有足夠資金支持未來營運並使其可履行自二零一九年十二月三十一日起十二個月內到期之財務責任。</p> <p>該等現金流量預測涉及關鍵假設，如收入增長、毛利率、已計劃之資本開支，以及貴集團信貸額之可動用程度。</p>	<p>吾等就按持續經營基準編製綜合財務報表所採取之程序包括但不限於：</p> <ul style="list-style-type: none"> 參考貴集團之實際過往表現及與貴集團之未來發展計劃對照，評估該等現金流量預測內關鍵假設之恰當性，包括收入增長、毛利率及已計劃之資本開支，以及測試有關預測之計算準確性； 通過取得確認書確認於年底之現金資源以及可動用之銀行信貸額及董事貸款額，並透過審視過往銀行信貸額之續期模式記錄評估於預測期間銀行信貸額續期之可能性，並在相關情況下，亦審閱管理層就現時及預測遵守限制性貸款契諾狀況之評估；及

KEY AUDIT MATTERS (Cont'd)

關鍵審計事項 (續)

Key audit matter	How our audit addressed the key audit matter	關鍵審計事項	審計中如何處理 關鍵審計事項
Preparation of the consolidated financial statements on a going concern basis (Cont'd)	Refer to Note 3 to the consolidation financial statements (Cont'd)	按持續經營基準編製綜合財務報表 (續)	請參閱綜合財務報表附註3 (續)
Our procedures in relation to the preparation of the consolidated financial statements on a going concern basis included, but were not limited to: (Cont'd)	<ul style="list-style-type: none"> - evaluating the sensitivity of the projected available cash by considering downside scenarios through applying reasonably plausible changes to the key assumptions, including revenue growth and gross profit margin. We have also considered the appropriateness of the relevant disclosures. 	吾等就按持續經營基準編製綜合財務報表所採取之程序包括但不限於：(續)	<ul style="list-style-type: none"> - 通過就關鍵假設 (包括收入增長及毛利率) 運用合理可行之變動考慮下行情況，評估該等預測可動用現金之敏感度。吾等亦已考慮相關披露之恰當性。
We found the use of going concern basis of accounting to be supportable by the available evidence.	吾等認為使用持續經營會計基準得到證據支持。		

KEY AUDIT MATTERS (Cont'd)

關鍵審計事項 (續)

Key audit matter	How our audit addressed the key audit matter	關鍵審計事項	審計中如何處理 關鍵審計事項
Valuation of investment properties		投資物業估值	
<i>Refer to Notes 19 and 24 to the consolidated financial statements</i>		<i>請參閱綜合財務報表附註19及24</i>	
<p>Management has estimated the fair value of the Group's investment properties to be approximately HK\$14,759,507,000 as at 31 December 2019 with a net loss on fair value changes for the year ended 31 December 2019 recorded in the consolidated statement of comprehensive income of approximately HK\$742,659,000. Independent external valuations were obtained in respect of all of the portfolio of the Group, also with the investment properties held by its associates and joint venture in order to support management's estimates.</p>	<p>Our procedures in relation to management's valuation of investment properties included, but were not limited to:</p> <ul style="list-style-type: none"> – evaluating the independent external valuers' competence, capabilities and objectivity; – assessing the methodologies used and the appropriateness of the key assumptions and parameters based on our knowledge of the property industry and using our audit valuation experts; and – checking, on sample basis, the accuracy and relevance of the input data used. 	<p>管理層估計，於二零一九年十二月三十一日，貴集團投資物業之公平值約為14,759,507,000港元，於截至二零一九年十二月三十一日止年度之綜合全面收益報表中錄得之公平值變動虧損淨額約為742,659,000港元。貴集團整個組合以及由聯營公司及合資公司持有之投資物業均已取得獨立外部估值，以支持管理層之估計。</p>	<p>吾等就管理層對投資物業估值所採取之程序包括但不限於：</p> <ul style="list-style-type: none"> – 評估獨立外部估值師之資格、能力及客觀性； – 基於吾等對物業行業之認識及安排吾等之審計估值專家，評估所採用之方法、關鍵假設及參數之恰當性；及 – 抽樣檢查所用數據之準確性及適切性。
<p>The valuations are dependent on certain key assumptions that require significant management judgment including reversionary yield and rental income from future reversion leases in light of current market conditions.</p>	<p>We found the key assumptions were supported by the available evidence.</p>	<p>估值取決於若干關鍵假設，管理層須就此作出重大判斷，包括復歸回報率及基於現時市況對未來復歸租約所得租金收入之假設。</p>	<p>吾等認為關鍵假設得到證據支持。</p>

KEY AUDIT MATTERS (Cont'd)

關鍵審計事項 (續)

Key audit matter	How our audit addressed the key audit matter	關鍵審計事項	審計中如何處理 關鍵審計事項
<p>Classification and fair value measurement on financial assets</p> <p>Refer to Notes 5(c), 27 and 28 to the consolidated financial statements</p> <p>As at 31 December 2019, the Group held equity securities with carrying amount of approximately HK\$20,182,543,000 which were irrevocably elected and designated as financial assets measured at fair value through other comprehensive income.</p> <p>As at 31 December 2019, the Group held unlisted equity securities (including limited partnership) and club and corporate debentures with carrying amount of approximately HK\$1,603,891,000 and HK\$62,820,000 respectively. These financial instruments do not have a quoted market price in an active market (the "Unquoted Investments"). They were classified as financial assets measured at fair value through other comprehensive income or financial assets measured at fair value through profit or loss and measured at fair value.</p>	<p>Our procedures over the classification of financial assets and fair value measurement of the Group's portfolio of the Unquoted Investments included, but were not limited to:</p> <ul style="list-style-type: none"> assessing management's evaluation in relation to the classification of financial assets based on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets; reviewing management's memorandum for the classification of financial assets and the irrevocable election to designate investment in equity instruments that would be measured subsequent changes in fair value in other comprehensive income; enquiring the management including fund manager and assessing the methodologies used in fair value measurement and the appropriateness of the key assumptions and parameters based on our knowledge of the investment and using our audit valuation experts; 	<p>金融資產之分類及公平值計量</p> <p>請參閱綜合財務報表附註5(c)、27及28</p> <p>於二零一九年十二月三十一日，貴集團持有股本證券之賬面值約為20,182,543,000港元已作出不可撤回之選擇並被指定為通過其他全面收益以反映公平值計量之金融資產。</p> <p>於二零一九年十二月三十一日，貴集團持有非上市股本證券（包括有限合夥企業）以及會籍及公司債券，彼等之賬面值分別約為1,603,891,000港元以及62,820,000港元。該等金融工具於活躍市場上並無市場報價（「無報價投資」）。無報價投資分類為通過其他全面收益以反映公平值計量之金融資產或通過損益以反映公平值計量之金融資產及按公平值計量。</p>	<p>吾等就金融資產之分類及貴集團無報價投資組合之公平值計量所採取之程序包括但不限於：</p> <ul style="list-style-type: none"> 根據貴集團管理金融資產之業務模式，以及金融資產之合約現金流量特徵，評估管理層對金融資產分類之評價； 審閱管理層就有關金融資產分類及以不可撤回之選擇指定股本工具投資之備忘，該等投資隨後之公平值變動將於其他全面收益計量； 基於吾等對投資項目之認識及安排吾等之審計估值專家，向管理層（包括基金經理）查詢及評估公平值計量之所用方法以及關鍵假設及參數之恰當性；

KEY AUDIT MATTERS (Cont'd)

關鍵審計事項 (續)

Key audit matter	How our audit addressed the key audit matter	關鍵審計事項	審計中如何處理 關鍵審計事項
<p>Classification and fair value measurement on financial assets (Cont'd)</p> <p>Refer to Notes 5(c), 27 and 28 to the consolidated financial statements (Cont'd)</p> <p>The valuation of the Unquoted Investments is complex and requires the application of significant judgment by the management.</p> <p>The Unquoted Investments are valued on a basis considered the most appropriate by the management and independent external valuers, depending on the nature of the underlying business which has been invested in.</p>	<p>Our procedures over the classification of financial assets and fair value measurement of the Group's portfolio of the Unquoted Investments included, but were not limited to: (Cont'd)</p> <ul style="list-style-type: none"> - enquiring the management the assumptions around the sustainability of earnings based on the plans of the investee companies and whether these were achievable; - obtaining management information including budgets and forecasts from the portfolio companies being valued and using these to corroborate the key inputs in the valuation model; - checking, on sample basis, the accuracy and relevance of the input data used such as comparing key underlying financial data inputs to external sources and investee companies' audited financial statements and management information as applicable; - obtaining market second hand prices independently and comparing them to the valuation model; 	<p>金融資產之分類及公平值計量 (續)</p> <p>請參閱綜合財務報表附註5(c)、27及28(續)</p> <p>就無報價投資進行估值乃非常複雜，且要求管理層應用重大判斷。</p> <p>無報價投資視乎投資相關業務之性質，以管理層及獨立外部估值師認為最為適當之基準進行估值。</p>	<p>吾等就金融資產之分類及貴集團無報價投資組合之公平值計量所採取之程序包括但不限於：(續)</p> <ul style="list-style-type: none"> - 基於接受投資公司之計劃，以及計劃能否達成，向管理層查詢有關盈利可持續性之假設； - 索取進行估值之組合公司之管理資料，包括預算及預測，據此證實估值模式中之關鍵數據； - 抽樣檢查所用數據之準確性及適切性，例如比較關鍵相關財務數據與外界資料，以及比較接受投資公司之經審核財務報表與管理資料(如適用)； - 獨立取得市場二手價格，並與估值模式比較；

KEY AUDIT MATTERS (Cont'd)

關鍵審計事項 (續)

Key audit matter	How our audit addressed the key audit matter	關鍵審計事項	審計中如何處理 關鍵審計事項
Classification and fair value measurement on financial assets (Cont'd)		金融資產之分類及公平值計量 (續)	
Refer to Notes 5(c), 27 and 28 to the consolidated financial statements (Cont'd)		請參閱綜合財務報表附註5(c)、27及28(續)	
Our procedures over the classification of financial assets and fair value measurement of the Group's portfolio of the Unquoted Investments included, but were not limited to: (Cont'd)	<ul style="list-style-type: none"> - evaluating the independent external valuers' competence, capabilities and objectivity; and - checking the arithmetical accuracy on the valuation model. 	吾等就金融資產之分類及貴集團無報價投資組合之公平值計量所採取之程序包括但不限於：(續)	<ul style="list-style-type: none"> - 評估獨立外部估值師之資格、能力及客觀性；及 - 檢查估值模式之算術準確性。
We considered management's classification and fair value measurement on financial assets were supported by the available evidence.		吾等認為管理層對金融資產之分類及公平值計量得到證據支持。	

KEY AUDIT MATTERS (Cont'd)

關鍵審計事項 (續)

Key audit matter	How our audit addressed the key audit matter	關鍵審計事項	審計中如何處理 關鍵審計事項
<p>Impairment assessment on goodwill <i>Refer to Notes 4 and 23 to the consolidated financial statements</i></p>		<p>商譽減值評估 <i>請參閱綜合財務報表附註4及23</i></p>	
<p>The Group made full impairment of goodwill in relation to the property leasing business in the United Kingdom. Management performed impairment assessment of goodwill and concluded that an impairment loss on goodwill of approximately HK\$322,938,000 was recognised for the year ended 31 December 2019 in relation to the property leasing business in the United Kingdom. This conclusion was based on value-in-use calculation that required significant management judgment with respect to the discount rate and the underlying cash flows, in particular future gross income and revenue growth and capital expenditure. Independent external valuation was obtained in order to support management's estimates.</p>	<p>Our procedures in relation to management's impairment assessment of goodwill included, but were not limited to:</p> <ul style="list-style-type: none"> - evaluating the independent external valuer's competence, capabilities and objectivity; - assessing the methodologies used and the appropriateness of the key assumptions and parameters based on our knowledge of the relevant industry and using our valuation experts; - checking, on a sample basis, the accuracy and relevance of the input data used. <p>We found the key assumptions made by management for impairment assessment were supported by the available evidence.</p>	<p>貴集團就英國物業租賃業務之商譽作出全數減值。管理層已進行商譽減值評估，並總結出截至二零一九年十二月三十一日止年度就英國物業租賃業務之商譽確認減值虧損約為322,938,000港元。此結論乃基於使用價值計算得出，其需要管理層就貼現率及相關現金流量，特別是就未來收入總額及收入增長以及資本開支作出重大判斷。管理層所作出之估計亦已獲獨立外部估值支持。</p>	<p>吾等就管理層對商譽所進行之減值評估所採取之程序包括但不限於：</p> <ul style="list-style-type: none"> - 評估獨立外部估值師之資格、能力及客觀性； - 基於吾等對相關行業之認識及安排吾等之審計估值專家，評估所採用之方法、關鍵假設及參數之恰當性； - 抽樣檢查所用數據之準確性及適切性。 <p>吾等認為管理層就減值評估所作之關鍵假設得到證據支持。</p>

OTHER INFORMATION IN THE ANNUAL REPORT 年報內之其他信息

The directors are responsible for the other information. The other information comprises all the information included in the Group's 2019 annual report, but does not include the consolidated financial statements and our auditors' report thereon (the "Other Information").

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 the Other Information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The Audit Committee are responsible for overseeing the Group's financial reporting process.

董事須對其他信息負責。其他信息包括 貴集團二零一九年年報內之所有信息，惟不包括綜合財務報表及吾等之核數師報告（「其他信息」）。

吾等對綜合財務報表之意見並不涵蓋其他信息。吾等亦不對該等其他信息發表任何形式之保證結論。

結合吾等對綜合財務報表之審計，吾等之責任乃閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或吾等在審計過程中了解之情況存在重大抵觸或似乎存在重大錯誤陳述之情況。基於吾等已執行之工作，倘吾等認為其他信息出現重大錯誤陳述，吾等需要報告該事實。就此方面而言，吾等並無任何報告。

董事及審核委員會就綜合財務報表須承擔之責任

董事須負責根據香港會計師公會頒布之香港財務報告準則及按照香港公司條例之披露要求編製真實且公平地列報之綜合財務報表，董事須對其認為為使綜合財務報表之編製不存在由於欺詐或錯誤而導致重大錯誤陳述所需的內部監控負責。

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

審核委員會須負責監督 貴集團之財務報告過程。

AUDITORS' 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 auditors' report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 90 of Companies Act 1981 of Bermuda, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional 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.

核數師就審計綜合財務報表承擔之責任

吾等之目標就綜合財務報表整體是否不存在由於欺詐或錯誤而導致之重大錯誤陳述取得合理之保證，並作出包括吾等意見之核數師報告。吾等載於本報告之意見謹按照百慕達一九八一年公司法第90條而僅向閣下編製，並不作其他用途。吾等不會就本報告內容而向任何其他人士負責或承擔責任。合理之保證是高水平之保證，但不能保證按照香港審計準則進行之審計，總能發現某一重大錯誤陳述存在。錯誤陳述可以由欺詐或錯誤引起，倘能合理地預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出之經濟決定，則有關之錯誤陳述可被視作重大。

在根據香港審計準則進行審計之過程中，吾等運用了專業判斷，保持了專業懷疑之態度。吾等亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述之風險，設計及執行審計程序以應對該等風險，以及獲得充足和適當之審計憑證，作為吾等意見之基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部監控之上，因此未能發現因欺詐而導致之重大錯誤陳述之風險高於未能發現因錯誤而導致重大錯誤陳述之風險。
- 了解與審計相關之內部監控，以設計適當之審計程序，但目的並非對貴集團之內部監控之有效性發表意見。
- 評價董事所採用會計政策之恰當性及作出會計估計及相關披露之合理性。

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

As part of an audit in accordance with HKSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also: (Cont'd)

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

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

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

核數師就審計綜合財務報表承擔之責任 (續)

在根據香港審計準則進行審計之過程中，吾等運用了專業判斷，保持了專業懷疑之態度。吾等亦：(續)

- 對董事採用持續經營會計基礎之恰當性作出結論。根據所獲取之審計憑證，確定是否存在與事項或情況有關之重大不確定性，從而可能導致對 貴集團之持續經營能力產生重大疑慮。倘吾等認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中之相關披露，倘有關之披露不足，則吾等應當發表非無保留意見。吾等之結論是基於核數師報告日止所取得之審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價綜合財務報表之整體呈列方式、結構和內容，包括披露，以及綜合財務報表是否公平地反映相關交易及事項。
- 就 貴集團內實體或業務活動之財務信息獲得充足及恰當之審計憑證，以便對綜合財務報表發表意見。吾等負責集團審計之方向、監督及執行。吾等為審計意見承擔全部責任。

除其他事項外，吾等與審核委員會溝通了審計之計劃範圍及時間安排以及重大審計發現等，包括吾等在審計中識別出內部監控之任何重大缺陷。

吾等亦向審核委員會提交聲明，說明吾等已符合有關獨立性之相關道德要求，並與他們溝通有可能合理地被認為會影響吾等獨立性之所有關係和其他事項，以及在適用之情況下，相關之防範措施。

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)

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

The engagement director on the audit resulting in this independent auditors' report is Ng Ka Wah.

HLB Hodgson Impey Cheng Limited

Certified Public Accountants

Ng Ka Wah

Practising Certificate Number: P06417

Hong Kong, 23 March 2020

核數師就審計綜合財務報表承擔之 責任 (續)

從與審核委員會溝通之事項中，吾等確定哪些事項對本期間之本綜合財務報表之審計最為重要，因而構成關鍵審計事項。吾等在核數師報告中描述此等事項，除非法律或法規不允許公開披露此等事項，或在極端罕見之情況下，倘合理預期在吾等報告中溝通某事項造成之負面後果超過產生之公眾利益，吾等決定不應在報告中溝通該事項。

出具本獨立核數師報告之審計項目董事乃吳家華。

國衛會計師事務所有限公司

香港執業會計師

吳家華

執業證書編號：P06417

香港，二零二零年三月二十三日